

Notice of Meeting

THE EXECUTIVE

Tuesday, 16 December 2008 - 5:00 pm
Council Chamber, Civic Centre, Dagenham

Members: Councillor C J Fairbrass MBE (Chair); Councillor L A Smith (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor S Carroll, Councillor H J Collins, Councillor R C Little, Councillor M A McCarthy, Councillor M E McKenzie and Councillor Mrs V Rush

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AGENDA

1. **Apologies for Absence**
2. **Declaration of Members' Interests**

In accordance with the Council's Constitution, Members are asked to declare any personal or prejudicial interest they may have in any matter which is to be considered at this meeting. **Members are reminded that the provisions of paragraph 12.3 of Article 1, Part B in relation to Council Tax arrears apply to the "Calculation and Setting of the Council Tax Base 2009/10" report (item 13).**
3. **Minutes - To confirm as correct the minutes of the meeting held on 18 November 2008 (Pages 1 - 6)**
4. **Improving Partnership Working with NHS Barking and Dagenham (Pages 7 - 26)**
5. **Budget Monitoring Report 2008/09 (Pages 27 - 47)**
6. **Contract for the Provision of Housing Related Support Services to Women Fleeing Domestic Violence (Pages 49 - 55)**
7. **Pre-Tender Report - Framework Agreement for the Supply of Cleaning and Janitorial Materials (Pages 57 - 63)**

- 8. Procurement of Masterplanners for Additional Housing Provision at Marks Gate (Pages 65 - 73)**
- 9. Tender for the Management and Operation of Castle Green Children's Centre (Pages 75 - 81)**
- 10. Tendering of Wellgate Children's Centre Day Nursery (Pages 83 - 88)**
- 11. Extension of Contract for Bailiff Services (Pages 89 - 92)**
- 12. Commissioning Voluntary and Community Sector Organisations 2009 - 2010 (Pages 93 - 105)**
- 13. Calculation and Setting of the Council Tax Base 2009/10 (to follow)**
- 14. Local Land Charges Fees (to follow)**
- 15. Any other public items which the Chair decides are urgent**
- 16. 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 as amended).

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

THE EXECUTIVE

Tuesday, 18 November 2008
(5:00 - 6:30 pm)

Present: Councillor C J Fairbrass MBE (Chair), Councillor L A Smith (Deputy Chair), Councillor J L Alexander, Councillor S Carroll, Councillor H J Collins, Councillor R C Little, Councillor M A McCarthy, Councillor M E McKenzie and Councillor Mrs V Rush

Also Present: Councillor Ms E Carpenter and Councillor J E McDermott

Apologies: Councillor G J Bramley

76. Declaration of Members' Interests

There were no declarations of interest.

77. Minutes - 14 October 2008

Agreed.

78. Debt Write-Offs July - September 2008 (2nd Quarter)

Received and noted a report from the Corporate Director of Customer Services of the value and type of debts written off from the Income, Collection, Rents and Benefits Service areas as uncollectible for quarter 2 of the 2008/09 financial year (July to September 2008).

Further noted that a number of these debts will be publicised in accordance with the policy agreed by Minute 69 2007/08.

79. Conservation Area Appraisals: Abbey and Barking Town Centre and Abbey Road Riverside Conservation Area

Received a report from the Corporate Director of Regeneration concerning proposals in line with the Planning (Listed Buildings and Conservation Areas) Act 1990 to extend the Abbey and Barking Town Centre and Abbey Road Riverside conservation areas to create a more cohesive and rational designation that more adequately protects the special historic and architectural interest and character of the town centre.

Agreed, in order to assist the Council achieve its Community Priorities of "Raising General Pride in the Borough" and "Regenerating the Local Economy" approved the draft Abbey and Barking Town Centre Conservation Area Appraisal and draft Abbey Road Riverside Conservation Area Appraisal for consultation.

80. Pension Fund Annual Report

Received a report from the Corporate Director of Resources which provides an overview of the performance of the pension fund and details of the work carried

out by the Pension Panel for the financial year 2007/08.

Agreed, in order to assist the Council to achieve its Community Priorities and as a matter of good financial practice, to approve the Pension Fund Annual Report 2007/08.

81. Pension Fund Government Compliance Statement

Received a report from the Corporate Director of Resources concerning the Local Government Pension Fund Governance Compliance Statement of the London Borough of Barking and Dagenham Pension Scheme for 2008/09.

The main purpose of the Governance Compliance Statement is :

- To meet the regulatory requirement that requires the administering authority to prepare and publish a Governance Compliance Statement.
- To detail the extent to which the authority delegates its functions.
- To detail the extent to which the Pension Fund complies against the Department for Communities and Local Government principles as set out in Appendix A.

Agreed, in order to assist the Council to achieve its Community Priorities and as a matter of good financial practice, to approve the Governance Compliance Statement.

82. Draft Local List of Buildings of Special Architectural or Historic Interest in the London Borough of Barking and Dagenham

As a result of the Heritage Bill intending to introduce a duty for English Heritage to create and maintain a Historic Environment Record for Greater London, received a report from the Corporate Director of Regeneration detailing buildings within the borough which are of local historical or architectural interest and important in defining the character of the borough's built environment.

Agreed in order to assist the Council to achieve its Community Priorities of "Raising General Pride in the Borough" and "Regenerating the Local Economy" to approve for consultation the draft Local List of Buildings of Special Architectural or Historic Interest in the Borough and authorising the Corporate Director of Regeneration to make any necessary non-material changes.

83. Highway Reactive Maintenance Term Contract 2008-2011

Received a report from the Corporate Director of Customer Services concerning re-tendering of the Highway Reactive Maintenance Term Contract. The work consists of small patching and reactive repairs to the highway and it is intended that the contract duration be for 3 years with a possible extension up to a year subject to the Framework requirements being met and the successful contractor maintaining a presence in the Borough and employing local people wherever possible.

Agreed in order to assist the Council to achieve its Community Priority of "Making

Barking and Dagenham Cleaner, Greener and Safer”, to:

- (i) The procurement strategy outlined in the report for the procurement of Highway Reactive Maintenance services;
- (ii) The procurement being open to the four highway and civil engineering contractors who are part of the Council’s Highways Construction Framework Agreement;
- (iii) The contract being awarded in line with criteria detailed in the report.

84. Sex Establishment Licensing Policy

Received a report from the Corporate Director of Customer Services proposing a Sex Establishment Licensing Policy for the Borough, which addresses suitable locations for premises and issues of equality and human rights.

Noted that clause 28(2) of the draft policy has been deleted and a new clause 48 inserted which reads “No 18R rated recorded images to be shown on the premises at any time”.

Agreed, in order to assist the Council achieve its Community Priorities of “Developing Rights and Responsibilities with the Local Community” and “Raising General Pride in the Borough”, to endorse the proposed policy and revised standard licence conditions set out in the report and recommend their adoption by the Assembly.

85. Air Quality Management Order

Received a report from the Corporate Director of Resources concerning air quality management and the making of an Air Quality Management Order extending the pollutants and boundaries agreed by the Executive in February 2002.

Agreed, in order to assist the Council to achieve its Community Priority of “Developing Rights and Responsibilities with the Local Community”, to recommend the Assembly to approve:

- (i) the Air Quality Management Order as detailed in the report; and
- (ii) the use of the power to issue Fixed Penalty Notices under Section 42 of the Road Traffic Act 1988 in respect of heavily polluting passenger vehicles on our borough’s roads.

86. Achieving Excellence 2008/09

Received a report from the Corporate Director of Resources summarising the performance of the Council to date for the year 2008-9, the aim being to assess how well the Council’s services are being delivered and what needs to change or adjust in order to improve these services.

Agreed in order to assist the Council to achieve its Community Priorities of “Developing Rights and Responsibilities with the Local Community”, “Raising General Pride in the Borough” and “Making Barking and Dagenham Cleaner,

Greener and Safer” to the actions as set out in the report.

87. One Barking and Dagenham Programme

Received a report from the Corporate Directors of Customer Services and Resources which outlines the key elements and broad principles of the One Barking and Dagenham Programme. Specifically, the report seeks approval of a new set of values that will drive the next stage of the Council’s improvement programme designed to further improve services to local residents.

Agreed, in order to assist the Council to achieve all of its Community Priorities to the programme vision and values of One B&D and noted the progress made to date.

88. Barking and Dagenham Council Plan

Received a report from the Corporate Director of Resources concerning the Council Plan which sets out the Council’s vision, values and priorities, identifying the links with the Community Plan. The Council Plan runs from 2008-2010, and after this time it is intended that, in line with the medium-term financial planning of the Council, the Plan will cover a three year term, with annual updates reporting back on the progress of the Council Improvement Priorities.

Agreed in order to assist the Council to achieve all of its Community Priorities to recommend the draft Council Plan 2008-2010 for adoption by the Assembly.

89. Budget Monitoring 2008/09 (Apr - Sept 2008)

Received a report from the Corporate Director of Resources providing an update on the Council’s revenue and capital position for the period April to September of the 2008/09 financial year.

The position for revenue expenditure indicates that current budget pressures exist across three departments amounting to £4.5million. Overall this reflects a £1.8m reduction from the position reported in August.

However the largest pressure continues to remain within the Children’s Services department where significant budget pressures continue to arise from Looked after Children Placements and in meeting the Councils’ Leaving Care responsibilities. In order to achieve a balanced budget by the year end, all departments are now addressing both their own pressures and the approved action plan agreed by Minute 68 2008/09.

Agreed, in order to assist the Council to achieve all of its Community Priorities and as a matter of good financial practice, to:

- (i) note the current position of the Council’s revenue and capital budget as at 30 September 2008;
- (ii) note the position and projected out-turn for the Housing Revenue account;
- (iii) note that where pressures and targets exist, Directors are required to identify and implement the necessary action plans to alleviate these budget

pressures to ensure that the necessary balanced budget for the Council is achieved by year end

- (iv) the re-profiling of individual capital schemes as set out in appendix D to the report;
- (v) note the prudential indicators for April to September 2008; and
- (vi) note the second quarter financial health indicators.

90. * Additional Pupil Places – Primary Schools

Received a report from the Corporate Director of Children's Services outlining the position with regard to primary school place demand over the Summer recess and identifying ways to provide some temporary school places.

Agreed, in order to assist the Council to achieve its Community Priority of "Better Education and Learning for All" that:

- (i) the building formerly used by B&D Training Services be brought back into use as a primary school annex linked, in principle, to Roding Primary School, subject to discussion with the Headteacher and Governors;
- (ii) funding of £650,000 from the Exceptional Basic Need Grant of £16,204,438, less commitments of £9.5m Eastbury Primary and £5m Northbury Infant and Junior, be set aside to support the start of this project. (This will leave a balance of £1,054,438 to be allocated);
- (iii) the Corporate Director of Children's Services be authorised to place orders for any refurbishment work to secure the use of this building quickly; and
- (iv) the Corporate Director of Children's Services bring forward a report on how this project might be progressed to provide a new school.

91. Private Business

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

92. * Contract for the Provision of a Support Service to Tenants of the Jack Petchey Foyer

Received a report from the Corporate Director of Adult and Community Services concerning procurement for the provision of a support service to Tenants of the Jack Petchey Foyer.

Agreed, in order to assist the Council to achieve its Community Priority of "Improving Health, Housing and Social Care" to waive the requirement for a competitive tender exercise to be conducted and that the Council enters into a contract with East Potential for the provision of support services to residents of the Jack Petchey Foyer for a period of three years, with no option to extend as

detailed in the report.

93. * Streamlining Senior Management Arrangements in Support of the 2009/10 Budget Strategy

Received a report from the Chief Executive on proposals to streamline senior management arrangements with a view to achieving efficiency savings.

Agreed, in order to assist the Council to achieve all of its Community Priorities, to authorise the Chief Executive to:

- (i) bring forward detailed proposals for the council's organisational structure to be delivered through four main departments instead of five departments; and
- (ii) carry out appropriate consultation with JNC and other senior officers.

Noted that the Chief Executive will bring back any substantive or material issues which arise through consultation that would affect the principles established in the report. Also that in the forthcoming reports on the budget 2009/10 the present estimate is that it is possible to streamline senior management at first, second and third tier through efficiency savings by the net reduction of some 15 – 18 posts, saving the Council £1.1m per annum in a full year effect.

(*The Chair agreed that these items could be considered as a matter of urgency under the provisions of Section 100B(4)(b) of the Local Government Act 1972.)

EXECUTIVE

16 DECEMBER 2008

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Improving Partnership working with NHS Barking and Dagenham	For Decision
<p>Summary:</p> <p>This report reviews past joint working arrangements with the PCT, considers the current need for closer integration and proposes a way forward.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to agree to:</p> <ol style="list-style-type: none"> 1. Develop a health and wellbeing strategy jointly with NHS Barking & Dagenham. 2. Develop for the borough a shared vision for integration with NHS Barking & Dagenham. 3. Establish a top level steering group comprised of the Lead Member for Adults, Children's Services, Chair of Health Scrutiny and one other member nominated by the Executive. In addition the steering group will include non-executive Directors and their senior officers to oversee and shape the development of the strategy and vision. 4. In principle establish a joint Programme Director post to take the agenda forward. 	
<p>Reason(s)</p> <p>The proposal in this report would support the community priority of "Making Barking & Dagenham a Cleaner Greener Safer and Healthier Borough."</p>	
<p>Implications:</p> <p>Financial:</p> <p>In the longer term joint working with NHS Barking & Dagenham should lead to more efficient and effective services for local people and it may be possible to deliver cashable efficiencies.</p> <p>However, in the short term there would be limited costs associated with establishing a Programme Director Post which would be shared. It is anticipated the Councils contribution would be of the order of £50 -£60K and could be met from Area Based Grant</p> <p>Legal:</p> <p>The Local Government and Public Involvement in Health Act 2007 has put in place a local performance framework based on new statutory Local Area Agreements (LAA), and a new monitoring and inspection system that will take effect next year. The Local Strategic Partnership (LSP) has collective responsibility for agreeing and delivering the key priorities of the LAA for the borough. The Council and NHS Barking & Dagenham are both key</p>	

statutory partners in the local LSP, and their respective legal responsibilities for joint and collaborative working provide the context for closer integration. Any proposals taken forward will require detailed consideration of a range of matters including governance, employment and contractual law issues. Legal advice will be given as appropriate on implications for the Council and PCT.

Risk Management:

There would need to be ongoing assessment of potential risks and actions to mitigate them as and when specific proposals are developed.

Social Inclusion and Diversity:

Improving the effectiveness of health improvement and the delivery of health and care services will impact positively on all residents but most particularly on the very young, older people and people with disabilities.

Crime and Disorder:

No specific implications

Options Appraisal:

Not applicable

<p>Contact Officer: Anne Bristow</p>	<p>Title: Corporate Director Adult and Community Services</p>	<p>Contact Details: Tel: 020 8227 2300 Fax: 020 8227 2241 E-mail: anne.bristow@lbbd.gov.uk</p>
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1. Introduction and Background

- 1.1 The Barking and Dagenham Partnership has set itself ambitious targets to bring about in the longer term a real change in the prosperity of the borough. A key part of this agenda must be about improving the life expectancy of local people by tackling the long standing health inequalities and bringing about a change in the health of local residents. Whilst part of this task falls to the NHS and in particular our Primary Care Trust – NHS Barking and Dagenham, many of the wider determinants of health lie within the remit of the Council. For example, through our role as a housing authority.
- 1.2 The new Comprehensive Area Assessment will focus not just on what the Council does but on the extent to which the wider partnership has shared ambition and vision and the extent to which it can demonstrate high levels of integration around both planning and delivery. It is in this context that it would be timely to consider the extent to which local health services can be integrated or aligned in order to deliver excellent services for local residents.
- 1.3 Barking & Dagenham pioneered a joint appointment of PCT Chief Executive and Local Authority Director of Social Services in April 2001. Whilst having some notable success, neither organisation ultimately felt the arrangement delivered sufficient benefits to continue and it ended in September 2003.

- 1.4 Since that time, considerable change has taken place in both organisations and at a policy level both nationally and locally. It would therefore be beneficial to again consider how best to deliver joined up services.

2. Current Position

- 2.1 With this in mind, NHS Barking & Dagenham following discussions with NHS London and the Council's Chief Executive commissioned a review of integrated working between the Council and the PCT. The reviewers were also asked to consider how, drawing on our past experience, we would best deliver closer working in the future.

3. Report Detail

- 3.1 Change FX produced a detailed report for the PCT which is attached as Appendix A

4. Implications

- 4.1 The proposals in this report would enable elected Members to work directly with members of the Primary Care Trust board and consider together how to improve the services and outcomes for residents.

5. Consultees

- 5.1 The following were consulted in the preparation of this report:

Councillor Collins – Lead Member Adults Portfolio
Rob Whiteman - Chief Executive
David Woods - Corporate Director of Customer Services
Jennifer Dearing – Corporate Director Regeneration
Bill Murphy – Corporate Director of Resources
Roger Luxton - Corporate Director of Children's Services
Guy Swindle – Head of Partnerships and Communication
Christine Pryor – Head of Shared Services and Engagement
Meena Kishinani – Head of Children's Policy and Trust Commissioning
Tudur Williams – Interim Head of Adult Commissioning
Bruce Morris – Head of Adult Care Services
Glynis Rogers – Head of Community Safety and Preventive Services
Nina Clark – Divisional Director of Legal and Democratic Services
Joe Chesterton – Divisional Director of Finance
Nick Kingham - Assistant Chief Executive Performance and Delivery
Melanie Field - Legal Partner
Steve Whitelock - Departmental Head of Finance

Background Papers Used in the Preparation of the Report:

- Report to Board of NHS Barking & Dagenham 25th September 08

APPENDIX 1



Barking and Dagenham PCT

Review of integrated working between the PCT and the London Borough of Barking and Dagenham

Planning for closer working -drawing learning from experience

For the Board meeting 25th September 2008

Review of integrated working between the PCT and the London Borough of Barking and Dagenham-Planning for closer working –drawing learning from experience

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Review of integrated working between the PCT and the London Borough of Barking and Dagenham-Planning for closer working –drawing learning from experience

Executive Summary

- 1.1 On August 1st 2008, the PCT commissioned an independent review of the previous experience of integrated management between the PCT and the Local Authority. This review was commissioned to assist the Board to take a decision on the best way to proceed in response to more recent proposals to re-establish integrated executive arrangements. The Board considered that it was vital to derive learning from experience in order that any closer working and integration be successfully managed.
- 1.2 The process of the review involved desk research of reports on the previous integration arrangements (2001-2003) as well as more recent papers and reviews of joint working. The review process included interviews of members and officers of the Local Authority as well as Non Executive and Executive Directors of the PCT. Interviewees included those central to the original arrangements as well as those who had taken up posts since the joint arrangements ceased. Change-fx would like to thank all those who generously gave of their time and their candid interviews (see appendix two).
- 1.3 There seems to be consensus that the previous integration of the two organisations lacked sufficient foundation to weather the storms of difficult performance issues. Insufficient attention had been given in the preparation stage to the joint development of clear and measurable benefits/outcomes, to a risk assessment and to the development of clear governance arrangements for decision making and performance oversight. It is also clear that integration occurred at a time when the two organisations were rather ill equipped to form a partnership and that the proposition lacked sufficient local ownership.
- 1.4 The case for integration now is much stronger and the general policy context more favourable. There is clear evidence of improved relationships and achievement in particular fields of joint working over the past three years. Both the PCT and the Council share a passionate commitment to the people of the Borough. But there is as yet no general foundation for enhanced integration. There are some joint strategies and there is the joint Community Plan and Local Area Agreement. But these agreements are not at a sufficiently operational level to make clear the precise joint agenda to be worked and the leadership and management arrangements required to support this.
- 1.5 There is however widespread recognition and support for the need to act more closely. There is much shared intuition about the benefits of sharing resources, of enhanced joint commissioning and joint service provision. This report therefore **recommends** a first phase of work to harden the joint vision

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for health and well being outcomes, for agreeing joint and measurable objectives that enhance trust and confidence, and for agreeing supporting infrastructure to ensure delivery. This work requires a joint senior integration board and a dedicated Programme Director to create the necessary momentum but in a structured and measured way.

1.6 The assessment and recommendations of this report are those of the two reviewers. However, towards the end of the review and once we had reached our conclusions, we were made aware of two reviews of the joint arrangements commissioned separately soon after their cessation. They were the internal Council Scrutiny Report that went to the Council Assembly (07/04/04) and the external review by Professor Gerald Wistow, then Research Professor in Health and Social Care at the University of Leeds. The recommendations of the Scrutiny Report to the Assembly are attached in full in appendix 3 as they provide a useful insight into the lessons identified at the time and comparison with our conclusions. Professor Wistow's (draft) report was not available but a subsequent article of his 'Learning from Doing: Implications of the Barking and Dagenham Experience for Integrating Health and Social Care' (Journal of Integrated Care (June 2006)) was received following the interview with him. The article is available from the PCT Chief Executive.

1.7 This report now elaborates on the findings and conclusions as well as setting out recommendations on next steps. The report is structured in the following way.

- History and lessons learned from the previous period of integration 2001-2003 and lessons learned elsewhere on the prerequisites for successful integrated working
- The current and future operational context and key requirements
- The assessment of readiness against preconditions for success
- Conclusions on the way forward
- Recommendations

2. History and Lessons learned

- 2.1 In April 2001, innovative management arrangements were established linking the Local authority and the PCT. The Chief Executive of the PCT was appointed from the Council where she also acted as Director of Social Services. In addition, there were a number of other shared senior professional posts. These included the Director of Public Health, Director of Services to the Community, Head of Older Peoples and Adult Services, and Director of Organisational Development and Corporate Support. Some frontline services were also managed jointly. The new arrangement caused intense interest within the NHS (at London regional and national levels) and politically (at both local and Parliamentary levels).
- 2.2 In all other respects however, the two organisations remained distinct. Sources of income and areas of spend were separate and there were separate lines of accountability through the Council and the PCT Board. A joint governance committee was established some time into the arrangement to provide more integrated senior governance. This only met four times. Despite the good intentions that preceded the joint arrangement, the joint committee was not an effective mechanism for resolving difficulties as they emerged.
- 2.3 The context and case for integration seemed rooted in the desire to form a strong borough based organisation capable of integrating health and social care. The Barking and Dagenham and Havering Health Authority had become part of a new North East London Strategic Health Authority. Two new PCTs were being formed and there was a disaggregation of community services from the Barking, Havering and Redbridge Community Trust. The dis-aggregation of funding linked to this process was widely perceived as very disadvantageous to services in Barking & Dagenham. This may have contributed to instability within the partnership.
- 2.4 The arrangement lasted two years until September 2003. The decision to end the arrangement came as a consequence of a difficult and turbulent time for both organisations as services and financial performance became problematic. The PCT faced a difficult set of performance issues for both hospital and primary care services. The SHA required changes in the leadership of the PCT and these requirements were seen by Local Authority members as cutting across their responsibilities. They differed in their view of the causes and solutions for performance problems. The Council decided for a variety of

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reasons to bring the arrangement to a close and return the joint post holder to her previous role in the local authority.

2.5 A review conducted in 2003 elicited some key learning points:

- **Pace and scope:** the introduction of the integration initiative coincided with the establishment of the new PCT, with its substantial agenda of organisational development and high stakeholder expectations about the development of primary care. As a result, the agencies were called on to manage a change agenda which has been perceived to impose excessive demands of scale, complexity and time.
- **Clarity of purpose:** insufficient attention was seen to have been paid to agreeing the individual and population outcomes for local residents the partnership was intended to achieve. Work on the partnership's vision and purpose was seen to have received less attention than the development of integrated structures.
- **Equality of ownership:** The timing of the integration meant that the new PCT had not had the opportunity to establish its own identity and organisational capacities. There was the tendency to see it as a "junior" partner compared with the longer established SSD and the wider Local Authority. These perceptions apparently contributed to some of the problems encountered in enabling elected members and non executive directors to work together. Perceived agendas of 'control' and 'take over' similarly diluted the experience of the initiative as a partnership of equals.
- **Organisational compatibilities:** the different cultures, understandings, behaviours and external expectations that characterise the NHS and local government create inherent barriers to integration that proved difficult to overcome. It was particularly difficult to establish a balance between joint and separate agency objectives that commanded consensus among all the relevant stakeholders.

2.6 Work undertaken recently for Newham PCT and London Borough of Newham, included a brief review of lessons learned as part of other examples of integration (including experience in Torbay, Herefordshire, London Boroughs of Southwark and Tower Hamlets). In essence the key lessons emphasise that successful integration requires a commitment to:

- Clarity of shared vision on key outcomes and success
- Working in detail the governance arrangements

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- Strong leadership and support from all partners and including members, non executive directors and senior executives
- Preparation of a detailed project plan setting out the critical path and milestones for delivery including relationship to other major strategic projects in both organisations
- Preparation of a comprehensive, joint risk register and risk management plan
- Development of a detailed resource plan to invest in key areas that are necessary to ensure long term, sustainable improvements
- A significant organisation development programme
- The engagement of staff in the process of decision making
- A benefits realisation plan which allows rigorous monitoring to ensure all the benefits of integration identified in the planning process do materialise

2.7 The example of Southwark is particularly interesting. Here there is clear evidence of rising tensions in managing both the local government and department of health objectives at the same time. This case also illustrated the need to review arrangements in the light of separation of provider services from commissioning functions within the health part of the organisation. In Herefordshire, the only example to date of a joint Council/PCT Chief Executive, a year was spent in working out the governance arrangements prior to the appointment.

2.8 Finally recent reviews of local partnership arrangements by the consultancy Deloitte's, have emphasised four key component parts to effective partnership. These are:

- **Common values and vision** based on collective understanding of the community's needs
- **Clear joint governance** with effective communication between partners at all levels and commitment to active joint commissioning
- Commitment to the **people** aspect with clear leadership, shared resources, integrated working and developing capabilities base
- Understood, agreed and measurable **outcomes** with effective performance management.

2.9 In summary it would appear that within Barking and Dagenham, inadequate foundations were laid for the integration in terms of common and agreed priorities, outcomes and business agendas. There is no evidence of careful assessment of organisational capabilities existing and required to achieve new performance standards and no risk register and associated mitigation strategy. The arrangement seemed owned by the preceding Health

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Authority and became a legacy for the developing new PCT. Within the local authority the degree of ownership was concentrated in some key members and executives. It was not an integration of two mature and performing organisations with a prior history of successful joint working based on shared understanding of context, objectives and strategy. As performance became an increasingly tense issue for both organisations, but particularly the PCT, the arrangements were insufficiently robust to support and ensure effective problem solving.

- 2.10 It is important to stress that despite the sensitivities and difficulties surrounding the cessation of the joint arrangement, even at the time and certainly since, there has remained a public commitment by all parties to the principle and practice of joint working.

3. The current and future operating environment

- 3.1 The operational context for the two organisations is now very different. The Local Authority has achieved 3 stars in its assessment rating and the PCT is considered to be on top of a number of its performance issues and is in a healthy financial position. To some extent the improvements have been ascribed to soundness of the decision to end the integrated arrangement and to focus more carefully on operational improvement agendas. Whether or not that perception is correct, people are cautious about moving quickly to a new integrated arrangement, however attractive in concept.
- 3.2 The PCT's state of development is much further advanced. The commissioning and public health functions are much better equipped and the organisation is fully established at senior leadership level. However there is an interim Chief Executive having failed to appoint a substantive head earlier this year.
- 3.3 There are a number of service and organisational challenges facing the PCT. The service performance of the main hospital provider is below par; primary care services still require considerable development; there is a need to separate commissioning from provider services and to achieve considerably enhanced standards of commissioning process.
- 3.4 There are now concrete plans for strengthening commissioning across the four outer North East London PCTs with the development of new collaborative arrangements for the commissioning of hospital based services and potentially, mental health (the latter currently under discussion).
- 3.5 Closer working with the local authority is fully recognised as being key to the achievement of a number of public health priorities for the reduction of

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inequalities and the combating of significant lifestyle issues that contribute to poor mental and physical health. Closer working should also secure improvements in access for local residents to more local care with decreasing dependency on out of borough hospital based services.

- 3.6 There is an improved platform now for such joint working. The relationship between officers in the Local Authority and Executive Directors in the PCT has changed and improved over the last five years from the rather difficult days of the cessation of integrated executive arrangements. There are some very good examples of joint working and shared ambition. These include:
- The recent Joint Strategic Health Needs Assessment
 - Joint work in teenage pregnancy and obesity within the Children's Trust
 - Joint strategies for the DAT, Mental Health and Children's and Young People
 - Work in the Unique Care Project Partnership that bring social workers together with community nursing and primary care services
 - The joint commissioning of some services for children and within drugs and alcohol
 - Joint post of Director of Public Health
 - Joint induction training for all new social care and PCT staff (established by the former joint Director of Social Services/PCT Chief Executive)
 - Materially enhanced primary care estate developed through the LIFT programme
 - Free swimming in the summer 2008
- 3.7 However partnership working is much better established in the minds of Executive Directors and Officers than necessarily for members and non Executive Directors. Within the LSP, there is rather limited active engagement between members of the local authority and non executive directors of the PCT Board. This has meant their more limited involvement in the development of the recent community strategy and the newly established Local Area Agreement.
- 3.8 An external review of the LSP was undertaken by the Improvement and development Agency (I&DeA March 2008 'Growing Trust and Confidence'). This was a largely positive report. It identified a wide range of areas of effective joint working as well as areas for further attention. The report provides useful and practical pointers to strengthen partnership across agencies. In particular, it recommends the development of the role of elected members to make sure that they are fully engaged in partnership activity.

4. State of readiness for integration

- 4.1 There is a very strong case for much closer working between the two organisations. Efficiency and effectiveness might well be improved by the sharing of important resources (information and intelligence and the deployment of communications and engagement processes with the community). There are opportunities for more coherent and joint commissioning of services and there are distinct opportunities for the integration of service provision across health and social care for children and adults. There are also opportunities for the sharing of other important back office functions (human resources and estates/capital facilities planning and management).
- 4.2 As in all joint working, it is essential that the legitimate imperatives, priorities and constraints of each partner is acknowledged and respected by the other(s). The impact of national imperatives on the resources of each party needs to be understood by all e.g. the education service on the Council or the acute hospital sector on the PCT. At the same time, the different ways that the political processes operate within local government and the NHS and the impact of elections, whether local or national, can be factors in slowing down or accelerating the potential for partnership working.
- 4.3 The proposal for integration of the organisations at Chief Executive level represented a pragmatic move by the local authority to give a push to wider integration of effort at the same time as resolving a leadership issue for the PCT. The proposal was not however founded on a strong common platform of vision, values and strategy across the two organisations. In a sense it risked the repetition of the 2001 experience with a move to innovation based on intuition of benefit rather than careful assessment of desired outcomes, objectives and the required plumbing and wiring for integration to be effective.
- 4.4 For the PCT, the proposals represented a rather abrupt escalation of partnership without the key foundations of common purpose, trust and confidence in the sustainability of arrangements through potentially more difficult service waters.
- 4.5 Some regarded the proposal as a longer term aspiration but were keen to evaluate and then build upon current joint working. There were particular concerns about the ability of the two organisations to satisfactorily ensure their separate financial accountability within an integrated structure.

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- 4.6 It was also clear that if the proposal for a joint chief executive was to emerge as the agreed way forward, there would need to be clear joint agreement on the job description, person specification and appointment process to make sure that the successful candidate took up the position with confidence and support from both organisations.
- 4.7 It was clear in discussion that structural integration is just one way of taking forward integrated joint working. There are many confidence building steps that can be taken without requiring major structural or governance changes. Central to those steps would be firming up joint objectives and visions for local services as well as improving the way in which staff come together to work in partnership.

5. Conclusions on the way forward

- 5.1 It seems clear to many parties that the two organisations would benefit from much closer working to tackle LAA targets and make improvements in health and well being for all clients groups. Such closer working is likely to require enhanced strategy development, joint commissioning and the sharing of scarce commissioning resources. Political support from PCT non-executive directors and elected councillors is vital.
- 5.2 The LAA targets suggest a number of priorities for joint effort but the targets do not embrace other critical areas where joint working is required; for example:
- Developing the pathway for adults into and out of hospital to ensure lower lengths of stay and prompt discharge
 - Developing end of life care and support to provide enhanced choice for residents in where they die
 - Working on more effective assessment and care for dementia sufferers and support for their carers
 - Promoting individual packages of care
 - Extending the successful Unique Care Partnership Project in the context of the national Care Integration Demonstration System Requirement for Primary and Community Clinician-led and PCT-endorsed pilots (the latter still subject to national consultation)
 - Ensuring more effective management of long term conditions
 - Tackling and preventing the take up of smoking and assisting those who smoke to give up
 - Extending the range and impact of work to tackle obesity

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- Improving the health of women (e.g. with respect to housing and families)
- Building on the joint work around the Children’s Trust to have more joint commissioning of services for children and young people
- Reducing health inequalities through evidence based interventions in stroke, cardiac and cancer
- Having effective Council engagement in the reconfiguration of health services in the Borough arising out of London wide developments; the changes in the acute sector and movement of services from hospital to new primary care and community- based settings

5.3 The Joint Strategic Needs assessment (JSNA) and new LSP arrangements provide a context for more integrated working but this context needs to be worked at a greater level of detail to drive integration of commissioning and provision.

6. Recommendations

6.1 We recommend that effort goes in to developing a common vision of outcomes, local services and a vision of integrated working:

1. **Recommendation: Vision for Outcomes and Services:** The development of an agreed health and well being strategy for the borough which makes clear the agreed goals, objectives and outcomes for health and well being improvement as well as a vision for how the local care system should be operating to support achievement. The agreement of 3 year and one year priority objectives (beyond the LAA targets) for focussed joint work.
2. **Recommendation: Vision for Integration.** The development of a vision of integrated working to support year one and year 3 objectives. This would include formal joint commissioning as well as joint working for needs assessment and planning. The vision would cover formal joint management of processes and budgets where appropriate with firm proposals for top level direction and governance.

6.2 To give drive to this work and its subsequent implementation, we recommend:

3. **Recommendation: The establishment of a top level steering group** comprised of leading elected members and PCT non executive directors and key officers/Executives to shape the work of the vision, identify the priorities for a shared work programme with milestones and then to recommend to

Review of integrated working between the PCT and the London Borough of Barking and Dagenham-Planning for closer working –drawing learning from experience

respective decision making bodies, the implementation of enhanced joint working arrangements. This steering group would promote and encourage partnership working simultaneously at senior, middle and front line levels. The steering group membership would include the PCT Chair, Leader of the Council and the two Chief Executives. The work of that steering group could be externally facilitated to allow candid discussion while adhering to the agreed business plan and timetable.

4. Recommendation: The joint appointment of a Programme Director for Joint LA/PCT working. This individual should be jointly appointed on a fixed term programme basis and be accountable to the two Chief Executives. They would have responsibility for developing the proposals and then for securing their implementation. This individual needs to be senior appointment and capable of working at a peer level with the two chief executives. The appointee would be a full member of the steering group.

6.3 The diagram at appendix one shows how this programme of integration might be overlaid on top of and is consistent with the new LSP arrangements.

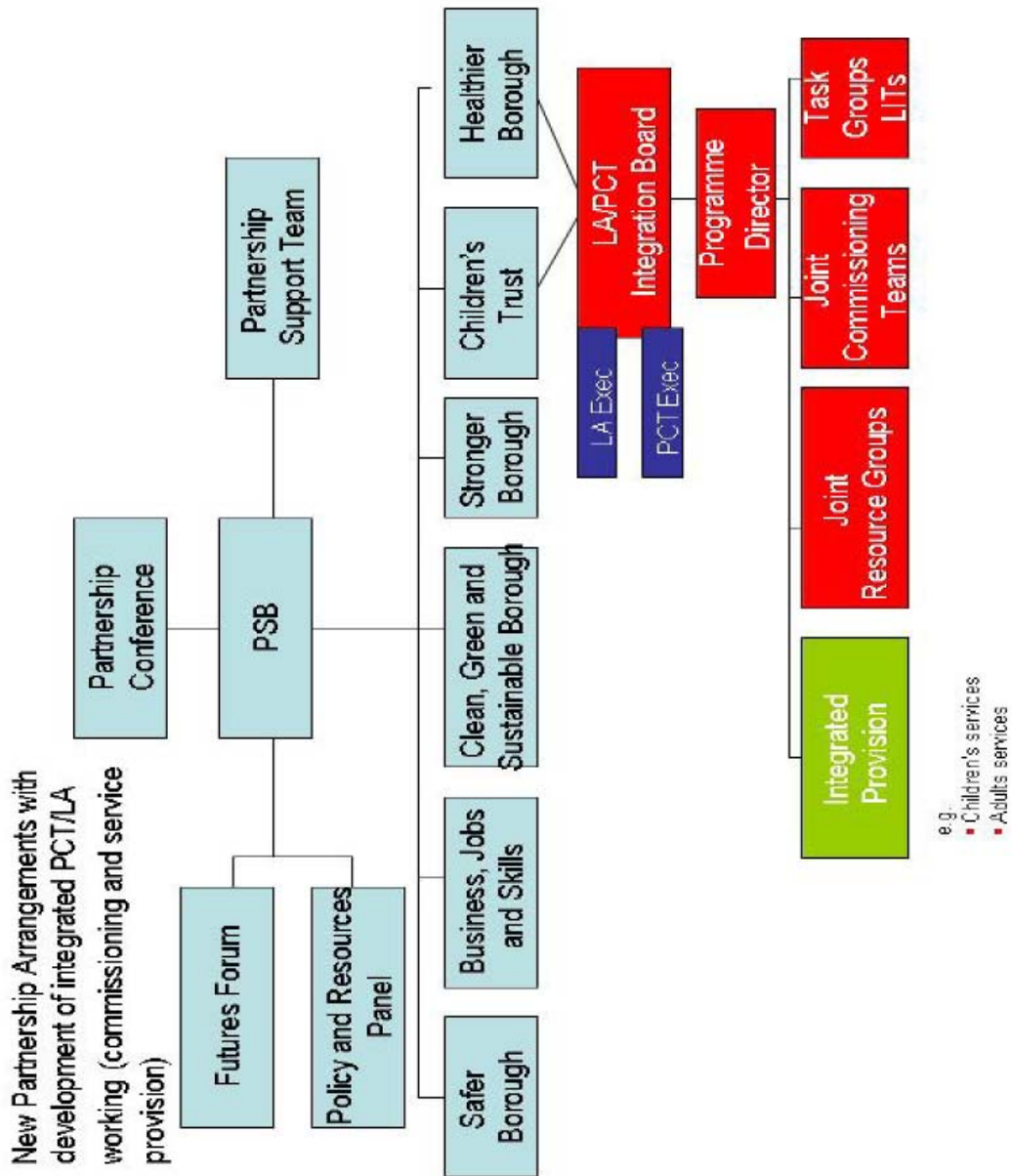
6.4 In terms of timing, we recommend the establishment of the Steering Group immediately to consider this report and then to commission the appointment of a joint programme director. The first phase of work in terms of vision building and a business plan with milestones should be achieved by 31st March 2009. Implementation of new joint arrangements arising from this preparatory work might begin in the first quarter of 2009/10.

Peter Gluckman and Simon Standish

Change-fx

September 18th 2008

Appendix one – illustration of the programme of development to achieve more integrated working



Appendix two – list of those interviewed and documentary material used

Interviews

1. **Ann Bristow**, Corporate Director of Adult and Community Services, L B Barking & Dagenham
2. **Chris Bull**, Joint Chief Executive, Herefordshire County Council and Herefordshire PCT (interview arranged after report completed but in time for PCT Board meeting of 25th September 2008)
3. **Matthew Cole**, Joint Director of Public Health, Barking & Dagenham PCT/L B Barking & Dagenham
4. **Cllr. Charles Fairbrass**, Leader of the Council, Barking & Dagenham PCT
5. **Jane Gateley**, Director of Finance, Barking & Dagenham PCT
6. **Lesley Hawes**, Non Executive Director, Barking & Dagenham PCT
7. **Lesley Harrison**, Non Executive Director, Barking & Dagenham PCT
8. **Stephen Langford**, Interim Chief Executive, Barking & Dagenham PCT
9. **Ray Parkin**, former Chair, Barking & Dagenham PCT at the time of the previous joint arrangements and their cessation
10. **Carolyn Regan**, Chief Executive, Legal Services Commission and former Chief Executive N E London Strategic Health Authority at the time of the previous joint arrangements and their cessation
11. **Julia Ross**, National programme Lead for Social Care, Department of Health and former joint Director of Social Care L B Barking & Dagenham Chief Executive Barking & Dagenham PCT
12. **Rebecca Scott**, Director of Strategy, Barking & Dagenham PCT
13. **Dr Arun Sharma**, GP and Chair Professional Executive Committee, Barking & Dagenham PCT
14. **Paul Sinden**, Director of Commissioning, Barking & Dagenham PCT
15. **Guy Swindell**, Head of Policy Performance Partnerships and Communications, L B Barking & Dagenham
16. **Dr Justin Varney**, Joint Assistant Director of Health Improvement (Children & Young People/Consultant in Public Health Medicine Health Improvement, L B Barking & Dagenham and Barking & Dagenham PCT
17. **Rob Whiteman**, Chief Executive, L B Barking & Dagenham
18. **Maureen Worby**, Chair, Barking & Dagenham PCT
19. **Professor Gerald Wistow**, then Research Professor in Health and Social Care, University of Leeds (now Visiting Professor at the London School of Economics)

Documentary material

In addition to the interviews, Change-fx reviewed a wide range of documentary material, including PCT Board and Council reports, external reports on joint working in the Borough, lessons learned reports from various sources, articles, letters and emails.

Appendix three- Extract from the internal Council Scrutiny Report that went to the Council Assembly (07/04/04)

This extract from the Scrutiny Panel report to the Council Assembly contains the verbatim recommendations made at that time. They provide a useful reference point to the review, assessment and recommendations developed by the Change-fx team who had not seen this earlier document when they wrote their own report in September 2008. The recommendations made below were approved by the Council Assembly in April 2004.

7. Implications of the current situation and suggested improvements for future Partnership working

7.2 ...The investigation has, however, highlighted a number of general issues from which the Panel has formulated a check list of useful pointers for consideration in connection with any current or future partnerships or joint working arrangements that the Council may consider entering into. The list is not in any particular order of importance or priority:

- Jointly agree and set clear, measurable, objectives from the outset and be sure about responsibilities and accountabilities
- Before making commitments on objectives, joint working and finances, carry out a formal risk assessment to identify any doubt or conflict between each partner's position; update risk assessments at appropriate intervals during the partnership, particularly at times of change
- Be aware of, and jointly discuss, the performance frameworks within which the partners operate, both locally and nationally, and assess any related impact on their ability to deliver partnership priorities
- Contractual frameworks need to be clear and consistent from the outset with agreed accountabilities and reporting lines
- HR protocols for all posts involved in joint working need to be robust and agreed by all partners
- The arrangements and responsibilities for funding pooled budgets should be clear
- Arrangements for subsequently terminating the partnership, if necessary, need to be explicit from the outset
- Relevant lead Executive Members should take a prominent role in the personal performance monitoring or appraisal of senior staff involved in partnership or joint working
- Any personal performance monitoring or appraisal processes should afford the opportunity for all parties involved to raise issues and to contribute to setting objectives
- Protocols need to be documented and agreed to allow potential problems and disputes between partners to be identified early, and resolved; where resolution is not possible there should be clearly defined procedures for involving senior postholders and arbitration arrangements
- Corporate governance arrangements for partnerships should be documented to establish required standards of conduct and provide a steer on how business should be conducted. Formal arrangements should be in place from the beginning and all partners should

Appendix three- Extract from the internal Council Scrutiny Report that went to the Council Assembly (07/04/04)

subsequently conform with agreed principles and commitments to each other

- Members and lead officers need to be familiar with the organisational structure, culture and challenges facing their partners, and vice versa. Appropriate training should be considered (e.g. PCT training in local government and social care; Council training in NHS structures and performance frameworks)
- Be cautious about entering into partnerships with new organisations or organisations that are experiencing significant organisational change – keep abreast of developments and external influences
- Where senior management or Member level changes occur, make sure that new postholders are fully briefed and arrangements made for introductions, induction, and meetings as necessary
- Make sure that, as well as other matters, any joint board arrangements are used as a forum for discussing contentious issues and for raising any problems; meetings should be held regularly.
- All meetings between partners and other parties should be supported by an agenda and a list of the individuals involved; records/minutes/notes of formal and informal meetings must be kept and copies forwarded to all relevant parties
- Establish from the outset whether there are any parent or umbrella organisations who may have influence over the partnership, and make sure that the relationship is fully understood. Make appropriate contact and/or communication with any such organisation from the beginning, and at appropriate intervals afterwards, to promote good relations and check that there are no concerns or issues which might affect the partnership's ability to be effective
- joint campaigning issues for the overall benefit of the partnership (e.g. PCT funding shortfall)
- Proactively identify where Council initiatives offer opportunities for partners (e.g. Customer First).

THE EXECUTIVE

16 December 2008

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Budget Monitoring Report October 2008/2009	For Decision
<p>Summary:</p> <p>The report updates the Executive on the Council's revenue and capital position for the period April to October of the 2008/09 financial year.</p> <p>The current forecast across the Council in respect of its revenue budget has identified projected in-year pressures amounting to £3.6million. The main areas of pressure are currently within the Adult & Community Services (£275k), Children's Services (£3m) and Customer Services (£795k) departments which are offset by projected underspends in both the Resources and Regeneration departments. Overall the October position reflects a £900k reduction from the position reported in September.</p> <p>The largest pressure continues to remain within the Children's Services department, where significant budget pressures exist from Looked after Children Placements and in meeting the Councils' Leaving Care responsibilities. In order to deliver a balanced budget by the year end, an action plan was agreed at the Executive meeting on the 14th October 2008 requiring in-year savings to be achieved across all service departments and a provision for a contribution from Corporate contingencies and balances.</p> <p>All departments are now addressing both their own pressures and the approved action plan so that they produce the necessary balanced budget by the year end. The outcomes and progress of these action plans will be monitored and reported to both the Resource Monitoring panels and the Executive through the regular budget monitoring meetings and reports.</p> <p>For the Housing Revenue Account the forecast is that the year end working balance will be £2.5million compared with the budget projection of £3million.</p> <p>In regard to the Capital programme, the current working budget is £90.1million. Directors have been and are continuing to review the delivery of individual capital schemes to ensure maximum spend is achieved by the year end.</p> <p>Wards Affected: This is a regular budget monitoring report of the Council's resource position and applies to all wards.</p>	
<p>Recommendations</p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> 1. note the current position of the Council's revenue and capital budget as at 31st October 2008 (Appendix A and D and Sections 3 and 5 of the report); 2. agree the virements and budget transfers as identified in Appendix B; 3. note the position and projected out-turn for the Housing Revenue Account (Appendix C and Section 4 of the report); 	

4. note that where pressures and targets exist, Directors continue to identify and implement the necessary action plans to alleviate these budget pressures to ensure that the necessary balanced budget for the Council is achieved by year end (section 3 of the report);

Reason

As a matter of good financial practice, the Executive should be regularly updated with the position on the Council's budget.

Implications:

Financial:

The overall revenue budget for October 2008 is indicating budget pressures totalling £3.6million. Where pressures and targets exist Directors are required to identify and implement the necessary action plans to alleviate these pressures. The working capital programme is now reported at £90.1 million.

Legal:

There are no legal implications regarding this report.

Risk Management:

The risk to the Council is that budgets are overspent and that this reduces the Council's overall resource position. Where there is an indication that a budget may overspend by the year end the relevant Director will be required to review the Departmental budget position to achieve a balanced position by the year end. This may involve the need to produce a formal action plan to ensure delivery of this position for approval and monitoring by the Resource Monitoring Panel and the Executive.

Similarly, if there are underspends this may mean a lower level of service or capital investment not being fully delivered. Specific procedures and sanctions are in place through the Resource Monitoring Panels, Capital Programme Management Office (CPMO), Corporate Management Team and the Executive.

Social Inclusion and Diversity:

As this report does not concern a new or revised policy there are no specific adverse impacts insofar as this report is concerned.

Crime and Disorder:

There are no specific implications insofar as this report is concerned.

Options Appraisal:

There are no specific implications insofar as this report is concerned.

<p>Contact Officer Joe Chesterton</p>	<p>Title: Divisional Director - Corporate Finance</p>	<p>Contact Details: Tel:020 8227 2932 E-mail: joe.chesterton@lbbd.gov.uk</p>
<p>Lee Russell</p>	<p>Group Manager - Resources & Budgeting</p>	<p>Tel: 020 8227 2966 E-mail: lee.russell@lbbd.gov.uk</p>

1. Introduction and Background

- 1.1 It is important that the Council regularly monitors its revenue and capital budgets to ensure good financial management. It is now practise within the Council for this monitoring to occur on a regular monthly basis, which helps members to be constantly updated on the Council's overall financial position and to enable the Executive to make relevant decisions as necessary on the direction of both the revenue and capital budgets.
- 1.2 The report is based upon the core information contained in the Oracle general ledger system supplemented by detailed examinations of budgets between the budget holders and the relevant Finance teams to take account of commitments and projected end of year positions. In addition, for capital monitoring there is the extensive work carried out by the Capital Programme Management Office (CPMO).
- 1.3 The monthly Resource Monitoring Panels, chaired by the lead member for finance, and attended by Directors and Heads of Service, monitors the detail of individual departments' revenue and capital budgets alongside relevant performance data and this also enhances and forms the basis of this report.

2. Current Position

2.1 Overview for Revenue Budget

- 2.1.1 The current forecast across the Council in respect of its revenue budget has identified the following position:

<u>Department/Service</u>	<u>September Position £'000</u>	<u>Targeted Outturn £'000</u>
Adult & Community Services	275	(600)
Children's Services	3,021	2,937
Customer Services	795	(600)
Regeneration	(95)	(300)
Resources	(400)	(400)
Forecasted Outturn	3,596	1,037
Use of Corporate Contingencies and Balances	(1,037)	(1,037)
Action required	2,559	0

The largest pressure is within the Children's Services department where significant budget pressures exist from Looked after Children Placements, and in meeting the Councils' Leaving Care responsibilities. On the basis of existing commitments and projections to the end of the financial year, the forecast overspend in this area is £3.6million which has reduced from its September position of £4.5m.

- 2.1.2 In order to deliver a Council balanced budget by the year end, an action plan was agreed at the Executive meeting on the 14th October requiring in-year savings to be achieved across all service departments as well as a provision for a contribution from Corporate contingencies and balances.

2.1.3 Details of each department's current financial position are provided in Section 3 of this report. In those areas where budget pressures have been highlighted, continual work is being undertaken by Corporate Directors and their management teams to ensure their targeted outturn is produced for the year end. To this end, Corporate Directors are delivering action plans to address and rectify these pressure areas and these plans will be actively monitored by the various Resource Monitoring Panels through the final phase of the financial year.

3. Service Position

3.1 General

3.1.1 Details of each Department's current financial position and the work being undertaken by Corporate Directors and their management teams, to ensure a balanced budget is produced for the year end, are provided in this section of the report.

3.2 Adult and Community Services Department

3.2.1 The department is currently projecting a £275k overspend position, which reflects a £165k reduction from the September position as a result of management actions taken in the last month. As a result of the Executive decision in October requiring an in-year contribution to support the Looked after Children Placements pressure, the department is now targeted to underspend by £600k in 2008/09.

There continues to still be some issues and pressures facing the Department at this time, but the Executive is reminded that the Department and its Management Team have a track record of dealing with issues and pressures throughout the year to deliver the required budget. The current projected overspend of £275k is primarily as a result of delays in the Older Persons Home Care Modernisation programme and the Passenger Transport Service.

3.2.2 The department's 2008/09 budget reflects a total of £3.35million of savings which includes the outstanding £900k of savings from last years Older Persons Modernisation Programme in the Home Support Service.

The Corporate Director and the management team have implemented several actions to ensure the targeted budget is achieved for the year end. These include reduction in the use of agency staff, overtime and vacancy management, tighter demand management of care budgets, exploration of partnering opportunities, utilisation of grants for existing services and part year effect of home support savings.

3.2.3 Adult Care Services

This service area primarily relates to Older Persons Residential and Home support provided by the councils remaining in-house services. It also includes the Passenger Transport Service. The net budget for this area is £7.1million. The budget pressures of £275k being experienced in this area are mainly due to the demands for Home care, delays in the opening of Lake-Rise/Kallar Lodge and also some pressures within the Passenger Transport Service.

3.2.4 Adult Commissioning Services

This service area represents the Social Work and Care Management budgets in the department, together with services commissioned from the Independent and Private Sector. Service areas include Older Persons, Physical Disability, Learning Disability and Mental Health. The net budget for the area is £44.5million and is by far the largest area (70%) in cash terms in the department. The department has set itself some challenging targets in this area particularly around procurement and commissioning gains/savings. Interface issues with the local Hospitals and the PCT regarding Delayed Transfers of Care are acute in this area, and are carefully managed. The Executive will recall pressures in previous years' regarding external care packages in this area that led to a review of the FACS eligibility criteria. It is envisaged that robust monitoring and gate-keeping will again be required in this area to contain demand within budgets in 2008/09.

3.2.5 Community Safety and Preventive Services

This service area includes CCTV, Community Safety & Parks Police, Substance Misuse, Neighbourhood Management and the Youth Offending Team. The total net budgets are in the region of £4million for this area. Minor pressures are being experienced in the Community Safety area at present.

3.2.6 Community Services and Libraries

This service area covers Heritage and Libraries, the Lifelong Learning Centre, Community Development and Halls, Community Cohesion and Equalities and Diversity. Net budgets are in the region of £7.7million and currently the budgets in this area are cost neutral.

3.2.7 Other Services, Central Budgets, Recharges, and Government Grants

The Adult and Community Services Department receive government grants, and incur recharges for departmental and divisional support. All grants will be used in support of existing service areas. Central budgets and recharges within the department are on target.

3.3 Children's Services Department

- 3.3.1 As previously reported, the budget pressures experienced in 2007/08 from Looked after Children Placements and in meeting the Councils' Leaving Care responsibilities are continuing into 2008/09. On the basis of existing commitments and assessing the future profile for each of the 332 looked after children, the forecast is for an overspend on these budgets of £3.6m which reflects a £900k reduction from that forecasted in September. The reduction reflects two things: good signs that strategies are working (more in-house foster care capacity, invest to save successes) and the quarterly model unravelling complexities and resolving process issues are improving the forecast.

The pressures from Looked after Children Placements will not however be able to be mitigated in 2008/09, and as a result the Executive agreed at its meeting on the 14th October an action plan requiring in-year savings to be achieved across all service departments and a provision for a contribution from Corporate contingencies and balances. The Children's department is targeted to contribute £600k to the Looked after Children Placements pressure in 2008/09.

3.3.2 As a result of the in-year savings target, elsewhere within Children's Services spending is now planned to underspend by £600k i.e. to report an overall overspend of £3m. A number of pressures do exist within the department including the costs of transport, the investment in measures designed to prevent children and young people needing to be taken into care and some operational budget shortfalls on Moreline House and the Emergency Duty Team. Management actions to deliver both the targeted underspend and these pressures include maximising grant funding, vacancy management, reviewing internal spend targets and pursuing third party income e.g. PCT. In order that the working budgets reflect these management actions, the Executive is asked to agree the virements set at in Appendix B which will have no overall impact on the 2008/09 budget.

3.3.3 **Schools**

The carry-forward revenue balances for schools were £6million at 31st March 2008. All schools with balances are being asked to demonstrate why they are holding balances, with the Scheme for Financing Schools allowing for clawback where schools have no plans for balances in excess of DCSF thresholds, which are 8% for primary and special schools and 5% for secondary schools. All schools with deficits are required to have a recovery plan and this is being actively managed by the Schools Support team in Corporate Finance.

3.3.4 **Quality and School Improvement**

The Quality and School Improvement budget has pressures relating to transport (£650k) and Morline House (£75k), which are partially offset by savings from vacancies in the school inspection and Assets areas. The division is also maximising the use of grants to assist with the departmental financial position.

3.3.5 **Shared Services and Engagement**

Much of the work of the Shared Services and Engagement division is either funded from SureStart Grant or from the Dedicated Schools Grant, with only around £1m funded from the General Fund. This division has some savings targets to deliver, as well as absorbing some of the Integrated Family Services work. There are not anticipated to be any major variances at this stage.

3.3.6 **Safeguarding and Rights**

The main budget issue for the Safeguarding & Rights service is that of the cost of Looked after Children placements and Leaving Care costs. On the basis of existing commitments the current forecast is for an overspend on these budgets of £3.6m. The contributing factors for this projected overspend include:

- Reducing numbers of in-house foster carers;
- Significant improvements in the education of looked after children;
- Increasing statutory responsibilities for young people leaving care between the ages of 18 and 21;
- Growing numbers of children continuing to attract payments for Special Guardianship and Adoption allowances;
- Growth in the overall numbers of children in the borough;
- Lower capacity in Children's Social Care;
- Increased complexity of cases referred to Safeguarding & Rights;
- Respite Care packages for disabled children;
- Policy change in moving to approved numbers for foster care placements.

Extensive work has been done in analysing the activity that is producing these costs, with a view to identifying financial forecasts that are more sensitive to the care plans for individual children, taking account of future demand, but also to assess the likely effectiveness of any measures to prevent children having to go into care or to keep costs reasonable when this is not avoidable. The current forecast of £3.6m reflects a £900k reduction from that forecasted in September. The reduction reflects two things: good signs that strategies are working (more in-house foster care capacity, invest to save successes) and the quarterly model unravelling complexities and resolving process issues are improving the forecast.

3.3.7 Children's Policy Trust and Commissioning

At present, there are concerns about cost pressures being experienced by the catering service, whose costs are predominantly charged to the Dedicated Schools Grant. The division also has a small pressure in the Youth Service (£30k) and Access budget (£105k) but is maximizing the use of grants and is planning to keep vacancies across the division which will result in an overall underspend of £15k to assist with the departmental financial position.

3.3.8 Other

Most of the costs here are for capital charges, on-going pension costs, central recharges and the costs of the Director of Children's Services. Any savings in this area will be used to contribute to the departmental financial position.

3.4 Customer Services Department

3.4.1 The current forecast of the 2008/09 revenue budgets for the Customer Services Department has highlighted a number of pressures which may result in an overspend of £795k.

As a result of the Executive decision in October requiring an in-year contribution to support the Looked after Children Placements pressure, the department is now targeted to underspend by £600k in 2008/09. The Corporate Director and the management team have implemented several actions to ensure the targeted budget is achieved for the year end. These include holding vacant posts, reducing agency spend, implementing changes in the Private Sector leasing service, examining alternative funding arrangements in fleet management and securing additional income.

3.4.2 Environmental and Enforcement Services

The Environmental and Enforcement Service is highlighting an overspend of £465k due to forecasted overspends for fuel and contract hire particularly within the Refuse Collection, Highway Maintenance and Grounds Maintenance services. Other pressures include a reduction in income for refuse services. There are however general underspends within other areas of the service which will help mitigate some of these overspends. The Environment and Enforcement Division's financial/operational resources are continually being stretched due to the need to employ temporary staff to cover vacant posts. This is required to maintain high quality front line services. Whilst these pressures will continue throughout the year management's proactive approach and corrective actions should enable them to contain these pressures within existing budgets.

3.4.3 **General Housing**

The current review of the General Housing budget is indicating an overspend of £633k. The Housing Advice and Temporary Accommodation service is projecting an overspend due to the projected reduction in Private Sector Leasing (PSL) in line with the Council's homelessness strategy. The PSL reduction strategy means that the Council will collect a lower level of weekly administration fees thus reducing the income. Management is reviewing the current position and is taking action to contain the overspend including revising the projection to reflect a slower reduction in PSLs than originally targeted and reviewing the administration charge to ensure that administration costs are fully recovered. A proposal to introduce a Working Families policy is underway and a report is currently being produced detailing the mechanism which will seek the Executive approval for implementation. [The original 2008/09 Temporary Accommodation budget was set to reflect the homelessness activity levels in late 2007 which was in line with the previous homelessness strategy. As a result of the updated homelessness strategy the working budget now needs to be realigned to reflect the current activity levels and the Executive is asked to agree the virements set at in Appendix B which will have no overall impact on the 2008/09 budget.](#)

3.4.4 **Customer Strategy**

This service is projecting a small underspend of £21k mainly in employee expenses.

3.4.5 **Barking & Dagenham Direct**

The Service is currently projecting an underspend of £282k. Management has reduced and renegotiated agency rates to reduce costs to assist containing ongoing pressures within the One Stop Shops and Emergency out of Hours Service.

Discretionary Housing Payment continues to be at risk due to the economic downturn where more people require financial assistance with housing costs and spend is currently estimated at £160,000 against a budget of £85,000. The Emergency Out of Hours service is currently projected to underspend and is currently undergoing a major re-design in line with an Invest to Save bid.

3.5 **Regeneration Department**

- 3.5.1 The October position for the Regeneration Department is forecasting an underspend of £95k. This position reflects actions taken in the department to meet its revised underspend target of £300k which has arisen as a result of the Executive decision in October requiring an in-year contribution to support the Looked after Children Placements pressure. The Corporate Director and the management team have implemented several actions to ensure the targeted budget is achieved for the year end. These include holding vacant posts, tight controls on expenditure, maximising grant funding, exploration of partnering opportunities and generating additional income.

The current key issues for the department are:

- the creation of the Capital Programme Unit which, by drawing in staff and budgets from across the council, will require a re-structuring and the identification of savings;
- provision of free swims for under-18s – working in partnership with the PCT;
- delivery of the land disposal programme to support the capital programme and generate budgeted revenue income from transaction fees.

3.5.2 Directorate and PPP

The current projection is for an underspend of £97k mainly from holding posts vacant in order to assist with the departmental financial position.

3.5.3 Housing Strategy & Property

The main pressure for this division relates to potential delays in the delivery of the land disposal programme which will result in a loss of budgeted income in respect of transaction fees. Other pressures include the loss of commercial rental income due to the economic slowdown and changes in Government regulations on payments for NNDR on empty properties. The current projection indicates a potential overspend of £632k.

3.5.4 Spatial Regeneration

The current projection is for an underspend of £628k. The main pressure in this area is on income generation in the Local Land Charge service (£215k) and Planning (£92k) as a result of the slow down in the housing market. The division has identified some additional income (including LHC income of £300k) which will generate compensating savings as well as underspends in its supplies and service budgets. The LHC income remains a medium risk as it relies on the preferred bidder being able to raise the necessary loans in the current economic climate by March 2009. The deferral of a number of planned recruitment will also reduce the projected employee spend by £408k.

3.5.5 Leisure, Arts and Olympics

The current projection is for a overspend of £126k which has primarily arisen due to additional employee, supplies and services and premises costs.

Potential service issues in the near future include:

- Finalisation of the Leisure Centre Value for Money review scheduled for June 2008;
- Introduction of free swimming for under 18's in partnership with PCT in September;
- Broadway Theatre – potential financial risk to the council in relation to finalisation of access and usage arrangements for Barking College which are not able to be quantified at this stage.

3.5.6 Skills, Learning & Enterprise

The current projection is for an underspend of £95k.

The main financial pressure in the division relates to a shortfall of income in relation to LSC funding and other unbudgeted operational costs. These costs are being off-set by utilisation of grant income and benefits of partnering opportunities.

3.5.7 Asset Strategy & Capital Delivery

The current projection is for an underspend of £33k mainly due to staff vacancies.

Potential service issues for the near future are around the delivery of the Capital Programme Unit. This involves the drawing together of significant numbers of staff and budgets from across the council to create a re-shaped structure to delivery both a more effective service and significant savings. Value for Money will form an integrated part of the process of creating the new function.

3.6 **Resources Department**

3.6.1 The department is currently forecasting an underspend of £400k, which reflects the departments revised underspend target of £400k which has arisen as a result of the Executive decision in October requiring all departments to support the Looked after Children Placements pressure.

The Department has identified some pressures including the continuing costs associated with the implementation of Single Status due to the Trade Union requests for reviewed job evaluations, costs associated with the preparation for the "Investors in People" assessment and additional energy costs of the Civic buildings. The Corporate Director and the management team have implemented several actions to ensure the targeted budget is achieved for the year end. These include curtailing the use of agency staff, holding back posts for recruitment and tight control and prioritisation of spend such as supplies and services.

Overall the Department is confident that it will achieve its targeted budget by the end of the financial year through disciplined and robust financial management combined with timely and effective management decisions.

The delivery of the department's services reflects income received each year arising from the successful renegotiation of the Council's agency contract (£300k), which is used to support a range of corporate projects, initiatives and improvements. In order that the department's working budget formally reflects this income and associated costs, the Executive is asked to agree a budget adjustment within the department's budget, as outlined in Appendix B, which will have no overall impact on the 2008/09 budget.

3.6.2 **Policy, Performance, Partnerships & Communications**

The main pressures currently identified within the division relate to reduced levels of income in relation to the cessation of Standards Fund grant for the Corporate Web Team (£31k) and a reduction in the amount of income received for filming at locations within the Borough (£18K). The majority of this shortfall can be funded from existing budgets as there are currently a number of vacant posts.

3.6.3 **Legal & Democratic Services**

The current projection is for an overspend in this area due to additional energy costs in public buildings.

3.6.4 **Corporate & Strategic Finance**

There are currently a significant number of vacant posts within the division for which a number of agency staff have been approved to ensure that the service continues to deliver its statutory functions. A major recruitment process took place in June 2008 to fill a number of these positions, however a number of these posts were unable to be filled owing to the lack of suitable candidates. The division is currently reviewing how to attract suitable applicants into the organisation. In the meantime the division has to rely on the use of agency staff which may result in a pressure on its budgets. Managers have implemented tight controls on hours worked by agency staff and will continue to monitor the staff levels in order to ensure that costs are contained within existing budgets.

3.6.5 ICT & e-Government

The division currently has a number of vacant posts, several of which are at a senior level and are unlikely to be filled in the current financial year. In addition, supplies and services expenditure is under review and this is likely to produce a further curtailment in expenditure. As a result of these measures the division's budget is now projected to under spend by the end of the financial year which will contribute to the department's revised budget target.

3.6.6 Human Resources

The Division currently has a number of cost pressures including:

- The implementation of the Council's Single Status Strategy has been successful with the process set to be fully completed by the end of July 2008. However, there is still the need for some additional work (estimated at £80k) resulting from the legal challenges from the Trade Unions in respect of the "Knowledge and Experience Allowance";
- One-off costs in respect of the Statutory Equal Pay Review and the Administrative, Technical, Professional and Clerical (ATP & C) Staff Review. The cost of this work is estimated to be in the region of £45K;
- Cost pressures of around £30K in respect of the preparation for the Authority's "Investors in People (IIP)" assessment planned for October 2008.

These costs can be funded from existing budgets.

3.6.7 Interest on Balances

A proportion of the Council's investments continues to be managed by two external investment managers, and the Council's Treasury Management Strategy has once again set stretching targets for these managers in 2008/09 which are being closely monitored by the Corporate Finance Division.

An element of these investments may require the use of investment instruments such as gilts to be used which require tactical trades to be undertaken. Inevitably there are risks and rewards with the use of such investment instruments, and whilst the Council needs to continue to review the manager's performance it also needs to be aware that these potential risks/rewards do exist.

The position of interest on balances is also affected during the year by both performance and actual spend on the Capital Programme and the delivery of the Council's disposals programme. Any positive position arising in these areas may allow Council balances to increase, however, at the same time any weakening of this position may lead to reductions in investment income. Owing to the current economic position, interest rates on lending have risen recently and this is likely to result in the achievement of higher than expected investment income for 2008/09 for both externally managed investments and in-house funds. Any additional investment income arising in 2008/09 will be used to fund the balance of the Children's placement financial pressure, which currently requires potential funding of £1m from Corporate contingencies and balances as approved by the Executive on the 14th October 2008.

3.6.8 Corporate Management

There are currently no immediate issues identified within Corporate Management and it is projected that this budget will break even by the end of the financial year.

4. Housing Revenue Account (HRA)

- 4.1 The Housing Revenue Account balances in 2008/09 are forecast to reduce by £708k due to the revenue contribution of £255k towards the Housing Modernisation Programme (Capital) and other net overspends of £453k.

This revised projection compares to an original budgeted reduction of £255k.

Projected HRA Working Balance

Description	£000
Working Balance – 1 st April 2008	3,235
Projected Surplus / (Deficit) Balance 2008/09	(708)
Projected Working Balance – 31st March 2009	2,527

- 4.2 The income due from HRA tenants in respect of Housing Rents and service charges are currently forecast to overachieve by £522k. This additional income is due to higher rental income as a result of lower than budgeted Right to Buy (RTB) sales in 2008/09 and the transfer from reserves from the proportion of the 53rd week's rent relating to 2008/09 financial year.
- 4.3 Supervision and management costs are projected to overspend by £820k due to increased energy costs of £301k, increased grounds maintenance and premises costs of £390k, increased agency costs of £79k and increased estate management costs of £50k. Proactive budget management has helped to identify potential budget pressures earlier and will enable budget holders/service managers to take corrective actions to contain these pressures within existing resources.
- 4.4 RTB sales were estimated to be 200 in 2008/09 which would generate capital receipts of £17.6million. The current projection for RTB sales has reduced significantly in light of the economic downturn faced by consumers to 46 sales. This is estimated to generate capital receipts of £3.8million, equalling a projected shortfall in capital receipts of £13.8million. The revised projection will impact on the available capital receipts to the Council for investment in capital projects, reducing the retained capital receipts.

Full details of the HRA position are shown in Appendix C.

5. Capital Programme

- 5.1 As at the end of October, the working budget on the capital programme had increased to £90.1m against an original budget of £65m. Since the original budget was set, the programme has been updated for approved roll-overs from 2007/08 and a number of new schemes for 2008/09.

- 5.2 These new schemes fall into two categories:
- (a) Provisional schemes from the 2008/09 budget report that have now been successfully appraised by the Capital Programme Monitoring Office (CPMO); and
 - (b) Schemes which have attracted additional external funding, and whose budgets have been increased accordingly.
- 5.3 Actual spend as at the end of October was £35.9m, or 40% of the working budget. It is vitally important that projects and budgets are subject to robust scrutiny to ensure that timetables and milestones can be adhered to, and that budgets are realistic.
- 5.4 The completion of capital projects on time and on budget not only supports the Council's drive to excellence through its Use of Resources score, but will also ensure that the benefits arising from our capital projects are realised for the community as a whole.

6. Consultees

- 6.1 The members and officers consulted on this report are:

Councillor Bramley – Lead Member Resources
Corporate Management Team
Group Managers – Corporate Finance
Capital Programme management Office (CPMO)

Background Papers Used in the Preparation of the Report:

- Oracle reports
- CPMO reports

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BUDGET MONITORING REPORT - OCTOBER 2008

SERVICES	2008/09								
	Original Budget	Working Budget	Year to Date Budget	Actual to Date	Year to Date Variance - over/(under)	Forecast Outturn	Variance - over/(under)	Action in place/to be taken (*)	Projected Outturn 2008/09
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult & Community Services									
Adult Care Services	5,208	7,156	6,392	6,553	161	7,431	275	}	
Adult Commissioning Services	45,294	44,090	28,820	28,820	0	44,090	0	}	
Community Safety & Preventative Services	3,913	4,125	2,750	2,750	0	4,125	0	}	875 (600)
Community Services, Heritage & Libraries	7,499	7,732	4,406	4,406	0	7,732	0	}	
Other Services	643	643	482	482	0	643	0	}	
	62,557	63,746	42,850	43,011	161	64,021	275		875 (600)
Children's Services									
Schools	123,673	130,813	76,351	76,235	(116)	131,125	312	}	
Quality & School Improvement	14,026	14,236	8,304	14,174	5,870	13,498	(738)	}	
Shared Services & Engagement	3,018	3,197	1,865	4,167	2,302	3,486	289	}	84 2,937
Safeguarding & Rights Services	30,885	31,039	18,106	21,396	3,290	34,576	3,537	}	
Children's Policy & Trust Commissioning	3,525	3,443	2,014	3,127	1,113	3,428	(15)	}	
Other Services	6,902	6,947	4,053	3,278	(775)	6,583	(364)	}	
	182,029	189,675	110,693	122,377	11,684	192,696	3,021		84 2,937
Customer Services									
Environment & Enforcement	21,714	21,946	10,424	11,642	1,218	22,411	465	}	
Barking & Dagenham Direct	4,139	4,548	6,363	6,264	(99)	4,266	(282)	}	1,395 (600)
Customer Services Strategy	(75)	71	0	30	30	50	(21)	}	
Housing Services	673	681	210	420	210	1,314	633	}	
	26,450	27,246	16,997	18,356	1,359	28,041	795		1,395 (600)
Regeneration Department									
Asset Strategy & Capital Delivery	263	528	320	1,123	803	495	(33)	}	
Spatial Regeneration	4,297	4,371	2,388	3,310	922	3,743	(628)	}	
Skills, Learning & Enterprise	1,700	1,735	1,012	3,436	2,424	1,640	(95)	}	205 (300)
Leisure, Arts & Olympics	6,704	6,996	4,421	4,263	(158)	7,122	126	}	
Housing Strategy Services	(1,051)	(1,167)	(657)	(76)	581	(535)	632	}	
Directorate, Policy & Strategic Services	(31)	(27)	(91)	(94)	(3)	(124)	(97)	}	
	11,882	12,436	7,393	11,962	4,569	12,341	(95)		205 (300)
Resources									
Chief Executive	35	37	22	13	(9)	37	0	}	
Director of Resources & Business Support	130	453	264	295	31	53	(400)	}	
Corporate Finance	(296)	(381)	(281)	(22)	259	(381)	0	}	
Human Resources	51	74	43	545	502	74	0	}	
ICT & eGovernment	304	259	148	605	457	76	(183)	}	0 (400)
Partnerships, Policy, Performance & Communications	639	389	395	315	(80)	410	21	}	
Legal & Democratic Services	848	955	565	1,209	644	1,117	162	}	
Corporate Management	4,986	4,559	2,659	2,532	(127)	4,559	0	}	
General Finance	(15,668)	(25,471)	(17,991)	(18,310)	(319)	(25,471)	0	}	
	(8,971)	(19,126)	(14,176)	(12,818)	1,358	(19,526)	(400)		0 (400)
Contingency	1,200	1,170	0	0	0	1,170	0	}	0 0
Levies	7,182	7,182	3,638	3,638	0	7,182	0	}	0 0
TOTAL	282,329	282,329	167,395	186,526	19,131	285,925	3,596		2,559 1,037

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APPENDIX B

Summary of Virements required arising from 2008/09 Budget monitoring, pressures and savings measures

<u>Division</u>	<u>Team</u>	<u>Employees</u> £'000	<u>Premises</u> £'000	<u>Transport</u> £'000	<u>Supplies and Services</u> £'000	<u>Agency and Contracted</u> £'000	<u>Income</u> £'000	<u>Grand Total</u> £'000
<u>Children's Services</u>								
Schools	Primary					312		312
Other	Other Management Costs	(133)			269		0	136
Quality and School Improvement	Asset Management and Capital Education Inclusion School Improvement	(40)		650	340			(40) 990
Safeguarding & Rights	Community Educational Psychology Other Care Providers Residential Care Providers	(130)	75				(1,533)	(1,588)
		23						23
		887	23		(326)	(251)	(466)	(133)
		26						26
Integrated Family Services	Early Years and Nurseries	(85)			(4)		378	289
Children's Policy Trust and Commissioning	Support, Policy and Commissioning Youth and Development Support	(45)						(45)
		30						30
Total Children's Services		533	98	650	279	61	(1,621)	0
<u>Customer Services</u>								
Housing Strategy	Temporary Accommodation		38	3	1,750		(1,791)	0
Total Customer Services			38	3	1,750		(1,791)	0
<u>Resources</u>								
Director	Various	200			100		(300)	0
Total Resources		200			100		(300)	0

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HOUSING REVENUE ACCOUNT - BUDGET MONITORING SUMMARY**Month October 2008**

<u>Housing Revenue Account</u>	<u>Original Budget</u> <u>£'000</u>	<u>Revised Budget</u> <u>£'000</u>	<u>Budget Oct-08</u> <u>£'000</u>	<u>Actual Oct-08</u> <u>£'000</u>	<u>Forecast</u> <u>£'000</u>	<u>Variance</u> <u>£'000</u>
NET RENT OF DWELLINGS	(73,317)	(73,317)	(42,768)	(42,222)	(73,669)	(352)
OTHER RENTS	(2,593)	(2,593)	(1,513)	(775)	(2,619)	(26)
OTHER CHARGES	(5,542)	(5,542)	(3,233)	(4,299)	(5,686)	(144)
CONTRIBUTIONS TOWARDS EXPEDITURE	0	0	0	0	0	0
TOTAL INCOME	(81,452)	(81,452)	(47,514)	(47,296)	(81,974)	(522)
REPAIRS AND MAINTENANCE	21,754	21,754	12,690	12,419	21,854	100
SUPERVISION & MANAGEMENT	25,549	25,549	14,904	15,018	26,369	820
RENT, RATES AND OTHER CHARGES	379	379	221	435	434	55
NEGATIVE HRA SUBSIDY PAYABLE	17,046	17,046	9,944	11,053	17,046	0
HOUSING BENEFIT LIMITATION	4,611	4,611	0	0	4,611	0
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	19,963	19,963	11,645	11,645	19,963	0
CAPITAL EXPENDITURE FUNDED FROM REVENUE	255	255	0	0	255	0
HRA SHARE OF CDC COSTS	792	792	462	462	792	0
TOTAL EXPENDITURE	90,349	90,349	49,866	51,032	91,324	975
INTEREST EARNED	(1,660)	(1,660)	(968)	(968)	(1,660)	0
NET COST OF SERVICE	7,237	7,237	1,384	2,768	7,690	453
NET ADDITIONAL AMOUNT REQUIRED BY STATUTE TO BE DEBITED (OR CREDITED) TO THE HRA	(6,982)	(6,982)	(4,073)	(4,073)	(6,982)	0
MOVEMENT IN WORKING BALANCE	255	255	(2,689)	(1,305)	708	453
WORKING BALANCE B/F	(2,819)	(3,235)			(3,235)	0
WORKING BALANCE C/F	(2,564)	(2,980)			(2,527)	453

CAPITAL PROGRAMME 2008/2009**SUMMARY OF EXPENDITURE - OCTOBER 2008**

<u>Department</u>	<u>Original Budget (1)</u>	<u>Revised Budget</u>	<u>Actual to date</u>	<u>Percentage Spend to Date</u>	<u>Projected Outturn</u>	<u>Projected Outturn Variation against Revised Budget (b)</u>	<u>Projected Outturn Variation against Original Budget</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>%</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Adult & Community Services	3,661	3,799	851	22%	4,290	491	629
Children's Services	4,982	12,688	6,908	54%	12,690	2	7,708
Customer Services	5,683	13,210	5,718	43%	13,920	710	8,237
Regeneration	47,007	57,702	20,832	36%	57,994	292	10,987
Resources	3,675	2,663	1,628	61%	2,774	111	(901)
Total for Department Schemes	65,008	90,062	35,937	40%	91,668	1,606	26,660
<u>Accountable Body Schemes</u>							
Regeneration	-	11	-	0%	11	0	11
Total for Accountable Body Schemes	-	11	-	0%	11	0	11
Total for all Schemes	65,008	90,073	35,937	40%	91,679	1,606	26,671

Note

(1) Excludes provisional schemes approved at Executive 19th February subject to achieving 'four green lights' from CPMO appraisal

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EXECUTIVE

16 DECEMBER 2008

REPORT OF THE CORPORATE DIRECTOR OF ADULT & COMMUNITY SERVICES

Title: Contract for the Provision of Housing Related Support Services to Women Fleeing Domestic Violence	For: Decision
<p>Summary:</p> <p>Supporting People funds housing related support services which promote social inclusion, reduce the risk of harm and enable people to live safely and independently.</p> <p>The borough currently holds contracts for two services to women fleeing domestic violence, delivered by the same provider; one is a residential refuge split across two sites, the other a 'floating' service, which works with women living in the community rather than in specialist housing.</p> <p>The services both work with survivors and their families to assist with rehousing arrangements, establish safety plans, engage with training or employment, ensure children are safeguarded.</p> <p>They are central to the borough's strategic approach to addressing domestic violence and contribute towards the Local Area Agreement (LAA) target of 'reducing repeat incidents of domestic violence'. This is supported by the Supporting People '5 year strategy' agreed by Executive in 2005 and the Domestic Violence strategy agreed by Executive in 2008.</p> <p>The borough is currently under-provided with refuge spaces. A former Best Value Performance Indicator (BVPI) required an expansion of refuge units which was included in both strategies. The new service which is planned to meet that need cannot be included in this contract and separate arrangements will be proposed in due course.</p> <p>The service aids delivery in a wide range of strategies and priorities, such as the Children and Young People's Plan and the Barking & Dagenham Policing Plan.</p> <p>Both contracts end on 31 March 09. We wish to enter into one new contract for an initial period of 3 years with an option to extend for a further two year to secure the continuation of both services through a tender with updated specifications, building on the learning from the last contract period.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive are asked: -</p> <ol style="list-style-type: none"> 1. To approve the strategy outlined in this report for procurement of the current model of domestic violence related support services for a period of three years, with an option to extend for a further period of up to two years, dependent upon availability of funding and satisfactory performance on the terms detailed in this report. 2. In accordance with the Council's Constitution Contract Rules paragraph 3.6, advise 	

whether Members require to be further involved with, or be consulted on, the procurement and award of the contract.

3. In the absence of such requirement, to delegate authority to the Corporate Director of Adult and Community Services to award the contract to the organisation that successfully tenders for the service.

Reason(s)

To assist the Council in achieving its Community Priorities of 'improving health, housing and social care' and 'making Barking and Dagenham cleaner, greener and safer'.

Implications:

Financial:

The revenue funding will be drawn from the formerly ringfenced Supporting People programme grant. Budget projections have assumed continuation of both services due to their high strategic value and no additional resources are required.

We expect to achieve better value for money through improved tendering and contract specifications, which may result in cashable savings for reinvestment in new services.

Legal:

The Legal Partners have been consulted in the preparation of this report.

This report outlines the procurement strategy for procurement of domestic violence-related support services. In approving the strategy, Members need to be satisfied that the strategy being pursued is compliant with the Council's Community Strategy and the Directorate's Corporate Plan. Further, that the criteria being applied for the selection and award of the contract is appropriate for the procurement.

The procurement of the services must be in accordance with any applicable European Union and national Procurement Rules and with the Council's Contract Rules. It is anticipated that the estimated value of the services will be in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations), of £139,893. It is anticipated that the services being procured will be classified as Part B Services under the Regulations and will not therefore be subject to the full application of the EU procurement regime.

The Legal Partners advise that the procurement should be undertaken upon the advice of Legal Services and with the assistance of Corporate Procurement.

The conditions of contract to be entered into between the Council and the successful tenderer(s) are yet to be agreed. Legal Services should be consulted and will advise on the legal terms and conditions and the implications thereof upon receipt of instructions.

Risk Management:

The project plan for this tender has identified key risks to the project, which are: -

- Service quality dips during process
- Tendering fails to secure improved services
- Development is stalled due to Area Based Grant negotiations
- Refuge landlord disagrees with retendering process/decision

All of these have risk management plans in place to mitigate the threats to the project. The overall risk rating to the project is low.

Risks that would arise if the services were decommissioned are: -

- Adverse effect on performance against LAA and other national targets
- Increased risk of safeguarding failures or serious incidents including homicide
- Increased harm, social exclusion and offending
- Reputational damage to the borough

Social Inclusion and Diversity:

Supporting People funded services exist to enable social inclusion for vulnerable groups at risk of or experiencing exclusion. Women experiencing domestic violence are particularly at risk of multiple exclusions and these services will be specified to tackle those issues.

Services operate under a national quality assurance framework with standards on equalities, diversity and inclusion. Organisations have to demonstrate high standards of policy and practice to the borough. Contract monitoring will ensure good performance in these areas.

Detailed outcome monitoring is used to ensure equality of access and opportunity.

An Equalities Impact Assessment has shown no negative impacts as a result of this contract.

Crime and Disorder:

Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals.

There were approximately 3,900 domestic violence incidents in the borough last year. It is the highest volume crime type in the borough. National research suggests only 5% of incidents are reported; if that applies here, then the actual level of domestic violence is extremely high. Based on Home Office calculations, domestic violence costs the borough £85m per year.

Both services help the borough to reduce incidents of crime and disorder, and to support those who have been survivors of crime. The refuge provision does not act as a hotspot for criminal activity or other disturbances because its location is not known publicly.

The provider will become a key member of the local partnership which addresses domestic violence; the current service manager is the chair of the Domestic Violence Forum, which brings together key stakeholders including Police.

The services will be measured on their success in helping survivors and their families achieve safety and reduced risk of harm from others.

Options Appraisal:

The following options are available to the Council: -

1. Retender the current service models with improved specifications

This option would see the learning from the last contract period fed into new specifications.

The financial position within the Supporting People programme budget would be unaffected and the services will help achieve strategic partnership objectives.

2. Retender the current service models plus additional interventions.

There are two main areas of additional investment that could be made other than the refuge and the floating support service; support for children in families affected by violence or support for perpetrators.

Services in refuges for children are usually funded by charitable sources as the residence status of such children can be unclear. They are able to draw on universal children's services available in the borough.

Targeting perpetrators is already within the priorities of the Domestic Violence & Hate Crime team in Adult & Community Services. Further support work may be valuable and is scheduled to be evaluated in the Community Safety Strategic Review from Adult Commissioning to start later this year.

3. Partial decommissioning of existing services

Parts of the existing service model could be decommissioned with savings recycled into new services for children and perpetrators.

Some alternative arrangements would need to be secured out of borough, but these operate solely on goodwill and decommissioning here could adversely affect the chances of women at risk securing housing and support elsewhere.

Contact Officer: Thom Wilson	Title: Group Manager, Commissioning and Supporting People	Contact Details: Tel: 020 8227 2884 Fax: 0208 227 2820 E-mail: thom.wilson@lbbd.gov.uk
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1. Introduction and Background

- 1.1 The Supporting People grant has been used to fund the borough's domestic violence refuges under contracts since 2003, though the refuge goes back much further.
- 1.2 All Councils are expected to provide refuge services, and until recently a Best Value indicator set a target of refuge spaces per head of population, which the borough still does not meet.
- 1.3 The Supporting People 5 year strategy, agreed by Executive, sets out plans to increase the level of refuge provision in the borough, and proposals to achieve that will be brought forward shortly.
- 1.4 A community based support service for women at risk of violence but living in their own homes was introduced in 2006. This was due to the level of need identified in the borough and available resources in the Supporting People budget.

- 1.2 Staff at both services help women and their families settle into accommodation, identify needs and risks and agree ways of helping those customers move their lives forwards successfully and safely.
- 1.3 Refuge and visiting ('floating') support services are accepted as vital services to assist women and their children to leave a violent situation, find safety and rebuild their lives.

2. Current Position

- 2.1 Both services are approaching the end of their contract life and require retendering if they are to continue. The overall contract price exceeds the EU threshold.
- 2.2 The building based services are in properties owned by a Housing Association. They are committed to continued provision of the services in the borough and are working with LBBB to agree the appropriate structures and protocols between partners.

3. Report Detail

- 3.1 The Adult Commissioning and Community Safety teams have worked together to review the effectiveness of provision over the last contract period. From this, we have developed revised specifications should the retendering be agreed.
- 3.2 Existing services have been limited by the strict ring-fencing around the Supporting People programme budget. The services were the first to be commissioned by the borough's Supporting People team and there is a lot of learning which can now be used to improve the services.
- 3.3 The service structures proposed are: -

Refuge

The refuge provision will be a single service split across two sites. It will provide the following support for women and their children fleeing violence: -

- Resettle families in crisis into the new accommodation
- Identify needs, risks and skills amongst the household
- Agreed customer-led support plans to address needs/risks identified and build on skills and opportunities
- Implement a resettlement plan to enable families to move safely and in a planned way to settled and sustainable accommodation
- Joint working and signposting to other organisations to ensure the needs of the whole family are fully met.

Floating

The floating service will work with people (women and men) at risk of, fleeing or experiencing violence to: -

- Identify needs, risks and opportunities
- Resettle households safely into new accommodation
- Develop planned exit strategies for people fleeing violence
- Support those in tenancies to sustain them safely and with the input of all relevant agencies

- 3.4 The contracts will be managed by Adult Commissioning with the full input of the Community Safety team to ensure a co-ordinated approach.
- 3.5 A new refuge is being planned, as set out in the relevant strategies agreed by the Executive and for which land disposal has been agreed. That site will be a separate contract and cannot be covered by these arrangements. We will request permission from Executive for the procurement of that service in due course.

4. Financial Implications & Benefits

- 4.1 The current services are funded within the Supporting People programme grant and budget projections show the services continue to be affordable. Though Supporting People is expected to move into the Area Based Grant from April 2009, the services are of borough-wide importance.
- 4.2 Supporting People services have a high impact in creating savings elsewhere in the system. Independent research conducted for central government in 2008 looked at the cost-benefits of services. On average, supporting a woman fleeing violence through Supporting People would save other areas of the public purse £24,000 per year.

5. Tender Process

- 5.1 It is our intention to advertise on the council's website and appropriate websites inviting expressions of interest from parties that can demonstrate relevant experience in delivering Domestic Violence services.
- 5.2 The tender will be carried out in compliance with the EU rules. Interested parties will be invited to tender on the basis of a two-stage process. The first stage will be to invite expressions of interest requiring the completion of a pre-qualification questionnaire which will be assessed against the responses given. This will result in a shortlist of up to six preferred providers being invited to tender.
- 5.3 The contract will be awarded to the tenderer that submits the most economically advantageous tender. The evaluation of tender submissions will be based on a weighted quality/cost matrix, with a quality and price weighting of 70/30 respectively. The quality assessment will be based on the following criteria: staffing & management arrangements (20%), service and quality standards (20%), experience and innovation (15%), organisational and strategic strengths (15%). An evaluation of the price will be carried out, to ensure potential suppliers offer fair and competitive prices that are consistent with the service outline.
- 5.4 Details of these criteria and scoring systems will be published in the invitation to tender. This will enable a fair and even handed approach to be taken.
- 5.5 Contracts will be awarded to the successful provider/s for a period of 3 years, with an option to extend for a further 2 years dependent upon future availability of funding and satisfactory performance.
- 5.6 There are no direct TUPE implications for the Council. Possible TUPE implications for staff employed in the provision of this service by the current provider have been taken in to consideration and time has been allowed in the project plan to facilitate

any required meetings in respect of this and to ensure continuity of service to service users.

- 5.7 In accordance with Council rules the contract will be let with approval of the Chief Officer and the S151 Officer (Chief Financial Officer) if the Executive decide that they do not wish to be further involved in the procurement of this service.

6. Expected Outline Timetable

Action	Date
Executive Approval	16 December 2008
Advertise	5 January 2009
Expressions of interest to be returned	23 January 2009
Issue Initiation to Tenders	30 January 2009
Tenders to be returned	20 February 2009
Interviews to be conducted	13 March 2009
Approval from Chief Officers	March/April 2009
Contract Award	Early April 2009
Facilitate possible TUPE meetings between providers	April/May
Contract Delivery	1 st June 2009

7. Consultees

7.1 The following were consulted in the preparation of this report:

- Councillor Herbert Collins - Adults Portfolio holder
- Anne Bristow - Corporate Director of Adult and Community Services
- Nina Clark - Divisional Director of Legal Services
- Yinka Owa – Legal Partner
- Steve Whitelock - Departmental Head of Finance
- Anne Baldock - Group Manager of Housing Advice Service
- Paul Ansell - Corporate Procurement
- Tudur Williams -Head of Adult Commissioning
- Glynis Rogers -Head of Community Safety & Neighbourhood Services
- Ken Jones-Head of Housing Strategy and Property Services
- Emma Gray - LBBB Domestic Violence Strategy Manager
- Meena Kishinani - Head of Policy and Commissioning, Children's Trust
- Jennifer Dearing – Corporate Director of Regeneration
- Supporting People Commissioning Body (PCT, Probation, LBBB Finance)

Background Papers Used in the Preparation of the Report:

- LBBB Supporting People 5 Year Strategy (2005)
- LBBB Domestic Violence Strategy 2008/11

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Executive

16 December 2008

REPORT OF THE CORPORATE DIRECTOR OF REGENERATION

Title: Pre-tender report – framework agreement for the supply of cleaning and janitorial supplies 1 June 2009 – 31 May 2013	For Decision
<p>Summary:</p> <p>In readiness for the expiry of the current contract for cleaning and janitorial supplies on 31st May 2009, this report asks for authority to seek tenders for a new framework agreement for cleaning and janitorial supplies over a four year term with no option to extend the contract.</p> <p>This would be a consortium arrangement led by Barking and Dagenham which is let on behalf of the London Contracts and Supplies Group (LCSG) and is currently used by 19 London Boroughs and can be accessed by any other London borough or London based public body e.g. Metropolitan Police, charities, primary care trusts (PCTs) or universities.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to :</p> <ol style="list-style-type: none"> 1. grant authority to seek tenders for a new framework agreement for the supply of cleaning and janitorial supplies over a four year term as outlined in option 4 of the options appraisal 2. In accordance with Constitution (Contract Rule 3.6) to advise if Members wish to be involved with the packaging and specification of the above mentioned contract and decide the nature of their involvement in the subsequent evaluation and award of the contract 	
<p>Reason(s)</p> <p>In accordance with the Councils Constitution, national and European Law, the Council has a duty to secure cost efficiency and effectiveness in the procurement of cleaning and janitorial supplies.</p>	
<p>Implications:</p> <p>Financial: Based on available payment information provided by Oracle, expenditure with Greenham the incumbent contractor for financial year 2007 / 2008 for cleaning and janitorial supplies is approximately £135,000. This figure does not include off-contract expenditure on similar supplies. This sum is contained within existing Council budgets.</p> <p>Legal: The Council has power to enter into contracts for the provision of cleaning and janitorial</p>	

supplies under section 1 of the Local Government (Contracts) Act 1997 on the basis that such supplies are properly required for the discharge of the Council's duties.

It is anticipated that the estimated value of the Contract will be in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations) of £139,893 and therefore subject to the full application of the Regulations.

The procurement process will be carried out in accordance with the Council's Constitution, Public Contracts Regulations 2006 and European Procurement Directive 2004/18/EC comprising of an advertisement in the Official Journal of the European Union (OJEU) followed by a one stage open procedure.

The conditions of contract to be entered into between the Council and the successful tenderer are yet to be agreed and Legal Services shall advise on the implications thereof upon receipt of instructions.

In deciding whether to award contract, the Council must comply with the principles of administrative law including taking into account all relevant considerations, the outcome of the valuation of each of the tenders and their financial implications. In particular in order to comply with the Council's fiduciary duty and duty to ensure Best Value, the Council must be satisfied that the tenders represent value for money for the Council.

Risk Management:

There are no inherent risks with regard to this contract. The contract is a framework agreement for the supply of cleaning and janitorial supplies and there is no obligation to purchase any goods.

The risk of not placing contracts for cleaning and janitorial supplies would be that future purchases are made from suppliers outside the framework and therefore the possibility of greater cost or lower quality than the contracted items or that the relevant sustainable, environmental, health and safety or equalities and diversity issues had not been considered. The award of this contract would mitigate these risks. Due to aggregation of spend this would not be compliant either with the Barking and Dagenham Constitution or EU regulations.

Purchasing chemicals and cleaning materials carries a duty of care placed on the purchasing officer to ensure that any potential hazards associated with these materials is minimised. This requires the users' manager to carry out a COSHH risk assessment regarding the use of the chemical and the appropriate measures to be taken to ensure that the product is used as safely as possible, either by the use of personal protective equipment (PPE) and/or by using the least hazardous suitable material.

Social Inclusion and Diversity:

In accordance with the Race Relations (Amendment) Act 2000, the Council has introduced a Policy Proofing process to assess the impacts of all new and revised policies in terms of race equality, gender, disability, sexuality, faith, age and community cohesion. As this report does not concern a new or revised policy there are no specific adverse impacts insofar as this report is concerned, however the contractor selected for the framework will be assessed for their compliance with the Race Relations Act 2000, including fair and equal employment practices.

Crime and Disorder:

Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals. There are no specific implications insofar as this report is concerned, however it is the intention to ensure that the successful contractor has completed CRB checks on personnel employed to deliver supplies under this contract.

Options Appraisal:

1. Do nothing. In line with the Councils Constitution, national and European law, a formal tender process is required for this level of expenditure and therefore this option is not appropriate.
2. That Barking and Dagenham tenders its own contract for the supply of cleaning and janitorial supplies. This would entail similar time and cost implications as tendering for LCSG and would probably not offer better value than a consortium agreement as this has a combined value of £2 million. The use of consortium contracts is encouraged by Central Government and the London Centre of Excellence and should be used where possible.
3. That service users source their own cleaning and janitorial supplies in the wider marketplace. This could create a situation where there would be neither guarantee of the continuity of supply nor a guarantee of quality. Nor would there be any evidence that environmental, sustainable, health and safety, equalities and diversity or COSHH implications had been taken into consideration. This procurement route would also not be compliant with EU regulations regarding aggregation of spend within the Council.
4. Re-tender the contract. In line with the Councils Constitution, national and European law, a formal tender process is required for this level of expenditure. Following consultation with other local authorities that utilise the current framework agreement, the preferred option is to re-tender the contract in a similar format to the current contract. This would be in the form of a framework agreement awarded to one supplier that will be able to meet the requirements of the contract. The framework agreement would establish terms with regard to delivery and pricing, in order that goods can be ordered and called-off as and when required to an agreed contract pricelist but with no obligation to purchase

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1. Introduction and Background

- 1.1 A framework agreement is used to establish the terms of a contract for quality, delivery and pricing. Goods would then be called off by the Council as required and invoiced by the supplier in accordance with the terms of the agreement. There would be no obligation to purchase any quantities under this arrangement

1.2 This framework agreement would be for the supply of cleaning and janitorial supplies, for example: chemicals, brooms & brushes, cleaning products, paper janitorial supplies and minor personal protective equipment (PPE) items.

2. Current Position

2.1 The current framework for the supply of cleaning materials and janitorial supplies expires on 31st May 2009.

2.2 When the current contract was originally let, the preferred supplier status to all boroughs was awarded to Greenham. However, at this time the Council still employed a Central Stores function. In order to secure best value to the Council, the framework also included the following suppliers for bulk deliveries to Barking and Dagenham Central Stores only: Apollo Janitorial Supplies, A to Z Supplies, Kimberley Clark, Monks and Crane Industrial Group.

2.3 Following the closure of the Central Stores, Greenham is now the preferred supplier of cleaning and janitorial supplies to the Council for delivery to end users under the framework.

3. Report Detail

3.1 It is confirmed that the relevant provisions of the “Contracts Guidance Notes”, “Contracts Rules”, “Contracts Codes of Practice” and the “Financial Rules” of the Council’s Constitution and the EU Procurement Regulations will be fully adhered to.

3.2 Following consultation with Corporate Procurement and other local authorities who use the contract, it is anticipated that the framework agreement will be let to one supplier

3.3 Tenders will be evaluated on a price/quality basis. As this contract will be a supply and delivery of goods agreement, in order to realise any potential savings available on line items and to secure value for money from the contract it will be the intention to evaluate tenders on 60% price / 40% quality.

3.4 In order to promote opportunities for small – medium enterprises (SME’s) it is the intention to:

- widely advertise the contract in order to generate interest such as using local and trade press, OJEU, supply2gov and the Councils website
- to take account of supplier utilisation of SME’s in the supply chain

4. Implications

4.1 The cost of cleaning and janitorial supplies purchased under this contract is met through standard operational revenue budgets of the user areas in accordance with their own budgetary controls. There will be no obligation to purchase anything under this agreement.

- 4.2 Financial stability checks will be carried out on the recommended supplier
- 4.3 The successful supplier must be able to accept different payment methods including the Council's preferred payment method of Purchasing Cards and BACS and different ordering methods including e-procurement systems such as Marketplace which the Council uses for ordering this type of supply.
- 4.4 Due to the continual global increase in prices in fuel and raw materials far in excess of the rate of inflation it is unlikely that there will be opportunity to realise cost savings on individual items.

Environmental

- 4.5 As part of the Council's commitment to making the borough "Cleaner, Greener and Safer" the wider environmental implications of the contract will be evaluated as part of the tender process. This would include:
- suppliers using reduced packaging
 - contractors demonstrating positive environmental changes
 - reduction in fuel use
 - streamlined delivery methods
 - environmental policies e.g. ISO14001
 - the use of sustainable resources
 - favour suppliers with a commitment to the environment
- 4.6 The Council is committed to improving its environmental performance and looks to encourage suppliers to improve or develop environmentally preferable goods or services whilst obtaining value for money. In order to achieve these goals this contract would look to:
- specify recycled products where they are economical and suitable
 - take account of relevant environmental labels and other information to help identify environmentally preferable products
 - the specification will include cleaning products with the least toxicity to carry out the required task as required by COSHH regulations. Where possible this should be non-toxic and biodegradable
 - Use of environmentally friendly alternatives to aerosols where practical
 - If applicable to specific products take account of the European Commission's mandatory energy labelling scheme by giving preference to the most energy efficient

Equal Opportunities and Diversity

- 4.7 As one of the Council's community priorities is committed to "Promoting Equal Opportunities and Celebrating Diversity" it is intended to evaluate the potential suppliers of this contract for their employment practices.

4.8 Although there are no specific equalities and diversity implications in so far as the purchase and usage of the specified materials is concerned, the tenderers will be required to include the following equalities and diversity documents with their tender

- A copy of their Equalities and Diversity Policy
- Examples of literature relating to policy set out in:
 - Instructions to those concerned with recruitment, training and promotion
 - Documents available to employees, recognised trade unions or other representative groups of employees
 - Recruitment advertisements or other literature

4.9 The contractors tendering for the framework agreement will be assessed on their Equalities and Diversity practices by means of:

- A method statement detailing their compliance with the UK equalities legislation relating to service delivery and employment, including the Race Regulations (Amendment) Act 2000, Sex Discrimination Act 1999, the Equal Pay Act 1984, Disability Discrimination Act 1995, Human Rights Act 1998, Employment regulations for Religious Belief and Sexual Orientation (or EC member state equivalents) which should address the following:
 - An overview of the contractors equal opportunities policy
 - The approach to setting priorities and targets, and developing an action plan
 - The seniority of the person who oversees effective implementation
 - Details of how the policy is communicated to staff
 - Details of procedures that the contractor has to protect their staff from unlawful discrimination
 - Training on equalities provided to staff
 - The monitoring processes for tracking progress
 - Monitoring equal opportunities through the supply chain i.e. how the contractor measures the performance of suppliers and sub-contractors

5. Consultees

5.1 The following were consulted in the preparation of this report:

Councillor

Cllr Bramley Lead Member Resources

Officers

Andrew Hyder – Interim Head of Asset Strategy and Capital Delivery, Regeneration

Debra Nicholls – on behalf of Legal Services

Alex Anderson – Group Manager, Regeneration Finance

Sue Chappell – on behalf of Corporate Procurement

Diljeet Assi – Interim Group Manager, Facilities Management, Resources
Maureen Lowes – Catering Services Manager, Children’s Services
Ian Saxby – Group Manager, Design and Surveying, Regeneration
Yinka Owa – Legal Partner, Procurement, Contracts & Property, Resources

External

Officers from other participating boroughs.

Background Papers Used in the Preparation of the Report:

- Executive Minute 55, Award of Supply of Cleaning, First Aid and Protective Items Contract, 28 June 2005
- 2004/18/EC European Procurement Directive

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The Executive

16 DECEMBER 2008

REPORT OF THE CORPORATE DIRECTOR OF REGENERATION

Title: Brief for Masterplan Production for the Marks Gate Regeneration Scheme	For Decision
<p>Summary:</p> <p>Marks Gate is identified as one of the sites to be taken forward by the proposed Local Housing Company (LHC) (Refer to Executive Report dated 7 May 2008) in order to deliver much needed new housing for the area. As part of the LHC arrangements the Council will lead on the production of masterplans for the identified sites prior to a planning application being submitted by the LHC. The production of a masterplan will be crucial in pulling all the social, economic and environmental threads together and maximising the regeneration opportunities from new housing. Marks Gate offers significant scope for better use of brownfield land. A consultancy team needs to be appointed to produce the masterplan. The production of the masterplan will include significant levels of public consultation to maximise local input and minimise planning risks. The resulting masterplan will be submitted to the Executive for approval during the summer 2009.</p> <p>Wards Affected: Chadwell Heath</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> 1. In accordance with the Constitution (Contract Rules 3.6) to authorise the Director of Regeneration to carry out a tendering procedure for a consultancy team to produce the Marks Gate masterplan, subject to funds being secured from the Homes and Communities Agency. 	
<p>Reason(s)</p> <p>In order to assist the Council to achieve its Community Priorities of “Regenerating the Local Economy” “Raising General Pride in the Borough” “Better Education and Learning for All” and “Improving Health, Housing and Social Care”.</p>	
<p>Implications:</p> <p>Financial:</p> <p>The estimated cost of the masterplanning is £200,000, this will be finalised through the tendering procedure. These costs will be incurred during 2008/09 and 2009/10. The costs of appointing a consultant will be met by the newly formed Homes and Communities Agency (HCA) and as such this project will be externally funded. This is part of the pump-priming of the LHC by the HCA. The project will be subject to a Capital Programme Management Office appraisal and a contract will only be awarded once the funding is secured.</p> <p>The expected quarterly profile of the expenditure is as follows;</p>	

	2008/09	2009/10					Total
	Q4	Q1	Q2	Q3	Q4	Total	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure – Payments to Consultants	60	70	70	0	0	0	200

Legal:

The Regeneration Directorate has indicated that the value of the consultancy contract to produce the Marks Gate Master Plan should not exceed £200,000 which is below the EU threshold for advertising in the OJEU.

The value of the contract is also below the threshold requiring approval by the Executive and within the threshold of contracts that can be approved under delegated authority by the Corporate Director for Regeneration as set out in the Council's Constitution and its Contract Rules.

To expedite the appointment of the consultancy team, the intention is to conduct a mini tender from the English Partnership's Framework Agreement. The Council's Contract Rules permits this so long as that Framework Agreement has been tendered in accordance with EU Rules and English Partnership's own procurement rules.

Risk Management:

The risks related to this project primarily include those of non-delivery or poor delivery, which would have the most impact on residents at Marks Gate. However, a failed tendering procedure could arise if the brief is over-ambitious resulting in its requirements being too unrealistic. It could equally fail if the brief is ambiguous and uncertainty arises about what the consultant is legally obliged to deliver. The brief is devised to reduce these risks.

There is also a risk that the Council will not find a suitable consultant, or that it will not be able to afford the services of the favoured consultant. In general terms the best consultant will usually deliver the best quality scheme. A degree of trust will be needed between the parties, especially if they have not worked together before. The Council will use its collective knowledge and experience to manage the tendering procedure and the contract. The use of English Partnerships' approved contractor list is also intended to mitigate against risks in the selection process.

The brief needs to gain a consensus of support because the joint effort of many individuals will be required to deliver the project successfully. Achieving agreement on the content will also help ensure that when it is delivered it meets the Council's cross-departmental objectives. Actions taken to date have involved including previously identified, shared objectives within the brief as well as consulting as widely as possible within the organisation, prior to submitting the brief to the Executive for approval.

Consultation with all the Stakeholders will be the key to minimising any risks attached to a lack of ownership of the masterplan, which could affect how successful it is. External consultees, including members of the public, will have a direct influence on its production. The table below

identifies these and other risks according to severity and shows actions to mitigate against them.

Risk	Severity 1-4	Likelihood 1-4	Combined Score 1- 16	Mitigation Measures
Non-delivery	4	2	8	Non delivery of the masterplan is amongst the most significant risks. The tendering procedure and appointment of a consultancy team with the relevant experience is
Poor Delivery	4	3	12	The brief is being devised to ensure, as far as possible, the scheme meets a high standard. It sets out the technical and the qualitative requirements. It still allows room for
Unrealistic requirements	2	2	4	The tendering procedure will help to ensure the Council's brief is well tested in terms of marketability. The financial success of the project depends on the free market housing
Uncertain requirements	1	1	1	The brief will comprise part of a package of documents along with a contract and form of tender, plans, specification, appendices etc. This will tighten the requirements to a

				the project. Additionally, the Council has a lead officer assigned to the project who will be available to offer guidance throughout the life of the project.
Finding a suitable Consultant	2	2	4	The consultancy team will be selected from a group of candidates, as broad as possible. Those on the approved list of English Partnerships will be invited as a minimum. Both approved lists have already been vetted to only include consultancy teams that have the skills and capability to complete major projects to a good standard.
Affordability	3	2	6	The tendering process will lead to selection based on affordability. However if all the tenders are above what is considered good value for money, the brief gives scope for negotiation. Additionally there is no need to accept any of the tenders and the process could begin again if necessary. The affordability and the quality of the scheme are very important and the brief itself has been devised with this in mind.
No consensus amongst officers	2	2	4	The brief has been circulated amongst officers and comments have been incorporated as far as possible. This makes up the latest revision prior to recommendation to the Executive. The brief takes account of key policies and gains the widest consensus possible.
Poor stakeholder involvement	2	3	6	The tendering procedure requires information to be submitted on how the consultancy team will engage the public and it will be one of the key measures by which the successful tenderer is selected. A consultation strategy has been produced outlining how the project should proceed. It takes account of the Council's statutory responsibilities in respect of consultation. The lead officer will assist with the development of the strategy and ensure it ties in with the work the consultancy team undertakes.
				There will be a need to monitor the development of the masterplan.

project				There are key milestones built into the delivery of the contract, such as the presentation of masterplan options. This will help to ensure it meets cross-cutting objectives and delivers what local people will support.
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Social Inclusion and Diversity:

Positive interventions are being made to enhance community cohesion as part of this regeneration project. An equality impact assessment is being undertaken by the client team and will identify a baseline for Marks Gate, to help understand existing levels of social inclusion and the diversity of the local population. It will contain an assessment of risks and set out what the selected master planners will need to do to address equality and diversity issues including how the significant public consultation stage should be taken forward.

Crime and Disorder:

Crime and disorder is known to be high in the area around Marks Gate. Figures published by the Department for Communities and Local Government show some areas have crime levels amongst the worst 10% in the country. Violent crime is particularly high. This can be partly addressed in the design of the built environment. A change in the fabric will be a catalyst to a better, more balanced community. Better facilities for young people will also provide new opportunities for education and employment directing them away from crime. Specific types of violence such as domestic violence can be helped by social aspects of the regeneration programme such as better access to services based in local community centres, as well as better quality housing. Extended families can be kept near to each other, an important aspect of a sustainable community.

Options Appraisal:

Option 1. Do nothing.

The reputation of the Council would be at risk if it does nothing to help local communities in Marks Gate. Dissatisfaction with growing waiting lists for public housing and the break up of communities would cause an unacceptable degree of disharmony.

Option 2. Increase revenue expenditure on maintenance rather than a redevelopment option.

The cost of maintaining properties in the two worst affected housing estates has been evaluated and it would be likely to be more than the costs of redevelopment. The evidence for this is contained in the Council Property Report from April 2007. It shows the average cost of ensuring dwellings of this age and type reaching the decent homes standard for the next ten years is more than £250,000 per dwelling. This is because the buildings are reaching the end of their useful life expectancy. They will otherwise fail to reach minimum decent standards set out by government within a decade. The types of improvements that are needed are improvements to the infrastructure and fabric of the buildings.

Option 3. Proceed with the brief and tendering procedure to appoint a consultant and develop a master plan, to be implemented by the LHC.

This option offers a sustainable solution to the problems in Marks Gate that can be delivered with good value for money.

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1. Introduction and Background

1.1 The Council is committed to an ambitious programme of regeneration to help disadvantaged communities in the borough. Marks Gate is primarily a traditional white, working class community that has become heavily deprived. Causes include the decline of local manufacturing industries upon which the area used to thrive and a reliance on private transport which has become increasingly less affordable for local people. The effects have started to manifest themselves in social changes. The structure of the population has been affected as well as the prospects for those remaining in the area. The Government Department for Communities and Local Government 'Indices of Multiple Deprivation 2007' identifies Marks Gate in as an area of high deprivation. Only three others out of the 109 neighbourhoods in the London Borough of Barking and Dagenham are more deprived.

Some of the key indicators for deprivation which could be addressed by a comprehensive regeneration package are;

Rose Lane Area (Super Output Area Ref No E01000030)

- 32% of working age people claim benefit compared to 21% in the rest of Barking and Dagenham and 14% of people in England as a whole.
- 59% have good health compared with 65% in the rest of the Borough and 68% in England.
- Educational achievement is higher than average in young children but much lower in sixteen year olds. Only 43% of Marks Gate children achieve 5 A*-C grade passes compared to 60% in the rest of England.

The effect of these statistics has been to deter young families from moving into the area. A shortage of affordable housing has also meant the break up of extended families, with only the previous generations remaining. Marks Gate now has an ageing community and a lower than average number of people in managerial and skilled jobs. The effects of deprivation are also becoming apparent in the fabric of the built environment. Two adjacent housing estates Padnall Court and Reynolds Court have become undesirable places to live because of their physical appearance but also seemingly, because of local crime and anti-social behaviour. Apart from being symptomatic of deprivation, the poor quality of the built environment could become a cause for further decline.

1.2 Only a small proportion of the Marks Gate community are from non-white or non-Christian groups. Buddhist, Hindu, Jewish, Muslim and Sikh religions combined make up only 3.8% of the population in the Rose Lane area. However, the Neighbourhood team's Ward Profile suggests that whilst the ethnic minority population is relatively low, there is evidence of

new young families moving into to the area from ethnic minority communities. It is important to address problems in Marks Gate to avoid public dissatisfaction that could lead to inter-racial tension. The master plan aims to deliver regeneration that can encourage sustainable growth. It will be development led but there will be a strong social aspect with local communities being brought into the decision-making process. Low density housing areas which do not function properly will be replaced by modern, well designed housing with integral open spaces, making better use of brownfield land. The buildings will be constructed from quality, modern materials, bringing Marks Gate back to its former glory as a place where people want to live.

1.3 Marks Gate is one of the sites identified to be included within the remit of the Local Housing Company to ensure additional affordable housing is provided within a context of addressing social and economic issues. The brief for the masterplan is the first tool for delivering this project. All the parameters have been set out including requirements for;

- Transport
- Housing
- Open space
- The public realm
- Community facilities

It is important that the masterplan is robust and ready to be enable a planning application to be produced in mid to late 2009 to enable physical delivery to start no later than the start of 2010.

The Executive is asked to agree to the tendering procedure to go ahead. This will give a democratic mandate for the social, economic and environmental change outlined in the brief, to benefit the residents and wider community around Marks Gate.

2. Current Position

2.1 The Council is securing a masterplan and associated public consultation that will lead to housing, public realm and environmental improvements. The Local Housing Company (LHC) will be the body that drives the regeneration project forward, once the masterplan has been produced and planning permission has been obtained. The LHC will work closely with other organisations such as the HCA to ensure what is delivered meets national as well as regional and local goals.

2.2 A development consultancy appointed by the Church of England, has recently sought pre-planning advice in relation to the site of St Marks Church. A comprehensive redevelopment of this site with mixed uses including a reprovided place of worship and community space, a crèche, a gym and live/work accommodation is being proposed. Given the community benefits and its central location in Marks Gate it is critical that the site is considered as part of the masterplan and there is even the possibility it could be taken forward as a LHC development.

3. Report Detail

3.1 The objectives of the brief include;

General

- A sustainable community, with at least 50% of new homes affordable

- The highest affordable level of architectural design and environmental standards,
- First class community facilities,
- Community involvement so local residents feel part of the regeneration of their area.
- Integration of the new development into the existing built environment,
- Community cohesion,
- Residential, public realm and open space improvements of value to the whole local community,
- Improvements to the image and perception of the area,
- Improvements to local quality of life,
- Diversification of the housing type and mix of tenures to enable local people to have a choice of accommodation,
- A safe and pleasant environment that enables people to move around easily,
- Enhanced property values within and around the surrounding area,
- A balance of uses, which helps to create a vibrant urban area that is both a place to work and live,
- A range of community facilities that local people use and that attract visitors.

The consultant will be required to deliver this work in phases as follows;

1. Information gathering, stakeholder consultation and analysis
2. Initial options presentation to a steering group followed by a wider consultation
3. Draft masterplan with supporting information
4. Final version presentation

The overall outcome will be the production of a viable and robustly tested masterplan addressing financial and development risks.

4. Implications

4.1 Residential areas in Marks Gate are known to be amongst those most in need of regeneration because of the statistics showing significant deprivation in crime, access to services, education, health, employment and housing. The government's indices of multiple deprivation show large areas of Marks Gate are amongst the most deprived ten percent in the country. Neighbouring areas within other boroughs are not so seriously deprived. The implications of the Executive approving the tendering procedure is that deprivation will be addressed by collaboration with social groups and key stakeholders.

5. Consultees

5.1 The following were consulted in the preparation of this report:

Councillors

Cllr Mick McCarthy Lead Member for Regeneration
 Cllr Liam Smith Leader Member for Housing
 Cllr Shaun Carroll Chadwell Heath Ward Member
 Cllr Terry Justice Chadwell Heath Ward Member
 Cllr Nadine Smith Chadwell Heath Ward Member

Customer Services Department

Stephen Clarke, Divisional Director of Housing Services

Resources Department

Alex Anderson, Group Manager Corporate Finance
Paul Ansell, Procurement Officer
David Robins, Group Manager Procurement and Efficiency
Mo Atchia, Press Officer
Stephen Meah-Sims, Principal Policy/Partnership Officer
Guy Swindle, Head of Policy

Adult and Community Services Department

James Oaten, Group Manager Equalities and Diversity
Rebecca Wisbey, Neighbourhood Management
Philip Baldwin, Group Manager Community Development
Heather Wills, Head of Community Services, Libraries and Heritage

Children's Services

Roger Luxton, Corporate Director
Michael Freeman, Group Manager Asset Management and Capital
Christine Pryor, Head of Integrated Family Services

Legal and Democratic Services

Yinka Owa, Legal Partner Procurement Contracts
Eldred Taylor-Camarra, Legal Partner Procurement and Contracts

Regeneration Department

Ken Jones, Head of Housing Strategy and Property Services
Rachel Hogger, Principal Planning Policy Officer
Doris Acquah, Project Co-ordinator Housing Options Appraisal
Daniel Pope, Group Manager Land Use Planning
Anthony Alexander, Project Manager
Joe Baker, Sustainable Development Team Leader
David Higham, Group Manager Transport Strategy
Keith Wilson, Valuation and Development Manager

Background Papers Used in the Preparation of the Report:

Local Development Framework: Planning for the future of Barking and Dagenham – Site specific allocations issues and options report, LBBD, 2008

Spatial Regeneration Service Scorecard 2007/10

LBBD Executive Report 7 May 2008 Item number 156: 'Barking and Dagenham Local Housing Company and Barking Riverside Local Housing Company'

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Executive Report**16 December 2008****REPORT OF
THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES**

Title: Tendering for the Management and Operation of Castle Green Children's Centre.	For Decision
<p>Summary:</p> <p>This report covers the tendering of the Castle Green Children Centre to identify a contractor to manage and deliver a number of services. The service will ensure sufficient integrated care and education for children in particular for children in areas of disadvantage, from minority ethnic communities and for those with additional needs as per the 2006 Childcare Act.</p> <p>The current provider of this service is Lifeline; the current contract value is £332,143 per annum, which is funded from the Sure Start, Early Years and Childcare Grant. The contract has been in place since January 2006 and is due to end in June 2009.</p> <p>This report is seeking approval from the Executive to tender for the management and operation of Castle Green Children's Centre, and award a contract. It is expected that the new contract value will be approximately between £1,250,000 and £1,500,000 in total (£250k – 300k per annum) and that the contract will be for 3 years plus a further two years extension dependent on future funding and performance.</p> <p>Wards Affected: Goresbrook and Thames</p>	
<p>Recommendation(s)</p> <p>The Executive is asked:</p> <ol style="list-style-type: none"> 1. To approve the procurement strategy outlined in this report for the award of a contract to manage and operate Castle Green Children's Centre for a period of three years, with an option to extend for a further two years, dependent upon satisfactory performance; 2. In accordance with Contract Rule 3.6, to advise whether Members require to be further involved with, or be consulted on the procurement and award of the contract. 3. In the absence of any such requirement, to delegate authority to the Corporate Director of Children's Services, on the advice of Legal Services, to award the contract following the agreed procurement process. 	
<p>Reason(s)</p>	
<p>To assist the Council to achieve its Community Priorities of "Better Education and Learning for All" and "Promoting Equal Opportunities and Celebrating Diversity"</p>	

Implications :**Financial:****Previous contractual funding arrangements**

The previous contract was originally fully funded by Children's Services with an annual value of between £332,143. Total value of the contract £1,162,500.

New contractual funding arrangements

The new contract will continue to be funded by Children's Services with an annual value of between £250 and £300k per annum. The total value of the contract (including extension period of 2 years) will be approximately between £1,250,000 and £1,500,000.

Funding has been allocated to the provision of this service by Children's Services since 2003. The funding for the new contract is expected to continue as previously through the Sure Start, Early Years and Childcare grant from the Department of Children, Schools and Families (DCSF).

Expected saving or benefits for the Council

The tender process will ensure value for money. New contractual arrangements and monitoring procedures will also ensure an enhanced quality of service.

Legal:

The Council's Contract Rules and the applicable European Union Procurement Rules will be complied with as will all requirements under TUPE.

Risk Management:

The current provider for the management and operation of Castle Green Children's Centre has a contract up to and including 30th June 2009. To ensure that the Local Authority meets its statutory duty to ensure provision for disadvantaged children and others from the 1st July new arrangements will need to be put in place.

If these new arrangements are not in place by 1st July 2009 then the Council will not be able to ensure the continued support to some of the most disadvantaged children in the borough.

The main risk involved will be the delivery of a poor quality service. Written contractual arrangements will contribute to ensuring a quality service. Risk will be effectively managed through formal quarterly performance and contract monitoring meetings and ongoing informal reviews by a designated contract manager.

Evaluations are carried out immediately after each session at the Children's Centre and the data collated and used for the Ofsted evaluation report. This contract has been successful due to working in partnership with providers and developing services together. Regular reviews enable flexibility of services. Stakeholder's meetings are also held regularly.

Social Inclusion and Diversity:

The Race Relations (Amendment) Act 2000 places a requirement on local authorities to make an assessment of the impact of new and revised policies in terms of race equality. Existing policies have already been subjected to impact assessments. This Authority has adopted an approach of extending the impact to

cover gender, disability, sexuality, faith, age and community cohesion.

Children's Centres deliver services that are targeted specifically at hard-to-reach communities and are measured on their success at doing so.

A Policy Proofing process has been introduced to assess such impacts and the outcome insofar as this report is concerned is that the children's centre programme will provide high-quality services to diverse and minority groups and develop and establish good links with local community groups.

Work has already been undertaken on a needs assessment across the community and analysis from this will feed into the tender process. Furthermore an Equalities Impact Assessment has been undertaken to ensure that all aspects of diversity and equalities have been addressed in the system design.

Crime and Disorder:

Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals.

High quality interventions early in children's lives have a proven long-term impact on their ability to learn, socialise and achieve. The provision of these services will contribute to the reduction of crime amongst young people and improve community safety. It will also contribute to the Every Child Matter outcomes by increasing children & young people's potential to stay safe and to make a positive contribution.

Contact Officer:	Title:	Contact Details:
Toby Kinder	Group Manager Children's Centre	020 8227 5047 toby.kinder@lbbd.gov.uk
Valerie Tomlinson-Palmer	Commissioning Officer	020 8227 3623 valerie.tomlinson-palmer@lbbd.gov.uk

1. Introduction and Background

- 1.1 By the end of 2003, there were 524 Sure Start Local Programmes serving the most deprived communities. From 2004, these programmes have formed the basis of Sure Start Children's Centres with over 2,500 centres now serving young children and their families.
- 1.2 Children centres are service hubs where children under five years old and their families can receive seamless integrated services and information. By 2010, every community will be served by a Sure Start Children's Centre, offering permanent universal provision across the country, ensuring that every child gets the best start in life.
- 1.3 These services vary according to individual centres but may include:

- integrated early education and childcare - all centres offering early years provision have a minimum half-time qualified teacher (increasing to full time within 18 months of the centre opening);
- support for parents - including advice on parenting, local childcare options and access to specialist services for families;
- child and family health services - ranging from health screening, health visitor services to breast-feeding support;
- helping parents into work - with links to the local Job centre Plus and training.

- 1.4 The Childcare Act 2006 placed a new duty on local authorities; to ensure that sufficient childcare places are available to meet local need. The requirement to manage the market implies co-ordination of services and partnership working rather than direct delivery.
- 1.5 It was recommended that neighborhood nurseries were absorbed into Children's Centre's. Capital funding for new children's centres was allocated with the requirement that all major new-build projects provide at least 50 full day-care places.
- 1.6 The Government's vision, set out most recently in the Children's Plan, is that every child and young person should have the opportunity to fulfil their potential. Sure Start is at the forefront of transforming the way services are delivered for young children and their families.
- 1.7 Each centre is on, or close to, a school site and is within easy walking distance of the families using it. The centres are built around the needs of the local community and provide facilities for parents, child and childminder groups and services, health and ante-natal classes, access to training and employment support.
- 1.8 The aim of Sure Start Children's Centres was to improve outcomes for all children. They are a vital part of the Government's ten-year childcare strategy to enable all families with children to have access to an affordable, flexible, high-quality childcare place for their child.
- 1.9 Children's centres are funded through the Government's ring-fenced Sure Start, Early Years and Childcare grant from the Department of Children, Schools and Families (DCSF). Government funding is guaranteed until March 2011 and there is every expectation that it may continue beyond this date, with the government making it clear that this is now mainstream work that has cross party support.

2. Current Position

- 2.1 The current contract has been in place since January 2006 and is due to expire at the end of June 2009. The current provider is Lifeline Community Projects and annual estimated contract value is £332,143.
- 2.2 The children's centre is purpose built on Castle Green complex next door to Jo Richardson Community School. There are good transport links and close proximity to local leisure amenities.

Castle Green Children's Centre offers the following key services:

- childminding network;
- access to health care facilities such as health visitor and midwife clinics as well as speech and language therapist on site;
- family support services, home visiting and centre based group work;
- support with Job Centre Plus initiatives, return to work support, access to job vacancies and training.

The day nursery and crèche facilities are as follows:

- 53 place day nursery catering for children aged 3 months to 5 years operating 50 weeks per year;
- 22 place crèche facility which allows parents to book children in for sessions up to 4 hours long at an hourly rate.

3. Finance

3.1 Previous contractual funding arrangements

The previous contract was originally fully funded by Children's Services with an annual value of £332, 143. Total value of the contract £1,162,500.

New contractual funding arrangements

The new contract will continue to be funded by Children's Services with an annual value of between £250 and £300k per annum. The total value of the contract (including extension period of 2 years) will be approximately between £1,250,000 and £1,500,000.

Funding has been allocated to the provision of this service by Children's Services since 2003 and the funding for the new contract is expected to continue as previously through the Sure Start, Early Years and Childcare grant from the Department of Children, Schools and Families (DCSF).

Expected saving or benefits for the Council

The tender process will ensure value for money. The new contractual arrangements will ensure an enhanced specification for the service. Monitoring procedures will also ensure an enhanced quality of service.

Furthermore the tender process will support and emphasise the Council's desire for quality, innovation and creativity in children's centres service delivery.

4 Tender Process

- 4.1 It is our intention to advertise on the Council's and other appropriate websites inviting expressions of interest from parties that can demonstrate relevant experience in delivering the service required.

The value of this service is over the EU threshold of £139,893 for Part B services and should be tendered. Under EU procurement rules this service is classified as a part B service and unlike Part A services that are subject to the full European regime, has minimal legislative requirements. The main requirements being in relation to technical specification and award notice. The tender will be carried out in compliance with the EU rules.

4.2 Interested parties will be invited to tender on the basis of a two-stage process in awarding this contract. The first stage will be to invite expressions of interest requiring the completion of a pre-qualification questionnaire (PQQ) which will be assessed against the responses given. This will result in a shortlist of up to six preferred providers being invited to tender.

4.3 The contract will be awarded to the tenderer that submits the most economically advantageous tender using a combination of Quality and Price criteria. The evaluation of tender submissions will be based on a weighted quality/cost matrix. The quality/price weighting for this tender is 80/20. Tenders are advised of this beforehand. This will enable a fair and even handed approach to be taken.

4.4 The following criteria and their respective weightings will be applied in the evaluation of the Quality component:

- Visit to existing provision 25%
 - Service Delivery 9%
 - Evaluation 8%
 - Monitoring and Performance 8%

- Tender application 40%
 - Service Delivery 15%
 - Management 15%
 - Partnership 5%
 - Staffing 5%

- Provider Presentation 35%
 - Interview 15%
 - Presentation 10%
 - Communication 10%

4.5 In addition, an evaluation of the price will be carried out, to ensure potential suppliers offer fair and competitive prices that are consistent with the service outline. Contracts will be awarded to the successful provider/s for a period of 3 years, with an option to extend for a further 2 year dependent upon future availability of funding and satisfactory performance.

Staffing Implications and TUPE

4.5 Possible TUPE implications for staff employed in the provision of this service by the current provider have been taken in to consideration and time has been allowed in

the project plan to facilitate any required meetings in respect of this and to ensure continuity of service to service users.

6 Delegated Approval

In accordance with Council rules the contract will be let with approval of the Chief Officer and the 151 Officer (Chief Financial Officer) if the Executive decide that they do not wish to be further involved in the procurement of this Inclusion Service.

7 Expected Outline Timetable

Action	Date
Executive Approval	16th December 2008
Advertise	24th December 2008
Expressions of interest to be returned	3rd February 2009
Tenders to be returned	6th April 2009
Interviews to be conducted	Late April 2009
Approval from Chief Officers and 10 day standstill period	Early May 2009
Contract Award	Mid May 2009
Facilitate possible TUPE meetings between providers	May/June
Contract Delivery	1 st July 2009

8. Comments of the Legal Partners

- 8.1 The Legal Partners have been consulted in the preparation of this report and their comments have been incorporated in the body of the report.
- 8.2 The Legal Practice should be consulted in the preparation of the contract documentation and as to conduct of the procurement exercise to ensure legality and compliance with the Council's governance regime.

9. Consultees

- 9.1 Cllr Jeanne Alexander Lead Member Children's Services Portfolio
 Cllr Warren Northover Goresbrook Ward Member
 Roger Luxton - Corporate Director of Children's Services
 David Robins - Corporate Procurement
 Yinka Owa – Legal Partner, LBBB Legal Practice
 David Tully - Group Manager Children's Services Finance
 Christine Pryor -Head of service – Integrated Family Services
 Gail Clark - Human Resources

9. Background Papers Used in the Preparation of the Report:

- 9.1 None.

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Executive Report**16 December 2008****REPORT OF
THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES**

Title: Tendering of Wellgate Children's Centre Day Nursery	For Decision
<p>Summary:</p> <p>This report concerns the procurement and delivery of Wellgate Children's Centre Day Nursery. On 19 February 2008 the Executive approved the process of commissioning 50%, three, of the borough's existing full day care nurseries to the private/voluntary/independent sector. This was in response to the financial implications for the Council in continuing to be a direct provider of day nursery provision. The previous report detailed the financial overspends of some of the nurseries and outlined the difficulty the Council faced in continuing to subsidise childcare at the expense of other family support services.</p> <p>The Executive report of 19 February 2008 stated that a further report would be presented to the Executive on the proposals to procure external providers to operate these three nurseries. Wellgate Children's Centre Day Nursery is the third and last nursery to be tendered.</p> <p>This report is seeking approval from the Executive Committee to commence a tender exercise to appoint a service provider of nursery services for the Wellgate Children's Centre Day Nursery. It is expected that the new contract value will be approximately £455,000 per annum (these costs will be met by parent's fees not by the Council and are based on 52 places at £175 per place for 50 weeks). The contract will be for 3 years plus a further one year extension depending on performance.</p> <p>Wards Affected: Chadwell Heath</p>	
Recommendation(s)	
<p>The Executive is asked to :</p> <ol style="list-style-type: none"> 1. Approve the appointment of a provider of nursery services for the Wellgate Children's Centre Day Nursery following a competitive procurement exercise on the terms detailed in this report. Such a contract will be for a period of three years, with an option to extend for a further one year dependent upon satisfactory performance. 2. In accordance with Contract Rule 3.6, to advise whether Members require to be further involved with, or be consulted on the procurement and award of the contract. 3. In the absence of such requirement, to delegate authority to the Corporate Director of Children's Services, on the advice of Legal Services, to award the contract following the agreed procurement process. 	

<p>Reason(s)</p>
<p>To assist the local authority in achieving its Community Priorities of “Better Education and Learning for All” and “ Promoting Equal Opportunities and Celebrating Diversity”.</p>
<p>Implications:</p> <p>Financial:</p> <p>Wellgate Children’s Centre Day Nursery has 52 day places and costs are currently £175 per place paid for by parent’s fees for 50 weeks a year. Income for the provider could be a maximum of £455,000 per annum.</p> <p>The provider will not be able to increase parent fees above the working tax credit ceiling at which parents are able to claim the maximum (80%) of the childcare element of the Working Tax Credit or without giving three months notice to parents and advising Children’s Services of their actions.</p> <p>The Provider will also be receiving full use of the nursery and equipment which is owned by the Council but will be recharged by the Council for utilities, telephone, cleaning, fire extinguisher servicing, grounds maintenance etc amounting to approximately £17,000 per annum.</p> <p>Expected saving or benefits for the Council</p> <p>Wellgate Children’s Centre Day Nursery made a loss of £128,000 in the financial year 2007/2008. The running of this day nursery, as stated in the Executive report dated 19th February 2008 would not be a financially viable option for the future without an annual subsidy or a significant increase in parent fees.</p> <p>As a result of transferring the running of Wellgate Children’s Centre Day Nursery to an external provider, savings out of the Sure Start Local Programmes Grant of approximately £140,000 per annum will be achieved. This funding can then be used to finance additional core services for example Family Support.</p> <p>In the Executive report of 19 February 2008 Members were also asked to approve a one-off subsidy of £100,000 to support the first year of operation by an external contractor. Having re-assessed the situation Children’s Services have reached the decision that this subsidy will not be required by a future contractor.</p> <p>Legal:</p> <p>The Council has power to enter into contracts and offer concessions for the provision of Day Nursery Services on the basis that such Service is properly required for the discharge of the Council’s duties.</p> <p>It is anticipated that the estimated value of the Service will be in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations), of £139,893.</p> <p>The conditions of contract to be entered into between the Council and the successful tenderer are yet to be agreed. Legal Services will be consulted and shall advise on the</p>

appropriate procurement procedure and legal terms and conditions upon receipt of instructions.

Children's Services confirms that the Council's Contract Rules and any applicable European Union Procurement Rules will be complied with, as will all requirements under TUPE.

Risk Management:

The main risk involved will be the delivery of a poor quality service. Written contractual arrangements will contribute to ensuring a quality service and there will be quarterly monitoring reviews and the provider will be requested to complete a monitoring form before these reviews. The monitoring form will collect information around the service and will be based around the contract and service specification. The monitoring information collected each quarter will be compared to previous quarters. There will be unannounced monitoring visits to the nursery (these will focus on general issues or on specific matters) and mystery shopper exercises. It is also expected that quality surveys will be conducted by the provider and the Council. The nursery will also be subject to external inspection from the Office for standards in education (OFSTED).

Contractual arrangements will also ensure that the provider will not be able to increase parent fees above the working tax credit ceiling at which parents are able to claim the maximum (80%) of the childcare element of the Working Tax Credit or without giving three months notice to parents and advising Children's Services of their actions.

Social Inclusion and Diversity:

The Race Relations (Amendment) Act 2000 places a requirement on local authorities to make an assessment of the impact of new and revised policies in terms of race equality. Existing policies have already been subjected to impact assessments. This Authority has adopted an approach of extending the impact to cover gender, disability, sexuality, faith, age and community cohesion.

As this report does not concern a new or revised policy there are no specific adverse impacts as far as this report is concerned.

Crime and Disorder:

Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals.

There are no specific implications insofar as this report is concerned.

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Joy Barter	Group Manager Early Years and Childcare	020 8227 5533 joy.barter@lbbd.gov.uk
Janet Houghton	Commissioning Officer	020 8227 3116 Janet.Houghton@lbbd.gov.uk

1. Introduction and Background

- 1.1 Members received and approved a report on 19 February 2008 Minute no 124 detailing the future delivery of the Council's full day childcare services and recommending the commissioning of an external provider to run three of the six existing Council run nurseries.
- 1.2 For the purposes of this report day-care is defined as childcare that is paid for by parents, running from 8 a.m. until 6 p.m. every weekday for 50 weeks per year.
- 1.3 The Government has been increasing annually its financial commitment to the development of day-care since the launch in 1998 of the National Childcare Strategy. This was a joint initiative of the DfES and the Treasury with twin aims of increasing the stock of accessible, affordable childcare places, allowing more parents (especially lone parents) to re-enter the job market, and improving the quality of the early education experience for under-fives.
- 1.4 The Neighbourhood Nursery Initiative (NNI), launched in 2001, recognised that while independent providers were developing sustainable childcare in moderately disadvantaged areas, extending this to the most deprived areas would require significant financial support. Funding was allocated to local authorities in order that pump-priming grants could be issued to providers from the statutory, private, or not-for-profit sectors thus creating a three-year lead-in period to achieve full sustainability.
- 1.5 In 2003 the Government introduced its Children's Centre Initiative. This aimed to integrate existing day-care provision with the health, family support, and training service developed through Sure Start, locating the full range of services for under-fives in appropriate neighbourhood locations. It was recommended that neighbourhood nurseries were absorbed into children's centres. Capital funding for new children's centres was allocated with the requirement that all major new-build projects provided at least 50 full day-care places. There are currently 12 children's centres in the borough and will be 14 by autumn 2008.
- 1.6 The Childcare Act 2006 places a new duty on local authorities; to ensure that sufficient childcare places are available to meet local need. The requirement to manage the market implies co-ordination of services and partnership working rather than direct delivery.

2 Tender Process

- 2.1 It is our intention to advertise the procurement of nursery services for the Wellgate Children's Centre Day Nursery on the council's website and appropriate websites inviting expressions of interest from providers that can demonstrate relevant expertise and experience in delivering Day Care Nursery Services.

The value of this service which is over the EU threshold will be tendered in compliance with the EU rules and principles and has minimal legislative requirements in terms of the procedure to be adopted.

Interested parties will be invited to tender on the basis of a two-stage process. The first stage will be to invite expressions of interest requiring the completion of a pre-qualification questionnaire which will be assessed against the responses given. This will result in a shortlist of up to six preferred providers being invited to tender.

The evaluation of tender submissions will be based on a quality matrix only (as costs are set at £175 per place) with weightings to be as follows:

Service Delivery	20%
Management and staffing	10%
Evaluation, Monitoring and performance	25%
Communication	15%
Interview and presentation	30%

Tenderers will be advised of these weightings beforehand. This will enable a fair and even handed approach to be taken.

3. Expected Outline Timetable and contract period and value

Action	Date
Executive Approval	16 December 2008
Advertise	24 December 2008
Expressions of interest to be returned	15 January 2009
Evaluate returns	19 January 2009
Invitation to Tender to be sent out	26 January 2009
Tenders to be returned	6 March 2009
Evaluate returns	10 March 2009
Interviews to be conducted	16 March 2009
Approval from Chief Officers and 10 day standstill period	Early April 2009
Contract Award	April 2009
Contract Delivery	1 st June 2009

- 3.1 Contracts will be awarded to the successful provider/s for a period of 3 years, with an option to extend for a further 1 year dependent upon future satisfactory performance.

The total contract value for the Wellgate Children's Centre Day Nursery over a three year period, plus 1 year extension period is expected to be approximately £1,820,000.

4 Staffing implications and TUPE

- 4.1 As detailed in the Executive report of 19 February 2008 the Council workforce at Wellgate Children's Centre Day Nursery will be absorbed into the three remaining Council run nurseries, crèches and family support teams. Consultation has taken place with staff and unions around this issue and all staff wish to be redeployed with in the Council.

5. Delegated Approval

- 5.1 In accordance with Council rules the contract will be let with approval of the Chief Officer and the 151 Officer (Chief Financial Officer) if the Executive decide that they do not wish to be further involved in the procurement of this Inclusion Service.

6. Consultees

- | | | |
|-----|---------------------|--|
| 6.1 | Cllr Jean Alexander | Lead Member Children's Services Portfolio |
| | Roger Luxton | Corporate Director of Children's Services |
| | David Robins | Head of Corporate Procurement |
| | Melanie Field | Legal Partner |
| | David Tully | Group Manager Children's Services Finance |
| | Christine Pryor | Head of service – Integrated Family Services |
| | Gail Clarke | Human Resources |

7. Background Papers Used in the Preparation of the Report:

- 7.1 Executive Report of 19th February 2008 Minute Reference 124.

THE EXECUTIVE

16 DECEMBER 2008

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

Title: Extension of Contract Period for Bailiff Services	For Decision
<p>Summary:</p> <p>The Council contracts with private sector bailiffs to provide their services. The current contract ran to March 2008 and under the terms of the contract was extended for 12 months to March 2009. Following a review of the bailiff function, officers are working toward the setting up of a shared service with other North East London local authorities that would cause a discontinuation of use of private sector bailiffs.</p> <p>It is anticipated that the shared service will be partially operational by April 2010 providing bailiff services for the Council. Therefore, we shall require our existing providers to support the Council until that time. It is not practical to go to tender for this continued support for such a limited period and officers therefore wish to further extend the arrangements for one year to March 2010.</p> <p>This report requests Executive authority for this action.</p> <p>Wards Affected: All</p>	
<p>Recommendation</p> <p>That Executive approve the continuation of current arrangements concerning the provision of bailiff service up to 31 March 2010</p>	
<p>Reasons</p> <p>To assist the Council to achieve all of its Community Priorities including the objective to achieve excellence in all areas including income collection. The continuation of this service is vital to that goal.</p>	
<p>Implications:</p> <p>Financial:</p> <p>It is vital that the Council maximise its income from all sources. The use of bailiffs is an integral part of debt collection and continuity of their services is essential.</p> <p>Bailiffs working for local authorities typically charge their costs to the debtor and so the contract is a no cost arrangement for the Council.</p> <p>Clearly a proper tender process is desirable when setting up a business relationship but it is an expensive and time consuming process. In this case as the relationship already exists it would not be in the Council's best interest to expend its resources in such an exercise. The officer's intentions as set out in this report are an expedient response to this situation.</p> <p>Legal:</p> <p>The contract with the private sector provider of bailiff services can be further extended as set out in this report subject to such further extension being in accordance with the</p>	

provisions of the contract with the supplier and is not in breach of the Procurement Rules and EU Regulations and the Council's Contract Rules.

Risk Management:

Failure to retain a bailiff service would have a detrimental impact on collection rates for most of the Council's income streams. It is possible but unlikely that the bailiff firms with which we are contracted may not want to continue to provide the service beyond the contracted period. In order to manage this possibility, early discussions with the companies involved need to take place to ascertain their position.

Social Inclusion and Diversity:

No specific implications

Crime and Disorder:

No specific implications

Options Appraisal:

The alternative course of action would be to enter a full tender process for 1 year provision of bailiff services. For such a short period it is unlikely that any company other than those we are already contracted to would enter a tender. This is due to the costs of the tender process to companies and the work involved in taking on and setting up a new client authority with all staffing, administration and IT implications. The only likely applicants would be our existing suppliers and there is a danger that they too would not tender leaving the Council without a supplier.

Contact Officer: Philip Walker	Title: Interim Group Manager Income and Collection	Contact Details: Tel: 020 8227 2578 Fax: 020 8227 2089 E-mail: Philip.walker@lbbd.gov.uk
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1. Introduction and Background

- 1.1 Local authorities are required to collect outstanding debt within the appropriate legislation. Many recovery procedures include the use of bailiffs. This authority has, in the past employed private sector bailiffs to carry out the task. Some authorities successfully employ their own in house bailiffs and this includes some of our near neighbouring authorities.
- 1.2 This year LBBd set up a shared service with London Borough of Havering to provide business rates administration. The new service is now in operation and is functioning well. Members would be aware that officers across North East London are working collaboratively to explore opportunities under the shared service agenda within Revenues & Benefits. Following a feasibility exercise, officers have looked at options to extend the shared services model and it is felt that bailiff services are an appropriate next step under this agenda.
- 1.3 In addition, bailiff services have been the subject of informal scrutiny in recent weeks. Both companies providing the current service have participated and assisted in the process. The members involved in the scrutiny will no doubt wish to have their views on the service reflected in any future contract or shared service arrangements.

1.4 It is anticipated that the new service will begin to operate in April 2010. Therefore, the services currently provided within the existing contract for collection of the Council's income will need to be continued until 2010

1.5 It will be necessary to manage the transfer of the bailiff function from our current private sector supplier to the shared service in an orderly and efficient manner over a period of time. The continuation of our relationship with our private sector suppliers is key to this process.

2. Current Position

2.1 The Council has a 2-year contract with two bailiff firms which commenced in April 06 and included a clause under which the Council could extend the arrangement for a further twelve months. That extension has been invoked and the contract expires 31 March 09.

2.2 For the reasons set out in 1 above the Council needs to continue the use of private sector bailiff services at least to March 2010.

3. Proposed Action

3.1 To enter a tender process would be an expensive exercise and it is thought unlikely that companies would enter tenders due to the expense involved in responding and the relatively short time offered by the Council on any subsequent contract. Furthermore, the costs of setting up a new client, employment of staff, administration, systems links and relationship development would be prohibitive for one year. In addition it is possible that our existing suppliers might not enter a tender leaving the Council without a supplier of this vital service.

3.2 In addition it is important to maintain good relations with our existing suppliers to ensure reasonable quality of service and a smooth handover of ongoing cases when the shared service team is in a position to commence operations.

3.3 For these reasons approval is sought to continue the existing arrangements with current suppliers until 31 March 2010.

4. Implications

4.1 As a result of this action continuity of service should be possible assisting the Council to maintain collection levels. Otherwise there are no financial implications as the bailiffs charge their costs to the debtor. The contract is agreed at no cost to the Council.

5. Consultees

5.1 The following were consulted in the preparation of this report:

- Bola Odunsi, Head of Barking & Dagenham Direct
- Joe Chesterton, Divisional Director of Corporate Finance
- David Robins – Group Manager, Procurement
- Yinka Owa – Legal Partner & Deputy Monitoring Officer

Background Papers Used in the Preparation of the Report:

- Executive Report – Term contract for the provision of Bailiff Services (Minute 388 19 April 2005)
- Executive Report – Award of Term contract for the provision of Bailiff Services (Minute 292, 5 April 2006)

THE EXECUTIVE

16 DECEMBER 2008

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Corporate Grants and Commissioning Programme 2009/10	For Decision
<p>Summary: This report sets out how the Council will support local voluntary and community sector organisations in 2009 / 2010 through grants and commissions. It makes proposals for commissioning and funding services, describes the assessment process for each application and the monitoring procedures for successful applicants. It also includes information on what has been achieved so far this year by groups funded in 2008/09.</p> <p>Wards Affected: All</p>	
<p>Recommendation</p> <p>The Executive is recommended to agree:</p> <ol style="list-style-type: none"> 1. The programme of voluntary sector grants and commissions set out in Appendix 1 to the report; and 2. That grants being paid to four organisations as set out in paragraphs 1.3 to 1.5 be extended by four months. 	
<p>Reason To assist the Council to deliver the Community Priorities.</p>	
<p>Implications:</p> <p>Financial: The grants and commissions being recommended for approval total £817,800 (Appendix 1) and this can be met from the Grants Budget in 2009/10.</p> <p>Legal: The funding of the third sector activities must be in keeping with the Policies and Priorities of the Council and in accordance with the principles of Best Value. There must be at all times sound and prudent use of the funds with a robust audit trail. The use of service level agreements with specific delivery targets to monitor monies is recommended with periodic and at times random inspections to ensure value for money and consistent delivery performance. Such a regime will be implemented by officers in relation to the programme set out in this report.</p> <p>Risk Management: There will be significant risk to the viability of a range of voluntary organisations in the Borough if these allocations are not agreed. Officers will engage with relevant organisations to mitigate the effects of this if it occurs.</p>	

Social Inclusion and Diversity:

A vibrant voluntary and community sector in the borough will make a highly positive contribution to community cohesion. Voluntary and community organisations can reach communities and bring people together, in a way that statutory agencies cannot. This funding programme aims to support voluntary and community organisations to promote community cohesion and to enable consultation and engagement with key equality groups to inform service planning.

All grant proposals have been assessed in terms of their impact on inclusion and diversity and those recommended for funding have all been identified as having positive impacts. The introduction of 3 year funding agreements will have a positive impact on voluntary organisations in terms of their viability and capacity to raise funds from other sources.

Crime and Disorder:

There are no specific implications insofar as this report is concerned.

Contact Officer: Philip Baldwin	Title: Group Manager Community Development	Contact Details: Tel: 020 8227 2530 Fax: 020 8227 2214 E-mail: philip.baldwin@lbbd.gov.uk
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1. Introduction and Background

- 1.1 The corporate grants and rent programme has been an established way for the Council to support voluntary sector organisations from all communities in the Borough to meet local and national priorities.
- 1.2 From December 2006 the Executive began a process of change that culminated in December 2008 when for the first time as well as agreeing allocations of grant the Executive agreed to commission voluntary sector groups for a period of three years to provide specific services. The established pattern of support with smaller amounts as grant aid and larger sums as commissions is consistent with a developmental funding model. The Executive is asked to approve commissions and grants that reflect this approach and are set out in full in Appendix 1 to this report. In all cases the sums for commissions are for the second year of a three year period whilst the smaller sums for grant aid are for a one year period only. The grant applications deemed unsuitable for consideration are listed in Appendix 2.
- 1.3 Listed in Appendix 3 are four organisations currently receiving grant for services that will be commissioned for the first time in 2009 -2010. Three of the groups in question, the Citizen's Advice Bureau, the Gascoigne Aid and Advice Centre and Thameside Community Support currently provide generalist advice services that will in future be commissioned through a tendering process to be run by the Council working in Partnership with the Legal Services Commission. This will mark the start of the Integrated Social Welfare Law Service in the Borough and only when that tender process is complete will Council officers be able to make recommendations to a further meeting of the Executive regarding commissions for generalist advice services.
- 1.4 The fourth group, the Barking and Dagenham Racial Equality Council, was grant aided for the two years in 2007-08 and 2008-09 and therefore it is proposed that a new commission will run from 2009 -12. This will be on the basis of an outline

service specification that will be developed by Council officers to ensure that the service offered is both meeting the priority needs of local residents and supporting the delivery of the community priorities and the community cohesion strategy.

- 1.5 In all 4 cases the creation of outline service specifications for these new services will require some additional development time and the Executive is asked to agree to extend the current grant arrangements for 4 months only for this to happen. The current grant funding will therefore cease on July 31st 2009 and the new commissions will then run from August 2009 until March 2012. A further meeting of the Executive will receive recommendations on the award of these commissions in 2009.
- 1.6 In December 2007 the Executive agreed to offer a commission to the Ethnic Minority Partnership Agency to develop a forum for Black and Minority Ethnic Groups in the borough. Despite EMPA initially agreeing to accept this commission, further discussion with EMPA has failed to produce a detailed agreement and the creation of the forum has yet to begin. Officers are still hopeful that it will be possible to reach a satisfactory agreement with EMPA but if this matter is not resolved soon it may be necessary for an additional recommendation to be brought to the Executive meeting.

2. What has been achieved by organisations funded for 2008/09?

- 2.1 Each group funded either through a commission or by grant is required to provide returns each 3 months showing their performance against a number of specific performance indicators agreed at the start of the financial year. So far returns for 2 quarters are available and together these give a good snapshot of the progress individual groups are making towards achieving the targets that have been agreed. A simplistic interpretation of these results can be misleading because certain sorts of objectives will need the full 12 months to deliver but the general picture that emerges is positive.
- 2.2 Commissioned groups agreed more than 100 different indicators: of these, 40 indicators have been delivered fully. These include the achievement of accreditation by nominated young people in strategic projects for young people, organising forum and network meetings and ensuring biannual renewals for CRB checks.
- 2.3 A further 19 indicators have been partially delivered. The reasons for partial delivery in general arise because targets are set to be addressed annually and therefore a single quarter may not reflect the actual level of achievement by the year end. It is clear that the delivery of some targets requires development over a period of months but officers will take action to ensure that they are achieved by the end of the financial year. Should this be necessary this will include the withholding of grant payments in the later quarters of the year.
- 2.4 Examples of the service delivered are:
 - Well over 15,000 enquiries were dealt with and over 5,000 of these received specific advice of some kind

- More than 683 groups received a service of some kind from commissioned bodies ranging from engagement around a particular theme, e.g. disability, to support for preparation of accounts.
- 275 volunteers across the borough were introduced to new opportunities, ranging from caring for older people to supporting young parents
- 331 people received training, significantly improving their capacity to run an effective organisation or contribute to a particular agenda

2.5 Thirty three indicators are still outstanding and monitoring will continue to see these delivered in the remainder of the year. These include organisation of events to build stronger communities in local areas, establishing sports development sessions and providing evidence that services meet the needs of all communities. For these too, chasing up or withholding grant may be considered necessary to focus performance.

2.6 For groups receiving grants of less than £10,000 the picture is somewhat different with more than 70 targets agreed, 25 delivered fully and 35 partially, though in many instances these cannot be delivered fully until the year end. Targets achieved through this programme include completion of a sensory garden, the provision of advice and guidance sessions and the recruitment of additional staff.

2.7 The services delivered include:

- 59 events or workshops were held ranging from multicultural events to parenting support workshops
- 60 specific advice and/or signposting sessions were held
- 2378 people in the borough received a service of some kind

2.8 Thirteen targets have yet to be delivered at all. Targets not yet achieved by this programme include participating in Borough wide cross-cultural events, failing to secure additional funding and failing to attract service users from other backgrounds though it is anticipated that these will be achieved by the end of the financial year.

3. The Grant Application Process

3.1 The model agreed by Executive in July 2007 and applied in December 2007 was developed following consultation and discussion with the voluntary sector and this principle has been continued. The Community Development Service in the Council ran a number of consultation events earlier in 2008 for any voluntary group in order to consider their experience of the application process and as a result of the information gathered some significant changes were introduced. In particular these focussed on ensuring that applicants were fully mature organisations before they applied but were not too large. This latter change arose directly from fears expressed by smaller groups that the larger groups would dominate the grant process as they tend to do with commissioning.

3.2 Council officers checked each application to ensure that it had the necessary accompanying paperwork. Those that did not were deemed ineligible and not assessed further. The assessment process required that each application was scored independently twice and then all scores were moderated to ensure a consistent approach. The final results were then reviewed by a panel of officers to arrive at the final recommendation to the Executive. One application from a youth

organisation that was focussed solely on mainstream work with young people has been referred to the Youth Support and Development Service as more suitable for consideration under their commissioning arrangements.

- 3.3 Officers carried out an equalities and diversity impact assessment as an integral part of the grant award process to ensure that proposed decisions are fair and equitable and that there would be no adverse impact upon equality groups within the local community. In this way the Council can deliver on its equalities and diversity objectives and meet its statutory obligations under such legislation as the Race Relations (Amendment) Act 2000 and the Disability Discrimination Act (1995).
- 3.4 The Council received 27 grant applications in total. These were asking for a total of £253,926, considerably more than the £88,400 that is actually available.
- 3.5 All applications to the programme were assessed in relation to their capacity to deliver the Community Priorities, the draft Community Strategy/Local Area Agreement priorities and the new Community Cohesion Strategy. The overall objectives of the grants programme are about building capacity in the third sector and making a contribution to community cohesion by bringing together all communities in the Borough. Generally grants are not awarded for services already funded by other parts of the Council.
- 3.6 All organisations applying for funding were also required to demonstrate that they had appropriate management policies in place including policies on safeguarding where they were intending to work with children and young people and other vulnerable groups.
- 3.7 All voluntary and community organisations recommended to receive funding through this process will be required to sign a service level agreement and to complete a quarterly return evidencing their performance against agreed outcome measures. These returns will be monitored by officers, and, where funded organisations are not delivering as agreed, a range of sanctions are available to the Council up to and including the removal of grant aid.

4. Small Grants

- 4.1 The July 2007 report to the Executive indicated that the first level of funding for the revised funding system would be for maximum sums of up to £500 that could be used to fund community initiatives at a very local level to build community capacity, such as purchasing equipment that would enable local groups for young people to get off the ground, or supporting the set-up of residents' associations. This part of the programme was begun in 2008-09 and delivered in conjunction with the Neighbourhood Management Service. Though this programme has got off to a slow start it is anticipated that as it becomes better known demand will grow and therefore a further amount of £20,000 is included in Appendix 1 for expenditure in 2009-10.
- 4.2 The small sums paid to young people who exhibit particular talents for sport or the arts have proved to be both popular with families and important for developing those skills and the Executive is recommended to make a total of £12,500 available to support that programme for a further year.

4.3 As with the main programmes of grants and commissions both these programmes benefit all communities in the Borough.

5. Financial Implications

5.1 The commissions, grants and rent payments proposed, as set out in Appendices 1 and 3, total to £817,800 and that can be met within the corporate grants budget for 2009/10.

6. Comments of the Legal Partners

The Legal Partners have been consulted in the preparation of this report and their comments have been incorporated in the body of the report.

7. Consultees

7.1 The following have been consulted in the preparation of this report:

Councillor Mrs V Rush, Lead Member for Safer Neighbourhoods and Communities
Steve Whitelock – Departmental Head of Finance
Yinka Owa - Legal Partner

8. Background Papers Used in the Preparation of the Report:

- Completed Grant Applications from Voluntary Organisations together with supporting documents.
- Quarterly monitoring returns provided by funded organisations

Corporate Grants and Commissioning Programme 2009/10

Appendix 1 Commissions to be renewed in 2009/10

ACE £20,000

Community accountancy project:

- To provide training to all VCS organisations in financial management
- Financial health checks
- Advice and support on a range of financial matters

B and D Council for Voluntary Services £95,000

General infrastructure support to voluntary and community sector organisations of all types

To provide an effective and accountable Council for Voluntary Services including the following services:

- Liaison: within the voluntary and community sector between the sector and other partners
- Coordination: Promoting consortium working
Partnership working
Addressing unmet need
- Representation – enabling the views of local groups to be represented
- Policy development

Services and support - including co-ordination of Change up, training and capacity building

BADAWA £13,000

Strategic youth organisation – supporting community cohesion and citizenship:

- Promoting the role of young people in their communities through:
 1. Volunteering opportunities in child care and youth work
 2. Active citizenship through youth achievement awards
- Bringing together young people from all communities to help break down prejudice and misunderstanding by providing multiple shared opportunities
- Promoting personal development for young people, particularly from disadvantaged backgrounds, by improving self confidence and esteem through their participation in shared activities

Barking Muslim Social & Cultural Society £18,000

Inclusion priority – To provide a service to develop opportunities for the Muslim communities which are for reason of race or culture significantly socially excluded and or/require capacity building to generate equal access to opportunities and to build connections with other communities

Caress

£20,000

To facilitate an LGBT forum in the Borough to facilitate:

- Representation – London scene or sub regional
- Engagement
- Independent policy sounding board
- Delivery

CIIL

£20,000

To facilitate a disability forum in the Borough to facilitate:

- Representation – London scene or sub regional
- Engagement
- Independent policy sounding board
- Delivery

Faith Forum

£20,000

To facilitate a faith forum in the Borough to facilitate:

- Representation – London scene or sub regional
- Engagement
- Independent policy sounding board
- Delivery

Harmony House

£25,000

To provide a focus for services and activities meeting local need

- Community anchor, multi purpose community building
- Promoting community development and community cohesion
- Engaging across a range of communities

B & D Refugee Network

£20,000

To facilitate a refugee network in the Borough to facilitate:

- Representation – London scene or sub regional
- Engagement
- Independent policy sounding board
- Delivery

Relate NE London

£13,500

To provide counselling support for people on low income:

- Local provision of subsidized places for relationship counselling support and life skills courses
- To engage in relevant policy development within the borough

Victim Support

£36,500

To provide support for victims of crime:

- Comprehensive referral service for victims of crime
- Personal support service to victims of crime
- To provide a witness support service

Represent victims' interest and rights through policy and partnership working

Volunteer Bureau	£18,000
Volunteering:	
<ul style="list-style-type: none"> • Developing volunteer take up within the borough • Placement of volunteers in VCS organisations • Linking to current policy initiatives in volunteering • Enabling organisations to comply with current regulations concerning child protection, and vulnerable adults 	
Wellgate City Farm	£30,000
<ul style="list-style-type: none"> • To provide a free local open access farm • To offer volunteering opportunities for the local community, particularly young people • To provide educational opportunities for local schools/nurseries/youth groups etc 	
YWCA Vineries	£13,000
Young women's organisation – supporting community cohesion and citizenship:	
<ul style="list-style-type: none"> • Promoting the role of young women in their communities through active citizenship- by participation with the local community and campaigning around young women's issues to bring about positive change • Bringing together young women from different backgrounds/communities to help break down prejudice and misunderstanding by exploring common priority issues • Promoting personal development for young women, particularly young mothers and those from disadvantaged backgrounds through non-vocational training and targeted support 	
Youth League UK	£13,000
The main aim of the project is to help integrate marginalised youths and increase community cohesion among young residents of the borough. It will:	
<ul style="list-style-type: none"> • Develop the capacity of young people through training and personal development, to enable them to engage with policy makers and participate fully in existing forums • Enable young people from all communities to come together to play and work so as to break down prejudice and misunderstanding • Provide support to victims of discrimination, bullying and racism 	
BME Forum - This commission is yet to assigned	£25,000
BME infrastructure support -This commission is yet to be assigned	£17,000
Rent –internal transfer for organisations based at St Georges:	£30,000
 TOTAL	 £447,000

Grants for £10k or less

B & D Youth Dance	£9,770
To run Saturday dance workshops for young people aged 13 -19, targeting young people from all communities facing challenging situations. Participants will have new opportunities to gain skills and raise their aspirations	
Community Active Support	£8,000
Facilitate the provision of services to the local community, in particular migrants, refugee and African French speaking communities	
Drop d Drug	£2,440
Develop a tool for drug awareness education for year 7 students across the borough	
Heath Park Residents Over 60's Association	£4,000
To expand the range of activities of the group and thereby facilitate and widen engagement with the whole community	
International Gospel & Health Group	£5,000
Older peoples volunteering project for French speaking community. The project will target people between 50-75 years who are retired or unemployed.	
Praxis Interactive Research	£5,000
An outreach and training service which encourages people to gain/return to employment. This will be done though volunteering and work placements, and training on interview skills and techniques with 1-1 support.	
St Thomas Becontree	£10,000
"Life after debt" – Debt management counselling service providing free, confidential advice and support to anyone with debt problems- working in conjunction with a recognised advisory body.	
Somali Women's Association	£9,990
To promote easier/supported access to services, this will increase participation and empowerment in the Somali community primarily by signposting and support sessions.	
Turkish Women's Association	£10,000
This project will increase awareness and access to mainstream and community services to people mainly from the Turkish community who face challenges to engage	
Women's Development Partnership	£10,000
To facilitate a women's resource centre in Barking, running outreach and drop in sessions, advice and guidance and signposting to other services and to develop a monthly women's' forum	

Yu Hua Chinese Association

£5,000

Information and support to the Chinese community and the development of a service to elders from this community

Total

£79,200

In addition:

To run a small grants programme

£20,000

This funding is to provide small amounts for local groups to deliver projects or run events to improve the quality of life in their area. The intention is to encourage the development of a sense of community, social capital, personal & organisational competency, teamwork, community empowerment and active citizenship. In particular these should tackle local community issues that fit with council programmes and priorities.

For a talented and gifted young people's programme

£12,500

This funding is to support young people from all communities who are promoting the borough through sports or the performing arts. Applicants will:

- have reached a minimum standard of county level for sports and a grade 3 or higher level of accreditation for Performing Arts
 - live or go to school in the borough
 - be aged under 25 and in full time education
- to be eligible for this type of award.

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Corporate Grants and Commissioning Programme 2009/10

Appendix 2: Applications not considered

ORGANISATIONS NOT CONSIDERED	REASON
Vivace	This group has no Bank Account and has not been in existence for one year
Caress/Headroom	All documents provided related to Caress. Headroom does not exist as a separate body and therefore could not be considered
Make a Difference at Sandy's	This is a commercial trading company and therefore not eligible
Young Voices Project	Additional information was not submitted on time

Appendix 3: Organisations currently receiving funding to be commissioned for 3 months only in 2009-2012 pending a further commissioning round

Citizens Advice Bureau	£172,500 (full year effect)
Basis (Gascoigne Aid and Advice Shop)	£12,000 (full year effect)
Thames Community Support	£12,000 (full year effect)
Racial Equality Council	£62,600 (full year effect)

Appendix 4: Summary

Total cost from appendix 1	£558,700
Advice provision commissions from appendix 3	£196,500
REC commission from appendix 3	£62,600

Total expenditure

£817,800

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