

Notice of Meeting

THE EXECUTIVE

Tuesday, 20 January 2009 - 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 "Revised Budget 2008/09 and Base Budget 2009/10" report (item 13).**

3. **Minutes - To confirm as correct the minutes of the meeting held on 16 December 2008 (Pages 1 - 5)**

Business Items

Public Items 4 to 8 are business items. The Chair will move that these be agreed without discussion, unless any Member asks to raise a specific point.

4. **Annual Performance Assessment of Social Care Services for Adults, 2007-08 (Pages 7 - 9)**
5. **Barking Park: Contract for Restoration and Improvement Works (Pages 11 - 16)**

6. **Dagenham Washlands: External Funding And Long Term Management Arrangements (Pages 17 - 25)**
7. **Procurement of Design and Consultancy Services for the Restoration and Improvement of Abbey Green (Pages 27 - 33)**
8. **Scrattons Eco Park Extension: Land Restoration and Land Transfer (Pages 35 - 43)**

Discussion Items

9. **Provision of Wheelie Bins for Household Waste - Pilot Outcomes and Borough Roll-Out (Pages 45 - 55)**
10. **Trewern Centre: Additional Accommodation and Disability Discrimination Act Compliance (Pages 57 - 61)**
11. **Demographic Change Influences on School Places Demand for Autumn Term 2008 (Pages 63 - 69)**
12. **Budget Monitoring 2008/09 - April to November 2008 (Pages 71 - 89)**
13. **Revised Budget 2008/09 and Base Budget 2009/10 (Pages 91 - 105)**
14. **Any other public items which the Chair decides are urgent**
15. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend 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).

16. **Contract for the Provision of Fleet Vehicles, Plant and Associated Services (Pages 107 - 116)**
Concerns a contractual matter (paragraph 3)
17. **Review of Council Car Allowance Scheme (Pages 117 - 129)**
Concerns a labour relations matter (paragraph 4)
18. **Any other confidential or exempt items which the Chair decides are urgent**

THE EXECUTIVE

Tuesday, 16 December 2008
(5:00 - 5:45 pm)

Present: Councillor C J Fairbrass MBE (Chair), Councillor R C Little, Councillor M E McKenzie and Councillor Mrs V Rush

Apologies: Councillor L A Smith, Councillor J L Alexander, Councillor G J Bramley, Councillor S Carroll, Councillor H J Collins and Councillor M A McCarthy

94. Declaration of Members' Interests

None declared.

95. Minutes - 18 November 2008

Agreed.

96. Improving Partnership Working with NHS Barking and Dagenham

Received a report from the Corporate Director of Adult and Community Services which reviews past joint working arrangements with the Primary Care Trust (PCT), considers the current need for closer integration and proposes a way forward.

Agreed, in order to assist the Council to achieve its Community Priority of "Making Barking and Dagenham Cleaner, Greener and Safer", to:

- (i) Develop a health and wellbeing strategy jointly with NHS Barking and Dagenham;
- (ii) Develop for the borough a shared vision for integration with NHS Barking and Dagenham;
- (iii) Establish a top level steering group comprised of the Leader, Lead Members for Adults, Children's Services and Resources. 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;
- (iv) In principle, establish a joint Programme Director post to take the agenda forward.

97. Budget Monitoring Report 2008/09

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 October of the 2008/09 financial year.

The position for revenue expenditure indicates that current budget pressures exist across three departments amounting to £3.6million which are offset by projected underspends in two other departments. Overall this reflects a £900k reduction from

the position reported in September.

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 31 October 2008;
- (ii) the virements and budget transfers identified in the report ;
- (iii) note the position and projected out-turn for the Housing Revenue account; and
- (iv) 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.

98. Contract for the Provision of Housing Related Support Services to Women Fleeing Domestic Violence

Received a report from the Corporate Director of Adult and Community Services concerning the retendering of the housing related support services contract which is due to expire on 31 March 2009.

Agreed, in order to assist the Council to achieve its Community Priorities of "Improving Health, Housing and Social Care" and " Making Barking and Dagenham Cleaner, Greener and Safer", to

- (i) The procurement strategy 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 the report;
- (ii) The decision on the award of the contract being made by the Executive.

99. Pre-Tender Report - Framework Agreement for the Supply of Cleaning and Janitorial Materials

Received a report from the Corporate Director of Regeneration concerning re-tendering of the contract for cleaning and janitorial supplies which expires on 31 May 2009. The proposals are for a consortium arrangement led by Barking and Dagenham, let on behalf of the London Contracts and Supplies Group (LCSG), and for a four year term contract with no option to extend.

Agreed, in order to assist the Council to achieve all of its Community Priorities; to:

- (i) 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 the report; and
- (ii) the decision on the award of the contract being made by the Executive.

100. Procurement of Masterplanners for Additional Housing Provision at Marks Gate

Received a report from the Corporate Director of Regeneration concerning proposals for the production of a masterplan for the Marks Gate Regeneration Scheme. The masterplan will involve significant levels of public consultation and aims to pull all the social, economic and environmental threads together maximising the regeneration opportunities from new housing.

Agreed, 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”, 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.

101. Tender for the Management and Operation of Castle Green Children's Centre

Received a report from the Corporate Director of Children’s Services concerning procurement for the management and operation of Castle Green Children’s Centre.

Agreed, in order to assist the Council to achieve its Community Priorities of “Better Education and Learning for All” and “ Promoting Equal Opportunities and Celebrating Diversity”, to:

- (i) approve the procurement strategy outlined in the 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; and
- (ii) delegate authority to the Corporate Director of Children’s Services, in consultation with the Lead Member for Children’s Services and on the advice of Legal Services, to award the contract following the agreed procurement process.

102. Tendering of Wellgate Children's Centre Day Nursery

Received a report from the Corporate Director of Children’s Services concerning procurement of Wellgate Children’s Centre Day Nursery.

Agreed in order to assist the Council to achieve its Community Priorities of “Better Education and Learning for All” and “ Promoting Equal Opportunities and Celebrating Diversity” to

- (i) 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; and

- (ii) Delegate authority to the Corporate Director of Children's Services, in consultation with the Lead Member for Children's Services and on the advice of Legal Services, to award the contract following the agreed procurement process.

103. Extension of Contract for Bailiff Services

Received a report from the Corporate Director of Customer Services concerning a one year extension of the contract period for Bailiff Services to March 2010.

Agreed, in order to assist the Council to achieve all of its Community Priorities, to the continuation of the current arrangements for the provision of Bailiff Services up to 31 March 2010 as detailed in the report.

104. Commissioning Voluntary and Community Sector Organisations 2009 -2010

Received a report from the Corporate Director of Adult and Community Services on proposals for supporting local voluntary and community sector organisations in 2009 / 2010 through grants and commissions. Also noted details of an additional recommendation to the report in relation to the creation of a Black and Minority Ethnic Groups Forum.

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

- (i) The programme of voluntary sector grants and commissions set out in the report;
- (ii) That grants being paid to four organisations as set out in the report be extended by four months; and
- (iii) Delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Lead Member for Safer Neighbourhoods and Communities, to re-tender and award the commission for the creation of a Black and Minority Ethnic Groups Forum as originally agreed in December 2007.

105. *Calculation and Setting of the Council Tax Base 2009/10

Received a report from the Corporate Directors of Customer Services and Resources setting out the calculation of the Council Tax Base for 2009/10 and providing information on powers available to the Council to reduce discounts for second homes and long term empty properties, and to award locally determined discounts.

Agreed, in order to assist the Council to achieve all of its Community Priorities, to recommend to the Assembly that:

- (i) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by the London Borough of Barking and Dagenham

Council as its Tax Base for the year 2009/10 shall be 51,527.5 Band 'D' properties;

- (ii) the discount for short and long term empty properties and second homes continues to be set at 10%;
- (iii) no locally determined discounts based on categories of property or occupier be awarded for 2009/10 onwards; and
- (iv) the award of reductions for prompt payment be reconsidered for possible implementation for 2010/11.

106. *Local Land Charges Fees

Received a report from the Corporate Director of Regeneration regarding the Local Authorities (England) (Charges for Property Searches) Regulations 2008 which require all local authorities to set the level of fees which they levy for personal searches on a cost recovery basis and to enact the regulations within 7 days of being passed into law.

Agreed, in order to assist the Council to achieve all of its Community Priorities, to delegate authority to set all applicable fees for Land Charges activities to the Corporate Director of Regeneration in consultation with the Divisional Director of Corporate Finance.

107. 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 paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

108. *Establishment of a Prospect Centre in Barking Town Centre

Received a report from the Corporate Director of Regeneration concerning the establishment of a Prospect Centre in Barking and Dagenham.

Agreed, in order to assist the Council achieve its Community Priorities of "Regenerating the Local Economy" and "Better Education and Learning For All", to:

- (i) Grant funding of £750,000 as the Council's contribution to the costs of setting up a Prospect Centre, subject to the conclusion of a satisfactory grant agreement; and
- (ii) delegate approval of the grant agreement to the Corporate Director of Regeneration and the Divisional Director of Legal Services.

(*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.)

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Annual Performance Assessment of Social Care Services for Adults, 2007-08	For Information	
<p>Summary:</p> <p>This report informs Members of the results of the annual performance assessment of the Council's Adult Social Care Services by the Commission for Social Care Inspection</p> <p>Wards Affected: All</p>		
<p>Recommendation(s)</p> <p>The Executive is asked to note the report:</p>		
<p>Reason(s)</p> <p>The Commission require that their judgement is reported to members and subsequently made available to the public</p>		
<p>Implications:</p> <p>Financial: No specific implications</p> <p>Legal: No specific implications</p> <p>Risk Management: No specific implications</p> <p>Social Inclusion and Diversity: The CSCI assessment demonstrates that services are promoting social inclusion and cultural appropriateness.</p> <p>Crime and Disorder: The CSCI report demonstrates close working with civic partnerships to deliver services in areas such as domestic violence and drugs and alcohol.</p> <p>Options Appraisal: Not applicable</p>		
<p>Contact Officer: Anne Bristow</p>	<p>Title: Corporate Director of Adult and Community Services</p>	<p>Contact Details: Tel: 020 8227 2300 Fax: 020 8227 2241 E-mail: anne.bristow@lbbd.gov.uk</p>

1. Introduction and Background

- 1.1 The Commission for Social Care Inspection (CSCI) has a statutory responsibility to regulate, inspect and review all social care services in England. Every year they grade each council through a star rating which shows how well it is performing. In addition, they make a judgment about the capacity to improve.
- 1.2 The CSCI reaches its conclusions by considering the results of their inspection together with information and evidence provided by the Council. The process concludes with an Annual Review Meeting. In 2008 the Annual review meeting took place on 29 July. A copy of the report officers provided for the Annual Review Meeting is attached for members' information as Appendix 1.

2. Current Position

- 2.1 The CSCI published its conclusions for the year 2007/08 on 27 October 2008 and for the second year running has awarded Barking and Dagenham three stars, the highest rating possible.

3. Report Detail

- 3.1 The inspectors' conclusions are grouped according to the 7 outcomes which were set out in the White Paper, 'Our Health, Our Care, Our Say' together with a combined judgement about the Council's capacity to improve.
- 3.2 Set out below are the main judgements the CSCI have delivered:

Areas for judgement	Grade awarded 2007/08	Grade awarded 2006/07
Delivering Outcomes	Good	Good
Improved health and emotional well-being	Good	Excellent
Improved quality of life	Excellent	Good
Making a positive contribution	Excellent	Excellent
Increased choice and control	Excellent	Excellent
Freedom from discrimination or harassment	Good	Good
Economic well-being	Good	Good
Maintaining personal dignity and respect	Good	Good
Capacity to Improve (Combined judgement)	Excellent	Excellent
Leadership		Excellent
Commissioning and use of resources		Excellent
Star Rating	Three stars	Three stars

4. Implications

- 4.1 In addition to confirming the high standard of service that the vulnerable people within the borough receive, the award of 3 star status to the Council's adult social

care services has clear benefits:

- The Council's ability to attract resources for innovative or pilot projects will be enhanced.
- Recruitment and retention of staff will be helped by our ability to advertise the Council as a 'three star' service.

4.2 It should be noted that whilst commenting that the Council's capacity for improvement was excellent, inspectors did identify areas for improvement. These included reducing the delayed discharges from hospital.

4.3 In order to ensure that the Council retains its Three Star status, action plans are in place to address the areas for improvement and officers are monitoring performance closely.

5. Consultation

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

Councillor H Collins, Lead Member

Background Papers Used in the Preparation of the Report:

- CSCI Summary report of 2007-08 Annual Performance Assessment of Social Care Services for Adults: 27 October 2007.
- Information provided in support for the Annual Review

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Barking Park: Contract for Restoration and Improvement Works	For Decision
<p>Summary:</p> <p>This report sets out procurement proposals following the Council's success in securing a Stage 2 Award of £3,254,000 from the Heritage Lottery Fund for the restoration and improvement of Barking Park (making their total contribution to the project in excess of £3.5m) under their Public Parks Initiative.</p> <p>The value of the works to be tendered is likely to be in region of £5.2 million.</p> <p>Wards Affected: Longbridge, Abbey</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to:</p> <ul style="list-style-type: none"> (i) approve the procurement strategy (described as option two in this report) for a works contract for the restoration and improvement of Barking Park; and (ii) 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. 	
<p>Reason(s)</p> <p>To assist the Council to achieve the Community Priority of "Making Barking and Dagenham Cleaner, Greener and Safer".</p>	
<p>Implications:</p>	
<p>Financial:</p> <p>Capital: There is £6.4 million allocated to Barking Park within the current approved capital programme. Of this £2.9 million is Council capital funding. The remainder is made up from £3.3 million confirmed from the Heritage Lottery Fund and £235,000 secured from Section 106 developer contributions.</p> <p>The value of the works to be tendered is estimated at £5.2 million.</p> <p>Revenue: The revenue implications of the Barking Park project were adopted by the Executive on 24 October 2006, the additional costs arising from the investment will be met through HLF funding and the implementation of the Strategic Parks Initiative.</p>	

Legal:

This report outlines the procurement strategy for procurement of restoration and improvement works for Barking Park. In approving the strategy, Members need to be satisfied that the strategy being pursued is compliant with the Council's Community Strategy and Corporate Plan. Further that the criteria being applied for the selection and award of the contract is appropriate for the procurement.

Members need to be satisfied further, that the process being pursued does not offend against EU and national procurement law, as well as the Council's Contract Rules and Guidance.

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

Risk Management:

Project risks will be managed by registered PRINCE2 practitioners at both project and programme level in accordance with the principles of the Office of Government Commerce's recommendations for managing successful projects and programmes.

Social Inclusion and Diversity:

Transforming underused landscapes into high quality, well designed environments encourages social inclusion, equity and will promote community ownership.

The project aims to promote enhanced access to open space, nature conservation and recreational opportunity for all East Londoners, both new and existing communities and in particular underrepresented groups such as BME people, disabled people, women, faith groups, LGBT people and variety of people from different age groups.

In accordance with the Race Relations (Amendment) Act 2000, the Parks and Leisure Development group's 2008 Impact Assessment and Action Plan has been policy proofed (2005 and 2008) and is fully integrated into the work of the group and the delivery of the Parks and Green Spaces Strategy. Actions and outcomes from this impact assessment are managed via the Departmental Equalities and Diversity group and the Leisure and Arts division service scorecard.

The Barking Park project is aimed at ensuring access for all and includes specific targeted consultation with representative groups to ensure that all groups are able to influence service delivery. The park-specific Ranger unit and dedicated Park Manager are working to provide an ambitious community development role in support of the strategy.

Options Appraisal:

There are considered to be three procurement options available to the Council:

Option one procure via Council's overarching Works framework thereby avoiding the need to go directly out via the OJEU.

Option two tender via a two-stage restricted procedure.

Option three tender via another option rather than a two-stage restricted procedure, for example, one stage or open.

Option two is the preferred option.

Option one was thoroughly investigated with Corporate Procurement prior to consideration of the selected option. There were not enough contractors coming forward with expressions of interest from the existing framework with the relevant experience to be able to deliver the project to the standards required by the Heritage Lottery Fund to enable a competitive tender process.

Option three was rejected because the two-stage restricted procedure is the option preferred by contractors and by the Council's Procurement advisors as it is more likely to result in value for money being achieved in terms of quality and cost.

Contact Officer: Mike Levett	Title: Barking Park HLF Project Manager	Contact Details: Tel: 020 8227 3387 Fax: 020 8227 3129 E-mail: mike.levett@lbbd.gov.uk
David Theakston	Park Development Manager	020 8227 3081

1. Purpose of this report

- 1.1 The purpose of this report is to seek Members' approval to procure the necessary improvement works by means of a works contract which will be advertised via the Official Journal of the European Union, and tendered via a two stage "restricted" procedure in accordance with national and EU procurement law.
- 1.2 The report also formally updates Members on the success of the Heritage Lottery Fund Stage 2 award for £3,254,000, making the HLF's overall contribution towards the project in excess of £3.5 million.

2. Background

- 2.1 Officers secured a Project Planning Grant of £30,000 in 2004 to enable the project scope to be worked up to support the submission of a Stage 1 bid. In 2006, officers secured a Stage 1 award of £245,000 which enabled the Council to procure a design team who have subsequently been further developing the project and submitting the successful Stage 2 bid.
- 2.2 The Barking Park scheme is the flagship scheme of the Parks and Green Spaces Strategy and as such is the pilot scheme for the full roll out of transformational park improvements within the borough. It is the first scheme that is benefiting from the Strategic Parks Initiative and already has secured a dedicated park-specific management team providing the necessary visible staffing presence to attract and sustain increased park usage.

3. Current situation

- 3.1 The success of that bid has enabled the design team to prepare the necessary documentation needed for the works to be formally tendered and the next stage of the programme is the procurement process. Due to its value the tendering process

requires Executive approval and must be in accordance with the law and Standing Orders.

- 3.2 The tender notice will be advertised in the OJEU and this will attract expressions of interest from potential contractors who will have to complete a pre-qualification questionnaire (PQQ). The PQQ will be reviewed by a panel made up of officers from the Park Development section and a representative from Corporate Procurement.
- 3.3 A shortlist of five or six contractors who have demonstrated that they can meet the Council's qualifying selection requirements will be provided the full tender package and the opportunity to formally submit tenders for the works. Invitations to tender will be issued in January 2009, to be returned in February 2009. Tenders will be analysed and reviewed by a similar panel as were involved in the PQQ process with the addition of a representative from the Heritage Lottery Fund. Members will be invited to be involved in the decision-making process.
- 3.4 The criteria to be applied to the procurement will be the most economically advantageous tender. The first stage selection criteria will be:
 - (a) Basic information, such as turnover and financial soundness, legal status, corporate, management or consortia structure and e-capability;
 - (b) Eligibility, such as Limited Company or Partnership status, prior relationship with LBBB Directors or Members, charitable or independent registration;
 - (c) Financial standing, such as VAT registration, insurance details, previous claims plus provision of 2 years of audited accounts;
 - (d) Technical competence verified by referees, such as experience of preparing high quality park masterplans and management plans, experience of consultation techniques and equalities and diversity information gathering;
 - (e) A track record of delivering high quality landscape architectural and urban design projects including historic landscape restoration and Heritage Lottery funded schemes will also be expected;
 - (e) Applications will in particular be welcomed from newer, smaller practices and all applicants will be required to provide an organisational chart, CVs of key personnel, details of any proposed sub-contractors, areas of innovation and complaints procedure; and
 - (f) details of the applicant's environment, health and safety and equalities and diversity policies as well as Freedom of Information arrangements.
- 3.5 The criteria to be applied to the procurement element of the scheme will be the most economically advantageous tender. Selection will be based on a combination of price and quality.
- 3.6 Quality will be evaluated by reference to issues such as methodology, resource deployment, delivery periods and dates, after-sales service, ability to deliver against national and corporate policies relating to for example environmental, health and safety, climate and workforce etc.
- 3.7 Other issues to be considered in the appointment process will include revenue implications, sustainability, experience of past HLF park projects as well as procedures in place for dealing with programme deadlines and to ensure high quality, innovation and creativity.

- 3.8 The tender document package has been prepared by LDA Design (Consulting LLP) who won the Professional Services tender process in 2006. LDA Design will manage the successful contractor as agents on behalf of the Council.
- 3.9 The proposed Form of Contract is the New Engineering Contract (NEC3) and the terms and conditions will be in accordance with the Council's Procurement rules for Major Works.
- 3.10 The contract, which will be for building works, landscape works, demolition works, repair and conservation works and other works, will be awarded in April 2009 with Works commencing on site in August 2009. Works are scheduled over two years and are scheduled for completion at the end of March 2011.

4 Financial Implications

- 4.1 **Capital** - The anticipated expenditure on the Barking Park expenditure is confirmed in the current capital programme and is outlined below.

Barking Park budget profile

Funding body	2008/09	2009/10	2010/11	2011/12	Total
LBBB	£336,332	£867,000	£1,493,839	£240,193	£2,937,364
HLF	£203,716	£1,331,027	£1,719,772		£3,254,515
S106		£235,000			£235,000
Total	£540,048	£2,433,027	£3,213,611	£240,193	£6,426,879

- 4.2 The value of the works is likely to be in the region of £5.2 million. These have been split into HLF 'approve purposes' and are outlined below.

HLF approve purposes work packages:

Work Packages	Description	Pre-Tender Estimated Value
Building Works	<ul style="list-style-type: none"> • Mediterranean garden and landscaped area • Wet Play area • Ancillary buildings, changing facilities etc • Visitor centre community hub, staff accommodation, classroom and café • Boating facilities and jetty • Sports Pavilion (subject to further external funding) 	£3,600,000
Demolition Works	Demolition of existing park buildings <ul style="list-style-type: none"> • Toilets • Boathouse • Fitness Academy • Lido buildings • Depot • Sports pavilion (subject to further external funding) 	£100,000

Repair and Conservation Works	<ul style="list-style-type: none"> • External boundary fencing and gates • Pedestrian and cycle routes • Vehicle access and parking • Upgrade quality of Lake • Creation of wildflower meadows 	£1,300,000
Other Works	<ul style="list-style-type: none"> • Seating • Signage • Interpretation 	£200,000
Total		£5,200,000

4.3 The difference between the overall project budget of £6.426 million and the estimated works budget of £5.2 million consists of project management costs, physical delivery of the miniature railway and temporary café, consultants' fees, contingencies and inflation.

4.4 **Revenue** - The revenue implications of the investment in Barking Park were set out in the Executive report of 24 October 2006. The additional annual costs of £172,000 will be funded through the Strategic Parks Initiative.

5. Consultees

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

Councillor R Little	Lead Member
Paul Hogan	Head of Leisure and Arts
Simon Farrow	Group Manager Parks and Leisure
Andy Johnson	Barking Park Manager
Paul Ansell	Corporate Procurement Officer
Alex Anderson,	Group Manager, Corporate Finance
Yinka Owa	Legal Partner

Background Papers Used in the Preparation of the Report:

- Parks & Green Spaces Strategy
- From Good to Excellent Service Improvement Plan
- Relevant Previous Reports to the Executive:

Minute 7, 28 May 2002 - Parks & Green Spaces Strategy

Minute 200, 12 November 2002 - Barking Park HLF Application to the Urban Parks Programme

Minute 12, 27 May 2003 - Parks & Green Spaces Strategy: Adoption (£5m)

Minute 189, 11 November 2003 - Barking Park HLF Project Planning Grant (£3.5m)

Minute 399, 10 May 2005 - Barking Park Restoration & Improvement Project: HLF Stage 1 Application.

Minute 76, 24 October 2006 - Barking Park Restoration & Improvement Project: Outcome of HLF Stage 1 bid, Preferred Management Structure/Preferred Procurement Option for Professional Services.

THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Dagenham Washlands - External Funding And Long Term Management Arrangements	For Decision
<p>Summary:</p> <p>The Land Restoration Trust, a national partnership of English Partnerships, the Environment Agency, the Forestry Commission and Groundwork UK, has secured first stage approval for £1.57m capital from the European Regional Development Fund and £1.98m dowry from the Department of Communities and Local Government under its Thames Gateway Parklands scheme. These funds, along with £5.6m match funding from the Environment Agency will enable the enhancement and long term management and maintenance of Dagenham Washlands with no impact on either Council capital or revenue resources.</p> <p>The c53ha Dagenham Washlands site is in mixed ownership, made up from:</p> <ul style="list-style-type: none"> a) the Leys (15ha), owned by LBBD Customer Services; b) the southern part of Beam Valley Country Park Local Nature Reserve (12ha), owned by LBBD Regeneration; c) a small parcel of land (c3ha, but covering an access point), owned by Essex Rivers Authority; d) land in the northern part of the site but to the east of the Beam (c3ha) owned by the London Borough of Havering; and e) the Environment Agency owns the river corridor and immediate environs (c19ha). <p>Wards Affected: River, Village</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to agree to:</p> <ul style="list-style-type: none"> (i) enter into a 99 year lease with the Land Restoration Trust in respect of the Council's land holdings known as The Leys and the southern part of Beam Valley Country Park Local Nature Reserve, as edged in red on the plan attached at Appendix A, in order to facilitate the management by the Land Restoration Trust of the entire 53 hectare site on behalf of the current land owners as part of the Thames Gateway Parklands enhancement scheme (described as option four in this report); and (ii) authorise the Corporate Director of Adult and Community Services, in consultation with the Divisional Director of Legal and Democratic Services, to agree the detailed terms of the lease arrangements on the terms outlined in the report. 	

Reason(s)

To assist the Council to achieve the community strategy priority of “Making Barking and Dagenham Cleaner, Greener and Safer”.

Implications:**Financial:**

The proposed capital costs of these works will be funded by external funding from the Land Restoration Fund and the Environment Agency. On-going revenue costs will be funded by way of a dowry from the DCLG. The value of LBB land being transferred to the Land Restoration Trust is considered as peppercorn as the land is designated as Green Belt, Public Open Space as Local Nature Reserve. The resulting revenue savings to the Council, estimated to be in the region of £60,000 per year, are a critical aspect of contributing to the success of the Council's adopted Strategic Parks Initiative.

Legal:

The purpose of entering into a lease with the Land Restoration Trust for the Leys and the southern part of Beam Valley Country Park Local Nature Reserve and the terms of such an arrangement are set out in this report.

The Legal Partners should be consulted when agreeing the details of the terms of the lease as set out in Recommendation (ii) of this report.

Risk Management:

Project risks will be managed by registered PRINCE2 practitioners at both project and programme level in accordance with the principles of the Office of Government Commerce's recommendations for managing successful projects and programmes. Project risks will be monitored within the Council as well as within the Land Restoration Trust and the Environment Agency.

Social Inclusion and Diversity:

Transforming degraded landscapes into high quality, well designed environments encourages social inclusion, equity and will promote community ownership.

The Dagenham Washlands project aims to promote enhanced access to open space, nature conservation and recreational opportunity for all East Londoners, both new and existing communities and in particular under represented groups such as BME people, disabled people, women, faith groups, LGBT people and variety of people from different age groups.

In accordance with the Race Relations (Amendment) Act 2000, the Parks & Leisure Development Group's 2008 Impact Assessment and Action Plan has been policy proofed (2005 and 2008) and is fully integrated into the work of the Group and the delivery of the Parks and Green Spaces Strategy. Actions and outcomes from this Impact Assessment are managed via the Departmental Equalities and Diversity Group and the Leisure and Arts division service scorecard and will feed directly into the Dagenham Washlands project.

The Dagenham Washlands project is aimed at ensuring access for all and includes specific targeted consultation with representative groups to ensure that all groups are able to influence service delivery. The Ranger Service is specifically tasked with providing a community development role in support of the project.

Crime and Disorder:

Transforming degraded landscapes into high quality, well designed environments fosters increased community ownership, inclusion, usage and safety. It has been shown to reduce crime and the fear of crime.

Consultation has been undertaken with the Secured by Design team and Parks & Cemeteries group.

Options Appraisal:

There are considered to be four options available to the Council:

Option one

The Council finds the necessary capital and revenue resources to self-fund the enhancement of Dagenham Washlands with no recourse to external partnership support or funding opportunities. This option has been rejected due to the current financial constraints facing the Council and because it would involve missing out on a once-in-a-lifetime opportunity to maximise new and existing external funding and partnerships.

Option two

Accept the capital enhancement but forego the long term dowry management and maintenance opportunity. This option has been rejected because the long-term sustainable management opportunity provided by this dowry is inextricably linked to the capital enhancement. Also because it would result in revenue savings that are necessary to support the Strategic Parks Initiative.

Option three:

Accept the long-terms management and maintenance arrangements but forego the capital enhancements. Rejected as above as the capital and revenue funds are inextricably linked.

Option four – the preferred option

Enter into a 99 year lease with the Land Restoration Trust in respect of the Council's land holdings in order to facilitate the management by the Land Restoration Trust of the entire 53 hectare site on behalf of the current land owners as part of the Thames Gateway Parklands enhancement scheme

Under option four the proposed capital costs of these works will be funded by external funding from the Land Restoration Fund and the Environment Agency. On-going revenue costs will be funded by way of a dowry from the DCLG. The resulting revenue savings to the Council are estimated to be in the region of £60,000 per year which will be allocated to the Strategic Parks initiative.

Contact Officer: David Theakston	Title: Park Development Officer	Contact Details: Tel: 020 8227 3081 Fax: 020 8227 3129 E-mail: david.theakston@lbbd.gov.uk
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1 Purpose of Report

- 1.1 This report seeks to update members on the progress made by officers in partnership with the Land Restoration Trust in terms of securing the necessary external capital and 99 year revenue dowry to enable the enhancement and sustainable future management and maintenance of the Dagenham Washlands site and seeks members' approval to deliver the scheme.
- 1.2 This report seeks to secure members' approval to lease the Council's landholding to the Land Restoration Trust in perpetuity and use the saved revenue to fund the Strategic Parks Initiative.

2. Background

- 2.1 The Environment Agency has spent circa £9m over recent years constructing flood defences within Beam Valley Country Park Local Nature Reserve. These defences provide flood protection to the industrial areas of Ford land and Dagenham East at the same time as protecting over 500 residential properties. These works involved the construction of an earthen flood berm and the creation of an area of washlands.
- 2.2 Over the next five years, the Environment Agency will spend between £30m and £50m on essential next generation flood defence sluices on the Mayes Brook, the Gores Brook and the Beam River. Council officers have built upon this long term commitment by the Environment Agency in the borough, in particular through the structures of the East London Green Grid, and have strengthened partnership working on a number of projects as a result.
- 2.3 A notable example is the fully accessible junior and disabled angling project at Tom Thumb lake in Eastbrookend country park. The Council is also working closely with the Environment Agency on the Mayesbrook park scheme which will result in a climate change adaptation river restoration scheme of national significance.
- 2.4 The Land Restoration Trust was founded in 2004 by English Partnerships, the Environment Agency, the Forestry Commission and Groundwork UK. The Trust is also supported by Regional Development Agencies and Government departments.
- 2.5 The aim of the Trust is to ensure the long term sustainable management of previously underused, neglected or derelict land restored for public benefit. By offering the financial benefits of a charity, the security of Government support, economies of scale achieved through portfolio management and cost effectiveness through long term dowry arrangements, the Trust is in a unique and respected position to deliver wider regeneration targets on behalf of local authorities.
- 2.6 In September 2005, the Director of Regeneration and Environment met with representatives from the Environment Agency and agreed in principle that the borough would work in partnership with the Environment Agency and the Land Restoration Trust. This agreement included site enhancement with externally sourced capital and long term management and maintenance through a 99 year lease and dowry.
- 2.7 The Director of Regeneration met with the Chief Executive of the Land Restoration Trust in August 2006 to further discuss the project with a more specific focus on the

arrangements for the bidding process for the necessary capital and dowry funding and the options in terms of the short, medium and long term roles and responsibilities for the management and development of the site.

- 2.8 The Dagenham Washlands project has been prioritised within the East London Green Grid and appears in Area Framework 3 (Thames Chase Beam and Ingrebourne) and has strategic importance and impact on Area Framework 4 (London Riverside).
- 2.9 The Land Restoration Trust submitted an Expression of Interest to the ERDF in February 2008 and to DCLG Parklands in June 2008.

3. Current Position

- 3.1 With first stage approval from both the European Regional Development Fund (ERDF) and the Department of Communities and Local Government (DCLG) already secured, the Land Restoration Trust is now waiting to find out whether they have been successful in securing the necessary capital and revenue dowry to enable the project to go ahead.
- 3.2 In the meantime, officers have formed a project steering group and are working closely with the Environment Agency and the Land Restoration Trust to put the necessary project management structure in place to ensure successful project delivery. Discussions are also being held with the London Borough of Havering.
- 3.3 The Environment Agency is undergoing a due diligence scrutiny assessment to enable them to confirm that their £5.6m can be used as match funding.

4. Financial Implications

- 4.1 There are no direct financial implications in terms of impact on Council capital or revenue as both the capital required to carry out the enhancements and the revenue to manage the site for 99 years are secured from external funds.
- 4.2 The Land Restoration Trust has secured first stage approvals for £1.57m capital from the European Regional Development Fund (ERDF) for the physical enhancement of the site along with a £1.98m dowry from the Department of Communities and Local Government (DCLG) which will be drawn down to fund ongoing revenue costs into the future. Each fund is reliant upon the other and neither has yet been fully confirmed. In addition to this the Environment Agency will commit £5,600,000 match funding.
- 4.3 The projected expenditure plan is outlined in table one below.

Table one Dagenham washlands - project expenditure plan

Funding source	2008/09	2009/10	2010/11	Total
DCLG (Dowry)	£1,980,627			£1,980,627
ERDF	£255,078	£1,132,255	£188,955	£1,576,288
EA	£600,000		£5,000,000	£5,600,000
Total	£2,835,705	£1,132,255	£5,188,955	£9,156,915

- 4.4 It is proposed that the 53ha site will be leased to the Land Restoration Trust for a period of 99 years. The Dagenham Washlands site is currently in mixed ownership:
- (a) the Leys (c15ha), owned by LBBB Customer Services;
 - (b) the southern part of Beam Valley Country Park Local Nature Reserve (c13ha), owned by LBBB regeneration;
 - (c) a small parcel of land (c3ha, but covering an access point), owned by Essex Rivers Authority;
 - (d) land in the northern part of the site but to the east of the Beam (c3ha) owned by the London Borough of Havering; and
 - (e) the Environment Agency own the river corridor and immediate environs (c19ha).
- 4.5 This proposal puts the entire site under a common management and maintenance regime and under the responsibility of one organisation on behalf of the existing land owners.
- 4.6 The Land Restoration Trust works in accordance with English Partnerships Best Practice Note on endowments and will invest the endowment received for Dagenham Washlands within their National Investment Strategy. The rate of return will guarantee at least 3.5% return each year for the site with a real return of at least 6%. Of this total, 2.5% will be re-invested to cover for inflation in line with Government Green Book policy.
- 4.7 The endowment will cover all future management and maintenance costs of the green space asset. This is broken down into three main areas that include permanent operations, periodic replacements and staff costs of a Managing Agent.
- 4.8 The Land Restoration Trust is a not for profit organisation and each endowment will require Treasury approval and is calculated for the individual site and will not be used to cross subsidise other work/sites.
- 4.9 Property Services have advised that the relevant Council-owned land will be transferred to the Land Restoration Trust under a covenant restricting it to public open space use with pre-exemption clauses specifying that the Council will be offered first refusal to take the land back if ever the agreement is reviewed. Due to the Green Belt, Public Open Space and Local Nature Reserve designations, the value of the land under LBBB ownership is therefore perceived as peppercorn.
- 4.10 The current and proposed roles and responsibilities for the partners involved in this scheme are outlined in table two below.

Table two roles and responsibilities

Roles and responsibilities	Environment Agency	London Borough of Barking and Dagenham	Land Restoration Trust	Managing Partner
Current	Project management of flood risk management. Statutory responsibility for management of flood risk assets. Ownership of 19ha of Beam River corridor and associated land.	Ownership and management of 15ha of The Leys and 12ha of Beam Valley Country Park Local Nature Reserve (27ha in total). Planning, Regeneration and Community roles and responsibilities.		
Interim	Statutory responsibility for management of flood risk assets. Ownership of 19ha of Beam River corridor and associated land. (Possible project management of enhancement works).	Ownership and management of 15ha of The Leys and 12ha of Beam Valley Country Park Local Nature Reserve (27ha in total). Planning, Regeneration and Community roles and responsibilities.	Develop vision document. Secure external funding for capital enhancement. Secure external dowry for in-perpetuity management and maintenance. Project management of enhancement works.	
Ultimate	Lease management of landholding to LRT. Statutory responsibility for management of flood risk assets.	Lease management of landholding to LRT. Community roles. Recycle saved revenue funding in support of the Strategic Parks Initiative.	Overall responsibility for management of 53ha of Dagenham Washlands including responsibility for managing partner and delivery of agreed management plan. Management of dowry and provision of revenue funding.	Day to day management and maintenance of the 53ha Dagenham Washlands site in accordance with the agreed management plan.

5. Consultees

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

Councillor R Little, Lead Member
Ward Members - River and Village Wards
All Members of the Scrutiny Management Board
Paul Hogan, Head of Leisure and Arts
Simon Farrow, Group Manager, Parks and Leisure Development
Paul Ansell, Corporate Procurement Officer
Damien Parker, Group Manager, Parks and Cemeteries
Frances Basham, Play Projects Development Officer
Yinka Owa, Legal Partner
Evonne Obasuyi, Senior Lawyer, Property, Planning and Regeneration
Colin Beever, Group Manager, Property Services
Marc Deeley, Environment Agency
Jonathan Ducker, Land Restoration Trust

Background Papers Used in the Preparation of the Report:

Parks and Green Spaces Strategy
East London Green Grid (Area 3 Framework: Thames Chase, Beam and Ingrebourne)
LRT ERDF Expression of Interest
LRT DCLG Project Description Proforma
LRT Briefing Note

Executive Minute Number	Executive Date	Executive Report Title/Subject
279	11 December 2001	Eastbrookend Country Park: Beam Valley extension and Environment Agency Lease.
7	28 May 2002	Parks & Green Spaces Strategy
12	27 May 2003	Parks & Green Spaces Strategy: Adoption (£5m)
286	8 February 2005	Adoption of LBAP
76	24 October 2006	Barking Park Restoration & Improvement Project: Outcome of HLF Stage 1 bid, Preferred Management Structure/Preferred Procurement Option for Professional Services.
68	23 January 2007	Adoption of Urban Design Framework (including Landscape Framework Plan) SPD.

DAGENHAM WASHLANDS

ENHANCEMENT OPPORTUNITIES



1) The Leys

- Bleak playing fields would benefit from woodland structure planting and better links with open space.
- New path connections to open space.
- Better use of non-sports pitch areas for natural grassland and woodland improving character.
- Using spoil to create a gentle landform.

6) Ballards Road Entrance

- 1 hectare enhanced Neighbourhood Park.
- Enhanced floodplain designed for public access and education.
- 0.25 hectares reedbed and 2 ponds.
- Capacity to use spoil on margins and improve boundaries with planting.

4) River Beam Floodplain Enhancements

- 3 hectares of wet woodland and wet fen mosaic.
- 0.75 hectares of riverine reedbed contributing 1 kilometre of restored river.
- 800 metres of new footpaths/cycleway along V.
- Control of Himalayan Balsam.

12) Disused Romford Canal

- Rich existing wetland habitat with Great Crested Newts.
- Conserve wetland pools and scrub with occasional careful management.

8) Site of Dagenham Hospital

1.5 hectares of central space defined by London Planes suitable for:

- Restoration of acid grassland/woodland creation
- Community focused project
- Possible restoration of historic environment
- Artwork/Earth sculpture
- Spoil from floodplain excavation used to create exciting informal play opportunities

10) Oval Road Park

- Old established linear park with play equipment in need of regeneration and re-design.
- Potential site for spoil deposition.

9) Acid Grassland Mosaic

- 10 hectares of open grassland including 4 hectares of acid grassland and valuable scrub.
- Good access all year, numerous desire lines.
- 0.6 hectares of dry woodland/scrub screen planting on boundaries. Creating attractive edge and increasing habitat.
- Occasional burning maintains open character.
- Rich invertebrate populations.

2) Wantz Stream Floodplain

- 800 metres of restored stream channel.
- 3.5 hectares of wet fen and 1 hectare of reedbed created.
- 8 new ground-water ponds.
- New footbridge and viewpoint.

1) Oval Road Wetland

- Improved footbridge/viewpoint across Wantz Stream.
- 200 metres realigned Wantz Stream.
- 1.5 hectares of reedbed and fen creation.
- 7 new ground-water ponds within floodplain.
- Designed for safe access and low maintenance.

3) Mardyke Avenue Wetland

- Naturalised floodplain with 2 hectares of wet fen and 4 ponds.
- New footbridge and viewpoint across River Beam.
- New footpaths/cycleway connecting leading to open space.

7) Oval Road Flood Storage Area

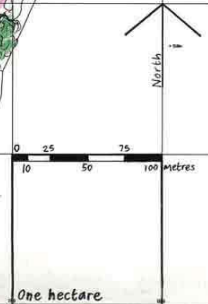
- 0.25 hectares of restored acid grassland.
- 1.5 hectares of wet grassland and scrub.
- 3 surface water ponds.

5) Beam Valley South of Sluice

- 1 hectare of dry woodland.
- 200 metres of hedgerow along western bund.
- 400 linear metres of reedbed.
- Regraded east embankment to naturalise character.
- 20km³ of spoil deposition.

- PROPOSALS**
- WOODLAND - 5ha
 - SCRUB/HEDGEROW - 1 kilometre
 - WET FEN - 5.0 hectares
 - REEDBED - 3.5ha
 - PONDS - around water surface water
 - FOOTPATHS/CYCLEWAYS - 4-5 kilometres
 - RIVER RESTORATION - 2 kilometres
 - NEW FOOTBRIDGES - 3 number

- EXISTING**
- WOODLAND
 - SCRUB/HEDGEROW
 - ACID GRASSLAND



NATIONAL ENVIRONMENTAL ASSESSMENT SERVICES

DAGENHAM WASHLANDS ENHANCEMENTS

SKETCH CONCEPT

AS SHOWN

R. HELLER

JULY 2007

Rev A: JUNE 2008
Minor changes to text and colour

BEAM LA 5.13.003/Rev A

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

<p>Title: Procurement of Design and Consultancy Services for the Restoration and Improvement of Abbey Green</p>	<p>For Decision</p>
<p>Summary: Approval is requested to enable officers to implement the Abbey Green design contest via an advertisement in the Official Journal of the European Union (OJEU). Due to the estimated value of the contract that may result from the contest being in excess of £400,000, the Council's constitution requires prior Executive approval.</p> <p>Abbey Green is a key element within the adopted Parks and Green Spaces Strategy Phase 2 programme. The project has the backing of Design for London which has provided £70,000 funding for the running of the contest, and is a key part of the vision for Barking Town Centre.</p> <p>The design contest is wholly externally funded and the council is under no obligation to implement any plans that may be developed.</p> <p>Wards Affected: Abbey, Gascoigne</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 (design contest) for the procurement of design and consultancy services for the restoration and improvement of Abbey Green; and 2. in accordance with Contract Rule 3.6, to advise whether Members require to be further involved with, or be consulted on, any future procurement and award of a contract. <p>Reason(s) To assist the Council to achieve its Community Priority of "Making Barking and Dagenham Cleaner, Greener and Safer".</p>	
<p>Implications:</p> <p>Financial: There are no immediate financial implications arising from this report as the contest process is wholly funded by Design for London.</p> <p>Following the completion of the contest a full design consultancy service may be procured from the contest winner with a value that could be more than £400,000. This will only be procured if further external capital funding and any consequent external revenue funding have been secured. The capital funding is subject to current and proposed external bids. None of the potential further investment will require any further LBBD capital funding.</p>	

It is a condition of the LDA grant that the practice that wins the Design Contest will be maintained throughout the process of delivering the Abbey Green project. A further condition required that Design for London will remain as design advisors in all stages of the design development until delivery of the scheme.

Once further capital funding has been secured for implementing the improvements, revenue implications will need to be agreed and funded before the project can be taken forward. The strategic aim is that this will be part of the external funding package.

A great deal of preparatory work for the Abbey Green project has been undertaken over recent years. Groundwork East London (GWEL) have prepared a landscape vision statement which is a summary of the baseline site data (including strengths, opportunities, threats and weaknesses), a full consultation report and a costed concept plan.

In addition to this English Heritage have been consulted and provided a report on heritage aspects of the project. Officers have carried out land quality investigations, audience development work. GWEL's costed concept plan suggests overall project costs in the region of £6 million to see the transformational scheme as recommended by the strategy and a fee element in the region of £400,000.

Legal:

This report outlines the procurement strategy, by way of a design contest, for the appointment of architectural and technical design and consultancy services in relation to the development of Abbey Green.

In approving the strategy, Members need to be satisfied that the strategy being pursued is compliant with the Council's Community Strategy and Corporate Plan. Further that the criteria being applied for the selection and award of the contract is appropriate for the procurement.

Members need to be satisfied further, that the process being pursued does not offend against EU and national procurement law, as well as the Council's Contract Rules and Guidance.

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

Risk Management:

Project risks will be managed by registered PRINCE2 Practitioners at both project and programme level in accordance with the principles of the Office of Government Commerce's recommendations for managing successful projects and programmes. The external funding is subject to supporting works being carried out in this financial year plus that which can legitimately be re-profiled within the LDA.

Social Inclusion and Diversity:

Transforming underused landscapes into high quality, well designed environments encourages social inclusion, equity and will promote community ownership.

In accordance with the Race Relations (Amendment) Act 2000, the Parks & Leisure Development Group's 2008 Impact Assessment and Action Plan has been policy proofed (2005 and 2008) and is fully integrated into the work of the group and the delivery of the

Parks and Green Spaces Strategy. Actions and outcomes from this Impact Assessment are managed via the Departmental Equalities and Diversity Group and the Leisure and Arts division service scorecard and will feed directly into the Abbey Green project.

The Abbey Green project is aimed at ensuring access for all and includes specific targeted consultation with representative groups to ensure that all groups are able to influence service delivery.

The Abbey Green project aims to promote enhanced access to open space, nature conservation and recreational opportunity for all East Londoners, both new and existing communities and in particular underrepresented groups such as BME people, disabled people, women, faith groups, LGBT people and variety of people from different age groups.

Crime and Disorder:

Transforming underused landscapes into high quality, well designed environments fosters increased community ownership, inclusion, usage and safety. It has been shown to reduce crime and the fear of crime.

Consultation with Secured by Design team and Parks & Cemeteries Group has been undertaken.

Options Appraisal:

There are considered to be three procurement options available to the Council:

Option one

Obtain tenders via the Parks and Leisure development framework agreement for professional services. This would not allow a design contest to be undertaken so the winning tenderer will be chosen on price alone. It would also not meet Design for London criteria.

Option two

Undertake design in house. Currently no specialist landscape design service exists in house. Also a contest allows a greater chance for a high quality design to be produced which will enable funding to be secured to the project.

Option three – the preferred option

The design contest is a type of tender process where the winning contractor is selected partly on the basis of an outline design and partly on a basis of a quotation for the undertaking all the design duties required to deliver the project. This design contest will ensure that the best value for money design services is procured.

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Title:

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1. Introduction and Background

- 1.1 Abbey Green is the central open space of Barking town centre. It has considerable historical importance, being once the site of the Royal seat and Barking Abbey and currently features the church and Curfew Tower.
- 1.2 The site links both the River Roding and Gascoigne estate to the Town Centre and hosts two separate primary schools.
- 1.3 The green space is currently disjointed, underused and disconnected from the town centre and has been identified in the Parks and Green Spaces Strategy as being in need of significant improvement. It is listed in the London Plan as being in a regeneration area and provides critical high quality green space in support of the Town Centre Area Action Plan.
- 1.4 The site is also a key project in the East London Green Grid which aims to connect places of importance via green spaces. It will link one of the Mayor of London's 'lost rivers' to one of his 100 Public Squares.

2. Current Position

- 2.1 Officers from the Parks and Leisure Development Group have consulted with the local community to get their views about the site and what improvements they think should be made.
- 2.2 Design for London (part of the Greater London Authority) have agreed to wholly fund a design contest in order to ensure the highest quality design solution is found for improving the park. They have awarded a grant of £70,000 for this due to its importance in the East London Green Grid.
- 2.3 Several external capital funding opportunities have been identified to take the project forward and bids, supported by London Thames Gateway Development Corporation, have been submitted to the Department of Communities and Local Government and the Mayor of London. Town Centre Section 106 opportunities continue to be negotiated.
- 2.4 A high quality design is essential in securing this funding.

3. Report Detail

- 3.1 The design contest is a type of tender process where the winning contractor is selected partly on the basis of an outline design and partly on a basis of a quotation for the undertaking all the design duties required to deliver the project.
- 3.2 It is proposed to undertake the design contest via the Official Journal of the European Union (OJEU). It is estimated that the resulting contract, which would include all design stages and all other professional services required to enable the project to be delivered, could exceed £400,000 so it is a legal requirement to procure via OJEU with the Executive's prior approval.

- 3.3 This design contest will ensure that the best value for money design services is procured. The resulting design contract would not start until the council has secured the necessary capital funding to implement the whole project.
- 3.4 The Design Contest will be raised through an OJEU notice. At the same time the Architect's Journal (AJ) will raise awareness of the regeneration going on in Barking and Dagenham and this commission in particular. Design for London is keen to ensure that expressions of interest are invited from newly formed design practices.
- 3.5 Design for London will pay for all aspects and associated costs arising from and relating to the Design Contest and have agreed to grant £70,000 from the London Development Agency for this purpose.
- 3.6 The Abbey Green project will be managed by a Project Manager from the Park Development section reporting to a Project Steering Group comprising representatives from Procurement, Spatial Regeneration and Heritage, along with external parties such as Design for London, London Thames Gateway Development Corporation and English Partnerships. The project will also report to the PGSS Programme Board which will report to the Cultural Improvement Board.
- 3.7 Any implementation of the winning design will only be progressed if further capital funding has been secured for implementing the improvements. At this stage any revenue implications will need to be identified and funded before the project can be taken forward.
- 3.8 The contest, which is aimed at attracting the highest possible standards of design, will be a two-stage process with the first element being an open advertisement in the OJEU supported by the AJ articles. It is envisaged that this stage of the project will cost in the region of £5,000 and this amount of the grant will be drawn down immediately to support this process.
- 3.9 Shortlisting of expressions of interest submitted at this stage will be carried out by the steering group. It is expected that the shortlisting process will result in around 5 or 6 practices being invited to move on to the second stage.
- 3.10 The second stage of the process will be restricted to the shortlisted practices, each of which will be paid an honorarium of between £5,000 and £6,000 to meet the costs incurred in working up their design proposals. The total cost of this process will not exceed £30,000.
- 3.11 The entries from the shortlisted candidates will be showcased in an exhibition in a public venue like the Barking Learning Centre gallery. A further £5,000 has been allocated to this element of the scheme.
- 3.12 A jury will select the winning design. It is expected that the jury will be made up from representatives from the Architect's Journal, Design for London and LBBB Council Member(s) with LBBB Officer support. The practice chosen by the jury will be appointed to the full value of professional design services from inception to completion, with a break clause after the production of the masterplan as this coincides with the full expenditure of the LDA grant.

- 3.13 The next stages of the commission will only be entered into upon confirmation that the necessary capital and revenue funding to deliver and sustainably manage the scheme have been secured.
- 3.14 There will be no 'prize' as such. The winning practice will be appointed with a £30,000 fee to develop the masterplan, to be started before the end of the 2008/09 financial year and completed within the first quarter of 2009/10.
- 3.15 The criteria to be applied to the procurement will be the most economically advantageous tender.
- 3.16 The first stage selection criteria will be:
- (a) Basic information, such as turnover and financial soundness, legal status, corporate, management or consortia structure and e-capability;
 - (b) Eligibility, such as Limited Company or Partnership status, prior relationship with LBBB Directors or Members, Charitable or Independent registration;
 - (c) Financial standing, such as VAT registration, insurance details, previous claims plus provision of 2 years of audited accounts;
 - (d) Technical competence verified by referees, such as experience of preparing high quality park masterplans and management plans, experience of consultation techniques and equalities and diversity information gathering.
 - (e) A track record of delivering high quality landscape architectural and urban design projects including historic landscape restoration and Heritage Lottery funded schemes;
 - (f) Applications will in particular be welcomed from newer, smaller practices and all applicants will be required to provide an organisational chart, CVs of key personnel, details of any proposed sub-contractors, areas of innovation and complaints procedure; and
 - (f) details of the applicant's environment, health and safety and equalities and diversity policies as well as Freedom of Information arrangements.
- 3.17 The criteria to be applied to the procurement element of the scheme will be the most economically advantageous tender. Selection will be based on a combination of price and quality.
- 3.18 Quality will be evaluated by reference to issues such as methodology, resource deployment, delivery periods and dates, after-sales service, ability to deliver against national and corporate policies relating to for example environmental, health and safety, climate and workforce etc.
- 3.19 Other issues to be considered in the appointment process will include revenue implications, sustainability, experience of past HLF park projects as well procedures in place for dealing with programme deadlines and to ensure high quality, innovation and creativity.

4. Consultees

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

Councillor R Little	Lead Member
Paul Ansell	Corporate Procurement Officer

Paul Hogan	Head of Leisure and Arts
Jeremy Grint	Head of Spatial Regeneration
Alex Anderson	Group Manager Regeneration & Housing Futures Team, Corporate Finance
Yinka Owa	Legal Partner

Background Papers Used in the Preparation of the Report:

- [Executive Minute 12, 27 May 2003 \(Parks and Green Spaces Strategy\)](#)

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Scrattons Eco Park Extension - Land Restoration And Land Transfer	For Decision
<p>Summary: Scrattons Eco Park Extension is land allocated for public open space to replace land lost by the building of the nearby Jo Richardson School. However, the land is contaminated and in need of remediation before it can be used as public open space.</p> <p>Approval is requested to enable the Scrattons Farm Eco Park remediation project to go out to tender via the Official Journal of the European Union (OJEU). This project will also require the Council taking on the long term lease of a small parcel of land owned by Network Rail.</p> <p>Due to the estimated value of the tender being in excess of £400,000, the Council's constitution requires Executive approval; however, it should be noted that the scheme will only be implemented if it can be realised at neutral cost to the Council.</p> <p>Wards Affected: Thames</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to agree:</p> <ul style="list-style-type: none"> (i) to officers inviting, appraising and evaluating tenders for the remediation of the contaminated land at neutral cost to the Council as described in this report and subject to planning consent and resident support; and to note that if the tender process does not produce a cost neutral situation the scheme will not proceed. (ii) to the acquisition of a long term lease of 2550 sq. metres of land, to the south of Levine Gardens, from its current owners Network Rail, at a nominal rent (peppercorn), as shown on attached plan. This will be carried out in accordance with the Council's land acquisitions and disposal rules. The subsequent contract will be for a peppercorn consideration; and (iii) in accordance with the Constitution (Contract Rules 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>To assist the Council to achieve its Community Priority of "Making Barking and Dagenham Cleaner, Greener and Safer"</p>	

Implications:

Financial:

The OJEU tendering process is expected to result in a cost neutral land restoration scheme, meaning that it will have no impact on Council capital. If this is not the case the scheme will not proceed. It is expected that any increase in maintenance requirements will be met through community engagement volunteering activities and so there will be no increase in revenue costs.

Legal:

By carrying out land remediation work successfully, the Council would meet its obligations for remediation of polluted land as required under the Environmental Protection Act 1990.

A long term lease is to be entered into with Network Rail so that a portion of their land becomes public open space.

Risk Management:

Project risks will be managed by registered PRINCE2 practitioners at both project and programme level in accordance with the principles of the Office of Government Commerce's recommendations for managing successful projects and programmes.

A cost neutral option is being pursued, which will only result in marginal costs to the council. The scheme will only be implemented on this basis.

It may be that the remediation scheme will meet local opposition due to the likely increase in elevation of the land near some people's houses. This will be assessed at the consultation stage following the tender.

Risks during the works stage of the scheme include potential disturbance and accidents due to the short term increase in traffic. This will be managed by appointing experienced contractors who will be required to provide and implement robust method statements for all aspects of the scheme.

Social Inclusion and Diversity:

Transforming degraded landscapes into high quality, well designed environments encourages social inclusion, equity and will promote community ownership.

The Scrattons Eco Park project aims to promote enhanced access to open space, nature conservation and recreational opportunity for all East Londoners, both new and existing communities and in particular under represented groups such as BME people, disabled people, women, faith groups, LGBT people and a variety of people from different age groups.

In accordance with the Race Relations (Amendment) Act 2000, the Parks & Leisure Development Group's 2008 Impact Assessment and Action Plan has been policy proofed (2005 and 2008) and is fully integrated into the work of the group and the delivery of the Parks and Green Spaces Strategy.

Actions and outcomes from this Impact Assessment are managed via the departmental Equalities and Diversity group and the Leisure and Arts divisional service scorecard and will feed directly into the Scrattons Eco Park project.

The project is aimed at ensuring access for all and includes specific targeted consultation with representative groups to ensure that all groups are able to influence service delivery. The Ranger Service is specifically tasked with providing a community engagement and volunteer development role in support of the project.

Crime and Disorder:

Transforming degraded landscapes into high quality, well designed environments fosters increased community ownership, inclusion, usage and safety. It has been shown to reduce crime, in particular fly tipping, and the fear of crime.

Consultation has been undertaken with the Secured by Design team and Parks & Cemeteries group.

Options Appraisal:

There are considered to be three options available to the Council:

Option one

A consultants' report (Hyder 2008) suggested four alternative solutions for land restoration at Scrattons Eco Park at costs ranging from almost £500,000 to £2 million. This option was rejected due to the high level of remediation costs.

Options two

The 'do nothing' option is not considered appropriate due to legal requirements and the potential risk of litigation.

Option three – the preferred option

There is a potentially cost neutral alternative solution whereby a contractor will fund the work by covering the site with harmless material, known as 'clean, inert fill', which would otherwise need to be taken to a landfill site.

<p>Contact Officer: IM. Chengappa</p>	<p>Title: Park Development Officer</p>	<p>Contact Details: Tel: 020 8724 8771 Fax: 020 8227 3129 E-mail: iychettira.chengappa@lbbd.gov.uk</p>
<p>Alex Farris</p>	<p>Senior Park Development Officer</p>	<p>020 8227 3482</p>

1. Introduction

- 1.1 Scrattons Eco Park extension is an area of land adjoining the existing Eco Park between Scrattons Farm Estate and the nearby railway line (see appendix A). Most of the site exists as wasteland but it also includes a playing field and equipped playground. The site suffers from chemical contamination and includes a portion of land that is owned by Network Rail.
- 1.2 The site became Public Open Space under Section 278 of the Town and Country Planning Act in exchange for part of Castle Green taken for the Jo Richardson School (Executive Minute 7, 17 June 2003, from the Director of Leisure and Environmental Services). The report identified the land as suffering from contamination. Mitigation of the contamination was considered but no action was taken at that time.

1.3 The whole site is accessible to the public including the land owned by Network Rail.

2. Current position

- 2.1 Contaminated material has been found on the western parts of this land, introduced as a result of fly-tipping. The Council has a duty under the Environmental Protection Act of 1990 to identify, record, assess, and provide plans for the remediation of all polluted land within the borough. A detailed land assessment of the entire site was carried out during 2007-2008 by Hyder Consulting.
- 2.2 The report determined that there was a risk to visitors in normal use of the land. The report identified and assessed all site risks and site-specific encumbrances such as site history, residents' personal accounts and memories, hydrology, geology and underground ordnance and services.
- 2.3 A land search has identified that a small central part of the site is owned by Network Rail. This piece of land is sandwiched between two parcels of Council-owned land but to the public it is perceived as being one equally accessible site. Network Rail has not carried out any management or maintenance on their land since 2003 and possibly before this.
- 2.4 Chartered Members of the Landscape Institute within the Park Development service with a specialist working knowledge of the legal, planning and environmental framework relating to landscapes and public open space, have concluded that the disposal is appropriate and in the Council's best interests. This view is shared by the Land Quality Team's Framework Consultant's site investigation report as well as by Property Services.
- 2.5 Corporate Procurement have advised that although the scheme can potentially be realised on a cost-neutral basis and at no cost to the Council, the Executive's authority is required as the project ultimately has a value that has been determined, through commissioned studies, of over £400,000.

3 Proposals

- 3.1 The consultants' report recommended remedial works that would cost a minimum of £500,000. As funding for this is not currently available, Council officers have proposed a cost-neutral alternative solution whereby a contractor will fund the work by covering the site with harmless material, known as clean inert fill, which would otherwise need to be taken to a landfill site.
- 3.2 This cost neutral approach will not be possible unless the Network Rail owned land is included in the works due to the logistics of the site. This has been agreed in principle with Network Rail.
- 3.3 The work will be tendered competitively to ensure the best opportunity for the site is taken forward. Tenderers will be required to demonstrate they have sufficient expertise to carry out the work in accordance with statutory regulations.
- 3.4 The scheme allows for consultation with local residents and would not go forward until the Council is satisfied with the consultation and its results.
- 3.5 The scheme will require planning consent. This cannot be applied for until the detailed plans required as part of the tender have been submitted.
- 3.6 The provisional timetable for the scheme is set out in table one below.

Table one implementation timetable

Description	Completed
Send out tender documents	Jan 2008
Tender and procurement process, appoint one contractor.	Mar 2009
Obtain necessary licenses and permissions from Environment Agency. Set up work.	May 2009.
Carry out works on site.	May to Oct 2009

- 3.7 The tenders will be opened in the Procurement Offices at Civic Centre, Dagenham. The tenders will be reviewed by a team of officers with representation from Procurement, the Land Quality team, and two from the Parks Development section.
- 3.8 First stage expressions of interest will be assessed according to the standard pre-qualification criteria as well as the additional criteria outlined in table two below.

Table two additional evaluation criteria

<p>1. Previous relevant experience and case studies of similar recent projects including:</p> <ul style="list-style-type: none"> (a) the management of aspects of the project, design methodology and obtaining the necessary permissions and approvals; (b) dealing with public perception issues, public relations management, queries and complaints from the public; and (c) describing the steps to be taken to implement the specification on the ground and how the contractor will ensure that the physical remediation that will take place will meet the requirements of the written specification.
<p>2. Method Statements</p> <ul style="list-style-type: none"> (a) For managing road and construction traffic both on and off site; (b) For dealing with any pollution or contamination release incidents; and (c) Detailing how any injured animal or any legally protected animals or plants found on the site would be dealt with.
<p>3. Qualification, accreditation and quality management systems that demonstrate the firm's fitness to carry out such specialist works.</p>

- 3.9 Tenders from firms selected at pre-qualification stage will be subsequently assessed by using the criteria outlined in table three.

Table three tender evaluation criteria

1.	Price (park development and procurement)
2.	Quality and value for money Remediation method, including technical compliance with legal and health and safety requirements on contaminated land i.e. Contaminated Land Regulations 11. (Land Quality team)
3.	Public perception plans and methods, plus equality and diversity contributions and compliance. (Park Development/Members)
4.	Quality of landscaping, extent of land forming, and assessable quality of the final product. (Park Development)
5.	Ecological and other aspects of the tender. (Park Development)

- 3.10 If implemented, the acquisition of landscaped and environmentally clean open space will provide health and leisure benefits to residents. It will also remove any risk of contamination liability for the Council.
- 3.11 It is expected that this will involve a change of land levels by approximately one metre immediately to the rear of all the properties that back onto the site. The majority of these will be in Levine Road, and Julia Gardens (western side). This will increase the visibility of their rear gardens and the rear of their properties from the open space.
- 3.12 Temporary noise disturbance is likely for three to four months while the work is being carried out.
- 3.13 Lease of the Network Rail land is at peppercorn rent and can be terminated by either party at six months notice. Any premiums will be reimbursed by Network Rail. The Network Rail land is sandwiched between two parcels of Council owned land and this scheme will clean up and allow the improved sustainable management of the Council's land portfolio in the area.

4. Financial Implications

- 4.1 There are no financial implications for the Council as the costs of the remediation will be met in full by the contractor. Also a maintenance budget is already available for the site. Any increases in maintenance for the site as a result of the works and the transfer of the Network Rail land will be met within existing resources through an increase in community volunteering activities.

5. Consultees

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

- Councillor R Little - Lead Member
- Joe Chesterton - Divisional Director of Corporate Finance
- Davendra Gosai - Land Quality Officer
- Paul Ansell - Procurement Officer
- Damien Parker - Group Manager Parks & Cemeteries
- Colin Beever - Group Manager Property Services

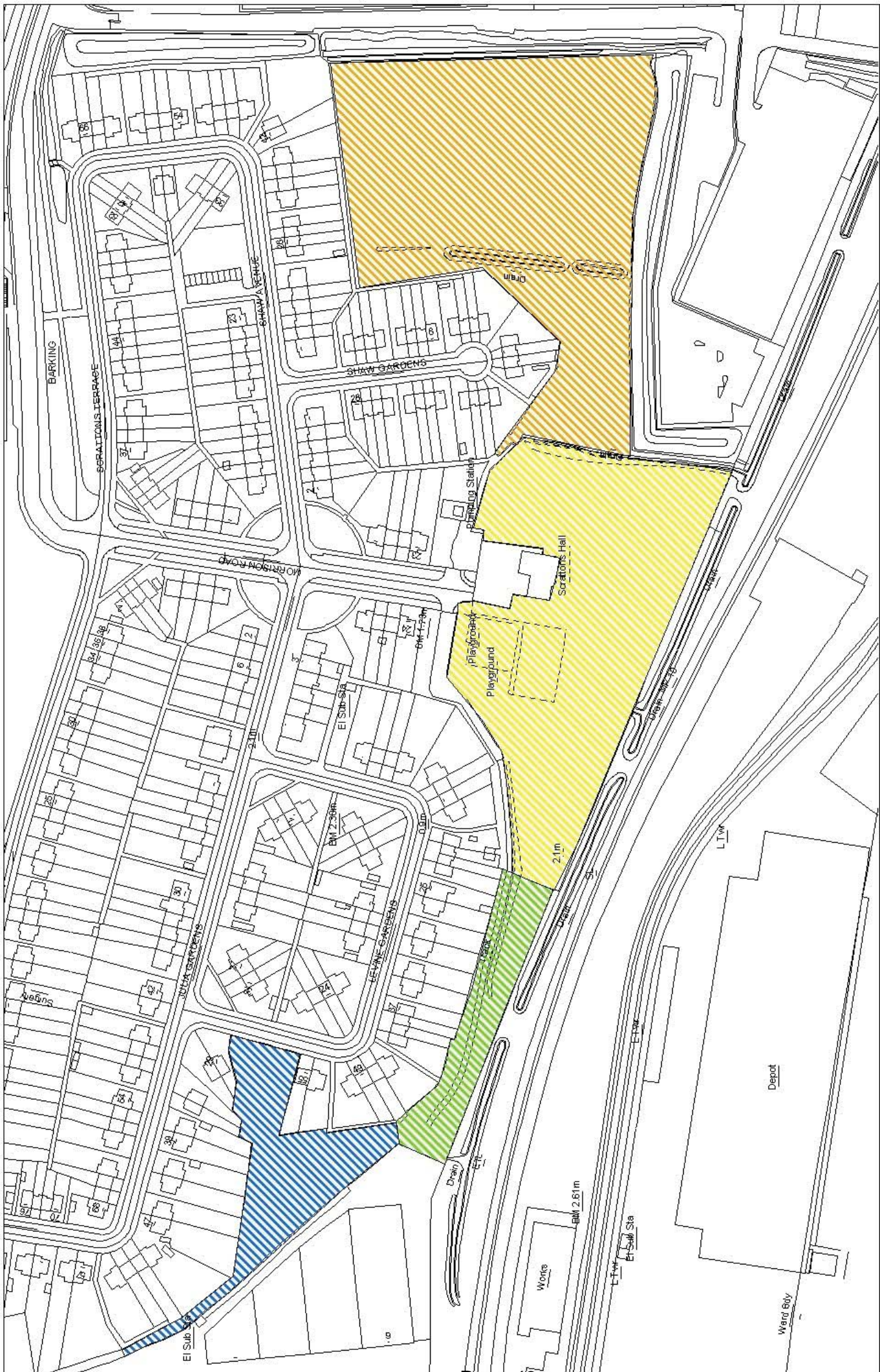
- Yinka Owa – Legal Partner

Background Papers Used in the Preparation of the Report:

- Hyder Consulting (UK) Ltd; Supplementary Interpretive Report, Scrattons Farm Park, Dagenham. February 2008.
- Site plan showing Network Rail land.

Executive Minute 7, 17 June 2003

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CHARACTER

- ECOPARK EXTENSION (PART 1)
- ECOPARK EXTENSION (PART 2)
- EXISTING ECO PARK
- NETWORK RAIL LAND

Map Title: LNR DESIGNATION - SCRATTONS ECO PARK & EXTENSION

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Barking Dagenham

The London Borough of Barking and Dagenham

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

<p>Title: Provision of Wheelie Bins for Household Waste – Pilot Outcomes and Borough Roll-Out</p>	<p style="text-align: center;">For Decision</p>
<p>Summary:</p> <p>In March 2006, Members adopted the Barking and Dagenham Waste Strategy which sets out three simple objectives to:</p> <ol style="list-style-type: none"> 1. Have the cleanest streets in London; 2. Achieve the greatest waste reduction, and highest recycling and composting rates in London; and 3. Deliver effective, efficient and customer-focused services that demonstrate value for money. <p>The strategy required a reassessment of the refuse collection method with three key considerations:</p> <ol style="list-style-type: none"> (a) Reducing the volume of waste collected; (b) Increasing recycling and composting; and (c) Keeping rubbish off the street and giving customers an excellent service. <p>The East London Waste Authority has also considered the actions that will be needed in order to achieve the expected national targets for recycling, diversion from landfill and residual waste minimisation. ELWA has agreed that the four constituent boroughs must consider introducing waste minimisation measures, that could include constraints on the amount of residual waste collected. Additionally they have asked the Boroughs to cease the co-mingled collection of dry recyclables and residual waste from the doorstep by 2014, to be replaced with the separate collections of recyclates and a system of quality control to reduce contamination of the recyclable material collected. The roll out of the new system borough-wide would achieve these objectives for Barking and Dagenham.</p> <p>At the meeting on 4 March 2008 (Minute 130), the Executive agreed to pilot for six months a new way of collecting household waste. This report presents the outcomes of these ‘wheelie bin’ pilots that have taken place in five areas across the borough.</p> <p>The pilots have been designed to test the effectiveness of a new way of collecting our residents’ waste, this being:</p> <ul style="list-style-type: none"> • A weekly collection of residual waste from a 140 litre Wheelie bin • A weekly collection of mixed dry recyclables in Orange bags, placed beside the bin • A fortnightly collection of green garden waste from a 140 litre Wheelie bin • A fortnightly collection of mixed glass bottles from a 40 litre Plastic box. <p>The outcomes of the wheelie bin pilot scheme are as follows:</p>	

1. The amount of residual waste collected has reduced by 15%.
2. Orange bag recycling and composting has more than doubled in the pilot areas.
3. Street cleanliness has improved to 94% of streets graded as good or excellent.
4. 91% of residents surveyed stated they are in favour of wheelie bins.

Table 1

Ward	% in favour (May survey)	% in favour (End of pilot survey)
Longbridge	54	80
Mayesbrook & Alibon	69	96
River	69	95
Chadwell Heath	73	92
Eastbrook	61	93

A firm base line of resident opinion has been established through detailed consultation, and the indications are that the pilot has achieved the improvements in waste reduction, increased recycling and composting and clean streets we had expected.

If Members choose to roll out wheelie bins to all households in the borough the distribution of wheelie bins would occur in five phases to follow the days of the week. This process would begin in May with the final phase complete in September 2009.

Wards Affected: All

Recommendation(s)

The Executive is recommended to:

- (i) Consider the outcomes of the wheelie bin pilots and agree to the adoption of the system throughout the borough.
- (ii) That implementation of the borough-wide scheme is subject to capital and revenue resources being approved as part of the Councils 2009/10 budget process.

Reason(s)

To assist the Council in achieving its Community Priorities of 'Making Barking and Dagenham Cleaner, Greener and Safer' and 'Raising General Pride in the Borough'.

Implications:

Financial:

Rolling out the system borough-wide will require additional capital investment of £2,110,000 with an additional on-going net revenue investment of £375,000 due to borrowing costs, increased vehicle and staff costs offset by savings in the non-supply of black bags and efficiencies within the service.

The capital programme currently has no provision for this scheme. The additional sum of £2.11m is subject to consideration and approval by Members as part of the capital programme review for 2009/10.

There is currently no provision for the additional net revenue costs of the scheme of £375,000 and this sum is again subject to consideration and approval by Members as part of the 2009/10 budget process.

The scheme includes the separate sorting of orange bags and residual waste at the kerbside. This has additional revenue implications. Currently Shanks East London will incur expenditure to carry out this function and they have indicated they will pass on any savings they accrue. ELWA has requested Shanks to give a firm indication of this amount.

Overall the scheme has achieved the expected reduction in waste collected. This will result in a reduction in the amount of money we will be charged for waste disposal and the table in section 3 of the report expresses the estimated waste disposal cost of continuing with the current bag based system and compares that to the expected cost by using the proposed wheelie bin system borough-wide.

Legal:

Under the Environmental Protection Act (1990) the Council may denote the method residents must use to present their waste for collection.

Comments of the Legal Partner

Should Members be minded to approve the recommendation in this report, officers will seek further Members' approval of the method of procuring the wheelie bins to be used by residents.

Risk Management:

The scheme has required the management of a significant change in community behaviour to achieve the full benefit of the scheme. An extensive and detailed communication and awareness raising programme accompanied by a firm but fair enforcement approach has significantly mitigated the risk of residents not understanding or wanting to participate in the scheme or deciding to illegally dispose of their waste.

Social Inclusion and Diversity:

The initial equalities impact assessment highlighted the following issues:-

Wheelie bins potentially present problems for our residents with mobility issues. The publicity surrounding the scheme highlighted the Council's assisted collection scheme that adapts the collection to meet the needs of the residents. 160 assisted collections have been granted to date and have helped to alleviate some of the concerns elderly and disabled residents expressed before the scheme was implemented.

In order to cater to the needs of larger families who are more likely to put out larger quantities of waste, extra bin capacity has been offered to these families on request. To date, 298 families have been given an extra or larger bin for non-recyclable waste.

In some areas of the borough, wheelie bins are not suitable as residents do not have the room to store the bins effectively. Waste Education Officers carried out reassessments of most properties (when appropriate) where residents stated they do not have space for wheelie bins and/or they have access issues. 107 properties were exempted from the scheme on the grounds of the factors mentioned.

Crime and Disorder:

The neat storage of refuse awaiting collection would improve environmental aspects, and so increase perception of an environmentally safe area. There is direct correlation between safety and good environmental management.

Options Appraisal: This is described in detail in the Waste Strategy agreed by Members during March 2006		
Contact Officer: Darren Henaghan	Title: Head of Environmental & Enforcement Services	Contact Details: Tel: 020 8227 5660 Fax: 020 8227 5699 E-mail: darren.henaghan@lbbd.gov.uk

1. Introduction

1.1. By Minute 130 (4 March 2008), the Executive agreed to pilot a new way of collecting household waste. This report presents the six month findings of residents' consultation and the operations of these 'wheelie bin' pilots, taking place in 5 areas across the borough.

1.2. The five areas are:

Monday	Leftley Estate Barking	1892 homes
Tuesday	Waterbeach Road Area (Mayesbrook and Alibon Wards)	1913 homes
Wednesday	Marks Gate Estate	1274 homes
Thursday	Rush Green	1752 homes
Friday	Rylands Estate	1675 homes

1.3. The pilots have been designed to test the effectiveness of a new way of collecting our residents waste, this being:

- A weekly collection of residual waste from a 140 litre Wheelie bin
- A weekly collection of mixed dry recyclables in Orange bags, placed beside the bin
- A fortnightly collection of green garden waste from a 140 litre Wheelie bin
- A fortnightly collection of mixed glass from a 40 litre Plastic box.

1.4. In order to test the effect of this new way of working we set the following outcome indicators.

- Reducing the volume of waste collected;
- Increasing recycling and composting; and
- Keeping rubbish off the street and giving customers an excellent service.

2. Results From The Pilot Scheme

The success of the pilot scheme should be determined by considering the following performance indicators:

2.1. Outcome Indicator 1 - Reducing the volume of waste collected

2.1.1. The pilot has assessed the amount of waste produced by our residents within the pilot areas before and after the introduction of wheelie bins. Table 1 below describes the results from the five areas for the average combined tonnages of co-collected waste (orange and black bag) collected each month. 'Pre' and 'post' refer

to before and after wheelie bin collections began. The average waste reduction is 15%.

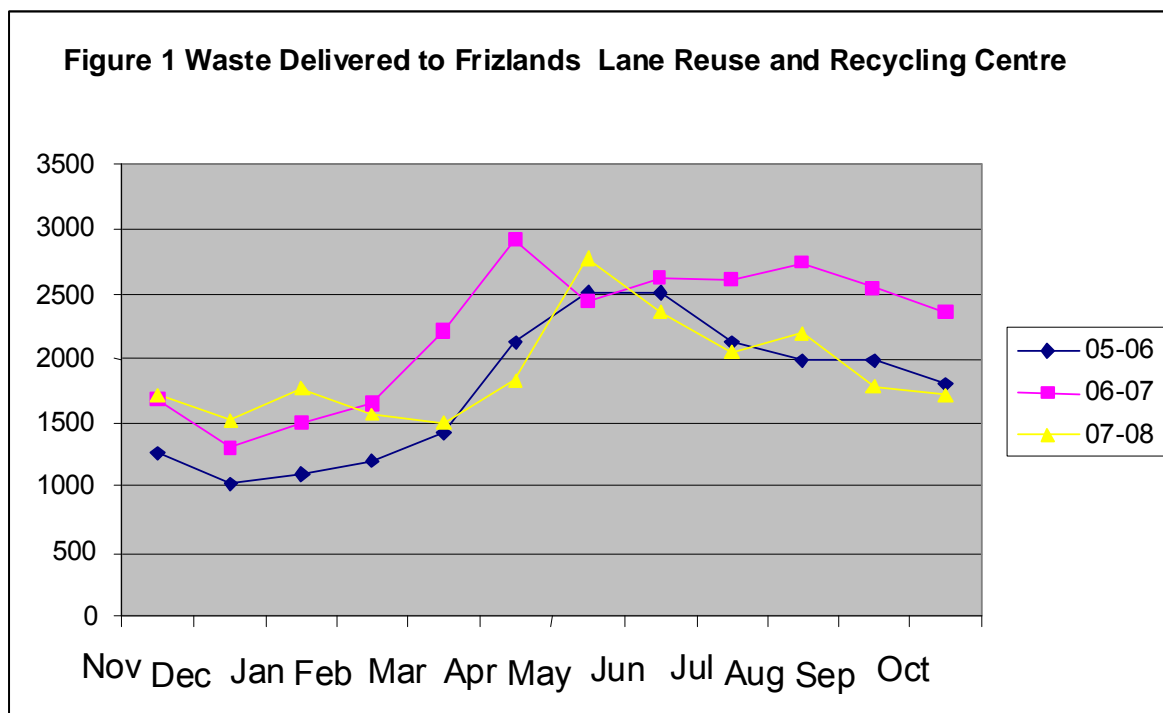
2.1.2. If table 1 is studied it is also evident that the reduction in waste has been sustained over the pilot period. This provides reassurance that this system has produced a sustainable reduction in waste, which is very likely to be replicated elsewhere in the borough.

2.1.3. An independent review of these findings by the Waste and Recycling Action Programme (WRAP) concluded “the pilot scheme has reduced the waste arising from each property by 19% which exceeds the figure of 15% predicted in the Director’s report of 4 March 2008 based on the study sample which was taken between October 7th – November 7th.”

Table 1 Domestic Waste Collected from properties in Pilot Areas.

	BASELINE	WHEELIE BIN TRIAL PERIOD					% Decrease
		July	August	September	October	November	
Combined Weight in kg	143,347	121,755	120,798	122,369	122,597	121,967	15%

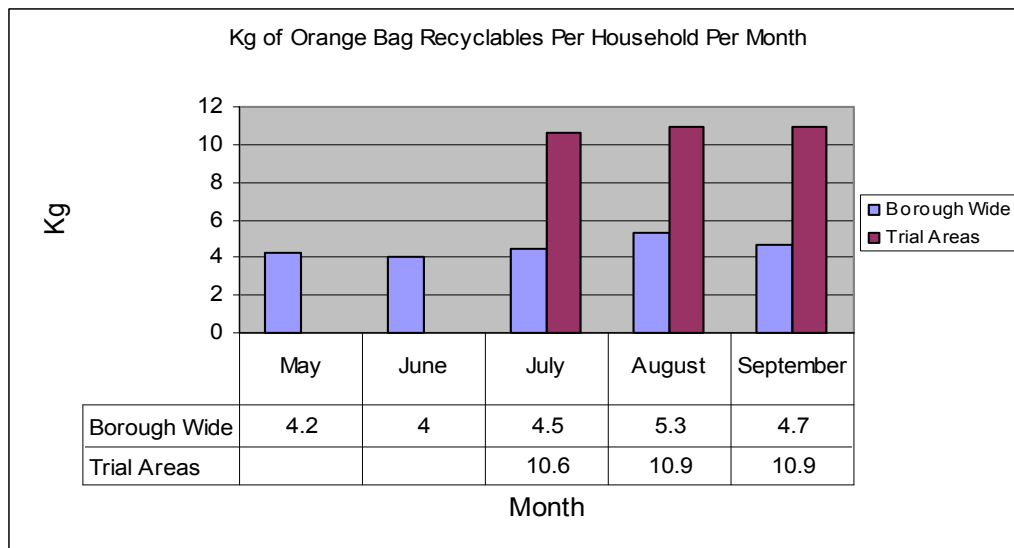
2.1.4. Our risk assessment suggested that there was a high possibility that residual waste uncollected in the pilot areas would be taken to the civic amenity sites by residents and therefore negatively impact on the amount of waste reduced. However, Figure 1 shows that the amount of waste taken to civic amenity sites since the pilot scheme began has not increased.



2.2. Outcome Indicator 2 - Increasing Recycling and Composting Rates

2.2.1. Figure 2 below illustrates orange bag recycling performance borough wide and performance within the trial areas. This figure illustrates that the recycling rate has more than doubled in the trial areas. (Figures include 40% contamination losses).

Figure 2



2.2.2. In order to monitor any improvements in resident orange bag participation rates, ELWA commissioned Waste Watch to carry out pre and post wheelie bin collection participation monitoring. Table 2 below shows that on average participation in the orange bag recycling service increased by 5.2%. In the post wheelie bin collection participation monitoring, 90.8% of residents were found to be participating.

Table 2

Round	Area	%	Sample size	Type of measure	% Difference to Pre-Monitoring
Monday	Leftley Estate	92.8	938	orange bags	+5.0%
Tuesday	Mayesbrook	89.6	967	orange bags	+6.7%
Wednesday	Chadwell Heath	90.0	674	orange bags	+5.9%
Thursday	Rush Green	93.2	896	orange bags	+4.6%
Friday	River	86.3	621	orange bags	+2.6%

2.2.3. Table 3 shows what the recycling and composting performance (NI 192) would be if the trial area model was applied borough wide. The projected performance data was applied using the ELWA spreadsheet modelling in working out ELWA boroughs recycling figures.

Projected Recycling Performance:

Table 3

Month	Recycling and Composting Rate outside pilot areas (NI192)	Recycling and composting Rate in pilot areas (NI192)	Improvement
July 2008	24.25%	30.96%	6.71%
August 2008	22.62%	28.83%	6.21%
September 2008	25.11%	31.42%	6.31%
October 2008	21.33%	30.98%	9.65%
November 2008	Awaiting Data from ELWA		
Average	23.33%	30.55%	7.22%

2.3. Outcome Indicator 3 – Keeping rubbish off the Streets

2.3.1. Improvements in Street Cleanliness

2.3.2. On-street litter surveys are showing a significant improvement in street cleansing. Prior to implementation an average of 75.8% of streets had either good or excellent cleanliness. Surveys in August and November have all shown that within the pilot areas this has improved to 94% of streets being graded as good or excellent cleanliness.

2.4. Outcome indicator 4 - Giving Customers an Excellent Service.

2.4.1. Consultation Results

2.4.2. Excellent customer service is the underlying driver of the scheme. For recycling and composting schemes to work, customers must understand the scheme and be motivated to use it. The pilot has established a firm baseline of residents' views before the scheme was implemented and then again towards the end of the pilot to gauge residents feelings having used the bins for around five months.

2.4.3. Baseline Doorstep Consultation Results (Waste Watch):

- In April 2008 (7th – 19th), 1,612 residents in Rush Green (Eastbrook) and on the Leftley Estate (Longbridge) were interviewed at the doorstep. 928 of these residents (57.9%) stated they were in favour of the wheeled bin scheme (54% of residents on the Leftley Estate and 61% in Rush Green).
- In June 2008 (2nd – 21st) a further 1,951 residents were contacted on the Rylands Estate and Waterbeach Road. 1,344 (68.9%) stated they are in favour of wheelie bins.
- In July 2008 (7th – 22nd), a further 1215 residents contacted in Marks Gate. 72.9% stated they were in favour of the wheeled bin scheme.

2.4.4. Post Wheelie Bin Collection Consultation Results:

Doorstep Consultation Phase 4 (Hyder Consulting):

- Between October 14th and November 22nd 2008, 4,954 residents were interviewed throughout the pilot areas which amounted to a total contact rate of 58%.

Table 4 shows the survey results split into pilot areas.

Table 4

	All areas		Longbridge		Mayesbrook and Albion		River		Chadwell Heath		Eastbrook	
	%		%		%		%		%		%	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1. Are you in favour of the wheeled bin scheme?	91	9	80	20	96	4	95	5	92	8	93	7
2. Do you feel you have had enough support from the council to adjust to the wheeled bin scheme?	90	10	82	18	95	5	92	8	88	12	92	8
3. Would you like to talk to a waste education officer about the problems you feel are yet to be addressed?	8	92	12	88	1	99	6	94	4	96	4	96
4. Do you think the wheeled bin scheme could be improved?	33	67	39	61	29	71	33	67	36	64	30	70
5. Do you think the introduction of the wheeled bin has helped you to recycle more?	64	36	59	41	70	30	68	32	64	36	59	41
6. Do you think the wheeled bin scheme has helped to make the streets cleaner?	83	17	73	27	89	11	87	13	82	18	83	17

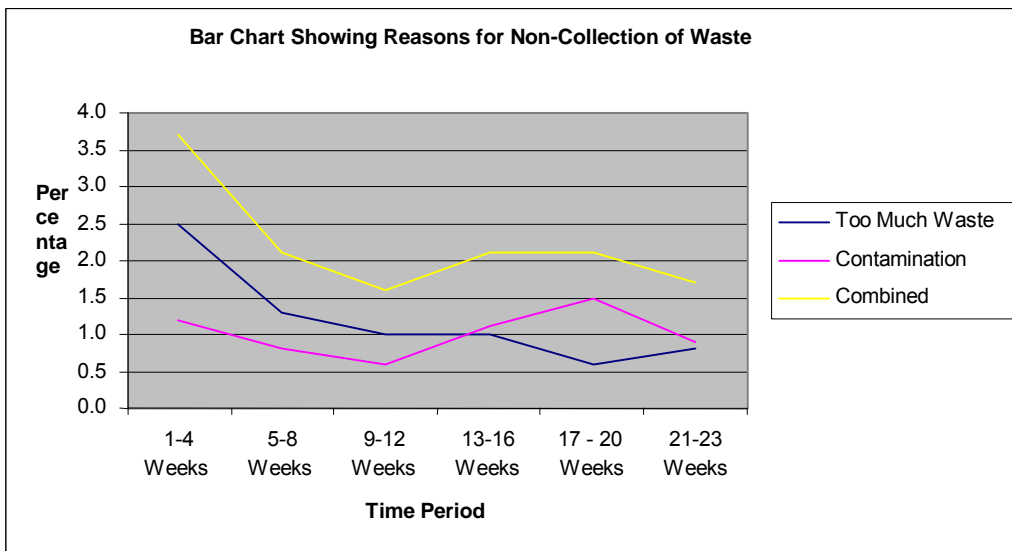
2.4.5. The percentage of residents in favour of the wheeled bin scheme increased in all pilot areas in the post wheelie bin collection surveys.

2.5. Can Residents Understand and Use the New System?

2.5.1. Residents in the pilot areas have been asked to recycle and compost their waste quite differently from before. Also because of the limit set on the amount of waste that can be disposed and the smaller size of the majority of bins, we are monitoring closely how many residents are not recycling in the way we would like or presenting extra bags of waste. Normally in a situation like this we would expect around a third of residents to be unsure about what to do with their waste, but this figure is below 2%. This shows the remarkable good will we have with our residents and the will they have to do the right thing and recycle. Figure 3 illustrates the excellent performance we have seen from our residents. The graph shows that cases of contamination are now more frequent than cases of 'too much waste' although they remain at a manageable level.

2.5.2. Some detailed operational issues remain that will further enhance the new system that officers will discuss fully with the Lead Member before final implementation.

Figure 3



3. Financial Implications

- 3.1 Rolling out the system borough-wide will require additional capital investment of £2,110,000 with associated borrowing costs and an additional annual net revenue investment of £375,000.
- 3.2 This estimate of the fleet and staffing implications of the new system have been assessed with independent support from the Government's Waste and Recycling Action Programme(WRAP). The methodology used follows industry best practice and uses detailed activity based costing analysis to identify the most efficient and effective method of working.
- 3.3 The scheme includes the separate sorting of orange bags and residual waste at the kerbside. This has additional revenue implications. Currently Shanks East London will incur expenditure to carry out this function and they have indicated they will pass on any savings when they accrue. ELWA has requested Shanks to give a firm indication of this amount.
- 3.4 Capital Costs

Description	No of Properties	Quantity	Price per unit (£)	Total amount (£)
Wheelie waste bin	50,000	50,000	18.90	945,000
Green waste bins	41,000	41,000	18.90	774,900
Purchase of vehicles		3	130,000	390,000
Total				2,109,900

3.5 Revenue Costs

ROLL OUT BOROUGH WIDE	2009/10 £
Borrowing costs	185,000
Additional staff costs	320,000
Maintenance of additional vehicles and replacement bins	50,000
Gross revenue cost	555,000
Less Savings	
Non-supply of black bags	(120,000)
General efficiencies in Environmental and Enforcement service	(60,000)
Total savings	(180,000)
Net additional annual revenue costs	375,000

- 3.6 Rolling out the system borough-wide will require additional capital investment of £2,110,000 with an additional on-going net revenue investment of £375,000 due to borrowing costs, increased vehicle and staff costs offset by savings in the non-supply of black bags and efficiencies within the service.
- 3.7 The capital programme currently has no provision for this scheme. The additional sum of £2.11m is subject to consideration and approval by Members as part of the capital programme review for 2009/10.
- 3.8 There is currently no provision for the additional net revenue costs of the scheme of £375,000 and this sum is again subject to consideration and approval by Members as part of the 2009/10 budget process.
- 3.9 Overall the scheme has achieved the expected reduction in waste collected. This will result in a reduction in the amount of money we will be charged for waste disposal. The table below expresses the estimated waste disposal cost of continuing with the current bag based system and compares that to the expected cost by using the proposed wheelie bin system borough-wide. The rate per tonne of waste disposal is due to increase by between 7% and 10% per year due to increases in operational costs and the increasing impact of landfill tax. Note that there is a one-year lag in the calculation of the levy, so any waste reduction in 2009/10 will not have effect until 2010/11.

	2008/09 Baseline Year	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Current Bag system/£ (assumed 1% growth in waste per annum)	6,704,000	7,173,280	7,732,322	8,554,763	9,480,373	10,506,329	11,643,530
Proposed system/£	6,704,000	7,173,280	7,111,987	7,820,397	8,613,562	9,487,278	10,449,737
Net saving /£	0	0	620,335	734,365	866,811	1,019,051	1,193,792

Levy increase per annum estimated from 2008 ELWA budget strategy
 Saving is based on opportunity cost per ton which is approximately 2/3rds full levy cost per ton
 Saving based on estimated reduction of 8250 tons per year

3.10 Finally, there will be a saving of around £250k p.a. to each ELWA borough once co-collection of waste has ceased. It is possible that ELWA will provide funding to help boroughs move to this position as soon as possible. This payment would have the effect of increasing the net saving by £250k per annum in the table above. A decision on this is expected before March 2009.

4 Staffing implications

4.1 There will be a small increase in staffing due to the additional collections needed for the new system to implement green waste collections borough wide and collect residual waste and orange bags separately.

5. Consultation

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

Councillors

Councillor Milton McKenzie, Executive Member for Street Scene and Sustainability

Officers

Joe Chesterton, Divisional Director Corporate Finance
 Tony McNamara, Interim group Manager Customer Services Finance
 Environmental and Enforcement Management Team
 Yinka Owa, Legal Partner
 David Robins, Group Manager, Procurement and Efficiency

Partners

Tony Jarvis, Executive Director, East London Waste Authority

Background Papers
LBBB Municipal Waste Strategy 2006
Waste Strategy for England 2007 – Executive Summary
WRAP Work Study Report
Waste Watch LBBB Doorstepping Report Phase 1
Waste Watch LBBB Doorstepping Report Phase 2
Waste Watch LBBB Doorstepping Report Phase 3
Hyder Consulting – LB Barking and Dagenham Attitudinal Survey Report
ELWA – Waste Management Report – 29 September 2008
Waste Watch Participation Monitoring Pre Pilot Report
Waste Watch Participation Monitoring Post Pilot Report

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THE EXECUTIVE

20 JANUARY 2008

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Trewern Centre - Additional Accommodation And Disability Discrimination Act Compliance	For Decision
<p>Summary: This report is designed to explain how the provision of facilities at the Trewern Centre need to be improved to comply with the provisions of the Disability Discrimination Act (DDA) 2005, and further to explore the replacement of the classroom block at the Centre, together with improving toilet and showering facilities.</p>	
<p>Wards Affected: No wards – externally located.</p>	
<p>Recommendations: The Executive is recommended to agree:</p> <ul style="list-style-type: none"> (i) The proposals for the creation of additional accommodation and other works to meet DDA requirements at the Trewern Centre as detailed in the report; (ii) that the following sums be vired to support the proposals in this report, providing a total capital sum of £443,000: <ul style="list-style-type: none"> a. underspend of Big Lottery funding on Dagenham Park Sports Hall and the Trewern Climbing Wall Schemes of £300,000 b. £143,000 from the DDA budget (iii) the procurement proposal as set out in Section 4 of the report, using a specialist provider to support the design process; (iv) to authorise the Corporate Director of Children's Services to award a contract after the tender process in accordance with the Council's Constitution and Contract Rules; and (v) in accordance with the Constitution (Contract Rules 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: 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: The total budget for the project is estimated at £430,000, which includes a 10% contingency. This would be funded from the existing Capital Programme by way of virements of £143,000 set aside for DDA compliance works at the Centre and £300,000 which remained unspent from Big Lottery funding towards the Dagenham Park PE and Sports Centre and Trewern Centre Climbing Wall projects. In addition, there are revenue implications in terms of some savings because a new building would be better insulated than the existing one and use less energy. Further, this facility would enhance user access and could attract external bookings due to its improved access.		
Legal: We are required to ensure that the building meets DDA legislation in terms of design and user access. The freehold to this property rests with Barking and Dagenham Council and the responsibility for maintenance and compliance with DDA, therefore, lies with the Council. Any contract awarded to undertake the works required to make the Centre DDA compliant must be awarded according to the Council's Contracts Rules and general procurement principles.		
Risk Management: The Centre will manage all risks through appropriate risk assessment processes once the project is complete. Design and building through the construction phase will create its own risks which will be managed through technical consultants, in conjunction with the Centre Manager.		
Social Inclusion and Diversity: The Trewern Centre is currently only able to support learning opportunities and experiences for a limited number of pupils with specific needs. The development of fully integrated DDA compliant facilities will ensure that those with particular needs, including physical difficulties, will be catered for. It will allow for some private WC and washing facilities currently not available at the Centre and will mean that the Centre is able to cater for small and larger groups through the provision of new facilities.		
Crime and Disorder: The project will take into account aspects to design out potential crime problems.		
Options Appraisal: The replacement of the classroom block is going to become urgent and the provision of facilities to overcome issues around DDA compliance is already an issue.		
Contact Officer: Mike Freeman	Group Manager Asset Management & Capital	Tel: 020 8227 3492 Fax: 020 8227 3148 E-mail: mike.freeman@lbbd.gov.uk

1 Background

- 1.1 The Trewern Education Centre, located on the English/Welsh border at Hay on Wye supports opportunities for young people of the Borough to experience outdoor pursuits and to extend their learning in a range of activities and experiences. In particular, the Centre is able to support GCSE and A Level activities, both through practical activities but also in its classroom base.
- 1.2 There are issues with the Centre about the current facilities – temporary buildings used as classrooms – and the need to address appropriately the access issues and provide some facilities for those pupils, and adults, who might otherwise be excluded. The facility is in the ownership of the Council and, therefore, falls to the Council to secure appropriate maintenance and compliance with legislation including DDA.
- 1.3 The current facilities for staff, pupils and other visitors are centred around the main building and incorporate kitchen, toilets, showers, activity room on the ground floor with small dormitory facilities on the first floor. There are no lift facilities which restricts the opportunity for visitors with more severe disabilities from attending the Centre for overnight experiences. This is particularly relevant if we are able to encourage integrated use of the Centre.
- 1.4 There are also some other physical restrictions around the building which means that the building does not comply with the spirit of the DDA.

2 Aim of the Project

- 2.1 The project would address the following issues:
- (a) provide a replacement teaching environment for the current classrooms, which are in need of replacement;
 - (b) provide additional sleeping quarters which will be DDA compliant;
 - (c) provide additional toilet and showering facilities which would also be DDA compliant.
- 2.2 This project will provide a new two storey building, incorporating:
- visiting student and staff quarters;
 - DDA compliant bedrooms with adjoining WC and shower facilities;
 - replacement classroom accommodation.

There would be an uplifting of provision to ensure that the existing building was improved to secure access and encourage inclusion. Whilst every effort is currently made to allow all groups access, there are some physical barriers which need addressing in the main facility and this project will tackle them.

- 2.3 The Centre was assessed some two years ago to ensure that it could become compliant with the DDA legislation requirements. At that time, some £143,000 was set aside and has not been committed from the Council's existing capital programme to support DDA compliance. This funding is, therefore, available to support this project.

- 2.4 In addition, some discussion has taken place with the Big Lottery Fund, through Sport England, to see if there is a willingness to support the proposals, and the positive response is covered below in Section 3 - Financial Implications.

3 Financial Implications

- 3.1 In order to assess the potential cost of the scheme, some initial work to cost a proposal has been undertaken. The construction would be in timber and costs for the construction alone would be in the order of £300,000. In addition to this there would be fees, fixtures, fittings and external works. It is felt that allowing for some contingency (10%) a figure of £430,000 overall should be allowed.
- 3.2 In order to fund this proposal, discussions have been ongoing with the Big Lottery Fund through Sport England, which has supported two other schemes that the Council has promoted, as follows:
- (a) Dagenham Park PE and Sports Centre
 - (b) Trewern Centre – Climbing Wall
- 3.3 Overall, a saving on these schemes of £300,000 has been achieved. The Big Lottery Fund project has indicated they would be prepared to allow the maximum grant on these projects, thus giving this level of resource available to be used in developing a further project at Trewern, which they are supportive of.
- 3.4 To this sum, if the Executive agreed, we could add the DDA allocation, as set out in 2.3 above, which would bring the total available to £443,000 to fund this project.

4 Procurement Process

- 4.1 In order to achieve this scheme, it is suggested that at the procurement route we would need to include a specialist design and build contractor with specific expertise in timber framed and clad construction.
- 4.2 That in conjunction with colleagues in DRE, we would engage a design/project manager from the framework with access to the Hay on Wye locality, that would help us to oversee and secure the project, bearing in mind the location and the need to supervise on-site construction.
- 4.3 For construction, the assessment of the most appropriate contractor will be based on 50% price and 50% quality and delivery. The detail of the assessment will be measured using a scoring matrix which will cover the following issues:
- 4.3.1 Tenderers' proposals for resourcing the contract eg the number of skills, expertise and experience of the individuals they intend to dedicate to the on site management of the contract. How they will source their labour from the market.
 - 4.3.2 Tenderers' approach to the project – has the tenderer understood what is expected of them, appreciation of size/complexity of what they are being asked to do, tenderers' proposals around what are they going to do and, more importantly, how are they going to do it; experience of previous similar projects.

4.3.3 The adequacy of their outline programme for delivering our expected outcomes, how are they going to monitor/control quality and progress.

4.3.4 Proposals for liaison with staff, senior officers, other stakeholders etc through site meetings for example.

4.4 The final report will be submitted to the Corporate Director of Children's Services and the Divisional Director of Corporate Finance for a decision.

4.5 Further, the Executive is asked to indicate whether it wishes to allocate a Member to participate in the procurement project.

5 Consultation

5.1 The following Members and officers have been consulted in the preparation of this report:

Councillor V Rush	Elected Member
Councillor J Alexander	Elected Member & Lead Member for Children's Services
Rob Whiteman	Chief Executive
Roger Luxton	Corporate Director of Children's Services
Anne Bristow	Corporate Director of Adult and Community Services
David Woods	Corporate Director of Customer Services
Bill Murphy	Corporate Director of Resources
Jennifer Dearing	Corporate Director of Regeneration
Melanie Field	Legal Practice Partner – Safeguarding and Partnership Law
Joe Chesterton	Divisional Director of Corporate Finance
Jane Hargreaves	Head of Quality & School Improvement, Children's Services
Fiona Bevan	General Inspector PE
Juliet Parker-Smith	Head of Trewern Centre
Tony Williams	Senior Surveyor, DRE
Andrew Hyder	Interim Head of Asset Strategy and Capital Delivery

6 Background Papers

There are no specific background papers to support this report.

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Demographic Change Influences On School Places Demand For Autumn Term 2008	For Decision																				
<p>Summary: This report gives details on the necessary action which has taken place over the course of the Summer and Autumn of 2008 to respond to the demand for school places in the primary phase. Further, the report seeks to regularise financial arrangements to ensure that projects are contained within existing resources.</p>																					
<p>Wards Affected: All Wards</p>																					
<p>Recommendations: The Executive is asked to approve:</p> <p>i) The actions taken by the Corporate Director of Children's Services in making available additional school places as set out in the report; and</p> <p>ii) The capital budget provisions as detailed in Section 5 of the report and that the appropriate amendment is made to the Capital Programme for allocating grant income from DCSF against the following capital schemes:</p> <table style="margin-left: 40px;"> <tr> <td>Gascoigne Primary</td> <td style="text-align: right;">£229k</td> </tr> <tr> <td>Ripple Infant & Junior</td> <td style="text-align: right;">£170k</td> </tr> <tr> <td>Beam Primary</td> <td style="text-align: right;">£197k</td> </tr> <tr> <td>Cambell Infants</td> <td style="text-align: right;">£50k</td> </tr> <tr> <td>Marsh Green Primary</td> <td style="text-align: right;">£85k</td> </tr> <tr> <td>Five Elms Primary</td> <td style="text-align: right;">£65k</td> </tr> <tr> <td>Thames View Infants</td> <td style="text-align: right;">£75k</td> </tr> <tr> <td>Richard Alibon Primary</td> <td style="text-align: right;">£5k</td> </tr> <tr> <td>Rush Green Infant</td> <td style="text-align: right;">£65k</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">£941k</td> </tr> </table>		Gascoigne Primary	£229k	Ripple Infant & Junior	£170k	Beam Primary	£197k	Cambell Infants	£50k	Marsh Green Primary	£85k	Five Elms Primary	£65k	Thames View Infants	£75k	Richard Alibon Primary	£5k	Rush Green Infant	£65k	Total	£941k
Gascoigne Primary	£229k																				
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Thames View Infants	£75k																				
Richard Alibon Primary	£5k																				
Rush Green Infant	£65k																				
Total	£941k																				
<p>Reasons: To assist the Council to achieve its Community Priority of "Better Education and Learning For All".</p>																					
<p>Implications:</p>																					
<p>Financial: The capital and revenue implications of these actions are set out in Section 5 of this report. It requires the Executive's approval to make budget allocations from the DCSF Grant to support Exceptional Basic Need to create school places.</p>																					

<p>Legal: The temporary expansion of schools to meet the growing demand of the population has required the admission number of schools to be varied temporarily in accordance with Section 88 (1A) of the School Standards and Framework Act 1998 (as inserted by Section 43 of the Education and Inspections Act 2006).</p>		
<p>Risk Management: The provision of new school places is dependent on a range of factors related to risk management. The Council's best judgement in estimating demand is being constantly reviewed to minimise risk of over/under provision.</p>		
<p>Social Inclusion and Diversity: The provision of additional school places performs a social, as well as legal, function.</p>		
<p>Crime and Disorder: The provision of additional or refurbished accommodation to facilitate this growth in pupil numbers has been planned to take into account the needs of pupils and where they have some specific needs. Further, to provide a secure and safe environment in which they can learn.</p>		
<p>Options Appraisal: The decision to expand the schools as explained in this report, on a temporary basis by asking them to admit above their standard admission number, has resulted in the Corporate Director of Children's Services having to take actions to ensure the compliance with the legal duty on the Council to provide school places for those parents who demand one for their child of statutory school age (under S14 of the Education Act 1996). It has been a process of discussion with schools to try and agree the best way forward.</p>		
<p>Contact Officer: Mike Freeman</p>	<p>Group Manager Asset Management & Capital</p>	<p>Tel: 020 8227 3492 Fax: 020 8227 3148 E-mail: mike.freeman@lbbd.gov.uk</p>

1 Introduction and Background

- 1.1 Each year there is a process whereby parents are invited to express a preference for their child's school and to enter a reception class at either a primary or infant school. The requirement to make the right number of places available and being able to satisfy demand is a balancing act. There are established methods for planning for pupil places which we have followed. However, last year we saw unprecedented numbers of late applications for reception places.
- 1.2 The Council has planned for steady expansion over the past few years. In total, 774 additional pupil places have been created over the past two years to September 2008 with additional classes being provided at Eastbury Primary, Northbury Infant and Junior Schools. This investment will amount to £16m once completed. Additionally, temporary accommodation has been provided at Ripple Infant School and this cost will amount to £170k.

2 Admission Arrangements

- 2.1 All applications for Reception places for 2008/09 were to be submitted by 15 February 2008 to enable allocation by 4 April 2008.

Of the applications received on time:

- 88.3% received first preference;
- 5.6% received second preference;
- 2% received third preference;
- 3.8% were given the nearest school to home with a vacancy;
- 0.3% did not complete an application form on time.

- 2.2 The above statistics relate to 2605 pupils for whom an application was received on time, the highest number ever for the borough. It is also the highest number getting their first preference and represents an increase of applications on the position last year.
- 2.3 All those who applied by 15 February 2008 were given a school place.
- 2.4 After the closing date in February there were 134 late applications by the end of May for a reception place for September. Over the Summer there were between 30 and 50 new applications received each week and this continued into the Autumn Term.

3 Statutory Responsibility

- 3.1 The Corporate Director of Children's Services is legally obliged on behalf of the Council to ensure 25 hours' education per week once a child attains statutory school age, which is the term after their fifth birthday. For the Reception pupils that we are unable to place, this will start to take effect from the Spring Term 2009.
- 3.2 However, within the LBBD's Admissions Booklet (The Road to Learning pp6) the following statement is made:

“Our policy is to offer children the opportunity to begin full time **education in the September of the school year in which they become five years old**. However, by law a child does not have to start school in England until the term after their fifth birthday. This means that most pupils have the option of starting when they are four.”

- 3.3 The comments of the Legal Services Partnership on this report are added here:

“Local authorities are required to provide advice and assistance to all parents of children of all ages in their area when they are expressing a preference of school for their child – Section 86 (1A) of the School Standards and Framework Act 1998, 'SSFA', as inserted by S.42 of the Education and Inspections Act 2006, 'EIA',

The School Admissions Code came into force in February 2007 and applies to admissions to all schools. Admission authorities had to ensure that their determined admission arrangements for 2008 complied with the mandatory provisions of the code. The School Admissions (Alteration

and Variation of, and Objections to, Arrangements) (England) (Amendment) Regs 2007 permit admission authorities to amend their determined admission arrangements without reference to the Schools Adjudicator to ensure that they comply with the law and the mandatory provisions of the code.

S13A of the Education Act 10996 (as inserted by s1 of the EIA) requires local authorities to exercise their functions with a view to promoting the fulfilment by every child of their educational potential, with a view to ensuring fair access to educational opportunity.

Under S88 (1A) of the SSFA (as inserted by s43 of the EIA) it is the duty of a governing body of a community school where the admission authority is a local authority, to implement any decision relating to the admission of children taken by the admission authority.”

4 Current Activity

4.1 Over the Summer and through the Autumn 2008, through discussions with schools it has been possible to open additional classes and discussions are ongoing with schools about the possibility of securing some extra provision. We have created up to seven new classes in this way, 210 pupils, to deal with the initial increase of reception and year 1 pupils. These are in addition to the extra resources we are working on at St George’s.

4.2 This has meant the following schools have so far been co-operative in agreeing additional school places to which pupils have been allocated:

- | | |
|---------------------|---|
| Beam Primary | - School and Governors have agreed an additional reception class from September 2008, subject to temporary demountable accommodation being available. Agreed in principle to look at longer term expansion of the school; |
| Cambell Infants | - School and Governors have agreed an additional reception class from September 2008 with some internal alterations and agreed in principle to longer term expansion of the school. Existing facilities in Cambell Junior will accommodate a growth in pupil numbers; |
| Marsh Green Primary | - School and Governors have agreed to take an additional reception class from September 2008 but subject to being satisfied with the arrangements about revenue funding and some adaptation work to existing accommodation; |
| Thames View Infants | - School and Governors have agreed to accommodate a short term increase from September 2008 of an additional reception class. There are some building related issues which were dealt with over the Summer recess; |

- Five Elms Primary - School and Governors have agreed to accommodate a short term increase from September 2008 of an additional reception class. There were some building related issues which were dealt with over the Summer recess;
- Richard Alibon Primary - School and Governors have agreed, at the start of this Autumn Term 2008, to accommodate an additional Reception class of up to 30 pupils.
- Rush Green Infants - Schools and governors agreed at the start of the Autumn Term 2008 to accommodate an additional Yr1 class of 28 pupils.
- Gascoigne Primary - Some work is continuing at Gascoigne to complete internal refurbishment following expansion of the school.

4.3 The target of increasing the number of reception class places by 180 pupils has, therefore, been met. Also, an additional class of Yr1 pupils at Rush Green has supported expanded provision and work at Gascoigne to support earlier expansion is currently on site.

5 Financial Implications

5.1 The Council secured a grant in 2006 under the Basic Need Safety Valve system funded by the DCSF of £16,204,438. To date the following allocations have been made:

Eastbury Primary	£9,500,000
Northbury Infant and Junior	£5,000,000
St George's	£650,000
Balance Available	£1,054,438
Total	£16,204,438

5.2 It is proposed to utilise some of the balance of this funding to support the expansion of schools this summer. At present we are able to identify the following costs against which funding needs to be allocated:

Gascoigne Primary	£229k
Ripple Infant & Junior	£170k
Beam Primary	£197k
Cambell Infants	£50k
Marsh Green Primary	£85k
Five Elms Primary	£65k
Thames View Infants	£75k
Richard Alibon Primary	£5k
Rush Green Infant	£65k
Total	£941k

- 5.3 This will leave a balance for future allocation of £113,438. This will allow for further project development, particularly when we look forward to impacts for September 2009.
- 5.4 The Executive is asked to approve the budget provision to be made from a grant secured from the DCSF to support these emergency measures.
- 5.5 There are also revenue implications which are to be funded from the Dedicated Schools Grant (DSG) and have Schools' Forum approval. However, given that the DSG is funded on the previous year's figures this will put considerable pressure on the contingency.
- 5.6 The contingency allocations that have been provided to individual schools, from the list of expanding schools are as follows:

School	Exceptional funding £'000
Beam Primary	45
Cambell Infants	39
Marsh Green Primary	45
Thames View Primary	45
Five Elms Primary	45
Richard Alibon	45
Rush Green Infants	42
Gascoigne Primary	0
	306

- 5.7 Gascoigne's changes had already been taken account in the formula, but all the other schools' allocations were based on the number of pupils being admitted and the proportion of the financial year that was left. These allocations are affordable within the DSG for 2008/09 and most of these were approved by Schools Forum in June 2008, but more recent ones have been approved at the Schools Forum meeting in December 2008.
- 5.8 For 2009/10 the funding for these additional pupils should be reflected in the Dedicated Schools Grant from the Department for Children, Schools and Families and in the formula allocations provided for these schools, based on the numbers of pupils they have on roll in January 2009.

6 Consultation

- 6.1 The following Members and officers have been consulted in the preparation of this report.

Cllr J Alexander	Lead Member for Children's Services
Rob Whiteman	Chief Executive
Roger Luxton	Corporate Director of Children's Services
Anne Bristow	Corporate Director of Adult and Community Services
David Woods	Corporate Director of Customer Services
Jennifer Dearing	Corporate Director of Regeneration
Bill Murphy	Corporate Director of Resources
Jane Hargreaves	Head of Quality and School Improvement

Joe Chesterton
David Tully
Melanie Field
Fiona Taylor

Divisional Director of Corporate Finance
Group Manager Children's Services Finance (Interim)
Legal Practice Partner – Safeguarding and Partnership Law
Deputy Head of Law – Safeguarding and Partnership Law

Background Papers

None

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Budget Monitoring 2008/09 - April to November 2008	For Decision
<p>Summary:</p> <p>The report updates the Executive on the Council's revenue and capital position for the period April to November 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 £2.9million. The areas of pressure are currently within the Adult & Community Services (£125k), Children's Services (£3m), Customer Services (£119k) and Regeneration (£13k) departments which are offset by projected underspends in the Resources department. Overall the November position reflects a £700k reduction from the position reported in October.</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 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 in line with the budget projection of £3.2million.</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 30th November 2008 (Appendix A and C and Sections 3 and 5 of the report); 2. note the position and projected out-turn for the Housing Revenue Account (Appendix B and Section 4 of the report); 	

3. 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 practise, the Executive should be regularly updated with the position on the Council's budget.

Implications:

Financial:

The overall revenue budget for November 2008 is indicating budget pressures totalling £2.9million. 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.

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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>October Position £'000</u>	<u>Targeted Outturn £'000</u>
Adult & Community Services	125	(600)
Children's Services	3,021	2,937
Customer Services	119	(600)
Regeneration	13	(300)
Resources	(400)	(400)
Forecasted Outturn	2,878	1,037
Use of Corporate Contingencies and Balances	(1,037)	(1,037)
Action required	1,841	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 £3.6m.

- 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 Adult and Community Services budget position at the end of November remains challenging but continues to improve. The Department is currently projecting a £125k overspend for the year which represents a further reduction (£150k) from last months' position, and from its peak of £900k earlier in the year. The reduction is as a result of the variety of Management actions that are being undertaken within the department. Following 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 be issues and pressures facing the Department at this time particularly in relation to Transitions' arrangements from Children's Services (i.e. when clients turn age 18 they become the responsibility of the Adults Division), 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 £125k 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 reductions 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 budget pressure of £125k is 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.

Pressures are being experienced in the Transitions from Children's area due to the increasing number of Children with Care Packages/arrangements who are turning age 18. Also In common with other Boroughs, and nationally, LD budgets are also experiencing demand for more services.

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. No significant 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 There is no change in the forecasted outturn position for Children's Services from the October position i.e. a projected overspend of £3m.

The main departmental pressure arises from the ongoing budget pressure in relation to Looked after Children Placements and in meeting the Councils' Leaving Care responsibilities, which have continued from 2007/08 into 2008/09. On the basis of existing commitments, and assessing the future profile for each of the current 332 looked after children, the forecast is for an overspend in this area of £3.6m. This position has reduced over the past few months, highlighting 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.

3.3.2 As previously reported to the Executive, the pressures from Looked after Children Placements cannot be fully 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. As a result of the in-year savings target, elsewhere within Children's Services spending is now planned to underspend by £600k thereby totalling an overall departmental overspend of £3m. A number of other 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.

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 Moreline 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 overspend position has reduced over the past few months, highlighting 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 for the department is highlighting an overspend of £119k which represents a significant reduction of £676k from the October position.

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 overall overspend of £320k due to forecasted overspends for fuel and contract hire particularly within the Refuse Collection, Highway Maintenance and Grounds Maintenance services. Other pressures include increased employee costs and reduction in income e.g. refuse services. There are however general underspends within other areas of the service as well as increased parking income which will help mitigate some of these overspends. The division's financial/operational resources are continually being stretched due to the need to employ temporary staff to cover vacant posts which is required to maintain high quality front line services. Whilst these pressures will continue throughout the year, management's proactive approach and corrective actions have, and should assist in containing these pressures as much as possible.

3.4.3 **General Housing**

The current review of the General Housing budget is indicating an overspend of £429k, which reflects a £204k improvement from October due to improved income generation from the increase in administration charges on Private Sector Leasing (PSL) rents processing and a reduction in the voids projection.

The Housing Advice and Temporary Accommodation service is projecting an overspend due to the projected reduction in 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 currently being considered and this will be put forward for approval as soon as the details are completed.

3.4.4 **Customer Strategy**

This service is projecting a small underspend of £16k mainly in employee expenses.

3.4.5 **Barking & Dagenham Direct**

The Service is currently projecting an underspend of £614k which compares to the £282k underspend reported in October. This new forecast reflects the savings required to relieve current budget pressures from other areas of the Council, a recalculation of the projected expenditure on bad debt provision and necessary recharges to non-General fund services.

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 November position is forecasting a small overspend of £13k (a decrease of £108k from October). This position reflects the 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 main cost pressures in the department relate to reductions in income (e.g. Commercial property, transaction fees, LSC, Land charges) and increased employee and premises costs. These pressures are however being partly offset by staff vacancies, additional income (LHC and Leisure) and utilisation of grant income.

The key issues for the service include:

- the creation of the Capital Programme Unit;
- 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 vacant posts 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 £626k. The main pressure in this area is on income generation in the Local Land Charge service (£215k) 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 additional income and 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 £405k.

3.5.5 **Leisure, Arts and Olympics**

The current projection is for a overspend of £192k which has primarily arisen due to additional employee, supplies and services and premises costs.

Potential service issues in the near future include:

- 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 £92k.

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 offset by utilisation of grant income and benefits of partnering opportunities.

3.5.7 **Asset Strategy & Capital Delivery**

The current projection is for an overspend of £4k 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 have experienced 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 and maintenance 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.

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 and maintenance 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 during 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 undergoing a review which will include 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 has needed to deal with a number of cost pressures in 2008/09 including:

- The completion of the implementation of the Council's Single Status Strategy. Including the need for some additional work (estimated at £100k) 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 £65K;
- 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 departmental 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 balance at the end of 2008/09 is now forecast to reduce to £3.2m compared to the estimated closing balance of £3.5m. The original projection included both a budgeted in-year reduction of £255k and an adjustment of £572k to reflect the final audited 2007/08 Housing Benefits limitation claim. The final audited claim has resulted in additional income of £572k to the HRA as a result of a technical review of this area early in 2008.

Projected HRA Working Balance

Description	£000
Opening Working Balance – 1st April 2008	3,235
Audit adjustment to 2007/08 Housing Benefit Limitation	572
Projected Deficit Budget set in year	(255)
Estimated Working Balance – 31st March 2009	3,552
Projected In-Year Surplus / (Deficit) 2008/09	(324)
Forecasted Working Balance – 31st March 2009	3,228

- 4.2 The income due from HRA tenants in respect of Housing Rents and service charges are currently forecast to overachieve by £423k. 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 £740k due to increased energy costs of £250k, increased grounds maintenance and premises costs of £350k, increased agency costs of £90k 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 B.

5. Capital Programme

- 5.1 As at the end of November, the working budget on the capital programme had increased to £90.1m against an original budget of £65.0m. 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 November was £41.8m, or 46% of the working budget. Full details are shown in Appendix C. 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
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 - NOVEMBER 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	7,711	7,796	85	7,281	125	}	
Adult Commissioning Services	45,293	43,810	31,200	31,200	0	43,810	0	}	
Community Safety & Preventative Services	3,913	4,124	3,587	3,587	0	4,124	0	}	725 (600)
Community Services, Heritage & Libraries	7,499	7,732	5,069	5,069	0	7,732	0	}	
Other Services	643	643	1,051	1,051	0	643	0	}	
	62,556	63,465	48,618	48,703	85	63,590	125		725 (600)
Children's Services									
Schools	123,673	131,255	87,503	93,039	5,536	131,567	312	}	
Quality & School Improvement	14,026	13,760	9,173	10,593	1,420	13,022	(738)	}	
Shared Services & Engagement	3,018	3,197	2,132	5,029	2,897	3,486	289	}	84 2,937
Safeguarding & Rights Services	30,885	31,039	20,693	23,366	2,673	34,576	3,537	}	
Children's Policy & Trust Commissioning	3,525	3,443	2,300	976	(1,324)	3,428	(15)	}	
Other Services	6,902	6,947	4,632	3,507	(1,125)	6,583	(364)	}	
	182,029	189,641	126,433	136,510	10,077	192,662	3,021		84 2,937
Customer Services									
Environment & Enforcement	21,714	21,946	11,715	14,622	2,907	22,266	320	}	
Barking & Dagenham Direct	4,139	4,548	2,688	10,448	7,760	3,934	(614)	}	719 (600)
Customer Services Strategy	(75)	71	47	94	47	55	(16)	}	
Housing Services	673	681	454	896	442	1,110	429	}	
	26,450	27,246	14,904	26,060	11,156	27,365	119		719 (600)
Regeneration Department									
Asset Strategy & Capital Delivery	263	529	(440)	1,319	1,759	533	4	}	
Spatial Regeneration	4,297	4,371	2,759	3,159	400	3,745	(626)	}	
Skills, Learning & Enterprise	1,700	2,106	1,404	2,742	1,338	2,014	(92)	}	313 (300)
Leisure, Arts & Olympics	6,704	6,996	4,614	5,061	447	7,188	192	}	
Housing Strategy Services	(1,051)	(1,167)	(780)	252	1,032	(535)	632	}	
Directorate, Policy & Strategic Services	(31)	(27)	(163)	(70)	93	(124)	(97)	}	
	11,882	12,808	7,394	12,463	5,069	12,821	13		313 (300)
Resources									
Chief Executive	35	37	25	14	(11)	37	0	}	
Director of Resources & Business Support	130	453	268	338	70	53	(400)	}	
Corporate Finance	(296)	(381)	(301)	115	416	(381)	0	}	
Human Resources	51	74	49	475	426	74	0	}	
ICT & eGovernment	304	259	166	527	361	59	(200)	}	0 (400)
Partnerships, Policy, Performance & Communications	639	389	473	541	68	389	0	}	
Legal & Democratic Services	848	955	643	1,464	821	1,155	200	}	
Corporate Management	4,986	4,559	3,039	2,979	(60)	4,559	0	}	
General Finance	(15,668)	(25,529)	(17,991)	(18,310)	(319)	(25,529)	0	}	
	(8,971)	(19,184)	(13,629)	(11,857)	1,772	(19,584)	(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	282,328	282,328	187,358	215,517	28,159	285,206	2,878		1,841 1,037

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

Housing Revenue Account	Original Budget £'000	Revised Budget £'000	Budget Nov-08 £'000	Actual Nov-08 £'000	Forecast £'000	Variance £'000
NET RENT OF DWELLINGS	(73,317)	(73,317)	(48,878)	(47,761)	(73,564)	(247)
OTHER RENTS	(2,593)	(2,593)	(1,729)	(663)	(2,530)	63
OTHER CHARGES	(5,542)	(5,542)	(3,695)	(5,110)	(5,781)	(239)
CONTRIBUTIONS TOWARDS EXPEDITURE	0	0	0	0	0	0
TOTAL INCOME	(81,452)	(81,452)	(54,302)	(53,534)	(81,875)	(423)
REPAIRS AND MAINTENANCE	21,754	21,754	14,503	15,233	21,854	100
SUPERVISION & MANAGEMENT	25,549	25,549	17,033	16,921	26,289	740
RENT, RATES AND OTHER CHARGES	379	379	253	435	471	92
NEGATIVE HRA SUBSIDY PAYABLE	17,046	17,046	11,364	12,777	16,861	(185)
HOUSING BENEFIT LIMITATION	4,611	4,611	0	0	4,611	0
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	19,963	19,963	13,309	13,309	19,963	0
CAPITAL EXPENDITURE FUNDED FROM REVENUE	255	255	0	0	255	0
HRA SHARE OF CDC COSTS	792	792	528	528	792	0
TOTAL EXPENDITURE	90,349	90,349	56,990	59,203	91,096	747
INTEREST EARNED	(1,660)	(1,660)	(1,107)	(1,107)	(1,660)	0
NET COST OF SERVICE	7,237	7,237	1,581	4,562	7,561	324
NET ADDITIONAL AMOUNT REQUIRED BY STATUTE TO BE DEBITED (OR CREDITED) TO THE HRA	(6,982)	(6,982)	(4,655)	(4,655)	(6,982)	0
MOVEMENT IN WORKING BALANCE	255	255	(3,074)	(93)	579	324
2007/08 AUDIT ADJ - HOUSING BENEFIT LIMITATION	0	(572)	(572)	(572)	(572)	0
WORKING BALANCE B/F	(2,819)	(3,235)	(3,235)	(3,235)	(3,235)	0
WORKING BALANCE C/F	(2,564)	(3,552)	(3,552)	(3,552)	(3,228)	324

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CAPITAL PROGRAMME 2008/2009SUMMARY OF EXPENDITURE - NOVEMBER 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	1,098	29%	2,967	(832)	(694)
Children's Services	4,982	12,689	8,039	63%	13,065	376	8,083
Customer Services	5,683	13,210	7,182	54%	13,199	(11)	7,516
Regeneration	47,007	57,729	23,810	41%	57,622	(107)	10,615
Resources	3,675	2,662	1,639	62%	2,774	112	(901)
Total for Department Schemes	65,008	90,089	41,768	46%	89,627	(462)	24,619
Accountable Body Schemes							
Regeneration	-	-	-	-	-	0	0
Total for Accountable Body Schemes	-	-	-	-	-	0	0
Total for all Schemes	65,008	90,089	41,768	46%	89,627	(462)	24,619

Note

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

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THE EXECUTIVE

20 JANUARY 2009

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Revised Budget 2008/09 and Base Budget 2009/10	For Decision
<p>Summary:</p> <p>This report sets out the position of the Council's revised revenue budget for 2008/09 and a base budget position for 2009/10.</p> <p>The report reflects:</p> <ul style="list-style-type: none"> a) A revised budget for 2008/09 which takes into account the current changes approved by Members during the year; b) A proposed base budget for 2009/10 which is the starting point for decisions on setting the 2009/10 budget; c) Issues relating to the projected outturn for 2008/09. <p>Wards Affected: This is an annual report which determines the Council's base budget position and applies to all wards.</p>	
<p>Recommendations</p> <p>The Executive is asked to:</p> <ul style="list-style-type: none"> 1. note the current revised budget for 2008/09 (Section 2 of the report and Appendix A (i)); 2. agree the base budget for 2009/10 (Section 3 of the report and Appendix A (i)); 3. note the position on the current projected outturn for 2008/09 (Section 4 of the report). 	
<p>Reason:</p> <p>The Council's budget position for 2008/09 needs to be amended to reflect decisions made during the financial year. The base budget for 2009/10 also needs to be approved as the initial position for deciding the overall 2009/10 budget</p>	
<p>Implications:</p> <p>Financial:</p> <p>The overall position is that this report identifies a new base budget for the Council of £293.66 million and is the starting position in determining the final Council budget for 2009/10 and the consequent level of Council Tax for that year.</p>	

Legal:

There are no legal implications regarding this report.

Risk Management:

The risk to the Council is that by not determining a fully reconciled base budget for 2009/10 would lead to an unstable base position in determining the Council Tax and the level of budgets for each department in the Council. By undertaking the full reconciliation and agreeing the base budget provides a robust base position to allow a properly determined Council Tax for 2009/10.

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.

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1. Introduction and Background

- 1.1 Each year the Council's budget needs to be updated to reflect agreed changes in the base arising from various factors e.g. inflation, Executive decisions, etc. They also need to reflect the latest views of Directors in the allocation of the overall budget to and within specific services under their control.
- 1.2 The process for updating these budgets commences in about September each year and in arriving at these final budgets relevant Departments have been consulted throughout the process.

2. Revised Budget for 2008/09

- 2.1 The revised budget of the Council and matters relating to it are set out at Appendix A. These show a total revised budget for the Council of £282.328 million.
- 2.2 Appendix A (i) to the report sets out the original budgets for 2008/09. Throughout the financial year these budgets are continually adjusted to reflect the ongoing business operations of the Council and any approved decisions that may have been made. The type of adjustments that may be made will include allocations from contingencies, reserves and grant funding during the year, certain changes to central department recharges between Services and small budget transfers between services which Corporate Directors have the authority to undertake. The budget arising from these changes will be the revised budget for 2008/09 for the Authority and this is used to monitor financial performance throughout the financial year.

3. Base Budget for 2009/10

- 3.1 The base budget is the starting point for each year's budget and for 2009/10 the base budget is estimated at £293.66million. This new base budget is based upon the 2008/09 budget but is adjusted for a number of factors including:
- Estimated impact of Inflation;
 - Previously approved Executive and Policy Decisions;
 - Fundamental Changes in allocation of grant;
 - Removal of non-recurring budgets from 2008/09;
 - Services transferred between departments;
 - Changes in Central Support allocations;
 - Changes in Capital Charges.
- 3.2 The primary increase in the 2009/10 base budget is due to the impact of inflationary pressures, previous approvals of Executive and Policy decisions and fundamental changes in the allocation of grant that have arisen throughout 2008/09.
- 3.3 The Council's budget strategy for 2009/10 assessed the implication of inflationary pressures on the Council's budget by having regard to a basket of inflation indices. As a result the overall inflation uplifts for 2009/10 averaged 2.4%.
- 3.4 Occasionally fundamental changes will take place to the formula grant system regarding the allocation of Government grant to fund specific services. As a result some services which were previously funded by specific grant will transfer and be funded from the Government's annual formula grant. Whilst there is no net financial impact to the Council because of these changes, the 2009/10 base budget has been adjusted to take account of any of these changes so as to reflect the appropriate financial and accounting practices.
- 3.5 The base budget for 2009/10 for each Department and Service within the Council is also shown at Appendix A (i) along with a reconciliation of these budgets between the original budget for 2008/09 and the new base budget for 2009/10 at Appendix (ii).
- 3.6 The 2009/10 base budget, as shown in Appendix A (i) and (ii), has at this stage been prepared still showing relevant services under the former Regeneration department. As the Executive will be aware, as part of streamlining senior management arrangements it was recently agreed that the Regeneration department would be disbanded, and that the operational and management activities of all the previous Regeneration services would be reassigned across the remaining four service departments. Owing to the short time that has elapsed since this decision was made, and in order to ensure that the transfer of budgets is transparent, auditable and accurate, it has not been possible at the time of completing this report to re-align these budgets completely into the new departments. This work is currently ongoing and will be completed in time for the production of the Council's 2009/10 budget book and the commencement of the new financial year. There are no additional financial implications as a consequence of these new arrangements, it is just a re-alignment of budgets that is outstanding.

4. Projected Outturn 2008/09

- 4.1. Monitoring reports have been provided to the Executive throughout the year on a monthly basis highlighting budgetary control issues and year end forecasts. The last report to Executive on 16th December 2008 indicated that budget pressures currently exist across the Council but particularly in the area of Looked after Children Placements and in meeting the Councils' Leaving Care responsibilities. This was based upon the position at the end of October 2008. 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.
- 4.2. The latest position, as at the end of November, is being reported in detail in a report elsewhere on this agenda. Overall, that report highlights that at the end of November 2008, the Council is still experiencing budget pressures across four service departments, however the position continues to improve significantly from the high point reported in September 2008.

The position at the end of November is that the following projected overspends are being highlighted: Adult & Community Services £125k, Children's Services £3m, Customer Services £119k and Regeneration £13k, which are offset by projected underspends in the Resources department.

All departments continue to address both their own pressures and the approved action plan so that they produce the necessary targeted budget by the year end, and a more detailed update on their progress is included in the November Budget Monitoring report.

5. Consultees

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

Councillor Bramley
Corporate Management Team
Group Managers - Finance

Background Papers Used in the Preparation of the Report:

- Oracle reports
- Working papers in Corporate Finance Services
- Budget Monitoring reports to the Executive

SUMMARY

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
Adult & Community Services	62,556	63,465	64,395
Children's Services	46,949	47,111	48,345
Customer Services	26,450	27,246	24,995
Regeneration	11,848	12,808	13,819
Resources	6,731	6,345	7,029
General Finance	(15,668)	(25,529)	(15,468)
Dedicated Schools Grant	135,080	142,530	141,648
Total Spending on Services	<u>273,946</u>	<u>273,976</u>	<u>284,763</u>
Other Operating Income and Expenditure			
Contingency	1,200	1,170	1,500
Levies and Precepts :			
East London Waste Authority	6,704	6,704	6,905
Lee Valley Regional Park Authority	157	157	162
London Pension Fund Authority	217	217	223
Environmental Agency	104	104	107
Sub Total	<u>8,382</u>	<u>8,352</u>	<u>8,897</u>
Base Budget	<u>282,328</u>	<u>282,328</u>	<u>293,660</u>

ADULT & COMMUNITY SERVICES DEPARTMENT

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
<u>Adult Care Services</u>			
Older Persons - Care Services	5,653	7,237	4,509
Passenger Transport Service	(252)	(81)	357
Housing Support	256	256	426
<u>Adult Commissioning Services</u>			
Older Persons - Comissioned Services	28,635	28,113	30,117
Physical & Sensory Disabilities	4,307	3,615	4,456
Learning Disabilities - Care & Commissioned Services	9,329	9,013	9,044
<u>Mental Health Services</u>	2,576	2,813	2,841
<u>Community Safety & Preventative Services</u>			
Adult Safeguarding	0	107	137
CCTV, Community Safety & Parks Police	687	806	914
Neighbourhood Management & Tenants Participation	1,300	1,285	1,294
Substance Misuse	753	753	749
Youth Offending Team	1,173	1,173	1,015
<u>Community Services, Heritage & Libraries</u>			
Barking Learning Centre	0	0	449
Community & Development	2,159	2,179	2,033
Community Halls	692	643	528
Equalities & Diversity	21	164	195
Heritage & Archives	812	809	789
Library Services	3,812	3,937	3,957
<u>Other Services</u>			
Support Services & Management	0	0	0
Service, Strategy & Regulation	643	643	585
Total Spending on Services	<u>62,556</u>	<u>63,465</u>	<u>64,395</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

CHILDREN'S SERVICES DEPARTMENT
(excluding Dedicated Schools Grant)

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
<u>Quality & School Improvement Services</u>			
Admissions & Attendance	508	508	580
Asset Management & Capital	497	446	505
Education Inclusion	3,522	3,500	3,576
School Improvement	3,338	3,311	3,462
<u>Integrated Family Services</u>			
Children's Centres	122	122	138
Early Years & Nurseries	2	2	30
Family & Targeted Support	84	331	86
Head of Integrated Family Services	269	269	546
<u>Safeguarding & Rights (S&R) Services</u>			
Assessment	3,910	4,087	3,697
Care Management	3,094	3,032	3,451
Community Education Psychology	851	851	797
Life Chances	2,671	2,631	4,647
Other Care Providers/Social Work	20	20	0
Placements	12,210	12,210	9,958
Prevention	302	302	678
S&R Divisional Director	5,868	5,848	6,065
Safeguarding Quality & Reviews	1,491	1,491	1,536
<u>Children's Policy & Trust Commissioning</u>			
Catering Services	642	642	748
Children's Fund - Expenditure	681	681	681
Children's Fund - Income	(681)	(681)	(681)
CPTC Management	502	544	616
Support Policy & Commissioning	898	792	792
Youth & Development Support	1,225	1,225	1,264
<u>Other Services</u>			
Capital Charges	5,229	5,229	5,297
Central Support Costs	(619)	(619)	0
Other Management Costs	313	337	(124)
Total Spending on Services	46,949	47,111	48,345

Note:

All budgets reflect the net position after recharges have been made to front-line services.

CHILDREN'S SERVICES DEPARTMENT
(Dedicated Schools Grant)

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
<u>Schools</u>			
Primary Schools	64,033	69,322	72,135
Secondary Schools	54,580	56,307	53,875
Special Schools	4,842	5,220	4,495
Standards Fund - Expenditure	33,647	33,647	19,025
Standards Fund - Income	(33,047)	(33,047)	(19,025)
<u>Quality & School Improvement Services</u>			
Admissions & Attendance	315	315	376
Asset Management & Capital	1	2	3
Education Inclusion	5,633	5,630	5,737
School Improvement	842	842	902
<u>Integrated Family Services</u>			
Early Years & Nurseries	935	935	1,101
Engagement	0	0	0
Extended Schools	289	289	298
Family & Targeted Support	592	592	608
Head of Integrated Family Services	894	894	560
<u>Safeguarding & Rights Services</u>			
Community Education Psychology	436	436	447
Life Chances	100	140	104
<u>Children's Policy & Trust Commissioning</u>			
Catering Services	366	568	581
<u>Other Services</u>			
Central Support Costs	620	416	424
Other Management Costs	2	22	2
Total Spending on Services	135,080	142,530	141,648

Note:

All budgets reflect the net position after recharges have been made to front-line services.

CUSTOMER SERVICES DEPARTMENT

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
<u>Environmental Enforcement</u>			
Refuse Collection	3,873	3,873	3,721
Cleansing	3,076	3,327	3,412
Vehicle Fleet	(434)	(433)	(458)
ELWA Support	0	0	(5)
Frizlands Depot	50	50	23
Grounds Maintenance	0	0	0
Environmental Enforcement Division Support	0	(8)	81
Highways Maintenance (Emergency Call-Outs & Sewers)	393	267	267
Highways Maintenance (Street Lighting & Works)	8,884	9,006	8,807
Highways Engineers	(40)	(191)	(407)
Environmental Health & Trading Standards	1,458	2,048	1,490
Enforcement	1,864	1,274	1,977
Land Drainage (Sewerage)	337	337	281
On Street Parking	(1,070)	(1,070)	(1,233)
Cemeteries	481	506	318
Parks & Open Spaces (Operational)	2,866	2,886	2,861
Parks Operations	(19)	65	78
Arboriculture	(5)	9	10
<u>Barking and Dagenham Direct</u>			
Emergency Out Of Hours & Social Alarms	440	440	(258)
Registration Services	44	43	25
Corporate Contact Centre	(35)	33	(32)
One Stop Shops	(40)	165	0
Rents Collection	(9)	(10)	(11)
Housing Benefits	1,686	1,932	1,879
Pupil & Student Services	306	412	413
National & Non Domestic Rates Collection	114	115	109
Council Tax Collection	1,704	1,703	1,398
General Income	(4)	30	(3)
Revenues & Benefits Administration	(67)	(315)	(383)
<u>Customer Strategy</u>			
Customer Strategy	(75)	71	(1)
<u>Housing Services</u>			
General Housing	540	549	501
Private Sector Housing	132	132	135
Housing Revenue Account (HRA)	0	0	0
Total Spending on Services	26,450	27,246	24,995

Note:

All budgets reflect the net position after recharges have been made to front-line services.

REGENERATION DEPARTMENT

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
<u>Asset Strategy & Capital Delivery</u>			
Land Management	248	248	363
Roycraft House	(3)	(3)	(1)
Asset Mangement	(59)	(181)	15
Leasehold Public Buidings	(43)	(43)	126
Off - Street Parking	32	32	79
Highways & Civil Engineering Special Projects	(21)	(170)	0
Building Design & Maintenance	(14)	(835)	0
Head Of Asset Strategy & Capital Delivery	(6)	(191)	(12)
Procurement	(1)	(23)	0
Management Of Assets	88	88	84
Public Conveniences	84	84	181
Capital Monitoring Programme	(77)	(77)	0
ASCD Director & PA	0	69	(35)
Capital Programme Unit	0	1,532	575
<u>Spatial Regeneration</u>			
Planning - Barking Reach	0	0	0
Planning - External Funding	0	0	0
Planning - Partnership Support	0	0	0
General Planning Expenses	0	0	0
Barking Town Centre Regeneration	0	0	0
Transfer Payments	0	1	0
Strategic Planning	104	110	112
Management & Admin	138	172	209
Development Control	547	602	667
Building Control	181	214	228
Area Regeneration	1,142	1,052	1,032
Sustainable Development	1,013	1,017	1,033
Safe & Sustainable Transport	607	638	617
Policy & Network Development	432	432	326
Transport & Traffic	132	133	121
TGLP	0	0	0

REGENERATION DEPARTMENT

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
<u>Skills, Learning & Enterprise</u>			
Skills, Learning & Enterprise Management	(90)	(100)	13
LSC/NRF/ESF	0	0	0
Economic Development & Enterprise (EDE) Support	514	563	643
Barking Market	25	25	77
ERDF	0	0	0
ABSI	307	257	0
Local Enterprise Growth Initiative (LEGI)	0	2	(8)
London Riverside	0	1	0
Barking & Dagenham Training	243	251	0
Adult College	393	797	810
Lifelong Learning	275	276	405
Flexi Partnership	0	0	22
Education Business Partnership	0	0	40
Trident	33	34	56
Aim Higher	0	0	0
<u>Leisure & Arts</u>			
Parks Development	1,318	1,318	1,350
Allotments	66	66	97
Sports Centres	3,395	3,482	3,620
Events	313	333	316
Leisure & Arts Divisional Support	(100)	(33)	0
Sports Development	283	283	296
Central Park Nursery	(16)	(16)	3
Arts	277	404	334
The Broadway Theatre	871	871	923
Olympics	299	288	260
<u>Housing Strategy Services</u>			
Housing Strategy	124	31	33
Commercial & Other Properties	(1,139)	(1,150)	(1,158)
Property Services	(36)	(49)	(10)
Right To Buy	0	0	0
<u>Directorate, Policy, Strategy & Olympics</u>			
Directorate, Policy & Strategy	(31)	(27)	(23)
Total Spending on Services	11,848	12,808	13,819

Note:

All budgets reflect the net position after recharges have been made to front-line services.

RESOURCES DEPARTMENT

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
Chief Executive	35	37	0
Corporate Director of Resources and Business Support	130	453	150
Corporate Finance	(295)	(381)	150
Information and Transformation Services	303	259	237
Strategy and Performance	639	389	177
Legal and Democratic Services	882	955	758
Human Resources and Organisation Development	51	74	0
Corporate Management	4,986	4,559	5,557
Total Spending on Services	6,731	6,345	7,029

Note:

All budgets reflect the net position after recharges have been made to front-line services.

GENERAL FINANCE

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Base Budget 2009/10 £'000
Services			
General Finance	(15,668)	(25,529)	(15,468)
Total Spending on Services	<u>(15,668)</u>	<u>(25,529)</u>	<u>(15,468)</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

General Finance Budgets include the following services:

- Interest on Investments
- Borrowing Costs
- Notional Capital Charges (Credit budgets)
- Use of Reserves

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RECONCILIATION OF ORIGINAL BUDGET 2008/09 TO BASE BUDGET 2009/10

Department	Budget 2008/2009 £'000	Inflation and Other Adjustments £'000	Impact of Previous Policy & Executive Decisions £'000	Fundamental Changes £'000	Movement in Reserves £'000	Capital Charges £'000	Transfers between Departments £'000	Central Support Charges & Recharges) £'000	Base Budget 2009/2010 £'000
Adult & Community Services	62,556	1,487	1,275	0	(680)	156	(69)	(330)	64,395
Children's Services	46,949	928	162	0	(480)	(96)	(684)	1,566	48,345
Customer Services	26,450	412	718	0	(1,086)	(97)	(480)	(922)	24,995
Regeneration	11,848	211	193	0	0	(76)	382	1,261	13,819
Resources	6,731	664	152	0	0	(169)	762	(1,111)	7,029
General Finance	(15,668)	25	(2,500)	0	2,730	282	89	(426)	(15,468)
Contingency	1,200	300	0	0	0	0	0	0	1,500
	140,066	4,027	0	0	484	(0)	0	38	144,615
Levies	7,182	215	0	0	0	0	0	0	7,397
	147,248	4,242	0	0	484	(0)	0	38	152,012
Dedicated Schools Grant	135,080	0	0	6,568	0	0	0	0	141,648
	282,328	4,242	0	6,568	484	(0)	0	38	293,660

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