

## Notice of Meeting

### CABINET

**Tuesday, 15 November 2016 - 7:00 pm**  
**Council Chamber, Town Hall, Barking**

**Members:** Cllr Darren Rodwell (Chair); Cllr Saima Ashraf (Deputy Chair) and Cllr Dominic Twomey (Deputy Chair); Cllr Sade Bright, Cllr Laila M. Butt, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

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Chris Naylor  
Chief Executive

Contact Officer: Alan Dawson  
Tel. 020 8227 2348  
E-mail: alan.dawson@lbbd.gov.uk

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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 interest they may have in any matter which is to be considered at this meeting.
3. **Minutes - To confirm as correct the minutes of the meeting held on 18 October 2016 (Pages 3 - 9)**
4. **Budget Monitoring 2016/17- April to September (Month 6) (Pages 11 - 54)**
5. **Budget Strategy 2017/18 to 2021/22 (Pages 55 - 73)**
6. **Review of School Places and Capital Investment - Update November 2016 (Pages 75 - 92)**
7. **Strategic Approach to Homelessness (Pages 93 - 111)**

8. **Proposals for Supporting the Development of Civil Society (Everyone Everyday) in Barking and Dagenham (Pages 113 - 151)**
9. **Establishing a Grants Allocation Scheme and Crowdfunding Platform (Pages 153 - 175)**
10. **Education Strategy 2014-17 and Schools' Annual Performance Review 2015/16 (Pages 177 - 195)**
11. **Dedicated Schools Budget and School Funding Formula 2017-18 (Pages 197 - 205)**
12. **Fees and Charges 2017 (Pages 207 - 252)**
13. **Public Spaces Protection Orders - Application and Use (Pages 253 - 258)**
14. **Establishment of the Barking and Dagenham Delivery Partnership (BDDP) (Pages 259 - 263)**
15. **Treasury Management Strategy Statement Mid-Year Review 2016/17 (Pages 265 - 277)**
16. **Investment and Acquisition Strategy (Pages 279 - 290)**

Annex 1 and appendices 1 and 2 to the report are in the exempt section of the agenda at Item 21.

17. **Proposal to Establish Barking and Dagenham Regeneration Company (Be First) (Pages 291 - 316)**

Appendix 1 to the report is in the exempt section of the agenda at Item 22.

18. **Urgent Action: Proposed Purchase of Land at Former Sanofi Site, Rainham Road South, Dagenham (Pages 317 - 320)**

Annex 1 and appendices A & B to the report are in the exempt section of the agenda at Item 23.

19. **Any other public items which the Chair decides are urgent**

20. **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 Cabinet, except where business is confidential or certain other sensitive information is to be discussed. The items below are in the private part of the agenda as they contain commercially confidential information which is exempt from publication under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 21. Annex 1 and Appendices 1 & 2 - Investment and Acquisition Strategy (Pages 321 - 355)**
- 22. Appendix 1 - Proposal to Establish Barking and Dagenham Regeneration Company (Be First) (Pages 357 - 384)**
- 23. Annex 1 and Appendices A & B - Urgent Action: Proposed Purchase of Land at Former Sanofi Site, Rainham Road South, Dagenham (Pages 385 - 397)**
- 24. Any other confidential or exempt items which the Chair decides are urgent**

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Our Vision for Barking and Dagenham

## **One borough; one community; London's growth opportunity**

Our Priorities

### **Encouraging civic pride**

- Build pride, respect and cohesion across our borough
- Promote a welcoming, safe, and resilient community
- Build civic responsibility and help residents shape their quality of life
- Promote and protect our green and public open spaces
- Narrow the gap in attainment and realise high aspirations for every child

### **Enabling social responsibility**

- Support residents to take responsibility for themselves, their homes and their community
- Protect the most vulnerable, keeping adults and children healthy and safe
- Ensure everyone can access good quality healthcare when they need it
- Ensure children and young people are well-educated and realise their potential
- Fully integrate services for vulnerable children, young people and families

### **Growing the borough**

- Build high quality homes and a sustainable community
- Develop a local, skilled workforce and improve employment opportunities
- Support investment in housing, leisure, the creative industries and public spaces to enhance our environment
- Work with London partners to deliver homes and jobs across our growth hubs
- Enhance the borough's image to attract investment and business growth

### **Well run organisation**

- A digital Council, with appropriate services delivered online
- Promote equalities in the workforce and community
- Implement a smarter working programme, making best use of accommodation and IT
- Allow Members and staff to work flexibly to support the community
- Continue to manage finances efficiently, looking for ways to make savings and generate income
- Be innovative in service delivery

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## MINUTES OF CABINET

Tuesday, 18 October 2016  
(7:02 - 8:02 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Laila M. Butt, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

**Apologies:** Cllr Saima Ashraf and Cllr Evelyn Carpenter

### 48. Declaration of Members' Interests

There were no declarations of interest.

### 49. Minutes (20 September 2016)

The minutes of the meeting held on 20 September 2016 were confirmed as correct.

### 50. Budget Monitoring 2016/17- April to August (Month 5)

The Cabinet Member for Finance, Growth and Investment introduced a report on the Council's capital and revenue position for the 2016/17 financial year, as at 31 August 2016.

The General Fund showed a projected end of year spend of £156.1m against the approved budget of £150.3m. The projected overspend of £5.786m was almost £1m lower than the estimate provided at last month's Cabinet meeting, largely attributable to a further reduction in the pressures within the Children's Social Care service. However, the pressures within the Homelessness service were continuing, with the projected overspend increasing to £3.1m. The Cabinet Member commented that although a range of measures were being put in place to mitigate that position, the cumulative effect of the Government's cuts to the Council's budget and the impact of its austerity measures on the local community would mean that the Council would be getting very close to its minimum reserves threshold level of £15m by the year end. In that respect, the Cabinet Member encouraged his colleagues to continue to maximise efficiencies within all service areas in order to minimise the in-year call on reserves, bearing in mind that the Cabinet was committed to using some reserves in order to achieve a balanced budget for 2017/18. The Leader also referred to the Government's austerity measures and the documentary entitled "No Place to Call Home" that was to be broadcast the next evening on BBC2. The documentary would reflect the pressures on housing in Barking and Dagenham and the ways that the Council was trying to help the local community into housing, against the backdrop of the severe Council housing shortage and ever-increasing demands.

The Housing Revenue Account (HRA) showed an increased revenue surplus of approximately £1m, which would increase the HRA reserve to £9.75m at the year end, while the forecast outturn for the revised Capital Programme was £202m.

With regard to directorate savings targets, the Cabinet Member for Environment and Street Scene advised that there had been a positive response so far to the green waste collection public consultation and it was hoped that some of the £110,000 target could be achieved in the current financial year.

The Cabinet **resolved** to:

- (i) Note the projected outturn position for 2016/17 of the Council's General Fund revenue budget at 31 August 2016, as detailed in section 2 of the report;
- (ii) Note the overall position for the HRA at 31 August 2016, as detailed in section 4.4 of the report;
- (iii) Note the progress made on budgeted savings to date, as detailed in section 5 and Appendix B of the report; and
- (iv) Note the projected outturn position for 2016/17 of the Council's capital budget as at 31 August 2016, as detailed in section 6 and Appendix C of the report.

## **51. Parking Strategy 2016 - 2021**

The Cabinet Member for Enforcement and Community Safety introduced the proposed five-year Parking Strategy for the Borough.

The Cabinet Member advised that the vision of the Strategy was "to provide safe, fair, consistent and transparent services" and the vision was supported by the five main priorities:

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

The Strategy responded to residents' concerns through an area-based approach to parking controls while other new measures would include the introduction of a carers parking permit scheme by April 2018 and free parking periods at on-street shopping locations and Council-owned parks. The Cabinet Member advised that a report on parking fees and charges would be presented to the November Cabinet meeting, although it was proposed that the 30 minute free parking at on-street shopping locations and 60 minutes free parking at park car parks be agreed at this evening's meeting in order for the arrangements to be in place in the lead up to Christmas.

Cabinet Members spoke in support of the Strategy, which they felt represented a good balance between the needs of the local community and the Council's wider interests, and particularly welcomed the introduction of the use of enforcement cameras outside schools to discourage inconsiderate parking that put other children at risk.



The Cabinet **resolved** to:

- (i) Approve the Parking Strategy 2016 - 2021 at Appendix A to the report;
- (ii) Authorise the Strategic Director of Customer, Commercial and Service Delivery, in consultation with the Cabinet Member for Enforcement and Community Safety, to agree minor amendments to the Strategy prior to its publication; and
- (iii) Agree to the implementation of 30 minutes free parking at on-street shopping locations and 60 minutes free parking at Council park car parks, with effect from 1 December 2016.

## **52. Publicising Enviro-Crime and Anti-Social Behaviour Cases Policy**

The Cabinet Member for Enforcement and Community Safety presented a report on the proposed introduction of a policy to publicise cases of enviro-crime, also referred to as 'grime crime', and anti social behaviour.

The Cabinet Member explained that enviro-crime and anti social behaviour affected the quality of life for residents and businesses, often blighting an area and costing thousands of pounds to address. The policy set out a clear framework for the publication of cases and images of those who committed enviro-crime and anti social behaviour, including images from closed circuit television (CCTV) cameras. It also included safeguards to ensure that any publicity was proportionate and took into account vulnerabilities of victims, offenders or businesses.

The Cabinet Member for Environment and Street Scene welcomed the use of cameras by the Council's Street Enforcement and CCTV services to help tackle the £190,000 annual cost of dealing with fly-tipped and other unlawfully disposed waste.

The Leader commented that he believed that the policy would be very welcomed by all of the responsible residents in the Borough and he hoped that they would get involved in the Council's campaign by sending in their images of enviro-crime and anti social behaviour.

The Cabinet **resolved** to approve the policy for publicising cases of enviro-crime and anti social behaviour, including CCTV images of offenders, as set out at Appendix 1 to the report.

## **53. Sebastian Court - Redevelopment and Delivery Proposals**

Further to Minute 84 (27 January 2015), the Cabinet Member for Economic and Social Development presented a report on the redevelopment options for the Sebastian Court site at the corner of Upney Lane and Ripple Road, Barking, and the arrangements for appointing contractors.

The Cabinet Member advised that the area had been prioritised in the Council's Estate Renewal Programme due to the extensive and urgent maintenance issues affecting the existing 65 flats / maisonettes at the site. A high-level review of

redevelopment options had been undertaken and the preferred option would see the creation of 33 shared ownership and 57 affordable rent properties, to be delivered via the Barking and Dagenham Reside structure.

The Cabinet **resolved** to:

- (i) Agree the indicative tenure and unit mix for the Sebastian Court site, as set out in section 4 of the report and the site area shown edged in red in the plan at Appendix 1 to the report;
- (ii) Agree to use an existing entity within the Barking & Dagenham Reside structure (or the establishment, if required, of a new Special Purpose Vehicle within that structure) to develop / sell / own properties and procure the construction, management and maintenance of common parts and structure for the affordable rent units and the borrowing of approximately £13.1m within the General Fund to finance the construction and on-costs;
- (iii) Delegate authority to the Strategic Director of Growth and Homes to sign off the final procurement strategy for the appointment of a main contractor and associated consultants for the project following its endorsement by the Procurement Board, in accordance with the Council's Contract Rules, the European Tendering Regime and Public Contract Regulations;
- (iv) Delegate authority to the Strategic Director of Growth and Homes, in consultation with the Cabinet Members for Finance, Growth and Investment and Economic and Social Development, the Strategic Director of Finance and Investment and the Director of Law and Governance, to negotiate terms and agree the contract documents to fully implement and effect the Sebastian Court redevelopment project;
- (v) Agree to use an existing entity within the Barking & Dagenham Reside structure (or the establishment, if required, of a new Special Purpose Vehicle within that structure) to develop, sell, own and procure the construction, management and maintenance of common parts and structure of the shared ownership units on the Sebastian Court site;
- (vi) Agree to the principle of borrowing up to £5.8m within the General Fund to finance the development and ownership of the shared ownership homes unsold equity via a loan agreement made between the Council and the Shared Ownership Special Purpose Vehicle; and
- (vii) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to execute all of the legal agreements, contracts and other documents on behalf of the Council.

#### **54. Future Management Arrangements for the Council's Leisure Services**

Further to Minute 97 (16 February 2015), the Cabinet Member for Social Care and Health Integration presented a report on the latest proposals relating to the future of the Council's leisure service.

The Cabinet Member clarified that the Council had originally intended to transfer

its leisure services into a locally established trust. However, subsequent legislative changes meant that it was no longer possible to pursue that option and a further options appraisal was therefore commissioned to revisit and update the original study and assumptions. That review had identified an alternative option of transferring the leisure services to an established not for profit provider, via a Service Concession contract, as the best approach to achieve the Council's aspirations for the service going forward.

The Cabinet Member advised that the contract would be for a 10-year term with a five-year extension option and the successful operator would be required to keep prices at affordable levels and to maintain concessions, unless otherwise agreed by the Council. The contract would also include a five-year no fault break clause in order to give the Council appropriate safeguards and flexibility. The Cabinet Member confirmed that she would provide her Cabinet colleagues with periodic updates on the progress of the proposals.

The Cabinet **resolved** to:

- (i) Approve the procurement of an established operator to manage and operate the Council's leisure services at Abbey Leisure Centre, Becontree Heath Leisure Centre and Jim Peters Stadium, in accordance with the Council's Contract Rules and the strategy set out in the report;
- (ii) Delegate authority to the Strategic Director of Service Development and Integration, in consultation with the Cabinet Member for Social Care and Health Integration, the Strategic Director of Finance and Investment and the Director of Law and Governance, to negotiate, award and enter into all contracts, agreements and any documents necessary to fully implement and effect the project; and
- (iii) Delegate authority to the Director of Law and Governance to execute all of the legal agreements, contracts, agreements and other documents on behalf of the Council.

## **55. Independent Growth Commission - Select Committee Feedback and Recommendations**

Further to Minute 118 (19 April 2016), the Cabinet Member for Finance, Growth and Investment presented a report on the Select Committees' consideration of the recommendations made by the independent Growth Commission's in its report "No-one left behind: in pursuit of growth for the benefit of everyone".

The Living and Working, Children's Services and Public Accounts and Audit Select Committees had reviewed the 90-plus recommendations over the summer and had identified their key priorities from the full list. The Cabinet Member commented that he was very grateful for the work of the Select Committees and had invited the respective Lead Members to attend this evening's meeting to speak on the priorities.

The Cabinet Member advised that the Select Committees' priorities covered a wide range both in terms of the subject matter and the timescales in which they could be achieved. The priorities included the tunnelling of the A13, stronger

regulation of private landlords, the creation of a multi-agency early intervention strategic partnership to help children's early years development, the expansion of peer support schemes in the Borough and attracting major institutions to the Borough. With regard to the latter, the Leader confirmed that significant progress was already being made in that area with the Dagenham Civic Centre being chosen by Coventry University as the location for its London campus, as well as the recent announcement by the Mayor of London of potential plans for major new film studios at the former Sanofi site in the Dagenham East area.

The Cabinet **resolved** to:

- (i) Note the feedback from the Select Committees following their consideration of the Growth Commission recommendations; and
- (ii) Agree the responses to the Select Committees' comments and recommendations as set out in section 3 of the report and that a further report updating the Select Committees on progress against the priorities and the wider Growth Commission recommendations shall be presented in 12 months time.

## **56. Children's Social Care Annual Report 2015/16**

The Cabinet Member for Social Care and Health Integration presented an overview of safeguarding and looked after children activity and performance during 2015/16 which included annual reports for the adoption and fostering services.

The Cabinet Member referred to the considerable pressures that were, and continued to be, faced within the Children's Social Care service both in terms of the complex needs of many of the children and the increasing demand for support. The Borough was experiencing a 2% to 3% increase in its child population each year and Central Government cuts to funding meant that resources were becoming ever more stretched. A key focus was therefore on preventative work at a very early stage and that approach, together with the implementation of all of the recommendations made by OFSTED following its inspection of safeguarding and social care services in May 2014, meant that considerable progress had been made during the last year. In that respect, the Cabinet Member referred to several of the graphics within the report which reflected the reduction in the number of children requiring a protection plan and the 20% fall in the number of contacts that required progression to a statutory social care referral.

The Cabinet Member commented that although the services were going in the right direction, the high proportion of vulnerable children that were being placed in Barking and Dagenham would likely mean that those levels of improvement would level out. It was also noted that while the Council's Social Care Ambition and Financial Efficiency (SAFE) programme had resulted in better spending controls the increasing demand for services and the resultant pressures on finances would require a review of the programme and a report to Cabinet in due course.

Cabinet Members commended the work within the Children's Social Care service that was helping to keep the Borough's children safe and commented on the integrity of the reports which highlighted failings and areas of concern as well as the positive aspects. Particular reference was made to the 28 adoption decisions,

many involving children with special needs, that were achieved in 2015/16 which placed Barking and Dagenham amongst the top 3 performing authorities in London. The Cabinet Member for Corporate Performance and Delivery suggested that future reports should include more comparative data for the wider London area as well as for neighbouring Boroughs. It was also noted that the annual reports of the Local Safeguarding Children Board and the Corporate Parenting Board would be presented to the Assembly on 30 November 2016.

The Cabinet **resolved** to note the report and, in particular:

- (i) The service improvements and challenges referred to in the report, as well as the actions taken last year in response to local demand and the financial pressures experienced by the service; and
- (ii) The areas identified as priorities for 2016/17 following analysis and review of 2015/16.

## **57. Procurement of a Modular Building Systems Framework Agreement**

The Cabinet Member for Finance, Growth and Investment presented a report relating to the procurement of new framework agreements for the supply and installation of modular building systems.

The Cabinet Member advised that modular building systems were commonly used as part of school expansion projects and often resulted in reduced construction costs and time delays. It was further noted that the new framework agreements would be made available to other local authorities and organisations across the area.

The Cabinet **resolved** to:

- (i) Agree to proceed with the procurement of framework agreements for the supply and installation of modular building systems, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director of Growth and Homes, in consultation with the Cabinet Member for Finance, Growth and Investment, the Strategic Director of Finance and Investment and the Director of Law and Governance, to award the Framework Agreements to the successful tenderer(s) once a compliant procurement exercise had been conducted, in accordance with the strategy set out in the report.

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## CABINET

15 November 2016

<b>Title:</b> Budget Monitoring 2016/17 - April to September (Month 6)	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Katherine Heffernan, Group Manager – Service Finance	<b>Contact Details:</b> Tel: 020 8227 3262 E-mail: <a href="mailto:katherine.heffernan@lbbd.gov.uk">katherine.heffernan@lbbd.gov.uk</a>
<b>Accountable Director:</b> Kathy Freeman, Finance Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<p><b>Summary</b></p> <p>This report provides an update on the Council’s revenue and capital position for the six months to the end of September 2016, projected to the year end.</p> <p>There is a projected overspend of £5.76m on the 2016/17 budget, a small decrease from last month of £0.026m. There is a new reported pressure on recovery of Court Costs within Council Tax, and an increase in the forecast pressure for Leisure services offset by an improved position in Children’s Services and increased underspends in central budgets. There are pressures in a number of other service areas but all are currently forecast to be managed.</p> <p>The total service expenditure for the full year is currently projected to be £156.07m against the budget of £150.3m. The projected year end overspend will contribute to a significant reduction in the General Fund balance to £17.061m at year end, which is above the minimum target balance set by the Strategic Director of Finance and Investment.</p> <p>The Housing Revenue Account (HRA) is projected to produce a revenue surplus of £1.2m, leaving the HRA reserve at £9.95m. The HRA is a ring-fenced account and cannot make or receive contributions to/from the General Fund and there are a number of potential calls on this reserve.</p> <p>The Capital Programme budget currently stands at £201.4m. The Forecast outturn is £197.712m, £3.69m under budget – £7.65m over on General Fund mostly relating to Schools and £11.3m under on HRA as a result of slippage.</p> <p>This month in addition to the normal budget monitoring process the Cabinet is asked to approve some reprofiling of the Capital Programme. This is the process whereby money can be drawn forward from future years of an approved programme where there is accelerated progress or pushed back where there is slippage. This will address the variances reported above.</p>	

The Operational Director for Enforcement has also requested that information be published for noting about the allocation of funding in the Highways Improvement Programme. This is shown in Appendix D to the report.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Note the projected outturn position for 2016/17 of the Council's General Fund revenue budget at 30 September 2016 as summarised in section 2 and Appendix A of the report.
- (ii) Note the position on the Dedicated Schools Grant (DSG) as summarised in paragraph 4.1.11 of the report;
- (iii) Approve the loan of £58,000 to Monteagle School from the Schools Facing Financial Difficulties fund on the terms as set out in paragraph 4.1.12 of the report;
- (iv) Note the overall position for the HRA at 30 September 2016, as detailed in section 6 of the report;
- (v) Note the progress made on budgeted savings to date, as detailed in Appendix B to the report;
- (vi) Note the projected outturn position for 2016/17 of the Council's capital budget as at 30 September 2016, as detailed in paragraph 7 and Appendix C of the report;
- (vii) Note the allocation of the Highways Improvement Programme funding as detailed in Appendix D to the report; and
- (viii) Approve the proposed reprofiling of the Capital Programme as detailed in Appendix E to the report.

### **Reason(s)**

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

## **1. Introduction and Background**

- 1.1 This report provides a summary of the Council's General Fund, DSG, HRA and Capital positions.

## **2. Current Overall Position**

- 2.1 The following tables summarise the spend position and the forecast position of the General Fund and Housing Revenue Account (HRA) balances. It should be noted that there have been some services transferred to new line management this month



and so are reported in a different part of the hierarchy. These are explained in more detail in the individual service sections.

- 2.2 Overall there is now a forecast overspend of £5.760m which will result in a reduction of the Council's reserves.

**Table 1: Council Forecast Expenditure Position**

<b>Council Summary 2016/17</b>	<b>Net Budget £0</b>	<b>Full year forecast at end Sep 2016 £0</b>	<b>Over/(under) spend Forecast £0</b>
Service Development & Integration	108,085	111,682	<b>3,597</b>
Customer, Commercial & Service Delivery	32,264	33,145	<b>881</b>
Growth & Homes	6,210	9,272	<b>3,062</b>
Law & Governance	595	365	<b>(230)</b>
Finance & Investment	1,681	1,181	<b>(500)</b>
Central Expenses	1,479	429	<b>(1,050)</b>
<b>Total Service GF Expenditure</b>	<b>150,314</b>	<b>156,074</b>	<b>5,760</b>

**Table 2: The consequent forecast position on reserves.**

<b>Projected Level of Reserves</b>	<b>£'000</b>
Opening General Fund Balance	21,115
Other available reserves	4,538
<b>Total available reserves</b>	<b>25,653</b>
<u>Calls on reserves:</u>	
Implementation of savings proposals	(2,832)
<b>Revised Level of Reserves</b>	<b>22,821</b>
Reserves drawdown to cover overspending	(5,760)
<b>Forecast General Fund Reserve at 31<sup>st</sup> March 2017</b>	<b>17,061</b>

- 2.3 The forecast general fund balance includes the drawdown from reserves to fund savings proposals, plus the projected budget overspend shown above. The Medium Term Financial Strategy reported to Cabinet in June recommended a further use of £2.3m from reserves to balance the 2017/18 budget.

### **3 Comments of the Strategic Director of Finance and Investment**

- 3.1 This report represents a clear point for reflection in the financial year and, positively, there has been a small improvement in the reported position though significant pressures and overspends remain in some service areas.

- 3.2 The projected overspend of £5.76m shown in the table above would have been greater but for windfalls on central budgets and other significant risks within the services remain. If this position is maintained, the overspend would reduce the GF balance to £17.061m. Whilst this is above the target balance of £15.0m, it should be noted that the current medium term financial strategy assumptions include the use of a further £2.3m for the 2017/18 budget, which Cabinet agreed could be funded from reserves and will result in a further reduction of the GF balance. This would be below the target minimum level of balances. As Section 151 Officer, I have a responsibility under statute to ensure that the Council maintains appropriate balances at all times.
- 3.3 The main elements of the projected overspend are as follows, offset by a £0.9m underspend in Central Expenses and £0.5m in Asset Strategy:
- Children's Care and Support - £2.75m
  - Leisure - £0.85m
  - Environmental Services - £0.25m
  - Homelessness - £3.1m
  - Council Tax recovery - £0.6m
- 3.4 On the same agenda for Cabinet, are the proposals for the 2017/18 budget and the Medium Term Financial Strategy to 2020/21. Achievement of the targets in that strategy depends in part on robust financial management and the successful mitigation of the pressures being experienced by services this year.
- 3.5 The pressures in Children's Care and Support are longstanding and pressures in Homelessness emerged last financial year and have continued into 2016/17. The robust action taken by the Council in regard to Children's is beginning to take effect, with the anticipation that the service will be on budget next year, but this has not yet been achieved for Homelessness. The main cause is the continuing increase in homelessness applications and the growing gap between the cost to the Council of obtaining temporary accommodation and the income that can be recovered from tenants through Housing Benefit. The key concern is that this pressure may grow due to the wider external factors acting on the borough and London more broadly. A recovery plan has been enacted but, in a similar way to the SAFE programme not immediately reducing pressures, is unlikely to have a significant impact in this financial year.
- 3.6 The continuing pressure in Leisure is also a concern and is considered unlikely to improve as the landscape for the service has shifted since the original approval of an ambitious business case. In addition, a high level of risk has been identified in the Clean and Green service which has the potential to become a significant pressure if successful mitigating action is not identified and implemented.
- 3.7 The historic trend for all services is for the final outturn position to be better than that projected throughout the year though this predominantly occurs as a result of active management decisions and close monitoring of the pressure areas. It is essential that this occurs again in 2016/17 and the delivery of services within the approved budget is given equal status as other projects and programmes within the Council. It should be noted however that the previous capacity within service budgets to manage such pressures has largely been removed in successive budget

processes meaning the certainty that may have existed historically that this would occur can no longer be assumed.

3.8 The key areas of risk which might lead to a potential overspend are outlined in the paragraphs below.

#### 4. Directorate Performance Summaries

The key areas of risk which might lead to a potential overspend are outlined in the paragraphs below.

##### 4.1 Service Development and Integration

4.1.1 The budgets within Service Development and Improvement are currently forecast to overspend by £3.597m by year end as shown in the table below. The Cleaning Service has been moved from within Facilities to Children's Care and Support Commissioning in preparation for transfer to Traded Services.

**Table 3: Budgets within the SD&I grouping**

Service Block	Budget 2016/17	Period 6 Projection	Variance from Budget
	£000	£000	£000
<b>Adults Care &amp; Support</b>			
Operations	30,982	32,739	1,757
Commissioning	6,830	6,675	(155)
Mental Health	3,841	3,841	0
Adults Mgt & Support Services	1,651	49	(1,602)
<b>Sub-total Adults Care &amp; Support</b>	<b>43,304</b>	<b>43,304</b>	<b>0</b>
<b>Children's Care &amp; Support</b>			
Operations	39,172	41,992	2,750
Commissioning	9,129	9,129	0
<b>Sub-total: Children's Care Support</b>	<b>48,301</b>	<b>51,051</b>	<b>2,750</b>
Public Health	0	0	0
Community Safety & Offender Mgt	1,280	1,280	0
Healthy Lifestyles - Leisure	944	1,791	847
Education Commissioning	4,418	4,418	0
Central Costs	9,838	9,838	0
<b>TOTAL</b>	<b>108,085</b>	<b>111,682</b>	<b>3,597</b>

The main pressures are:

- Children's Care and Support forecasting an overspend of £2.75m against a budget of £39.172m. This position assumes that £0.55m of the remaining £0.8m target SAFE programme savings will be achieved by year end.

- Leisure services forecast to overspend by £0.847m. This is an increase from last month's forecast which was £0.536m. The service will continue to review all areas of spend and explore income generation ideas to mitigate this pressure.

4.1.2 There remains a pressure within the Adult Social Care & Support service block regarding the purchase of social care which the service is working to mitigate or manage through a call on the Adults services reserve at year end.

4.1.3 A challenging savings target of £4.019m has been built into the 2016/17 budget. These savings are largely in the process of being delivered or already implemented. However, current forecasts indicate under delivery of £0.088m (see savings tracker for further details). Where under delivery has been identified, managers are actively working to manage the resulting pressure.

### **Adults Care & Support**

4.1.4 The service delivery arm of Adult Social Care and support is currently reflecting a breakeven position, but there remains a potential budget pressure of £1.757m - a reduction from last month's pressure of £1.837m as a result of an increase in the estimated residential income.

4.1.5 These budgets will continue to be monitored closely throughout the year as activity levels fluctuate. At this stage, it is assumed that this pressure would be managed in year through management action, part of which is the major review of care packages and placement costs in learning disabilities but a call on the Adults reserve may also be required.

4.1.6 The Commissioning service is currently forecast to underspend by £0.155m mainly because of underspends against the extra care services budgets from not using the maximum hours and from additional income received.

### **Children's Care and Support**

4.1.7 Significant demand pressures within the Children's Care and Support service block have continued from 2015/16 into the current financial year. At the start of the financial year the service faced a potential pressure of £9.465m on its budget. The service block is now forecasting a current pressure of £3.314m. This is a net decrease of £0.378m over last month's reported figures as a result of continued reduction in placement and other commissioning costs. In addition, the Service expects to deliver a further £0.8m of further in year savings of which £0.55m are included in the forecast bringing the final figure to £2.750m overspend. It should be noted much of this saving depends on recruitment and there is some risk that it may not be achieved within the timescale. There is also a potential trading income surplus on Catering.

### **Healthy Lifestyles – Leisure**

4.1.8 The service is forecasting a projected overspend of £0.847m mostly relating to pressures in the Leisure centres. The Abbey Leisure Centre (ALC) is currently reflecting a forecast pressure of £0.603m which is an increase of £0.07m from last month's position of £0.536m due to additional staffing pressures of £0.104m based

on the current establishment and a £0.103m increase in the supplies and services cost pressure based on current trends.

4.1.9 The original business case in 2011/12 for the new Abbey Leisure Centre was based on the premise that the centre would be self financing. However this relied on an ambitious estimate of the possible income. Since the business case was drawn up the market in Barking has changed with other rival establishments coming to the area and the Abbey centre started with a lower number of customers than in the original projections. Since its opening the centre has grown its income but is some way off meeting the original ambitious targets. In addition the costs of such a centre may have been underestimated.

4.1.10 Becontree Heath Leisure Centre (BHLC) is currently reflecting a pressure of £0.165m mainly due to staffing costs pressures based on the current establishment. Also within the Healthy Lifestyles division there are pressures arising as a result of assumed savings factored into the staffing budgets for the increment freeze of £0.052m and a £0.026m shortfall assumed against the Active Age centres income target. The service would look to continue to explore options for expanding the customer base and fees & charges are currently being reviewed which could boost income.

#### **Dedicated Schools Grant**

4.1.11 The DSG is a ring fenced grant to support the education of Early Years and School-age pupils within the borough. The 2016/17 DSG allocation is £240.776m covering Individual Schools' budgets, High Needs and Early Years services. In addition in 16/17 there is a planned £6.4m drawdown from the DSG reserve making a total allocation of £247.509m. There is currently a small net forecast overspend of £0.2m but it is currently expected that this can be managed within the overall funding.

4.1.12 Within the DSG is an allocated fund to provide loans to schools facing financial difficulties. Loans are generally made for a short period of up to three years and schools are expected to prepare a financial recovery plan showing how and when they will be in a position to repay the loan. The applications are scrutinised by a sub group of the schools forum and agreed by the whole forum. However Cabinet must provide the financial approval. Monteagle Primary School has made an application for a loan of £58,000 repayable over two years and this was agreed by the forum on 4 October 2016. Cabinet are asked to approve this loan.

#### **4.2 Customer Commercial & Service Delivery**

4.2.1 The projection to year end is an overspend of £0.881m. This is made up of savings not being achieved in Clean and Green (£0.175m), Enforcement (£0.076m) and £0.63m pressure from non recovery of Court costs in relation to Council Tax arrears.

4.2.2 In addition to the declared overspend there is around £1.24m of pressures within this service grouping. However managers have identified £0.82m of mitigating actions and are working on finding further action to resolve the remaining £0.42m pressure.

**Table 5: CCSD Budgets**

<b>Service</b>	<b>Full year Budget 2016/17</b>	<b>Period 6 Projection</b>	<b>Variance from Budget</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Clean & Green	7,536	7,711	175
Enforcement	11,206	11,282	76
Other	-64	-64	0
Elevate Client Unit	13,446	14,076	630
SD Customer service & Commercial delivery	140	140	0
<b>Total General Fund</b>	<b>32,264</b>	<b>33,145</b>	<b>881</b>

**Clean & Green**

- 4.2.3 There is a declared overspend of £0.17m relating to Green Garden waste and a further £1m pressures within this service.
- 4.2.4 The collection of green garden waste was due to end in September 2015 which would deliver a £0.22m saving in a full year (£110k in each of the financial years 2015/16 and 2016/17). This service continued to the end of September 2016 and is estimated to have cost £0.175m in 2016/17 due to agency cover of the service. The service has now ceased and will only restart in the new year on a paid for basis which means the full saving should be achieved in 2017/18.
- 4.2.5 Other pressures on staffing budgets remain at the July reported position of £0.96m which are due to an over establishment of staff in Clean & Green. The transport and fleet spend is also forecast to be a net £0.2m over budget. There are also pressures on the fleet and transport budget but the service is working on a plan to mitigate these.
- 4.2.6 The Clean & Green portfolio also now includes Fleet management and workshop which is forecast to underspend by £0.16m from a combination of lower supply costs and overachievement of income.

**Enforcement Service**

- 4.2.7 The Enforcement service pressure is as a result of the School Crossing patrol saving being delayed. Agreement has now been given to end this service in January with the relevant actions put in place to make this happen.
- 4.2.8 In addition there are some underlying pressures on Parking Income but there are other underspends in the service which mitigate pressure across the department from maximising the use of grants and income in the service. The service also

anticipates that with ongoing Street lighting capital works in current year, there will be reduced pressure on the repairs and maintenance budget.

### Other Environmental services

4.2.9 These include the Passenger Transport Service. There is a business case being developed for the end of November for Passenger Transport considering either a shared service arrangement with Havering or a reduced in house service. The service will find compensating savings for the slippage and expect to make the full saving next year.

### Elevate Client Unit:

4.2.10 The Elevate Client Unit is currently forecast to overspend by £0.63m by year end due to underachievement of income in respect to Council Tax Court Costs. This first occurred in 2015/16 due to court summonses being cancelled by the Court as an incentive for Council Tax payers to repay their debts. This practice has continued into 2016/17 and collection of Council Tax arrears is ahead of target. There are a number of other smaller pressures within the service which are being mitigated.

### 4.3 Growth & Homes

4.3.1 There is a projected overspend of £3.1m relating to Homelessness and the cost of Temporary Accommodation. There are no other significant pressures.

**Table 6: Growth and Homes budgets**

Service	Full year Budget 2016/17	Period 6 Projection	Variance from Budget
	£'000	£'000	£'000
Culture & Recreation	4,295	4,267	(28)
Regeneration	923	923	0
Housing strategy	(85)	(85)	0
Homelessness	967	4,067	3,090
Strategic Director of Growth & Homes	110	110	0
<b>Total</b>	<b>6,212</b>	<b>9,284</b>	<b>3,072</b>

4.3.2 The projection to year end is an over spend of £3.1m within Homelessness. The majority of this budget is driven by the number of people presenting, and being accepted, as statutorily homeless. Potential pressures have been identified within the other budgets, however, it is expected that they will be managed within the service areas. Culture & Recreation is forecast to under spend at year end by £0.028m, due to staff vacancies across Library services.

- 4.3.3 Homelessness is currently forecasting a pressure of £3.1m at the year end. This is due to the net cost of placing people in accommodation provided by private sector landlords, which is the largest source of temporary accommodation. The income that the Council can collect from tenants is constrained by the level of Housing Benefit payable which has been frozen for a number of years and is now below the cost of most accommodation in the borough and neighbouring areas.
- 4.3.4 Around two thirds of the properties used for temporary accommodation produce a net cost to the Council and this is likely to increase over time (currently £5 per night or £1,825 per year). Performance bonuses are also paid to agents for providing seven or more properties and are forecast at £119k for the year. The costs for Bed and Breakfast and Nightly Let accommodation are greater still and the service has succeeded in reducing the usage of such accommodation.
- 4.3.5 There are other pressures which will impact on the pressure reported above. The impact of welfare reform continues to be monitored but is expected to result in increased levels of homelessness unless preventative measures are effective. Temporary accommodation arrears have increased by £88k (3%) this financial year, and, the current level of bad debt provision will not provide sufficient coverage, resulting in additional pressure.
- 4.3.6 There continues to be need for security at the homeless hostels to enable the safeguarding of staff and residents following a number of incidents in previous years. This is creating a pressure of around £0.25m on the hostels budget (although they are still making a net contribution to the council.)
- 4.3.7 There has been good progress at reducing use of Bed and Breakfast with numbers falling below ten in September. However, this success may not be sustainable throughout the year and the average is forecast at around 23. The renovation works at Boundary Road are planned and a partial decant will be required (up to 12 units at a time). Although the residents will be placed into PSL/HRA stock wherever possible there is a risk that the lack of hostel accommodation may mean that B&B has to be used more frequently for emergency cases.
- 4.3.8 A significant element of risk across the service is outside the Council's direct control and the new interim manager of the Homelessness Service will be reviewing management actions in place and developing a more robust plan. Possible mitigating action identified includes reviewing rents and income opportunities, holding vacant posts, reviewing how services are being delivered in order to find more efficient ways of provision, ensuring recharges and income collection is up to date and maintaining spend restraint across the service. Longer term measures include a wider range of placement options including placement out of borough. This will be subject to Cabinet approval and development of a legally robust accommodation strategy.
- 4.3.9 Until the impact of the action plan starts to take effect and reduce the forecasts the pressure on this budget will remain high and there is a risk that if numbers of homeless families increase suddenly or the costs of accommodation continue to rise the pressure could increase.



## Regeneration (Including Housing strategy)

4.3.10 The Regeneration & Economic Development and Housing Strategy teams are currently projected to spend to budget by the end of the financial year with no specific issues or pressures at this stage.

4.3.11 The main risk to achieving the break even position for the Regeneration area is in respect of recovering the budgeted level of income which is derived mainly from Planning Application and Local Land Charge fees. To date, income levels are in line with those of previous years and, therefore, there are no current concerns.

### 4.4 Chief Executive' and Law and Governance

**Table 7: Chief Executive's and Law and Governance**

<b>Summary</b>	2016/17 Budget £000	2016/17 Forecast £000	Variance £000
Net Expenditure	<b>595</b>	<b>365</b>	<b>(230)</b>

4.4.1 The Law and Governance Service is generating an income surplus – which is shown as an underspend.

4.4.2 The Transformation team has resulted in a cost to date of £1.5m which will be met by the use of Capital Receipts.

### 4.5 Finance & Investment

**Table 8: Finance and Investment**

<b>Summary</b>	2016/17 Budget £000	2016/17 Forecast £000	Variance £000
Net Expenditure	<b>1,681</b>	<b>1,181</b>	<b>(500)</b>

4.5.1 Facilities has now transferred into this service grouping as part of Asset Strategy. This directorate is projecting an underspend of £0.5m resulting from a surplus on B&D Reside.

### 4.6 Central Expenses and Levies

**Table 9: Central Expenses and Levies**

<b>Summary</b>	2016/17 Budget £000	2016/17 Forecast £000	Variance £000
Net Expenditure	<b>1,479</b>	<b>429</b>	<b>(1,050)</b>

4.6.1 This budget covers treasury management costs (interest paid on loans and received on investments), levies from ELWA and other statutory bodies, budgets to

cover the costs of redundancy and doubtful debts and a small contingency to cover any unforeseen pressures.

- 4.6.2 Interest on borrowing costs is currently forecast to be £0.2m better than budget due to required borrowing being lower than anticipated and additional procurement savings of £0.2m are also forecast. In addition there is around £0.5m projected underspend relating to Procurement savings.
- 4.6.3 The recent Cabinet decision to retain the current redundancy terms means that the saving from the removal of the enhanced multiplier will not be achieved. This will be managed in year but presents a risk for future years budgets.

## 5. In Year Savings Targets – General Fund

- 5.1 The delivery of the 2016/17 budget is dependent on meeting a savings target of £12.9m. Directorate Management Teams are monitoring their targets and providing a monthly update of progress which is summarised in the table below. Where there are shortfalls, these are either reflected in the monitoring positions above or will be managed within existing budgets.
- 5.2 A breakdown of savings and explanations for variances is provided in Appendix B.

**Table 10: Summary of Savings Targets**

Summary of Savings Targets	Target £000	Forecast £000	Shortfall £000
Customer, Commercial & Service Delivery	3,190	3,004	186
Growth & Homes	971	371	600
Service Development and Integration	3,466	3,378	88
Finance & Investment	5,227	4,470	757
<b>Total</b>	<b>12,854</b>	<b>11,223</b>	<b>1,631</b>

## 6. Housing Revenue Account (HRA)

- 6.1 The HRA is currently forecast to increase its balances by £1.22m as shown in the table below:

**Table 11: HRA**

HRA Classification	Budget £'000	Forecast £'000	Variance £'000
Rent	(90,538)	(90,818)	(280)
Non Dwelling Rents	(807)	(750)	57
Other Income	(19,285)	(19,453)	(168)
Interest Received	(336)	(336)	0
<b>Income</b>	<b>(110,966)</b>	<b>(111,357)</b>	<b>(391)</b>
Repairs and Maintenance	17,093	17,093	0
Supervision and Management	42,572	41,382	(1,190)

Rent, Rates and Other Taxes	700	700	0
Bad Debt Provision	2,772	2,772	0
Interest Charges	10,059	10,059	0
Corporate and Democratic Core	685	685	0
<b>Expenditure</b>	<b>73,881</b>	<b>72,691</b>	<b>(1,190)</b>
<b>Revenue Contribution to Capital</b>	<b>37,085</b>	<b>37,447</b>	<b>362</b>
<b>Transfer to HRA Balances</b>	<b>0</b>	<b>1,219</b>	<b>1,219</b>

The overall position shows an improvement of £0.201m from the period 5 forecast due to further cash savings in repairs and maintenance staffing costs (£0.201m) resulting from confirmation of in-year budget savings being achievable.

## 6.2 HRA Income

6.2.1 Income is expected to over-achieve by £0.391m. The main areas of variation from budget are:

- Additional rental income of £0.28m from lower than expected void levels, partially offset by lower rental income from HRA decants used for Temporary Accommodation
- Lower than expected garage income £0.057m while the refurbishment programme continues.
- Lower than expected service charge income of £0.1m due to the Housing Management decision to suspend Concierge charges at Thaxted House. This is offset by an equivalent savings in payments to the security contractor.
- Higher than budgeted income from telecommunication masts and other income is expected (£0.268m)

## 6.3 HRA Expenditure

6.3.1 Supervision and Management is expected to underspend by £1.190m, this is due to Housing Management fleet/estate cost reductions (£0.5m) & staff saving (£0.590m) from the on-going voluntary redundancy process and service management savings from the suspension of the concierge service at Thaxted House (£0.1m).

6.3.2 The Repairs and Maintenance Service is currently forecast to spend to budget. This is a significant reduction from 2015/16 due to reduction in staffing costs in 2016/17 as a result of the on-going voluntary redundancy process. The service continues to actively work to achieve at least break even position. The forecast position is highly dependent on the level of work carried out by the in-house service compared to that completed by sub-contractors, therefore this continues to be closely monitored to ensure no revenue pressure is created by underutilisation of the existing workforce. Any management decision to move additional revenue work to sub-contractors will also need to consider the revenue budget implication.

6.3.3 The HRA contribution towards the cost of voluntary redundancy is currently forecast to be £3.5m but this is containable within the overall HRA budget due to the staff vacancies created from the voluntary redundancy process.

## 6.4 HRA Balances

- 6.4.1 There is a budgeted contribution to capital resources of £37.1m and it is currently assumed this will increase by £0.362m in 2016/17.
- 6.4.2 Based on the current forecast it is also assumed HRA balances will increase by £1.219m. This will partly contribute towards a potential risk from a court decision against LB of Southwark, which is subject to appeal currently, in respect of resale of water supply and the associated commission (to cover admin costs of circa £1.2m in 2016/17). Should the appeal fail this may result in the repayment of commission to tenants. The service is currently seeking legal advice on this matter.
- 6.4.3 In addition, there is a Government proposal to instruct Local Authorities to sell its higher value voids and pay a levy to the Government to fund Housing Association Right to Buys. Even if the Authority does not decide to sell off its voids a levy will still apply. Formal Government Policy is still awaited, but it is anticipated that some form of payment may be required in this financial year.

## 7. Capital Programme 2016/17

- 7.1 The Capital Programme forecast against budget as at the end of September 2016 is shown in summary in the table below, with more detail in Appendix C:

**Table 12: Capital Programme**

	2016/17 Revised Budget £'000	Actual Spend to Date £'000	2016/17 Forecast £'000	Variance against Budget £'000
Service Development & Integration	54,324	37,523	61,721	7,398
Customer, Commercial & Service Delivery	7,811	2,132	9,046	1,235
Finance & Investment	4,297	1,202	3,029	(1,269)
Growth & Homes	60,970	23,169	61,257	287
<b>Subtotal - GF</b>	<b>127,402</b>	<b>64,026</b>	<b>135,053</b>	<b>7,650</b>
HRA	74,000	19,332	62,659	(11,340)
<b>Total</b>	<b>201,402</b>	<b>83,358</b>	<b>197,712</b>	<b>(3,690)</b>

## 7.2 New Schemes

- 7.2.1 There were no new schemes added to the Capital Programme in this reporting period.

## 7.3 Service Development & Integration

- 7.3.1 The main element in the programme is the school expansion programme (£46.8m). Forecast is that it will spend £6.8m over budget – however this is due to accelerated spend on the Barking Riverside Secondary Free School for which the funding has already been agreed and received from the EFA.

#### **7.4 Customer, Commercial & Service Delivery**

7.4.1 This includes IT projects (£3.7m) and various environmental projects (£4.1m). The Directorate is showing an overspend of £1.235m primarily due to increased hardware costs for the ICT End User scheme and the IT investment scheme being brought forward from future years.

7.4.2 Within the £4.1m Environmental Services budget is the £0.705m budget for the Highways Improvement Programme. An objective condition survey of the Borough's highways has been carried out and has been used as the basis of a priority list. The resultant allocation of funding to nine roads is shown as appendix E to this report. The Cabinet is asked to note the list.

#### **7.5 Finance & Investment**

7.5.1 The main element in the programme is the corporate accommodation strategy (£4.1m). Forecast is that the department will underspend by £1.269m due to planned works at Barking Town Hall now commencing in 2017.

#### **7.6 Growth & Homes**

7.6.1 The largest project is the Gascoigne estate renewal (£37m). The monitoring shows an overspend of £0.737m primarily due to (£1m) brought forward on Gascoigne West and £0.855m budget added to the Gurdwara Way scheme and final account payments earmarked for next year on the Barking Riverside Trans Link (Drovers Way) for (£0.490m) and (£0.275m) earmarked for the Barking Bath house which will not be installed until the Swan Housing Development on Cambridge Road has been completed, which will now be in 2017/18.

#### **7.7 HRA**

7.7.1 The main expenditure is on new build schemes (£25.6m) and investment in existing stock (£38.6m). Forecast is £11.34m below budget at £62.659m. The monitoring shows an underspend on 8 schemes – Leys Phase II (£3.000m), Kingsbridge Shared Ownership Development (£2.600m), the Housing Transformation Programme (£1.29m) Infill Sites and Ilchester Road (£1.000m) each respectively, and Bungalows and Burford Close (£0.715m) between them. These schemes will complete in 2017/18 which is the main reason for some of the slippage as the programmes have only recently been agreed.

### **8. Capital Programme Reprofileing**

8.1 The Capital Programme is set during the Autumn of the preceding year based on the best information available at the time. Following approval of the programme, capital expenditure is scoped in more detail and it is frequently the case that the estimated costs and timetabling of the expenditure have to be revised. For this reason, it is beneficial to reprofile the programme once a year.

8.2 Appendix E shows a detailed breakdown of the reprofiling proposals for the 2017-18 budget. Cabinet is asked to approve these proposals.

- 8.3 In summary it is proposed to bring forward £11.876m of expenditure from Future Years Programmes, the bulk of which (£9.123m) is within the Schools Programme where schemes have made better than expected progress this year. A further £1.565m of IT investment is also proposed to be front loaded to allow earlier achievement of the expected associated savings.
- 8.4 At the same time it is recommended that £4.563m of General Fund capital and £10.9m of HRA capital is moved back where there is slippage.
- 8.5 Additional funding of £1m has been secured and is recommended to be added to the programme, largely in connection with Housing and Regeneration.
- 8.6 Finally £1.05m can be removed from the programme – largely where schemes have been finished at lower than estimated cost.
- 8.7 The net impact of these proposals will be a reduction of the total Capital Programme from £201.4m to £197.7m.

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

#### **List of Appendices**

- **Appendix A** – General Fund expenditure
- **Appendix B** – Progress against savings targets
- **Appendix C** – Capital Programme
- **Appendix D** – Allocation of the Highways Capital Programme
- **Appendix E** – Capital Programme Reprofiling

## GENERAL FUND REVENUE MONITORING STATEMENT SEPTEMBER 2016/17

Directorate	Revised Budget	Expenditure to Date	Forecast Outturn £000	Forecast Variance £000
<b><u>Service Development &amp; Integration</u></b>				
<b>Adults Care &amp; Support</b>				
Operations	30,982	15,489	32,739	1,757
Commissioning	6,830	3,769	6,675	(155)
Mental Health	3,841	1,897	3,841	0
Adults Mgt & Support Services	1,651	1,030	49	(1,602)
<b>Children's Care &amp; Support</b>				
Operations-	39,172	21,004	41,922	2,750
Commissioning-	9,129	4,851	9,129	-
Public Health (Net)				-
Community Safety & Offender Management	1,280	343	1,280	-
Leisure	944	2,104	1,791	847
Education Commissioning	4,418	5,248	4,418	-
Divisional Support - Children's	9,838	726	9,838	-
	<b>108,085</b>	<b>56,461</b>	<b>111,682</b>	<b>3,597</b>
<b><u>Customer, Commercial &amp; Service Delivery</u></b>				
Clean & Green	7,536	7,489	7,711	175
Enforcement	11,206	4,306	11,282	76
Other	(64)	(879)	(64)	-
Elevate Client Unit	13,446	24,246	14,076	630
SD Customer Service & Commercial Delivery	140	287	140	-
	<b>32,264</b>	<b>35,449</b>	<b>33,145</b>	<b>881</b>
<b><u>Growth &amp; Homes</u></b>				
Housing Strategy	-85	-	(85)	-
Homelessness	967	1,225	4,057	3,090
Regeneration & Economic Development, Housing Strategy	923	761	923	-
Culture & Recreation	4,295	3,232	4,267	(28)
Divisional Support//	110	115	110	0
	<b>6,210</b>	<b>5,333</b>	<b>9,272</b>	<b>3,062</b>
<b><u>Law &amp; Governance</u></b>				
Legal & Democratic Services	595	(180)	365	(230)
	<b>595</b>	<b>(180)</b>	<b>365</b>	<b>(230)</b>
<b><u>Finance &amp; Investment</u></b>				
Corporate Finance & Assets	1,370	307	870	(500)
Strategy & Programmes	311	(320)	311	-
	<b>1,681</b>	<b>(13)</b>	<b>1,181</b>	<b>(500)</b>
<b><u>Other</u></b>				
Central Expenses & Levies	1,479	7,905	429	(1,050)
	<b>1,479</b>	<b>7,905</b>	<b>429</b>	<b>(1,050)</b>
<b>TOTAL</b>	<b>150,314</b>	<b>104,955</b>	<b>156,074</b>	<b>5,760</b>

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## Directorate Savings Targets: progress at Period 5

## Customer Commercial &amp; Service Delivery

Reference	Detail	Current Position	Target £'000	Forecast £'000	Variance £'000
ES004	Removal or self funding for School Crossing Patrols from 23 primary school locations across the borough	We will need to identify potential sponsors and risk assess each location for potential road safety works. We expect the saving to be delivered by a mix of stopping services and sponsorship. Sponsorship is not forthcoming despite efforts of trying to achieve. The options now available due to the budget already halved is to issue notice to all staff on Cat B+C sites (no cover from beginning of new school term in September 2016) and arrange for engineering solutions to be put into all Cat A sites with the removal of the whole service July 2017	82	6	76
ES006	To increase zones and the sale of permits in line with the Parking Strategy	This work now forms part of a wider Parking Improvement Board. Work is being undertaken with the Ambition 2020 team for setting of fees and charges	125	125	0
ES010B	Prestart payment to drivers	Saving will be fully delivered by yr2	17	17	0
ES012	Cease green garden waste collection	Savings was based upon fully chargeable service in place from September 2015, but as a result of delays in implementing this, it was assumed that charging would take effect from April 2016. However, service provision is expected to continue (not as a chargeable service) until September when the service will be fully withdrawn. The chargeable option is no longer being pursued	110	0	110

ES015	Redesign of street cleansing operations	Service redesign is already delivered. Savings are available for yr1 and on track for yr2.	40	40	0
ES018	Achieve revenue budget savings by transferring the Councils current repair and maintenance responsibilities for allotments to the Allotment Society	Surveys are ongoing and arrangements to cancel existing licences are being made for April. The main risk is that societies will not accept leases and transferred responsibilities because remedial works in 2015/6 are not undertaken due to budget restriction and disagreement with societies.	17	17	0
ES020	Increases in income expected from future regulatory activity.	These savings will build on those to be delivered in yr1. It is too early to assess whether income improvements will be made. A programme of service transformation is being developed and will require service restructure and some adoption of policy and powers.	125	125	0
ES030	Parking review opportunity	Initial business cases are being developed to support debt recovery and cashless/paperless parking. The impact of legislation changes governing the use of CCTV came into force in April 2015; the service did come in on budget however it was clear that there was a need for increased capacity within the parking service for more officers on-street. A review of the service is underway and a reactive team is being developed.	450	450	0
ACS/SAV/11	Review of passenger transport for adults	The Maples Day centre has now closed thereby reducing the Adults passenger transport requirement. PTS are reviewing their costs in order to achieve this saving.	400	400	0
CEX/SAV/45a (CCSD)	Review of corporate accommodation strategy	Corporate funding to be used	600	600	0

## Appendix B

CEX/SAV/51 (CCSD)	School uniform grants	The issuing free school uniforms grants has been discontinued.	64	64	0
CEX/SAV/56 (CCSD)	B&D Direct - Customer Services Channel Shift	Delivered by reducing Elevate Target Cost.	324	324	0
CEX/SAV/61 (CCSD)	Council Tax - invest to collect more	Investment in place but delivery to be monitored.	391	391	0
CEX/SAV/63 (CCSD)	ICT End User Technologies	Delivered by reducing Elevate Target Cost.	400	400	0
CEX/SAV/64 (CCSD)	Client Team reduction	Delivered by post being deleted.	45	45	0
<b>Total</b>	<b>CC&amp;SD</b>		<b>3,190</b>	<b>3,004</b>	<b>186</b>

## Growth &amp; Homes

Reference	Detail	Current Position	Target £'000	Forecast £'000	Variance £'000
HGF001	Expand Council hostel portfolio to accommodate temporary placements instead of using expensive B&B accommodation.	There is currently a delay to the transfer of an additional hostel which was assumed in the budget to be available from December 2016 but is now likely to be available in April 2017.	600	0	600
ACS/SAV/24	School library service to be full cost recovery and Home Library Service to be delivered by volunteers.	Achieved	59	59	0
ACS/SAV/27	Valence and Thames View libraries – community management	This saving was dependent on the option that the libraries would be in a trust as this is no longer the case, the service is working on alternative options to deliver the saving	125	125	0
ACS/SAV/29a	Broadway Theatre - transfer to College	Achieved	40	40	0
CEX/SAV/05	Reduction in Planning Policy Posts with amalgamation of roles	Achieved	25	25	0
CEX/SAV/04a	Reduction in staff costs in Development Planning & Strategic Transport	Achieved	42	42	0
CEX/SAV/08	Increased income in Employment & Skills	Achieved	80	80	0
<b>Total</b>	<b>Growth &amp; Homes</b>		<b>971</b>	<b>371</b>	<b>600</b>

## Service Development &amp; Improvement

Ref:	Detail	Current Position	Target £000	Forecast £000	Variance £000
ACS/SAV/06a	Personalisation of Learning Disability Day Services and consequential closure of The Maples.	Achieved	127	127	0
ACS/SAV/10	Care and support in the home focused on people with doubling up of care staff as a result of high needs	Achieved	45	45	0
ACS/SAV/12a	Generalist Advice and Hate Crime Incident Reporting reductions	Achieved	280	280	0
ACS/SAV/12f	The Foyer Supported Living for 18-24 year olds	On track to be delivered.	92	92	0
ACS/SAV/12i	Bevan House supported living for vulnerable families	On track to be delivered.	97	97	0
ACS/SAV/31	Leisure centres - Management and reception staff	On track to be delivered.	150	150	0
ACS/SAV/32	Leisure centres - extraordinary increase in net income	An income shortfall is currently reported against leisure income and an action plan is being worked on to reduce the shortfall.	88	0	88
ACS/SAV/36	Options appraisal for leisure and cultural services	As a result of delays to the trust, this saving will be managed corporately in the financial year.	750	750	0
CHS/SAV/26	Children's Centres, part of policy paper re frontline service delivery (use of libraries, developing hubs approach etc. and use of assets Closure of a number of centres	On target	400	400	0
CHS/SAV/27	Youth Service - reconfigure to voluntary sector provision with £100k budget	On target	200	200	0

## Appendix B

CHS/SAV/34	Reduction in CIN (c20 year 1, c120 year 2, c60 year 3) due to impact of Troubles Families agenda	Superceded by SAFE programme savings.	300	300	0
CHS/SAV/30	CAMHS - reduce to statutory minimum for year 1 and then delete service	On target but high risk at tier 2	150	150	0
CHS/SAV/35	Review children's social care costs to identify areas for spend reduction	Superceded by SAFE programme savings.	500	500	0
CHS/SAV/36	This proposal is to reduce funding to the Integrated Early Help QA Service	On target	120	120	0
CHS/SAV/25a	Reduction in support to quality Childcare and early years provision	Budget/saving removed via training, development and marketing centralisation	167	167	0
<b>Total</b>	<b>Service Development &amp; Improvement</b>		<b>3,466</b>	<b>3,378</b>	<b>88</b>

## Finance &amp; Investment

Ref	Detail	Current Position	Target	Forecast	Variance
			£000	£000	£000
CEX/SAV/26	Minimum Revenue Provision accounting	Achieved	2,850	2,850	0
CEX/SAV/27	Investment income - rate change	On target to be achieved	500	500	0
CEX/SAV/77 (CEX)	Business Support review	Not yet delivered.	90	0	90
CEX/SAV/78 (F&I)	Reduction in middle management	Delivered.	300	300	0
CEX/SAV/42 (F&I)	Energy team	CEX/SAV/42 & 54b delivered through VR of 2 posts.	25	25	0
CEX/SAV/45 (CCSD)	Maritime House	Delivered as lease terminated.	125	125	0
CEX/SAV/53 (CCSD)	Business rate relief	Policy has been re-written to deliver this.	50	50	0
CEX/SAV/72 (Corporate)	Freeze salary increments	On target to be achieved	500	500	0
CEX/SAV/73 (Corporate)	Reduce redundancy multiplier	Following the decision of Cabinet to retain the redundancy multiplier this saving will not be achieved.	667	0	667
CEX/SAV/54b (F&I)	Energy and utility efficiencies	CEX/SAV/42 & 54b delivered through VR of 2 posts.	60	60	0
CEX/SAV/54f (F&I)	Pay Pension Fund contributions on 1 April instead of monthly	Delivered.	60	60	0
<b>Total</b>	<b>Finance &amp; Investment</b>		<b>5,227</b>	<b>4,470</b>	<b>757</b>

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Capital Programme 2016/17

APPENDIX C

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
<b>Service Development &amp; Integration</b>					
<b>Adults Care and Support</b>					
FC00106	Private Sector HouseHolds	1,064,000	384,430	1,064,000	0
FC02888	Direct Payment Adaptations Grant	400,000	146,242	400,000	0
FC03049	Adult Social Care Cap Grant	113,000	28,599	113,000	0
FC03061	Social Care IT Replacement System	946,000	0	425,515	(520,485)
<b>Total For Adult &amp; Community Services</b>		<b>2,523,000</b>	<b>559,271</b>	<b>2,002,515</b>	<b>(520,485)</b>
<b>Children's Services</b>					
<b>Primary Schools</b>					
FC02736	Roding Primary School (Cannington Road Annex)	129,789	0	129,789	0
FC02745	George Carey CofE (formerly Barking Riverside) Primary School	23,376	450	23,376	0
FC02784	Manor Longbridge (former UEL Site) Primary School	303,310	2,818	150,000	(153,310)
FC02799	St Joseph's Primary - expansion	4,279	4,279	4,279	0
FC02861	Eastbury Primary (Expansion)	163,857	28,479	63,857	(100,000)
FC02865	William Bellamy Primary (Expansion)	44,499	1,824	44,499	0
FC02919	Richard Alibon Expansion	53,770	23,096	53,770	0
FC02920	Warren/Furze Expansion	250,000	238,791	350,255	100,255
FC02921	Manor Infant Jnr Expansion	0		39,308	39,308
FC02923	Rush Green Expansion	115,902	114,407	115,902	0
FC02924	St Joseph's Primary(Barking) Extn 13-14	15,072	0	15,072	0
FC02956	Marsh Green Primary 13-15	882,218	493,600	882,218	0
FC02957	John Perry School Expansion 13-15	17,395	2,445	17,395	0
FC02960	Sydney Russell (Fanshawe) Primary Expansion	4,382,500	4,163,416	4,382,500	0
FC02979	Gascoigne Primary (Shaftesburys)	7,724,340	5,603,317	7,024,340	(700,000)
FC02998	Marks Gate Junior Sch 2014-15	100,000	36,497	50,000	(50,000)
FC03014	Barking Riverside City Farm Phase II	391,429	563	50,000	(341,429)
FC03041	Village Infants - Additional Pupil Places	1,311,417	1,372,592	1,511,417	200,000
FC03053	Gascoigne Primary - 5fe to 4fe	600,000	189,746	600,000	0
<b>Secondary Schools</b>					
FC02953	All Saints Expansion 13-15	112,233	0	112,233	0
FC02954	Jo Richardson expansion	350,000	38,521	350,000	0
FC02959	Robert Clack Expansion 13-15	3,500,000	1,294,263	3,500,000	0
FC02977	Barking Riverside Secondary Free School (Front Funding)	20,000,000	16,931,150	27,500,000	7,500,000
FC03018	Eastbury Secondary	2,800,000	791,536	2,800,000	0
FC03020	Dagenham Park	2,831,458	2,123,700	2,831,458	0
FC03054	Lymington Fields All through School	200,000	10,000	200,000	0
FC03019	Eastbrook School	440,000	578,010	640,000	200,000
FC03022	New Gascoigne Secondary School (Greatfields)	100,000	58,587	100,000	0
FC03078	Barking Abbey Expansion 2016-18			100,000	100,000

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
<b>Other Schemes</b>					
FC02826	Conversion of Heathway to Family Resource Centre	19,323	0	19,323	0
FC02906	School Expansion SEN projects	164,138	25,931	164,138	0
FC03042	Additional SEN Provision	250,000	56,443	250,000	0
FC02909	School Expansion Minor projects	87,344	15,389	87,344	0
FC02972	Implementation of early education for 2 year olds	691,482	110,916	691,482	0
FC02975	Barking Abbey Artificial Football Pitch	55,415	0	55,415	0
FC02978 / FC03010 / FC03051	School Modernisation Fund	2,058,746	1,954,368	3,058,746	1,000,000
FC03013	Universal infant Free School Meals Project	5,862	0	5,862	0
FC03043	Pupil Intervention Project (PIP)	276,759	344,348	400,000	123,241
9999	Devolved Capital Formula	917,396	76,218	917,396	0
<b>Children Centres</b>					
FC03063	Extension of Abbey CC Nursery	125,000	35,623	125,000	0
FC03033	Upgrade of Children Centres	290,853	242,229	290,853	0
FC02217	John Perry Children's	5,123	0	5,123	0
FC02310	William Bellamy Children Centre	6,458	0	6,458	0
<b>Total For Children's Services</b>		<b>51,800,743</b>	<b>36,963,552</b>	<b>59,718,808</b>	<b>7,918,065</b>
<b>Total for Service Development &amp; Integration</b>		<b>54,323,743</b>	<b>37,522,823</b>	<b>61,721,323</b>	<b>7,397,580</b>

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
<b>Customer, Commercial &amp; Service Delivery</b>					
<b>Environmental Services</b>					
FC03064	Street Light Replacing	976,005	0	976,005	0
FC03030	Frizlands Phase 2 Asbestos Replacement	381,146	20,239	381,146	0
FC02964	Road Safety Impv 2013-14 (TFL)	236,000	22,023	236,000	0
FC02886	Parking Strategy Imp	0	909	0	0
FC02542	Backlog Capital Improvements	394,830	68,370	394,830	0
FC03065	Highways Improvement Programme	705,190	30,600	705,190	0
FC02982	Controlled Parking Zones (CPZ's) 2013-15	330,000	14,224	150,000	(180,000)
FC02999	Rippleside Cmtry prov 2014-15	0	0	0	0
FC03011	Structural Repairs & Bridge Maintenance	383,001	18,033	383,001	0
FC03012	Environmental Asset Database Expansion	0	(1,378)	0	0
FC03031	Highways & Environmental Design	0	0	0	0
FC03067	Abbey Green Works 2016-17	56,000	26,458	63,678	7,678
FC03066	Parking ICT System	280,000	254,926	280,000	0
<b>PGSS</b>					
FC03026	BMX Track	226,136	0	226,136	0
FC03034	Strategic Parks	125,518	1,895	117,840	(7,678)
<b>Total For Environmental Services</b>		<b>4,093,826</b>	<b>456,299</b>	<b>3,913,826</b>	<b>(180,000)</b>
<b>ICT</b>					
FC03068	ICT End User Computing	1,356,000	1,329,990	1,700,000	344,000
FC02738	Modernisation and Improvement Capital Fund (formerly One B & D ICT Main Scheme)	256,457	(57,058)	256,457	0
FC02877	Oracle R12 Joint Services	307,465	11,433	157,465	(150,000)
FC03052	Elevate IT Investments	1,000,000	389,240	2,221,000	1,221,000
FC03059	Customer Services Channel Shift	797,070	1,920	797,070	0
<b>Total For ICT</b>		<b>3,716,992</b>	<b>1,675,525</b>	<b>5,131,992</b>	<b>1,415,000</b>
<b>Total For Customer, Commercial &amp; Service Delivery</b>		<b>7,810,818</b>	<b>2,131,824</b>	<b>9,045,818</b>	<b>1,235,000</b>
<b>Finance &amp; Investment</b>					
<b>Asset Strategy</b>					
FC02587	Energy Efficiency Programme	128,753	0	28,753	(100,000)
FC02565	Implement Corporate Accommodation Strategy	4,168,714	1,201,767	3,000,000	(1,168,714)
<b>Total For Asset Strategy</b>		<b>4,297,467</b>	<b>1,201,767</b>	<b>3,028,753</b>	<b>(1,268,714)</b>
<b>Total for Finance &amp; Investment</b>		<b>4,297,467</b>	<b>1,201,767</b>	<b>3,028,753</b>	<b>(1,268,714)</b>

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
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<b>Growth &amp; Homes</b>					
<b>Culture &amp; Sport</b>					
FC03060	BLC - Replacement Flooring	171,000	0	171,000	0
FC02870	Barking Leisure Centre 2012-14	310,617	194,566	310,617	0
FC03029	Broadway Theatre	500,000	0	50,000	(450,000)
FC03062	50m Demountable Swimming Pool	1,700,000	0	1,700,000	0
FC03032	Parsloes Park - Artificial Turf Pitches & Master Planning	519,540	5,375	519,540	0
FC03057	Youth Zone Development	1,000,000	166,000	1,000,000	0
FC03079	Whitehouse Refurb	100,000	0	100,000	
<b>Total For Culture and Sport</b>		<b>4,301,157</b>	<b>365,941</b>	<b>3,851,157</b>	<b>(450,000)</b>
<b>Regeneration</b>					
FC03027	Establishment of Council Owned Energy Services Company	100,000	42,518	100,000	0
FC02969	Creative Industries	310,586	0	35,586	(275,000)
FC02901	Creekmouth Arts & Heritage Trail		3,570		
FC02902	Short Blue Place (New Market Square Barking - Phase II)	0	4,147	0	0
FC02898	Local Transport Plans (TfL)	46,000	120,086	144,000	98,000
FC02962	Principal Road Resurfacing 2013-14 TfL	446,000	33,893	446,000	0
FC02963	Mayesbrook Neighbourhood Improvements (DIY Streets) 2013-14 (TfL)	0	17,426	0	0
FC02994	Renwick Road/ Choats Road 2014/15 (TfL)		9,281		
FC02995	Ballards Road/ New Road 2014/15	0	32,620	0	0
FC02996	Barking Town Centre 2014/15 (TfL)	620,800	557,418	778,300	157,500
FC02997	A12 / Whalebone Lane (TfL)	0	1,354	0	0
FC03000	MAQF Green Wall (TfL)	0	2,349	0	0
FC03023	Bus Stop Accessibility Improvements	138,000	0	138,000	0
FC03025	Gale St Corridor Improvements	325,000	24,128	325,000	0
FC03028	Chadwell Heath Crossrail Complementary Measures (CCM)	811,650	376,081	811,650	0
FC03050	Clockhouse Avenue - Freehold Purchase	37,016	10	37,016	0
FC03072	Purchase of Sacred Heart Convent, 191 Goresbrook Road, Dagenham - to convert to homeless provision	3,000,000	2,793,650	3,000,000	0
FC02841	Borough Cycle Programme	133,000	0	0	(133,000)
FC03069	Barking Station improvements (TfL)	900,000	0	900,000	0
FC03055	Barking Riverside Trans Link (Drovers Way)	9,790,000	1,064,778	9,300,000	(490,000)
<b>Total For Regeneration</b>		<b>16,658,052</b>	<b>5,083,309</b>	<b>16,015,552</b>	<b>(642,500)</b>

<b>General Fund Housing</b>					
FC03070	Boundary Road Hostel	875,250	4,900	400,000	(475,250)
FC02990	Abbey Road Phase II New Build	360,000	0	360,000	0
FC02986	Gascoigne Estate	36,775,406	10,943,888	36,775,406	0
FC02985	Gascoigne West (Housing Zone)	2,000,000	2,605,907	3,000,000	1,000,000
FC03080	Acquisition of Royal British Legion		700,000		0
FC03081	Barking Riverside Housing Zone		3,465,474		0
FC03082	Gurdwara Way - Land remediation			855,000	855,000

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
<b>Total For General Fund Housing</b>		<b>40,010,656</b>	<b>17,720,169</b>	<b>41,390,406</b>	<b>1,379,750</b>
<b>Total For Growth &amp; Homes</b>		<b>60,969,865</b>	<b>23,169,419</b>	<b>61,257,115</b>	<b>287,250</b>
<b>Grand Total for General Fund</b>		<b>127,401,893</b>	<b>64,025,833</b>	<b>135,053,009</b>	<b>7,651,116</b>

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
<b>HRA</b>					
	<b>Estate Renewal</b>				
FC02820	Boroughwide Estate Renewal	8,000,000	4,803,157	8,000,000	0
	<b>Sub-Total: Estate Renewals</b>	<b>8,000,000</b>	<b>4,803,157</b>	<b>8,000,000</b>	<b>0</b>
	<b>New Build schemes</b>				
FC02823	Council Housing Phase 3	0	79	0	0
FC02916	Lawns & Wood Lane Bungalows	0	52,885	0	0
FC02917	Abbey Road Creative Industries Quarter	0	2,500	0	0
FC02931	Leys New Build Development (HRA)	8,550,000	4,184,531	8,550,000	0
FC03071	Modular Construction Programme	1,000,000	1,000	1,000,000	0
FC03009	Leys Phase II	6,000,000	223,935	3,000,000	(3,000,000)
FC02961	Goresbrook Village Housing Development 13-15	0	101,214	0	0
FC02970	Marks Gate Open Gateway Regen Scheme	414,997	662,735	414,997	0
FC02973	Infill Sites	1,784,100	28,391	784,100	(1,000,000)
FC02988	Bungalows	515,864	(11,207)	100,000	(415,864)
FC02989	Ilchester Road New Build	3,750,000	213,351	2,750,000	(1,000,000)
FC03056	Burford Close	600,000	3,463	300,000	(300,000)
FC03058	Kingsbridge Development	3,000,000	173,013	400,000	(2,600,000)
	<b>Sun-Total: New Builds</b>	<b>25,614,961</b>	<b>5,635,890</b>	<b>17,299,097</b>	<b>(8,315,864)</b>

	<b>Investment in Stock</b>				
FC00100	Aids & Adaptations	860,000	178,393	860,000	0
FC02811	Members Budget	0	(144)	0	0
FC02933	Voids	5,000,000	291,115	5,000,000	0
FC02934	Roof Replacement Project	116,139	37,224	116,139	0
FC03048 / FC02938	Fire Safety Works	1,642,300	1,138,911	1,642,300	0
FC02943	Asbestos Removal (Communal Areas)	900,000	660	900,000	0
FC02950	Central Heating Installation Inc. Communal Boiler Replacement Phase II	1,600,000	26,274	1,600,000	0
FC02939	Conversions	450,000	1,688	50,000	(400,000)
FC02984	Block & Estate Management	0	79,573	0	0
FC02983	Decent Homes Central	6,900,000	1,212,464	6,900,000	0
FC03002 / FC03047	Decent Homes South	8,087,900	3,757,048	8,087,900	0
FC03001 / FC03046	Decent Homes North	5,900,000	2,237,221	5,900,000	0
FC03003	Decent Homes (Blocks)	76,000	(92,890)	76,000	0
FC03004	Decent Homes (Sheltered)	33,200	(28,574)	33,200	0
FC03005	Decent Homes Small Contractors	0	(5,000)	0	0
FC03007	Window Replacement Scheme	6,500	(10,500)	4,400	(2,100)
FC03036	Decent Homes Support - Liaison Teams/Surveys	90,000	0	90,000	0
FC03037	Energy Efficiency	500,000	53,910	500,000	0
FC03038	Garages Refurbishment	450,000	(17,409)	450,000	0
FC03039	Estate Roads & Environmental	750,000	(1,139)	750,000	0
FC03040	Communal Repairs & Upgrades	650,000	0	50,000	(600,000)
FC03045	External Fabrics - Blocks	3,200,000	33,749	3,200,000	0
FC03074	Estate Public Realm Improvements	800,000	0	500,000	(300,000)

Project No	Project Name	Revised 2016/17 Budget	Actuals	2016/17 Forecast	Variance
FC03075	Door Entry Systems	100,000	0	20,000	(80,000)
FC03076	Window Replacements	100,000	0	20,000	(80,000)
FC03077	Internal Works	423,000	0	150,000	(273,000)
	<b>Sub-Total: Investment in Stock</b>	<b>38,635,039</b>	<b>8,892,574</b>	<b>36,899,939</b>	<b>(1,735,100)</b>
	<b>Housing Transformation</b>				
FC03073	Housing Transformation Programme	1,750,000	0	460,000	(1,290,000)
<b>Total For HRA</b>		<b>74,000,000</b>	<b>19,331,621</b>	<b>62,659,036</b>	<b>(11,340,964)</b>
<b>Total for Capital Programme 2016/17</b>		<b>201,401,893</b>	<b>83,357,454</b>	<b>197,712,045</b>	<b>(3,689,848)</b>

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## Highways Improvement Capital Programme 2017/18

Scheme/Road	Cost Estimate - £000s		
	Works	Fees	Total
Jackson Road	33	3	36
Boundary Road	39	3	42
Greatfields Road	89	7	96
Gascoigne Road	128	10	139
Endeavour Way	33	3	36
Lichfield Road	70	6	75
Boulton Road	51	4	56
Maybury Road	105	8	113
Romsey Road	104	8	112
<b>TOTAL</b>	<b>652</b>	<b>52</b>	<b>704</b>

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## 2016/2017 CAPITAL PROGRAMME

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Re-profiles between years		Changes in Funding		TOTAL CHANGE	New Budget after Reprofiling (£'000)	Notes
				Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			
<b>SERVICE DEVELOPMENT &amp; INTEGRATION</b>										
<b>Adults Care and Support</b>										
FC00106	Disabled Facilities Grant	1,064,000	279,725						1,064,000	
FC02888	Direct Pymt Adaptations	400,000	117,871						400,000	
FC03049	Adult Social Care Cap Grant (Heathlands project)	113,000	28,599						113,000	
FC03061	Social Care IT Replacement System	946,000		(520,485)				(520,485)	425,515	Scheme is being implemented in the new year so payments are unlikely to start be incurred until the latter part of the financial year - therefore budget has been profiled to future years.
<b>Total For Adults Care and Support</b>		<b>2,523,000</b>	<b>426,195</b>	<b>(520,485)</b>				<b>(520,485)</b>	<b>2,002,515</b>	
<b>Education, Youth and Childcare</b>										
<b>Primary Schools</b>										
FC02736	Roding Primary School - Cannington Road Annex	129,789							129,789	
FC02745	George Carey CE Primary School (formerly Barking River)	23,376	450						23,376	
FC02784	Manor Longbridge (Former UEL Site)	303,310	2,818	(153,310)				(153,310)	150,000	Retention payments outstanding - defects still being addressed - some likely to be resolved this financial year and some in 2017/18
FC02799	St Joseph's Primary - expansion	4,279	4,279						4,279	
FC02861	Eastbury Primary (Expansion)	163,857	11,696				(100,000)	(100,000)	63,857	Scheme now projected to underspend by £100k - will be reprofiled back to BN funding pot.
FC02865	William Bellamy Infants/Juniors (Expansion)	44,500	1,824						44,500	
FC02919	Richard Alibon Expansion	53,770	23,096						53,770	
FC02920	Warren / Furze Expansion	250,000	205,426		100,255			100,255	350,255	Scheme phase ahead of schedule - therefore £100k being reprofiled from future years
FC02921	Manor Infant Jnr Expansion					39,308		39,308	39,308	Commitments are retention and final fees - therefore a budget is required from the BN pot.
FC02923	Rush Green Expansion	115,902	114,407						115,902	
FC02924	St Josephs Primary Extn	15,072							15,072	
FC02956	Marsh Green Primary 13-15	882,218	492,350						882,218	
FC02957	John Perry School Expansion 13-15	17,395	2,445						17,395	
FC02960	Sydney Russell (Fanshawe) Primary Expansion	4,382,500	2,974,113						4,382,500	
FC02979	Gascoigne Primary Abbey Road Depot	7,724,340	4,625,008	(700,000)				(700,000)	7,024,340	Scheme completed and in operation - £700k to be reprofiled to future years for retention, final account and fees.
FC02998	Marks Gate Junior	100,000	36,497				(50,000)	(50,000)	50,000	Retention and Final Account to be paid - while defects are being addressed. Therefore some will be paid this year and some next financial year.
FC03014	Barking Riverside City Farm Phase II	391,429	563				(341,429)	(341,429)	50,000	£341k reprofiled back to pot as a more cost effective solution was delivered to cater for SEN provision.
FC03041	Village Infants - additional pupil places	1,311,417	1,156,124		200,000			200,000	1,511,417	Budget increased from future years in order to pay final account - some funds left in next year to pay for retention.
FC03053	Gascoigne Pmy 5forms to 4 forms	600,000	111,922						600,000	
<b>Total for Primary Schools</b>		<b>16,513,154</b>	<b>9,763,018</b>	<b>(853,310)</b>	<b>300,255</b>	<b>39,308</b>	<b>(491,429)</b>	<b>(1,005,176)</b>	<b>15,507,978</b>	
<b>Children Centres</b>										
FC03033	Upgrade of Children Centres	290,853	242,229						290,853	
FC02217	John Perry Childrens	5,123							5,123	
FC02310	William Bellamy Childrens Centre	6,458							6,458	
FC03063	Extension of Abbey children's centre nursery	125,000	35,623						125,000	
<b>Total for Children Centres</b>		<b>427,434</b>	<b>277,852</b>						<b>427,434</b>	

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>Secondary Schools</b>										
FC02953	All Saints Expansion 13-15	112,233							112,233	
FC02954	Jo Richardson Expansion 13-15	350,000	1,556						350,000	
FC02959	Robert Clack Expansion 13-15	3,500,000	940,061						3,500,000	
FC02977	Barking Riverside Secondary Free School	20,000,000	14,926,094		7,500,000			7,500,000	27,500,000	2017/18 budget brought forward to meet accelerated spend and be in line with EFA schedule of payments
FC03018	Eastbury Secondary	2,800,000	791,536						2,800,000	EFA project. Primary school complete and in operation - LBBB are now required to make contributions. Increased spend requires £200k reprofile from 17/18 budget.
FC03019	Eastbrook School	440,000	578,010		200,000			200,000	640,000	
FC03020	Dagenham Park	2,831,458	1,598,860						2,831,458	
FC03022	New Gascoigne Secondary School	100,000	44,777						100,000	
FC03054	Lymington Fields New School	200,000	10,000						200,000	
FC03078	Barking Abbey Expansion 2016-18				100,000			100,000	100,000	Fee costs incurred this financial year; so £100k to be transferred from 17/18
<b>Total For Secondary Schools</b>		<b>30,333,691</b>	<b>18,890,894</b>		<b>7,800,000</b>			<b>7,800,000</b>	<b>38,133,691</b>	
<b>Other Schemes</b>										
9999	DFC - Devolved Capital Formula	917,396	75,963						917,396	
FC02826	512a Heathway - Conversion to a Family Resource	19,323							19,323	
FC02906	School Expansion SEN Projects	164,138	25,931						164,138	
FC02909	School Expansion Minor Projects	87,344	5,821						87,344	
FC02972	Implementation of early education for 2 year olds	691,482	27,171						691,482	
FC02975	Barking Abbey Artificial Football Pitch	55,415							55,415	
FC02978	SMF 2013/14	63,306	22,103						63,306	
FC03013	UIFSM Project (Free School Meals)	5,862							5,862	
FC03042	Additional SEN Provision	250,000	56,143						250,000	
FC03043	Pupil Intervention Project (PIP)	276,759	339,888		123,241			123,241	400,000	Budget to be increased to £400k with funds being brought forward from 2017-18 budget as various projects are progressing ahead of schedule.
FC03010	SMF 2014/16	495,440	303,973						495,440	
FC03051	SMF 2015-17	1,500,000	1,034,005		1,000,000			1,000,000	2,500,000	Current years budget to be increased by £1m from future years due to number of schemes being delivered this year and before April 2017 intake.
<b>Total For Other schemes</b>		<b>4,526,465</b>	<b>1,966,961</b>		<b>1,123,241</b>			<b>1,123,241</b>	<b>5,649,706</b>	
<b>Total For Education, Youth and Childcare</b>		<b>51,800,744</b>	<b>30,898,725</b>	<b>(853,310)</b>	<b>9,223,496</b>	<b>39,308</b>	<b>(491,429)</b>	<b>7,918,065</b>	<b>59,718,809</b>	
<b>Total For Service Development &amp; Integration</b>		<b>54,323,744</b>	<b>31,324,920</b>	<b>(1,373,795)</b>	<b>9,223,496</b>	<b>39,308</b>	<b>(491,429)</b>	<b>7,397,580</b>	<b>61,721,324</b>	

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes	
<b>Customer, Commercial &amp; Service Delivery</b>											
<b>Environment Services</b>											
<b>Environment &amp; Enforcement</b>											
FC02873	Environmental Improvements & Enhancements										
FC02982	Consolidation & Expansion of CPZ	330,000	14,224	(180,000)				(180,000)	150,000	A number of other schemes have since been identified which we anticipate will be implemented before year end but will deliver in 2017-18; £180k has been reprofiled into next financial year.	
FC02999	Rippleside Cmtry Prov 2014-15		(10,400)								
FC03012	Environmental Asset Database Exp		(1,378)								
FC03030	Frizlands Phase 2 Asbestos Replacement	381,146	20,032						381,146		
FC03031	Highways & Environmental Design										
FC03065	HIP 2016-17 Footways & Carriageways	705,190	30,600						705,190		
FC03064	Street Lighting 2016-2019 : Expired Lighting Column Repl	976,005							976,005		
FC03011	Bridges & Structures	383,001	16,853						383,001		
	Park Infrastructure										
	Abeey Green Restoration										
FC03067	Abbey Green Works 2016-17	56,000				7,678		7,678	63,678		Transferred from Strategic Parks budget
FC02542	Capital Improvements	394,830	50,312						394,830		
FC03066	Parking ICT System	280,000	254,926						280,000		
FC02886	Parking Strategy Implementation		909								
FC02964	Road Safety Improvements - Environment Scheme	236,000	21,705						236,000		
<b>PGSS</b>											
FC03026	Old Dagenham Park BMX Track	226,136							226,136	Transferred to Abbey Green Project	
FC03034	Strategic Parks (Parks Infra - £160k & Play facility - £20k)	125,518	1,595				(7,678)	(7,678)	117,840		
<b>Total For Environmental Services</b>		<b>4,093,826</b>	<b>399,378</b>	<b>(180,000)</b>		<b>7,678</b>	<b>(7,678)</b>	<b>(180,000)</b>	<b>3,913,826</b>		
<b>ICT</b>											
FC03068	ICT End User Computing	1,356,000	1,160,955			344,000		344,000	1,700,000	Investment to be front loaded to deliver savings over 3 years - part of the Smarter Working Programme	
FC02738	Modernisation & Improvement Capital Fund	256,457	(60,430)						256,457		
FC02877	Oracle R12 Joint Services	307,465	11,433	(150,000)				(150,000)	157,465	Funds required to facilitate future Oracle change requests	
FC03052	Elevate ICT investment	1,000,000	196,487			1,221,000		1,221,000	2,221,000	Investment to be front loaded to deliver savings over 3 years - ICT Transformation	
FC03059	Customer Services Channel Shift	797,070							797,070		
<b>Total For ICT</b>		<b>3,716,992</b>	<b>1,308,445</b>	<b>(150,000)</b>	<b>1,565,000</b>			<b>1,415,000</b>	<b>5,131,992</b>		
<b>Total for Customer, Commercial &amp; Service Delivery</b>		<b>7,810,818</b>	<b>1,707,823</b>	<b>(330,000)</b>	<b>1,565,000</b>	<b>7,678</b>	<b>(7,678)</b>	<b>1,235,000</b>	<b>9,045,818</b>		

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>Finance &amp; Investment</b>										
<b>Chief Executive (CEO)</b>										
<b>Asset Strategy</b>										
FC02587	Energy Efficiency Programme	128,753		(100,000)				(100,000)	28,753	Scheme is in reactive phase so don't envisage the funds being used this financial year. The BTH refurbishment works to the North & East wings expected to complete in July 2017. As part of reprofiling only £3m budget is required in 2016/17 with remainder of budget reprofiled to 2017/18
FC02565	Implement Corporate Accommodation Strategy	4,168,714	980,380	(1,168,714)			(1,168,714)	3,000,000		
Total For Asset Strategy		4,297,467	980,380	(1,268,714)			(1,268,714)	3,028,753		
<b>Total for Finance &amp; Investment</b>		<b>4,297,467</b>	<b>980,380</b>	<b>(1,268,714)</b>			<b>(1,268,714)</b>	<b>3,028,753</b>		

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>Growth &amp; Homes</b>										
<b>Culture &amp; Sport</b>										
FC02870	Barking Leisure Centre 12-14	310,617	194,566						310,617	Due to the recent closure of the venue due to a serious fire in the adjacent sub-station, and uncertainty over when it will re-open, it has not been possible for the College to take forward the planning of their proposed improvement works. It is expected that it will be possible to provide a meaningful update during November 2016. At this time it is expected that the condition of the structure will be assessed during 2016/17.
FC03029	Broadway Theatre	500,000		(450,000)				(450,000)	50,000	
FC03060	Barking Learning Centre Works	171,000							171,000	
FC03062	50m Demountable Swimming Pool	1,700,000							1,700,000	
FC03032	3G football pitches in Parsloes Park	519,540	5,375						519,540	
FC03057	Youth Zone Development	1,000,000	166,000						1,000,000	
FC03079	Whitehouse Refurb	100,000							100,000	
	blue ones should be under growth and homes									
<b>Total For Culture and Sport</b>		<b>4,301,157</b>	<b>365,941</b>	<b>(450,000)</b>				<b>(450,000)</b>	<b>3,851,157</b>	
<b>Regeneration</b>										
FC02458	New Dagenham Library & One Stop Shop									
FC02821	Shopping Parade Enhancements									
FC03028	Chadwell Heath CCM (TfL)	811,650	369,956						811,650	
FC03027	Establishment of Council Owned Energy Services Company	100,000							100,000	
FC02901	Creekmouth Arts & Heritage Trail		3,570							
FC02902	Short Blue Place		3,711							
FC02926	Outer London Fund Round 2									
FC02969	Creative Industry ( formerly Barking Bathouse)	310,586		(275,000)				(275,000)	35,586	Only limited works will commence during this financial year, hence predicted underspend and roll forward of budget to 2017/18.
FC02962	Principal Road Maintenance	446,000	20,543						446,000	
FC02963	Mayesbrook Neighbourhood Improvement 2013-14		15,256							
FC02994	Renwick Road/ Choats Road 2014/15 (TfL)		9,281							
FC02995	Ballards Road / New Road 2014/15 (TfL)		32,620							
FC02996	Barking Town Centre 2014/15 (TfL)	620,800	555,665		157,500			157,500	778,300	The installation of the LED Catenery Lighting scheme has been accelerated and, therefore, external funding and s106 receipts earmarked for spending in 2017/18 will now be drawn down in the current year.
FC02997	A12 / Whalebone Lane (TfL)		1,354							
FC03000	MAQF Green Wall (TfL)		858							
FC03069	Barking Station Improvements	900,000							900,000	
FC03023	Bus Stop Accessibility	138,000							138,000	
FC03025	Gale Street Corridor Improvements	325,000	12,783						325,000	
FC02898	Local Transport Plans	46,000	113,660			98,000		98,000	144,000	Overspend relates to £98k additional approval from TfL in respect of route 145 bus stop improvements in Chequers Lane / Orion Park Scheme to be moved to revenue.
FC02841	Borough Cycle Programme	133,000					(133,000)	(133,000)		
FC03055	Barking Riverside Trans link	9,790,000	1,064,778	(490,000)				(490,000)	9,300,000	Likely underspend in current year to be rolled into 2017/18 as part of budget reprofiling exercise.
FC03015	Demolition of Former Remploy Site		10							
FC03050	Clockhouse Avenue/East Street Land purchase	37,016							37,016	
FC03072	Purchase of Sacred Heart Convent, 191 Goresbrook Road, Dagenham - to convert to homeless provision	3,000,000	2,793,650						3,000,000	
<b>Total For Regeneraion</b>		<b>16,658,052</b>	<b>4,997,695</b>	<b>(765,000)</b>	<b>157,500</b>	<b>98,000</b>	<b>(133,000)</b>	<b>(642,500)</b>	<b>16,015,552</b>	

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>General Fund Housing</b>										
FC03070	Boundary Road Hostel: Critical Needs Homelessness Assessment and Support Centre	875,250		(475,250)				(475,250)	400,000	Tenders are being assessed with work scheduled to commence in January 2017 - therefore as a precaution 60% of the budget has been reprofiled to next financial year.
FC02990	Abbey Phase II (EIB)	360,000							360,000	
FC02986	Gascoigne Estate 1 (EIB)	36,775,406	8,736,982						36,775,406	
FC03080	Acquisition of Royal British Legion									
FC03081	Barking Riverside Housing Zone									
FC02985	Gascoigne West (Housing Zone)	2,000,000	1,405,907		1,000,000			1,000,000	3,000,000	scheme is progressing ahead of schedule and as part of reprofiling exercise, £1m is being brought forward to 2016/17 budget from future years budget.
FC03082	Gurdwara Way - Land remediation					855,000		855,000	855,000	The GLA are funding this scheme. £855k budget added to scheme.
Total For General Fund Housing (GFH)		40,010,656	10,142,889	(475,250)	1,000,000	855,000		1,379,750	41,390,406	
<b>Total for Growth &amp; Homes</b>		<b>60,969,865</b>	<b>15,506,525</b>	<b>(1,690,250)</b>	<b>1,157,500</b>	<b>953,000</b>	<b>(133,000)</b>	<b>287,250</b>	<b>61,257,115</b>	
<b>Grand Total General Fund</b>		<b>127,401,894</b>	<b>49,519,648</b>	<b>(4,662,759)</b>	<b>11,945,996</b>	<b>999,986</b>	<b>(632,107)</b>	<b>7,651,116</b>	<b>135,053,010</b>	



Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>HRA</b>										
<b>CC&amp;D Investment In Stock</b>										
FC02811	Members Budget		(144)							
FC02849	High Rise Surveys									
FC02934	Roofs	116,139	37,224						116,139	
FC02935	Internal works - Multiple Elements									
FC02938	Fire Safety Improvements	15,300	(67,919)						15,300	
FC02939	Conversions	450,000	1,688	(400,000)				(400,000)	50,000	Two year programme currently being procured - £400k to be reprofiled to
FC02940	Door Entry 12/13 PHASE II									
FC02984	Block & Estate Modernisation		14,948							
FC03001	Decent Homes (North)		(360,765)							
FC03002	Decent Homes (South)	187,900	909,965						187,900	
FC03003	Decent Homes (Blocks)	76,000	(113,605)						76,000	
FC03004	Decent Homes (Sheltered)	33,200	(28,574)						33,200	
FC03005	Decent Homes Small Contactors		(5,000)							
FC03007	Windows	6,500	(10,500)	(2,100)				(2,100)	4,400	
FC03037	Energy Efficiency 2015-16	500,000	(11,097)						500,000	
FC03039	Estate Roads & Environment	750,000	(1,139)						750,000	
FC03040	Communal Repairs & Upgrades	650,000		(600,000)				(600,000)	50,000	Scheme scheduled to commence I new year - subject to satisfactory completion of leasehold consultation. £600k to be reprofiled to 2017-18.
FC03045	External Fabric – Blocks	3,200,000	26,046						3,200,000	
FC03046	Decent Homes (North) 2015-16	5,900,000	2,073,424						5,900,000	
FC03047	Decent Homes (South) 2015/16	7,900,000	1,126,313						7,900,000	
FC03048	Fire Safety Imp – 2015/16 To Be Allocated	1,627,000	1,206,830						1,627,000	
<b>R&amp;M Investment In Stock</b>										
FC00100	Aids & Adaptations	860,000	178,393						860,000	
FC02933	Voids	5,000,000	275,757						5,000,000	
FC02943	Asbestos Removal	900,000	660						900,000	
FC02950	Central Heating	1,600,000	26,274						1,600,000	
FC02983	Decent Homes Central	6,900,000	1,206,570						6,900,000	
FC03036	Dec Homes-Liaison Team/Surveys	90,000							90,000	
FC03038	Garages 2015-16	450,000	(17,409)						450,000	
FC03044	Fire Safety Works (R&M)									
FC03074	Estate Public Realm Improvements	800,000		(300,000)				(300,000)	500,000	It is anticipated that a proportion of this work will be carried out using in house labour resource - some works will be carried out and completed in 2017/18 -
FC03075	Door Entry Systems	100,000		(80,000)				(80,000)	20,000	Budget reprofiled as nominal costs to be incurred this financial year
FC03076	Window Replacements	100,000		(80,000)				(80,000)	20,000	Budget reprofiled as nominal costs to be incurred this financial year
FC03077	Internal Works	423,000		(273,000)				(273,000)	150,000	Capital works are being identified through responsive repairs and deferred to programme the work and capture the capital expenditure - therefore budget reprofiled into 2017/18 in essence of this.
<b>Total Investment In Stock</b>		<b>38,635,039</b>	<b>6,467,940</b>	<b>(1,735,100)</b>				<b>(1,735,100)</b>	<b>36,899,939</b>	

Project No.	Project Name	Original Budget 2016-17	Actual Expenditure as @ 1st Sept 2016	Slippage (to future year ie 2017/18)	Future years (2017/18) budget brought forward	Additional Funding Added to scheme	Funding Removed from scheme			Notes
<b>Regen</b>	<b>Estate Renewal</b>									
FC02820	Estate Renewal	8,000,000	3,796,344						8,000,000	
FC02858	Demolition (all)									
	<b>Total Estate Renewal</b>	<b>8,000,000</b>	<b>3,796,344</b>						<b>8,000,000</b>	
<b>Regen</b>	<b>New Build schemes</b>									
FC02823	Council Housing Phase 3		79							
FC02916	Lawns & Wood Lane		52,885							
FC02917	Abbey Phase I		2,500							
FC02931	Leys Phase I (inc Crown)	8,550,000	3,436,768						8,550,000	
FC03071	Modular Programme	1,000,000	1,000						1,000,000	
FC02961	Goresbrook		101,214							
FC02970	Marks Gate	414,997	662,735						414,997	
FC02973	Infill Sites	1,784,100	25,896	(1,000,000)				(1,000,000)	784,100	£1m of budget to be reprofiled to next year as scheme is phased to deliver over the next 18 months.
FC02988	Bungalows (Stansgate,Mrgt Bon)	515,864	(14,534)				(415,864)	(415,864)	100,000	Project near completion - awaiting payment of retention. Likely to have budget underspend of approx £415k
FC02989	Ilchester Road		125,519							
FC02991	North St / Ilchester	3,750,000	10,908	(1,000,000)				(1,000,000)	2,750,000	The budget has been revised to indicate what can be delivered in 2016/17, the balance would be required in 2017/18.
FC03009	Leys Estate Phase II	6,000,000	223,262	(3,000,000)				(3,000,000)	3,000,000	Site possession is due in September and remediation of the site will commence with groundworks due to commence in the new year. £3m of budget has been reprofiled to next year and remaining budget indicates what Tenders have also now been dispatched and tenders are also expected back during October with an appointment anticipated during November 2016. The budget has been reprofiled by £300k to indicate what can be delivered in 2016/17, the balance would be required in 2017/18.
FC03056	Burford Close	600,000	3,463	(300,000)				(300,000)	300,000	It is anticipated that the successful contractor will be appointed during November 2016. The budget has been revised to indicate what can be delivered in 2016/17, the balance would be required in 2017/18.
FC03058	Kingsbridge To be Allocated	3,000,000	169,278	(2,600,000)				(2,600,000)	400,000	
	<b>Total New Build</b>	<b>25,614,961</b>	<b>4,800,973</b>	<b>(7,900,000)</b>			<b>(415,864)</b>	<b>(8,315,864)</b>	<b>17,299,097</b>	
FC03073	Housing Transformation	1,750,000		(1,290,000)				(1,290,000)	460,000	Budget reprofiled by £1.29m to next year as it is anticipated not all the spend will be incurred this financial year.
<b>Total for HRA</b>		<b>74,000,000</b>	<b>15,065,257</b>	<b>(10,925,100)</b>			<b>(415,864)</b>	<b>(11,340,964)</b>	<b>62,659,036</b>	
<b>TOTAL CAPITAL PROGRAMME</b>		<b>201,401,894</b>	<b>64,584,905</b>	<b>-15,587,859</b>	<b>11,945,996</b>	<b>999,986</b>	<b>-1,047,971</b>	<b>-3,689,848</b>	<b>197,712,046</b>	

## CABINET

15 November 2016

<b>Title:</b> Budget Strategy 2017/18 to 2020/21	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Kathy Freeman, Finance Director	<b>Contact Details:</b> Tel: 020 8227 3497 E-mail: <a href="mailto:Kathy.freeman@lbbd.gov.uk">Kathy.freeman@lbbd.gov.uk</a>
<b>Accountable Director:</b> Kathy Freeman, Finance Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<b>Summary</b>	
<p>This report presents the Council's Medium Term Financial Strategy for 2017/18 to 2020/21.</p> <p>The Council faces an unprecedented financial challenge: Government cuts the likes of which have not been seen since the second world war and year on year increases in demand for services as the Borough's population grows and as it gets simultaneously older and frailer and, also, younger. Gone are the days when the budget process could be an annual affair confined to the winter months of the year. Today it is a year-round process of near constant test, challenge and refinement as funding assumptions ebb and flow and as long term savings proposals mature and deliver. In this context, it is also about the judicious use of carefully managed reserves and balances to help smooth the short-term impact of changes to funding and the delivery of long-term savings so that services are protected.</p> <p>It is in this context that the report updates Cabinet on changes to the Council's medium term financial position since July 2016 as further information, particularly about funding has become available and, as savings proposals have been further tested and refined.</p> <p>Appendix 2 sets out the Council's expenditure by service blocks for 2017/18. These will form the basis of the Council's budget consultation exercise. Alongside the combination of savings that were widely consulted upon as part of the finalisation of the Ambition 2020 recommendations (April to July 2016), the Council also intends to protect services during 2017/18 by drawing down on reserves and utilising one off funds, in order to achieve a balanced position – something that we will also consult upon as part of the budget consultation exercise.</p> <p>This report has been written in advance of the Chancellor's Autumn Statement and also before publication of the Local Government Finance Settlement (due in December 2016). Both announcements may require changes to our strategy and these will be incorporated in the statutory Budget Framework report, which will be presented to Cabinet in February.</p>	

It is important to note that since July, there have been a number of changes to the funding assumptions which have impacted the projected 2017/18 budget gap. Further changes announced to the Education Services Grant and potential changes to the multiplier for business rates have now been built into the assumptions, increasing the budget gap reported in July from £5.344m to £7.250m. The Government are also consulting on changing how New Homes Bonus will be paid in 2017/18. No further updates have been announced since the consultation closed in Summer so the MTFS assumes no reductions on the New Homes Bonus at this stage, but this remains a risk.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Note the latest position regarding the Council's Budget Strategy 2017/18 to 2020/21, as summarised in the report;
- (ii) Note that the projected revised savings arising from the Transformation Programme had increased by £2.4m to £47.9m overall as outline business cases were tested and challenged through to becoming final business cases and that, through the same testing and challenge process, the benefits from the programme anticipated to be delivered in 2017/18 were now £9.275m;
- (iii) Note that the savings from the Transformation Programme would be finalised as final business cases were completed in December 2016/January 2017;
- (iv) Note that the final business cases would provide details of the implementation costs of the Transformation Programme that had yet to be factored into the MTFS;
- (v) Note that the impact of changes to Government funding and likely changes to the NNDR multiplier had increased the funding gap in 2017/18 by £1.967m;
- (vi) Note that changes in the income and assumptions have been based on the best known information at the present time, in advance of the Autumn Statement and the Local Government Finance Settlement;
- (vii) Approve the changes to the Medium Term Financial Strategy as outlined in sections 3 to 6 and Appendix 2 of the report; and
- (viii) Agree that an 8-week budget consultation exercise be commenced on the proposed Council expenditure on each service block and how the Council intended to set a balanced budget for 2017/18.

### **Reason(s)**

Effective financial planning underpins the Council's ability to achieve its vision of becoming London's Growth Opportunity and a well run organisation.

## 1 Introduction and Background

- 1.1 Cabinet in July approved changes to the Council's Medium Term Financial Strategy which set out the financial changes/pressures known at the time.
- 1.2 The July report saw an increase of the Council's budget gap from £63m as presented to Assembly in February 2016, to £66m, due to worsening assumptions on funding reductions, additional pressures and growth to the budget.
- 1.3 Cabinet in April received the concluding recommendations of the Council's Ambition 2020 Programme. As Members will recall, this was a year-long exercise designed to discern savings and service improvements that could be delivered without the need for traditional service cuts or a 'salami slicing' approach to budget setting. Following a three-month consultation on all recommendations, Cabinet agreed to proceed with their implementation at the end of July. Since that time officers have been further testing and refining these proposals bringing their implementation together into a single 'transformation' programme of change that also includes other corporate priorities such as the Council's Smarter Working (office reduction) programme and some key recommendations of the Growth Commission. Working in this way brings greater visibility and transparency to the implementation process and helps to manage the risks of double counting, missed dependencies and cost overruns. Based on the high-level outline business cases available to inform the Cabinet report in July, savings anticipated to be delivered through implementation of the transformation programme, were predicted to be £45.5m per year by 2020/21 and some £9.282m per year in 2017/18.
- 1.4 Table 1 below shows the budget gap and revised savings presented to July Cabinet in the MTFS update report:

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
Gap – February 2016	19,801	15,844	13,977	13,395	63,017
<b>Potential Gap – July 2016</b>	<b>14,626</b>	<b>18,169</b>	<b>16,977</b>	<b>16,395</b>	<b>66,167</b>
Expected savings	9,282	13,239	7,844	15,155	45,520
<b>Revised gap after A2020</b>	<b>5,344</b>	<b>4,930</b>	<b>9,133</b>	<b>1,240</b>	<b>20,647</b>

- 1.5 Following further testing and scrutiny by Strategic Directors and their interim Commissioning Directors, the budget gap for 2017/18 was revised downwards from £19.8m to £14.6m by removing inflationary growth, delaying increasing the interest budget and stripping out an element of the growth for demographic pressures. While recognising that such an approach increases the inherent risks to service budgets (from years of managing growth and inflationary pressures), it is an approach that also reduces the level savings that the Council is required to make and the counter risk of having to cut services prematurely. Accordingly, Cabinet agreed these changes at their meeting in July.

- 1.6 Cabinet in July approved for the remaining £5.344m budget gap for 2017/18 to be balanced by using a drawdown from reserves, cashable in-year savings from the voluntary redundancy process (projected before the scheme was concluded), and a small number of additional potential in-year savings that could be delivered in this financial year.
- 1.7 Table two below outlines the impact of the decisions taken by Cabinet in July on the medium term financial plan as projected at that point in time:

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
<b>Revised gap after implementation of outline business case proposals</b>	<b>5,344</b>	<b>4,930</b>	<b>9,133</b>	<b>1,240</b>	<b>20,647</b>
<b>Budget gap c/f 17/18</b>		<b>5,344</b>			
Projected cashable savings VR as anticipated at the point of report writing	2,100				
Anticipated additional cashable in year 16/17 savings	944				
Drawdown from reserves	2,300				
<b>Revised gap after adjustment</b>	<b>0</b>	<b>10,274</b>	<b>9,133</b>	<b>1,240</b>	<b>20,647</b>

## 2 Update on the Transformation Programme savings

- 2.1 Since July, further work has been carried out to refine, test and challenge the outline business cases (that formed the basis of the projected savings in the July report to Cabinet) as work is concluded on the development of final business cases. Most business cases will be finalised by the end of January 2017. At the time of writing the impact as seen the overall projected savings rise by £2.4m per from £45.5m to £47.9m with a slight reduction from £9.282m to £9.275m in 2017/18.
- 2.2 Table 3 below shows the impact of these changes compared to savings forecast in July.

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
Expected savings July 2016	9,282	13,239	7,844	15,155	<b>45,520</b>
Expected savings November 2016	9,275	11,344	12,784	14,538	<b>47,941</b>
<b>Differences in savings expected</b>	<b>7</b>	<b>1,895</b>	<b>(4,940)</b>	<b>617</b>	<b>(2,421)</b>

- 2.3 As noted above, the July report to Cabinet set out the potential to exploit some additional in-year savings that could then be carried forward to mitigate the budget gap in 2017/18. The majority of this projected sum of £0.994m came from additional parking income of £0.6m and income from Legal Services of £0.3m. Upon closer scrutiny by both the incoming Operational Director: Enforcement, and colleagues in Finance, the figure attributable to parking is found to have been a double count with income increases already included in the base budget. Income increases achieved by the Legal services are now being used to help mitigate in-year budget pressures as set out in the budget monitoring report elsewhere on this agenda.
- 2.4 The Council's Voluntary Redundancy exercise concluded at the end of July 2016 with final decisions about some applications not being concluded until September. It was obviously important to ensure that the desire of staff to leave, the protection this afforded to colleagues otherwise at risk of compulsory redundancy and the need to maintain service delivery were carefully balanced. At the end of June, based on the number of applications received, a projection of £2.1m of in-year savings was included in the July update. On conclusion of the scheme, slightly fewer posts were released and accordingly the level of in-year savings reduced to £1.8m.
- 2.5 It is important to stress that, the majority of final business cases currently in development will not be concluded until the end of January 2017. The savings outlined above are predicated on a number of assumptions and the best information known at the time of drafting this report. Some changes to the numbers should therefore be anticipated as the organisation moves through verification through to implementation.
- 2.6 Any such changes will need to be reflected in the Council's Budget Framework report which will be presented to Cabinet in February and then onto Assembly for ratification.
- 2.7 A copy of the MTFS reported to Cabinet in July as attached as Appendix 1 to this report.

### **3 In year budget pressures and impact on the 2017/18 budget**

- 3.1 There are still two main risks in the 2016/17 that will have a knock-on impact on the 2017/18 budget.
- 3.2 The impact of programme SAFE has been positive. Providing all the actions are delivered as per the recovery plan (reported to Cabinet in regular budget monitor reports) then Children's Care and Support should be on track to deliver a balanced budget for 2017/18. This will represent a tremendous achievement given that just thirteen months ago, the service was reporting a potential overspend of £11m. The main risk here is assuming no changes in current demographic profile. Children's Care and Support will also be delivering savings of £0.49m through further reductions of looked after children placements.
- 3.3 As reported in the quarter 1 and 2 monitoring reports the homelessness service is experiencing a significant overspend this year due to changes in Government policy and the rapid increase in rental prices in the Borough. In particular, the fact that two thirds of private sector rented (PSR) accommodation is no longer cost neutral to the

Council. Previously, the cost of PSR accommodation could be covered by housing benefit. However, towards the end of the last financial year and the beginning of this, a tipping point of rental increases was breached, leading to a pressure for the Council. Since the spring, officers have been working on a detailed recovery plan and as result of this work policy change options are being considered by Cabinet that will in time support the management down of this overspend. At this juncture, it is anticipated that a proportion of this overspend position will carry forward into next year. Work is on-going in this area and accordingly it is proposed that growth of £1.8m be included in the MTFS to cover a large element of this pressure.

#### **4 Changes to the July 2016 Medium Term Financial Strategy**

##### **Council Tax base increase**

- 4.1 The July MTS assumed a prudent increase of c500 properties for 2017/18. The latest Council Tax base numbers show an increase of c1500 properties over and above the MTFS assumptions. The increase is not as a result of additional properties built in the borough, but as a result of a recent audit undertaken that has significantly reduced the number of single person discounts awarded, thereby increasing the Tax base. These numbers will be confirmed by the Council Tax base numbers produced on the statutory date of 30<sup>th</sup> November to determine the Council's tax base for the preceding year. The Council Tax base report will be presented to Cabinet for approval in January. The estimated increase in the Tax base equates to an additional £1.5m to what was assumed in the MTFS in July and a further £0.1m from the planned increases to Council Tax.

##### **Changes to the Education Services Grant**

- 4.2 Shortly after the July MTFS update report was presented to Cabinet, the Department for Education (DfE) announced further changes to the Education Services Grant. The MTFS had already assumed a reduction of £1.4m for 2017/18, however, following announcements made in Summer, it is likely that all the Education Services Grant will be cut from 2017/18. The DfE will be transferring £0.6m of the grant to the Dedicated Schools Grant which effectively ring fences this grant solely for the purposes for Education. To mitigate the transfer of £0.5m into the DSG, corresponding income from the General Fund for statutory education expenditure will be also transfer into the DSG. The DfE have indicated that there will be an element of transitional protection to reduce the loss of grant in 2017/18, but no further details have been received to date. The net impact of these changes is a further grant decrease of £0.8m.

##### **Proposed changes to the Business Rates revaluation**

- 4.3 The effect of the recent revaluation of Business Rates has seen an increase in London on average of 24%. Barking and Dagenham's revaluation is one of the lowest in London, at 8%. At present, any effect of revaluations is cancelled through a corresponding adjustment in the top up grant/levy. The effects of future revaluations are yet to be determined as the Government works through responses to the Business Rates consultation exercise which closed on the 26<sup>th</sup> September. However, potential changes to the multipliers for businesses may mean reduce the level of business rates collected by the Council. The Government are proposing to decrease the multipliers and also increase the threshold before small businesses



have to pay business rates. Taking these factors into consideration, the potential reduction in collectible business rates may reduce by £1.5m to £2m, of which the impact to Council will be 30% or £0.5m to £0.67m. This has been added as a pressure in 2017/18. Changes to the business rates system will be announced during the Autumn Spending Review 2016.

#### **Potential changes to the ELWA levy**

- 4.4 The MTFS in July assumed an increase of £0.32m on the ELWA levy. However, given the increase in Council Tax base, a further increase of £0.33m has been assumed for 2017/18. The final ELWA levy will not be known until January/February.

#### **Potential changes to the New Homes Bonus**

- 4.5 In Summer, the Government consulted on potential changes to how New Homes Bonus should be paid. There were several models being consulted upon, proposing to reduce the number of years New Homes Bonus should be paid (from six years to four years), and reducing the amount of New Homes Bonus that will be paid, as well as reducing the length of time it is paid over. No further announcements have been since the consultation closed in summer so the MTFS assumes no reductions to the level of New Homes Bonus for 2017/18. However, if the Government proposes to reduce New Homes Bonus to be paid over four years, this could potentially reduce the grant by £1.7m. This has not been factored into the MTFS assumptions, given the lack of certainty over which of the models proposed is likely to be implemented.

#### **Improved Better Care Fund**

- 4.6 Further guidance was issued in Summer about the Improved Better Care Fund which indicates that this is additional funding allocated to Local Authorities for Adult Social care. The additional income has now been factored into the MTFS.

#### **Staff pay awards & other adjustments**

- 4.7 The MTFS currently factors £1m for staff pay awards for 2017/18, to reflect a 1% increase in salaries for next year. Given the number of funding changes since July, and other increased costs, such as the land development acquisition budget and the homelessness pressure that is now likely to continue into 2017/18, it is proposed that increases to staff pay awards are managed within existing service block budgets.

#### **Adult demographic pressures**

- 4.8 Following a review of the demographic and other pressures impacting on Adult Care & Support, the £0.4m set aside to fund demand led increases has been removed from the MTFS.

#### **Children's demographic pressures and Implications of the Care Act**

- 4.9 Similarly following a review of the demographic and other pressures impacting on Children's Care & Support, £0.5m set aside to fund demand led increases has been removed from the MTFS. This should also be cited as a success of the SAFE

programme. Further analysis of the implications of the Care Act has led to the removal of £0.1m from the MTFS. The £0.6m will be used to fund other demographic pressures.

### **Clean and Green staffing pressures**

- 4.10 The interim management structure introduced in April 2016 has brought greater clarity and clear accountability of expenditure within the different service blocks. As a result of separating the services, a large staffing budget shortfall has been identified which has previously been subsidised by holding back spend in other areas for a number of years. Due to this level of transparency, a base budget pressure on the Clean and Green staffing budget of £0.591m has been identified. The MTFS seeks to resolve this pressure on an on-going basis, so there is sufficient budget available to provide the standard of service expected.

## **5 Autumn Statement 2016**

- 5.1 This report is being written in advance of the Chancellor's Autumn Statement, as there are a number of unknowns for local government at this stage.
- 5.2 Any change that has a significant impact on the Council's budget for 2017/18 will be incorporated as part of the February 2017 Budget Framework report.

## **6 Implementation costs of the savings proposals and land development acquisition strategy**

- 6.1 In order to deliver the level of savings required to achieve agreed savings, sums will need to be set aside to pay for the costs of implementation. Implementation costs are currently being calculated and will be incorporated as part of the final business cases. A number of costs are capital which will follow the Council's capital bid process. For 2017/18, the Council has set aside £1.4m of interest and borrowing costs to fund both capital works across the Council and capital investment required to implement savings. Scaled up, this equates to approximately £15m of investment in the Council's capital programme. In order to prioritise the total funding available, all capital bids will be managed through the same process. A report outlining the proposed bids will be presented to Cabinet for approval in December 2016.
- 6.2 One of the largest savings targets being governed through the transformation programme relates to the implementation of the Council's Investment strategy, which is elsewhere on this agenda. In order to generate the revenue income and returns required towards the budget gap, an element of investment is fundamental to the realisation and delivery of the Investment Strategy. By 2020/21, the Investment Strategy is expected to deliver to c£5.2m of net income, per year. To generate this level of income requires the Council to own freehold interest in land throughout the Borough. Until the land is developed, the holding costs of the capital purchases such as interest will be a pressure on the revenue budget. Interest costs alone for the recent sites acquired total £1.0m with provision of a further £0.5m in 2018/19. Finance officers will seek to manage the Council's cash flow to mitigate interest costs.

## 7 Revised Medium Term Financial Strategy

7.1 Incorporating all the changes outlined in the sections 3 to 6 above, the revised MTFS by 2020/21 now has a budget gap of £16.5m.

7.2 Table 4 below shows the impact to the MTFS per year (pressures are shown as positive numbers, income increases are shown as negative numbers):

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
Gap – July 2016	14,626	18,169	16,977	16,395	66,167
Homelessness budget growth	1,800				1,800
Staff pay award	(900)				(900)
Reduce Adults demand pressure	(400)				(400)
Reduce Children's demand pressure	(500)				(500)
Reduction in the Implications of the Care Act pressure	(100)				(100)
Potential impact of demographic pressures	600				600
Increase in ELWA Levy	330				330
Education Services grant	849	(1,000)	(1,000)	(270)	(1,421)
Business Rates revaluation	667				667
Council Tax base increase and 1.99% Increase	(1,638)	(94)	(84)	(73)	(1,889)
Clean and Green Establishment pressure	591				591
Land development acquisition	1,000	500			1,500
Improved Better Care Fund	(400)	(1,000)	(2,000)		(3,400)
<b>Potential Gap (Revised)</b>	<b>16,525</b>	<b>16,575</b>	<b>13,893</b>	<b>16,052</b>	<b>63,044</b>

## 8 Balancing the 2017/18 budget and revised budget gap to 2020/21

8.1 Table 4 above sets out the revised budget gap, taking into account changes outlined in sections 3 to 6 of this report.

8.2 Table 5 below shows the revised budget gap after considering the revised savings as at November 2016, which will require further scrutiny as final business cases are

developed to ensure that the savings put forward are robust and deliverable for 1<sup>st</sup> April 2017 where stated.

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
Gap – July 2016	14,626	18,169	16,977	16,395	66,167
<b>Potential Gap – Nov 2016</b>	<b>16,525</b>	<b>16,575</b>	<b>13,893</b>	<b>16,052</b>	<b>63,044</b>
Expected savings governed by the transformation programme	9,275	11,344	12,784	14,538	47,941
<b>Revised gap after savings</b>	<b>7,250</b>	<b>5,231</b>	<b>1,109</b>	<b>1,514</b>	<b>15,104</b>
<b>Cumulative budget gap</b>		<b>12,481</b>	<b>13,590</b>	<b>15,104</b>	

- 8.3 In order to accommodate these changes, it is proposed that balances built up in the Council's Collection Fund be drawn down as a one off cashable amounts to balance the 2017/18 budget. This approach brings with it risks in so far as this amount will not be available as a contingency to help manage future budget pressures, including the risk of future losses to the Collection fund.
- 8.4 Table 6 below summarises how the 2017/18 gap will be addressed and also the knock on impact of this approach in future years, particularly 2018/19.

Pressure £'m	2017/18	2018/19	2019/20	2020/21	Total
<b>Revised gap after savings</b>	<b>7,250</b>	<b>5,231</b>	<b>1,109</b>	<b>1,514</b>	<b>15,104</b>
<b>Budget gap c/f 17/18</b>		<b>7,250</b>			
Use of collection fund surplus	3,150				
Cashable savings VR	1,800				
Drawdown from reserves	2,300				
<b>Revised cumulative gap after adjustment</b>	<b>0</b>	<b>12,481</b>	<b>13,590</b>	<b>15,104</b>	

## 9 Summary, conclusions and next steps

- 9.1 The adjustments to the MTFS set out in this report have now been applied to the service expenditure blocks. This is shown in Appendix 2 to this report.
- 9.2 The changes to the MTFS see projected savings over the course of period rise from £45.5m overall to £47.9m, but projected changes to the profile of those savings set out in this report require the Council to direct an additional £3.2m of one off funding into the 2017/18 to retain a balanced position. The cumulative impact of these changes increases the projected for 2018/19 from £10.3m to £12.5m. Offices are already working on proposals to close this cap and an update to Cabinet will follow in due course. An updated MTFS is attached as Appendix 3 of this report.

- 9.3 Final business cases and autumn CSR and LG settlement will no doubt change the numbers and assumptions in this report. Final changes will be incorporated in the February budget Framework.

## **10 Financial implications**

- 10.1 Financial implications feature throughout this report

## **11 Legal implications**

Implication completed by Dr Paul Feild, Senior Governance lawyer

- 11.1 This report sets out the Council's Medium Term Financial Strategy. The Director of Finance has a statutory duty, under Section 151 of the Local Government Act 1972 and Section 73 of the Local Government Act 1985, to ensure that there are proper arrangements in place to administer the Council's financial affairs.
- 11.2 Furthermore the Local Government Act 1999 places a duty on the Council as a 'Best Value' authority to secure continuous improvement in the way its functions are exercised to secure economy, efficiency and effectiveness. The MTFS is linked in to the overall corporate strategy led by the Ambition 2020 plan. Setting challenging key performance indicators are a necessary component of effective performance management.
- 11.3 The Council is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. As set out in this report, the projected MTFS outlook takes place in the context of significant and widely known reductions in public funding to local authorities. Inevitably over a period while allowances and contingencies may be made, the MTFS is inevitably going to need ongoing review and adjustment. Should the need emerge to make reductions or changes in service provision as a result of changes in the financial position, the Council may vary its policy and consequent service provision to engage with the change. However, it must at the same time have regard to public law considerations in making any such decisions that it is properly informed including carrying out appropriate consultation with interested parties. This is necessary to avoid or defeat any challenge by judicial review and in any event Members will also wish to ensure adherence as part of good governance. Should such steps be required, then specific legal advice will be available on the detailed implementation of savings options.

## **12 Risk management**

- 12.1 Setting a balanced budget is a statutory requirement. Although the Council is proposing to deliver a balanced budget for 2017/18, this would be achieved through the use of one-off cash, a drawn down from reserves and also by using the Collection Fund surplus.
- 12.2 This poses immediate risks to the 2018/19 budget setting process as the gap has now widened by c£3m, notwithstanding that savings projected over the course of the MTFS have increased from £45.5m overall to £47.9m.

**Public Background Papers used in the preparation of the report: None**

**List of appendices**

- Appendix 1 - Medium Term Financial Strategy 2017/18 to 2020/21 – July 2016
- Appendix 2 - Proposed expenditure levels by service block 2017/18
- Appendix 3 - Revised Medium Term Financial Strategy 2017/18 to 2020/21 – November 2016
- Appendix 4 – Savings per Transformation Programme work stream by year

## Appendix 1

### Medium Term Financial Strategy - Summary Position 2016/17- 2020/21 - July 2016

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Prior Year (Surplus) / Deficit</b>	<b>(565)</b>	<b>0</b>	<b>5,344</b>	<b>4,930</b>	<b>9,133</b>
<b>Budget Increases</b>					
Investment in the capital programme	1,000	1,400	900	900	900
Staff pay award and capacity building	2,000	1,000	1,000	1,000	1,000
ELWA levy increase	626	320	440	350	350
Increased contribution to Pension Fund deficit	650	-	650	325	325
Apprenticeship levy	-	675	-	-	-
Non staff inflation	-	-	2,100	2,100	2,100
Delaying of interest costs	-	1,000	2,000	-	-
Children's demand led increase	1,000	1,200	1,300	1,200	1,100
Increased demand for Adult social care	-	400	500	700	800
Implications of the Care Act 2014	1,044	219	45	377	-
Increase in employers' NI contributions	2,000	-	-	-	-
Adults precept 2% Ctax increase	890	919	949	980	1,012
Delayed implementation of Leisure Trust	1,000	-	-	-	-
Oracle and ICT hosting, LLW	690	-	-	-	-
National minimum wage - corporate contracts	120	-	-	-	-
Potential impact of funding and levy changes	1,269	-	-	-	-
Potential impact of new legislation	-	-	2,000	2,000	2,000
Potential impact of demographic pressures	-	(19)	1,225	1,133	1,760
CAB & Thurrock		500			
Strategy		750			
<b>Total Additional Costs</b>	<b>12,289</b>	<b>8,364</b>	<b>13,109</b>	<b>11,065</b>	<b>11,347</b>
<b>Changes in Income &amp; Funding</b>					
Government Grants	8,452	7,230	4,410	7,380	7,002
Reduction in HB admin grant	96	-	-	-	-
Education Services Grant	(140)	1,440	1,000	1,000	270
New Homes Bonus Grant	(3,184)	-	2,137	100	428
Reversal of Council tax and NNDR surplus	1,718	-	-	-	-
Increase in rates retention income	(1,485)	-	-	-	-
Council Tax and NNDR surplus	-	-	-	-	-
1.99% increase in Council Tax	(890)	(919)	(949)	(980)	(1,012)
2% increase in Council Tax Adult social care precept	(890)	(919)	(949)	(980)	(1,012)
Increase in Council Tax Base	(3,346)	(570)	(589)	(608)	(628)
Income from Business Rates Pooling	300	-	-	-	-
Transfer of industrial sites for residential use	500	-	-	-	-
<b>Total Changes in Income</b>	<b>1,131</b>	<b>6,262</b>	<b>5,060</b>	<b>5,912</b>	<b>5,048</b>
<b>In year Budget Gap</b>	<b>12,855</b>	<b>14,626</b>	<b>18,169</b>	<b>16,977</b>	<b>16,395</b>
<b>Savings</b>					
Savings approved by Cabinet Dec 2014	(12,855)	(9,282)	(13,239)	(7,844)	(15,155)
<b>Total Savings</b>	<b>(12,855)</b>	<b>(9,282)</b>	<b>(13,239)</b>	<b>(7,844)</b>	<b>(15,155)</b>
<b>In Year Budget Gap Including Savings</b>	<b>0</b>	<b>5,344</b>	<b>4,930</b>	<b>9,133</b>	<b>1,240</b>
<b>Other Adjustments</b>					
Cashable savings VR		(2,100)	2,100		
Cashable in year 16/17 savings		(944)	944		
Drawdown from Reserves		(2,300)	2,300		
<b>Revised Budget Gap after other adjustments</b>	<b>0</b>	<b>0</b>	<b>10,274</b>	<b>9,133</b>	<b>1,240</b>
<b>Cumulative Budget Gap including Savings</b>	<b>0</b>	<b>0</b>	<b>10,274</b>	<b>19,407</b>	<b>20,647</b>

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**APPENDIX 2**  
**2017/18 Budgets by Service Blocks**

Department/Service Block	GROSS EXPENDITURE 2016-17	GROSS INCOME 2016-17	BASE BUDGET 2017-18	LESS RECHARGES AND CAPITAL CHARGES	NET CONTROLLABLE BUDGET 2017-18	A2020 SAVINGS	MTFP GROWTH/ADJUSTMENTS	2017-18 Budget	Notes
<b>CENTRAL</b>									
CENTRAL EXPENSES	1,570,620		1,570,620	23,178,100	24,748,720	(442,260)	220,000	24,526,460	CAB/Thurrock Payment
<b>CUSTOMER, COMMERCIAL &amp; SERVICE DELIVERY DEPARTMENT</b>									
CLEAN & GREEN	18,960,510	(11,461,400)	7,499,110	(1,503,900)	5,995,210	(733,400)	591,000	5,852,810	C&G Establishment Pressures
ELEVATE CLIENT UNIT	26,874,370	(13,428,840)	13,445,530	4,560,020	18,005,550	(424,300)		17,581,250	
ENFORCEMENT	25,444,540	(14,187,110)	11,257,430	(11,080,570)	176,860	(407,250)		(230,390)	
	<b>71,279,420</b>	<b>(39,077,350)</b>	<b>32,202,070</b>	<b>(8,024,450)</b>	<b>24,177,620</b>	<b>(1,564,950)</b>	<b>591,000</b>	<b>23,203,670</b>	
<b>FINANCE &amp; INVESTMENT DEPARTMENT</b>									
ASSETS & INVESTMENT	8,471,740	(11,264,470)	(2,792,730)	4,352,290	1,559,560	(751,900)	0	807,660	
FINANCE, ASSURANCE AND COUNTER FRAUD	157,473,462	(153,284,662)	4,188,800	(1,496,800)	2,692,000	(252,060)		2,439,940	
STRATEGY & PROGRAMMES	2,415,150	(2,162,730)	252,420	1,684,550	1,936,970		1,030,000	2,966,970	Includes Housing Benefit Expenditure and Income Strategy and £280k for CAB/Thurrock
	<b>168,360,352</b>	<b>(166,711,862)</b>	<b>1,648,490</b>	<b>4,540,040</b>	<b>6,188,530</b>	<b>(1,003,960)</b>	<b>1,030,000</b>	<b>6,214,570</b>	
<b>LAW &amp; GOVERNANCE DEPARTMENT</b>									
LAW & GOVERNANCE	8,711,810	(8,092,890)	618,920	5,087,460	5,706,380	(610,640)		5,095,740	
<b>GROWTH &amp; HOMES DEPARTMENT</b>									
CULTURE & RECREATION	5,783,390	(1,447,300)	4,336,090	(1,134,100)	3,201,990	(82,253)		3,119,737	
GROWTH, HOMES & REGENERATION	6,694,220	(5,746,410)	947,810	(760,280)	187,530	(297,124)		(109,594)	
HOUSING GENERAL FUND	21,820,200	(20,853,300)	966,900	(2,236,400)	(1,269,500)	(115,423)	1,800,000	415,077	Homelessness demand and cost pressures
	<b>34,297,810</b>	<b>(28,047,010)</b>	<b>6,250,800</b>	<b>(4,130,780)</b>	<b>2,120,020</b>	<b>(494,800)</b>	<b>1,800,000</b>	<b>3,425,220</b>	
<b>SERVICE DEVELOPMENT &amp; INTEGRATION DEPARTMENT</b>									
ADULTS SERVICES	70,263,880	(25,996,480)	44,267,400	(5,467,640)	38,799,760	(3,840,000)	1,147,000	36,106,760	ASC Precept and Care Act funding
PUBLIC HEALTH	20,533,850	(19,253,560)	1,280,290	(397,390)	882,900	(259,739)		623,161	
CHILDREN'S COMMISSIONING, EDUCATION, YOUTH & CHILDCARE	88,183,214	(26,470,524)	61,712,690	(15,340,920)	46,371,770	(885,803)	(611,000)	44,874,967	Education cost transfer to DSG
TRADED SERVICES	15,150,120	(14,387,400)	762,720	555,580	1,318,300	(173,023)		1,145,277	
	<b>194,131,064</b>	<b>(86,107,964)</b>	<b>108,023,100</b>	<b>(20,650,370)</b>	<b>87,372,730</b>	<b>(5,158,565)</b>	<b>536,000</b>	<b>82,750,165</b>	
<b>OTHER</b>									
DEMOGRAPHIC GROWTH							1,281,000	1,281,000	
CAPITAL INVESTMENT & FINANCING COSTS							2,300,000	2,300,000	£1.4m capital investment and £1m financing costs
PAY AWARD/APPRENTICESHIP LEVY							875,000	875,000	£1m pay inflation and £675k apprenticeship levy
LEVIES							650,000	650,000	ELWA Levy
LAND ACQUISITION							1,000,000	1,000,000	Land Acquisition i.e. Sainsburys
							<b>6,106,000</b>	<b>6,106,000</b>	
<b>Total General Fund Budgets</b>	<b>484,649,166</b>	<b>(328,037,076)</b>	<b>150,314,000</b>		<b>150,314,000</b>	<b>(9,275,175)</b>	<b>10,283,000</b>	<b>151,321,825</b>	
<b>Dedicated Schools Grant DSG</b>	<b>244,916,050</b>	<b>(244,916,050)</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Housing Revenue Account HRA</b>	<b>73,982,370</b>	<b>(111,290,120)</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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## Medium Term Financial Strategy - Summary Position 2017/18- 2020/21 November Update

	2017/18 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
	July '16	November '16	Revised	Revised	Revised
<b>Prior Year (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,481</b>	<b>13,590</b>
<b>Budget Increases</b>					
Investment in the capital programme	1,400	1,400	900	900	900
Staff pay award and capacity building	1,000	200	1,000	1,000	1,000
ELWA levy increase	320	650	440	350	350
Increased contribution to Pension Fund deficit	-	-	650	325	325
Apprenticeship levy	675	675	-	-	-
Non staff inflation	-	-	2,100	2,100	2,100
Delaying of interest costs	1,000	900	2,000	-	-
Children's demand led increase	1,200	700	800	1,200	1,100
Increased demand for Adult social care	400	-	100	700	800
Homelessness demand pressures	-	1,800	-	-	-
Implications of the Care Act 2014	219	119	45	377	-
Increase in employers' NI contributions	-	-	-	-	-
Adults precept 2% Ctax increase	919	1,028	1,049	1,070	1,091
Delayed implementation of Leisure Trust	-	-	-	-	-
Oracle and ICT hosting, LLW	-	-	-	-	-
Clean and Green Establishment Pressure	-	591	-	-	-
National minimum wage - corporate contracts	-	-	-	-	-
Potential impact of funding and levy changes	-	-	-	-	-
Potential impact of new legislation	-	-	2,000	2,000	2,000
Potential impact of demographic pressures	(19)	581	2,125	1,133	1,760
CAB & Thurrock	500	500	-	-	-
Strategy	750	750	-	-	-
Education costs transfer to DSG	-	(611)	-	-	-
Land development acquisition	-	1,000	500	-	-
<b>Total Additional Costs</b>	<b>8,364</b>	<b>10,283</b>	<b>13,709</b>	<b>11,155</b>	<b>11,426</b>
<b>Changes in Income &amp; Funding</b>					
Government Grants	7,230	7,230	4,410	7,380	7,002
Reduction in HB admin grant	-	-	-	-	-
Education Services Grant	1,440	3,400	-	-	-
Better Care Fund Grant	-	(400)	(1,000)	(2,000)	-
ESG Transitional Protection	-	(500)	-	-	-
New Homes Bonus Grant	-	-	2,137	100	428
Reversal of Council tax and NNDR surplus	-	-	-	-	-
Increase in rates retention income	-	-	-	-	-
Business Rates Retention	-	667	-	-	-
Council Tax and NNDR surplus	-	-	-	-	-
1.99% increase in Council Tax	(919)	(1,023)	(1,043)	(1,064)	(1,085)
2% increase in Council Tax Adult social care precept	(919)	(1,028)	(1,049)	(1,070)	(1,091)
Increase in Council Tax Base	(570)	(2,104)	(589)	(608)	(628)
Income from Business Rates Pooling	-	-	-	-	-
Transfer of industrial sites for residential use	-	-	-	-	-
<b>Total Changes in Income</b>	<b>6,262</b>	<b>6,242</b>	<b>2,866</b>	<b>2,738</b>	<b>4,626</b>
<b>In year Budget Gap</b>	<b>14,626</b>	<b>16,525</b>	<b>16,575</b>	<b>13,893</b>	<b>16,052</b>
<b>Savings</b>					
Savings approved by Cabinet Dec 2014	(9,282)	(9,275)	(11,344)	(12,784)	(14,538)
<b>Total Savings</b>	<b>(9,282)</b>	<b>(9,275)</b>	<b>(11,344)</b>	<b>(12,784)</b>	<b>(14,538)</b>
<b>In Year Budget Gap Including Savings</b>	<b>5,344</b>	<b>7,250</b>	<b>5,231</b>	<b>1,109</b>	<b>1,514</b>
<b>Other Adjustments</b>					
Cashable savings VR	(2,100)	(1,800)	1,800	-	-
Cashable in year 16/17 savings	(944)	-	-	-	-
Drawdown from Reserves	(2,300)	(2,300)	2,300	-	-
Use of Collection Fund Surplus	-	(3,150)	3,150	-	-
<b>Revised Budget Gap after other adjustments</b>	<b>-</b>	<b>-</b>	<b>12,481</b>	<b>1,109</b>	<b>1,514</b>
<b>Cumulative Budget Gap including Savings</b>	<b>-</b>	<b>0</b>	<b>12,481</b>	<b>13,590</b>	<b>15,104</b>

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## A2020 Programme Savings

Portfolio & Programme	Savings £'000					
	2016/17	2017/18	2018/19	2019/20	2020/21	Total
<b>Transformation</b>						
My Place	0.000	122.883	151.597	21.657	0.000	296.137
Community Solutions	0.000	243.033	2,481.373	876.224	970.330	4,570.960
Disabilities	0.000	412.000	488.000	500.000	250.000	1,650.000
Adults	0.000	3,451.000	1,959.000	0.000	0.000	5,410.000
Children's	0.000	489.286	1,092.171	1,126.286	1,460.616	4,168.359
	<b>0.000</b>	<b>4,718.202</b>	<b>6,172.141</b>	<b>2,524.167</b>	<b>2,680.946</b>	<b>16,095.456</b>
<b>Growth &amp; Commercial</b>						
Be First	0.000	259.000	906.000	5,033.000	4,139.000	10,337.000
Legal	105.000 *	0.000	0.000	0.000	0.000	105.000
Leisure	0.000	257.000	590.000	226.000	91.000	1,164.000
Traded Services	0.000	171.623	151.104	131.679	135.690	590.096
Home Services	0.000	0.000	470.680	470.680	739.640	1,681.000
	0.000	757.000	1,608.000	1,368.000	1,392.000	5,125.000
Parks Commercialisation	0.000	33.000	0.000	100.000	0.000	133.000
	<b>105.000</b>	<b>1,477.623</b>	<b>3,725.784</b>	<b>7,329.359</b>	<b>6,497.330</b>	<b>19,135.096</b>
<b>Service Improvement</b>						
Heritage	0.000	5.000	15.000	26.000	25.000	71.000
Enforcement	165.000 *	252.000	200.000	1,458.500	0.000	2,075.500
Refuse	0.000	557.000	300.000	170.000	579.000	1,606.000
St Cleansing	0.000	10.000	0.000	419.000	0.000	429.000
Pks, Open, Cems	0.000	152.850	139.953	516.022	164.245	973.070
	<b>165.000</b>	<b>976.850</b>	<b>654.953</b>	<b>2,589.522</b>	<b>768.245</b>	<b>5,154.570</b>
<b>Cross Cutting</b>						
Customer Access	0.000	842.000	520.000	341.000	310.000	2,013.000
Irreducible Core	0.000	719.000	0.000	0.000	4,281.000	5,000.000
Workforce & OD	0.000	271.500	271.500	0.000	0.000	543.000
Technology - Applications	No savings					0.000
Technology - Infrastructure	No savings					0.000
	<b>0.000</b>	<b>1,832.500</b>	<b>791.500</b>	<b>341.000</b>	<b>4,591.000</b>	<b>7,556.000</b>
<b>Total</b>	<b>270.000</b>	<b>9,005.175</b>	<b>11,344.378</b>	<b>12,784.048</b>	<b>14,537.521</b>	<b>47,941.122</b>
Sustainable 16/17 savings		270.000	* Savings delivered in 16/17 that create a 17/18 sustainable base budget reduction			
<b>Total</b>		<b>9,275.175</b>				

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**CABINET****15 November 2016**

<b>Title:</b> Review of School Places and Capital Investment - Update November 2016	
<b>Report of the Cabinet Member for Educational Attainment and School Improvement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All Wards	<b>Key Decision:</b> Yes
<b>Report Author:</b> Mike Freeman, Group Manager School Estate and Admissions	<b>Contact Details:</b> Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk
<b>Accountable Director:</b> Jane Hargreaves, Commissioning Director Education	
<b>Accountable Strategic Director:</b> Anne Bristow, Strategic Director for Service Development and Integration	
<p><b>Summary</b></p> <p>This report sets out the latest information regarding forecast demand for education places across the Borough's schools, together with a detailed Strategy for Ensuring Sufficient School Places and School Modernisation through to 2022/23. (Appendix 1), and Future Planning Programme to meet Basic Need (including SEN and 2 year old places) 2016 to 2025.</p> <p>There are some important aspects of the development of school places which influence demand and cost. Two very important points are:</p> <ul style="list-style-type: none"> <li>• the Local Plan Review sets out the aspirations to create new and additional homes; with that comes some infrastructure requirements and in particular for Children's Services the provision of school places;</li> <li>• the limit to expanding existing schools is fast approaching because of physical space. Developing new sites brings additional costs as sites are generally more confined and more expensive to develop, plus building inflation which is currently running at 1% per month, but also the potential process of competitions for school operators. The law imposes a "free school presumption" on new schools.</li> </ul>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Approve the Strategy for Ensuring Sufficient School Places and School Modernisation to 2022/23 and the Future Planning Programme Basic Need (including SEN places) 2016 to 2025 as set out the Appendices 1 and 2 to this report;</p> <p>(ii) Agree the inclusion of £700,000 in the Capital Programme to support the provision</p>	

of nursery places for 2 year olds in accordance with the DfE approval, as detailed in section 3 of the report; and

- (iii) Authorise the Strategic Director for Service Development and Integration to enter into discussions with potential operators of Free Schools and the Education Funding Agency (EFA) regarding the design and construction processes for new schools in the Borough to enable the Council to influence design, oversee construction and achieve a greater degree of certainty around the on-time delivery of new school places and to comply with requirements imposed by the Education Act 2011.

#### **Reason(s)**

The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough, and delivering the ambition for excellence in education set out in our Education Strategy.

It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

## **1. Introduction and Background**

- 1.1 It has been the practice since 2010 to report regularly to Cabinet the forecast for pupil numbers. These reports have also covered a programme of proposed works necessary to ensure that children in the Borough have the opportunity to attend school. The last report presented to Cabinet on this subject was on 19 April 2016, Minute 120 refers.
- 1.2 This report provides an update and sets out the most up to date information on the projected demand for education places to 2025. Further, the report covers a number of initiatives which build on existing arrangements to develop the use of accommodation.
- 1.3 The third aspect of the report is to provide an updated Programme of School Development through to 2025 to support the forecast pupil demand.
- 1.4 The following information is provided for Cabinet Members as there are some important aspects of the development of school places which influence demand and cost. Two very important points are:
- The Local Plan Review sets out the Council's aspirations to create new and additional homes; with that comes some infrastructure requirements and in particular for Education, the provision of school places;
  - Additionally, the limit to expanding existing schools is fast approaching, and developing new sites brings with it not only additional costs but the potential process of competitions for school operators
  - Crucially, any proposal for a new school must comply with the "free school presumption", details of which are given below.



## **2. Update on Pupil Numbers and Capacity**

2.1 Cabinet has received regular reports about the continuing demand for school places and the need to develop additional provision. It is worth noting that pressure to provide sufficient school places is a national issue and in particular regional to London owing to the rising population. For Barking and Dagenham, it has been a major priority for investment since 2007.

2.2 When looking at the forecast in growth of the pupil population a number of factors are taken into consideration as follows:

- Numbers of pupils currently in the borough;
- Birth figures;
- New housing proposals, as advised in the Local Plan Review;
- Historical data e.g. pupils living in borough but choosing out borough schools;
- Internal knowledge of recent population fluctuations;

2.3. The most recent set of pupil forecast figures have been reviewed over the last 3-4 months in order to provide evidence to the Government about the local changes and forecast changes to the pupil population. This data, when put together with all other Council's forecast data, is then used by the DfE to measure the growth in pupil demand at national level and to allocate resources for meeting school place basic need at local level. The forecasts indicate:

- the primary School population across the Borough will increase from its present levels of 27,491 at May 2016 to 30,460 for the school year 2025/2026.
- the secondary school population across the Borough will increase from its present levels of 14,275 to 25,380 for the school year 2025/2026.

*[Note: these figures allow for the growth of the borough and projected increases to population allowing for published house building; there may be fluctuations owing to other demographic changes.]*

2.4 These projections are slightly higher than previous forecasts as the higher house building projections have been reflected in the figures. The projected house building has a significant impact on the Council's ability to attract funding from Central Government to support the provision of new or additional school places. The review of the Council's Local Plan has begun and this anticipates that housing delivery will accelerate significantly beyond 2017/18.

### **Primary Provision**

2.5 The primary population growth to 2025 is expected to increase by around 2,970 pupils based on current housing development plans and published data, but does not include any element of future planned expansion beyond current published figures. The current capacity for Reception is 3,930 places at September 2016, and the numbers on roll at May 2016 were 3,720, giving spare capacity or vacancies of 210 places across the Borough. Some of this 210 places will be utilised through to September 2017, any small balance helps to provide a little spare capacity. Current forecast is being managed down to ensure we do not over provide in the Borough

but have regard to longer term need for places. This has been analysed further by reception place demand as follows:

Year	Yr R Number Forecast	Increase
2016-17	3,858[May 16 Actual 3720]	
2017-18	3,973	115
2018-19	3,914	-59
2019-20	3,921	7
2020-21	4,026	105
2021-22	4,081	55
2022-23	4,193	112
2023-24	4,270	77
2024-25	4,334	64
2025-26	4,478	144
	<b>Total</b>	<b>620</b>

- 2.6 It should be noted that the forecast figures given above relate to the whole academic year and we therefore have to plan to satisfy the demand which is likely to arise in the whole of each academic year. This means we need to have some spare capacity at the start of the new year so that places can be offered through to the following July.
- 2.7 This extra demand of at least 620 places is equivalent to 21 forms of entry at YrR (Reception). The pace of this demand is directly affected by changes in rates of house building, which makes predicting exactly when children will need school places, and in which year groups, extremely challenging. Details about how these places are planned to be provided are set out on the Appendix 2 of this report which acts as a master plan of proposed developments through to 2025. This is reviewed on a monthly basis and brought to Cabinet 6 monthly to enable a flexible response to changing population information, whilst maintaining our strategic approach to creating an excellent education service.
- 2.8 Experience has proven that we need to provide above the minimum level forecast to manage the high number of in year admissions and to give parents the opportunity to express a preference. Our aim is to meet the DfE minimum recommended 3% spare capacity. These forecasts are kept under review on an annual basis to maximise investment opportunities when they arise.

### Secondary Provision

- 2.9 In order to address the shortfall of places efficiently Education staff have looked at solutions based on an increase in secondary school provision at year 7 [Yr7] going forward. As previously indicated the secondary population growth to 2025 is expected to increase by around 11,106 pupils (YRS 7 to 13) based on current housing development plans and published data, but does not include any element of future planned expansion beyond current published figures. This has been analysed further by year 7 place demand as follows:

Year	YR7 Capacity 2015	YR7 Number Forecast	Increase
2016-17	2679	2,835 [actual May 16 2,596]	
2017-18		3,100	265
2018-19		3,490	390
2019-20		3,660	170
2020-21		3,709	49
2021-22		3,834	125
2022-23		3,935	101
2023-24		4,013	78
2024-25		4,034	21
2025-26		4,021	-13
			<b>Total 1,186</b>

2.10 This extra demand of at least 1,186 places is equivalent to 40 forms of entry at Yr7. Details about how these places are planned to be provided are set out on the Appendix 2 of this report which acts as a master plan of proposed developments through to 2025.

2.11 In order to provide for demand of 40 classes of YR7 pupils in the years up to 2025 the plan has been updated to provide 1,186 YR7 places by expanding existing sites or creating new secondary schools. The current plan creates a small surplus necessary if we are to manage parental preference. Further, any review of demand also takes into account other opportunities such as vacant places in neighbouring boroughs.

### 3. Conversion of Early Years Revenue to Capital

3.1 An application was made to the Education Funding Agency (EFA) to disapply the financial regulations covering revenue grant to support the provision of childcare places for 2 year children in the Borough. A sum of £700k has been identified from the revenue grant which might be used to support the development of new places which is a capital cost. Such approval was subject to the EFA authorising the request. By letter of 12 May 2016 this consent has been granted.

3.2 Cabinet are asked to approve the changes and for the sum of £700,000 to be included in the capital programme. This fund will support additional 2 year old places being developed.

3.3 Capacity is fully utilised across the sector at present, and there is currently no spare capacity in the market to deliver further 2 year old places. Investment through capital to create new places is therefore essential.

### 4. Establishing a New School

4.1 From 1 February 2012 for new schools other than pupil referral units and from 1 September 2012 for new pupil referral units s6 of the Education and Inspections Act

2006 came into force. This is known as the “free school presumption”. Free schools are new provision academies, rather than “converter” academies. Both types of academies are state-funded schools that are independent of local authority control and receive their funding directly from the Government.

4.2 Under s6 where a local authority thinks there is a need for a new school in its area it must seek proposals to establish an academy (that is a free school, because it will be new provision). The Department for Education published non statutory guidance on this in February 2016, which is helpful in setting out details of and expectations for what it calls the “free school presumption process”.

4.3 It is not possible to establish a new school without going through the requirements of s6. Therefore, the Council has no choice when it identifies a need for a new school, other than to follow this. This Council has exploited all opportunities to expand existing provision, but where circumstances require **new** provision, it must act within the law on establishing a new school. At the same time, the law remains the same in that it is the Council’s legal responsibility to ensure sufficient provision of school places, both mainstream and SEN.

4.4 In order to keep any new school provision as much in line with Council strategy and existing provision as possible, known local groups who are involved in education provision have been encouraged to apply to the Education Funding Agency to be allowed to open new school facilities. The following applications have been made.

New 3FE Primary	– Beam Park	– Abelle Pre-School
New 3FE Primary	– Gascoigne Regeneration	– Partnership Learning
New 3FE Primary	– Former City Farm Site	– Partnership Learning
New 10FE Secondary	– East Dagenham (No Site)	– Partnership Learning

4.5 Applications were made in the spring 2016. There has been a letter advising that the 4 bids have been approved and the LA will extend the dialogue with applicants and the DfE.

4.6 It is proposed that officers from the School Investment and Organisation team will enter into a dialogue with both the operators and the EFA about the possible involvement in the design and construction process to ensure that any new schools are compatible with the LA preferred model and standards. This could allow the Council to influence the design, oversee construction of the buildings and achieve a greater degree of certainty that the places will be delivered on time.

## 5. Options Appraisal

5.1 Current strategy is formulated against a backdrop on the demand side of:

- continuing increase in demand for school places for the foreseeable future;
- short run surges of demand for school places e.g. over the summer period and on the supply side: limited funding on short time horizons;
- shortage of sites in areas of high demand; and timescales for new providers e.g. timescales for Free Schools to be established may be two years.

5.2 The agreed investment strategy (see Appendices 1 and 2 to this report) is first, to expand provision on existing school sites as far as practicable to meet local demand

- to seek value for money solutions which have longevity; subsequently to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity;
- thirdly, to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.

5.3 The variables that influence the delivery of this strategy are:

- demand fluctuations; the willingness of governing bodies to accede to expansion plans;
- funding limitations; cost variances – specific to sites;
- timescales to achieve cost efficient/ competitive prices in short timescales.

5.4 The Council's Strategy for Ensuring School Places and School Modernisation through to 2022/23 is attached as Appendix 1. Appendix 2 shows the schedule of need and timescale to meet demand forecast. The overall strategy is robust and has delivered successfully for the last 5 years: individual project specifics may change but will remain in the overall strategic framework

## **6. Consultation**

6.1 These proposals are not Ward specific. There has been consultation with a range of officers throughout the Council in order that appropriate matters are considered including financial, legal, risk management and others mentioned in section 9 of this report.

## **7. Financial Implications**

Implications completed by: Katherine Heffernan, Group Manager – Service Finance

7.1 This report sets out a strategy for ensuring Sufficient School Places. The report identifies a requirement for a considerable number of new school places and the sites where they made be provided. This is likely to require a considerable capital programme.

7.2 In recent years the Council has successfully maintained a Schools Capital Programme of around £45m to £50m per year in order. The programme and funding available for future years will be reviewed and approved on a rolling basis as part of the Council's Medium Term Financial Strategy.

7.3 This report also requests Cabinet approval to invest £0.7m of Revenue grant funding into the Capital Programme. This revenue funding is available and has been earmarked; it should be noted that there are pressures on revenue funding for Early Years. The future revenue costs of the new provision will be funded by DfE on a participation-led basis via the DSG Early Years Block.

## 8. Legal Implications

Implications completed by: Lucinda Bell, Education Lawyer

- 8.1 S13(1) of the Education Act 1996 imposes a duty on local authorities to “so far as their powers enable them to do so contribute towards the spiritual, moral, mental and physical development of the community by securing that efficient primary education and secondary education and ....in England, (some) Further Education are available to meet the needs of the population of their area.” S13A requires the local authorities to promote high standards and, in England, to ensure fair access to educational opportunity. They must also promote the fulfilment by almost every child of his or her educational potential.
- 8.2 S14 requires local authorities to secure the provision of sufficient schools and equipment for pupils of all different ages, abilities and aptitudes and for the different periods for which they may be expected to remain at school. Provision must include practical instruction and training appropriate to the pupil’s different needs and must secure diversity in the provision of schools and to increase opportunities for parental choice. S14(6)B requires that in exercising functions under S14 the Authority has in particular regard to the need for securing that special educational provision is made for pupils who have special educational needs.
- 8.3 The Childcare Act 2006 imposes duties on English local authorities to secure sufficient childcare for working parents, early years provision free of charge for 3 and 4 year olds and some 2 year olds.
- 8.4 School organisation, including opening and altering schools is subject to a statutory framework, now relaxed in part, and covered in the Department for Education Guidance. The process of establishing a new state school varies according to the type of school and the type of proposer. The law is contained in the Education and Inspections Act 2006. Section 6A requires that where a Local Authority perceives a need for a new school it must seek proposals to establish an academy (free school) and to specify a date by which proposals must be submitted. Advice published in February 2016 “The free school presumption, departmental advice for local authorities and new school proposers” details consultation, funding etc. Further legal comments on this aspect have been incorporated into the body of the report.
- 8.5 This report asks members to approve the strategy for meeting the place sufficiency duties, which are detailed above and to agree to the inclusion of £700,000 in the Capital Programme to support the provision of nursery places for 2 year olds for which authority has been given consent. It is also asked to indicate its support for officers from the School Estate Team to negotiate with potential operators of free schools and the EFA to support the specification of the new schools. This last request will facilitate the initial stages of the free school presumption that must be observed in considering additional schools to meet need.

## 9. Other Implications

### 9.1 Risk Management

- 9.1.1 Risk that funding levels will not be sufficient to meet demand to create new education places needed.  
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the best school accommodations which achieves efficiency through the latest design and build technology where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.
- 9.1.2 Risk that funding levels will not be sufficient to create suitable new school places.  
This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation which is system built, and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.
- 9.1.3 Primary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest.  
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.
- 9.1.4 Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it.  
This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.
- 9.1.5 The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.
- 9.1.6 Risk that final costs will be higher than estimate costs.  
This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly CPMO meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.
- 9.2 **Contractual Issues** – as a Free School the decisions about how buildings are procured lie with the EFA and the operator. There will be a dialogue as indicated in 4 above.
- 9.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff and recruitment pressures for schools in a difficult environment.
- 9.4 **Corporate Policy and Customer Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride,

enabling social responsibility and growing the Borough. It is also part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

The short term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion.

The longer term outlook is unlikely to be positive on the proposed funding levels as it will be difficult to address need on current budget levels.

- 9.5 **Safeguarding Children** - Adoption of the recommendations in the short term will contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 9.6 **Health Issues** - The health and wellbeing board and JSNA highlight the importance of investing in early intervention and education to support children's and young people's long term wellbeing. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting and school based education, as what matters most in preventing poor children becoming poor adults. The relationship between health and educational attainment is an integral part of our Health and Wellbeing Strategy. At this point there is no need to change the focus of the Health and Wellbeing Strategy as a result of this report.
- 9.7 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.

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

**List of appendices:**

- **Appendix 1** – Strategy for Ensuring Sufficient School Places and School Modernisation through to 2022/23.
- **Appendix 2** - Future Planning Programme to meet Basic Need (including SEN places) 2016 to 2025.



## Strategy for Ensuring Sufficient School Places and School Modernisation through to 2022/23

### Introduction

1. Barking and Dagenham is striving to develop excellence throughout our educational provision. We are driving forward standards at all Key Stages. To support improvement in the educational offer and to meet the rapidly accelerating demand for school places (Basic Need including SEN places) at all ages we need to review and address school building capacity and condition as well as suitability (modernisation).
2. This document outlines our strategy and Future Planning Programme to meet Basic Need (including SEN places) over the next 5/6 years. The programme is outline only and must remain flexible since needs and available resources are constantly shifting, we need to respond quickly to any additional financial resources that may be provided by Central Government. Decisions regarding actual proposals will always be agreed through Council decision making processes: but this document sets out a framework for making those decisions, which will be reviewed at 6 month intervals to address the Borough's rapidly changing demographics.
3. Neither the Basic Need nor the Condition figures are high enough to provide for long term robust facilities. Optimising value for money is therefore essential, including where practicable joining up funding streams.

### Basic Need

4. We shall continue to lobby for the additional funds required to meet Basic Need (including Learning Disabilities / LDD/SEN).
5. We will also bid for all available funding streams using them to match to our strategy as closely as possible, whilst meeting any funding criteria and gaining optimum value for money.
6. We will investigate innovative funding routes, and shall explore radical strategies and partnerships e.g. alternative sites and premises and alternative school providers (e.g. Free Schools) to optimise our use of available buildings and facilities to meet growing demand.
7. Our main strategy for developing new school places has been to develop on existing school sites, and to revitalise older school sites bringing them back into use as education facilities.
8. This practice, it has always been felt, has brought benefits of economies of scale as existing primary schools have been able to absorb the general administration and shared areas, halls etc. within the existing provision. The programme sets out to mirror this practice for some secondary schools where this is possible.
9. Realistically the demand will require that we think more radically for the future and begin to create whole new sites and schools with the consequential financial impact. Creating things from new will obviously be more costly and may include site purchase costs; it also comes with greater risks.

10. The proposed programme is shown as an Appendix to this document, entitled Future Planning Programme to meet Basic Need (including SEN places) 2015 to 2025.

### **Condition and Suitability (Modernisation)**

11. In view of the pressing nature of the condition of many school buildings, consideration must be given to seeking and obtaining other sources of investment and funding, as far as practicable. The Asset Management Plan (AMP) for schools indicates a potential spend of £51m which has never been achieved. In practice, building systems eg boilers, lifts, electrical systems as well as building fabric are presenting significant annual problems which require urgent remedial work. In addition, Members have indicated schools and other Children's Services' buildings where they would wish to bring about improvements.
12. We need to ensure that in the absence of a funded planned maintenance programme, that we utilise the available Government Grant to ensure schools remain open.
13. In the light of the demise of former programmes to support the modernisation of school's agenda including BSF and Primary Capital Programme to support where possible building improvement, giving priority to Health and Safety matters but recognising there is a joint responsibility shared with the schools and this is wholly the school's responsibility where the school is a voluntary aided or free school.
14. There are a number of schools in the Borough which need repairs to ensure that we avoid closures. The approach taken is to work in partnership with schools to jointly address the most pressing items.
15. The school building stock in Barking & Dagenham have a number of similar characteristics as many are of similar design and were constructed between the first and second wars last century (1920's -1930's). As a consequence, we have a number of schools in similar condition but also with issues around suitability.

September 2016	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	Need 62 Year R places YrR Capacity 3930 Demand forecast 3858	Need 214 Year 7 places Yr7 Capacity – 2679 Demand Forecast 2835	Demand forecast 2665	6 additional SEBD secondary ARP places
	<p>Must be provided by settings maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision. Development of part of Maples for nursery care places. Expand Abbey</p> <p>Explore places for 2 year olds in school nurseries</p>	<p>Eastbrook Primary 1fe YrR + 1fe YR1/2</p> <p>Gascoigne Primary Shaftesburys 2fe YrR + 1 class each year YR1, YR2, YR3, YR4</p> <p><b>Provided 90 YrR places, capacity 4020</b></p>	<p>ULT Free School 4fe Yr7</p> <p>Greatfields Free School 4fe Yr7 [temporary site]</p> <p>Eastbrook 2fe Yr7 blip classes</p> <p>Riverside 4fe Yr7</p> <p>Dagenham Park 1fe YR7</p> <p><b>Provided 450 Yr7 places Yr7 Capacity 3129</b></p>	<p><b>No additional planned – to be reviewed through school survey.</b></p>	<p>Barking Riverside Special (30 places per year for 5 years) – year2</p>

September 2017	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	<p>Places to be reviewed as part of Childcare Sufficiency Assessment (Cabinet Dec 2015)</p>	<p>Need 115 Year R places YrR Capacity 4020 Demand forecast 3973</p>	<p>Need 265 Yr7 places Yr7 Capacity 3129 Demand forecast 3100</p>	<p>Demand forecast 3104</p>	<p>6 additional SENH secondary ARP places</p>
	<p>Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.</p> <p>Subject of review to meet new requirements – insufficient places expected</p> <p>Maples 160 places. Thames Ward 120 places</p>	<p>Eastbrook Primary 2e YrR  Riverside Free School 2fe YrR</p> <p><b>Provided 120 YrR places, Capacity 4140</b></p>	<p>Eastbrook 2fe Yr7  Barking Riverside 2fe Yr7</p> <p><b>Provided 120 Yr7 places Yr7 Capacity 3249</b></p>	<p><b>Capacity to be increased following school and college space/demand survey</b></p>	<p>Barking Riverside Special (30 places per year for 5 years) – year 3</p>

September 2018	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed as part of Childcare Sufficiency Assessment (Cabinet Dec 2015)	Need -59 YrR places YrR Capacity 4140 Demand forecast 3914	Need 390 Yr7 places Yr7 Capacity 3249 Demand forecast 3490	Demand forecast 3195	6 additional SENH secondary ARP places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.  Subject of review to meet new requirements	     <b>Provided 0 YrR places, capacity 4140</b>	Lymington Fields 6fe Yr7  The Warren 2fe Yr7  Barking Abbey 3fe Yr7  <b>Provided 330Yr7 places Yr7 capacity 3579</b>	<b>No additional – to be reviewed through school survey</b>	Barking Riverside Special (30 places per year for 5 years) – year 4
September 2019	Places to be reviewed	Need 7 YrR places YrR Capacity 4140 Demand forecast 3921	Need 170 Yr7 places Yr7 Capacity 3579 Demand forecast 3660	Demand forecast 3360	SEN Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.  Subject of review to meet new requirements	Lymington Fields 3fe YrR (Robert Clack)  City Farm Primary 3fe YrR  Gascoigne regeneration 3 <sup>rd</sup> School 3fe YrR places  <b>Provided 270 YrR places, capacity 4410</b>	Greatfields Free School 6fe Yr7    <b>Provided 180 places Yr7 Capacity 3759</b>	<b>No additional – to be reviewed through school survey</b>	Barking Riverside Special (30 places per year for 5 years) – year 5  60 Place Behaviour Unit

	<b>Early Years Provision for 2 year olds</b>	<b>Primary</b>	<b>Secondary</b>	<b>Sixth Form</b>	<b>Special Needs Provision</b>
<b>September 2020</b>	<b>Places to be reviewed</b>	<b>Need 105 YrR places YrR Capacity 4410 Demand forecast 4026</b>	<b>Need 49 Yr7 places Yr7 Capacity 3759 Demand forecast 3709</b>	<b>Demand forecast 3631</b>	<b>SEN Places</b>
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	New Free School Dag Beam Park 3fe YrR  <b>Provided 90 YrR places, capacity 4500</b>	No extra  <b>Provided 0 Yr7 places Capacity 3759</b>	<b>No additional – to be reviewed through school survey</b>	New SEN School Required 150 places
<b>September 2021</b>	<b>Places to be reviewed</b>	<b>Need 55 Year R places YrR Capacity 4500 Demand forecast 4081</b>	<b>Need 125 Yr 7 places Yr7 Capacity 3759 Demand forecast 3834</b>	<b>Demand forecast 3954</b>	<b>SEN Places</b>
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Barking Central 3fe YrR  <b>Provided 90 YrR places, capacity 4590</b>	New Free School East Dagenham 4fe Yr7  <b>Provided 120 Yr7 places Capacity 3879</b>	<b>No additional – to be reviewed through school survey</b>	

	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
September 2022	Places to be reviewed	Need 112 YrR places YrR Capacity 4590 Demand forecast 4193	Need 101 Yr 7 places Yr7 Capacity 3879 Demand forecast 3935	Demand forecast 4306	SEN Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Provided 0 YrR places, capacity 4590	New free school East Dagenham 6fe Yr7  Provided 180 Yr7 places Capacity 4059	No additional – to be reviewed through school survey	
September 2023	Places to be reviewed	Need 77 YrR places YrR Capacity 4590 Demand forecast 4270	Need 78 Yr 7 places Yr7 Capacity 4059 Demand forecast 4013	Demand forecast 4666	SEN Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	3 <sup>rd</sup> Barking Riverside Primary  Provided 90 YrR places, capacity 4680	New Free School – Thames View – 120 Yr7 places  Provided 120 Yr7 places Capacity 4179	No additional – to be reviewed through school survey	
September 2024	Places to be reviewed	Need 64 YrR places YrR Capacity 4680 Demand forecast 4334	Need 21 Yr7 places Yr7 Capacity 4179 Demand forecast 4034	Demand forecast 4986	SEN Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	To be planned when housing details are clarified  Provided 0 YrR places, capacity 4680	New Free School – Thames View – 60 Yr7 places  Provided 60 Yr7 places Capacity 4239	No additional – to be reviewed through school survey	

September 2025	<b>Early Years Provision for 2 year olds</b>	<b>Primary</b>	<b>Secondary</b>	<b>Sixth Form</b>	<b>Special Needs Provision</b>
	<b>Places to be reviewed</b>	<b>Need 144 YrR places YrR Capacity 4680 Demand forecast 4478</b>	<b>Need -12 year 7 places Yr7 Capacity 4239 Demand forecast 4021</b>	<b>Demand forecast 5127</b>	<b>SEN Places</b>
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	To be planned when housing details are clarified  <b>Provided 0 YrR places, capacity 4680</b>	To be planned when housing details are clarified  <b>Provided 0 Yr7 places Capacity 4239</b>	<b>No additional – to be reviewed through school survey</b>	



## CABINET

15 November 2016

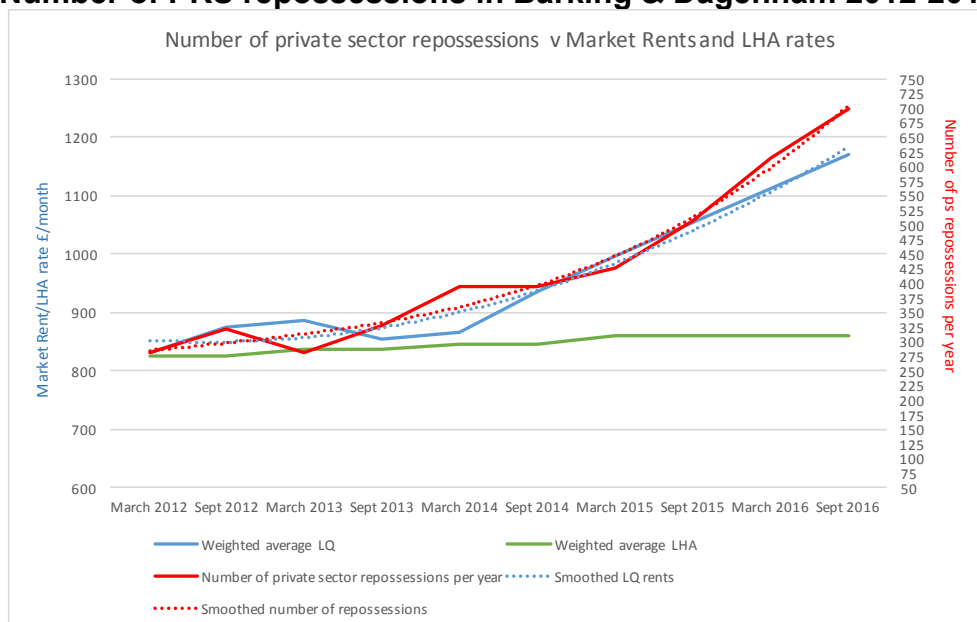
<b>Title:</b> Strategic Approach to Homelessness	
<b>Report of the Cabinet Member for Economic and Social Development</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> John Gregson, Programme Manager and James Goddard, Group Manager, Housing Strategy	<b>Contact Details:</b> Tel: 020 8227 5596 / 8794 8238 E-mail: james.goddard@lbbd.gov.uk
<b>Accountable Strategic Director:</b> John East, Strategic Director, Growth and Homes	
<b>Summary</b>	
<p>The purpose of this report is make Members aware of the current situation regarding the demand, supply and costs of homelessness in the borough, and to invite Members to endorse the strategic approach being adopted to reducing homelessness demand, increasing the supply of affordable temporary accommodation and managing the needs of those accepted as homeless in an efficient and effective fashion.</p>	
<b>Recommendation(s)</b>	
<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the severity of the current position regarding demand, supply and costs of dealing with the Council's statutory duties regarding homelessness in the Borough;</li> <li>(ii) Approve the strategic approach and corresponding actions outlined in the report, aimed both at reducing homelessness demand in the Borough and at improving the Council's capacity and capability to manage the needs of those who are accepted as homeless; and</li> <li>(iii) Approve the proposal to remove the current one-hour travel time limit on temporary accommodation placements and for officers to further develop the criteria, the consultation framework and equality impact assessment of an amended placements policy.</li> </ul>	
<b>Reason(s)</b>	
<p>The statement acknowledges the current service challenges in tackling homelessness as a result of government policy and aims to meet the corporate priorities of enabling social responsibility. This essentially means supporting residents to take responsibility for themselves, their homes and their community. The Council will continue to protect the most vulnerable, while keeping adults and children healthy and safe.</p>	

## **1. Introduction and Background**

- 1.1 The Council has a statutory duty (Housing Act 1996, amended by the Homelessness Act 2002) to assist households presenting as homeless where they are eligible for assistance and in priority need. The primary objective is to prevent homelessness wherever possible. If this is not possible the Council has a duty to provide temporary accommodation.
- 1.2 Over the past 5 years the Council has increasingly met this statutory duty by using private rented sector (PRS) accommodation in the borough. This was until recently a rational and economic approach which reflected the previous availability and relative low cost of such accommodation. However, this strategy has become increasingly uneconomic in recent years due to an increase in local market rents that has been driven by the chronic shortage of affordable housing in London. This has been compounded by changes in the welfare system imposed by the current and previous governments and the freezing of Local Housing Allowance (LHA) rates, on which Housing Benefit payments are based.
- 1.3 It is likely that there will be further upward pressure on market rents in the borough for a number of years since by London standards rents in the borough are still relatively low. Rising rents in the private rented sector will continue to generate upward pressure on the domestic budgets of many of the poorest in the borough, leading to an increased incidence of homelessness.
- 1.4 Welfare reforms, imposed by this and the previous coalition government, are already having an increasing impact on the finances of those in the borough on benefits, and more reforms are in the pipeline, including:
- Reduction in level of benefit cap, from £26,000 pa to £23,000 in London and £20,000 outside London – affects over 900 households in the borough;
  - Limit of child tax credit to first 2 children in a family – applies to new claims made from April 2017;
  - Pay to stay – additional cost to a further 7,000 households from April 2017, plus administration costs to the Council;
  - Enforced sale of higher value voids – will further reduce council housing stock;
  - Duty to promote starter homes – will restrict the council's flexibility to reflect housing needs in the borough, and dilute the provision of social rented and genuinely affordable homes;
  - 1% pa rent cut on council properties will reduce the council's ability to invest in new homes.
- 1.5 In addition, successive governments have placed increasingly stringent controls over council expenditure and borrowing, including new constraints imposed by the Housing and Planning Act 2016, which are making it difficult for all councils to fund further developments of affordable housing.

- 1.6 The working age welfare benefit budget is very large - about £70bn per annum - and it is therefore unlikely that there will be an early reversal of the current government's policy of limiting such benefits. It is therefore unrealistic to expect that external factors will change in the foreseeable future in a way that will alleviate the current pressures on homelessness.
- 1.7 Emerging changes in government policy could further increase the pressures on the Housing Advice service. In particular:
- A private member's bill tabled by Bob Blackman, MP for Harrow East has won the sponsorship of the Government and if successful will impose new duties on local authorities to prevent homelessness, including an increased obligation to demonstrate they have offered meaningful advice, thereby adding to costs.
  - Details of the government's 'pay to stay' proposals are emerging which would require Barking & Dagenham to increase rents to up to 7,600 social and council house tenants. This could impose a substantial administrative burden on all local authorities which is unlikely to be covered fully by any new grant support.
- 1.8 Young people are also disproportionately affected by the relative unaffordability of housing in London as a whole, with the affordability gap between average incomes and average housing costs being amongst the highest in London. Limited supply also means that families have higher priority than single young people in the allocation of council/social housing.
- 1.9 The Council is therefore suffering a 'perfect storm' of pressures outside its control that are causing real hardship and distress to the borough's citizens, who are increasingly falling into debt and are at risk of eviction. The number of families in the borough facing homelessness has been increasing over the past 3 years and is likely to continue rising. At present, over 1800 families per year are presenting as homeless and this has increased by 340% since 2012 when welfare reforms started to take effect. This is being driven at least in part by the increasing gap between market rents and LHA rates as shown in Figure 1:

**Figure 1: Number of PRS repossessions in Barking & Dagenham 2012-2016**



## **2. Issues and Proposals**

### **2.1 Causes of homelessness**

- 2.1.1 The recent increase in homelessness demand has occurred mainly amongst those in private rented accommodation and has been driven predominantly by a combination of increasing market rents and welfare reforms, in particular constraints on increases in LHA rates and therefore Housing Benefit payments.
- 2.1.2 Market rents in the borough have been rising much faster than household incomes. Private rents have increased by 25% over the last two years, substantially outstripping both inflation and LHA rates, and landlords are exploiting this market opportunity by refusing to renew assured short-term tenancies at the same rent as previously – loss of assured shorthold tenancy (AST) is the largest factor that is currently driving homeless acceptances. The opportunity for landlords in the borough has become so attractive that according to local surveys 92% of them are currently refusing to take on benefits claimants at all.
- 2.1.3 The second largest factor in homeless acceptances is parental/household ejection, with overcrowding and non-violent relationship breakdown the most significant underlying causes. This is partly driven by pressures on household finances but is also indicative of a cultural attitude in the borough that the Council will supply housing when it is considered the applicant is old enough to be given a property. There is significant evidence that parents have unrealistic expectations with regard to the council's ability to provide social housing for their children. In other cases of household ejection, the reasoning is more transparent, such as breakdowns of relationship caused by mental stress giving rise to domestic violence, but many of these issues may have their roots in the pressures on household finances outlined above.

### **2.2 Future demand**

- 2.2.1 Welfare reforms have already applied additional pressures on the ability of households to live within their means and therefore to sustain their tenancy, and will continue to do so as new reforms (including the revised benefit cap and reductions in child tax credit) are introduced over the coming months against a background of steadily rising market rents.
- 2.2.2 Cuts in the real value of benefits, including LHA rates, introduced progressively since 2013/14, have already generated an affordability gap between housing benefits payments and market rents. That gap currently stands at £465 per month for the average two-bed property. Real increases in market rents, and frozen benefits, could see even those in work who live in private rented accommodation a further 18% worse off by 2020, with those wholly dependent on benefits seeing larger real-terms cuts in their income. This threatens tenancy sustainability in both the social and private sectors and risks a new wave of evictions.
- 2.2.3 The reduction in the Benefit Cap to £20,000 a year outside London will also make traditional temporary placement areas like Essex unaffordable for many on benefits. Most capped families will only be able to afford private rented accommodation north of the Midlands or in Wales.

- 2.2.4 Changing market dynamics - the lack of local affordable private rented housing and the progressive erosion of the purchasing power of those on benefits will increase the number of households needing assistance by an estimated 78% in 2020. On the basis of these forecasts, the current Housing Advice Service expenditure of £22m pa is estimated to rise to £37m pa if no action is taken to reduce demand.
- 2.2.5 Further cost pressures on local authorities are likely now that the Government has agreed to sponsor a private member's bill tabled by Bob Blackman, MP for Harrow East, intended to reduce homelessness in England, becomes law. The bill will draw on similar legislation already enacted in Wales, on a recent report by Crisis and other housing groups, and on the Communities and Local Government Select Committee's recent report into homelessness.
- 2.2.6 The bill will codify new local authority homelessness prevention duties, such as making councils more strongly demonstrate they have offered meaningful advice. It will also provide "clear guidance" for local authorities to intervene with private landlords to prevent evictions. Whilst it is intended to prevent homelessness, the bill will increase the burden of bureaucracy at a time when resources are stretched to the limit and some of its provisions are unlikely to be effective in the local market conditions in London, where there is a plentiful supply of solvent tenants from which landlords can draw. Alternative approaches to prevention that recognise the local market situation are being developed as part of Community Solutions and are detailed later in this paper. The bill also seeks to introduce a 56-day period before someone is made homeless, during which they are entitled to homelessness assistance.
- 2.2.7 The 'pay to stay' policy proposed in the 2015 summer budget could affect over 7,600 households in Barking and Dagenham. It is not yet clear how the government intends local authorities to implement this proposal, particularly since it will require some form of means test on all relevant council households to determine whether they should be subject to the proposed increased rent. This will impose a considerable administrative burden on the Housing Advice service, with no compensating income from the increased rents since the government's proposal provides for any additional rent to flow back to central government.

## 2.3 Budget pressures

### Short term budget pressures

- 2.3.1 As a result of these factors the current forecast outturn for the Housing Advice Service shows an estimated net £3.1m overspend on a budget of £0.97m. Of this, £2.6m is accounted for by real increases in temporary accommodation costs, driven by a combination of increased demand volume and higher unit costs in the PRS, reflecting the increases in market rates and the need to provide incentives to landlords to secure an adequate volume of private sector units for TA.
- 2.3.2 Another £0.3m is accounted for by an increase in the provision made for bad debts in TA, again driven by the inability of homeless households to afford their contribution to rents. The remaining £0.2m overspend is accounted for by an increase in security costs following disturbances in council-owned properties last year.

- 2.3.3 Hostel accommodation is now one of the most cost-effective ways of fulfilling the Council's statutory homelessness duties, but there have been delays in the acquisition of new hostels that have necessitated the use of other, less cost-effective stock.
- 2.3.4 A new hostel at Grays Court that was due to open in December 2016 has now been deferred until July 2017 as a result of a delay in its release from the NHS resulting from a longer than expected consultation by the CCG to move the stroke rehabilitation service. A further reduction of £600k was made in the base budget for 2016/17 reflecting the planned opening of Grays Court in year.
- 2.3.5 During 2015/16 a number of serious incidents in hostels occurred which led to a revised risk assessment being carried out across all sites. The risk assessment showed a need to increase security across the board to protect life and reduce the risks associated with antisocial behaviour and fire.
- 2.3.6 The base budget for security in 2016/17 was set at £305k, before the recommendations of the risk assessment were known. The resulting total cost of security across all sites is £547k, leading to a budget variance for the year of £243k.

### **Long term budget pressures**

- 2.3.7 A number of structural, long-term forces are increasingly driving expansion in the numbers presenting as homeless. A combination of changing market dynamics, the lack of local affordable private rented housing and the progressive erosion of the purchasing power of those on benefits is expected to increase the number of households needing assistance by an estimated 78% by 2020. On the basis of these forecasts, the current Housing Advice Service expenditure of £22m pa is estimated to rise to £37m pa if no action is taken to reduce demand or to mitigate increases in the costs of temporary accommodation.
- 2.3.8 In addition, new policies originating from central government may push up the costs of fulfilling the Council's statutory homelessness duties - a close watch is being kept on developments in this area.

### **2.4 Actions being taken in 2016/17**

- 2.4.1 Given the expected overspend in 2016/17 and continuing external pressures on the numbers presenting as homelessness and their associated costs, a number of actions are being taken and are planned to address the currently expected budget pressure. These are summarised in Appendix 1 and outlined below.

#### **Demand reduction:**

- 2.4.2 **Staff training:** All staff have been retrained in order to enable them to make consistent, robust and faster decisions on homelessness cases. This has already reduced the rate of homelessness acceptances per 1,000 households from 4.1 in September 2015 to 2.7 in July 2016.

- 2.4.3 **Reducing TA demand pending reviews:** Accommodation is not now being provided pending review of the original homeless decision if the review is considered unlikely to change the authority's decision.
- 2.4.4 **Reducing the time spent in TA:** More resources are being targeted to move households out of TA and into more permanent private sector accommodation, with an audit under way to detect fraud and changes of circumstance.
- 2.4.5 **Benefits claims process:** The Housing Benefits service has streamlined the process of HB claims and now processes the majority of TA claims within 10 working days. This has enabled the rent collection figure to remain above 95% and has helped keep rent arrears down.
- 2.4.6 **Customer interface:** The service has reconfigured its front line triage service in John Smith House in order to focus on providing housing advice and preventing homeless approaches making applications into the service.
- 2.4.7 **Welfare Reform Team/Community Solutions:** In order to help families impacted by welfare reform and reduce the chances of them becoming homeless a Welfare Reform Team was set up in April 2016. The team has identified all those in the borough who are currently subject to the Benefit Cap, together with those who will be subject to the cap from autumn 2016, and is providing relevant and proactive advice/guidance to them to prevent them being made homeless. The main objective is to get capped claimants into sufficient work to avoid the cap, but those who cannot or will not work are also being given appropriate support.

The Welfare Reform Team is a trial of a new approach which forms the basis for Community Solutions, which will introduce a more proactive, preventative model by making early interventions to ensure that people are encouraged and supported into work, including building their skills to align with those that employers need. The aim is to allow people to live independently.

- 2.4.8 **Use of Discretionary Housing Payments (DHPs):** DHPs are already being used to help those who are at risk of falling into rent arrears and subsequently being evicted as a result of the impact of welfare reforms. They are also being used to provide rent deposits for those who have found alternative accommodation but cannot find the necessary deposit, and are used to support travel and relocation expenses for those looking for accommodation outside the borough. Whilst a balance needs to be struck between using DHPs to minimise the Council's costs and the avoidance of a dependency culture, the opportunities to use them further to prevent or mitigate the impacts of homelessness will continue to be pursued.
- 2.4.9 **Other:** Other key demand reduction initiatives that have already been approved or are under active consideration include:
- Tenancy sustainment training for all new tenants
  - Personal Housing Plans pilot
  - Mandatory mediation service for non-violent parental eviction cases
  - Improved liaison/relationship with PRS landlords:

## **Increasing supply:**

2.4.10 **Accommodation supply:** Within the above framework, the council has been using its best endeavours to build its stock of social housing, and has one of the highest delivery rates in the UK, including a specific product, 'Right to Invest', which will support aspirations and address some welfare reform issues. However, the council, in common with all others, is unable to embark on building new large-scale council estates because of government funding and borrowing constraints.

The council is also using the receipts from Right to Buy to build its own stock of rented housing (although at a slower rate than its stock is being depleted), and is investing in further social housing through Reside. The growth agenda will deliver over 35,000 new homes over the next 20 years, a large proportion of which will be affordable/social housing units.

The service continues to manage its TA portfolio carefully and monitors the available properties on a weekly basis. However, the pressure on meeting TA demand will only be relieved by shifting the emphasis from in-borough private sector units to council-owned accommodation, including an expansion of the hostel portfolio.

A number of back-land sites have been identified within the borough that could be suitable for developing modular and containerised housing for the provision of temporary accommodation. The first tranche of these sites is currently going through the procurement process and this will yield 40-50 units. Further sites are being identified.

2.4.11 **Out of Borough placement:** Barking and Dagenham has sought for many years to accommodate vulnerable local residents within the borough, and is one of the few London boroughs that still has a travel time limit on placements outside the borough. This has led to over 150 families currently successfully placed in neighbouring boroughs in East London and Essex. However, given the pressures placed on the availability of affordable housing by the factors outlined earlier in this report, the Council's response needs to incorporate:

- a relaxation of the one hour travelling restriction;
- a commitment to discharge its homelessness duty with a housing offer in the private rented sector;
- a policy of much further afield placements coupled with a bespoke support package and comprehensive directory of services in the new location

The Council has made links with a number of London authorities in relation to the eligibility criteria, support packages, landlord incentives and challenges of their out of borough placements policy. In light of court judgments in 2015 (including the Supreme Court ruling *Nzolameso vs Westminster City Council 2015*) many have had to tighten up the criteria and processes behind their policies to prevent legal challenge about the suitability of placements.



Conversations with Newham, Barnet, Wandsworth and Waltham Forest have revealed a relaxation of their existing travelling restrictions to allow them the freedom to source accommodation in more affordable areas.

LBBB has followed the same approach by mapping out each and every Local Housing Allowance district in England and Wales for affordability for those likely to be accepted as homeless. The model concentrates on areas out of London and works on the assumptions that a large proportion of our clients will be affected by the Total Benefit Cap, will be larger sized households and not expected to be spending more than 35% of their total income on household costs.

The next step will be to undertake further detailed research into suitable available properties in the most affordable localities. This includes making contact with local letting agencies, inquiring about availability of supply, fees and charges, rental prices, management arrangements and landlord views on housing benefit clients. This is expected to be completed in December 2016.

In tandem with testing the lettings market, we will put together a comprehensive directory of each area covering transport networks, a summary of public transport commuting costs, health and care services, school availability, listing faith and community centres and gauging work and training opportunities in the local labour market.

Ensuring placements are suitable and that appropriate support is on offer is key in preventing legal challenges. Supplementary work has begun on reviewing the suitability assessments currently used for out of borough placements and guaranteeing that each assessment and the support package behind it is bespoke and tailored to the needs of each household.

None of the local authorities contacted by LBBB have an 'off-the-shelf' package but have made significant links with their relocation areas to ensure that clients are provided with the advice and support their individual household requires.

We are currently exploring:

- Provision of tenancy sustainment training for each client household ensuring they have the tools to maintain their AST and provide landlord confidence
- Making connections through JobShop in the relocation areas, enabling the household access and advice to training courses and work opportunities; where appropriate job exchange possibilities could be possible, especially around shop working
- Relocation incentives for the client including accompanied viewings to the prospective areas, a reasonable furniture allowance and covering removal fees
- Signing-up households to local income maximisation and citizen's advice centres to support the relocation to the new area and carrying out the appropriate checks with the resettlement authority around Local Council Tax Support

- Where appropriate, making the supported links with district, unitary, county council services and primary care authorities for clients with health and social care needs to ensure a smooth transition for the households into the areas

This is an area of work that will take longer to develop and the guidance from other local authorities has indicated that support needs to be offered with caution and linked with a rigorous, robust and suitability assessment. The package needs to be a bespoke and tailored offer with multi-agency co-operation.

A formal first draft of an amended out of borough placement policy will be available in January 2017 with an anticipated implementation, subject to consultation timescales, by April 2017.

It is expected that the revised out of borough policy will make some modest savings in the costs of temporary accommodation but as importantly will provide additional flexibility to the council in discharging its duties towards homeless and potentially homeless families, many of whom may welcome the opportunity to relocate to an area of the country in which they can sustainably afford to live.

**2.4.12 Young people:** Barking and Dagenham already has a number of initiatives focused on helping young people, and are developing more including house sharing for children leaving care and council-run employment and skills programmes to supplement those provided by DWP/ Job Centre Plus. The new deals with Coventry University and Capel Manor also show a commitment to support young people to enhance their skills.

**2.4.13 Other:** Other measures to increase supply that are under active consideration are:

- Enhanced Rent Deposit Scheme and rent guarantees
- Establish a Local Lettings Agency inside My Place

#### **Reducing costs/increasing income:**

**2.4.14 Operational improvements:** Further improvements in the processes and organisation for applicants and others presenting to John Smith House are under consideration and will be progressed during this financial year. These include:

- Provision of better information on the Council's web site and by the corporate contact centre
- Appointments-only process in John Smith House, supported by an online/contact centre pre-screening stage
- Use of other sites in the borough to provide housing advice
- Organisational restructure to reflect the above

## **2.5 Medium term actions**

**2.5.1** A number of actions have been identified and in some cases implemented that will not deliver tangible benefits until 2017/18 or later years. These are outlined below:

#### **Demand reduction:**

**2.5.2 Customer interface:** Further reductions in the numbers presenting at John Smith House could be made if it was made an appointment-only destination. This would

require pre-screening via the council's website or contact centre to eliminate the large number of people who present face-to-face seeking straightforward information. The relevant web pages will need to be rewritten and restructured, with the address and contact details for John Smith House being less prominent.

- 2.5.3 **Welfare Reform Team:** Once the Welfare Reform Team has worked through the cohort of capped residents and provided as much support and advice as possible to get such households into work, it may be appropriate to continue with the early intervention approach with a further cohort of residents. The most relevant one from the point of homelessness prevention is those who live in private sector rented accommodation and are just starting to fall into arrears, eg they have missed a single rent payment or have under-paid on one occasion. This will clearly need close liaison and engagement with private sector landlords but could be well worthwhile since it is these households who are most affected by the market forces and welfare reform pressures outlined in section 3 above.
- 2.5.4 **Prevention:** The intention of new prevention-focused legislation referred to above aligns well with the Community Solutions early intervention model that will be implemented as part of Ambition 2020 and suggests that it will be appropriate to increase the level of resources in mediation services and specific preventative measures for private sector tenants, based on the Welfare Reform Team approach.
- 2.5.5 **Jobs:** The growth agenda plans a net increase of 10,000 new jobs in the borough as part of a long-term regeneration agenda that will be driven through a new regeneration organisation, Be First. The regeneration programme is already under way, but will be given additional investment and impetus when Be First is established in 2017.

#### **Increasing supply:**

- 2.5.6 **Council-owned accommodation:** In the longer term, a further increase in the number of council-owned hostels is planned to reduce reliance on the PRS as a source of temporary accommodation. A range of actions have been identified and are being evaluated. They include:
- Purchase of further TA accommodation in borough, eg hotels, buying back right to buy properties
  - Build of further TA accommodation in the borough (including modular build)
  - Purchase land/buildings out of borough for TA and PRSOs
  - Convert council-owned vacant/redundant stock
  - Include provision for TA in Growth Agenda/Be First

It is proposed to establish a multi-discipline Task Force to progress these opportunities.

#### **Reducing costs/increasing income:**

- 2.5.7 **Government funding:** A package of measures was announced by government in December 2015 to help tackle homelessness, including a new £5 million fund that will help 25 councils facing the greatest pressure in temporary accommodation – Barking & Dagenham is one of these 25 authorities. Further increases in funding to

meet homelessness need were also announced, so it will be important to ensure that our policies are aligned with the maximisation of funding under this new regime.

In addition, DCLG announced that homelessness prevention funding for local authorities will be protected through the local government finance settlement to 2020. Increasing the number of preventions will therefore be even more important for future funding, and these opportunities will be exploited.

## 2.6 Conclusions

- 2.6.1 A combination of changes in the welfare benefits system and large real-terms increases in private sector market rents has already driven a substantial increase in the demand for temporary accommodation in the borough over the past 3 years.
- 2.6.2 It is clear that the policy of progressively increasing the use of PRS properties to meet the demand for temporary accommodation from those living in the borough is no longer viable, and alternative approaches are needed.
- 2.6.3 A wide range of measures aimed at mitigating the underlying increase in TA demand and costs have either been implemented or will be implemented during this financial year. However, these will be insufficient to fully mitigate the combined impacts of market rent increases and government welfare reforms
- 2.6.4 In order to provide additional cost-neutral accommodation capacity and greater flexibility in allocating homeless people to temporary accommodation, it is reluctantly proposed to remove the current one-hour travel time limit on TA placements. This will be supported by a property and locality database that will be used to assess the suitability of specific properties to meet the needs of specific cases, and by a comprehensive support package (including information on local facilities and employment opportunities, and potentially funds to cover the costs of moving) for those who are placed outside the borough.
- 2.6.5 A programme of medium-term initiatives has been developed and has started to be implemented but will not deliver significant tangible results until 2017/18 at the earliest.
- 2.6.6 In the longer term, a fundamental shift away from the use of local PRS properties to meet the demand for temporary accommodation is needed. This will include an increase in the number of Council-owned hostels and purpose-built TA properties and a multi-discipline Task Force is being set up to explore options and secure additional capacity. The approach will be extended to cover out of borough purchases of property or land where it is considered cost effective to do so.
- 2.6.7 At current rates the Council makes a small average loss of £4.50 per night on the PRS properties it rents from landlords for TA. It is currently assumed that that 10% of existing homeless households living in these properties could be provided with a cost-neutral alternative out of borough accommodation suggesting an average annual saving of £197,000 a year.

### **3. Options Appraisal**

- 3.1 Under the Homelessness Act 2002 local authorities are statutorily bound to review their homelessness services and set out a comprehensive assessment of emerging trends. Subsequently the borough is required to prepare strategic activities to tackle and mitigate against homelessness over the next five years.
- 3.2 The approach of this strategic paper sets out the options available based on current operational best practice, failure to review those trends, budget pressures and the impact of new guidance and policy interventions which would leave the local authority exposed to the adverse effects of increased homelessness.

### **4. Consultation**

- 4.1 The contents of the strategic approach have been compiled with a significant input from a number of council services and organisations involved in delivering services including Housing Advice Services, Housing Strategy, environmental health, NELFT, mental health services, adult commissioning, children's services, private sector housing, regeneration, Elevate, the East London Housing Partnership and the community voluntary sector.
- 4.2 Public consultation on the main themes proposed in the paper were gathered over the course of the year and presented to various management teams within the Council and is tabled for discussion at the Health and Wellbeing Board, Community Safety Partnership, Landlords and Letting Agents Forum and Corporate Strategy Group.
- 4.3 The consultation to date has been largely positive, particularly with internal stakeholders who have helped to develop its strategic direction.
- 4.4 Further consultation will commence once the amended policies relating to out of borough placements and discharging our homelessness duty into the private rented sector has been scoped further.
- 4.5 An amended policy is expected to be presented to Cabinet in January/February 2017

### **5. Financial Implications**

Implications completed by: Tulsi Mukherjee, Financial Accountant

- 5.1 Homelessness is currently forecasting a pressure of £3.1m at the year end. This is due to the net cost of placing people in accommodation provided by private sector landlords, which is the largest source of temporary accommodation. The income that the Council can collect from tenants is constrained by the level of Housing Benefit payable which has been frozen for a number of years and is now below the cost of most accommodation in the borough and neighbouring areas.
- 5.2 Around two thirds of the properties used for temporary accommodation produce a net cost to the Council and this is likely to increase over time. Unbudgeted performance bonuses are also paid to agents for providing seven or more properties. Although the total pressure resulting from increased rates above the

recoverable amount being paid to landlords, particularly private sector landlord (PSL) properties is forecast at approximately £2.6m, the cost to the Council would be even greater if these properties are not secured because of increased use of B&B accommodation.

- 5.3 The proposal to remove the current one-hour travel time limit on TA placements will help to alleviate some of this pressure if a proportion of existing homeless households living in these properties could be provided with a cost-neutral alternative out of borough accommodation. However in the longer term, a fundamental shift away from the use of local PRS properties to meet the demand for temporary accommodation is needed, to mitigate the pressure altogether.
- 5.4 There are other pressures also emerging which will impact on the pressure reported above. The impact of welfare reform continues to be monitored but is expected to result in increased levels of homelessness unless preventative measures are effective.

## 6. Legal Implications

Implications completed by: Martin Hall, Housing Solicitor / Team Leader

- 6.1 There are no immediate legal implications arising from this report, which recognises the challenges and pressures placed upon the Council in respect of fulfilling its statutory duties and sets out a strategic approach as to how to address the same.
- 6.2 Furthermore, the report recognises the recent changes in legislation affecting homelessness (including changes as part of welfare reform) and also has regards to other potential changes in legislation, which may be implemented in the next five years.

## 7. Other Implications

- 7.1 **Risk Management** - The main purpose of this paper is to note the strategic approach being adopted to tackle homelessness and therefore no immediate risk management implications. However, there is a concern that failing in principle to relax the one hour restriction of the placements policy will diminish the Council's ability to fulfil its statutory homelessness duties under Part VII Housing Act 1996.
- 7.2 **Contractual Issues**- Where the approach indicates a procurement or contractual solution this will be delivered with best practice and in consultation with corporate procurement services.
- 7.3 **Staffing Issues** - Any staffing related implications arising from this approach will be dealt with through the policies, procedures and consultative processes agreed between the Council and the trade unions.
- 7.4 **Corporate Policy and Customer Impact** - Homelessness is a key indicator in the JSNA's annual assessment of current and future health and social needs of the population and includes recommendations for public policy commissioners on strategic outcomes in reducing homelessness. This is reflected in the paper.

The paper links with the health and wellbeing pledges to close the gap in life expectancy and to improve health and social care outcomes through integrated services as well as meeting the corporate priorities of enabling social responsibility. This essentially means supporting residents to take responsibility for themselves, their homes and their community as well as protecting the most vulnerable, keeping adults and children healthy and safe.

The impact on clients and user groups has been highlighted in the report. A full equality impact assessment will be carried out in parallel with the final amendments to the borough's placements policy.

- 7.5 **Safeguarding Children and Health Issues** - Recommendations in the approach look to improve the outcomes for vulnerable persons at risk of homelessness. The themes of this paper were developed in consultation with adult community services, NELFT, children's services and teams dealing with mental health, people without recourse to public funds, looked after children and leaving care teams.
- 7.6 **Crime and Disorder Issues** - There are no immediate crime and disorder issues.
- 7.7 **Property / Asset Issues** - The paper looks at the Council's use of accommodation, stock and assets and suggests ways to rationalise and utilise it more effectively as part of a more innovative approach to relieving homelessness.

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

**List of appendices:**

- **Appendix 1 – Action Plan**

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## Action Plan

Ref	Objective	Action	Implementation Timescale	Responsibility	Target result
1	Reduced TA demand	All staff retrained in making robust and consistent decisions	Already implemented	Service	10% reduction in acceptances in 2016/17 – saving £80k
2	Reduced TA demand	Stop providing accommodation pending reviews if decision unlikely to be reversed	Already implemented	Service	TBA
3	Reduced TA demand	Audit of all in TA to check for fraud/changes in circumstance	Started – will take 4 months with 2 FTE additional resource	Service	£82k reduction
4	Reduced TA demand	Amendments to Allocations Policy to move on some in TA	Started – will be informed by 3 above	Service	TBA
5	Reduced unit cost of TA	Revised out of borough placement policy, supported by a comprehensive database to enable the assessment of suitability in each specific case	Paper to Cabinet in Autumn 2016	Service	Possible £81k in 2016/17, more in later years
6	Maximise TA rent collection rate	Speed up turnround of housing benefit claims	Already implemented	Elevate	Collection rate >95%
7	Reduced TA demand and reduced cost of administration	Triage process in John Smith House	Already implemented	Service	Early indications show a 20% saving to staff processing time.
8	Reduced TA demand and reduced cost of administration	Appointments-only process in John Smith House, in conjunction with online/contact centre pre-screening	2017	Service/ A2020	New CAAF Strategy – F2F reduced from 100% to 50% - saving 3 FTE = £100k
9	Reduced TA demand and reduced cost of administration	Improved web content to reduce avoidable contact	2017	Service/ A2020	25% reduction in footfall reducing the need for 3 FTE = saving £100k

Ref	Objective	Action	Implementation Timescale	Responsibility	Target result
10	Reduced B&B cost	Careful management of B&B portfolio with use of lower-cost alternatives where possible	Already implemented	Service	Reduced demand in 2016/17 from 50 to 35 units
11	Reduced TA cost	Increased in stock of Council-owned accommodation, enabling reduction in use of loss-making PRS accommodation	Ongoing	Service/ My Place	In the long term, use of in-borough PRS units only where cost-neutral or where unavoidable
12	Reduction in bad debt provision	Change in calculation methodology	In hand	Finance	Reduction in 2016/17 provision from £389k to £49k
13	Reduction in cost of TA	Critical review of extent of increase in security in council-owned hostels	Already implemented	Service	Reduction in cost pressure in 2016/17 from £500k to £243k
14	Reduction in potential demand for TA	Welfare Reform Task Force	Implemented – working through capped caseload	Service	Avoidance of potential increase in homelessness arising when reduced level of benefit cap introduced in November 2016
15	Reduction in potential demand for TA	Tenancy sustainment training	Sept 2016 – improved package will be in place by April 2017	Service	Avoidance of homelessness through ensuring tenants act in a good tenant-like fashion
16	Reduction in TA demand	Personal Housing Plans pilot	Dec 2016	Service	Reduction in demand for TA through encouragement of self-sufficiency
17	Reduction in TA demand	Mandatory mediation service for non-violent parental eviction cases	Dec 2016	Service	Reduction in number of dependants evicted from parental home
18	Increase in affordable TA supply	Continue to build positive relationship with PRS landlords	Sept 2016	Service	Improved relationship should increase willingness of landlords to let to those on benefits at affordable rates
19	Increase in affordable TA supply	Enhanced rent deposit scheme and rent guarantees	Dec 2016	Service	Increased willingness of PRS landlords to let to those on benefits at affordable rates
20	Increase in affordable TA supply	Establish Task Group to acquire/build additional TA capacity, predominantly outside the borough	April 2017	Service/A2020	Discharge duty at affordable rents, thereby reducing the financial loss made on TA
21	Reduction in/avoidance of TA demand	Customer insight/advanced analytics	April 2017	New Insight Team/A2020	Ability to identify at risk households before they fall into arrears

Ref	Objective	Action	Implementation Timescale	Responsibility	Target result
22	Reduction in/avoidance of TA demand	Improved operational data collection	Late 2016	Service	Improved understanding of causes of homelessness
23	Reducing cost of TA	Closer liaison with GLA and other boroughs to avoid competing for the same units and thereby pushing up costs	During 2016	Service	TBA
24	Reducing incidence of TA	Sharing best practice with other LAs, including prevention measures	During 2016	Service	TBA
25	Reducing cost of TA	More robust process for evicting for rent arrears in TA	Already started	Service/Elevate	TBA

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**CABINET****15 November 2016**

<b>Title:</b> Proposals for Supporting the Development of Civil Society (Everyone Everyday) in Barking and Dagenham	
<b>Report of the Cabinet Member for Community Leadership and Engagement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Monica Needs, Community Enterprise Manager	<b>Contact Details:</b> monica.needs@lbbd.gov.uk 0208 227 2936
<b>Accountable Director:</b> Tom Hook, Strategy and Programmes Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director for Finance and Investment	
<p><b>Summary</b></p> <p>This report sets out the opportunity for a five-year programme of investment into the social infrastructure of the Borough with the intent of:</p> <ul style="list-style-type: none"> <li>• Supporting individual and community resilience by providing practical support to new and existing participative activity;</li> <li>• Promoting a ‘demand management’ approach that dovetails with the development of Community Solutions;</li> <li>• Supporting the Council’s transformation programme and approach to prevention and early intervention;</li> <li>• Directly supporting community cohesion through bringing residents together in practical participative activities;</li> <li>• Measuring the impact of such an approach on individual and borough-wide outcomes.</li> </ul> <p>Members will recall that the Independent Growth Commission set out the need for the Council to:</p> <ul style="list-style-type: none"> <li>• Reform its working arrangements to become less paternalistic and more enabling, encouraging self-sustaining policies and mass-involvement in the Borough;</li> <li>• Strengthen partnerships with the voluntary and community sector;</li> <li>• Renew civic culture and create a vibrant community;</li> <li>• Seek solutions to the long-term challenges facing the Borough.</li> </ul> <p>The Voluntary and Community Sector (VCS) is integral to the delivery of the findings of the Independent Growth Commission and Ambition 2020, however the Residents’ Survey 2015 identified that formal volunteering over the previous year stood at 24% in the Borough, compared to the national average of 42%.</p> <p>Similarly, the Council’s Transformation Programme and a substantial level of future savings are also predicated on increased individual and community resilience, less</p>	

reliance on, and therefore less demand for, Council services. This is unlikely to happen without some manner of investment and to support and grow existing projects, but also support residents to develop their ideas into new initiatives.

Officers have been working with Participatory City to attract funding to develop the initiative across the borough, known as Everyone Everyday locally. Everyone Everyday will link to existing local projects, develop and support new initiatives and seek to facilitate wider community interaction, building and strengthening current relationships.

Big Lottery and Esmée Fairbairn have invited Participatory City CIC and LBBB to bid for funding for a five year period. The next step is for LBBB and Participatory City to formalise its partnership, bid for funding, develop and deliver Everyone Everyday.

This report seeks Cabinet approval for the partnership between the London Borough of Barking and Dagenham and Participatory City. It seeks approval for this partnership to bid for funding for the development of Everyone Everyday, for the delivery of Everyone Everyday and for the Council to invest in Everyone Everyday.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Approve the draft memorandum of understanding, governance arrangements and outline financial plan, thus approving the partnership between LBBB and Participatory City;
- (ii) Agree in principle to the partnership's bidding for funding for the 'Everyone Everyday' project;
- (iii) Approve, subject to a formal agreement, the investment of £300,000 per annum of Council funds into Everyone Everyday for a period of five years;
- (iv) Approve the development and delivery of Everyone Everyday; and
- (v) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Community Leadership and Engagement and the Director of Law and Governance, to approve the details of the Memorandum of Understanding and governance arrangements, the partnership's bid for external funding and the Council's investment, and to take all necessary steps to implement the development and delivery of Everyone Everyday and its projects, including entering into all necessary contracts, agreements and other documents.

### **Reason(s)**

Everyone Everyday would make a significant contribution to fulfilling the ambitions of the Borough and its residents, including encouraging civic pride, enabling social responsibility and growing the borough. It will offer the potential to enable residents to shape the community in which they live through by making it easy to engage with one another and "do things together" within the community.

It is also beneficial to specific groups of high service-use individuals, including children, people with disabilities, retired and older people, and vulnerable individuals as everyone

can take part. Everyone Everyday would complement many local services and providers – including Community Solutions, parks, museums and libraries, education, employment, housing, police and health. It supports the implementation of the recommendations of the Independent Growth Commission.

The project would be of national and international interest. It would build on current relationships and develop a different working relationship between the Council and its residents, one which is less paternalistic and more enabling, helping residents to help themselves and their neighbours. While the Borough Manifesto is seeking the residents' views as to how Barking and Dagenham should change in the future, Everyone Everyday would actively engage residents in the process of change.

Everyone Everyday would present a unique research opportunity for the Council to measure social change and prioritise its actions.

The benefits are quick, tangible, local and self-sustaining.

## 1. Context

- 1.1. Barking and Dagenham has many good examples of local participative schemes characterised by residents coming together to support each other and their local communities. These have often developed organically, with little support from the local authority.
- 1.2. The Council's transformation programme and new model of operation is predicated upon a less paternalistic relationship with residents, increased individual and community resilience. Community Solutions and other changes being developed rely on the ability of communities to help themselves.
- 1.3. In 2014 the Council restated its commitment to community engagement by establishing new community priorities, reflecting the intention of creating One Community in Barking and Dagenham. This set in motion a range of key initiatives seeking to engage and empower residents. This is reflected in the 50<sup>th</sup> anniversary celebrations and ongoing community events programme, the cultural partnership that has developed, and the strong political leadership in engaging with residents.
- 1.4. In 'No-One Left Behind' the Independent Growth Commission observed that 'most important of all is the involvement of people in the reimagining of the Borough', and that 'the traditional role of the Council as the provider needs, in many areas, to evolve into an equally important but more facilitatory mode of operation'.
- 1.5. The Commission recommended 'a renewal of civic culture through the development of a vibrant community', that the Council should 'play a catalytic role' in the fostering of social cohesion, and that 'enhancing the innovative capacity of the local authority, and the institutional and policy environments in which the voluntary sector functions, will have a positive impact'.
- 1.6. The Council's response to the Independent Growth Commission, as agreed by Cabinet on 19 April 2016, included commitments to:

- ‘Support the renewal of civic culture through much more active involvement of the local people and communities’.
  - ‘Leave no-one behind, ensuring that everyone has the opportunity to fulfil their potential and benefit from the borough’s growth’.
  - ‘Ensure that the local community and business, as well as the council and other public sector organisations, each play an appropriate role’.
  - ‘Do more to work in partnership with community and voluntary organisations to provide services’ and ‘enable residents to become less reliant on us’.
- 1.7. This process of improved engagement and participation has started with the development of the Borough Manifesto.
- 1.8. The 2016/17 Corporate Plan included a commitment to ‘develop plans for a reinvigorated community and voluntary sector’.
- 1.9. The Residents’ Survey 2015 identified that formal volunteering over the previous year stood at 24% in the Borough, compared to the national average of 42%.
- 1.10. This paper proposes to connect a number of these opportunities regarding working with the community and seeks to develop a partnership that:
- Will support existing community initiatives and projects;
  - Involves residents in its development and operation;
  - Attracts significant external funding;
  - Support increased individual and community resilience;
  - Proactively help residents to help themselves and others;
  - Offers residents the opportunity to engage with their neighbours easily and regularly;
  - Seeks to utilise existing council, partner and community resources and spaces;
  - Seeks to expand the number of physical spaces in which community activity can take place including local businesses, schools and other opportunities.

## **2. Barking and Dagenham’s role**

- 2.1. The Everyone Everyday project is large in scale and innovative in nature, and resonates with the aspirations of our residents. There are significant opportunities to link to and support existing local initiatives, as well as facilitating the building on our ambition for One Community. This is a unique opportunity for a London Borough to become actively involved in learning with its community, research and potentially reaping sustained benefits for residents.
- 2.2. Barking and Dagenham is in a position to host Everyone Everyday due to the nature of the opportunity, the local context and desire to engage with the community, the interest in working with Barking and Dagenham and the relationships with funders that have been developed. This opportunity will join up with many locally activities and offer development opportunities for residents.
- 2.3. The enabling working style of Participatory City fits with the vision of the Borough developing across the community, allowing residents to shape and form the initiative, linking with existing ideas, but also supporting residents to turn their ideas into practical activities. This is about making it easy for residents to come up with



and engage in local activities with their neighbours as easily as possible. The “support platform” of staff will support people to develop their idea and see if other residents are interested in doing things together in their community. Ideas would be led by residents and facilitated by the support platform.

2.4. The goal is that after five years in Barking and Dagenham the opportunity will have created:

- Approximately one hundred opportunities per week within a 5 to 15 minute walk from any resident’s home;
- Local and regular participation of residents at 30+%;
- Low commitment, imaginative, creative and practically beneficial activities open to all;
- Regular peer-to-peer incubation programmes to cultivate new ideas
- Opportunities to scale ideas towards community business models.

2.5. Hence LBBB could form a partnership with Participatory City to bid for the required funding, as well as funding the project directly, develop and deliver Everyone Everyday.

2.6. The innovative nature of this project will require a new working model, in which LBBB is part-funding, part-hosting and part-delivering a project, and is one of a range of key stakeholders, potentially including:

- Independent external funders;
- Participatory City;
- National and international research bodies.

### 3. **Background to Participatory City**

3.1. Participatory City is a community interest community (CIC) – registered in 2011 and funded by Esmée Fairbairn and Lankelly Chase – with the objective of fostering a ‘participation culture’ via the development of a ‘Support Platform’, designed to help residents conceive of, develop and implement community initiatives and projects of their own design. The ultimate objective of Participatory City is to mobilise local people through participation to improve the lives of residents, as well as the communities in which they live.

3.2. ‘Participation culture’ is the mainstreaming and concentration of local volunteerism, aiming to achieve 30+% regular participation across a community.

3.3. Participatory City is based on the principle that individuals are more likely to engage in activities if the outcomes of their participation are quick, tangible and local, and if the organisations are non-hierarchical, non-bureaucratic and inclusive. This builds on the concept locally of making it easy for people to do things together that can be repeated or scaled if appropriate.

3.4. The ‘Support Platform’ are the personnel and spaces/facilities designed to help residents turn their ideas into reality, support ongoing projects and market Everyone Everyday. In practice this will take the form of at least five Local Hubs located around the borough, managed by small teams of Participatory City employees with expert local knowledge and connections.

- 3.5. Whilst these initial physical locations are important projects supported by Everyone Everyday would take place within a wide range of existing spaces in local communities.
- 3.6. In 2014-15 Participatory City ran a prototype in West Norwood, Lambeth, involving twenty projects and over one thousand residents. Examples of successful projects included:
- Trade Schools – voluntary classes run on a ‘barter’ system;
  - The Public Office – co-working sessions run among a network of freelancers;
  - The Great Cook – communal batch cooking on a large scale.
- 3.7. One example of a project that has continued in West Norwood is Bzz Garage which is a community growing initiative housed on a small patch of land which belongs to the West Norwood Bus Garage. Open Works, the branding for Participatory City in West Norwood, contacted the bus garage who were only too happy to offer the land to the community project. Community volunteers are invited to plant, prune and pot in the garage’s flowerbed and orchard monthly. The project has allowed both fresh produce and social cohesion to bloom and has developed into a stand alone initiative. The highly inclusive project, open to residents of all ages had, during the first 8 sessions, over 125 attendances by 56 individual members of the community. Residents shared tools, plants and knowledge to beautify the borough and to create participation opportunities and a publicly enjoyed focus for enthusiastic gardeners at the cost of only £572. Key outcomes included transformation of a public space which previously attracted resident complaints, and self-reported outcomes for participants including gardening more at home, enjoying the company of others within their local area, feeling encouraged by being able to add the project to their CV, feeling more likely to develop new ideas for other spaces now that they have seen the success the model has enjoyed.
- 3.8. Following the prototype, Participatory City is seeking to develop a full Demonstration Neighbourhood over a period of five years. This would test and develop the strength of participation culture, bring the full range of benefits to the area involved, and provide the area involved with an opportunity for unique social research.
- 3.9. Participatory City have been working to attract interest in the model from independent funders to develop the demonstration neighbourhood. The interest from funders aligns with the opportunity to build on some of the initiatives in Barking and Dagenham, and creates the potential for a partnership in Barking and Dagenham.

#### 4. **Delivery**

- 4.1. Local Delivery of Everyone Everyday would be the primary responsibility of Participatory City, which would use the allocated funds to create and manage the ‘Support Platform’, in the form of local hubs, in accordance with the Delivery Plan, whilst accountable to the joint Project Team.
- 4.2. The ‘Support Platform’ of Everyone Everyday would be run by a minimum of five Local Hubs; properties operated by a small team of trained Participatory City

employees. The employees will be recruited once the funding is obtained. People in the hubs will have a strong degree of local knowledge, be outreaching to residents, community groups and existing initiatives and there to develop residents' initiatives and support local ideas, both pre-existing and new. The model would include the employment of apprentices and there is an agreement that these roles should be filled by people with a high level of local knowledge and understanding of the local community.

- 4.3. The "support platform" of local hubs means that ideas can be developed without having to set up independent organisations with bank accounts, minutes and meetings. This means that people's energy can go into "doing things together" rather than organising a structure. Put more crudely, residents won't need to take minutes, chair meetings, establish bank accounts or agree constitutions. They will be able to turn up, participate, benefit and go home.
- 4.4. Where projects are particularly successful, then the governance would need to be developed if the project needs to become a separate entity to flourish. However, this will be explored with partner agencies locally and would hopefully lead to provide employment opportunities locally too.
- 4.5. The hubs would link with existing projects and assets, and seek to utilise existing community and council spaces for project development where appropriate. Part of the remit of the team would be to seek to expand the number of physical spaces in which community activity can occur, seeking to locate it within walking distance of people's homes. Initial work will include the establishing of those relationships to grow opportunities for that local delivery. Potentially this links to park facilities, community centres, local businesses children's centres and libraries across the borough.
- 4.6. For a full description of the 'Support Platform' see Appendix 4.
- 4.7. Everyone Everyday would offer unique research potentials for the borough, which could inform models of community engagement, inclusive growth agendas and other initiatives. A shared Lab and School would be jointly managed by both parties, which would collect data with regards to the social outcomes of Everyone Everyday. LBBB would be able to access and use this data for a range of purposes, including supporting the themes and targets set under the Borough Manifesto, and contributing to the progress of borough-wide social outcomes as measured by the Social Progress Index.
- 4.8. The aim is that at the end of the five-year investment there will be a thriving 'participation culture' in Barking and Dagenham, and five local hubs operating a robust 'Support Platform' to maintain this culture. The projects will then continue under the management of a central entity, independent of LBBB and Participatory City, and funded by a self-sustaining endowment.
- 4.9. Whilst the engagement for the initial input to the project took place at locations across the borough, the location of the hubs is yet to be finalised and this will be done in conjunction with Members prior to final submission of the bid in December.

## 5. Potential Benefits

5.1. If hosted in Barking and Dagenham, the Borough and its residents could benefit in a variety of ways. During the Lambeth prototype, participation culture was found to improve a variety of social factors, including but not limited to:

- Safety;
- Civic pride;
- Trust;
- Social cohesion;
- Education;
- Physical and mental health.

5.2. As Everyone Everyday develops in Barking and Dagenham it is anticipated that:

- This innovative partnership will inform the Council's working models and relationships with the community, investors and statutory partners.
- The project will complement and align with the preventative approach of the Health and Wellbeing Board, by creating opportunities for residents to engage in their local community, reducing isolation and improving wellbeing.
- The project will facilitate wholesale civic renewal across both established and emerging communities, enhancing and developing what already exists locally.
- Projects facilitated by the 'Support Platform' will begin to adopt community business models, and provide employment to residents of the borough.
- Everyone Everyday will develop effective partnerships with Care City, Coventry University, Creative Barking and Dagenham and similar stakeholders to ensure a joined-up approach that maximises impact.
- It will sit well with Community Solutions providing a resource to build individual and community resilience. Acting as a social prescribing resource.
- Underpin the regeneration ambitions of the Borough, providing elements of the social infrastructure that will be needed to support rapid population growth. The shared research Lab will develop increasingly insightful and useful metrics to identify social outcomes for residents, and inform Council policy.
- The project will attract increasing national and international academic and governmental interest.

5.3. The projects created would be environmentally friendly. For example, prototype projects included bike repair stations, public tool sharing, tree planting, recycling schemes and communal greenhouses, and similar projects would be developed in Barking and Dagenham. This links well with the borough's ambitions regarding parks and amenity greens, as well as dovetailing with allotment initiatives and Grow Communities Dagenham Farm.

5.4. Not only would Everyone Everyday align with the recommendations of the Independent Growth Commission and the approach of Ambition 2020, but it would complement many council and partner services including:

- Community Solutions
- Parks
- Museums and libraries
- Education

- Employment
- Housing
- Police
- Health

5.5. The above would be achieved through linking the hub staff, developing initiatives to service blocks and ensuring cross referral. Even in the initial local engagements links were emerging:

- A resident struggling with issues wished to share his skills around basic mechanical skills;
- A single mum living in supported accommodation was keen to be part of great cook so she could make new friends and learn to cook healthy food for her and her son.

5.6. Everyone Everyday would operate in tandem with the Borough Manifesto. While the Borough Manifesto is seeking the residents' guidance as to how Barking and Dagenham should change in the future, Everyone Everyday would actively engage residents in the process of change.

5.7. Access to the data collected by the research Lab will present a unique insight into the impact of social policy, voluntary participation and a variety of other factors, on the social outcome of residents involved. This research potential will also compliment and inform the Borough Manifesto.

5.8. Participatory City's model of 'participation culture' is both new and innovative. Hence this project – and the Borough's involvement – would be of national and international interest.

5.9. The outcomes would be quick, tangible, local and self-sustaining.

## 6. **Steps taken so far**

6.1. Council officers have been working with Participatory City to investigate the possibility of LBBD hosting Everyone Everyday. This has included the drafting of a memorandum of understanding and governance arrangements between the two parties (see Appendices 1 and 2). In July, the Chief Executive, along with council officers and representatives of Participatory City, held preliminary conversations with external funders.

6.2. Following the meeting with funders in July, a report was prepared for the Corporate Strategy Group to agree the next steps, and the Leader and Portfolio Holder for Community Leadership and Engagement have met with Participatory City and have been kept abreast of developments over the summer and through to Cabinet. The Portfolio Holder for Community Leadership and Engagement has written to both MPs and met with them to discuss Participatory City, and this will be an ongoing dialogue.

6.3. Council Officers and the Director of Participatory City have been engaging a range of stakeholders both locally, with regard to VCS and other interested parties, and regionally to explain the initiative and the opportunity to work in Barking and Dagenham.

6.4. One of the key challenges that needed to be explored in developing a bid for funding was whether Participatory City's model of participation culture would work in Barking and Dagenham, as it had been piloted in a very different community. Therefore, in advance of this report Participatory City and LBBD also ran a series of co-production engagement events at various locations around the Borough throughout September. These sessions revealed much interest and willingness to participate in the project, and demonstrated that the model of 'participation culture' could work in Barking and Dagenham. The co-production team spoke to over 400 people, of whom 138 signed up to hear more about the project, 67 contributed specific project ideas and 50 contributed ideas for trade schools, public office sessions or 'great cooks'.

6.5. Quotes from residents contributing to the engagement included:

- **Karen\*** has lived in Barking and Dagenham for the past 15 years. Karen used to enjoy attending a knitting circle held at a Community Hall within the Borough. Unfortunately, the Community Hall closed six years ago, and Karen's knitting club failed to find a suitable location to locate to. Karen explained that she missed the social aspect of the club, but hadn't find any similar activities to join. Karen advised that not only would she be interested in participating in a knitting circle, but she would also be happy to teach the skill to interested individuals that attend.
- **Gavin\*** is an 80-year-old resident who has lived in the borough his whole life. Gavin lives with his wife. Their children have grown up and have moved out of the borough with their own families. Gavin's wife suffers from Alzheimer's disease and although they receive support from care workers he admits that sometimes the situations makes him stressed. At the Pop Up, Gavin explained that in caring for his wife he has lost contact with many close friends. The closure of a local pub has also meant that he feels he has nowhere to go when he just wants to get out of the house. For these reasons, Gavin particularly liked the Open Orchard and Men's shed ideas.
- **Agatha\*** is a single mum in her twenties. Five months ago, Agatha gave birth to a son. Certain concerns meant that Agatha and her baby spent the first two months after the birth in a Care and Support facility where she received training on how to care for his needs. When Agatha visited, a Pop Up, she expressed interest in participating in Great Cook sessions. This was both to make new friends and expand her support network, and to assist her in making healthy and nutritious meals for her son.

6.6. In addition, several ideas for skills people would like to develop or ideas they would like to share were put forward including:

- Painting and plastering lessons;
- Wiring light switch and plug socket;
- Cupcake decorating for children's parties;
- Knitting and pattern reading;
- Football skills & keep fit for young people;
- Security awareness (keeping yourself and home safe);

- How to make children's costumes at low to no cost;
- Flower arranging;
- How to sew and make clothes;
- Kite making;
- A space for parents to connect and share the good and difficult experience of parenting and look after their emotional wellbeing without any expectations or judgement.

6.7. The team at the hub could take all the ideas generated from the local engagement and either to link to an existing project or support the setting up of sessions.

6.8. For a full description of the summer engagements see Appendix 3.

### **Governance arrangements**

6.9. This partnership would be defined and initially underpinned by a memorandum of understanding (see Appendix 1). This would establish a Project Team, constituted of representatives of both LBBB and Participatory City. This Project Team would draft and agree a Delivery Plan, Financial Plan and formal Management Agreement for Everyone Everyday, and would meet on a quarterly basis with broad strategic and financial oversight functions. All external funding gained from the initial bid would be channelled and held by LBBB, and distributed to Participatory City quarterly in accordance with the Delivery and Financial Plans agreed by the Project Team. Participatory City would have primary responsibility for local delivery of the project, also in accordance with the Delivery and Financial Plans. LBBB and Participatory City would be jointly responsible for delivery of the research and learning potentials, in the form of a shared Lab and School, also in accordance with the Delivery and Financial Plans. A Working Group, constituted of all relevant council officers and employees of Participatory City, would meet monthly to liaise about project delivery, with small-scale strategic and financial oversight powers.

6.10. For a full description of the governance arrangements and the interaction of the teams mentioned above, see Appendix 2.

6.11. While these governance arrangements are suitable for a partnership of this nature, this would nonetheless be an innovative working relationship, and the first of its kind between a local authority and a CIC/foundation. Thus, Council officers would work in continual liaison with the Strategic Director of Finance and Investment and the Director of Law and Governance, to ensure due diligence and financial responsibility throughout Everyone Everyday.

## **7. Finance**

7.1. Everyone Everyday is expected to cost approximately £8.5m. The partnership of Participatory City and LBBB has been formally invited to bid for funding from Big Lottery and Esmée Fairbairn. This external funding is anticipated to be to the value of between approximately £4-6m. It is recommended that Cabinet approve the direct funding of £300k per annum for five years from LBBB and a significant level of in-kind support. As a research and development project, the scope of Everyone Everyday can be scaled, within limited parameters, to match the funding gained. Initial funding would be distributed from LBBB to Participatory City, or spent by

LBBB, on a quarterly basis, in accordance with the Management Agreement and the Delivery and Financial Plans, and in liaison with the Project Team. Additional funding secured by the partnership may be administered by LBBB or Participatory City.

- 7.2. The Council is looking to review available funding to support more community based initiatives and Everyone Everyday can be seen to support this wider agenda.
- 7.3. In addition, members should be aware that considerable officer resource from the Strategy and Programmes team will be required to develop, in partnership with Participatory City, the research, learning and management of the programme over five years. This would include additional resource of 0.5 of an establishment post at PO7 to manage the aspects of the programme that require significant input from the authority.
- 7.4. The detail of the financial model is already being developed for submission in late December to the funders. LBBB are working with Participatory City to ensure that the budget is appropriately aligned and the submission will be robust.

**8. Risk and risk management:**

<b>Risk</b>	<b>Risk management</b>
The bid for funding is unsuccessful.	Officers and partners at Participatory City are continuing to research the funding criteria and processes of potential external sponsors, to ensure that the partnership’s bid meets all necessary requirements.
The funding proves insufficient for the development and delivery of Everyone Everyday.	Officers and partners at Participatory City are working together to develop a comprehensive Financial Plan, to ensure that all funds gained are used effectively and efficiently. The Plan will be agreed by the Project Team.
The Delivery of Everyone Everyday fails to engage residents to the desired level.	Officers and partners at Participatory City have run a series of co-production engagement events to gauge the appetite for such a project in the Borough, and have identified a large base of support. This is a research and learning project and as such any challenges will be addressed and the model developed to ensure maximum impact.
The participation culture fostered by Everyone Everyday is not sustained over time.	Participatory City have extensively researched the circumstances necessary for participation culture to succeed, and the partnership are developing plans for an endowment to sustain the participation culture beyond the five-year Everyone Everyday.

**9. Next steps**

- 9.1. If Cabinet approves the partnership between LBBB and Participatory City, the bid for funding and the development and delivery of Everyone Everyday, a series of next steps can be taken:



- The Project Team and Working Group can be established;
- The Management Agreement, Delivery Plan and Financial Plan can be drafted and agreed;
- The bid for funding can be written and submitted.

9.2. The anticipated timescales are:

- Proposed bid submission in late December 2016;
- Consideration of funding March 2017, and possibly May 2017;
- Once funding is confirmed it is anticipated that local delivery would take three months from award.

9.3. As the bid is being developed the location of the hubs will be agreed in conjunction with Members before submission in December.

9.4. If the funding bid is successful, then officers will work with Participatory City to deliver Everyone Everyday in Barking and Dagenham.

## 10. Options Appraisal

10.1. Due to the unique nature of Participatory City's model of 'participation culture', and the LBBB's financial pressures, options are limited as indicated below.

10.2. **Option 1** – Do nothing. Cease work with Participatory City, do not bid for funding and do not fund the project. The impact of this option would be Participatory City seeking collaboration with a different authority, and the borough would not receive any of the potential benefits. **This option is not recommended.**

10.3. **Option 2**- seek to attract funding to develop a local model and/or other partner initiatives. This approach is not likely to offer a borough wide approach or attract the levels of funding that have been identified for the partnership between LBBB and Participatory City. **This option is not recommended.**

10.4. **Option 3** – Full and complete Council funding and development. This would result in the Council needing to provide 100% capital and revenue funding; Council would be required to follow EU Procurement Regulations that would add time and cost in addition to carrying capital overrun project full risk of capital project overrun and revenue liabilities. In this instance the Council investment is likely to be in excess of £8m. **This option is not recommended.**

10.5. **Option 4** – Approve the memorandum of understanding and governance arrangements, thus approving the partnership between LBBB and Participatory City. Approve the partnership's bid for external funding. Approve the Council's investment into the project to the value of £1.5m. Approve the development and delivery of Everyone Everyday. This would be an affordable and responsible way to harness the potential benefits of Everyone Everyday. **This option is recommended.**

## 11. Financial Implications

Implications completed by: Kathy Freeman, Finance Director

- 11.1 The Council proposes to make an investment of £1.5m into the Everyone Everyday projects over five years at £300k per year. This allocation has been written into the MTFS within the Budget Strategy Report being submitted to Cabinet on 15 November.
- 11.2 The nature of how this £1.5m will be spent is yet to be fully determined and if some of these funds are used to acquire or improve assets then that expenditure will be able to be capitalised.
- 11.3 The indicative costs of Participatory City is estimated to be c£8.5m over a five-year period. The Council's financial contribution is expected to match fund and lever in additional funding from the Big Lottery fund and another private funder. The Council will not know until March 2017 whether it will be successful in its bid. If the Council is not able to attract the external funding required, it will be difficult to run the project on a much reduced scale and therefore may negate the need for the £300k investment each year.
- 11.4 At this stage the details of the delivery model for Everyone Everyday have not been finalised. The governance arrangements around who will control the allocation of external funding will be decided at the time of approval, but it is highly likely that LBBD will receive and distribute funds as described in the governance arrangements.
- 11.5 Although the requirement is for the Council to make a £300k investment per year, it is important that the effectiveness of Participatory City is monitored closely and the outcomes delivered are tracked.

## 12. Legal Implications

Implications completed by: Assaf Chaudry, Major Project Solicitor

- 12.1. This report is seeking approval to enter into an arrangement to develop civil society in Barking and Dagenham by engaging with Participatory City a Community Interest Company (CIC) to develop projects and support platforms to renew "civic culture through the development of a vibrant community".
- 12.2 The proposed activity comprises:
- The entering initially into an informal arrangement to submit joint applications for external funding and subsequently into a formal arrangement to the delivery of the Everyone and Everyday projects.
  - The council also proposes to make investments of £1.5 million into the Everyone Everyday projects over five years
- 12.3 There are two principal powers upon which the Council may rely in progressing the proposals referred to above.

- (i) Section 111 of the Local Government Act 1972 – power to do anything which is calculated to facilitate, or is conducive or incidental, to the discharge of any of a council’s functions; However, given that the proposal contained within this report is not going to discharge a specific Council’s function in these circumstances we could rely upon the second power which is the general power of competence as set out in the following paragraph.
- (ii) Section 1 of the Localism Act 2011 This section gives the local authority the power “to do anything that individuals generally may do”. Under S1(4)(c) the Council has the power to do anything “...for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.”

12.4 The above power is circumscribed by any previous legislation or any new legislation coming into effect after the Localism Act 2011. In addition, the Council should to be cognisant of its fiduciary duty towards its tax payers and a duty to act prudently, fairly and reasonably.

12.5 Legal Services shall continue to be available in assisting and developing the projects and support platforms to ensure that Council’s activities are being delivered within the spirit of the ‘general power of competence.’

### 13. Other Implications

#### 13.1 Customer Impact and engagement

<b>LBBD strategic objective</b>	<b>Impact of Everyone Everyday</b>
A more enabling Council.	Participatory City’s facilitating Support Platform model is enabling by nature.
A renewal of civic culture through the development of a vibrant community.	Projects conducted via Everyone Everyday will have a range of beneficial impacts on the community, increasing civic pride and creating vibrancy.
Fostering social cohesion.	Participation culture and the Support Platform which fosters it are inclusive, supporting all ideas to their maximum potential and facilitating resident-led initiatives in a new way. Additionally, cooperation and collaboration fostered by the projects will improve social cohesion.
Innovate within the voluntary sector.	Participation culture via a Support Platform will entail a new and innovative working model for the Council’s relationship with the voluntary sector.

13.2 **Public Health Issues** - The outcomes of participation culture are likely to improve public health in a range of ways, including but not limited to:

- Allowing exercise
- Sharing lifestyle and dietary information and support
- Promoting social outlets for vulnerable or isolated individuals

- Supporting a preventative approach to public health and
- Liaising with Community Solutions and other Council and NHS services.

13.3 **Contractual Issues** - Participatory City CIC and LBBD have been invited to bid for funding as a partnership, implying that there will not be an opportunity for alternative providers to bid with LBBD for external funding.

All Council rules regarding procurement and expenditure must be adhered to throughout the project. Therefore, authority must be delegated to the appropriate responsible officer to procure all goods and services in relations to the partnership in accordance with the Council's Contract Rules.

#### **Public Background Papers used in the preparation of the report:**

1. Participatory City Illustrated Guide –  
(<http://www.participatorycity.org/the-illustrated-guide/>)
2. Designed to Scale: Mass Participation to Build Resilient Neighbourhoods –  
(<http://www.participatorycity.org/report-the-research/>)

#### **List of Appendices:**

- **Appendix 1** - Memorandum of Understanding
- **Appendix 2** - Governance Arrangements
- **Appendix 3** - Resident Engagement Summary Report
- **Appendix 4** - Outline of Support Platform

**Memorandum of Understanding**

**DATED**

**MEMORANDUM OF UNDERSTANDING**

between

**LONDON BOROUGH OF BARKING AND DAGENHAM**

And

**PARTICIPATORY CITY (CIC)**

**PARTIES**

The parties to this memorandum of understanding (**MoU**) are:

- (1) THE LONDON BOROUGH OF BARKING AND DAGENHAM of Civic Centre Offices, Rainham Road North, Dagenham, RM10 7BN (**LBBB**).
- (2) PARTICIPATORY CITY (CIC) of Ladybrook, Burgh Hill, Bramshott, Liphook, GU30 7RQ (**PC**).

**1. BACKGROUND**

- 1.1 LBBB and PC have agreed to work together on the project detailed in Annex 1 to this MoU (**Project**).
- 1.2 The parties wish to record the basis on which they will collaborate with each other on the Project. This MoU sets out:
  - (a) the key objectives of the Project;
  - (b) the principles of collaboration;
  - (c) the governance structures the parties will put in place; and
  - (d) the respective roles and responsibilities the parties will have during the Project.

**2. KEY OBJECTIVES FOR THE PROJECT**

- 2.1 The parties shall undertake the Project to achieve the key objectives set out in Annex 1 to this MoU (**Key Objectives**).
- 2.2 The parties acknowledge that the current position with regard to the Project and the contributions already made (financial and otherwise) are as detailed in the Annex 1 to this MoU.

**3. PRINCIPLES OF COLLABORATION**

The parties agree to adopt the following principles when carrying out the Project (**Principles**):

- (a) Communicate. Discuss and reflect on the new and innovative working relationship this partnership entails.
- (b) collaborate and co-operate. Establish and adhere to the governance structure set out in this MoU to ensure that activities are delivered and actions taken as required;
- (c) be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU;

- (d) be open. Communicate openly about major concerns, issues or opportunities relating to the Project;
- (e) learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- (f) adopt a positive outlook. Behave in a positive, proactive manner;
- (g) adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation;
- (h) act in a timely manner. Recognise the time-critical nature of the Project and respond accordingly to requests for support;
- (i) manage stakeholders effectively;
- (j) deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU; and
- (k) act in good faith to support achievement of the Key Objectives and compliance with these Principles.

#### **4. PROJECT GOVERNANCE**

##### **4.1 Overview**

The governance structure defined below provides a structure for the development and delivery the Project.

##### **4.2 Guiding principles**

The following guiding principles are agreed. The Project's governance will:

- (a) provide strategic oversight and direction;
- (b) be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- (c) align decision-making authority with the criticality of the decisions required;
- (d) be aligned with Project scope and each Project stage (and may therefore require changes over time);
- (e) leverage existing organisational, group and user interfaces;
- (f) provide coherent, timely and efficient decision-making; and
- (g) correspond with the key features of the Project governance arrangements set out in this MoU.

#### 4.3 **Project Team**

- (a) The **Project Team** provides overall strategic and financial oversight and direction to the Project including reporting and obtaining consent for external funders. This group will consist of the:

Director of Participatory City (CIC)

Two Trustees of Participatory City (CIC)

The Cabinet Member for Community Leadership & Engagement, LBBDD

Strategic Director for Finance and Investment, LBBDD

Strategy and Programmes Director, LBBDD

Community Enterprise Manager, LBBDD

The CEO of LBBDD shall have a standing invitation, but shall not be a member of the Project Team.

- (b) The Project Team shall meet on a quarterly basis.

The Project Team shall be managed in accordance with the terms of reference set out in Annex 2 to this MoU.

#### 4.4 **Working Group**

- (a) The Working Group will provide strategic management at Project and workstream level. It will provide assurance to the Project Team that the Key Objectives are being met and that the Project is performing within the boundaries set by the Project Team.

- (b) The Working Group consists of all relevant representatives from each of the parties. Working Group shall have responsibility for the creation and execution of the project plan and deliverables, and therefore it can draw technical, commercial, legal and communications resources as appropriate into the Working Group.

The Working Group shall meet on a monthly basis.

#### 4.5 **Reporting**

Project reporting shall be undertaken at three levels:

- (a) **Working Group:** Minutes and actions will be recorded for each Working Group meeting. Any additional reporting requirement shall be at the discretion of the Working Group.
- (b) **Project Team:** Reporting shall be quarterly, based on the minutes from the Working Group highlighting: Progress this period; issues being managed; issues requiring help (that is, escalations to the



Project Team), feedback from research and learning, and progress planned next period and/or aligned with the frequency of the Project Team's meetings.

- (c) **Project Team Investor Relations:** The Project Team shall report as required to all external funders highlighting: Progress this period; issues being managed and progress planned next period. The Project Team shall at the same time seek renegotiation of funding allocation where necessary.

## 5. ROLES AND RESPONSIBILITIES

- 5.1 The Parties shall undertake all roles and responsibilities stipulated in the Delivery Plan and, once created, the Management Agreement. These will include that LBBD will be responsible for receiving and distributing all appropriated funding, in accordance with the Financial and Delivery Plans, and that Participatory City (CIC) will be primarily responsible for the ground delivery of the Project. Within [2 months] of the date of this MoU the Project Team shall develop:
  - (a) A bid for external funding;
  - (b) A Management Agreement between the two parties
  - (c) A Delivery Plan
  - (d) A Financial Plan

## 6. ESCALATION

- 6.1 If either party has any issues, concerns or complaints about the Project, or any matter in this MoU, that party shall notify the other party and the parties shall then seek to resolve the issue by a process of consultation. If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated to the Working Group, which shall decide on the appropriate course of action to take. If the matter cannot be resolved by the Working Group within 5 (five) days, the matter may be escalated to the Project Team for resolution.
- 6.2 If either party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Project, the matter shall be promptly referred to the Project Team (or its nominated representatives). No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Project, without the prior approval of the Project Team (or its nominated representatives).

**7. INTELLECTUAL PROPERTY**

- 7.1 The parties intend that any intellectual property rights created in the course of the Project shall vest in the party whose employee created them (or in the case of any intellectual property rights created jointly by employees of both parties in the party that is lead party noted in Clause 5 above for the part of the project that the intellectual property right relates to).
- 7.2 Notwithstanding the provisions contained in clause 7.1 the parties shall use all reasonable endeavours to ensure that any Intellectual Property Rights created, brought into existence or acquired during the term of this agreement shall be create as an open source software provided it is practicable to do so.
- 7.3 Where any intellectual property right vests in either party in accordance with the intention set out in clause 7.1 above, that party shall grant an irrevocable licence to the other party to use that intellectual property for the purposes of the Project.

**8. TERM AND TERMINATION**

- 8.1 This MoU shall commence on the date of signature by both parties, and shall expire on 31 March 2017.
- 8.2 Either party may terminate this MoU by giving at least three months' notice in writing to the other party at any time.

**9. VARIATION**

This MoU, including the Annexes, may only be varied by written agreement of the Project Team.

**10. CHARGES AND LIABILITIES**

- 10.1 Except as otherwise provided, the parties shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.
- 10.2 Both parties shall remain liable for any losses or liabilities incurred due to their own or their employee's actions and neither party intends that the other party shall be liable for any loss it suffers as a result of this MoU.

**11. STATUS**

- 11.1 This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the parties from this MoU. The parties enter into the MoU intending to honour all their obligations.

11.2 Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

**12. GOVERNING LAW AND JURISDICTION**

This MoU shall be governed by and construed in accordance with English law and, without affecting the escalation procedure set out in clause 6, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of LONDON  
BOROUGH OF BARKING AND  
DAGENHAM

Signature: .....  
Name: .....  
Position: .....  
Date: .....

Signed for and on behalf of  
PARTICIPATORY CITY(CIC)

Signature: .....  
Name: .....  
Position: .....  
Date: .....



## **Annex 1: The Project**

### **Project overview**

LBBB is a local authority engaged in the provision of a range of socioeconomic services to residents of the Borough, and is seeking to renew civic culture, create a vibrant community and strengthen partnerships with the voluntary and community sector, whilst also seeking solutions to the long-term challenges facing the Borough.

Participatory City is a community interest company (CIC) with the objective of fostering a 'participation culture', via the development of a 'support platform' designed to help residents conceive of, develop and implement community groups and projects of their own designs. The ultimate objective of Participatory City is to mobilise local participation to improve the lives of residents and the neighbourhoods in which they live.

Participatory City (CIC) are seeking to develop a 'Demonstration Neighbourhood' of 'participation culture' in a borough-sized area over a period of five years, known as Everyone Everyday. LBBB is in a position to host Everyone Everyday, and would benefit from doing so. This partnership will organise the development and delivery of Everyone Everyday in Barking and Dagenham.

This Memorandum of Understanding (MoU) creates the partnership between LBBB and Participatory City, in order to allow the partnership to develop and deliver the Project Everyone Everyday, a five-year 'Demonstration Neighbourhood' of Participatory City's model of 'participation culture'

### **The Key Objectives:**

- To successfully bid for funding for Everyone Everyday
- To agree a management agreement for the partnership between LBBB and PC
- To agree a Delivery Plan and Financial Plan, outlining Everyone Everyday
- To deliver Everyone Everyday.

## **Annex 2: Project Team: Terms of Reference**

### **Membership**

- Strategic Director for Finance and Investment, LBBB
- Strategy and Programmes Director, LBBB
- Community Enterprise Manager, LBBB
- Cabinet Member for Community Leadership & Engagement, LBBB
- Director, Participatory City (CIC)
- Two Trustees of Participatory City (CIC)
- A standing invitation to the CEO of LBBB, who will not be a permanent member of the team

### **Frequency of Meeting**

- Quarterly

### **Key Objectives**

- To draft the management agreement existing between LBBB and PC
- To draft the Delivery Plan for the Project
- To draft the Financial Plan for the Project.
- To determine broad strategy of the project.
- To implement learning/research functions of the project
- To meet with, report back to and renegotiate with external funders (approx. twice annually)
- To negotiate and authorise the release of appropriated funds from LBBB to PC, with regards to the Delivery Plan, management agreement and Financial Plan
- To monitor the delivery of Everyone Everyday
- To be responsible for the legacy of Everyone Everyday

### **Outcomes**

- Within two months of the date of this MoU:

- Management Agreement
- Delivery Plan
- Financial Plan
- Funding Bid

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**Everyone Everyday Governance Arrangements**

**Introduction**

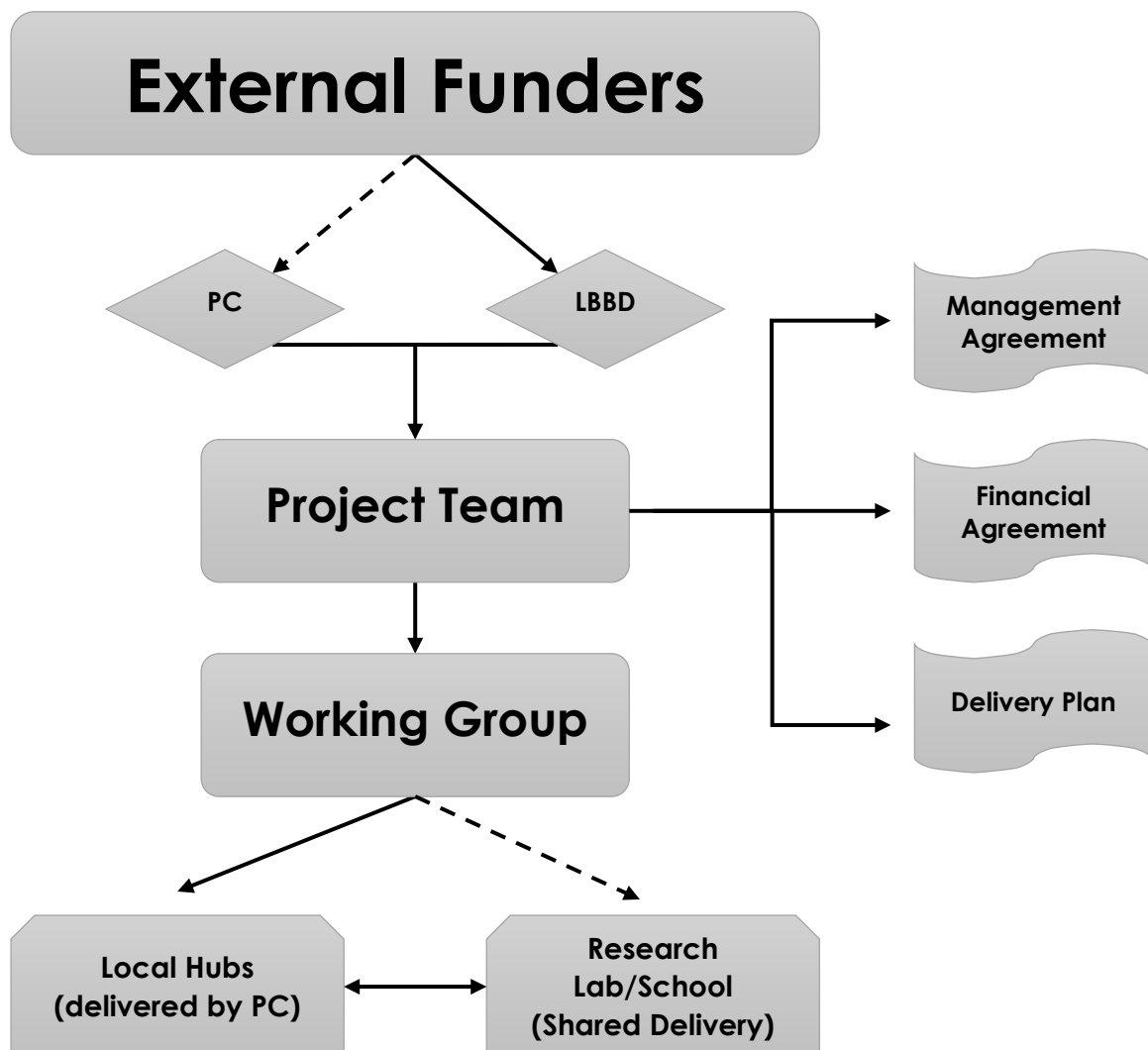
Everyone Everyday is a five-year project to be delivered in partnership by the London Borough of Barking and Dagenham (LBBB) and Participatory City community interest company (CIC) (PC).

Funding, both external and council, will be received and held by LBBB. Funding will be distributed where necessary and predominantly to PC, in accordance with the Management Agreement, Delivery Plan and Financial Plan, on a quarterly basis.

Delivery will be presided over by the Project Team. Local delivery in the borough will be the primary responsibility of PC, in accordance with the Working Group, while research and monitoring will be jointly delivered by PC and LBBB, also in accordance with the Working Group.

The flow of resource and accountabilities is outlined in fig.1:

Fig.1



## **Memorandum of Understanding**

The Memorandum of Understanding shall:

- Establish the Project Team and Working Group, and specify the functions of both
- Outline the key roles and responsibilities of LBBB and PC
- Describe the background, key objectives, principles of collaboration and guiding principles of Everyone Everyday

## **Management Agreement**

The Management Agreement shall:

- Define the Delivery and Financial Plans, including listing all performance indicators, monitoring metrics and outcomes
- Outline the working relationship between LBBB and PC, and the functions of the Project Team and Working Group existing between them
- Outline the means by which LBBB will distribute and use all appropriated funds
- Outline the means by which PC will locally deliver the Project, in collaboration with the Project Team and Working Group

## **Project Team**

The Project Team shall be responsible for:

- Drafting and agreeing the Management Agreement, Delivery Plan and Financial Plan
- Broad strategy and financial oversight of the delivery of the Project
- Reporting to and discussing with external funders
- Reviewing research and learning to inform the model

The Project Team shall consist of:

- The Director of PC
- Two Trustees of PC
- Strategic Director for Finance and Investment, LBBB
- Strategy and Programmes Director, LBBB
- Community Enterprise Manager, LBBB
- The Cabinet Member for Community Leadership & Engagement, LBBB
- The CEO of LBBB shall have a standing invitation, but shall not be a member

The Project Team shall meet on a quarterly basis.

## **Working Group**

The Working Group shall be responsible for:

- Overseeing and ensuring the delivery plan

- Small-scale strategy and financial oversight
- Responding to issues and problems faced in delivery of the project

The Working Group shall consist of all relevant council officers and employees of PC.

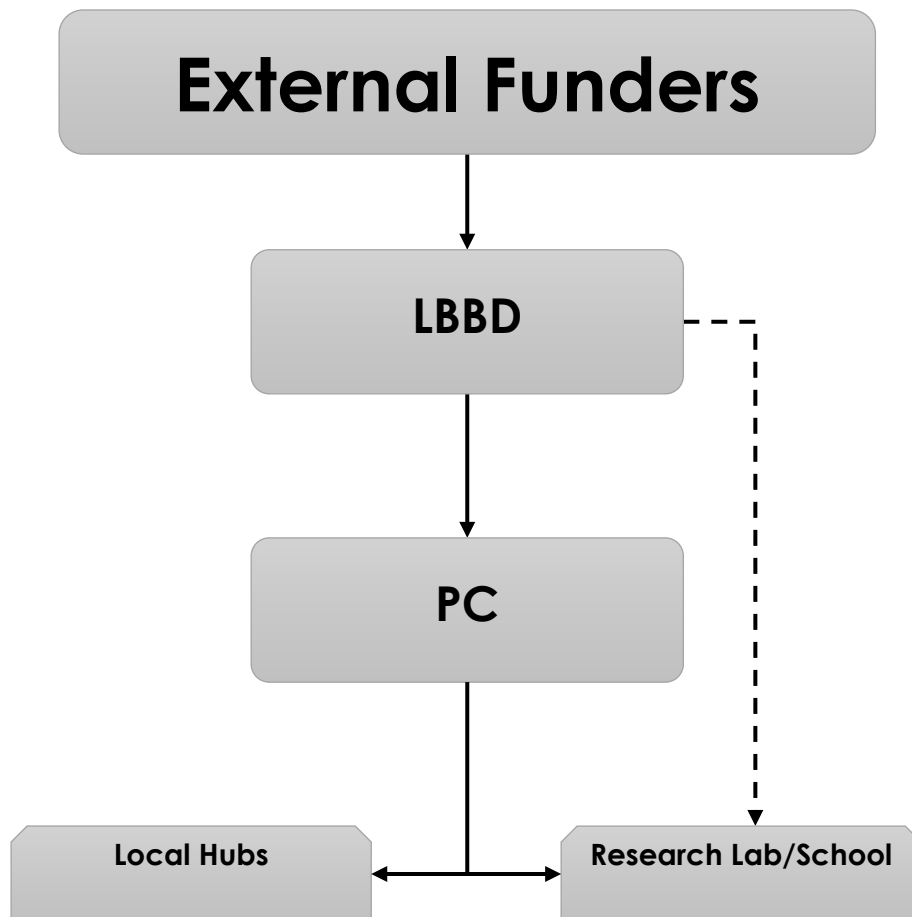
The Working Group shall meet on a monthly basis.

**Money**

A joint bid by LBBD and PC will be made. All external funding shall be received and held by LBBD, who shall distribute it to PC – or spend it – in accordance with the Delivery Plan, Financial Plan, Management Agreement and in liaison with the Project Team. LBBD will also be funding the project as an investor.

The Flow of money is shown in Fig.2.

Fig.2:



**Local delivery**

The management of the Local Hubs shall be the responsibility of PC, in accordance with the Delivery and Financial Plans and in liaison with the Working Group.

The management of the Research Lab and School shall be jointly delivered by LBBD and PC, in accordance with the Delivery and Financial Plans and in liaison with the Working Group.

### **Conclusion**

While these governance arrangements will be suitable for the establishment and delivery of Everyone Everyday, it is acknowledged that this is an innovative approach to the voluntary and community sector, and will entail a new and unique working relationship. Therefore, the governance arrangements may change over the course of the project.

Resident Engagement Summary Report



**Resident Engagement Summary Report**

October 2016



## Background

Everyone Everyday is a collaboration between Participatory City (PC) and the London Borough of Barking and Dagenham (LBBB). Everyone Everyday is based on the PC model, and is an innovative initiative which aims to facilitate residents improving their livelihood and their neighbourhoods by creating a 'participation culture' at a local level. Participation culture is seen as the mainstreaming and concentration of local volunteerism, with the ultimate goal of achieving an increase in regular participation of 30% with projects that are developed by residents (3 or more times per week). Pending approval from the LBBB Cabinet in November 2016, and successful funding bids, delivery of Everyone Everyday will commence in in summer of 2017.

Throughout September PC and LBBB staff engaged with residents around the concept of Everyone Everyday to ensure that in the first instance the model was appropriate for Barking and Dagenham. The objectives during this phase of engagement were:

- Raise resident awareness, understanding and support for Everyone Every day.
- Generate resident responses on projects they would like to trial as part of Everyone Every day.

Engagement identified a strong appetite for the initiative within the community and, perhaps more importantly, revealed stories of the individuals whose lives would be greatly improved through participation culture.



## Pop Ups

In September 2016, PC and LBBB Officers hosted ten Pop Ups at carefully selected locations around the borough. Through Pop Ups, Officers spoke to residents about PC and the opportunities they would have to trial their ideas for activities and projects. Residents made suggestions about what activities they were interested in trialling, the skills they could share and teach through activities, and their ideas of what they would like to see happen in the community more generally. Residents were also encouraged to subscribe to the EveryoneEverday.co mailing list, keeping them informed about initiative updates and upcoming Everyone Every day events.

*Gavin\* is an 80-year-old resident who has lived in the borough his whole life. Gavin lives with his wife. Their children have grown up and have moved out of the borough with their own families.*

*Gavin's wife suffers from Alzheimer's disease and although they receive support from care workers he admits that sometimes the situations makes him stressed. At the Pop Up, Gavin explained that in caring for his wife he has lost contact with many close friends. The closure of a local pub has also meant that he feels he has nowhere to go when he just wants to get out of the house.*

*For these reasons, Gavin particularly liked the Open Orchard and Men's shed ideas. Gavin thought they were definitely needed in the area, and would be interested in attending them when they were up and running.*

Locations and times were selected to ensure that a diverse range of communities in the borough had the opportunity to contribute to the initial engagement. These included:

- Morrisons- Beacontree Heath
- Barking Market
- Marks Gate Community Centre
- Academy Central Dagenham
- Castle Point Community Café
- Heathway Shopping Centre
- Marks Gate Agenda 21 Street Party

At the Pop Ups, PC and LBBDD Officers *spoke to over 350 borough residents*. During these chats, residents *provided over 130 ideas* for potential Everyone Everyday activities including:



- Teaching the basics of sea fishing in a field
- A community homework club for children in their final years of primary school
- Instructional sessions on how to make a bicycle from spare or junk parts
- Cooking an assortment of dishes such as Spaghetti Bolognese, Apple Crumble, Chinese Roast Chicken and Nigerian Jollof Rice through community batch cooking sessions.
- Basic painting and plastering lessons
- Wiring light switches and plug sockets
- Cupcake decorating for children's parties
- Knitting and pattern reading
- Football skills and keeping fit for young people
- How to build a brick wall
- How to make low to no cost children's costumes
- Beauty Therapy including nails, facials and massage
- Flower arranging
- Security awareness: Keeping yourself and your home safe

Additionally, over 130 residents also expressed an interest in being kept up to date about the initiative and future events, and provided their details so they could be subscribed to join the mailing list.



*Agatha\* is a single mum in her twenties. Five months ago, Agatha gave birth to a son. Certain concerns meant that Agatha and her baby spent the first two months after the birth in a Care and Support facility where she received training on how to care for his needs.*

*When Agatha visited a Pop Up, she expressed interest in participating in Great Cook sessions. This was both to make new friends and expand her support network, and to assist her in making healthy and nutritious meals for her son.*

For many residents, engagement with Officers at the Pop Up marked their first interaction with the Everyone Everyday initiative. Where residents were interested, but did not have time to stop for a lengthy chat or to provide an idea for an activity on the spot, officers advised of the Everyone Everyday website where residents could find out more information and provide an idea. Therefore, although not measured, it is assumed that some of the success of online engagement is partly attributable to the Pop Up engagements.



## Online Engagement

The dedicated project website can be found at [EveryoneEveryday.co](http://EveryoneEveryday.co). The website is a space where residents can engage with the project, find inspiration for activities and submit their own ideas, find information about upcoming events and subscribe to receive email updates.

At this stage, there has only been a soft launch for the website. Despite this, in the week following the final engagement, there were an average of three mailing subscriptions via the website per day.

A co-ordinated communications strategy, to be developed nearer the implementation of the project, will allow for a hard launch of the website. Following this, the website will operate as a key channel for disseminating information to, and receiving information from, residents.



## 'Grow Your Ideas' Workshops

Two 'Grow Your Ideas' Workshops were held in late September; one at Marks Gate Community Centre and the other at Barking Learning Centre. As the workshops ran for two hours, they allowed for greater in-depth discussion and exploration of ideas than Pop Up sessions. Residents ideas were explored, and this demonstrated with the support available through the Everyone Everyday hubs, how it would be easy and possible for all ideas to be trialled and attended by all that were interested. A case study from the workshop is provided below:

*Karen\* has lived in Barking and Dagenham for the past 15 years. Karen used to enjoy attending a knitting circle held at a Community Hall within the Borough.*

*Unfortunately, the Community Hall closed six years ago, and Karen's knitting club failed to find a suitable location to locate to. Karen explained that she missed the social aspect of the club, but hadn't find any similar activities to join.*

*Karen advised that not only would she be interested in participating in a knitting circle, but she would also be happy to teach the skill to interested individuals that attend.*



In addition to demonstrating the growing support for Everyone Everyday within the community, participation at the 'Grow Your Ideas' workshops suggest the effectiveness of online engagement as it was communicated through the Borough's social media accounts and the Everyone Everyday website and electronic mailing list. While exact statistics are not yet available, this is a useful consideration as online channels will be utilised to engage with residents at the next stage of engagement.



## Future Engagement

While engaging with residents will remain a priority, future engagement will focus on reaching broader target audiences.

The key objectives for the next phase on engagement include:

- Raise local business and community group awareness, understanding and support for Everyone Every day.
- To map community resources that might be able to compliment/link/work with Everyone Everyday locally.
- Continue to raise and maintain resident awareness and interest in Everyone Every day.

Engagement activities to be undertaken during this phase will include, but are not limited to:

- Establishing a Community Advisory Group to include local residents and VCS organisations, alongside the Portfolio Holder for Community Leadership and Engagement
- Trialling Everyone Every day activities that have been suggested with residents
- Engagement through online channels including the Everyone Every day website and social media accounts
- Direct engagement with local businesses and organisations advising how they can complement, support and contribute to Everyone Every day.

This engagement will be used to inform the bid to external funders in late December and the development of Everyone Every day in Barking and Dagenham once funding has been realised.

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### The Support Platform

The Support Platform would be constituted of a minimum of 5 Local Hubs located around the borough.

Each Local Hub would contain a small team of 3-5 members, and would be located in a bright and welcoming high-street shop, the design of which would be a little unfinished, leaving room for residents to contribute. The walls would display previous project examples for inspirations, and the team would be well stocked with refreshments. The Hub could function as a practical space for new projects to meet, but would also act as a base for the team to help residents develop and deliver their ideas.

The members of the team would be full-time employees of Participatory City, trained both by Participatory City and LBBD to deliver Everyone Everyday in the area surrounding the Local Hub, and will hold an excellent knowledge of the local community and wider borough. They would also be trained in the ability to refer individuals in need to relevant services including Community Solutions. On a day-to-day basis team members might:

- Speak to residents in the local community and who enter the shop, engaging them with the concept of Everyone Everyday and developing any ideas they might have.
- Meet the organisers of fledgling or already-existing projects to support their efforts in a variety of ways, including:
  - Talking to local businesses and organisations to see how they can co-design projects with local residents
  - Running small-scale consultations and focus groups to establish support for a project
  - Organising events, such as festivals, workshops and showcases, to promote projects in the local area
  - Helping residents to gain the insurance, training and facilities necessary for projects to function and succeed
- Run marketing regarding Everyone Everyday, including designing local newsletters and maintaining the project's social media platform.
- Maintain documentation of all project activity and engagement, feeding all engagement data into the Lab.

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**CABINET****15 November 2016**

<b>Title:</b> Establishing a Grants Allocation Scheme and Crowdfunding Platform	
<b>Report of the Cabinet Member for Community Leadership and Engagement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Monica Needs, Market Development Manager	<b>Contact Details:</b> Tel: 020 227 2936 E-mail: <a href="mailto:monica.needs@lbbd.gov.uk">monica.needs@lbbd.gov.uk</a>
<b>Accountable Director:</b> Tom Hook, Director of Strategy and Programmes	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<p><b>Summary:</b></p> <p>Crowdfunding is an alternative finance model that involves raising money for a project or idea via a collective of individuals, promoted online or via local media. Put simply, people are invited to donate money towards the cause or idea - if the fundraising target is met by the crowd those donations are released to the project lead for implementing that project/idea.</p> <p>Crowdfunding is growing in popularity as people seek more influence and transparency about where their money goes. Furthermore, crowdfunding is by nature social and community building as local and people can become involved and engaged in projects they support financially. Also, in the absence of available funding from government and other funding institutions, crowdfunding is presenting new opportunities to obtain finance.</p> <p>The Council wishes to develop crowdfunding locally and in doing so use crowdfunding as a means of re-establishing a small grants process. The purpose of this report is to outline a proposal for partnering with Crowdfunder UK, a specialist provider of online crowdfunding platforms, and to agree a policy that enables the Council to match-fund projects which meet specified criteria and align with LBBB's strategic objectives.</p>	
<p><b>Recommendations:</b></p> <p>The Cabinet is recommended to agree:</p> <p>(i) To procure an online crowdfunding platform from Crowdfunder UK and work in partnership with them to deliver an initial 12-month pilot campaign with the intention to maintain the partnership for a second year to further build capacity and mainstream crowdfunding as an alternative finance model, as detailed in Appendix 1 to the report;</p> <p>(ii) To introduce a small grants fund by establishing, using the Council's financial reserves, a match-funding pot of £120,000 for awarding to local projects that meet</p>	

criteria set by the Council;

- (iii) To agree, in principle, the draft Match-Funding Policy at Appendix 2 to the report;
- (iv) To delegate authority to the Strategic Director of Finance and Investment to agree the final Match-Funding Policy in the light of any amendments that may be required during the development / implementation phase to take account of emerging issues; and
- (v) The establishment and terms of reference of the Match-Funding Panel as set out in Appendix 3 to the report.

**Reasons:**

Agreeing these recommendations supports the Corporate Plan vision and objectives to 'enable social responsibility' and 'encourage civic pride' by empowering residents to take positive action to improve their community without being dependent on funding institutions to finance projects or ideas. The initiative also aligns with the approach being taken in implementing the findings of the Growth Commission and Ambition 2020. Areas of alignment include:

- civic engagement and ownership of local initiatives
- financial sustainability for VCS groups/organisations from accessing alternative finance from 'the crowd' of Barking and Dagenham and beyond
- potential to achieve non-financial benefits from leveraging in-kind support from 'the crowd' (e.g. volunteering)
- Attracting investment from Crowdfunder UK, from their online community and partnerships.

## **1. Introduction and Background**

1.1. Crowdfunding is an emerging type of alternative finance whereby those seeking investment can bypass traditional funding institutions or investors and instead engage 'the crowd', a collective of individuals, to obtain the necessary financial pledges to finance a project or idea.

1.2. The appeal of crowdfunding lies in these characteristics and benefits:

- democratic – the crowd chooses which projects succeed, any project can succeed provided it can find that support;
- transparent – backers can see where their investment is spent;
- local – backers are typically local, and therefore motivated to see the project succeed;
- Simple to do – crowdfunding is almost exclusively done online through intuitive to use platforms;
- quick – funding can be secured within a matter of weeks;
- accesses a large community of potential small investors.

1.3. Research by NESTA shows that, in the UK alone, crowdfunding is now worth £3.2 billion annually. Donation-based crowdfunding was one of the fastest growing models, growing by 500% since 2014 to £12 million. The growth of the donation-

based model suggests that community and voluntary sector organisations are increasingly adopting crowdfunding as a viable fundraising tool.

- 1.4. Further evidence of the growth and success of crowdfunding can be taken from other local authorities who have developed crowdfunding mechanisms. Plymouth, Lewisham, Angus, and the GLA are examples of thriving crowdfunding models which have the provision to award match-funding. Proof of concept can also be found in the borough from recent successfully crowdfunded projects such as RAMFEL's foodbank and Studio 3's production of the Merchant of Venice.
- 1.5. With the right development and promotion crowdfunding has the potential to be a viable means of access to alternative finance for individuals/groups/organisations in Barking and Dagenham. In addition, it takes a first step towards creating a viable local giving model for Barking and Dagenham. Implementing these proposals aims to test whether crowdfunding could be scaled up and mainstreamed to achieve that goal.

## **2. Crowdfunding Proposal**

- 2.1. Recommendation 1 of this report asks Cabinet to enter into partnership with Crowdfunder UK, a specialist provider of donation and reward-based crowdfunding platforms, to develop a personalised partner page on Crowdfunder's platform and a campaign for hosting local crowdfunding projects.
- 2.2. Once established anyone can upload their project to the platform to secure funding. The only barrier to entry is passing Crowdfunder's verification process.
- 2.3. The platform will require light touch administration to accept projects onto the platform. When successfully uploaded, projects will have a set period in which to meet their fundraising target. This requires project leads to engage the local community and beyond to secure pledges. Crowdfunder UK uses its marketing and communications channels to help generate publicity for projects and target Crowdfunder users and partners who are likely to have an interest in that type of project and therefore make a pledge. Appendix 4 describes the typical crowdfunding process.
- 2.4. Donations from project backers are released electronically, through an e-wallet system, directly to the project lead quickly after the fundraising deadline. This enables project delivery to happen almost immediately.
- 2.5. If the project meets its crowdfunding target Crowdfunder will take a 6% commission of the total raised; this standard practice across the industry and competitive. If the project does not reach its crowdfunding target no commission is taken. It is commonplace for fundraisers to add 6% to their target to absorb this fee.
- 2.6. During and after delivery projects can draw on in-kind support from backers. A study by Nesta found that 27%<sup>1</sup> of donation-based crowdfunding backers had also offered to volunteer with the projects they had supported and 7% also offering things such as hardware or the use of space.

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<sup>1</sup> Of those who responded to NESTA's survey

2.7. Appendix 1 describes what is being procured from Crowdfunder UK for the platform. Crowdfunder UK is the preferred provider because of its:

- comprehensive support package and resources
- large online community (approx. 450,000 users)
- industry leading project success rate (42%)
- personalised design for local authority partner pages
- ability to leverage additional funding from its corporate partners
- scope to accept projects of all types (whereas other major providers such as Spacehive focus only on public realm projects).

### **3. Match-Funding Proposal**

3.1. In addition to establishing a personalised partner page on Crowdfunder's platform, this reports seeks to use that platform as the means by which to establish and manage a small grants allocation scheme. The scheme would work by allowing the Council to award funding to projects that make applications to access a ring-fenced funding pot.

3.2. The key provisions of the policy that is being proposed are highlighted in the paragraphs below.

#### **Match-funding amounts**

3.3. The Match-funding Policy proposes that the Council will match-fund projects up to a maximum of 50% of the total project value but not exceeding £10,000. The project will need to raise the remaining percentage from the crowd. Match-funding, if awarded, will only be released if the project meets its fundraising target from the crowd.

#### **Eligibility**

3.4. The Council is only able to match-fund projects that are being delivered by constituted organisations. This includes community groups, social enterprises, residents or trader associations, local charities, schools, and neighbourhood forums. This is because individuals are not able to be recipients of public money.

#### **Criteria**

3.5. It is proposed that match-funding pledges from the Council are awarded on the basis that projects can demonstrate the three essential criteria, and at least one of the desirable criteria listed below. The desirable criteria have been selected to reflect priority issues for the Council.

#### **Essential criteria**

- The project must be local to the borough and benefit people who live or work in Barking and Dagenham.<sup>2</sup>
- The project must have regard to equalities and diversity. It must therefore be inclusive and accessible to everyone.

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<sup>2</sup> Applications should demonstrate that 90% of beneficiaries of the project are Barking and Dagenham residents.



- The project must have strong local support, shown through a vibrant crowdfunding campaign.<sup>3</sup>

#### **Desirable criteria**

- The project helps residents into employment, or closer to employment, or brings economic benefit to the borough.
- The project improves the health and wellbeing of residents.
- The project builds cohesion in the community or encourages civic pride.
- The project creates volunteering opportunities for local people.
- The project focuses on improving equality for a particular protected characteristic, as defined in the Equality Act 2010.

3.6. The criteria may flex and change to enable access to new funding streams and opportunities for funding amplification presented by Crowdfunder (see paragraphs 3.13 and 3.14). The Virgin VOOM and Santander Changemaker campaigns are relevant examples.

3.7. The Match-funding Panel will be responsible for reviewing and amending the criteria after the Match-funding Policy is agreed.

#### **Governance**

3.8. The Match-funding Policy will be underpinned by good governance. Having already passed Crowdfunder's verification to be hosted on the platform, projects which then wish to receive match-funding must go through an application process. Further to this applying groups/organisations may need to provide supporting documents as part of due diligence checks.

3.9. Once these checks have been carried out applications will be judged by a Match-funding Panel, who will ensure the project has a viable delivery plan and that it meets the criteria described above. The Match-funding Panel will decide whether to award a pledge. Depending on this outcome the project will either need to raise all of the funds through the crowd, or whatever is remaining after the Council's match-funding pledge is taken into account.

3.10. To ensure that public money is used appropriately, and for the purposes it was intended for, projects will be required to report back to the Match-funding Panel on outcomes and impacts that were delivered. Safeguards, including a contractual agreement, will be put in place to minimise the risk of public money being mis-appropriated.

3.11. Appendix 2 outlines in full the proposed match-funding policy, and explains the governance mechanisms that will ensure the appropriate use of public money and a rigorous process.

3.12. Appendix 3 provides a proposed Terms of Reference for the Match-funding Panel.

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<sup>3</sup> The trigger point for being considered for match-funding will be once a project reaches 25% of its fundraising target from the crowd.

## Opportunities for additional match-funding

- 3.13. The primary reason for partnering with Crowdfunder is because of their unique selling point to leverage additional match-funding through its network of corporate partners. Crowdfunder has established relationships with large companies and markets crowdfunding projects to them which fit with their corporate social responsibility policies and objectives. This means that the pledges from the Council can be combined with pledges from Crowdfunder partners to reduce the fundraising target required from the crowd.
- 3.14. This is known as 'funding amplification' and it has two key benefits. Firstly, project success rates are improved because the crowd is required to meet a smaller portion of the overall fundraising target. Secondly, the Council's match-funding pot can support a greater number of projects because projects are benefitting from amplification and more than one match-funding pledge.

## 4. Options Appraisal

4.1. The following options were considered in the development of this proposal:

Option		Recommendation	Reason
A	Do nothing	Not Recommended	No benefits are achieved.
B	Establish a traditional small grants programme:	Not recommended	A traditional grants programme would result in a heavy administrative burden. This option does not deliver benefits and opportunities to mainstream crowdfunding locally.
C	Tender to the open market for a provider.	Not recommended	Soft market research was undertaken about different providers of crowdfunding platforms. Crowdfunder UK is the preferred provider because it can leverage private investment and because it is catered for projects with a social or community dimension.
D	To partner with Crowdfunder UK to develop crowdfunding and use that platform to deliver a digitised small grants programme (using functionality within the platform to award match-funding).	<b>Recommended</b>	Option D is preferred because it delivers the benefits highlighted in section 9.4.

4.2. Agreeing the recommendations of this report result in proceeding with Option D.

## 5. Implementation

- 5.1. Following agreement of the recommendations of this report the Council and Crowdfunder will work together to design the crowdfunding platform and implement the Match-funding Policy so that it can be managed through a simple to use online dashboard. Crowdfunder's project verification process will be supplemented with additional due diligence checks that are required to enable match-funding awards.
- 5.2. It is expected that development of the personalised partner page will take between 8 to 10 weeks. It is intended that the platform will be launched in early 2017. The Strategy and Programmes Team will lead on implementation with input from relevant service blocks. Examples of the partner page that we will be developing with Crowdfunder can be found at these links:
  - [Crowdfund Plymouth](http://www.crowdfunder.co.uk/campaign/crowdfund-plymouth) <sup>4</sup>
  - [Crowdfund Angus](http://www.crowdfunder.co.uk/angus) <sup>5</sup>

## 6. Consultation

- 6.1. Intentions to develop a crowdfunding model for the borough have been discussed with the following stakeholders:
  - relevant Cabinet Members
  - relevant officers
  - voluntary sector partners
- 6.2. Comments have been positive and supportive of experimenting with crowdfunding and re-establishing a small grants programme. We are aware that capacity building is required for voluntary and community sector organisations to engage with this model of fundraising.
- 6.3. During the product development phase further consultation will take place with stakeholders on the design of the platform to ensure it is easy to use, appealing to local users, and that the platform has a strong sense of community and place.
- 6.4. In agreeing this report, Cabinet is delegating authority to the Strategic Director of Finance and Investment to finalise the arrangements and governance for match-funding, and to be the design authority for the Crowdfunder partner page.

## 7. Financial Implications

Implications completed by: Richard Tyler, Chief Accountant

- 7.1. Procurement of the crowdfunding platform and 12-month pilot campaign from Crowdfunder UK will cost £20,000. The Council will have the option to extend this contract for a further 12 months if it so chooses. Costs for the second year would be a minimum of £10,000 for maintaining the licence for the personalised partner page on Crowdfunder's platform, plus any development of support services the Council wishes to purchase from Crowdfunder.

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<sup>4</sup> <http://www.crowdfunder.co.uk/campaign/crowdfund-plymouth>

<sup>5</sup> <http://www.crowdfunder.co.uk/angus>

7.2. It is intended that the option to partner with Crowdfunder for a second year will be taken. Cabinet can therefore expect total contract costs over the two years to be £40,000; this includes licence fees and development/support packages for each year.

### **Match-funding**

7.3. This report asks Cabinet to agree to establishing a match-funding pot. The value of this pot will be £120,000. Awards to individual projects from this pot will be capped at 50% of the overall project value or a maximum of £10,000.

7.4. The cost of funding this project for intended two years will be £280,000.<sup>6</sup> Cabinet is being asked to agree to draw down from Council reserves to finance this proposal.

7.5. It is proposed that a Match-funding Panel is established to ensure appropriate use of public money. The Strategic Director of Finance and Investment will chair this Panel to provide financial scrutiny/accountability. It is important to emphasise that all agreed spend will be on functions which are within the Council's fiduciary responsibility.

7.6. The Match-funding Policy requires that projects that receive match-funding must report on outcomes and impact to demonstrate that public money has been used for the purposes that were intended. Further to this, Finance recommends that in the final Match-funding Policy the Council reserves the rights to:

- request receipts and invoices relevant to project costs
- carry out spot-check audits of projects.

## **8. Legal Implications**

Implications completed by: Assaf Chaudry Major Project Solicitor

8.1. This report is seeking approval to partner with Crowdfunder UK a specialist online crowdfunding platform, and secondly to agree a policy that enables the Council to match fund projects which meet criteria and align with the Council's objectives.

8.2. The proposed activities do not fall within the core functions of the Council and therefore the Council could proceed with the activities under the 'general power of competence' as set out in Section 1 of the Localism Act 2011. This section gives the local authority the power 'to do anything that individuals generally may do', unless specifically prohibited by any previous legislation or any new legislation coming into effect after the Localism Act 2011. On the happening of such an event the Council will need to review the approach to the implementation of the activities referred to above so that we do not contravene the 'general power of competence'.

8.3. The Council should procure the partner page and support package from Crowdfunder in accordance with the Council's Contract rules. Indeed, in paragraph 9.2 above, it states that the Procurement Board has already approved a procurement strategy for the product.

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<sup>6</sup> Year one: Crowdfunder costs = £20,000, matchfunding pot = £120,000  
Year two: Crowdfunder costs = £20,000, matchfunding pot = £120,000  
Total = £280,000

8.4. In exercising the ‘general power of competence’ to implement crowdfunding and match-funding (as described in this report), the Council should to be cognisant of its fiduciary duty and a duty to act reasonably including the following elements.

- **Governance**

Match-funding entails awarding public money to local groups/organisations. It is therefore important that this money is awarded in a fair and transparent manner. A Match-funding Policy has been developed (see Appendix 2) which sets out the eligibility and criteria that will be used to award public money. This policy, combined with the Match-funding Panel Terms of Reference (see Appendix 3), explains the mechanisms that will be used to ensure the governance and due diligence for match-funding is proportionate and suitably robust.

The key provisions of the Match-funding Policy and its proposed governance arrangements ensure that:

- due diligence requirements do not put up barriers to applicants wishing to access match-funding.
- the scheme is not onerous for the Council to administer.
- strict criteria are used to make match-funding decisions.
- checks and safeguards are in place to protect public money from being misappropriated.

The policies and processes described in this report and its appendices are in a state of development. Cabinet is asked to give delegated authority to the Strategic Director of Finance and Investment to agree the Match-funding Policy and governance arrangements; in doing so, consultation with Legal Services is advised. This is to ensure that the policy and how it is applied is robust, lawful and protects the Council from risk and is done in accordance with ‘general power of competence.’

## 9. Other Implications

### 9.1. Risk Management

<b>Risk</b>	<b>Mitigation</b>
Crowdfunding is not a preferred or popular means of fundraising locally.	The 12-month pilot campaign provides an opportunity to test the appetite for crowdfunding. There is no obligation to continue the partnership with Crowdfunder UK after 12 months if crowdfunding has not been a success. The package from Crowdfunder includes an end of pilot evaluation report to inform the decision of whether to continue.
Individuals, groups and organisations do not have skills to run crowdfunding projects.	Crowdfunder provides a support package to help build local capacity and capability.
Projects do not meet their crowdfunding targets.	The onus is on the project lead to engage the crowd and obtain pledges but all projects will benefit from Crowdfunder UK’s marketing resources and channels, plus further publicity and promotion from LBBDD marketing and

Risk	Mitigation
	communications.
Match-funded projects are not delivered.	<p>A project plan including costs is submitted with all applications for match-funding.</p> <p>Project leads are required to submit a project evaluation to demonstrate outcomes and impact.</p> <p>Project leads will sign an appropriate legal agreement confirming they will spend the match-funding for the purposes it was awarded.</p>

## 9.2. Contractual Issues

### Procurement

Procurement Board approved the procurement strategy for the contract award of the crowdfunding platform to Crowdfunder UK.

The contract will be awarded using delegated officer authority, and permission has been granted to waive the requirement to obtain at least three competitive quotes from at least three contractors without the need to advertise the contract or follow a competitive tendering exercise. This waiver was granted because Crowdfunder UK is the only provider of online crowdfunding platforms that can leverage additional match-funding through corporate sponsorship from Crowdfunder's partnerships.

The contract with Crowdfunder is initially for a period of 12 months; the value of the contract for this period is £20,000. Following the 12-month pilot campaign the Council will have the option to continue its partnership with Crowdfunder paying a licence fee to do so. As set out in the financial implications in paragraph 7.2, the intention is to partner with Crowdfunder for two years taking the total contract value to £40,000.

Throughout the contract/partnership additional support and services can be purchased from Crowdfunder depending on our development needs and capability of local project leads.

### Match-funding

As set out in the Match-funding Policy at Appendix 1, groups or organisations that are awarded match-funding will enter into a contractual agreement with the Council that confirms the funding will only be used for the purposes set out in the application. No monies will be released from the Council until such an agreement is signed.

9.3. **Staffing Issues** - Developing crowdfunding in Barking and Dagenham has minor implications for staff in the Strategy and Programmes service block who will need to absorb the following responsibilities:

- management of the platform and online dashboard for awarding match-funding pledges
- due diligence checks
- administrative support to the Match-funding Panel
- marketing and communications activities.

9.4. **Corporate Policy and Customer Impact** - This proposal aligns with several objectives within the Council's Corporate Plan which are set out in the table below. Crowdfunding also dovetails with other initiatives such as Everyone Everyday and the B&D lottery, which together could comprise the architecture for a local giving model.

<b>LBBB Strategic objective</b>	<b>Impact of this proposal</b>
<p>Build civic responsibility and help residents shape their quality of life Support residents to take responsibility for themselves, their homes and their community</p>	<p>Crowdfunding is open to anyone wishing to fundraise. This provides opportunity for creativity and innovation as it might appeal to those who might previously have been discouraged by traditional grant processes. To be successful projects must have buy-in from the community. Crowdfunding is empowering because it is democratic and transparent. People can influence what happens in their community and take ownership of local initiatives.</p>
<p>A commercial and entrepreneurial organisation</p>	<p>Crowdfunding encourages projects to be more entrepreneurial and enables organisations to understand and move towards more sustainable approaches to project funding in the absence of funding from institutions. Crowdfunder's unique ability to leverage additional match-funding from its private sector partners will mean that funds raised by the crowd, and any pledges from the Council, can be amplified. The Council will therefore be able to make its money go further and ultimately support more projects.</p>
<p>A more enabling council</p>	<p>By giving the community direct access to alternative finance.</p>
<p>Digital-by-design</p>	<p>Residents/groups/organisations will be able to upload projects through an online platform. The platform is self-serve so projects will be managed and marketed online by the project lead. Crowdfunder will provide coaching and manage the majority of interaction. LBBB officers will be able to manage the match-funding process through the platform reducing the administrative burden of grant applications.</p>
<p>Equalities and diversity</p>	<p>The Crowdfunding platform and match-funding will not have any negative impacts for any of the protected groups. The essential criteria for match-funding requires that projects must have regard to equalities and diversity and be open and inclusive for all. Some further desirable criteria will favour projects that demonstrate they will lead to improvements in equality.</p>

- 9.5. **Safeguarding** - Any group or organisation seeking match-funding from the Council will be required to complete a rigorous application and due diligence process. Where any project works with vulnerable people and/or children the group or organisation will need to demonstrate that it has robust safeguarding policies otherwise it will not be eligible to be awarded public money from the Council.
- 9.6. **Health Issues** - The match-funding policy criteria has been developed to encourage and support projects/ideas that improve the health and wellbeing of residents.

**Public Background Papers Used in the Preparation of the Report:**

- [Pushing Boundaries: The 2015 UK Alternative Finance Industry Report](#) (University of Cambridge, February 2016)
- [Crowdfunding Good Causes](#) (NESTA, June 2016)

**List of appendices:**

- Appendix 1: Crowdfunder proposal and product information
- Appendix 2: Match-funding Policy
- Appendix 3: Match-funding Panel Terms of Reference
- Appendix 4: Typical crowdfunding process



**Product and package from Crowdfunder UK**

The following services and support is included as part of the initial 12 month contract:

- Campaign Page, Plus+ page and digital fund application
- Online dashboard – project matching and fund management
- Online crowdfunding guides and resources for you and your projects
- Automated crowdfunding coaching
- End of campaign report
- Project management and helpdesk support
- Marketing services Using a local marketing and PR agency, together with crowdfunders marketing channels
- 50 hours one to one crowdfunding coaching
- Train the trainer session/s
- Virtual workshop/s (Google Hangouts)
- On-site workshop/s

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# Match-funding support for local crowdfunding projects: A guide for project leads

## Contents

1. Applying for match-funding .....	2
2. Eligibility for match-funding .....	2
3. Criteria for match-funding.....	2
4. Match-funding amounts.....	3
5. Assessment of application .....	3
6. Award of match-funding .....	3
7. Project delivery.....	4
8. Due diligence .....	4
9. Project plan .....	4
10. Release of match-funds .....	4
11. Project Evaluation .....	5
12. Data protection and freedom of information .....	5

## 1. Applying for match-funding

To apply for match-funding from the Council you must have a project uploaded and verified on our crowdfunding platform. You will not be able to proceed with a match-funding application otherwise.

The match-funding application form is hosted on our crowdfunding platform and must be submitted through the platform.

The application form requires the project lead to outline the nature of the project, how it meets our match-funding criteria, the project plan (including costs), and information about the applying organisation or group. For due diligence purposes you may also be required to submit some further supporting information.

## 2. Eligibility for match-funding

The Council is only able to match-fund projects that are being delivered by constituted organisations. This includes community groups, social enterprises, residents or traders associations, local charities, schools, and neighbourhood forums. As part of the application process you will be asked to provide evidence that your organisation is eligible to receive public money (see section 8 Due Diligence for further info).

## 3. Criteria for match-funding

To be considered for match-funding from the Council the project will need to meet some simple criteria.

### Essential criteria

- The project must be local to the borough and benefit people who live or work in Barking and Dagenham.<sup>1</sup>
- The project must have regard to equalities and diversity. It must therefore be inclusive and accessible to everyone.
- The project must have strong local support, shown through a vibrant crowdfunding campaign.<sup>2</sup>

### Desirable criteria

- The project helps residents into employment, or closer to employment, or brings economic benefit to the borough.
- The project improves the health and wellbeing of residents.

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<sup>1</sup> Applications should demonstrate that 90% of beneficiaries of the project are Barking and Dagenham residents.

<sup>2</sup> The trigger point for being considered for match-funding will be once a project reaches 25% of its fundraising target from the crowd.

- The project builds cohesion in the community or encourages civic pride.
- The project creates volunteering opportunities for local people
- The project focuses on improving equality for a particular protected characteristic, as defined in the Equality Act 2010.

On your match-funding application form you will be asked write a statement about how your project meets the essential and desirable criteria. Please be familiar with the criteria and pitch your project accordingly. Demonstrating how you reach desirable criteria will improve your chances of being awarded match-funding.

We will not award match-funding for 'business as usual' costs – i.e. the costs of running your organisation.

#### **4. Match-funding amounts**

You can raise as much money as you need for your project but there is a limit to how much we will contribute through match-funding.

The Council will match-fund projects up to a maximum of 50% of the total project value but not exceeding £10,000. The project will need to raise the remaining percentage from the crowd.

Match-funding, if awarded, will only be released if the project meets its fundraising target from the crowd.

Your costs, and therefore your budget, should be an accurate reflection of the money required to deliver the project. This means you need to have included VAT for any work or goods quoted by a supplier.

#### **5. Assessment of application**

Your match-funding application will be presented to the Council's Match-funding Panel who will review your application and supporting information and decide if the project meets the criteria set out in section 3.

You will be contacted to explain why your match-funding application was unsuccessful. If we are not match-funding your project then it will need to be fully funded by pledges/donations from the crowd.

The decision of the Match-funding Panel is final. There is no provision to appeal.

#### **6. Award of match-funding**

If your project meets the criteria and is awarded match-funding then you will be contacted to confirm the amount which, as mentioned above, is up to 50% of the total project value but not exceeding £10,000. We will then update your project to include our pledge and revise the fundraising target that the crowd must meet. You

must then continue to fundraise until this target is reached. If the target is not reached then you will not be able to receive match-funding.

## **7. Project delivery**

If your project is awarded match-funding and it has met its crowdfunding target then you can begin to start to deliver the project.

Pledges from the crowd will be released instantly for you to use by Crowdfunder UK using the MangoPay end-to-end payment technology. Match-funds from the Council will follow later (see section 10 for further info about releasing match-funds).

Your project must be underway, and our funding element spent by 01 January 2018.

## **8. Due diligence**

Before awarding match-funding we will confirm your eligibility to receive public money and may request that you provide us with information about your organisation, including:

- Governance
- Financial policies or any relevant regulations
- Accounting or financial monitoring for the last 2 years
- Insurance (as appropriate and relevant to delivery of the project)

Where this information cannot be supplied the project lead will need to provide a written statement of the reasons.

All documents should be scans or copies, not originals.

This process is distinct from the verification that is undertaken by Crowdfunder to validate the project at the launch stage.

## **9. Project plan**

To award match-funding we require to understand how your project will be delivered and to know how match-funding monies will be spent.<sup>3</sup> For this reason you are asked to provide a high-level project plan setting out activities, costs, deliverables and milestones.

The plan will be used to hold you to account for delivery of the project and it will be used as a reference for evaluating the project after completion.

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<sup>3</sup> Please note that the Council reserves the right to request invoices or receipts to evidence that match-funding has been spent for the purposes intended. For the same reason, the Council reserves the right to audit project delivery. Legal action may be taken if you do not comply or co-operate with these activities or the Council is not satisfied that public money has been used for the purposes that it was awarded.

## **10. Release of match-funds**

The release of match-funds is subject to the crowdfunding target being reached.

Match-funding pledges are released using MangoPay. To receive pledged monies project leads are required to set up an account so that funds can be transferred from the Council's secure e-wallet.

Funds will be released quickly after the crowdfunding deadline once the project lead has signed and returned the contract agreement.

## **11. Project Evaluation**

Once the project has been delivered the project lead will be required to report on progress and carry out a simple evaluation of the project's outcomes. This is to highlight the benefits the project has delivered and to assure the Council that match-funding was used for achieving the objectives outlined in the application.

## **12. Data protection and freedom of information**

As a public organisation we have to follow the Data Protection Act 1998 and the Freedom of Information Act 2000.

By signing the application form you agree that the Council can use the information it contains, and other information we hold about your project, for the following purposes:

- Making decisions to award match-funding to your project
- Data analysis and statistical research
- Sharing with individuals or organisations involved in our crowdfunding
- Communications activity to publicise your project or assist with fundraising

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## Match-funding Panel: Terms of Reference

### 1. Scope and remit

A Match-funding Panel is established to:

- Oversee the allocation of the overall match-funding pot (£120,000)
- Award match-funding to individual projects up to 50% of the project value or up to £10,000.
- Use criteria and requirements as set out in the Match-funding Policy to ensure funding is directed to priority issues/objectives
- Ensure the match-funding process and decision-making is fair and follows the governance arrangements as set out in the Match-funding Policy
- Monitor impacts and outcomes of projects which receive match-funding.

### 2. Membership

2.1. The Match-funding Panel will comprise of Council officers and representatives from the voluntary and community sector, including a representative from a capacity building organisation. Membership will be directly related to the aims and objectives of match-funding as expressed through the criteria outlined in the Match-funding Policy. Representation will be necessary from these service blocks or specialisms:

- Care and support (adults and children)
- Public Health
- Employment
- Community Solutions
- Culture and Sport
- Strategy and Programmes

2.2. The Panel will be chaired by the Strategic Director of Finance and Investment.

### 3. Governance

3.1. The Panel will carry out its roles and responsibilities with co-ordination of the Panel led by the Strategy and Programmes Team.

3.2. The Panel will convene to make decisions to award match-funding. The frequency of meetings will be determined by when projects reach 25% of their crowdfunding target and can therefore be considered for match-funding.

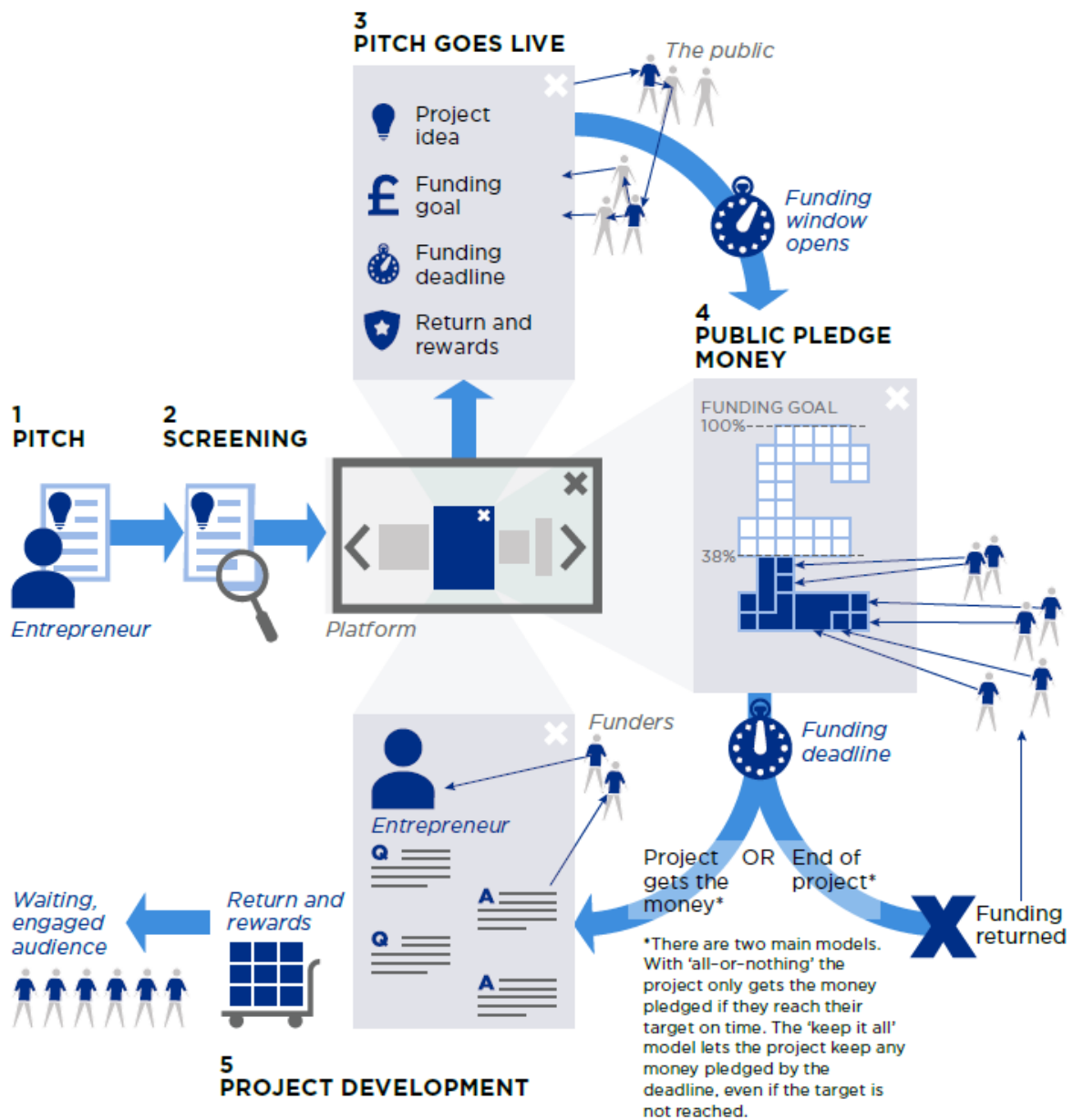
3.3. The Panel will be provided with information about the project in advance of the meeting to support the decision-making process.

- 3.4. Decisions to award match-funding will be unanimous. All members of the Panel must be satisfied that the criteria and eligibility have been met before match-funding can be awarded.
- 3.5. At least 50% of the members of the Match-funding Panel must participate in the decision for it to be carried. If attendance at any Panel meeting is below 50% then all decisions for that meeting will be deferred.

### **4. Award process**

- 4.1. When an applicant project has reached 25% of its fundraising target from the crowd, the Panel will be convened to assess the application and decide whether to pledge match-funding or not.
- 4.2. Decisions will be made using the criteria and requirements set out in the Match-funding Policy.
- 4.3. If a pledge is awarded this will be made public for the online community to see the Council's endorsement/backing. The applicant will be notified directly.
- 4.4. The project will continue to raise funds from the crowd until the deadline. If it has reached its fundraising target then pledges from the crowd and any match-funding pledge will be released to the group/organisation to begin project delivery.
- 4.5. The Strategy and Programmes Team will release the match-funding pledge using the dashboard on the online crowdfunding platform. Payments are automated through an e-wallet system.
- 4.6. Following delivery, the project will then be required to report back to the Match-funding Panel on the impact and outcomes of the project. The Match-funding Panel will be required to hold the project to account for how it has used public money to deliver the intended outcomes.

Typical Crowdfunding Process



(Source: Crowdfunding Good Causes, NESTA, June 2016)

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**CABINET****15 November 2016**

<b>Title:</b> Education Strategy 2014-2017 and Schools' Annual Performance Review 2015/16	
<b>Report of the Cabinet Member for Educational Attainment and School Improvement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Jane Hargreaves, Commissioning Director Education	<b>Contact Details:</b> Tel: 020 8227 2686 E-mail: <a href="mailto:jane.hargreaves@lbbd.gov.uk">jane.hargreaves@lbbd.gov.uk</a>
<b>Accountable Director:</b> Jane Hargreaves, Commissioning Director Education	
<b>Accountable Strategic Director:</b> Anne Bristow, Strategic Director Service Development and Integration	
<p><b>Summary</b></p> <p>The report reviews performance in relation to the two overarching objectives of the Education Strategy 2014-2017 – outcomes in national tests and examinations and Ofsted judgments.</p> <p>It sets out key actions and proposals to meet these objectives and maintain a strong family of schools in the context of:</p> <ul style="list-style-type: none"> <li>• The Council's ambition and aspiration for further raising outcomes for the children and young people who live here</li> <li>• National policy as set out in the March 2016 White Paper 'Educational Excellence Everywhere'</li> </ul> <p>Central to this is a proposal to develop a School Improvement Partnership with local schools. This would help them to take on some of the functions set out in the White Paper and support the drive to improve outcomes for all the children and young people of this borough.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the performance against the overarching objectives within the Education Strategy 2014-17, as set out in section 2 of the report;</li> <li>(ii) Endorse the priorities for 2016/17 as set out in section 3 of the report;</li> <li>(iii) Reaffirm the Council's commitment to continuing the strong partnership with all schools in the Borough to achieve the best possible outcomes and opportunities for children and young people;</li> </ul>	

- (iv) Delegate authority to the Strategic Director of Service Development and Integration, in consultation with the Cabinet Member for Educational Attainment and School Improvement, to progress the proposals for a School Improvement Partnership between the Council and the Borough's schools; and
- (v) Note the performance of schools in national tests and examinations as set out in Appendix 1 to the report.

**Reason(s)**

Supporting the best possible outcomes for children and young people is central to the Council's vision and priorities. Working together as a family of schools, in partnership with the Council to share objectives and actions, makes the best use of the capacity of schools to support others and collectively improve outcomes for children and young people.

**1. Introduction and Background – Education Strategy 2014-2017**

1.1 In November 2014, Barking and Dagenham schools and the Council agreed the Education Strategy for 2014-2017. The two overarching objectives for education are:

- for all of our children and young people to have a place in a good or outstanding school or early years setting; and
- for them to have the best possible life opportunities by the time they leave school with reaching national and then London averages as key milestones.

1.2 This report reviews performance in relation to the two main objectives of the strategy and updates Cabinet on key developments in the local and national context over the past year. It proposes a response to the White Paper proposals which will both support schools and help maintain and continue the improvements in outcomes for children and young people.

1.3 Performance is reviewed annually by headteachers at their summer conference and priorities are agreed for the coming year. This is in the context of:

- i) a growing borough with a new secondary school – Greatfields – opening from 1 September 2016, Goresbrook School opening its secondary provision and Eastbury Community and Eastbrook School opening primary departments in new buildings
- ii) continued growth in numbers, with particular pressure on schools' funding from the growth in numbers of children and young people with high needs;
- iii) An Education White Paper which:
  - a. Sets out a timescale for a fully academised system by 2022; and
  - b. Further limits the Education duties and powers of the Director of Children's Services by removing duties relating to school improvement;
- iv) new primary and secondary testing and assessment and a further increase in expectations for achievement in Key Stage 2 and GCSE.

## 2. Performance

2.1 This section sets out performance in relation to the two main objectives.

### **Objective 1 - A place in a good or outstanding school or early years setting for every child and young person**

2.2 At 31 August 2016 the proportion of schools judged good or outstanding was 86%, -1% above the national average for the first time, with 7 schools moving from requires improvement to good. Performance was still below the London average of 89% but the gap is closing. We have an ultimate target of 100% of schools good or better with the 90% target for 2016/17 as the next milestone.

2.3 There were 11 full Ofsted inspections in 2015/16. After very heavy inspection activity between 2012 and 2014 of over 80 inspections and HMI visits, the last two years have seen a lighter level of inspection.

2.4 Table 1 below shows the schools which were inspected between September 2015 and July 2016 and the outcomes.

<b>School</b>	<b>Previous</b>	<b>Latest</b>	<b>Comment</b>
Southwood Primary	3	2	
Beam Primary	2	2	Outstanding leadership recognised
Godwin Primary	3	2	
Monteagle Primary	3	2	
Parsloes Primary	3	3	
Dorothy Barley Infant	3	2	
Village Infant	3	2	
Ripple Primary	3	2	
Dagenham Park CofE	3	2	
Eastbrook	3	3	Good leadership
Tuition Centre/Alternative Provision	2	3	

#### **Key**

- 1 = Outstanding
- 2 = Good
- 3 = Requires Improvement
- 4 = Inadequate

2.5 Overall 2015/16 has seen solid improvement in Ofsted inspection outcomes with a group of schools which had worked in strong partnership with the local authority moving from Requires Improvement to Good. The quality of leadership is key to improving schools and was recognised as Outstanding in Beam Primary and Good at Eastbrook even though the overall judgments remained the same as their previous inspection.

2.6 The Alternative Provision/Pupil Referral Unit arrangements were inspected in June and judged Requires Improvement from a previously good judgment. The Alternative Provision includes provision for excluded pupils, and some pupils on the

edge of permanent exclusion from mainstream school, home tuition and the attendance unit and oversight of some college placements. Much of this provision is strong and changes have been made to strengthen leadership in the weaker area of provision to address the recommendations. A monitoring board is in place to oversee rapid improvement.

- 2.7 Currently 6 schools with inspection judgments are judged Outstanding. This has not changed over the course of the year. Whilst inspectors are recognising and giving credit for outstanding leadership it is proving very difficult on the new tougher framework to make inroads into our target of 20% or 12 schools judged Grade 1 – Outstanding overall.

## **Objective 2 – Exceeding national standards and then London standards**

- 2.8 Summer 2016 saw a strong set of primary results across all age groups. The 2016 assessments for 7 and 11 year olds were the first which assessed children against the new more challenging national curriculum introduced in 2014. As a result of these changes figures for 2016 are not directly comparable with previous years. Barking and Dagenham's performance improved in relation to schools nationally and in London in most areas. Most notably by the end of the primary phase, our 11 year olds are in line with London for the first time on the new headline indicator. Headline results for each age are set out below:

### **Primary**

- Early Years Foundation Stage (age 5) – the percentage of children achieving a good level of development is above national for the second year running.
- Key Stage 1 (age 7) – Barking and Dagenham children are above national in reading, writing and mathematics.
- Key Stage 2 (age 11) – This is a particularly strong set of results with Barking and Dagenham children above national and in line with London for meeting the expected standard in all areas except reading which is a shared priority for improvement. In all areas apart from reading, performance is above national for the proportion of children working at a higher standard.

### **Secondary**

- **Key Stage 4 / GCSE results** – The new Progress 8 measure was published for the first time this year as a key performance indicator which tracks the progress of all pupils. It will be used by the DfE as the main indicator for intervention by the Regional Schools Commissioners. The local authority performed strongly on this indicator achieving a Progress 8 score of 0.16, in line with London and above national.
- For the A\*-C in English and mathematics measure overall LA results have increased by 3% to 59% and remain in line with the national but below London. In English the A\*-C improved by 4% to 76%, 6% above the 2016 national (70%). Results in mathematics also improved to 64%, 1% below the 2016 national (65%). There has been a significant improvement in the performance of the higher attainers with the A\*/A in English increasing by 5% to 18% (2016 national 10%). Maths has also seen an improvement in A\*/A of 1% to 18% (2016 national 19%). The EBacc has risen by 2% to 22%, closing the gap to the 2016 national average (23%) to within 1%.



- **Key Stage 5 / post 16 school results** – While early national A Level pass rates have remained similar to last year there has been a rise of 2% at A\*-C to 78% which has moved in line with the national for the first time. A\*-B remains unchanged at 47% but the A\*-A has fallen by 1% and the gap to national remains stubbornly challenging. However, the overall improvement in higher grades and the increased number of entries means that higher numbers of students have the opportunity to study at the more competitive universities.

## 2.9 The performance of groups

2.9.1 2016 performance data for different groups is currently only available at KS2. Headline attainment for all groups was strong with most significantly above the national and none significantly below. However, progress made by pupils with SEN and those entitled to free school meals (FSM) was below the national and remains a priority for improvement. Data for other Key Stages will become available during the course of the autumn term.

## 2.10 Looked After Children

2.10.1 As Corporate Parent the Council has a particular responsibility to support and promote the best possible outcomes for children and young people in its care. One of the mechanisms for doing this is through the Virtual School. The early results are set out below. Results for Looked After Children are provisional until 31 March 2017 when cohort numbers are finalised.

## 2.11 KS2 Results

2.11.1 This year's cohort of students was smaller than last year at 18 compared to 25. It is a stable cohort of students with only one student arriving during the academic year. The KS2 test results show that 63% of eligible students met the expected standard in Reading, Maths and Grammar, Punctuation and Spelling (GPS).

KS2	% Met expected standard - National	% Met expected standard – all LBBDD	% Met expected standard – LAC LBBDD
Reading	66	64	63
Writing	74	79	Not yet available
Maths	70	76	63
GPS	72	77	63
Combined	53	57	63

2.11.2 31% of Year 6 students have a statement of special educational needs which is up from 22% last year. 7 pupils were educated in borough (40%) including 1 student in a maintained special school. Of the other 11 students, 8 were in maintained out of borough schools (45%), 1 received tuition via the Virtual School (5%) and 2 were in Independent residential placements (10%).

2.11.3 This is a very pleasing set of results as all students who had achieved level 2 (expected level) at the end of KS1 went on to meet the expected standard at KS2. In addition to this, 2 students who had achieved a mix of levels 1 and 2 at KS1 met the expected standards.

## 2.12 **KS4 Results**

- 2.12.1 The official validated results for looked after children at GCSE are published in April 2017 when the cohort is fixed. Of the unvalidated results that we have received so far for the eligible cohort, 20% of students have achieved A\*-C in both maths and English - the new headline performance indicator 33% achieved A\*-C in English and 26% in Maths.
- 2.12.2 This was a smaller cohort of students than last year. There were 47 students (compared with 57 last year) with 20 students arriving during KS4. Of these students 3 were unaccompanied asylum seeking children (UASC), who have English as an additional language. 30% had an EHC plan compared to 36% last year. Of the 47 students 16 were educated in borough, 13 of whom were in mainstream education, one had home tuition, 1 was in alternative provision and 1 was in a special school. Of the 29 students educated outside the borough, 21 were in mainstream education, 2 received home tuition, 1 was in a secure unit and 4 were in independent schools.
- 2.12.3 Students were supported in various ways by the Virtual School, including 8 students receiving 1:1 tuition, mainly for maths and English. The advisory teachers supported students with poor attendance, poor attainment and those at risk of permanent exclusion by setting up alternative provision, specialist mentoring and various online support packages.
- 2.12.4 There was a high level of need and mobility within this cohort of students. Some students had a range of vulnerabilities including mental health issues. While the results as a whole could be seen as disappointing as we haven't managed to close the gap to all children, there are some results which stand out. One student who achieved below average results at KS3 went on to achieve 9 GCSEs grade A\*-C. Another student who attended 5 different secondary schools achieved 2 C grades for English language and literature and a D in maths. This has enabled her to go on to sixth form to take the course of her choice.
- 2.12.5 Some key priorities for this academic year are to support more students using 1:1 tuition, to get unaccompanied asylum seeking children (UASC) into an appropriate educational placement as quickly as possible, to reduce fixed term exclusions by working closely with schools and foster carers and to improve attendance at KS4.

## 2.13 **Post 16 Participation**

- 2.13.1 From 1 September 2016 the main headline measure of performance changed to a combined measure of those not in education, employment and training (NEET) and unknown. The headline figure for the November to January average % of 16 or 17 year olds who are NEET or not known between 2015 and 2016 fell by 1.2% to 8.5% compared with a national fall of 0.9%. From June 2015 to June 2016 participation for this age group rose by 0.6% to 90.4%. An increase of between 32 and 144 young people in education, employment and training is needed to reach the national and London averages respectively. Over the same period, not-known's fell to 189 (3.5%) which was below the London average of 3.7%. Improving performance in this area remains a priority.

2.13.2 In 2014 the number of young people progressing to university increased by 56 (7%) to 853 with 170 (20%) of these young people winning places at the more competitive top third of universities. In 2015 the number going to university dropped slightly to 837 reflecting the smaller numbers leaving in Year 13 in schools but the proportion of these going to top third universities increased to 22% or 185 students.

### **3. Priorities for 2016/17 and beyond**

3.1 The core priority is to maintain improvement towards the target of all schools at least 'Good' with an increasing number 'Outstanding'. Particular areas of shared focus continue to be primary reading, secondary maths, supporting potential high attainers and those with SEND.

3.2 Alongside this is supporting the Council's ambition for all of its young people as set out in its response to The Growth Commission. The following four areas have been identified as ones where the Council can use its resource and influence to support schools and young people.

- Recruitment and supporting retention of teachers and school leaders
- Driving community ambition and aspiration – helping families to support successful outcomes for their children
- Supporting more young people to go to Higher Education at 18+
- Increasing participation in Education Post 16 – reducing NEETs and securing pathways to employment for young people

3.3 A major priority for most schools is how they respond to the March 2016 Education White Paper. This also has particular significance for the Council and its ambition for young people. Section 4 below sets out a proposed response.

### **4. Responding to the March 2016 White Paper – Educational Excellence Everywhere**

4.1 Since the publication of the Education White Paper in March 2016 headteachers and governing bodies have asked the Council to support them in responding to the two main proposals:

- Moving to a fully academised system by September 2022 with most schools in multi-academy trusts (MATs);
- Removal of local authority duties and powers for schools improvement in favour of schools having sole responsibility (with consequent removal of the Education Services Grant).

4.2 The new administration has supported the overall direction of the White Paper, but has indicated an easing of the timescale and a willingness to explore models for how schools and local authorities might work together to support school improvement.

4.3 For both strands there is a strong will across schools to work with the Council to plan a sensible and measured approach, which as far as possible supports the local family of schools continuing to work together for the benefit of all children and young people.

## **Moving towards a wholly academised system**

4.4 Local Authority advice to schools is as follows:

- Do not rush – take time to explore and understand the options and their implications
- Choose your partners wisely; do not be isolated and test out the partnerships before taking irrevocable steps.

4.5 Headteachers have requested local authority support for the intelligence gathering and a road map has been drafted to include meetings, presentations and surgeries for those wanting to find out about academy status.

### **The removal of local authority powers and duties for school improvement in favour of schools having responsibility**

4.6 The Cabinet member and officers have listened to headteachers and governors, and looked at how other councils with similarly strong partnerships with schools are responding. As a consequence of this the local authority has developed a proposal to help schools to take on the school improvement function and duties of the Council, through the creation of a formal school-led school improvement partnership – a legal entity.

4.7 It is recommended that the Council should bring forward options for the future that will continue to drive school improvement. This could include mechanisms for:

- Sharing performance data;
  - Brokering school to school support where it is most needed;
  - Maintaining access to a small pool of trusted school improvement professionals for external support and challenge;
  - Oversight of any resources which are shared – such as through Schools' Forum;
  - The partnership needs to start modestly and focus on its core purpose.
- However, the structure would be in place for it to develop and take on additional services in a phased way as agreed by schools and the Council.

4.8 There are a number of ways in which this could be achieved but experience elsewhere suggests that to be successful in the future schools must play a pivotal role.

## **5. Options Considered**

5.1 **Do nothing and try to maintain current arrangements** – This is no longer viable option. If the Secretary of State's proposals are enacted, then both duties and the Powers of the Director of Children's Services (DCS) will be removed. As it stands the DCS has no school improvement powers over academies. Under these circumstances maintaining current arrangements is unlikely to be either viable or to have any impact.

5.2 **Cease school improvement arrangements** – This is an option, but likely to be a high risk one whilst there is still much to achieve in terms of schools' and the Council's ambitions for all its children and young people. The current school

improvement arrangements have demonstrable impact and are supported by schools of all types.

- 5.3 **Move to trading on a fully commercial basis** – This is an option which may be viable. Maintained schools currently get a core service free. Some academies pay for core school improvement from the Council. Increasingly all schools will need to purchase more of their school improvement support as the Government moves to a fully academised system with local authority duties and powers removed. What this option does not do is support schools to take on the leadership of school improvement across the local family of schools.
- 5.4 **Set up a formal school improvement partnership with schools on a legal basis to take on core school improvement functions and maintain a collective responsibility for improving outcomes for all the children and young people who are educated here** – This is the proposed option for the following reasons:
- i. It allows all schools, community faith based, academies and free schools to be a member so no one needs to be isolated;
  - ii. It supports schools to take on the leadership of school improvement in a phased and supported way; and helps to avoid fragmentation;
  - iii. It allows the Council to continue to work with all schools who choose to join.

There are a number of ways of achieving this and these need to be further explored jointly with schools over the next few months in order that the authority and schools can take informed evidence based decisions about the best future arrangements.

Appendix 2 sets out a high level diagram of the partnership.

## **6. Consultation and Development**

- 6.1 The Cabinet Member and senior officers have been talking informally with headteachers about the White Paper since its publication. Views have been sought at headteacher meetings and at their annual conference.
- 6.2 Governing bodies are also being asked for their views about in principle support for a formal legal school improvement partnership at their Autumn term meetings. Informal soundings indicate general support for the principle and a willingness to be involved in the developments.
- 6.3 Following Cabinet's decision it is proposed to work with a group of headteacher representatives, alongside Council officers and external support to further shape and develop the proposals. A consultation event for headteachers and governors will be held in January and governors asked to consider the proposal at Spring term Governing Body meetings.
- 6.4 Cabinet will be asked to agree the final proposal in Spring 2017.

## 7. Financial Implications

Implications completed by: Katherine Heffernan (Group Manager Finance and Investment)

7.1 There are two main financial risks:

- i) The use of the removal of school improvement statutory duties as a reason for the removal of the Education Services Grant (even though these are only a proportion of the Council's statutory duties for education).
- ii) The move to a national funding formula, now delayed until 2018. It was announced in July that the second phase of consultation would be delayed until Autumn 2016 and a new funding formula delayed until 2018. Key risks for these two measures are:
  - an overall reduction in funding available to schools in Barking and Dagenham;
  - the separation of the Schools' Block from High Needs and Early Years Blocks – both of which are under pressure – removes the potential to vire between blocks and leaves the risk squarely with the Council;
  - a new Central block within DSG that will include the residual ESG. There are likely to be increased restrictions around the level and nature of Central expenditure which poses a risk to the centrally retained element of the DSG Schools' Block (IRO £1 million supports the Community Music Service, Trewern and Advisory Teachers);

7.2 Educational Services Grant in 2016/17 is £3.4m and the DfE have announced their intention to reduce this to around £0.6m funding within Central Block DSG by 2018/19. The DfE have indicated that there will be an element of transitional protection to reduce the loss of grant in 2017/18, but no further details have been received to date. The full extent of the cuts and changes to DSG funding will not be known, probably until Autumn 2017.

7.3 Shortly after the July MTFs update report was presented to Cabinet, the Department for Education announced further changes to the Education Services Grant. The MTFs had already assumed a reduction of £1.4m for 2017/18. However, following announcements made in Summer it is likely that all of the Education Services Grant will be cut from 2017/18. The DfE will be transferring £0.6m of the grant to the Dedicated Schools Grant which will effectively ring fence this grant solely for the purposes of Education. The DfE have indicated that there will be an element of transitional protection to reduce the loss of grant in 2017/18, but no further details have been received to date.

7.4 In LBBD's budget, ESG is treated as a corporate funding source and is not specifically ring fenced to education. A reduction of £1.4m in ESG has already been built into the MTFs. To mitigate the transfer of £0.6m into the DSG, corresponding income from the General Fund for statutory education expenditure will be also transferred into the DSG. The net impact of these changes is a further grant decrease of £0.8m to the Council General Fund which is being managed as part of the overall MTFs.

- 7.5 Despite the reduction in national funding some level of investment in School Improvement at least in the early years of the model is likely to be needed if the Council's ambitions are to be achieved.
- 7.6 However these proposals aim to manage the impact of the reductions and mitigate funding risk as far as possible over the medium term by putting in place a structure and model which:
- i) encourages schools to take collective responsibility for key resources;
  - ii) starts modestly and can grow as required;
  - i) can accommodate a mix of duties commissioned by the Council and schools' funded activity.

## 8. Legal Implications

Implications provided by Assaf Chaudry (Lawyer – Corporate Legal)

- 8.1 The report sets out the Council's response to the challenges of the March 2016 White Paper and has proposed a setting up of an Improvement Partnership as a legal entity. The Council has powers to participate in a range of legal entities with partners. There are a number of ways of achieving this.
- 8.2 Local Authorities have the following powers to participate in external bodies

### **Section 111 of the Local Government Act 1972**

The *section 111* power was introduced to improve the discharge of functions and enables the authority:

....."to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.".....

This power permits the Council to participate in and even establish separate entities, provided the particular action is not prohibited in any other enactment, and the Council is of the opinion that doing so will improve the discharge of the particular functions.

### **Section 1 of the Localism Act 2011 (the general power of competence)**

The general power provides that "A local authority has power to do anything that individuals generally may do" (section 1(1)).

The power is not limited by the need to evidence a benefit accruing to the local authority's area, as the well-being power is. Nor is it limited in geographical scope. However, existing and future restrictions contained in legislation continue to apply. The restrictions and limitations will have to be considered in some more details when the option is refined.

- 8.3 The Council is presently considering a number of legal entities including:

#### **Companies limited by shares**

The most common form of company used in practice is a company limited by shares. A company limited by shares can either be a private company or public company.

### **Companies limited by guarantee**

Companies limited by guarantee are normally incorporated for non-profit making functions. A company limited by guarantee has many of the same characteristics as a private company limited by shares.

### **Charitable Interest Organisation**

This is a new type of corporate style vehicle. It has a simplified regulatory system in that it is only regulated under Charities Commission

### **Community Interest Company (CIC)**

This is a limited liability company designed for social enterprises that wants to use its profits and assets for the public good. A CIC has the specific aim of providing a benefit to a community and must use its income, assets and profits for the community it is formed to serve.

A CIC can be structured as either a company limited by shares or by guarantee, but it must satisfy a community interest test.

- 8.4 Subject to the consultation and options assessment legal services may need to revise the legal implications. The council has the experience and capacity to set up and manage the legal processes of setting up an improvement company.

## **9. Other Implications**

- 9.1 **Risk Management** – Risks are two-fold – both financial from anticipated national cuts and to the Council's ambition for improved outcomes for young people – from the removal of school improvement duties for councils. See section 5 above for mitigation of financial risks. Re the risk to outcomes this is mitigated in two ways:

- i) through the proposed school improvement partnership – which seeks to maintain a collective responsibility for outcomes, including for the most vulnerable, across the family of schools. It places the current expertise of local authority school improvement advisers directly at the service of schools to support continued improvement;
- ii) through a Council sponsored programme of the four priority work streams to support schools in their core business of improving outcomes for children and young people.

There will be a further examination of risks as part of the options appraisal.

- 9.2 **Staffing Issues** – In order to minimise risk to the new partnership it needs to start modestly, with few a short-term or seconded posts. Education has adopted a prudent approach to school improvement staffing in recent years, including buying in ad hoc support for core work. Staff and professional associations have been briefed on the broad proposals for education. The detail and implications for individuals will be worked through with them over the coming year.

- 9.3 **Corporate Policy and Customer Impact** – The proposals represent an important opportunity to improve outcomes for all children and young people in the face of considerable risks from national policy – particularly to more vulnerable individuals and groups. The actions to maintain a family of schools working in partnership with the Council, with a collective focus on safeguarding the interests of all children and



young people in the community attempts to mitigate the risks which come from a schools system which is at once fragmenting and centralising.

- 9.4 **Safeguarding Children** – As set out in 7.4 the proposals aim to mitigate some of the risks to vulnerable children and young people from the removal of school improvement duties and move to a fully academised system.
- 9.5 **Health Issues** – As set out in 7.4 the proposals aim to support collective responsibility for children’s wellbeing. To date there has been strong support for schools for promoting health for example by schools’ forum support for school games coordinators and by high levels of success in the Healthy Schools Programme. A schools’ led school improvement vehicle forms the best chance of maintaining any collective support for health.
- 9.6 **Crime and Disorder Issues** – As set out in 7.4 above the proposals aim to support a collective responsibility for children and young people. Relations with the police are generally positive and the secondary schools value highly the community police officers based in their schools. Any model which maintains the family of schools is likely to have benefits for joint work to prevent crime and disorder.
- 9.7 **Property / Asset Issues** – There are no immediate property issues. As the proposals develop, accommodation will need to be considered and potentially the future of the Trewern Outdoor Education Centre which is owned by the Council.

#### **Public Background Papers Used in the Preparation of the Report:**

- **Assessment and Reporting arrangements 2016**, Early Years Foundation Stage, Key Stages 1 and 2. <https://www.gov.uk/government/organisations/standards-and-testing-agency>
- **School performance Tables 2016 Statement of Intent**. This explains the measures that will be included in the official DfE tables published in the Autumn term: [http://www.education.gov.uk/schools/performance/download/Statement\\_of\\_Intent\\_2015.pdf](http://www.education.gov.uk/schools/performance/download/Statement_of_Intent_2015.pdf)
- **The Ofsted Inspection handbook September 2016** refers to how data are used as part of inspection, particularly paragraphs 76 – 79 on pages 24 – 25: <https://www.gov.uk/government/publications/school-inspection-handbook-from-september-2015>
- **DFE Statistical data:** <https://www.gov.uk/government/organisations/department-for-education/about/statistics#latest-statistical-releases>

#### **List of appendices:**

**Appendix 1** Summary of results Summer 2016

**Appendix 2** School Improvement Partnership model

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## Summary of Barking and Dagenham Schools' Results 2016

This report provides a summary of the overall Local Authority results in national tests and examinations in 2016. Some of the data remains provisional.

### Primary

The 2016 Key Stages 1 and 2 assessments are the first which assess the new, more challenging national curriculum which was introduced in 2014. As a result of these changes, figures for 2016 are not comparable with previous years. New tests and interim frameworks for teacher assessment have been introduced to reflect the revised curriculum. Results are no longer reported as levels, and each pupil has received their test results as a scaled score and teacher assessments based on the standards in the interim framework. As a result of these changes, figures for 2016 are not comparable to those for previous years. The expectations for pupils at the end of Key stages 1 and 2 have been raised. Given the differences in the curriculum and assessments, levels are not comparable with scaled scores or teacher assessment outcomes.

**Early Year Foundation Stage 2016** (for ease percentages have been rounded to the nearest whole number, the gap to national is shown in brackets)

National 69%, Barking and Dagenham 70%. The percentage of LBBD pupils achieving a Good Level of Development has improved at a faster rate than national and is now above national for the second year running.

Good level of development	2014	2015	2016	London 2016	National 2016
LBBD	60 (=)	67 (+1)	70 (+1)	71	69

**Key Stage 1 2016** (for ease percentages have been rounded to the nearest whole number, the gap to national is shown in brackets)

These are a positive set of results with Barking and Dagenham above the national standard for Reading, Writing and Maths. The percentage of pupils achieving a higher standard is at the national average for Reading and above for both Writing and Maths.

Measure	B & D 2016	London 2016	National 2016
Reading Expected Standard	75 (+1)	77	74
Higher Standard	24 (=)	26	24
Writing Expected Standard	68 (+3)	70	65
Higher Standard	14 (+1)	17	13
Maths Expected Standard	75 (+2)	77	73
Higher Standard	21 (+3)	22	18

**Key Stage 2 2016** (for ease percentages have been rounded to the nearest whole number, the gap to national is shown in brackets)

This is a strong set of results which sees the Borough above national and London for the Combined Expected Standard in Reading, Writing and Maths.

Measure		B & D 2016	London 2016	National 2016
Combined Expected Standard in Reading, Writing and Maths		58 (+5)	57	53
Reading	Expected Standard	65(-1)	68	66
	Average Scaled Score	102 (-1)	103	103
Writing	Expected Standard	79 (+5)	76	74
	Teacher assessment			
Maths	Expected Standard	77 (+7)	76	70
	Average Scaled Score	104 (+1)	104	103
GPS	Expected Standard	78(+6)	77	72
	Average Scaled Score	105 (+1)	105	104

### Brief commentary:

**Early Years Foundation Stage** – A ‘good level of development’ is the percentage of pupils achieving at least the expected level within the three prime areas of learning: communication and language, physical development and personal, social and emotional development and the early learning goals within the literacy and mathematics areas of learning., The average ‘good level of development’ for LBBB is 70%. This represents a nearly 10% increase compared to 2014 results and remains above the national average (69%).

**Key Stage 1** – Achievement at the expected standard is above the national in reading (75% compared with 74%), writing (68% compared with 65%) and mathematics (75% compared with 73%). At the higher standard reading is in line with the national (24%) while both writing (14%) and mathematics (21%) are above.

**Key Stage 2** – This is a positive set of results with the Borough 5% above national (53%) and 1% above London (57%) for the expected standard in combined reading, writing and mathematics. Writing at 79% is 5% above national and 3% above London. Mathematics at 77% is just above London and nearly 7% above national. However, there is unexpected fluctuation in reading results when compared to mathematics in some schools. This has led to reading being 1% below national and 3% below London, indicating that there is further work to do.

## Secondary

From 2016 the KS4 / GCSE floor standard is based on schools' results in the new Progress 8 measure. This replaces the percentage of pupils achieving five or more GCSEs at grades A\*-C including English and mathematics and indicates the importance of this new measure.

Progress 8 is based on students' progress measured across eight subjects: English; mathematics; three other English Baccalaureate (EBacc) subjects (sciences, computer science, geography, history and languages); and three further subjects, which can be from the range of EBacc subjects, or can be any other approved, high-value arts, academic, or vocational qualification.

There have also been significant changes in headline measures at A level / Post 16. From 2016 the APS per entry will be calculated separately for each provider reported in the performance tables reflecting the results achieved with the provider. This may mean that a student is counted in more than one institution. In addition, new performance point scores for level 3 qualifications have been developed to allow qualifications of different sizes and grade structures to be compared. As a result, APS per entry cannot be compared directly with previous years.

**Key Stage 4 / GCSE 2016** (for ease percentages have been rounded to the nearest whole number, the gap to national is shown in brackets)

Measure	B&D 2013	B&D 2014	B&D 2015	B&D 2016	London 2016	National 2016
Progress 8 score	-	-		0.16	0.16	-0.03
Attainment 8 score	-	-	48.1 (+0.7)	49.6	51.7	48.2
% A*-C En & Ma	61 (+1)	62 (+6)	56 (=)	59 (=)	66	59
English						
% A*-C	74 (+8)	77 (+11)	72 (+6)	76 (+6)	78	70
% A*/A	15 (=)	14 (+1)	13 (+2)	18 (+8)	-	10
maths						
% A*-C	66 (-6)	67 (+2)	63 (-3)	64 (-1)	71	65
% A*/A	14 (-5)	16 (-2)	17 (-2)	18 (-1)	-	19
% EBacc (all subjects)	14 (-9)	20 (-3)	20 (-3)	22 (-1)	32	23

**Key Stage 5 post 16 2016** (for ease percentages have been rounded to the nearest whole number, the gap to national is shown in brackets)

GCE A level only	B&D 2013	B&D 2014	B&D 2015	B&D 2016	National 2016
A*-E	99 (=)	99 (=)	99 (=)	100 (+1)	99
A*-C	73 (-5)	75 (-2)	76 (-2)	78 (=)	78
A*-B	41 (-12)	46 (-7)	47 (-6)	47 (-7)	54
A*/A	15 (-12)	15 (-12)	16 (-11)	15 (-11)	26

APS per entry	B&D 2016		London 2016		National 2016	
	Pts	Grade	Pts	Grade	Pts	Grade
Level 3 students	29.76	-	31.03	-	32.23	-
A level students	28.77	C	30.22	C	31.52	C
Academic students	28.86	C	30.32	C	31.83	C+
Tech level students	28.44	Merit+	31.53	Dist-	30.83	Dist-
Applied general students	32.28	Dist-	33.32	Dist-	34.70	Dist

**Brief commentary:**

**Key Stage 4 / GCSE results** – The new Progress 8 measure was published for the first time this year as a key performance indicator which tracks the progress of all pupils. The local authority performed strongly on this indicator achieving a Progress 8 score of 0.16, in line with London and above national.

For the A\*-C in English and mathematics measure overall LA results have increased by 3% to 59% and remain in line with the national but below London. In English the A\*-C improved by 4% to 76%, 6% above the 2016 national (70%). Results in mathematics also improved to 64%, 1% below the 2016 national (65%). There has been a significant improvement in the performance of the higher attainers with the A\*/A in English increasing by 5% to 18% (2016 national 10%). Maths has also seen an improvement in A\*/A of 1% to 18% (2016 national 19%). The EBacc has risen by 2% to 22%, closing the gap to the 2016 national average (23%) to within 1%.

**Key Stage 5 / post 16 school results** – While early national pass rates have remained similar to last year there has been a rise of 2% at A\*-C to 78% which has moved in line with the national for the first time. A\*-B remains unchanged at 47% but the A\*-A has fallen by 1% and the gap to national remains stubbornly challenging. However, the overall improvement in higher grades and the increased number of entries means that higher numbers of students have the opportunity to study at the more competitive universities.

Some students take a mix of A Levels and other Level 3 qualifications while others take only vocational Level 3 qualifications. These are measured by average point scores as set out in the earlier table. This shows the average grade as a C, with those purely vocational courses averaging merit and distinction.

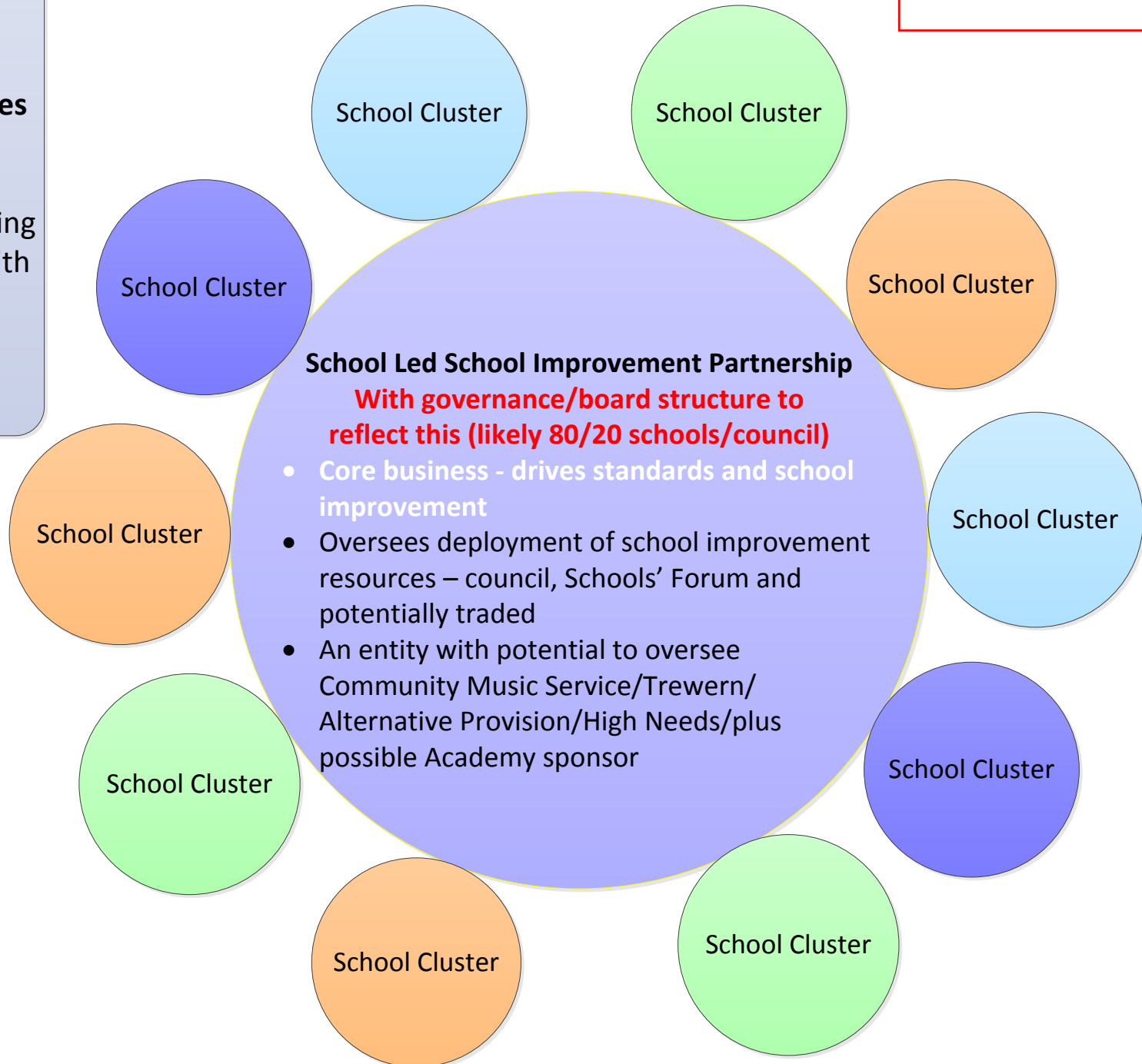
**Further Information:**

**RAISEonline Latest News link for publication dates**

<https://www.raiseonline.org>

**Traded Services**

- Council owned trading company with a social purpose



**Education Commissioning Directorate Statutory Duties**

- Early Years
- School places
- Admissions
- SEN
- Post 16 participation
- Champion for standards and families
- Safety in schools

# Schools and Council School Improvement Partnership

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**CABINET****15 November 2016**

<b>Title:</b> Dedicated Schools Budget and School Funding Formula 2017-18	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Katherine Heffernan, Group Manager – Service Finance	<b>Contact Details:</b> Tel: 020 8227 3262 E-mail: Katherine.heffernan@lbbd.gov.uk
<b>Accountable Director:</b> Jane Hargreaves, Commissioning Director for Education	
<b>Accountable Strategic Director:</b> Anne Bristow, Strategic Director of Service Development and Integration	
<p><b>Summary</b></p> <p>This report provides an update on the national Education Funding reforms and their likely impact on Barking and Dagenham. The Department for Education (DfE) has carried out consultations on all three elements of the current Dedicated Schools Grant (DSG). However it has been announced that there will be no major changes to the Schools Block or the High Needs Block in 2017/18 and there will be further consultation on these blocks.</p> <p>Changes are expected to take place to the Early Years block in 2017/18 although as the consultation has only recently concluded the full details are not yet confirmed.</p> <p>This report also sets out the Dedicated Schools Budget (DSB) strategy for 2017/18 and the principles that we plan to use for the Local Funding Formula for Schools as discussed with Schools Forum.</p> <p>The report also considers the implications for the Council of the funding changes and the risks and opportunities that arise as a result.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the latest position on the national Education Funding Reform and the likely implications for Barking and Dagenham;</li> <li>(ii) Agree, in principle, the proposed model for allocating school funding in 2017/18 as set out in section 3 and Appendix A of the report; and</li> <li>(iii) Delegate authority to the Strategic Director of Service Development and Integration, in consultation with the Schools Forum and the Cabinet Member for Educational Attainment and School Improvement, to approve the final 2017/18 school funding formula submission to the Education Funding Agency.</li> </ul>	

## Reason(s)

The Dedicated Schools Budget is part of the Council's overall budget and Local Authorities are required to develop and maintain a Local Funding Formula to distribute funding to schools.

### 1. Introduction and Background

- 1.1 Education funding is provided by the Department of Education in the form of a specific ringfenced grant known as the Dedicated Schools Grant. This grant has sub components or "blocks" which are allocated to fund different aspects of the Education system. Currently Local Authorities have the ability to move money between the blocks with the agreement of their Schools Forum. The DSG baseline for Barking and Dagenham for 2017/18 is as follows:

**Table 1:** DSG 17/18 Baselines

	£000s
Schools/Central Block	200,644
High Needs Block	27,075
Early Years Block	11,208
	238,926

### 2. National Schools Funding Formula

- 2.1 For a number of years the Government has been clear that it intends to introduce a national funding formula that will be used to distribute funding to all schools on a consistent basis. The Department for Education took a further step in the process this year by carrying out a consultation in the spring of 2016 on a National Schools Funding Formula. This was designed to be the first stage of a two-stage consultation and concerned the principles and structure of the proposed formula. It did not include any proposals for the values or weightings for the various factors and so did not provide concrete information about the likely impact of the new formula.
- 2.2 The main issues of concern for Barking and Dagenham are as follows:
- It is expected that London overall will lose funding to some extent. It is not yet possible to predict what the impact will be until the DfE announces the likely values and weightings but under some predictive models it may be as much as 8% to 10% overall. However this will be mitigated by use of the minimum funding guarantee as a smoothing device. This limits the reduction per pupil to 1.5% in any one year.
  - There will be a loss of local flexibility to reflect particular issues and circumstances and the role of the Schools Forum in future is not clear.
  - As part of this loss of flexibility, Councils will lose the ability to move money between the different funding blocks with the agreement of their Schools' Forum. This removes a mechanism that many Councils use to realign funding in line with their priorities or to resolve pressures in the High Needs or Early Years blocks.

- Arrangements for funding growth and short term support for Schools in Financial Difficulties are not clear.

- 2.3 At the same time, there was a parallel consultation on funding for the High Needs Block which is the source of funding for Special Schools and Units, Alternative Provision and additional support for pupils with high level of Special Educational Needs. Again, this proposed moving to a formula based funding arrangement although funding would still be allocated at the Local Authority level rather than to individual schools.
- 2.4 The High Needs Block in Barking and Dagenham has been under pressure in recent years as funding has not kept pace with the rise in numbers of children with additional needs or the complexity of those needs. It is not yet clear whether a move to a formula based approach would benefit or disadvantage the borough as not enough information was provided to model this. However, this remains a high-risk area for the Council.
- 2.5 Along with most Councils and many schools and others, Barking and Dagenham responded to the consultation putting these points. Following the close of the first stage consultation, in July the Secretary of State for Education announced that the second stage consultation would be delayed slightly and the introduction of the new formula would not begin until 2018/19.
- 2.6 Officers will work with the Cabinet Member for Educational Attainment and School Improvement and the Schools Forum to respond to any further consultations.

### **3. Schools Block 2017/18 and Local Funding Formula**

- 3.1 In July, the Department of Education published the DSG baseline figures that would be updated using the October census figures and any other adjustments to form the basis of the 2017/18 DSG. The baseline is in line with our expectations. The Government also confirmed that no Local Authority would see a reduction from the baseline in Schools Block funding on a per pupil basis or High Needs block funding on a cash basis.
- 3.2 Given the delay in implementation of the National Formula it remains for the local authority, working with its schools forum, to decide how best to design its local formula to meet local circumstances. Local authorities will have the same freedom to set local formulae for their schools in 2017-18 as they did in 2016-17.
- 3.3 However, given the uncertainty about future funding and the financial pressures faced by schools at present it is felt locally that stability of funding should be maintained. It is therefore proposed to maintain the Barking and Dagenham funding factors at 2016/17 levels (as set out in Appendix A). This will be subject to the affordability of the Schools Block model within the overall DSG allocation once that is announced. However, the intention will be to keep the factors as close 2016/17 as possible while also maintaining the Primary/Secondary ratio of 1:1.30. This principle was discussed by Schools Forum at their meeting on 4 October 2016 and was agreed.

- 3.4 The Forum also agreed the following changes to dedelegation:
- a reduction in the Schools contingency from £0.2m to £0.15m and
  - ending the dedelegation of £0.25m funding to support Schools Facing Financial Difficulties. In future this fund should be self-financing from the repayment of monies advanced in previous years. This will be monitored by the Council in consultation with the Forum.
- 3.5 The remaining dedelegations will be reviewed by the Forum in November which will also consider the level of provision that should be set aside to fund growth.
- 3.6 Cabinet is asked to approve these principles and the factors set out in Appendix A.
- 3.7 Following publication of the DSG allocations and the census data the Finance team will update the model and discuss with the Schools Forum. It is proposed that approval of the final model be delegated to the Strategic Director for Service Development and Integration in consultation with the Cabinet Member for Educational Attainment and School Improvement.

#### 4. High Needs Block 2017/18

- 4.1 The High Needs Block has been under significant pressure in recent years but an action plan is in place to increase support for children in borough maintained schools where possible and reduce expenditure on expensive out of borough settings. In 2016/17 additional funding of £3.2m was drawn down from the DSG reserve to invest in the SEND strategy and a further £1.5m was drawn down to support the High Needs block during this transitional period. This level of funding will not be available in 2017/18 and a High Needs working group has been set up to identify further measures to ensure that costs are contained within the funding available in future.

#### 5 Central Block 2017/18

- 5.1 The one element of the funding changes that will be introduced from 2017/18 is the creation of a central block. The residual Education Services Grant (ESG) that will remain with the Council will be transferred into this block along with other services funded from centrally retained DSG. The Department of Education has guaranteed that the funding within the block will be available to each local area at current levels but that they will be reviewing its use. It is thought that that in future years there may be a limit imposed on the level of central costs or restrictions about what they can be used for. This may present a risk to services currently funded from this block.

**Table 2:** Services currently funded from Central DSG

Description	2016/17 Budget	2017/18 Budget (Proposed)
Admissions	£536,800	£536,800
Service of Schools Forum	£60,000	£60,000
School Improvement	£113,800	£113,800
Schools Estates	£150,000	£150,000

School Games Organiser funding	£50,000	£50,000
Trewern Outdoor Education Centre	£209,000	£209,000
Community Music Service	£310,000	£310,000
Advisory Teachers	£330,000	£330,000
Licences / Subscriptions	£148,600	£154,100
TOTAL	£1,908,200	£1,913,700

- 5.2 Council officers are currently considering the options for securing the future of the services funded through Centrally Retained DSG as there is thought to be a high risk that this may be restricted in future. A report on options for School Improvement Services is being presented to Cabinet at this meeting that reflects some of this thinking.
- 5.3 The impact on the Music Service is of particular concern as the DSG funding represents around one third of the total budget for the service. Currently unlike in many Council areas no charges are made for instrumental or vocal tuition that takes place in schools or for the ensemble activities that take place at the Music Centre. An annual charge of £25 for instrument loan is made to pupils who choose to continue following the free Whole Class Ensemble Tuition (WCET) year which is supported by the ACE grant.
- 5.4 Options need to be explored to address the impact on the Community Music Service income from 2017/18 onwards if this funding can no longer be awarded. This may include changes to service provision or introduction of some additional charges. However this needs to be done with care in order not to have an adverse impact on poorer families or other vulnerable or protected groups. Further reports will be brought to Cabinet on this once more is known about the new regulations for DSG funding.
- 6. Early Years Block – Two Year Olds and Three/Four Year Olds.**
- 6.1 In August the Department for Education began a consultation on an Early Years National Funding Formula. The consultation set out proposals to introduce an early years national funding formula which will allocate funding for both the existing universal 15 hour entitlement for all three and four year old children and the new 30 hour entitlement for working parents, on a formulaic basis. This is due to begin in April 2017 for the existing 15 hours and in September for the additional 15 hours when this policy is implemented nationally.
- 6.2 This consultation included proposals about values and weightings of the various factors and an illustration of the impact for different areas. If the proposals are implemented as set out Barking and Dagenham will gain around 19.8% increase in funding per child.

## 7. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager Service Finance

- 7.1 The Dedicated Schools Grant is a ringfenced grant provided by the Department of Education. The anticipated allocation for 2017/18 will be confirmed once October 2016 pupil census data is finalised but is expected to be at least £238m.

## 8. Legal Implications

Implications completed by: Chris Pickering, Senior Lawyer

- 8.1 The Forum is a decision making and consultative body in relation to matters concerning schools' budgets as defined in the School Finance (England) Regulations 2012 and the Schools Forums (England) Regulations 2012 (the Regulations).
- 8.2 In accordance with the Regulations, the Local Authority must submit to Schools Forum for consultation the Budget formula, for comments on any proposed changes to the funding formula for maintained schools (before the funding period starts) (Regulations 8 & 9).
- 8.3 This report asks that Cabinet notes the outcome of the consultation and approves, in principle, the Funding Model that was proposed by the Council and agreed by the Forum. It further asks that Cabinet agrees to delegate the final decision of school funding allocations for 2017/18 to the Strategic Director of Service Development and Integration following appropriate consultation.

## 9. Other Implications

- 9.1 **Risk Management** – There are several risks in relation to the national funding reform proposals. The first risk is that Barking and Dagenham loses funding as a whole; secondly the national formula may differ from our local formula resulting in large changes in distribution of funding between schools.

There are also significant risks if the funding formula for High Needs does not reflect the true level of need within the borough and the pressure on the block worsens.

The Minimum Funding guarantee that limits any reduction in funding to -1.5% per pupil offers some mitigation as it provides a smoothing mechanism preventing sudden funding changes. In addition the Council operates a fund for Schools Facing Financial Difficulties.

The Council will continue to work with Schools and others to ensure there are high standards of financial management and control to meet these funding challenges.

- 9.2 **Staffing Issues** – The MFG should mean that consequent reductions in staff can be managed by schools in a phased way. Many schools continue to see growth in pupil numbers. In most cases schools should be able to manage through the usual staff turnover processes.

- 9.3 **Customer Impact** – Schools will continue to take steps to minimise any adverse impact on outcomes for children.
- 9.4 **Safeguarding Children** – Increases in the pupil premium provide targeted support for looked after children and those entitled to free school meals.
- 9.5 **Health Issues** – The health and well being board and Joint Strategic Needs Assessment (JSNA) highlight the importance of investing in early intervention to support children’s long term well being. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting, primary education and the opportunities for learning and development in the crucial first five years of life, and identified what matters most in preventing poor children becoming poor adults.

**Public Background Papers used in the preparation of the report:** None

**List of Appendices:**

- **Appendix A** - Schools Funding Formula Factors

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## Schools Funding Formula Factors

<b>Factor Details</b>	<b>2017/18 Unit Value</b>
<b>Age Weighted Pupil Unit (AWPU) - Primary</b>	3,867.50
<b>AWPU - KS3</b>	4,608.50
<b>AWPU - KS4</b>	5,596.00
<b>Deprivation - Primaries – Free School Meals (FSM) Ever 6</b>	335.00
<b>Deprivation - Secondaries – (FSM Ever 6)</b>	520.00
<b>Deprivation - IDACI Band 3 – Income Deprivation Affecting Children Index</b>	20.00
<b>Deprivation - IDACI Band 4</b>	40.00
<b>Deprivation - IDACI Band 5</b>	50.00
<b>Deprivation - IDACI Band 6</b>	100.00
<b>Looked After Children - LAC</b>	500.00
<b>English as an Additional Language (EAL) - Primaries - EAL 3</b>	585.00
<b>EAL - Secondaries - EAL 3</b>	1,400.00
<b>Mobility - Primaries</b>	504.00
<b>Mobility - Secondaries</b>	700.00
<b>Low Attainment year % New EFSP Low Attainment % Old FSP 78</b>	800.00
<b>Secondary Pupils Not Achieving (KS2 level 4 English or Maths)</b>	1,400.00
<b>Lump Sum - Primaries</b>	160,000.00
<b>Lump Sum - Secondaries</b>	160,000.00
<b>Split Sites - Primaries</b>	160,000.00
<b>Split Sites Secondaries</b>	200,000.00

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## CABINET

15 November 2016

<b>Title:</b> Fees and Charges 2017	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Katherine Heffernan, Group Manager, Service Finance	<b>Contact Details:</b> Tel: 0208 227 3262 E-mail: <a href="mailto:katherine.heffernan@lbbd.gov.uk">katherine.heffernan@lbbd.gov.uk</a>
<b>Accountable Director:</b> Kathy Freeman, Finance Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<p><b>Summary</b></p> <p>The Council provides a wide range of services to residents, visitors, local businesses and others. Some services are provided free of charge at the point of need for others it is fairer and more appropriate that the service user should pay for the services received. The ability to charge for some services has always been a key funding source to Councils and will continue to be so.</p> <p>This report concerns itself with recommending the appropriate level of fees and charges across all directorates, to take effect from 1 January 2017 unless otherwise stated.</p> <p>In preparing the proposed fees and charges, Services have worked within the framework of the agreed Charging Policy. Each service has been reviewed and the charges are set at a fair and reasonable level which wherever possible is in line with competitive market rates for the service.</p> <p>The full list of proposed charges is detailed in Appendix A to this report. The report itself deals with proposed changes to the charges only.</p> <p>In considering the range of charges the Council has decided to simplify the charging structure in a number of areas – mainly on pay and display parking and pest control.</p> <p>Appendix B to this report details the charges that have been deleted as a result or otherwise no longer apply.</p>	
<b>Recommendation(s)</b>	
The Cabinet is recommended to:	
(i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2017 unless otherwise stated;	

- (ii) Note the fees and charges no longer applicable from 1 January 2017, as set out in Appendix B to the report; and
- (iv) Delegate authority to the Strategic Director of Service Development and Integration, in consultation with the Strategic Director of Finance and Investment and the Cabinet Members for Finance, Growth and Investment and Educational Attainment and School Improvement, regarding the setting of fees and charges which are applied from September for schools and academic year based activities.

**Reason(s)**

The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services.

The approval of reviewed fees and charges to ensure that the Council is competitive with other service providers and neighbouring councils.

**1. Introduction and Background**

- 1.1 Local Authorities provide a wide range of services to their residents and others and the ability to charge for some of these services has always been a key funding source.
- 1.2 These fee charging or income generating services are generally those services which are not provided on a universal basis but are specific to an individual or an organisation. For this reason, it is fair and appropriate to make a charge to the service user. These fee charging services include both statutory and discretionary services. Where fees and charges apply to mandatory services, these are often set nationally, for example planning fees.
- 1.3 The remaining income services where the Council levies fees and charges are of a discretionary nature. These cover a whole range of services such as Care services, Libraries, Licensing, Pest Control, Commercial Waste, Drainage, Markets, Leisure and Recreation facilities, Parking and the Registrar service. This report concerns itself with recommending the appropriate level of fees and charges from 1 January 2017 for these types of services.
- 1.4 In addition to those traditional income services, the Council also has the power under the Local Government Act 2003 to charge for other discretionary services that it may already provide or may wish to provide in the future.
- 1.5 There is no definitive list as to which discretionary services are covered by the powers provided in the Act although the Government has provided limited examples of what could be included, such as maintenance of older/disabled peoples' gardens, arboriculture work in private gardens, operating consumer protection approved lists, pre-application planning and development advice, highway services to private industrial estates, home energy advice, home security services and use of excess capacity in local authority services.

1.6 To date, in keeping with most other local authorities, the Council has not expanded use of these powers but will continue to review the potential to do so when there is a sound business case for doing so.

## **2. Medium Term Financial Strategy 2017/18**

2.1 The Council's Medium Term Financial Strategy for 2017/18 assumes no change to fees and charges income except for specific cases where significant additional income is expected and treated as a saving included in the MTFs, which is elsewhere on this agenda. In all other instances, any additional gain or loss in income resulting from changes in fees and charges is expected to be fairly small and will be retained by the income generating service.

## **3. Charging Policy**

3.1 The Council has an agreed Charging Policy which requires that all charges are reviewed annually as part of the budget setting process.

3.2 The Charging Policy has three fundamental principles:

- Services should raise income wherever there is a power or duty to do so;
- Wherever possible the income raised should cover the full costs of providing the service including all overheads;
- Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.

## **4. Proposed Fees and Charges 2017**

4.1 Attached to this report at Appendix A are the proposed fees and charges for 2017 which will be effective from 1 January 2017 unless otherwise stated.

4.2 The Appendices detail the following information:

- Description of service provided;
- Current 2016/17 charge;
- Proposed charges from 1 January 2017;
- Proposed increase in pounds and in percentage terms;
- The rationale for a given increase, as well as any other comments.

4.3 In most cases fees and charges have been increased by the Retail Price Index (RPI) as at August 2016 of 1.8% rounded up to the nearest 50p or £1.

## **5. Fees and Charges – Service by Service Review**

5.1 A summary of the services that Appendix A relates to is presented within the following sections. The reference numbers quoted below relate to the line reference numbers on Appendix A.

### **5.2 Adult Care and Support (Ref 1 - 5)**

5.2.1 The Care Act 2014 gives local authorities the power to charge service users and carers for care and support within a set framework. All Councils with Social Care

responsibilities are required to have a charging policy that complies with this framework. London Borough of Barking and Dagenham's charging policy is Care Act compliant and is regularly reviewed – most recently at February 2016.

- 5.2.2 Under this policy charges levied to service users are means tested to ensure no individual is required to pay more than they can reasonably afford. The charges quoted in the appendix are the maximum payable.
- 5.2.3 The charges for in-house Residential Homes (80 Gascoigne Road & Kallar Lodge) have been uplifted in line with inflation.
- 5.2.4 Heathlands day centre has mainly increased its charges by inflation, but has introduced a rate reflecting the appropriate difference between standard and high needs service users supported by continuing healthcare funding. The charges for the in-house day care centre follow a charging strategy to remain competitive with local providers.

### 5.3 **Healthy Lifestyles (Ref 6 - 72)**

#### **Leisure Centres (Ref 6 – 64)**

- 5.3.1 The service is working to achieve 100% direct cost recovery for the leisure centres as well as a contribution towards overheads and the cost of capital. The aim is to make the service as cost effective as possible but to try to ensure that prices remain affordable.
- 5.3.2 Accordingly, discounts to standard prices are to be provided to those residents for whom price can be a barrier to participation:
- Children and young people aged 16 and under
  - Full time students
  - People over the state pension age
  - People on low incomes in receipt of means tested benefits
  - People receiving 'carer's allowance'
  - People on disability related benefits; and
  - Serving Armed Services Personnel
- 5.3.3 Pricing changes will be informed by market conditions and, in particular, by benchmarking against London and near neighbour councils.
- 5.3.4 A number of prices have been increased by RPI but in order to remain competitive, it is proposed that some prices are reduced and some prices are held at 2016 prices. These proposals include:
- All membership prices at the two Leisure centres to be held at 2016 prices
  - Soft play facilities at the Jolly Jungle to be held at 2016 prices. **(Ref 45–54)**
  - Soft play facilities prices at the Idol to be reduced by an average of 10% to encourage more use of the facility and maintaining the 2016 membership charge and charge for under 1's. **(Ref 55 - 64)**
  - A reduction of the current charge for a replacement card from £8 to £4 to increase demand.

- 5.3.5 A few new charges have also been included such as personal training and concession charges for swimming lessons.

#### **Jim Peters Stadium (Ref 65 – 72)**

- 5.3.6 The aim is to achieve 100% direct cost recovery for this service as well as a contribution towards overheads and the cost of capital. Prices have been increased by RPI.

#### **5.4 Children's Care and Support and Education Youth and Childcare (Ref 73 – 110)**

##### **Childcare Services (Ref 73 – 77)**

- 5.4.1 The Council now only runs the Abbey Early Years Day Nursery and fees are set at three levels: full time weekly rate, a daily rate for a morning session and a daily rate for an afternoon session. Fees are being increased to ensure sustainability of running the site and to ensure that fees cover the required staffing ratio.
- 5.4.2 School meal prices are being increased to ensure there is cost recovery. Prices have been held for the last five years; however there is a need to increase the charges to manage the increase in staffing costs and inflation.

##### **Children Centres Room Hire (Ref 78 - 86)**

- 5.4.3 The current fee structure for room hire was inherited from Marks Gate Community Association and is below what is being charged for comparable spaces at the Youth Centres. It is proposed to align the fees to those being charged at the Youth Centres until a full review of charging arrangements is undertaken. Currently, there is discretion to provide a discount of up to 50 % for community groups, charities or long term bookings. The proposal is to continue with this arrangement.

##### **Youth Centres Room Hire (Ref 87 - 110)**

- 5.4.4 Youth Centres have spaces that can be hired by other organisations. This has previously been done on an ad-hoc basis but it is more appropriate to formalise these charges. The fees have been set in line with what has been charged recently.

#### **5.5 Culture, Heritage and Libraries**

##### **Eastbury Manor House (Ref 111-189)**

- 5.5.1 A revised pricing structure was introduced in 2016/17 which is based on the principle of moving over time to realise direct cost recovery for the House from income raised. The focus is on raising commercial hire prices reflecting room size and premium hire periods. As some prices increased considerably with the revised structure last year, it is proposed to increase by inflation and rounded.
- 5.5.2 There are a range of new venue hire packages including a standard and deluxe conference package for commercial organisations as well as non-resident and LBBB resident packages for social functions, including dinner and dinner/dance receptions for weddings and parties. Discounts have been reduced from 50% to

25% for LBBD clients to ensure our costs are being covered in delivering these bookings. Discounts have also been standardised for one-off promotions as well as for charity/community and Council clients. Other charges, such as for civil ceremonies, have been increased only by inflation and rounded up accordingly.

- 5.5.3 It is not proposed to increase admission charges in 2017/18 to the House by National Trust members and the wider public. These are changed on a bi-annual basis in consultation with the National Trust, who own the House, and only raise a relatively low level of income. A review will take place in 2017.

#### **Valence House (Ref 190-217)**

- 5.5.4 Room hire charges have been revised based on area of each space by square metre in 2016/17. As many of the charges increased in 2016/17 it is proposed to increase by inflation and round. There has been some scope to increase bookings but this has been limited due to the extension of the Museums and Schools Programme for another year to the end of March 2017.

#### **Heritage Education (Ref 218 - 231)**

- 5.5.5 The heritage education offer is charged for on the basis that direct cost recovery is achieved.
- 5.5.6 To achieve this, charges were increased significantly in 2014/15 by £1.50 to £6.00 for Borough schools and by £1.50 to £7.00 for non-borough school visits to Valence House Museum and Eastbury Manor House. With additional funding from Arts Council England for the Museums and Schools Programme to end in March 2017, these charges will be kept the same for borough schools, to minimise drop off in take up of schools in 2017/18. Non borough schools charge will increase by £1.50 to £8.50 per child to reflect increase cost of delivery of additional sessions to be delivered at Eastbury Manor House where capacity is available and to increase income. Other Heritage Education charges are proposed to rise by inflation and rounded.

#### **Libraries (Ref 232- 271)**

- 5.5.7 Overall the charges levied by the library service are high compared to the benchmarking group, so there is considered to be limited scope to raise these significantly. There is no proposed increase to the overdue book fine which is currently at 36p per day which is the joint highest in the benchmarking group with Havering.
- 5.5.8 A 25p increase is proposed for the maximum charge for overdue books, CD's and audio books. This will bring the maximum charge per item to £10.75 per item. This is the highest in the benchmarking group. However, the service has introduced pre-overdue notification by text and e-mail to remind customer of loan dates to prevent their loans going overdue
- 5.5.9 Printing and photocopying charges are at the high end of the benchmarking group with A4 copies at 20p and A3 at 40p, where the average is 18p and 28p respectively. It is proposed to hold these charges at the current rate.



5.5.10 In 2012/13 the Council introduced a charge for internet access from its library PCs, the first and only local authority in London to do so. The charge was revised for 2014/15 to introduce first half an hour of usage free of charge for all library users to help improve usage of computers in libraries. This has proved successful. It is proposed to maintain the current subscription rates at their current charges, but to increase the charge for additional time outside of this for members by 20p to £1.20 per hour to encourage regular users of the PC's to take out a subscription which is more cost effective in the long term. Payment plans for subscriptions are already in place across libraries.

5.5.11 Increase to the charge for loaning materials from the British Library is proposed. The total application charge will increase from £10.00 to £12.00 per item. This would bring the Barking and Dagenham charge closer to the average for the benchmarking group for this service.

### **Barking Learning Centre (Ref 272-321)**

5.5.12 A small increase has been applied across all BLC room hire charges. There are other venues in Barking Town Centre that provide hire of rooms at a lower hourly charge to the BLC. However, the present system of different rates for public sector, Council, voluntary/community and commercial hire are to be maintained

### **5.6 Housing (Ref 322 -324)**

5.6.1 Council Rents and Service Charges to Tenants will form the subject of another report later in the year. However, there are a number of housing related fees and charges that are included here.

5.6.2. There will be no increase in charge for Travellers' pitches at Eastbrookend.

### **Heathway Supported Accommodation Scheme-**

5.6.3 This is a Supported Housing scheme for eight Adults with some support needs. The building belongs to London & Quadrant Housing Association and we are the managing agent of the building on their behalf and collect the rent which has been increased by 3%.

### **Charges in connection with Right to Buy and Right to Invest (Ref 325- 347)**

5.6.4 The Council charges an administration fee for various processes carried out in connection with the Right to Buy such as providing copies of papers, issuing licences etc. These will be increased by inflation.

In June 2016 Cabinet members agreed a new Tenant Shared Ownership Policy, called 'Right to Invest'. It is aimed at Council tenants who aspire to become homeowners but have been unable to secure a mortgage to buy their property outright. The scheme is intended to counter some of the effects of the Government's 'pay to stay' and other proposals under the Housing and Planning Act 2016 by enabling Council tenants who may have had to leave their homes because of the new legislation to now hold a stake in their property and continue to contribute to their local community.

The fees and charges currently applied to Right to Buy will also apply to Right to Invest, with the exception of the Notice to Sub-Let fee (since this is not permitted under the scheme.)

## 5.7 Regeneration

### **Street Naming & Numbering (Ref 348-352)**

- 5.7.1 It is proposed that these charges are increased above the level of inflation, by 4.48% for properties and 2.8% for new roads, as income received from this area is largely dependent upon the amount of ongoing housing development within the Borough. Therefore, it is expected that the planned increase will not have an impact on the demand for the service.

### **Pre-Application Planning Meetings (Ref 352- 359)**

- 5.7.2 These charges were significantly increased in September 2015 after agreement by Cabinet in June 2015. A recent benchmarking exercise comparing these charges with those of some other neighbouring London boroughs has shown there is some scope to increase these charges further and by an amount that is considerably above inflation. Recent experience has also highlighted the need to add some additional charges for small scale business, household applications and pre-application follow up meetings. The charging structure has therefore been modified by the splitting of Category D into two: the new Category D will be for 4 to 9 residential units or non-residential applications with a floor space of 500 m<sup>2</sup> to 999 m<sup>2</sup> and a new Category E will apply for 1 – 3 residential units or non-residential applications with a floor space of 200 m<sup>2</sup> to 499 m<sup>2</sup>.

### **Fast Track Service for Householder Developments (New Charge 365)**

- 5.7.3 The proposed scheme relates to the issue of Certificates of Lawfulness for Existing and Proposed Uses for householder developments. The purpose of the fee is to guarantee a determination of the application within 10 working days of receipt of the request. This fee is separate from the nationally prescribed fee which would also have to be paid. There are no guarantees on the level of likely demand for this service and, therefore, it is proposed to introduce it on a pilot basis.

### **Planning Performance Agreements (New Charges 353-364)**

- 5.7.4 On 2nd June 2015 Cabinet agreed that Planning Performance Agreements with developers should be encouraged and that charges could be negotiated on the basis that all costs incurred by the Authority are fully recovered.
- 5.7.5 National Planning Practice Guidance encourages the use of Planning Performance Agreements for complex major planning applications. They allow the Council to agree with the developer a project plan for the planning application from inception through to a decision being made and then the discharge of conditions, identifying the necessary resources to support this. The benefits to the Council and the developer in entering into a PPA are:
- better overall management of pre-application and post application stages increasing confidence and reducing risk;
  - identification of key issues at an early stage;

- more realistic and predictable timetables;
- greater accountability and transparency;
- improved partnership working; and
- continuity and consistency from Council officers.

5.7.6 Having now entered into several of these agreements, a more structured approach to the fees chargeable to each classification of proposed development can be taken. The income generated will offset the additional cost of providing the service which in many cases can be considerable.

### **Local Land Charges / National Land Information Service (Ref 370 - 384)**

5.7.7 Local Land Charges are subject to public scrutiny and the Council is required to publish details of the costs and income relating to this activity on its public website. The Council must set its charges for this area with the intention of breaking even over a rolling three-year period.

5.7.8 The outcome of a long running Court case, involving many councils nationally, has resulted in the authority no longer being able to justify its current charging model. The proposed reduction in charges are in line with current national guidelines for Local Land Charges and, in view of previous years performance, should not jeopardise the section's ability to achieve the current income budget.

5.7.9 Fees and charges have been updated to ensure that the Council is operating on a full cost recovery basis for these services. Most of the charges have had increases applied that enable them to remain competitive with local boroughs.

### **5.8 Regulatory Services (Ref 385 – 583)**

#### **Licences (Ref 385 – 583)**

5.8.1 There is currently no scope to increase these charges as charges are either at the maximum levels allowed by legislation or in accordance with European Service Directives. Charges against the Poisons Act are no longer applicable, as the legislation has now been repealed, therefore nullifying the ability to charge.

### **5.9 Parks and Events (584-629)**

5.9.1 The charges include non-commercial events, commercial events, circuses and fun fairs. The Council's current events policy, and the associated charging structure, will be reviewed as part of the ongoing Parks Strategy tendering exercise. As part of this process the charges will be benchmarked against other London boroughs.

5.9.2 It is anticipated that the new Parks Strategy and associated documents will be produced and signed off by the Council by the end of March 2017, and the new event policy and charges introduced in 2018/19.

5.9.3 Therefore, other than applying an inflationary increase and uplifting the current charges by 1.8% (with appropriate rounding up/down as appropriate) no fundamental changes are proposed to the event current charging structure for 2017/18.

5.9.4 However, in terms of the Council's Summer of Festivals event programme the majority of charges are negotiated, and reflect the individual characteristics and resource implications associated with each event. The aim is to achieve 100% direct cost recovery for this service, as well as a contribution towards overheads. Therefore, it is proposed to include a new charge line to accommodate this more 'flexible' approach.

#### 5.10 **Parking (Ref 630 – 741)**

5.10.1 The Review of the Parking Strategy has led to the adoption of a new charging structure. The aims, priorities, principles and action, set out in this strategy have been formed following a public consultation exercise and were agreed at the October Cabinet meeting. The following are therefore proposed:

- Parking will continue to be provided free of charge for disabled badge holders
- We will introduce a Domestic / Carers Permit
- Parking fees and charges will be reviewed annually
- Free half an hour parking in all on-street shopping locations
- Free one hour parking in all council park car parks
- Adopt an area based approach to parking controls
- Move to cashless payment for car parking including contactless payment cards
- Apply a lower charge for the first two vehicles per household, compared to the third or more" lower permit charge for the first two vehicles per household and an increase in charges for the third and any subsequent vehicles
- Establish parking permit prices which encourages low emission vehicles

5.10.2 Prices for Residents Parking Permits have been revised based on levels of carbon emissions with higher rates for more polluting cars and multiple vehicle households.

5.10.3 The structure of prices for Pay and Display parking has also been simplified. The new set of charges is shown in appendix A (refs 630 – 741). The previous charges are shown in Appendix B as discontinued.

#### 5.11 **Barking Market (Ref 756 – 785)**

5.11.1 It has been proposed to increase these charges by 2% for cash payments to recognise additional cash processing costs and to incentivise cashless payments. Payments made by card are to be held at 2015/16 rates. It should be noted that these and all street trading charges are subject to a 28-day statutory consultation with license holders.

#### 5.12 **Private Sector Housing (Ref 883 - 903)**

5.12.1 Mandatory House of Multiple Occupation (HMO) and Additional licence fees have increased to reflect the costs of enforcement and the additional administration these properties require. This increase brings rates in line with comparable boroughs and reflects legal clarification on charging for enforcement. All other fees have been increased by RPI.

### **5.13 Highways (Ref 904 - 922)**

5.13.1 Licences and permits have increased to bring rates in line with comparable boroughs.

5.13.2 Street work permit charges (London Permit Scheme - LoPS) are set by central government and hence no increase has been applied.

5.13.3 Fees for Traffic Management Orders (TMO) and for white lines at footway crossings have been included in the schedule. These charges have been set on a full cost recovery basis for the Council.

### **5.14 Direct Services: Pest Control and Waste (Ref 936 – 975)**

5.14.1 The Service has simplified the charging structure for Pest Control. Previously there were different charges for different pests, which was confusing to householders and could give rise to errors if pests were misidentified. It is proposed to move to three sets of charges: one for general pests, one for squirrels and one for bedbugs and fleas. Differential charges will still be charged for low income, standard and commercial / landlord customers to take into account ability to pay.

### **5.15 Cemeteries (Ref 976 – 1034)**

5.15.1 Grave fees have increased by 20% and internment fees by 30% to bring charges close to an average across other comparable boroughs. The new charges remain on average 20% below the average of the 11 local authorities benchmarked.

5.15.2 A new charge will be introduced for the new Muslim Cemetery service. This will be an express service at a cost of £2,100 for a mounded grave. This is slightly higher than the cost of a lawn grave due to the extra maintenance required in keeping a soil mounded shape in good condition and weed free. A secondary reason is that because on every grave purchased, only one body will be interred per grave so there will be no potential income from second internments.

5.15.3 An additional fee will of £477 will be charged for weekend internments to cover the additional staff costs.

5.15.4 Fees are also being proposed for the pet cemetery which is a new offering from the Borough. The charges have been benchmarked with closest neighbours and are competitive, straight forward and easy to apply.

### **5.16 Fleet (Ref 1035 – 1041)**

5.16.1 New charges have been included in the schedule for driver training and MOT testing in the workshop which was brought in-house in September 2015.

### **5.17 Registrars (Ref 1067 – 1102)**

5.17.1 Charges for non-statutory service have been held at their current rates to allow the service to remain competitive.

5.17.2 The new task introduced last year for Dusk Marriages (Late Fridays) has not had any take up, therefore it is proposed to reduce this charge to be more competitive.

5.17.3 Two charges have been removed, individual citizenship payment (per child) as children are free for this service, and nationality checking service per child so that there is one rate for adults and children.

#### **5.18 Information Governance (Ref 1104)**

5.18.1 This charge set by the Government relates to the Data Protection Act 1988 Section 7(1) which gives individuals the right to access their personal data and this is called a subject access data. The Council already charges the maximum fee allowed under the Act, therefore this price cannot be increased.

#### **5.19 Court Costs (Ref 1105 – 1112)**

5.19.1 These charges are already at the maximum compared to other London boroughs. Any increase would be highly likely to be refused by the Courts. Therefore, it is not proposed to change these charges.

5.19.2 If court costs were to be increased by the Courts during the year, the possessions costs (Ref 971) would need to be increased in line with this.

### **6. Financial Implications**

Implications completed by: Kathy Freeman, Finance Director

6.1 The financial implications are considered throughout this report. Additional income will be generated from increases but this is variable as it is also dependent on demand for the services.

### **7. Legal Implications**

Implications completed by Suzan Yildiz, Legal Services Manager

7.1 The report seeks Cabinet approval to the fees and charges set out in Appendix A and the basis for the charging (pursuant to statutory duties or discretionary powers) and rationale are set out in Appendix A. In some instances, certain charges levied in previous financial years are either (i) no longer applicable or (ii) are simplified, therefore, the legal implications are not considered. To the extent that Appendix A proposes increases to charges or the imposition of new charges, the legal powers and considerations detailed below are relevant. Officers have ensured the charges proposed in Appendix A are in line with its Charging Policy, benchmarked against other similar authorities and in many cases the increases represent 1.8% linked to the rise in Retail Prices Index (RPIX) as an indicator of the rising cost of provision of services.

7.2 The Council is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. Income generated from fees and charges contributes to the Council's finances. Local authorities are under an explicit duty to ensure that their financial management is adequate and effective, and that they have a sound system of internal control and management of financial risk. The annual review of fees and charges contributes to this requirement.

- 7.3 Local authorities have wide ranging powers to charge for specific statutory services as stipulated in relevant statutory provisions.
- 7.4 By virtue of Section 93 of the Local Government Act 2003, the Council has powers to trade and to charge for discretionary services. The latter are services which the Council is not statute bound to provide, but has a 'discretionary power' to provide on a costs recovery basis. The discretionary power to charge for services is applicable where:
- no statutory duty exists to provide the service/s
  - there are no specific powers to charge for the particular service/s
  - there are no prohibitions on charging for the particular service/s
- 7.5 Further, under the Localism Act 2011 the Council has a general power of competence conferring a power to charge for services on a cost recovery basis and subject to similar conditions and limitations under the Local Government Act 2003. Thus the Council may only charge for a service under the general power of competence if:
- it is a discretionary service;
  - the service user agrees to the service being provided; and
  - there are no other powers to charge for the service, including under section 93 of the Local Government Act 2003.
- 7.6 Where authorities have a duty to provide a statutory service to specified standards free of charge, a charge cannot be made for delivery of the service to the specified standard. Delivery, to a standard above and beyond that which is specified may constitute a discretionary service for which a charge can be made on the basis outlined above.
- 7.7 Some of the charges proposed in Appendix A arise from specific statutory powers (i.e. where the general powers in section 93 of the Local Government Act 2003 or section 1 of the Localism Act 2011 are not applicable).
- 7.8 The Council has a power under section 32 of the London Local Authorities Act 1990 to recover its reasonable administrative or other costs in connection with its street trading functions under Part 3 of the Act, such as the grant, renewal or variation of licences, collection or removal of refuse connected with licence holders, street cleansing and reasonable costs of administration and enforcement associated with street trading. In this instance, there is no significant change to the nature or type of charges proposed. These have merely been brought in line with RPIX to ensure reasonable recovery and continued service provision.
- 7.9 The Care Act introduced a single legal framework for charging for care and support including discretion as to whether or not to charge. The Council may charge adults in circumstances where it arranges care and support to meet a service user's needs, except where the Council is statutorily required to arrange care and support free of charge. Officers deem the Council's charging policy to be Care Act compliant. The policy is regularly reviewed and the charges are means tested to ensure that service users pay no more than they can reasonably afford.

## 8. Other Implications

8.1 **Risk Management** - In proposing these revised fees and charges officers have considered: -

- The potential of increases to adversely affect demand for or access to the services specified by end users.
- The achievement of community priorities for particular service areas and the Council's overall budget in delivering such services

8.2 **Customer Impact** – The officers reporting have amended fees and charges in a manner designed to mitigate, wherever possible, the impact on customers and service users during whilst enabling the Council to achieve a balanced budget, ensure full cost recovery and the continued provision of services, both statutory and discretionary which it has historically provided or considers it should provide to enable the Council to meet its corporate and community priorities. In some instances, fees and charges have been reduced in order to deliver better value for money for residents, to encourage increased take up of services or to ensure certain vulnerable groups are not impeded from accessing services. Charges may be set differentially according to classes of users.

The charges proposed in Appendix A are deemed justified in accordance with the specific charging powers or discretionary powers detailed in this report. The responsible officers have taken reasonable steps to ensure the charges are reasonable and proportionate based on a cost recovery basis. The effectiveness of the proposed charges will be the subject of monitoring through the Council's various performance indicators, its service scorecards and the budget monitoring processes.

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

**List of appendices:**

- **Appendix A** – Full list of fees and charges for 2017
- **Appendix B** - Fees and charges no longer applicable from 1 January 2017



APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change	
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
<b>Service Integration &amp; Development</b>												
<b>Social Care</b>												
1	Residential - Kallar Lodge Elderly Residential Home (Charge to Other Local Authorities and full cost payers ) per week	*	810.00	0.00	810.00	15.00	15.00	1.85%	825.00	0	825.00	Inflationary increase rounded up
2	Residential - 80 Gascoigne Road High dependency residential home (Charge to Other Local Authorities & full cost payers ) per week	*	1,580.00	0.00	1,580.00	30.00	30.00	1.90%	1,610.00	0	1,610.00	
3	Day Centre - Heathlands (High Needs)	*	185.00	0.00	185.00	5.00	5.00	2.70%	190.00	0	190.00	Introduction of a new charging structure for Heathlands to reflect the differences in standard and high needs service users needs. This fee level is also in line with the market.
4	Day Centre - Heathlands (Other Local Authorities)	*	0.00	0.00	0.00	0.00	0.00	0.00%	160.00	0	160.00	
5	Day Centre - Heathlands (Borough Residents)	*	110.00	0.00	110.00	5.00	5.00	4.55%	115.00	0	115.00	Inflationary increase rounded up
<b>Leisure Activities</b>												
6	Leisure - Replacement card	**	6.67	1.33	8.00	(3.34)	(4.00)	-50.05%	3.33	0.67	4.00	Current price is £4.00 per card due to replacement cards not selling at £8.00 per card.
7	Leisure - fitness gym - Pay and Play - adult	**	7.08	1.42	8.50	0.09	0.10	1.27%	7.17	1.43	8.60	Inflationary increase
8	Leisure - fitness gym - Loyalty Card Holder - concession	**	3.54	0.71	4.25	0.04	0.05	1.13%	3.58	0.72	4.30	Inflationary increase
9	Leisure - fitness gym - Loyalty Card Holder - concession induction - 50% discount	*	11.00	0.00	11.00	0.20	0.20	1.82%	11.20	0.00	11.20	Inflationary increase rounded up
10	Leisure - fitness gym - Pay and play - induction	*	22.00	0.00	22.00	0.40	0.40	1.82%	22.40	0.00	22.40	Inflationary increase rounded up
11	Leisure - fitness gym - Pay and Play - personal training	*				0.00	0.00	0.00%	30.00	0.00	30.00	New charge
12	Leisure - badminton - Pay and play - peak 1 hour	**	10.42	2.08	12.50	0.16	0.20	1.54%	10.58	2.12	12.70	Inflationary increase
13	Leisure - badminton - Loyalty Card Holder - Concession 60 mins - off peak only 50% discount	**	5.21	1.04	6.25	0.08	0.10	1.54%	5.29	1.06	6.35	Inflationary increase
14	Leisure - table tennis Pay and Play - peak	**	10.42	2.08	12.50	0.16	0.20	1.54%	10.58	2.12	12.70	Inflationary increase
15	Leisure - table tennis - Loyalty Card Holder - concession - off peak only	**	5.21	1.04	6.25	0.08	0.10	1.54%	5.29	1.06	6.35	Inflationary increase
16	Leisure - sports hall hire Abbey and BHLC full peak - ph - peak badminton price times 4	**	41.67	8.33	50.00	0.83	1.00	1.99%	42.50	8.50	51.00	Inflationary increase rounded up
17	Leisure - sports hall hire Abbey and BHLC half peak - ph - peak badminton price times 2	**	20.83	4.17	25.00	0.42	0.50	2.02%	21.25	4.25	25.50	Inflationary increase rounded up
18	Leisure - BHLC studio 1 - ph	**	14.17	2.83	17.00	0.25	0.30	1.76%	14.42	2.88	17.30	Inflationary increase
19	Leisure - ALC /BHLC - studio - ph	**				0.00	0.00	0.00%	13.20	3.30	16.50	New charge
20	Club/Block booking charge per booking - court	*	12.50	0.00	12.50	0.20	0.20	1.60%	12.70	0.00	12.70	Inflationary increase
21	Club/Block booking charge per booking - large room	*	25.00	0.00	25.00	2.00	2.00	8.00%	27.00	0.00	27.00	TBC
22	Leisure - swimming Pay and Play	**	3.33	0.67	4.00	0.09	0.10	2.70%	3.42	0.68	4.10	Inflationary increase rounded up
23	Leisure - swimming Loyalty Card Holder - concession - 35% discount	**	2.25	0.45	2.70	0.08	0.10	3.56%	2.33	0.47	2.80	Inflationary increase rounded up
24	Leisure - swimming Becontree Heath/Abbey family - maximum of 5 people but price based on 2 adults and 2 children minus 10%	**	10.00	2.00	12.00	0.17	0.20	1.70%	10.17	2.03	12.20	Inflationary increase
25	Leisure - swimming lessons - adult - direct debit	*				0.00	0.00	0.00%	25.50	0.00	25.50	New charge
26	Leisure - swimming lessons Adult (block of 10 lessons)	*	61.00	0.00	61.00	1.00	1.00	1.64%	62.00	0.00	62.00	Inflationary increase
27	Leisure - swimming lessons - concession - skills guarantee - direct debit	*				0.00	0.00	0.00%	23.00	0.00	23.00	New charge
28	Leisure - swimming lessons - concession - direct debit	*				0.00	0.00	0.00%	21.00	0.00	21.00	New charge
29	Leisure - swimming lessons - concession - skills guarantee - (block of 10 lessons)	*	50.00	0.00	50.00	6.00	6.00	12.00%	56.00	0.00	56.00	TBC
30	Leisure - swimming lessons - concession - (block of 12 lessons)	*				0.00	0.00	0.00%	62.00	0.00	62.00	New charge
31	One to One Swimming lessons - All sites	*	20.00	0.00	20.00	0.40	0.40	2.00%	20.40	0.00	20.40	Inflationary increase rounded up
32	Education School Swimming per child	*	3.50	0.00	3.50	0.10	0.10	2.86%	3.60	0.00	3.60	Inflationary increase rounded up
33	All Aerobics/workout sessions - Pay and Play - Adult	*	7.50	0.00	7.50	0.10	0.10	1.33%	7.60	0.00	7.60	Inflationary increase
34	All Aerobics/workout sessions - Loyalty Card Holder - Concession - 35% discount	*	5.00	0.00	5.00	0.10	0.10	2.00%	5.10	0.00	5.10	Inflationary increase rounded up
35	Admission Fee - Adult spectator	**	1.42	0.28	1.70	0.08	0.10	5.63%	1.50	0.30	1.80	Inflationary increase rounded up
36	Admission Fee - Concession spectator	**	1.00	0.20	1.20	0.08	0.10	8.00%	1.08	0.22	1.30	Inflationary increase rounded up
<b>Memberships</b>												
37	Joining fee	**	16.67	3.33	20.00	0.00	0.00	0.00%	16.67	3.33	20.00	Propose to keep joining fee price the same due to competition prices.
38	Technogym Key	**	10.00	2.00	12.00	0.00	0.00	0.00%	10.00	2.00	12.00	Propose to keep Technogym Key price the same due to competition prices.

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
39	Basic package - (Gym, Classes (48hr advance booking required), Swimming & Spa 15 wet visits)	**	26.67	5.33	32.00	0.00	0.00	0.00%	26.67	5.33	32.00	Propose to keep all membership prices the same due competition prices and to drive sales.
40	Basic package - LBBB staff (Gym, Classes (48hr advance booking required), Swimming & Spa 15 wet visits)	**	26.67	5.33	32.00	0.00	0.00	0.00%	26.67	5.33	32.00	
41	Standard package - (Gym, Classes (7 days advance booking required for classes & courts), Swimming, Rackets & Spa 15 wet visits, complimentary towel, 10% off treatments, includes free tea and coffee)	**	39.17	7.83	47.00	0.00	0.00	0.00%	39.17	7.83	47.00	
42	Standard package - LBBB staff (Gym, Classes (7 days advance booking required for classes & courts), Swimming, Rackets & Spa 15 wet visits, complimentary towel, 10% off treatments, includes free tea and coffee)	**	32.50	6.50	39.00	0.00	0.00	0.00%	32.50	6.50	39.00	
43	Premium package - (Gym, includes joining fee and Technogym key, Classes (14 days advance booking required for classes & courts), Swimming, Rackets & Unlimited Spa visits, complimentary robe & towel, 20% off treatments, 10% off resale items, free entry for up to 2 children using the soft play facility & swimming including free tea and coffee)	**	51.67	10.33	62.00	0.00	0.00	0.00%	51.67	10.33	62.00	
44	Premium package - LBBB staff (Gym, includes joining fee and Technogym key, Classes (14 days advance booking required for classes & courts), Swimming, Rackets & Unlimited Spa visits, complimentary robe & towel, 20% off treatments, 10% off resale items, free entry for up to 2 children using the soft play facility & swimming including free tea and coffee)	**	45.00	9.00	54.00	0.00	0.00	0.00%	45.00	9.00	54.00	
	<b>Soft play facilities (Jolly Jungle)</b>											
45	Soft Play Facilities - Under 1's	**	1.25	0.25	1.50	0.00	0.00	0.00%	1.25	0.25	1.50	Propose to keep current price.
46	Soft Play Facilities - Under 3's - Jolly Jungle	**	4.00	0.80	4.80	0.08	0.10	2.00%	4.08	0.82	4.90	Inflationary increase rounded up
47	Soft Play Facilities - Over 3's - Jolly Jungle	**	4.83	0.97	5.80	0.09	0.10	1.86%	4.92	0.98	5.90	
48	Soft Play Facilities Toddler Party - Weekdays	**	7.08	1.42	8.50	0.00	0.00	0.00%	7.08	1.42	8.50	Propose to keep all The Jolly Jungle party prices the same due level of activity and there needs to be a drive in party bookings.
49	Soft Play Facilities Kids Party - Weekdays	**	8.33	1.67	10.00	0.00	0.00	0.00%	8.33	1.67	10.00	
50	Soft Play Facilities VIP Party - Weekdays - minimum 20	**	9.17	1.83	11.00	0.00	0.00	0.00%	9.17	1.83	11.00	
51	Soft Play Facilities Toddler Party - Weekends	**	8.75	1.75	10.50	0.00	0.00	0.00%	8.75	1.75	10.50	
52	Soft Play Facilities Kids Party - Weekends	**	10.00	2.00	12.00	0.00	0.00	0.00%	10.00	2.00	12.00	
53	Soft Play Facilities VIP Party - Weekends - minimum 20 children	**	10.83	2.17	13.00	0.00	0.00	0.00%	10.83	2.17	13.00	
54	Soft Play Facilities Membership - 1 month contract	**	11.25	2.25	13.50	0.00	0.00	0.00%	11.25	2.25	13.50	Propose to keep current price.
	<b>Soft play facilities (The idol)</b>											
55	Soft Play Facilities - Under 1's	**	1.25	0.25	1.50	0.00	0.00	0.00%	1.25	0.25	1.50	Propose to keep current price.
56	Soft Play Facilities - Under 3's	**	4.00	0.80	4.80	(0.75)	(0.90)	-18.75%	3.25	0.65	3.90	Propose to slightly lower The Idol party prices in line with The Idol pay and play prices to drive party bookings.
57	Soft Play Facilities - Over 3's	**	4.83	0.97	5.80	(0.75)	(0.90)	-15.53%	4.08	0.82	4.90	
58	Soft Play Facilities Toddler Party - Weekdays	**	7.08	1.42	8.50	(0.83)	(1.00)	-11.72%	6.25	1.25	7.50	
59	Soft Play Facilities Kids Party - Weekdays	**	8.33	1.67	10.00	(0.83)	(1.00)	-9.96%	7.50	1.50	9.00	
60	Soft Play Facilities VIP Party - Weekdays - minimum 20	**	9.17	1.83	11.00	(0.84)	(1.00)	-9.16%	8.33	1.67	10.00	
61	Soft Play Facilities Toddler Party - Weekends	**	8.75	1.75	10.50	(0.83)	(1.00)	-9.49%	7.92	1.58	9.50	
62	Soft Play Facilities Kids Party - Weekends	**	10.00	2.00	12.00	(0.83)	(1.00)	-8.30%	9.17	1.83	11.00	
63	Soft Play Facilities VIP Party - Weekends - minimum 20 children	**	10.83	2.17	13.00	(0.83)	(1.00)	-7.66%	10.00	2.00	12.00	
64	Soft Play Facilities Membership - 1 month contract	**	11.25	2.25	13.50	0.00	0.00	0.00%	11.25	2.25	13.50	Propose to keep current price.
	<b>Jim Peters Stadium</b>											
65	Adult Admission	**	3.00	0.60	3.60	0.08	0.10	2.67%	3.08	0.62	3.70	Inflationary increase rounded up
66	Junior Admission	**	2.08	0.42	2.50	0.09	0.10	4.33%	2.17	0.43	2.60	Inflationary increase rounded up
67	Concession	**	2.08	0.42	2.50	0.09	0.10	4.33%	2.17	0.43	2.60	Inflationary increase rounded up
68	School Hire	**	21.67	4.33	26.00	0.41	0.50	1.89%	22.08	4.42	26.50	Inflationary increase rounded up
69	School Competition Hire	**	25.83	5.17	31.00	0.42	0.50	1.63%	26.25	5.25	31.50	Inflationary increase
70	Club hire rate	**	37.92	7.58	45.50	0.41	0.50	1.08%	38.33	7.67	46.00	Inflationary increase
71	Club Championship Hire	**	46.67	9.33	56.00	0.83	1.00	1.78%	47.50	9.50	57.00	Inflationary increase
72	General hire rate (Not club)	**	42.50	8.50	51.00	0.83	1.00	1.95%	43.33	8.67	52.00	Inflationary increase rounded up
	<b>Childcare Services</b>											
73	Early Years - Day Nurseries and Children's Centres - full time weekly rate	*	230.00	0.00	230.00	10.00	10.00	4.35%	240.00	0.00	240.00	
74	Early Years - Day Nurseries and Children's Centres - daily rate - morning session	*	29.50	0.00	29.50	0.50	0.50	1.69%	30.00	0.00	30.00	Fees are being increased to ensure sustainability of running the site and to ensure that fees cover the required staffing ratio

APPENDIX A - Full list of Fees and Charges 2017/18

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			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
75	Early Years - Day Nurseries and Children's Centres - daily rate - afternoon session	*	26.50	0.00	26.50	3.50	3.50	13.21%	30.00	0.00	30.00	and to ensure that fees cover the required staffing ratio.
76	Catering Services - Primary Meal	*	2.00	0.00	2.00	0.10	0.10	5.00%	2.10	0.00	2.10	School meal prices are being increased to ensure there is cost recovery. Prices have been held for the last five years, however there is a need to increase the charges to manage the increase in staffing costs and inflation.
77	Catering Services - Secondary Meal	*	2.20	0.00	2.20	0.10	0.10	4.55%	2.30	0.00	2.30	School meal prices are being increased to ensure there is cost recovery. Prices have been held for the last five years, however there is a need to increase the charges to manage the increase in staffing costs and inflation.
	<b>Children Centre Room Hire</b>											
78	Main Hall - Saturday (first 4 hours)	*	175.00	0.00	175.00	20.00	20.00	11.43%	195.00	0.00	195.00	The current fee structure for room hire was inherited from Marks Gate Community Association and needs a full review. The Children's Centres charges are below what is being charged at the Youth Centres. It is proposed to align the fees to those being charged at the Youth Centres until a full review is undertaken. There is currently a discretion to provide a discount of up to 50 % for community groups, charities or long term bookings. The proposal is to continue with this arrangement.
79	Main Hall - Saturday (additional hours - per hour)	*	35.00	0.00	35.00	5.00	5.00	14.29%	40.00	0.00	40.00	
80	Main Hall - Sunday per hour	*	24.00	0.00	24.00	5.00	5.00	20.83%	29.00	0.00	29.00	
81	Main Hall - Weekdays and Evenings per hour	*	12.00	0.00	12.00	5.00	5.00	41.67%	17.00	0.00	17.00	
82	Medium Room - Saturday (only available with Main hall) per hour	*	25.00	0.00	25.00	2.50	2.50	10.00%	27.50	0.00	27.50	
83	Medium Room - Sunday per hour	*	15.00	0.00	15.00	2.50	2.50	16.67%	17.50	0.00	17.50	
84	Medium Room - Weekdays and Evenings per hour	*	9.20	0.00	9.20	2.50	2.50	27.17%	11.70	0.00	11.70	
85	Small Room - Saturday (only available with Main hall) per hour	*	25.00	0.00	25.00	2.50	2.50	10.00%	27.50	0.00	27.50	
86	Small Room - Weekdays and Evenings per hour	*	7.70	0.00	7.70	2.50	2.50	32.47%	10.20	0.00	10.20	
	<b>New for 2017/18 - effective 1st April 2017</b>											
	<b>Youth Centres Room Hire</b>											
	<b>Gascoigne</b>											
87	Hall including kitchen and café - weekdays 9 a.m. to 5 p.m. (per hour)	*							40.00	0.00	40.00	New Charges
88	Hall including kitchen and café - all weekend and weekdays after 5 p.m. (per hour)	*							55.00	0.00	55.00	
89	Hall including kitchen and café - bank holidays. (per hour)	*							75.00	0.00	75.00	
90	Training - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							20.00	0.00	20.00	
91	Training - all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays	*							20.00	0.00	20.00	
92	IT Suite - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							25.00	0.00	25.00	
93	IT Suite - all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays	*							35.00	0.00	35.00	
	<b>Vibe</b>											
94	Atrium including activity -all weekend and weekdays after 5 p.m. (per hour).	*							55.00	0.00	55.00	New Charges
95	Atrium including activity - Bank Holidays (per hour)	*							75.00	0.00	75.00	
96	Studio - weekdays 9 a.m. to 5 p.m. (per hour).	*							40.00	0.00	40.00	
97	Studio -all weekend and weekdays after 5 p.m. (per hour).	*							55.00	0.00	55.00	
98	Studio - Bank Holidays (per hour).	*							75.00	0.00	75.00	
99	Activity - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							20.00	0.00	20.00	
100	Activity -all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays.	*							30.00	0.00	30.00	
101	Training - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							20.00	0.00	20.00	
102	Training -all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays.	*							30.00	0.00	30.00	
103	Meeting - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							15.00	0.00	15.00	
104	Meeting - all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays.	*							20.00	0.00	20.00	
105	121 - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							10.00	0.00	10.00	
106	121 - all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays.	*							15.00	0.00	15.00	
107	IT Suite - weekdays 9 a.m. to 5 p.m. (per hour). Not available on Bank Holidays	*							25.00	0.00	25.00	
108	IT Suite - all weekend and weekdays after 5 p.m. (per hour). Not available on Bank Holidays.	*							35.00	0.00	35.00	

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	<b>Sue Bramley</b>											
109	Hall - all weekend and weekdays after 5 p.m. Per Hour	*							40.00	0.00	40.00	New Charges
110	Hall - Bank Holidays. Per Hour	*							60.00	0.00	60.00	
	<b>Growth &amp; Homes</b>											
	<b>Heritage Services - Eastbury Manor House</b>											
111	Eastbury Manor House - Commercial - Standard Room Hire Weekday per hour	**	26.67	5.33	32.00	0.83	1.00	3.11%	27.50	5.50	33.00	Inflationary increase and rounded.
112	Eastbury Manor House - Commercial - Standard Room Hire - Mon to Fri (8am to 4pm) 25% discount Bulk Booking for 12 days plus per hour	**	20.00	4.00	24.00	0.83	1.00	4.15%	20.83	4.17	25.00	Inflationary increase and rounded.
113	Eastbury Manor House - Commercial - Standard Room Hire - Mon to Thurs (4pm to 11pm) per hour	**	28.33	5.67	34.00	0.84	1.00	2.97%	29.17	5.83	35.00	
114	Eastbury Manor House - Commercial - Standard Room Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) per hour	**	30.83	6.17	37.00	0.84	1.00	2.72%	31.67	6.33	38.00	
115	Eastbury Manor House - Commercial - Walled Garden Hire - Mon to Fri (8am to 4pm) per hour	**	26.67	5.33	32.00	0.83	1.00	3.11%	27.50	5.50	33.00	
116	Eastbury Manor House - Commercial - Walled Garden Hire - Mon to Thurs (4pm to 11pm) per hour	**	28.33	5.67	34.00	0.84	1.00	2.97%	29.17	5.83	35.00	
117	Eastbury Manor House - Commercial - Walled Garden Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) per hour	**	30.83	6.17	37.00	0.84	1.00	2.72%	31.67	6.33	38.00	
118	Eastbury Manor House - Commercial - Old Hall Hire - Mon to Fri (8am to 4pm) per hour	**	33.33	6.67	40.00	0.84	1.00	2.52%	34.17	6.83	41.00	
119	Eastbury Manor House - Commercial - Old Hall Hire - Mon to Thurs (4pm to 11pm) per hour	**	35.83	7.17	43.00	0.84	1.00	2.34%	36.67	7.33	44.00	
120	Eastbury Manor House - Commercial - Old Hall Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) per hour	**	39.17	7.83	47.00	0.83	1.00	2.12%	40.00	8.00	48.00	
121	Eastbury Manor House - Commercial - East Chamber Hire - Mon to Fri (8am to 4pm) per hour	**	56.67	11.33	68.00	1.25	1.50	2.21%	57.92	11.58	69.50	
122	Eastbury Manor House - Commercial - East Chamber Hire - Mon to Thurs (4pm to 11pm) per hour	**	60.00	12.00	72.00	1.25	1.50	2.08%	61.25	12.25	73.50	Inflationary increase and rounded.
123	Eastbury Manor House - Commercial - East Chamber Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) per hour	**	65.00	13.00	78.00	1.25	1.50	1.92%	66.25	13.25	79.50	
124	Eastbury Manor House - Community/Charity - East Chamber Hire - Mon and Tues (4pm to 11pm) - 25% discount - per hour	**	45.00	9.00	54.00	0.83	1.00	1.84%	45.83	9.17	55.00	
125	Eastbury Manor House - Community/Charity - East Chamber Hire - Weds and Thurs (4pm to 11pm) - 50% discount - per hour	**	30.00	6.00	36.00	0.62	0.75	2.07%	30.62	6.13	36.75	
126	Eastbury Manor House - Community/Charity - East Chamber Hire - Weds and Thurs (4pm to 11pm) - 62.5% discount - BULK BOOKING 12 DAYS PLUS - per hour	**	22.50	4.50	27.00	0.42	0.50	1.87%	22.92	4.58	27.50	
127	Eastbury Manor House - Community/Charity - East Chamber Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) - 25% discount 1-month in advance of date only - per hour	**	48.75	9.75	58.50	1.25	1.50	2.56%	50.00	10.00	60.00	
128	Eastbury Manor House - Commercial - Standard Conference Package - Mon to Weds (East Chamber, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Five rooms plus registration - 25% discount - per hour	*	122.50	24.50	147.00	2.50	3.00	2.04%	125.00	25.00	150.00	
129	Eastbury Manor House - Community/Charity - Standard Conference Package - Mon to Weds (East Chamber, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Five rooms plus registration - 50% discount - per hour	**	81.67	16.33	98.00	1.66	2.00	2.03%	83.33	16.67	100.00	
130	Eastbury Manor House - LBBB - Standard Conference Package - Mon to Weds (East Chamber, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Five rooms plus registration - 50% discount - per hour	**	98.00	0.00	98.00	2.00	2.00	2.04%	100.00		100.00	
131	Eastbury Manor House - Commercial - Deluxe Conference Package - Mon to Weds (East Chamber, Old Hall, Buttery, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Seven rooms plus registration - 25% discount - per hour	**	166.67	33.33	200.00	3.33	4.00	2.00%	170.00	34.00	204.00	

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			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
132	Eastbury Manor House - Charity/Community- Deluxe Conference Package - Mon to Weds (East Chamber, Old Hall, Buttery, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Seven rooms plus registration - 50% discount - per hour	**	111.67	22.33	134.00	2.08	2.50	1.86%	113.75	22.75	136.50	
133	Eastbury Manor House - LBBB- Deluxe Conference Package - Mon to Weds (East Chamber, Old Hall, Buttery, Summer Parlour, Winter Parlour, N/W Chamber, S/W Chamber and Vestibule for registration) Seven rooms plus registration - 50% discount - per hour	*	134.00	0.00	134.00	2.50	2.50	1.87%	136.50		136.50	
134	Eastbury Manor House - LBBB Internal - Standard Room Hire per hour - Mon to Fri (8am to 4pm) per hour (25% discount)	*	24.00	0.00	24.00	0.50	0.50	2.08%	24.50		24.50	Inflationary increase and rounded.
135	Eastbury Manor House - LBBB Internal - Standard Room Hire per hour - Mon to Fri (4pm to 11pm) per hour (25% discount)	*	26.00	0.00	26.00	0.50	0.50	1.92%	26.50		26.50	
136	Eastbury Manor House - LBBB Internal - Old Hall Hire - Mon to Fri (8am to 4pm) per hour	*	30.00	0.00	30.00	0.75	0.75	2.50%	30.75		30.75	Inflationary increase and rounded.
137	Eastbury Manor House - LBBB Internal - Old Hall Hire - Mon to Fri (4pm to 11pm) per hour	*	32.00	0.00	32.00	0.75	0.75	2.34%	32.75		32.75	
138	Eastbury Manor House - LBBB Internal - East Chamber hire - Mon to Fri (8am to 4pm) per hour	*	51.00	0.00	51.00	1.00	1.00	1.96%	52.00		52.00	Inflationary increase and rounded.
139	Eastbury Manor House - LBBB Internal - East Chamber hire - Mon to Fri (4pm to 11pm) per hour	*	54.00	0.00	54.00	1.00	1.00	1.85%	55.00		55.00	
140	Eastbury Manor House - LBBB Internal - East Chamber Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) per hour	*	78.00	0.00	78.00	1.50	1.50	1.92%	79.50		79.50	Inflationary increase and rounded.
141	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony	**	152.00	30.40	182.40	2.79	3.35	1.84%	154.79	30.96	185.75	
142	Eastbury Manor House - Non-residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony	**	186.00	37.20	223.20	3.58	4.30	1.92%	189.58	37.92	227.50	Inflationary increase and rounded.
143	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony - Weekend All Year (1-hour ceremony)	**	181.50	36.30	217.80	3.50	4.20	1.93%	185.00	37.00	222.00	
144	Eastbury Manor House - Non-residents - Civil marriage and partnership ceremony - Weekend All Year 1-hour ceremony	**	215.00	43.00	258.00	4.16	5.00	1.93%	219.16	43.84	263.00	
145	Eastbury Manor House - Non-residents - Civil Ceremony - Friday all year (1-hour ceremony) PROMOTIONAL RATE 25% discount within 1-month of function	**	140.00	28.00	168.00	2.50	3.00	1.79%	142.50	28.50	171.00	
146	Eastbury Manor House - LBBB residents - Civil Ceremony - Friday all year (1-hour ceremony) PROMOTIONAL RATE 25% discount within 1-month of function	**	113.33	22.67	136.00	2.09	2.50	1.84%	115.42	23.08	138.50	
147	Eastbury Manor House - Non-residents - Civil Ceremony - Weekend all year (1-hour ceremony) PROMOTIONAL RATE 25% discount within 1-month of function	**	161.67	32.33	194.00	2.91	3.50	1.80%	164.58	32.92	197.50	
148	Eastbury Manor House - LBBB residents - Civil Ceremony - Weekend all year (1-hour ceremony) PROMOTIONAL RATE 25% discount within 1-month of function	**	136.67	27.33	164.00	2.50	3.00	1.83%	139.17	27.83	167.00	
149	Eastbury Manor House - Non- Resident - Dinner Reception Package (East Chamber and Winter Parlour) Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) Two rooms plus garden - 12.5 discount plus two hours in walled garden free - per hour	**	83.33	16.67	100.00	1.67	2.00	2.00%	85.00	17.00	102.00	Inflationary increase and rounded.
150	Eastbury Manor House - LBBB resident - Dinner Reception Package (East Chamber and Winter Parlour) Fri (4pm to 25 discount - per hour	**	71.67	14.33	86.00	1.25	1.50	1.74%	72.92	14.58	87.50	
151	Eastbury Manor House - Non- Resident - Reception with Dance Package (Old Hall plus two ground floor rooms and bar area ) Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) Two rooms plus garden - 12.5 discount plus two hours in walled garden free - per hour	**	88.33	17.67	106.00	1.67	2.00	1.89%	90.00	18.00	108.00	
152	Eastbury Manor House - LBBB resident - Reception with Dance Package (Old Hall plus two ground floor rooms and bar area ) Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) - per hour	**	75.00	15.00	90.00	1.67	2.00	2.23%	76.67	15.33	92.00	
153	Eastbury Manor House - Non- Resident - Reception with Dinner and Dancing Package (East Chamber, Old Hall plus two ground-floor rooms and bar area) Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) Two rooms plus garden - 12.5 discount plus two hours in walled garden free - per hour	**	145.00	29.00	174.00	2.71	3.25	1.87%	147.71	29.54	177.25	

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
154	Eastbury Manor House - LBBB Resident - Reception with Dinner and Dance Package (East Chamber, Old Hall plus two ground-floor rooms and bar area) Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) - per hour	**	125.00	25.00	150.00	2.50	3.00	2.00%	127.50	25.50	153.00	
155	Tudor feast package (min. 15 people) per person	**	51.67	10.33	62.00	1.04	1.25	2.01%	52.71	10.54	63.25	Inflationary increase and rounded.
156	Eastbury Manor House - Community/Charity - Standard Room Hire Mon-Fri All Year per hour	**	20.00	4.00	24.00	0.42	0.50	2.10%	20.42	4.08	24.50	Inflationary increase and rounded.
157	Eastbury Manor House - Community/Charity - East Chamber Hire - Mon to Fri (8am to 4pm) - 50% discount - per hour	**	42.50	8.50	51.00	0.83	1.00	1.95%	43.33	8.67	52.00	
158	Eastbury Manor House - Community/Charity - Standard Room Hire - Mon and Tues (4pm to 11pm) - 25% discount - per hour	**	21.25	4.25	25.50	0.42	0.50	1.98%	21.67	4.33	26.00	
159	Eastbury Manor House - Community/Charity - Standard Room Hire - Weds and Thurs (4pm to 11pm) - 50% discount - per hour	**	14.17	2.83	17.00	0.41	0.50	2.89%	14.58	2.92	17.50	
160	Eastbury Manor House - Community/Charity - Standard Room Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) - 25% discount - per hour	**	23.33	4.67	28.00	0.42	0.50	1.80%	23.75	4.75	28.50	
161	Eastbury Manor House - Community/Charity - Old Hall Hire - Mon to Fri (8am to 4pm) - 25% discount - per hour	**	25.00	5.00	30.00	0.42	0.50	1.68%	25.42	5.08	30.50	
162	Eastbury Manor House - Community/Charity - Old Hall Hire - Mon and Tues (4pm to 11pm) - 25% discount - per hour	**	26.67	5.33	32.00	0.41	0.50	1.54%	27.08	5.42	32.50	Inflationary increase and rounded.
163	Eastbury Manor House - Community/Charity - Old Hall Hire - Weds and Thurs (4pm to 11pm) - 50% discount - per hour	**	17.92	3.58	21.50	0.41	0.50	2.29%	18.33	3.67	22.00	
164	Eastbury Manor House - Community/Charity - Old Hall Hire - Weds and Thurs (4pm to 11pm) - 62.5% discount - BULK BOOKING 12 DAYS PLUS per hour	**	13.33	2.67	16.00	0.21	0.25	1.58%	13.54	2.71	16.25	
165	Eastbury Manor House - Community/Charity - Old Hall Hire - Fri (4pm to 11pm), Sat (8am to 11pm) and Sun (8am to 11pm) - 25% discount 1-month in advance of date only - per hour	**	29.17	5.83	35.00	0.62	0.75	2.13%	29.79	5.96	35.75	
166	Eastbury Manor House - Admission charges Adult	*	4.00	0.00	4.00	0.00	0.00	0.00%	4.00		4.00	To be reviewed in 2017 for 2018 with the National Trust
167	Eastbury Manor House - Admission charges LBBB Adult	*	3.00	0.00	3.00	0.00	0.00	0.00%	3.00		3.00	
168	Eastbury Manor House - Admission charges Adult (Group)	*	4.00	0.00	4.00	0.00	0.00	0.00%	4.00		4.00	
169	Eastbury Manor House - Admission charges LBBB Adult (Group)	*	2.00	0.00	2.00	0.00	0.00	0.00%	2.00		2.00	
170	Eastbury Manor House - Admission charges concessions	*	2.00	0.00	2.00	0.00	0.00	0.00%	2.00		2.00	
171	Eastbury Manor House - Admission charges LBBB Concessions	*	1.50	0.00	1.50	0.00	0.00	0.00%	1.50		1.50	
172	Eastbury Manor House - Admission charges Child aged 5-15	*	2.00	0.00	2.00	0.00	0.00	0.00%	2.00		2.00	
173	Eastbury Manor House - Admission charges LBBB Child aged 5-15	*	1.50	0.00	1.50	0.00	0.00	0.00%	1.50		1.50	
174	Eastbury Manor House - Admission charges family ( 2 adults with up to 2 children)	*	8.00	0.00	8.00	0.00	0.00	0.00%	8.00		8.00	
175	Eastbury Manor House - Admission charges LBBB Family (2 adults with up to 4 children)	*	6.00	0.00	6.00	0.00	0.00	0.00%	6.00		6.00	
176	Eastbury Manor House - Admission charges special events - minimum	*	2.50	0.00	2.50	0.00	0.00	0.00%	2.50		2.50	
177	Eastbury Manor House - Admission charges special events - maximum	*	65.00	0.00	65.00	0.00	0.00	0.00%	65.00		65.00	
178	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 15 children minimum (per child)	**	13.33	2.67	16.00	0.42	0.50	3.15%	13.75	2.75	16.50	
179	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 16 to 20 children (per child)	**	15.00	3.00	18.00	0.42	0.50	2.80%	15.42	3.08	18.50	
180	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 21 to 25 children (per child)	**	16.67	3.33	20.00	0.41	0.50	2.46%	17.08	3.42	20.50	
181	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) minimum 15 children (per child)	**	13.33	2.67	16.00	0.42	0.50	3.15%	13.75	2.75	16.50	
182	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) 16 to 20 children (per child)	**	15.00	3.00	18.00	0.42	0.50	2.80%	15.42	3.08	18.50	
183	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) 21 to 25 children (per child)	**	16.67	3.33	20.00	0.41	0.50	2.46%	17.08	3.42	20.50	
184	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) minimum 15 children (per child)	**	18.33	3.67	22.00	0.42	0.50	2.29%	18.75	3.75	22.50	Inflationary increase and rounded.
185	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) 16 to 20 children (per child)	**	20.00	4.00	24.00	0.42	0.50	2.10%	20.42	4.08	24.50	
186	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) 21 to 25 children (per child)	**	21.67	4.33	26.00	0.41	0.50	1.89%	22.08	4.42	26.50	
187	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) minimum 15 children (per child)	**	18.33	3.67	22.00	0.42	0.50	2.29%	18.75	3.75	22.50	

APPENDIX A - Full list of Fees and Charges 2017/18

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includes VAT \*\*

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			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
188	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) 16 to 20 children (per child)	**	20.00	4.00	24.00	0.42	0.50	2.10%	20.42	4.08	24.50	
189	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) 21 to 25 children (per child)	**	21.67	4.33	26.00	0.41	0.50	1.89%	22.08	4.42	26.50	
<b>Heritage Services - Valence House</b>												
190	Valence House - Commercial - Education Room (half room) per hour	**	21.67	4.33	26.00	0.41	0.50	1.89%	22.08	4.42	26.50	
191	Valence House - Commercial - Education Room (whole room) per hour	**	43.33	8.67	52.00	0.84	1.00	1.94%	44.17	8.83	53.00	
192	Valence House - Commercial - Function Room per hour	**	21.67	4.33	26.00	0.41	0.50	1.89%	22.08	4.42	26.50	Inflationary increase and rounded.
193	Valence House - LBBB Internal - Education Room (half room) per hour	*	22.00	0.00	22.00	0.50	0.50	2.27%	22.50		22.50	
194	Valence House - LBBB Internal - Education Room (whole room) per hour	*	44.00	0.00	44.00	1.00	1.00	2.27%	45.00		45.00	
195	Valence House - LBBB Internal - Function Room per hour	*	14.50	0.00	14.50	0.50	0.50	3.45%	15.00		15.00	
196	Valence House - Education loan box per week	*	20.50	0.00	20.50	0.50	0.50	2.44%	21.00		21.00	Inflationary increase and rounded.
197	Archives & Local Studies Reprographics - A4 b/w	**	5.00	1.00	6.00	0.00	0.00	0.00%	5.00	1.00	6.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
198	Archives & Local Studies Reprographics- A3 b/w	**	10.00	2.00	12.00	0.00	0.00	0.00%	10.00	2.00	12.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
199	Archives & Local Studies Reprographics - A4 colour	**	8.33	1.67	10.00	0.00	0.00	0.00%	8.33	1.67	10.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
200	Archives & Local Studies Reprographics - A3 colour	**	20.00	4.00	24.00	0.00	0.00	0.00%	20.00	4.00	24.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
201	Archives & Local Studies Reprographics- Digital scan (up to 300dpi) for e-mail	**	5.00	1.00	6.00	0.00	0.00	0.00%	5.00	1.00	6.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
202	Archives & Local Studies Reprographics- Digital scan (300+ dpi) includes CD (exc post)	**	15.00	3.00	18.00	0.00	0.00	0.00%	15.00	3.00	18.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
203	Photography day license	**	5.00	1.00	6.00	0.00	0.00	0.00%	5.00	1.00	6.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
204	Archives & Local Studies Reprographics- Recorded post and packing	**	2.50	0.50	3.00	0.00	0.00	0.00%	2.50	0.50	3.00	No change.
205	Archives & Local Studies Reprographics - Photocopies A4	**	0.17	0.03	0.20	0.00	(0.00)	0.00%	0.17	0.03	0.20	Top of benchmark
206	Archives & Local Studies Reprographics - Photocopies A3	**	0.33	0.07	0.40	0.00	0.00	0.00%	0.33	0.07	0.40	Top of benchmark
207	Archives & Local Studies Reprographics - remote users max 30 minute look up and print out (inc post)	**	8.33	1.67	10.00	0.00	0.00	0.00%	8.33	1.67	10.00	Benchmarking exercise undertaken. Cost level with other local authorities in London.
208	Archives & Local Studies Reproduction fees for publications- books/ periodicals one country one language	**	76.00	15.20	91.20	1.50	1.80	1.97%	77.50	15.50	93.00	
209	Archives & Local Studies Reproduction fees for publications- books/ periodicals world one language	**	96.50	19.30	115.80	1.83	2.20	1.90%	98.33	19.67	118.00	
210	Archives & Local Studies Reproduction fees for publications- books/ periodicals world multi language	**	121.50	24.30	145.80	3.50	4.20	2.88%	125.00	25.00	150.00	
211	Archives & Local Studies Reproduction fees for publications- book jackets, CD video cases one country one language	**	86.00	17.20	103.20	1.71	2.05	1.99%	87.71	17.54	105.25	
212	Archives & Local Studies Reproduction fees for publications- book jackets, CD video cases world multi language	**	152.00	30.40	182.40	3.00	3.60	1.97%	155.00	31.00	186.00	Inflationary increase and rounded.
213	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - One programme, 5 year unlimited licence	**	304.00	60.80	364.80	5.58	6.70	1.84%	309.58	61.92	371.50	
214	Archives & Local Studies Reproduction fees for stills for commercial re-sale TV/films and exhibitions - Postcards, greeting cards, posters and other advertising material	**	152.00	30.40	182.40	3.00	3.60	1.97%	155.00	31.00	186.00	
215	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - commercial web pages	**	76.00	15.20	91.20	1.50	1.80	1.97%	77.50	15.50	93.00	
216	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - Personal (non commercial)/charity web pages	**	35.50	7.10	42.60	0.75	0.90	2.11%	36.25	7.25	43.50	
217	Archive Day Workshop	**							187.50	37.50	225.00	New fee in keeping with charges for workshops offered by Heritage Education Team.
<b>Heritage Education</b>												
218	Heritage education & Outreach - non-LBBB School visit to heritage venue with facilitator (min charge 30 children) cost per child	*	7.00	0.00	7.00	1.50	1.50	21.43%	8.50	0.00	8.50	New sessions added
219	Heritage education & Outreach - LBBB School visit to heritage venue (min charge 30 children) cost per child	*	6.00	0.00	6.00	0.00	0.00	0.00%	6.00	0.00	6.00	
220	Heritage education & Outreach - LBBB School outreach session (min 2 sessions delivered)	*	51.00	0.00	51.00	0.00	0.00	0.00%	51.00	0.00	51.00	

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221	Heritage education & Outreach - community outreach/talk	*	35.50	0.00	35.50	0.00	0.00	0.00%	35.50		35.50	
222	Heritage education - rate per day for development of specific schemes (externally funded)	**	175.00	35.00	210.00	12.50	15.00	7.14%	187.50	37.50	225.00	
223	Heritage education & Outreach - Workshops Children's half -day	*	3.50	0.00	3.50	0.00	0.00	0.00%	3.50	0.00	3.50	
224	Heritage education & Outreach - Workshops Adults full -day (minimum)	*	5.50	0.00	5.50	0.00	0.00	0.00%	5.50		5.50	
225	Heritage education & Outreach - Workshops Adults full -day (maximum)	*	10.50	0.00	10.50	0.00	0.00	0.00%	10.50		10.50	
226	Heritage education & Outreach - Workshops Talks (minimum)	*	4.00	0.00	4.00	0.00	0.00	0.00%	4.00		4.00	
227	Heritage education & Outreach - Workshops Talks (maximum)	*	20.50	0.00	20.50	0.00	0.00	0.00%	20.50		20.50	
228	Tours out of hours minimum charge	*	51.00	0.00	51.00	0.00	0.00	0.00%	51.00		51.00	
229	Tours (daytime) per person	*	4.00	0.00	4.00	0.00	0.00	0.00%	4.00		4.00	
230	Costume character led tour (daytime) per person	*							5.00		5.00	New fee
231	Costume character led tour out of hours minimum charge	*							40.00		40.00	New fee
	<b>Library Service</b>											
232	Libraries - Adult Fines per day	*	0.36	0.00	0.36	0.00	0.00	0.00%	0.36	0.00	0.36	In line with highest in benchmarking group
233	Libraries - Maximum fine per item	*	10.50	0.00	10.50	0.25	0.25	2.38%	10.75	0.00	10.75	Small increase in maximum charge. Highest in benchmarking group
234	Libraries- Hire of video/DVD children's/NF- per week	*	1.25	0.00	1.25	0.05	0.05	4.00%	1.30	0.00	1.30	Benchmarking brings LBBD in line with near neighbours
235	Libraries- Hire of video/DVD adults- per week	*	2.25	0.00	2.25	0.05	0.05	2.22%	2.30	0.00	2.30	Benchmarking brings LBBD in line with near neighbours
236	Libraries - Language courses - 3 weeks	*	2.00	0.00	2.00	0.00	0.00	0.00%	2.00	0.00	2.00	
237	Libraries - Language courses - fines per day	*	0.36	0.00	0.36	0.00	0.00	0.00%	0.36	0.00	0.36	In line with highest in benchmarking group
238	Libraries - Hire of CD singles	*	1.25	0.00	1.25	0.00	0.00	0.00%	1.25	0.00	1.25	In line with highest in benchmarking group
239	Libraries - Hire of CD box sets	*	2.25	0.00	2.25	0.00	0.00	0.00%	2.25	0.00	2.25	In line with highest in benchmarking group
240	Libraries - Hire of CD fines per day	*	0.36	0.00	0.36	0.00	0.00	0.00%	0.36	0.00	0.36	In line with highest in benchmarking group
241	Libraries - Reservations-non stock items	*	3.00	0.00	3.00	0.25	0.25	8.33%	3.25	0.00	3.25	Benchmarking brings LBBD in line with near neighbours
242	Libraries - Reservation - British Library item	*	10.00	0.00	10.00	2.00	2.00	20.00%	12.00	0.00	12.00	Benchmarking brings LBBD in line with near neighbours
243	Libraries - Photocopying/Printing/Wi-Fi printing A4 black and white	**	0.17	0.03	0.20	0.00	(0.00)	0.00%	0.17	0.03	0.20	In line with highest in benchmarking group
244	Libraries - Photocopying/Printing/Wi-Fi Printing A4 colour	**	0.42	0.08	0.50	0.00	(0.00)	0.00%	0.42	0.08	0.50	In line with highest in benchmarking group
245	Libraries - Photocopying/Printing/Wi-Fi Printing A3 black and white	**	0.33	0.07	0.40	0.00	0.00	0.00%	0.33	0.07	0.40	In line with highest in benchmarking group
246	Libraries - Photocopying/Printing/Wi-Fi Printing A3 colour (where available)	**	0.83	0.17	1.00	0.00	0.00	0.00%	0.83	0.17	1.00	In line with highest in benchmarking group
247	Libraries micro printing - from microfiche or microfilm A4	**	0.42	0.08	0.50	0.00	(0.00)	0.00%	0.42	0.08	0.50	In line with highest in benchmarking group
248	Libraries - replacement membership card - Adult	*	3.25	0.00	3.25	0.00	0.00	0.00%	3.25	0.00	3.25	In line with highest in benchmarking group
249	Libraries - replacement membership card - Child	*	2.25	0.00	2.25	0.00	0.00	0.00%	2.25	0.00	2.25	In line with highest in benchmarking group
250	Libraries - Hire of books on tape fines per day	*	0.36	0.00	0.36	0.00	0.00	0.00%	0.36	0.00	0.36	In line with highest in benchmarking group
251	Internet Non-members / Guest passes 1 hour	**	1.67	0.33	2.00	0.00	(0.00)	0.00%	1.67	0.33	2.00	No other boroughs charge
252	Internet Non-members / Guest passes 30 minutes	**	0.83	0.17	1.00	0.00	0.00	0.00%	0.83	0.17	1.00	No other boroughs charge
253	Libraries - Adult Fines per day - over 60	*	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	
254	Libraries - Overdue of video/DVD for Children/Factual -	*	1.25	0.00	1.25	0.05	0.05	4.00%	1.30	0.00	1.30	Repeat hire charge, increase in line with benchmarking near neighbours
255	Libraries - Overdue of video/DVD for Adults -	*	2.25	0.00	2.25	0.05	0.05	2.22%	2.30	0.00	2.30	Repeat hire charge, increase in line with benchmarking near neighbours
256	Libraries - Music subscription - 4 months (CDs)	*	26.00	0.00	26.00	0.00	0.00	0.00%	26.00	0.00	26.00	
257	Libraries - replacement membership card - Older People, over 60	*	2.25	0.00	2.25	0.00	0.00	0.00%	2.25	0.00	2.25	In line with highest in benchmarking group
258	Libraries - events - tickets to adult events ages 16+	**	1.00	0.20	1.20	0.60	0.80	60.00%	1.60	0.40	2.00	In line with highest in benchmarking group
259	Additional hour PC usage for all library card holders and subscription holders	**	0.83	0.17	1.00	0.20	0.20	24.10%	1.03	0.17	1.20	Increase to encourage uptake of computer use subscription
260	Libraries - Wi-Fi/PC usage subscription per annum - residents, free for under 19s and over 60s	*	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	
261	Libraries- computer use subscription annual fee 2 hours per day	**	10.83	2.17	13.00	0.00	0.00	0.00%	10.83	2.17	13.00	No other boroughs charge
262	Libraries- computer use subscription annual fee 3 hours per day	**	21.67	4.33	26.00	0.00	(0.00)	0.00%	21.67	4.33	26.00	No other boroughs charge
263	Libraries- Managed room hire per hour- minimum charge	*	16.00	0.00	16.00	1.00	1.00	6.25%	17.00	0.00	17.00	£1 per hour increase
264	Libraries- Managed room hire per hour- maximum charge	*	41.00	0.00	41.00	1.00	1.00	2.44%	42.00	0.00	42.00	Maximum charge increased by £1
265	Dagenham Library -Small meeting room (2-10people)- hourly hire rate- Council / Commercial/ Voluntary & Community sector	*	21.00	0.00	21.00	1.00	1.00	4.76%	22.00	0.00	22.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods
266	Dagenham Library -Small meeting room (2-10 people) - full day hire rate - Council/ Commercial / Voluntary & Community sector	*	105.00	0.00	105.00	5.00	5.00	4.76%	110.00	0.00	110.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods
267	Dagenham Library -Small meeting room (2-10 people)- half day hire rate - Council/ Commercial/ Voluntary & Community sector	*	63.00	0.00	63.00	7.00	7.00	11.11%	70.00	0.00	70.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods
268	Dagenham Library -Large meeting room (16-28 people)- hourly hire rate- Council/ Commercial/ Voluntary & Community sector	*	41.00	0.00	41.00	1.00	1.00	2.44%	42.00	0.00	42.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods
269	Dagenham Library -Large meeting room (16-28 people) - full day hire rate - Council/ Commercial/ Voluntary & Community sector	*	200.00	0.00	200.00	10.00	10.00	5.00%	210.00	0.00	210.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods



APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
270	Dagenham Library -Large meeting room (16-28 people) - half day hire rate - Council/ Commercial/ Voluntary & Community sector	*	120.00	0.00	120.00	10.00	10.00	8.33%	130.00	0.00	130.00	No significant meeting room space available in Dagenham area, hence small increase levied across room sizes and periods
271	Libraries- computer use subscription annual fee 1 hour per day	**	5.83	1.17	7.00	0.00	0.00	0.00%	5.83	1.17	7.00	No other boroughs charge
	<b>Barking Learning Centre</b>											
272	Small meeting room (2-15 people)- hourly hire rate- Public Sector	**	34.17	6.83	41.00	0.83	1.00	2.43%	35.00	7.00	42.00	
273	Small meeting room (2-15 people)- full day hire rate- Public Sector	**	188.33	37.67	226.00	11.67	14.00	6.20%	200.00	40.00	240.00	
274	Small meeting room (2-15 people)- half day hire rate- Public Sector	**	95.00	19.00	114.00	5.00	6.00	5.26%	100.00	20.00	120.00	
275	Small meeting room (2-15 people)- hourly hire rate - Council hire	*	35.00	0.00	35.00	1.00	1.00	2.86%	36.00		36.00	
276	Small meeting room (2-15 people)- hourly hire rate- Voluntary and Community sector	**	28.33	5.67	34.00	1.67	2.00	5.89%	30.00	6.00	36.00	
277	Small meeting room (2-15 people) - full day hire rate - Voluntary and Community sector	**	133.33	26.67	160.00	6.67	8.00	5.00%	140.00	28.00	168.00	
278	Small meeting room (2-15 people) - half day hire rate - Voluntary and Community sector	**	66.67	13.33	80.00	13.33	16.00	19.99%	80.00	16.00	96.00	
279	Small meeting room (2-15 people)- hourly hire rate- Commercial	**	40.00	8.00	48.00	1.67	2.00	4.18%	41.67	8.33	50.00	
280	Small meeting room (2-15 people) - full day hire rate - Commercial	**	228.33	45.67	274.00	11.67	14.00	5.11%	240.00	48.00	288.00	
281	Small meeting room (2-15 people) - half day hire rate - Commercial	**	115.00	23.00	138.00	15.00	18.00	13.04%	130.00	26.00	156.00	
282	Large meeting room (16-28 people)- hourly hire rate- Public Sector	**	46.67	9.33	56.00	0.83	1.00	1.78%	47.50	9.50	57.00	
283	Large meeting room (16-28 people) - full day hire rate - Public Sector	**	279.17	55.83	335.00	15.83	19.00	5.67%	295.00	59.00	354.00	
284	Large meeting room (16-28 people) - half day hire rate - Public Sector	**	140.00	28.00	168.00	10.00	12.00	7.14%	150.00	30.00	180.00	
285	Large meeting room (16-28 people)- hourly hire rate - Council hire	*	49.00	0.00	49.00	1.00	1.00	2.04%	50.00	0.00	50.00	
286	Large meeting room (16-28 people)- hourly hire rate- Voluntary and Community sector	**	40.00	8.00	48.00	1.67	2.00	4.18%	41.67	8.33	50.00	
287	Large meeting room (16-28 people) - full day hire rate - Voluntary and Community sector	**	225.00	45.00	270.00	5.00	6.00	2.22%	230.00	46.00	276.00	
288	Large meeting room (16-28 people - half day rate - Voluntary and Community sector	**	112.50	22.50	135.00	7.50	9.00	6.67%	120.00	24.00	144.00	
289	Large meeting room (16-28 people)- hourly hire rate- Commercial	**	60.00	12.00	72.00	1.67	2.00	2.78%	61.67	12.33	74.00	
290	Large meeting room (16-28 people) - full day hire rate - Commercial	**	355.00	71.00	426.00	5.00	6.00	1.41%	360.00	72.00	432.00	
291	Large meeting room (16-28 people) - half day hire rate - Commercial	**	177.50	35.50	213.00	12.50	15.00	7.04%	190.00	38.00	228.00	
292	Conference centre (28-120 people)-hourly hire rate- Public Sector	**	56.67	11.33	68.00	0.83	1.00	1.46%	57.50	11.50	69.00	
293	Conference centre (28-120 people)-full day hire rate- Public Sector	**	355.00	71.00	426.00	5.00	6.00	1.41%	360.00	72.00	432.00	
294	Conference centre (28-120 people)-half day hire rate- Public Sector	**	178.33	35.67	214.00	11.67	14.00	6.54%	190.00	38.00	228.00	
295	Conference centre (28-120 people)-hourly hire rate - Council hire	*	63.00	0.00	63.00	1.00	1.00	1.59%	64.00	0.00	64.00	
296	Conference centre (28-120 people)-hourly hire rate- Voluntary and Community sector	**	51.67	10.33	62.00	0.83	1.00	1.61%	52.50	10.50	63.00	A small increase has been applied across all BLC room hire charges, there are other venues in Barking Town Centre that provide hire of rooms at less hourly charge to the BLC.
297	Conference centre (28-120 people)-full day hire rate- Voluntary and Community sector	**	300.00	60.00	360.00	5.00	6.00	1.67%	305.00	61.00	366.00	
298	Conference centre (28-120 people)-half day hire rate- Voluntary and Community sector	**	150.00	30.00	180.00	5.00	6.00	3.33%	155.00	31.00	186.00	
299	Conference centre (28-120 people)-hourly hire rate- Commercial	**	67.50	13.50	81.00	2.50	3.00	3.70%	70.00	14.00	84.00	
300	Conference centre (28-120 people)-full day hire rate- Commercial	**	439.17	87.83	527.00	5.83	7.00	1.33%	445.00	89.00	534.00	
301	Conference centre (28-120 people)-half day hire rate- Commercial	**	220.00	44.00	264.00	5.00	6.00	2.27%	225.00	45.00	270.00	
302	IT Room (22 people) - hourly hire rate - Council hire	*	49.00	0.00	49.00	1.00	1.00	2.04%	50.00	0.00	50.00	
303	IT Room (22 people) - hourly hire rate - Public Sector	**	46.67	9.33	56.00	0.83	1.00	1.78%	47.50	9.50	57.00	
304	IT Room (22 people) -full day hire rate - Public Sector	**	279.17	55.83	335.00	10.83	13.00	3.88%	290.00	58.00	348.00	
305	IT Room (22 people) - half day hire rate - Public Sector	**	140.00	28.00	168.00	10.00	12.00	7.14%	150.00	30.00	180.00	
306	IT Room (22 people) - hourly hire rate - Voluntary and Community sector	**	40.00	8.00	48.00	1.67	2.00	4.18%	41.67	8.33	50.00	
307	IT Room (22 people) - Full day hire rate - Voluntary and community Sector	**	225.00	45.00	270.00	5.00	6.00	2.22%	230.00	46.00	276.00	
308	IT Room (22 people) - Half day hire rate - Voluntary and Community	**	112.50	22.50	135.00	7.50	9.00	6.67%	120.00	24.00	144.00	
309	IT Room (22 people) - hourly hire rate - Commercial	**	60.00	12.00	72.00	1.67	2.00	2.78%	61.67	12.33	74.00	
310	IT Room (22 people) - Full day hire rate - Commercial	**	355.00	71.00	426.00	25.00	30.00	7.04%	380.00	76.00	456.00	
311	IT Room (22 people) - half day hire rate - Commercial hire	**	177.50	35.50	213.00	12.50	15.00	7.04%	190.00	38.00	228.00	
312	Barking Learning Centre Gallery hire - full day facilities charge Voluntary and Community	**	64.17	12.83	77.00	0.83	1.00	1.29%	65.00	13.00	78.00	
313	Barking Learning Centre Gallery hire - half day facilities charge Voluntary and Community	**	33.33	6.67	40.00	1.67	2.00	5.01%	35.00	7.00	42.00	
314	Barking Learning Centre Gallery hire - full day facilities charge public sector	**	76.67	15.33	92.00	3.33	4.00	4.34%	80.00	16.00	96.00	
315	Barking Learning Centre Gallery hire - half day facilities charge public sector	**	39.17	7.83	47.00	0.83	1.00	2.12%	40.00	8.00	48.00	

APPENDIX A - Full list of Fees and Charges 2017/18

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includes VAT \*\*

Ref	Description of Service	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change	
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
316	Barking Learning Centre Gallery hire - full day facilities charge Commercial	**	87.50	17.50	105.00	2.50	3.00	2.86%	90.00	18.00	108.00	
317	Barking Learning Centre Gallery hire - half day facilities charge Commercial	**	44.17	8.83	53.00	15.83	19.00	35.84%	60.00	12.00	72.00	
318	Town Hall Square full day Voluntary and Community	*	55.00	0.00	55.00	45.00	45.00	81.82%	100.00	0.00	100.00	
319	Town Hall Square full day Public sector	**	54.17	10.83	65.00	45.83	55.00	84.60%	100.00	20.00	120.00	
320	Town Hall Square full day Commercial	**	87.50	17.50	105.00	32.50	39.00	37.14%	120.00	24.00	144.00	
321	Libraries- Wi-Fi/PC usage , free for all residents for first half hour	*	0.00	0.00	0.00	0.00	0.00	0.00%			0.00	
	<b>General Housing</b>		<b>Net (£)</b>	<b>VAT (£)</b>	<b>Gross (£)</b>	<b>Net (£)</b>	<b>Gross (£)</b>	<b>%</b>	<b>Net (£)</b>	<b>VAT (£)</b>	<b>Gross (£)</b>	
322	Eastbrookend - Travellers caravan site Weekly Licence Charge - Single Pitch	*	75.20	0.00	75.20	0.00	0.00	0.00%	75.20	0.00	75.20	No change
323	Eastbrookend - Travellers caravan site Weekly Licence Charge - Double Pitch	*	192.60	0.00	192.60	0.00	0.00	0.00%	192.60	0.00	192.60	No change
324	338 Heathway - Heathway Supported Accomodation Scheme	*	153.83	0.00	153.83	4.67	4.67	3.04%	158.50	0.00	158.50	Provider L&Q usually increase their rates by 3% each year - this will be known in December
	<b>Right To Buy (RTB)/Right to Invest (RTI)</b>											
325	Repayment of Discount	*	187.00	0.00	187.00	3.37	3.37	1.80%	190.37	0.00	190.37	
326	Deeds of Covenant/Rectification/Variation/Enforcement	*	993.80	0.00	993.80	17.89	17.89	1.80%	1,011.69	0.00	1,011.69	
327	Licences	*	993.80	0.00	993.80	17.89	17.89	1.80%	1,011.69	0.00	1,011.69	
328	Licences for Garden Land	*	468.10	0.00	468.10	8.43	8.43	1.80%	476.53	0.00	476.53	
329	Sale of Garden Land	*	993.80	0.00	993.80	17.89	17.89	1.80%	1,011.69	0.00	1,011.69	
330	Duplicate DS1/Replacement form 53	*	70.80	0.00	70.80	1.27	1.27	1.79%	72.07	0.00	72.07	
331	Deed of Release	*	1,287.00	0.00	1,287.00	23.17	23.17	1.80%	1,310.17	0.00	1,310.17	
332	Copy Transfer	*	128.40	0.00	128.40	2.31	2.31	1.80%	130.71	0.00	130.71	
333	Notice of Assignment	*	175.90	0.00	175.90	3.17	3.17	1.80%	179.07	0.00	179.07	
334	Notice of Mortgage -	*	175.90	0.00	175.90	3.17	3.17	1.80%	179.07	0.00	179.07	
335	Notice of Sub-let (excludes RTI)	*	175.90	0.00	175.90	3.17	3.17	1.80%	179.07	0.00	179.07	
336	Postponements	*	152.70	0.00	152.70	2.75	2.75	1.80%	155.45	0.00	155.45	Inflationary Increase
337	Retrieval of file	*	35.40	0.00	35.40	0.64	0.64	1.81%	36.04	0.00	36.04	
338	Duplicate Transfer/Lease (Unsealed)	*	81.90	0.00	81.90	1.47	1.47	1.79%	83.37	0.00	83.37	
339	Duplicate Papers (Flats)	*	81.90	0.00	81.90	1.47	1.47	1.79%	83.37	0.00	83.37	
340	Duplicate Papers (House)	*	58.60	0.00	58.60	1.05	1.05	1.79%	59.65	0.00	59.65	
341	General Photocopy (Per sheet)	*	3.50	0.00	3.50	0.06	0.06	1.71%	3.56	0.00	3.56	
342	Copy of S.125 (Landlord's Offer Notice)	*	35.40	0.00	35.40	0.64	0.64	1.81%	36.04	0.00	36.04	
343	Certificate Of Compliance	*	88.00	0.00	88.00	1.58	1.58	1.80%	89.58	0.00	89.58	
344	Buy Back of Council Lease	*	525.70	0.00	525.70	9.46	9.46	1.80%	535.16	0.00	535.16	
345	Deed of Release - Front Garden Parking -	*	525.70	0.00	525.70	9.46	9.46	1.80%	535.16	0.00	535.16	
346	Retrospective Consent (charged by Housing including VAT) -	**	351.30	70.30	421.60	6.32	7.54	1.80%	357.62	71.52	429.14	
347	Lease holders Enquiries (including VAT)	**	351.30	70.30	421.60	6.32	7.54	1.80%	357.62	71.52	429.14	
	<b>Street Naming and Numbering</b>											
348	Street naming and Numbering Service - New property (1)	**	55.83	11.17	67.00	2.50	3.00	4.48%	58.33	11.67	70.00	
349	Street naming and Numbering Service - change of approved address	**	55.83	11.17	67.00	2.50	3.00	4.48%	58.33	11.67	70.00	
350	Street naming and Numbering Service - New Road Name	**	445.83	89.17	535.00	12.50	15.00	2.80%	458.33	91.67	550.00	
351	Street naming and Numbering Service - New property name	**	287.50	57.50	345.00	4.17	5.00	1.45%	291.67	58.33	350.00	Inflationary increase and rounded.
352	Street naming and Numbering Service - Renaming a Street (In addition administration charges for consulting with existing residents will be levied)	**	445.83	89.17	535.00	12.50	15.00	2.80%	458.33	91.67	550.00	
	<b>Pre-Application Charges</b>											
	<b>(i) Meetings including a follow-up report</b>											
353	Category A - Major Scale Developments	**	3,333.33	666.67	4,000.00	3,333.34	4,000.00	100.00%	6,666.67	1,333.33	8,000.00	
354	Category B - Large Scale Developments	**	2,500.00	500.00	3,000.00	1,666.67	2,000.00	66.67%	4,166.67	833.33	5,000.00	
355	Category C - Medium Scale Developments	**	1,666.67	333.33	2,000.00	1,333.33	1,600.00	80.00%	3,000.00	600.00	3,600.00	
356	Category D - Small Scale Developments	**	833.33	166.67	1,000.00	666.67	800.00	80.00%	1,500.00	300.00	1,800.00	
357	Category E - Small Business Developments	**	166.67	33.33	200.00	833.33	1,000.00	499.99%	1,000.00	200.00	1,200.00	
358	Category F - Household Developments	**	83.33	16.67	100.00	250.00	300.00	300.02%	333.33	66.67	400.00	
359	Category G - Non Residential Developments	**							125.00	25.00	150.00	
	<b>(ii) Meetings without a follow-up report / Follow Up Meetings</b>											
360	Category A - Major Scale Developments	**	1,666.67	333.33	2,000.00	1,666.66	2,000.00	100.00%	3,333.33	666.67	4,000.00	
361	Category B - Large Scale Developments	**	1,250.00	250.00	1,500.00	833.33	1,000.00	66.67%	2,083.33	416.67	2,500.00	
362	Category C - Medium Scale Developments	**	833.33	166.67	1,000.00	666.67	800.00	80.00%	1,500.00	300.00	1,800.00	

NEP

A new schedule of charges for these activities was agreed by Cabinet 2nd June 2015 with a view to undertaking a further review in October 2016.

APPENDIX A - Full list of Fees and Charges 2017/18

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			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
363	Category D – Small Scale Developments	**	416.67	83.33	500.00	333.33	400.00	80.00%	750.00	150.00	900.00	
364	Category E – Small Business Developments	**							500.00	100.00	600.00	
	<b>Fast Track Service</b>											
365	Certificates Of Lawfulness (Household Developments)	**							200.00	40.00	240.00	The new charge relates to issue of certificates of lawfulness for existing and proposed building uses
	<b>Planning Performance Agreements</b>											
366	Large Strategic	**							48,000.00	9,600.00	57,600.00	On 2nd June 2015 Cabinet agreed that Planning Performance Agreements with developers should be encouraged and that charges could be negotiated on the basis that all costs are recovered.
367	Strategic	**							32,000.00	6,400.00	38,400.00	
368	Large	**							16,000.00	3,200.00	19,200.00	
369	Major	**							12,000.00	2,400.00	14,400.00	
	<b>Planning Services</b>											
370	Charges to consultant per hour	**	73.33	14.67	88.00	1.67	2.00	2.27%	75.00	15.00	90.00	Inflationary increase and rounded.
	<b>Local Land Charges</b>											
	<b>Post &amp; DX</b>											
371	Full Search	*	150.00	0.00	150.00	(49.00)	(49.00)	-32.67%	101.00	0.00	101.00	Fee reduction proposed to bring charges in line with amended national guidelines.
372	LLC1	*	67.50	0.00	67.50	(22.00)	(22.00)	-32.59%	45.50	0.00	45.50	
373	Con 29 <R>	*	82.50	0.00	82.50	(27.00)	(27.00)	-32.73%	55.50	0.00	55.50	
374	Con 29 (O) Questions	*	16.00	0.00	16.00	(3.00)	(3.00)	-18.75%	13.00	0.00	13.00	
375	Additional Parcel of Land	*	25.00	0.00	25.00	(5.50)	(5.50)	-22.00%	19.50	0.00	19.50	
376	Common Land Village Green	*	16.00	0.00	16.00	(3.00)	(3.00)	-18.75%	13.00	0.00	13.00	
	<b>National Land Information Service</b>											
377	Full Search	**	113.00	0.00	113.00	(23.00)	(5.00)	-20.35%	90.00	18.00	108.00	
378	LLC1	**	51.00	0.00	51.00	(11.00)	(3.00)	-21.57%	40.00	8.00	48.00	
379	Con 29 <R>	**	62.00	0.00	62.00	(12.00)	(2.00)	-19.35%	50.00	10.00	60.00	
380	Conn 29 (O) Questions	**	14.00	0.00	14.00	(1.50)	1.00	-10.71%	12.50	2.50	15.00	
381	Additional Parcel of Land	**	23.00	0.00	23.00	(2.00)	2.20	-8.70%	21.00	4.20	25.20	
382	Common Land Village Green	**	14.00	0.00	14.00	(2.00)	0.40	-14.29%	12.00	2.40	14.40	
383	Copy Documents - First Page	**	1.60	0.00	1.60	(0.27)	0.00	-16.67%	1.33	0.27	1.60	
384	Copy Documents - Subsequent Pages	**	0.15	0.00	0.15	(0.03)	0.00	-16.67%	0.13	0.03	0.15	
	<b>Customer, Commercial and Service Delivery</b>											
	<b>REGULATORY SERVICES</b>											
	<b>Licences</b>											
385	Alcohol License - New Application - Band A	*	100.00	0.00	100.00	0.00	0.00	0.00%	100.00	0.00	100.00	No Change - Statutorily Set
386	Alcohol License - Annual Charge - Band A	*	70.00	0.00	70.00	0.00	0.00	0.00%	70.00	0.00	70.00	No Change - Statutorily Set
387	Alcohol License - New Application - Band B	*	190.00	0.00	190.00	0.00	0.00	0.00%	190.00	0.00	190.00	No Change - Statutorily Set
388	Alcohol License - Annual Charge - Band B	*	180.00	0.00	180.00	0.00	0.00	0.00%	180.00	0.00	180.00	No Change - Statutorily Set
389	Alcohol License - New Application - Band C	*	315.00	0.00	315.00	0.00	0.00	0.00%	315.00	0.00	315.00	No Change - Statutorily Set
390	Alcohol License - Annual Charge - Band C	*	295.00	0.00	295.00	0.00	0.00	0.00%	295.00	0.00	295.00	No Change - Statutorily Set
391	Alcohol License - New Application - Band D	*	450.00	0.00	450.00	0.00	0.00	0.00%	450.00	0.00	450.00	No Change - Statutorily Set
392	Alcohol License - Annual Charge - Band D	*	320.00	0.00	320.00	0.00	0.00	0.00%	320.00	0.00	320.00	No Change - Statutorily Set
393	Alcohol License - New Application - Band E	*	635.00	0.00	635.00	0.00	0.00	0.00%	635.00	0.00	635.00	No Change - Statutorily Set
394	Alcohol License - Annual Charge - Band E	*	350.00	0.00	350.00	0.00	0.00	0.00%	350.00	0.00	350.00	No Change - Statutorily Set
395	Additional License - 5,000 to 9,999	*	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No Change - Statutorily Set
396	Additional License - 10,000 to 14,999	*	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No Change - Statutorily Set
397	Additional License - 15,000 to 19,999	*	4,000.00	0.00	4,000.00	0.00	0.00	0.00%	4,000.00	0.00	4,000.00	No Change - Statutorily Set
398	Additional License - 20,000 to 29,999	*	8,000.00	0.00	8,000.00	0.00	0.00	0.00%	8,000.00	0.00	8,000.00	No Change - Statutorily Set
399	Additional License - 30,000 to 39,999	*	16,000.00	0.00	16,000.00	0.00	0.00	0.00%	16,000.00	0.00	16,000.00	No Change - Statutorily Set
400	Additional License - 40,000 to 49,999	*	24,000.00	0.00	24,000.00	0.00	0.00	0.00%	24,000.00	0.00	24,000.00	No Change - Statutorily Set
401	Additional License - 50,000 to 59,999	*	32,000.00	0.00	32,000.00	0.00	0.00	0.00%	32,000.00	0.00	32,000.00	No Change - Statutorily Set
402	Additional License - 60,000 to 69,999	*	40,000.00	0.00	40,000.00	0.00	0.00	0.00%	40,000.00	0.00	40,000.00	No Change - Statutorily Set
403	Additional License - 70,000 to 79,999	*	48,000.00	0.00	48,000.00	0.00	0.00	0.00%	48,000.00	0.00	48,000.00	No Change - Statutorily Set

13/03/2017

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
404	Additional License - 80,000 to 89,999	* 56,000.00	0.00	56,000.00	0.00	0.00	0.00%	56,000.00	0.00	56,000.00	No Change - Statutorily Set
405	Additional License - 90,000 and over	* 64,000.00	0.00	64,000.00	0.00	0.00	0.00%	64,000.00	0.00	64,000.00	No Change - Statutorily Set
406	Additional License - 5,000 to 9,999 - Annual Fee	* 500.00	0.00	500.00	0.00	0.00	0.00%	500.00	0.00	500.00	No Change - Statutorily Set
407	Additional License - 10,000 to 14,999 - Annual Fee	* 1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No Change - Statutorily Set
408	Additional License - 15,000 to 19,999 - Annual Fee	* 2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No Change - Statutorily Set
409	Additional License - 20,000 to 29,999 - Annual Fee	* 4,000.00	0.00	4,000.00	0.00	0.00	0.00%	4,000.00	0.00	4,000.00	No Change - Statutorily Set
410	Additional License - 30,000 to 39,999 - Annual Fee	* 8,000.00	0.00	8,000.00	0.00	0.00	0.00%	8,000.00	0.00	8,000.00	No Change - Statutorily Set
411	Additional License - 40,000 to 49,999 - Annual Fee	* 12,000.00	0.00	12,000.00	0.00	0.00	0.00%	12,000.00	0.00	12,000.00	No Change - Statutorily Set
412	Additional License - 50,000 to 59,999 - Annual Fee	* 16,000.00	0.00	16,000.00	0.00	0.00	0.00%	16,000.00	0.00	16,000.00	No Change - Statutorily Set
413	Additional License - 60,000 to 69,999 - Annual Fee	* 20,000.00	0.00	20,000.00	0.00	0.00	0.00%	20,000.00	0.00	20,000.00	No Change - Statutorily Set
414	Additional License - 70,000 to 79,999 - Annual Fee	* 24,000.00	0.00	24,000.00	0.00	0.00	0.00%	24,000.00	0.00	24,000.00	No Change - Statutorily Set
415	Additional License - 80,000 to 89,999 - Annual Fee	* 28,000.00	0.00	28,000.00	0.00	0.00	0.00%	28,000.00	0.00	28,000.00	No Change - Statutorily Set
416	Additional License - 90,000 and over - Annual Fee	* 32,000.00	0.00	32,000.00	0.00	0.00	0.00%	32,000.00	0.00	32,000.00	No Change - Statutorily Set
417	Application for the grant or renewal of a personal licence	* 37.00	0.00	37.00	0.00	0.00	0.00%	37.00	0.00	37.00	No Change - Statutorily Set
418	Temporary event notice	* 21.00	0.00	21.00	0.00	0.00	0.00%	21.00	0.00	21.00	No Change - Statutorily Set
419	Theft, loss, etc.of premises licence or summary	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
420	Application for a provisional statement where premises being built etc.	* 315.00	0.00	315.00	0.00	0.00	0.00%	315.00	0.00	315.00	No Change - Statutorily Set
421	Notification of change of name or address	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
422	Application to vary licence to specify individual as premises supervisor	* 23.00	0.00	23.00	0.00	0.00	0.00%	23.00	0.00	23.00	No Change - Statutorily Set
423	Application for transfer of premises licence	* 23.00	0.00	23.00	0.00	0.00	0.00%	23.00	0.00	23.00	No Change - Statutorily Set
424	Interim authority notice following death etc.of licence holder	* 23.00	0.00	23.00	0.00	0.00	0.00%	23.00	0.00	23.00	No Change - Statutorily Set
425	Theft, loss etc.of certificate or summary	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
426	Notification of change of name or alteration of rules of club	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
427	Change of relevant registered address of club	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
428	Theft, loss etc.of temporary event notice	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
429	Theft, loss etc.of personal licence	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
430	Duty to notify change of name or address	* 10.50	0.00	10.50	0.00	0.00	0.00%	10.50	0.00	10.50	No Change - Statutorily Set
431	Right of freeholder etc.to be notified of licensing matters	* 21.00	0.00	21.00	0.00	0.00	0.00%	21.00	0.00	21.00	No Change - Statutorily Set
432	Application to vary premises licence at community premises to include alternative licence condition	* 23.00	0.00	23.00	0.00	0.00	0.00%	23.00	0.00	23.00	No Change - Statutorily Set
433	Application for minor variation	* 89.00	0.00	89.00	0.00	0.00	0.00%	89.00	0.00	89.00	No Change - Statutorily Set
	<b>Hypnotism Fees and Charges</b>										
	<b>Single Performance License</b>										
	<b>Process step</b>										
434	Receive, validate and record application - form, insurance, references and synopsis	* 17.52	0.00	17.52				17.52	0.00	17.52	
435	Receive, check and record fee	* 8.76	0.00	8.76				8.76	0.00	8.76	
436	Consultation MPS	* 17.52	0.00	17.52				17.52	0.00	17.52	
437	Consultation Enforcement Officer	* 4.38	0.00	4.38				4.38	0.00	4.38	
438	Consultation Other Previous Authorising Authorities x 3	* 26.28	0.00	26.28				26.28	0.00	26.28	
439	Confirmation of professional membership	* 8.76	0.00	8.76				8.76	0.00	8.76	
440	Site Visit	* 41.76	0.00	41.76				41.76	0.00	41.76	
441	Report back	* 20.88	0.00	20.88				20.88	0.00	20.88	
442	Desk top review of synopsis	* 10.44	0.00	10.44				10.44	0.00	10.44	
443	Prepare consent	* 8.76	0.00	8.76				8.76	0.00	8.76	
444	Check and authorise consent	* 10.44	0.00	10.44				10.44	0.00	10.44	
	<b>Hypnotism Fees and Charges</b>										
	<b>Multiple Performances License</b>										
	<b>Process step</b>										
445	Receive, validate and record application - form, insurance, references and synopsis	* 17.52	0.00	17.52				17.52	0.00	17.52	
446	Receive, check and record fee	* 8.76	0.00	8.76				8.76	0.00	8.76	
447	Consultation MPS	* 17.52	0.00	17.52				17.52	0.00	17.52	
448	Consultation Enforcement Officer	* 4.38	0.00	4.38				4.38	0.00	4.38	
449	Consultation Other Previous Authorising Authorities x 3	* 26.28	0.00	26.28				26.28	0.00	26.28	

New simplified fee structure to replace old one

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
450	Confirmation of professional membership	*							8.76	0.00	8.76	
451	Site Visit	*							41.76	0.00	41.76	
452	Report back	*							20.88	0.00	20.88	
453	Desk top review of synopsis	*							10.44	0.00	10.44	
454	Prepare consent	*							8.76	0.00	8.76	
455	Check and authorise consent	*							10.44	0.00	10.44	
456	During performance compliance inspection	*							62.64	0.00	62.64	
457	Report back	*							20.88	0.00	20.88	
458	Licences - Special treatment premises- Category 1 Laser treatment	*	518.50	0.00	518.50	9.33	9.33	1.80%	527.83	0.00	527.83	
459	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc.	*	370.00	0.00	370.00	6.66	6.66	1.80%	376.66	0.00	376.66	
460	Licences - Special treatment premises- Category 3 massage, manicure, pedicure , tanning etc	*	259.00	0.00	259.00	4.66	4.66	1.80%	263.66	0.00	263.66	
461	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing	*	111.00	0.00	111.00	2.00	2.00	1.80%	113.00	0.00	113.00	
462	Licences - Special treatment premises- Category 1 Laser treatment - Renewal	*	518.50	0.00	518.50	9.33	9.33	1.80%	527.83	0.00	527.83	
463	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc. - Renewal	*	370.00	0.00	370.00	6.66	6.66	1.80%	376.66	0.00	376.66	
464	Licences - Special treatment premises- Category 3 massage, manicure, pedicure , tanning etc - Renewal	*	259.00	0.00	259.00	4.66	4.66	1.80%	263.66	0.00	263.66	
465	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing - Renewal	*	111.00	0.00	111.00	2.00	2.00	1.80%	113.00	0.00	113.00	
466	Licences - Special treatment premises- Category 1 Laser treatment - Transfer	*	518.50	0.00	518.50	9.33	9.33	1.80%	527.83	0.00	527.83	
467	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc. - Transfer	*	369.50	0.00	369.50	6.65	6.65	1.80%	376.15	0.00	376.15	
468	Licences - Special treatment premises- Category 3 massage, manicure, pedicure , tanning etc - Transfer	*	259.00	0.00	259.00	4.66	4.66	1.80%	263.66	0.00	263.66	
469	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing - Transfer	*	111.00	0.00	111.00	2.00	2.00	1.80%	113.00	0.00	113.00	Inflationary Increase and rounded
470	Licences - Special treatment premises- health and safety at work change of practitioner	*	79.00	0.00	79.00	1.42	1.42	1.80%	80.42	0.00	80.42	
471	Licences - Animals (a) Dog Breeders	*	228.40	0.00	228.40	4.11	4.11	1.80%	232.51	0.00	232.51	
472	Licences - Animals (b) Riding Establishments	*	630.80	0.00	630.80	11.35	11.35	1.80%	642.15	0.00	642.15	
473	Licences - Animals (c) Animal Boarding	*	433.20	0.00	433.20	7.80	7.80	1.80%	441.00	0.00	441.00	
474	Licences - Animals (d) Pet Shops	*	326.10	0.00	326.10	5.87	5.87	1.80%	331.97	0.00	331.97	
475	Licences - Animals (e) Dangerous Wild Animals	*	441.90	0.00	441.90	7.95	7.95	1.80%	449.85	0.00	449.85	
476	Licences - Performing animals	*	227.30	0.00	227.30	4.09	4.09	1.80%	231.39	0.00	231.39	
477	Licences - New Sex Shop Licence	*	3,500.00	0.00	3,500.00	63.00	63.00	1.80%	3,563.00	0.00	3,563.00	
478	Licences - Sex Shop - Renewal	*	2,500.00	0.00	2,500.00	45.00	45.00	1.80%	2,545.00	0.00	2,545.00	
479	Licences - Safety at sports ground Act- fees charged on officer time spent processing application (Inc Explosives)	*	185.00	0.00	185.00	3.33	3.33	1.80%	188.33	0.00	188.33	
480	Licences - Auction Rooms Registration	*	555.00	0.00	555.00	9.99	9.99	1.80%	564.99	0.00	564.99	
481	Licences - Occasional Sales- up to 50 stalls/vehicles/pitches	*	119.00	0.00	119.00	2.14	2.14	1.80%	121.14	0.00	121.14	
482	Licences - Occasional Sales- 51-150 stalls/vehicles/pitches	*	189.00	0.00	189.00	3.40	3.40	1.80%	192.40	0.00	192.40	
483	Licences - Occasional Sales- over 150 stalls/vehicles/pitches	*	326.00	0.00	326.00	5.87	5.87	1.80%	331.87	0.00	331.87	
484	Scrap metal Site License (Time spent - minutes) - New	*	420.00	0.00	420.00	7.56	7.56	1.80%	427.56	0.00	427.56	
485	Scrap metal Site License (Time spent - minutes) - Renewal	*	320.00	0.00	320.00	100.00	100.00	31.25%	420.00	0.00	420.00	Increase to £420 rationale is that the renewals are every three years. The process for renewal is exactly the same as for a new application and there for amount of fee should be the same.
486	Scrap metal Site License (Time spent - minutes) - Variation	*	155.00	0.00	155.00	2.79	2.79	1.80%	157.79	0.00	157.79	Inflationary Increase and rounded
487	Scrap metal Collectors License (Time spent - minutes) - New	*	250.00	0.00	250.00	4.50	4.50	1.80%	254.50	0.00	254.50	
488	Scrap metal Collectors License (Time spent - minutes) - Renewal	*	170.00	0.00	170.00	80.00	80.00	47.06%	250.00	0.00	250.00	Increase to £250 rationale is that the renewals are every three years. The process for renewal is exactly the same as for a new application and therefore amount of fee should be the same.
489	Scrap metal Collectors License (Time spent - minutes) - Variation	*	105.00	0.00	105.00	1.89	1.89	1.80%	106.89	0.00	106.89	
490	Buy With Confidence - Application	**	108.00	21.60	129.60	1.94	0.00	1.80%	109.94	21.99	129.60	
491	Buy With Confidence - Renewal	**	108.00	21.60	129.60	1.94	0.00	1.80%	109.94	21.99	129.60	
492	Registration - Lotteries	*	56.50	0.00	56.50	1.02	1.02	1.81%	57.52	0.00	57.52	Inflationary Increase and rounded
493	Registration - Lotteries renewal	*	56.50	0.00	56.50	1.02	1.02	1.81%	57.52	0.00	57.52	

30/06/18

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	<b>New Regional Casino premises licence</b>											
494	Application for a provisional statement	*	15,000.00	0.00	15,000.00	0.00	0.00	0.00%	15,000.00	0.00	15,000.00	No Change - Statutorily Set
495	Application for a new premises licence	*	15,000.00	0.00	15,000.00	0.00	0.00	0.00%	15,000.00	0.00	15,000.00	No Change - Statutorily Set
496	Application to vary a new premises licence	*	7,500.00	0.00	7,500.00	0.00	0.00	0.00%	7,500.00	0.00	7,500.00	No Change - Statutorily Set
497	Application to transfer a premises licence	*	6,500.00	0.00	6,500.00	0.00	0.00	0.00%	6,500.00	0.00	6,500.00	No Change - Statutorily Set
498	Application for a new premises licence with Provisional Statement	*	8,000.00	0.00	8,000.00	0.00	0.00	0.00%	8,000.00	0.00	8,000.00	No Change - Statutorily Set
499	Annual fee	*	15,000.00	0.00	15,000.00	0.00	0.00	0.00%	15,000.00	0.00	15,000.00	No Change - Statutorily Set
500	Reinstatement of a licence	*	6,500.00	0.00	6,500.00	0.00	0.00	0.00%	6,500.00	0.00	6,500.00	No Change - Statutorily Set
501	Copy of licence	*	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No Change - Statutorily Set
502	Notification of change of details	*	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No Change - Statutorily Set
	<b>New Large Casino premises licence</b>											
503	Application for a provisional statement	*	10,000.00	0.00	10,000.00	0.00	0.00	0.00%	10,000.00	0.00	10,000.00	No Change - Statutorily Set
504	Application for a new premises licence	*	10,000.00	0.00	10,000.00	0.00	0.00	0.00%	10,000.00	0.00	10,000.00	No Change - Statutorily Set
505	Application to vary a new premises licence	*	5,000.00	0.00	5,000.00	0.00	0.00	0.00%	5,000.00	0.00	5,000.00	No Change - Statutorily Set
506	Application to transfer a premises licence	*	2,150.00	0.00	2,150.00	0.00	0.00	0.00%	2,150.00	0.00	2,150.00	No Change - Statutorily Set
507	Application for a new premises licence with Provisional Statement	*	5,000.00	0.00	5,000.00	0.00	0.00	0.00%	5,000.00	0.00	5,000.00	No Change - Statutorily Set
508	Annual fee	*	10,000.00	0.00	10,000.00	0.00	0.00	0.00%	10,000.00	0.00	10,000.00	No Change - Statutorily Set
509	Reinstatement of a licence	*	2,150.00	0.00	2,150.00	0.00	0.00	0.00%	2,150.00	0.00	2,150.00	No Change - Statutorily Set
510	Copy of licence	*	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No Change - Statutorily Set
511	Notification of change of details	*	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No Change - Statutorily Set
	<b>New Small Casino premises licence</b>											
512	Application for a provisional statement	*	8,000.00	0.00	8,000.00	0.00	0.00	0.00%	8,000.00	0.00	8,000.00	No Change - Statutorily Set
513	Application for a new premises licence	*	8,000.00	0.00	8,000.00	0.00	0.00	0.00%	8,000.00	0.00	8,000.00	No Change - Statutorily Set
514	Application to vary a new premises licence	*	4,000.00	0.00	4,000.00	0.00	0.00	0.00%	4,000.00	0.00	4,000.00	No Change - Statutorily Set
515	Application to transfer a premises licence	*	1,800.00	0.00	1,800.00	0.00	0.00	0.00%	1,800.00	0.00	1,800.00	No Change - Statutorily Set
516	Application for a new premises licence with Provisional Statement	*	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	No Change - Statutorily Set
517	Annual fee	*	5,000.00	0.00	5,000.00	0.00	0.00	0.00%	5,000.00	0.00	5,000.00	No Change - Statutorily Set
518	Reinstatement of a licence	*	1,800.00	0.00	1,800.00	0.00	0.00	0.00%	1,800.00	0.00	1,800.00	No Change - Statutorily Set
519	Copy of licence	*	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No Change - Statutorily Set
520	Notification of change of details	*	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No Change - Statutorily Set
	<b>Converted Casino premises licence</b>											
521	Fast track conversion application	*	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No Change - Statutorily Set
522	Non-Fast track conversion application	*	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No Change - Statutorily Set
523	Application to vary a new premises licence	*	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No Change - Statutorily Set
524	Application to transfer a premises licence	*	1,350.00	0.00	1,350.00	0.00	0.00	0.00%	1,350.00	0.00	1,350.00	No Change - Statutorily Set
525	Annual fee	*	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	No Change - Statutorily Set
526	Reinstatement of a licence	*	1,350.00	0.00	1,350.00	0.00	0.00	0.00%	1,350.00	0.00	1,350.00	No Change - Statutorily Set
527	Copy of licence	*	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No Change - Statutorily Set
528	Notification of change of details	*	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No Change - Statutorily Set
	<b>Bingo premises licence</b>											
529	Fast track conversion application	*	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No Change - Statutorily Set
530	Non -Fast track conversion application	*	1,750.00	0.00	1,750.00	0.00	0.00	0.00%	1,750.00	0.00	1,750.00	No Change - Statutorily Set
531	Application for a provisional statement	*	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No Change - Statutorily Set
532	Application for a new premises licence	*	3,500.00	0.00	3,500.00	0.00	0.00	0.00%	3,500.00	0.00	3,500.00	No Change - Statutorily Set
533	Application to vary a new premises licence	*	1,750.00	0.00	1,750.00	0.00	0.00	0.00%	1,750.00	0.00	1,750.00	No Change - Statutorily Set
534	Application to transfer a premises licence	*	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No Change - Statutorily Set
535	Application for a new premises licence with Provisional Statement	*	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No Change - Statutorily Set
536	Annual fee	*	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No Change - Statutorily Set
537	Reinstatement of a licence	*	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No Change - Statutorily Set
538	Copy of licence	*	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No Change - Statutorily Set
539	Notification of change of details	*	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No Change - Statutorily Set
	<b>Betting premises (other) licence</b>											
540	Fast track conversion application	*	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No change - Currently set at the maximum
541	Non -Fast track conversion application	*	1,750.00	0.00	1,750.00	0.00	0.00	0.00%	1,750.00	0.00	1,750.00	No change - Currently set at the maximum
542	Application for a provisional statement	*	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	No change - Currently set at the maximum

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
543	Application for a new premises licence	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	No change - Currently set at the maximum
544	Application to vary a new premises licence	1,500.00	0.00	1,500.00	0.00	0.00	0.00%	1,500.00	0.00	1,500.00	No change - Currently set at the maximum
545	Application to transfer a premises licence	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No change - Currently set at the maximum
546	Application for a new premises licence with Provisional Statement	1,500.00	0.00	1,500.00	0.00	0.00	0.00%	1,500.00	0.00	1,500.00	No change - Currently set at the maximum
547	Annual fee	600.00	0.00	600.00	0.00	0.00	0.00%	600.00	0.00	600.00	No change - Currently set at the maximum
548	Reinstatement of a licence	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No change - Currently set at the maximum
549	Copy of licence	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No change - Currently set at the maximum
550	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No change - Currently set at the maximum
	<b>Betting premises (track) licence</b>										
551	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No change - Currently set at the maximum
552	Non -Fast track conversion application	1,250.00	0.00	1,250.00	0.00	0.00	0.00%	1,250.00	0.00	1,250.00	No change - Currently set at the maximum
553	Application for a provisional statement	2,500.00	0.00	2,500.00	0.00	0.00	0.00%	2,500.00	0.00	2,500.00	No change - Currently set at the maximum
554	Application for a new premises licence	2,500.00	0.00	2,500.00	0.00	0.00	0.00%	2,500.00	0.00	2,500.00	No change - Currently set at the maximum
555	Application to vary a new premises licence	1,250.00	0.00	1,250.00	0.00	0.00	0.00%	1,250.00	0.00	1,250.00	No change - Currently set at the maximum
556	Application to transfer a premises licence	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
557	Application for a new premises licence with Provisional Statement	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
558	Annual fee	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
559	Reinstatement of a licence	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
560	Copy of licence	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No change - Currently set at the maximum
561	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No change - Currently set at the maximum
	<b>Adult Gaming Centre premises licence</b>										
562	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No change - Currently set at the maximum
563	Non -Fast track conversion application	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
564	Application for a provisional statement	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No change - Currently set at the maximum
565	Application for a new premises licence	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No change - Currently set at the maximum
566	Application to vary a new premises licence	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
567	Application to transfer a premises licence	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No change - Currently set at the maximum
568	Application for a new premises licence with Provisional Statement	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No change - Currently set at the maximum
569	Annual fee	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
570	Reinstatement of a licence	1,200.00	0.00	1,200.00	0.00	0.00	0.00%	1,200.00	0.00	1,200.00	No change - Currently set at the maximum
571	Copy of licence	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No change - Currently set at the maximum
572	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No change - Currently set at the maximum
	<b>Family entertainment centre premises licence</b>										
573	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0.00%	300.00	0.00	300.00	No change - Currently set at the maximum
574	Non -Fast track conversion application	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
575	Application for a provisional statement	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No change - Currently set at the maximum
576	Application for a new premises licence	2,000.00	0.00	2,000.00	0.00	0.00	0.00%	2,000.00	0.00	2,000.00	No change - Currently set at the maximum
577	Application to vary a new premises licence	1,000.00	0.00	1,000.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	No change - Currently set at the maximum
578	Application to transfer a premises licence	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
579	Application for a new premises licence with Provisional Statement	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
580	Annual fee	750.00	0.00	750.00	0.00	0.00	0.00%	750.00	0.00	750.00	No change - Currently set at the maximum
581	Reinstatement of a licence	950.00	0.00	950.00	0.00	0.00	0.00%	950.00	0.00	950.00	No change - Currently set at the maximum
582	Copy of licence	25.00	0.00	25.00	0.00	0.00	0.00%	25.00	0.00	25.00	No change - Currently set at the maximum
583	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0.00%	38.50	0.00	38.50	No change - Currently set at the maximum
	<b>Events</b>										
584	Park use - non commercial (small event - less than 200 people attending (fundraising sponsored events))	68.00	0.00	68.00	1.00	1.00	1.47%	69.00	0.00	69.00	
585	Park use - non-commercial fundraising event - walks and bike rides up to 50 people	21.00	0.00	21.00	0.40	0.40	1.90%	21.40	0.00	21.40	
586	Park use - non-commercial up to 2,500 people (no entry fee)	567.00	0.00	567.00	10.00	10.00	1.76%	577.00	0.00	577.00	
587	Park use - non-commercial up to 5,000 people (no entry fee)	911.00	0.00	911.00	16.00	16.00	1.76%	927.00	0.00	927.00	
588	Public liability cover for non commercial park use - up to £2 million	20.00	0.00	20.00	0.40	0.40	2.00%	20.40	0.00	20.40	
589	Park use commercial - category 1 Est. attendance up to 2,500 (8hours)	981.00	0.00	981.00	18.00	18.00	1.83%	999.00	0.00	999.00	
590	Park use commercial - category 2 Est. attendance over 5000(8hours)	1,709.00	0.00	1,709.00	31.00	31.00	1.81%	1,740.00	0.00	1,740.00	Inflationary Increase and rounded
591	Use of Premises Licence (Commercial) where applicable up to 5,000	567.00	0.00	567.00	10.00	10.00	1.76%	577.00	0.00	577.00	
592	Use of Premises Licence (Commercial) where applicable up to 10,000	1,792.00	0.00	1,792.00	32.00	32.00	1.79%	1,824.00	0.00	1,824.00	

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
593	Use of Premises Licence (Commercial) where applicable up to 15,000	*	3,590.00	0.00	3,590.00	65.00	65.00	1.81%	3,655.00	0.00	3,655.00	
594	Park use (Non-animal Circus) - Small - up to 500 seats per performance day	*	245.00	0.00	245.00	4.00	4.00	1.63%	249.00	0.00	249.00	
595	Park use (Non-animal Circus) - Large - over 500 seats per performance day	*	415.00	0.00	415.00	7.00	7.00	1.69%	422.00	0.00	422.00	
596	All Event Organisers incl. Fairs & Circuses - Non performance day - per day	*	120.00	0.00	120.00	2.00	2.00	1.67%	122.00	0.00	122.00	
597	Park use by Fairs - Small Fair per day (6 or less adult rides)	*	369.00	0.00	369.00	7.00	7.00	1.90%	376.00	0.00	376.00	
598	Park use by Fairs - Large Fair per day (7 or more adult rides)	*	472.00	0.00	472.00	9.00	9.00	1.91%	481.00	0.00	481.00	
	Park use - Events (non commercial and commercial) - Negotiable								Negotiable			New charge - negotiable charge based on Council input, support & associated resource implications
	<b>Park Sports</b>											
599	Parks - Cricket pitch only - Adults	**	285.83	57.17	343.00	5.15	6.00	1.80%	290.98	58.20	349.00	
600	Parks - Cricket pitch only - Junior	**	143.33	28.67	172.00	2.58	3.00	1.80%	145.91	29.18	175.00	
601	Parks - Cricket pitch only - Adults - (Season - Up to 40 Matches)	*	11,137.00	0.00	11,137.00	200.47	200.00	1.80%	11,337.47	0.00	11,337.00	
602	Parks - Cricket pitch only - Juniors - (Season - Up to 40 matches)	*	5,571.00	0.00	5,571.00	100.28	100.00	1.80%	5,671.28	0.00	5,671.00	
603	Parks - Football pitch only - Adults	**	131.67	26.33	158.00	2.37	3.00	1.80%	134.04	26.81	161.00	
604	Parks - Football pitch only - Juniors/9v9	**	59.17	11.83	71.00	1.06	1.00	1.80%	60.23	12.05	72.00	
605	Parks - Football pitch only - Mini Soccer	**	30.83	6.17	37.00	0.56	1.00	1.81%	31.39	6.28	38.00	
606	Parks - Football pitch only - Adults - (Season - Up to 30 matches)	*	3,812.00	0.00	3,812.00	68.62	69.00	1.80%	3,880.62	0.00	3,881.00	
607	Parks - Football pitch only - Junior/9v9 - (Season - Up to 30 matches)	*	1,669.00	0.00	1,669.00	30.04	30.00	1.80%	1,699.04	0.00	1,699.00	Inflationary Increase and rounded
608	Parks - Football pitch only - Mini - (Season - Up to 30 matches)	*	723.00	0.00	723.00	13.01	13.00	1.80%	736.01	0.00	736.00	
609	Parks - Rugby Pitch - Adults - 30 matches	*	3,569.00	0.00	3,569.00	64.24	64.00	1.80%	3,633.24	0.00	3,633.00	
610	Parks - Rugby Pitch - Junior - 30 matches	*	3,569.00	0.00	3,569.00	64.24	64.00	1.80%	3,633.24	0.00	3,633.00	
611	Parks - Rugby Pitch - Mini - 30 matches	*	1,790.00	0.00	1,790.00	32.22	32.00	1.80%	1,822.22	0.00	1,822.00	
612	Parks - Bowling Greens - club rental price per green (With Automated Watering)	*	10,197.00	0.00	10,197.00	183.55	184.00	1.80%	10,380.55	0.00	10,381.00	
613	Parks - Bowling Greens - club rental price per green	*	12,331.00	0.00	12,331.00	221.96	222.00	1.80%	12,552.96	0.00	12,553.00	
614	Parks - Bowling - Pavilion	*	1,250.00	0.00	1,250.00	22.50	23.00	1.80%	1,272.50	0.00	1,273.00	
615	Hourly tennis charge per court (full rate)	**	4.25	0.85	5.10	0.00	0.00	0.00%	4.25	0.85	5.10	Retain at £4.25 excl VAT
616	Hourly tennis charge per court (discounted rate)	**	2.58	0.52	3.10	0.27	0.32	10.47%	2.85	0.57	3.42	Retain at £2.85 excl VAT
	<b>Ranger Services</b>											
617	Education charges: School groups (half day)	*	85.00	0.00	85.00	1.53	2.00	1.80%	86.53	0.00	87.00	
618	Education charges: School groups (full day)	*	139.00	0.00	139.00	2.50	3.00	1.80%	141.50	0.00	142.00	
619	Education: Community groups (per person per 2 hours session)	*	2.50	0.00	2.50	0.05	0.50	2.00%	2.55	0.00	3.00	
620	Education: Other (per person)	*	38.00	0.00	38.00	0.68	1.00	1.79%	38.68	0.00	39.00	
621	Barking Park: Visitor Centre Room Hire: Commercial: Main Hall per hour (min charge 1.5 hrs)	*	17.00	0.00	17.00	0.31	0.00	1.82%	17.31	0.00	17.00	
622	Barking Park: Visitor Centre Rooms Hire: Non Commercial: Main Hall per hour (min charge 1.5 hrs)	*	11.00	0.00	11.00	0.20	0.00	1.82%	11.20	0.00	11.00	
623	Barking Park: Visitor Centre Room Hire: Commercial: Seminar room per hour (min charge 1.5 hrs)	*	9.00	0.00	9.00	0.16	0.00	1.78%	9.16	0.00	9.00	Inflationary Increase and rounded
624	Barking Park: Visitor Centre Room Hire: Non Commercial: Seminar room per hour (min charge 1.5 hrs)	*	7.00	0.00	7.00	0.13	0.00	1.86%	7.13	0.00	7.00	
625	Barking Park: Visitor Centre Kids Parties (Self managed per person per hr) (min charge 10 people)	*	5.00	0.00	5.00	0.09	0.00	1.80%	5.09	0.00	5.00	
626	Barking Park: Visitor Centre Kids Parties (Ranger managed per person per hr) (min charge 10 people)	*	6.00	0.00	6.00	0.11	0.00	1.83%	6.11	0.00	6.00	
627	Millennium Centre - Non Commercial - Hire of Classroom	*	11.00	0.00	11.00	0.20	0.00	1.82%	11.20	0.00	11.00	
628	Millennium Centre - Commercial - Hire of Classroom	*	17.00	0.00	17.00	0.31	0.00	1.82%	17.31	0.00	17.00	
629	Millennium Centre/Barking Park Centre - Out of Hours Hire	*	43.00	0.00	43.00	0.77	1.00	1.79%	43.77	0.00	44.00	
	<b>PARKING</b>											
	<b>On Street Parking Services</b>											
630	Resident permits (Price band A) (Electric car) - 1st vehicle	*	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	
631	Resident permits (Price band A) (Electric car) - 2nd vehicle	*	20.50	0.00	20.50	0.00	0.00	0.00%	20.50	0.00	20.50	
632	Resident permits (Price band A) (Electric car) - 3rd	*	41.00	0.00	41.00	0.00	0.00	0.00%	41.00	0.00	41.00	
633	Resident permits (Price band A) (Electric car) - 4th and subsequent	*	0.00	0.00		41.00			41.00		41.00	
634	Resident permits (Price band B) (1100 cc or less) - 1st vehicle	*	20.50	0.00	20.50	2.05	2.05	10.00%	22.55	0.00	22.55	
635	Resident permits (Price band B) (1100 cc or less) - 2nd vehicle	*	41.00	0.00	41.00	5.61	5.61	13.68%	46.61	0.00	46.61	



APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service	*	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
636	Resident permits (Price band B) (1100 cc or less) - 3rd	*	61.50	0.00	61.50	19.68	19.68	32.00%	81.18	0.00	81.18	
637	Resident permits (Price band B) (1100 cc or less) - 4th and subsequent	*	0.00	0.00	0.00	87.95	87.95		87.95		87.95	
638	Resident permits (Price band C) (1101-1300 cc)- 1st vehicle	*	25.70	0.00	25.70	(3.15)	(3.15)	-12.26%	22.55	0.00	22.55	
639	Resident permits (Price band C) (1101-1300 cc) - 2nd vehicle	*	51.50	0.00	51.50	(4.89)	(4.89)	-9.50%	46.61	0.00	46.61	
640	Resident permits (Price band C) (1101-1300 cc) - 3rd	*	72.00	0.00	72.00	9.18	9.18	12.75%	81.18	0.00	81.18	
641	Resident permits (Price band C) (1101-1300 cc) - 4th and subsequent	*	0.00	0.00	0.00	87.95	87.95		87.95		87.95	
642	Resident permits (Price band D) (1301 to 1600 cc) - 1st vehicle	*	31.00	0.00	31.00	(2.73)	(2.73)	-8.81%	28.27	0.00	28.27	
643	Resident permits (Price band D) (1301 to 1600 cc) - 2nd vehicle	*	61.50	0.00	61.50	0.81	0.81	1.32%	62.31	0.00	62.31	
644	Resident permits (Price band D) (1301 to 1600 cc) - 3rd	*	82.00	0.00	82.00	13.04	13.04	15.90%	95.04	0.00	95.04	
645	Resident permits (Price band D) (1301 to 1600 cc) - 4th and subsequent	*	0.00	0.00	0.00	102.96	102.96		102.96		102.96	
646	Resident permits (Price band E) (1601 to 1800 cc) - 1st vehicle	*	36.00	0.00	36.00	(1.90)	(1.90)	-5.28%	34.10	0.00	34.10	
647	Resident permits (Price band E) (1601 to 1800 cc) - 2nd vehicle	*	72.00	0.00	72.00	2.41	2.41	3.35%	74.41	0.00	74.41	
648	Resident permits (Price band E) (1601 to 1800 cc) - 3rd	*	92.50	0.00	92.50	15.74	15.74	17.02%	108.24	0.00	108.24	
649	Resident permits (Price band E) (1601 to 1800 cc) - 4th and subsequent	*	0.00	0.00	0.00	117.26	117.26		117.26		117.26	New fees structure based on emission as oppose to engine size
650	Resident permits (Price band F) (1801 to 2000 cc) - 1st vehicle	*	41.00	0.00	41.00	2.20	2.20	5.37%	43.20	0.00	43.20	
651	Resident permits (Price band F) (1801 to 2000 cc) - 2nd vehicle	*	82.00	0.00	82.00	5.12	5.12	6.24%	87.12	0.00	87.12	
652	Resident permits (Price band F) (1801 to 2000 cc) - 3rd	*	102.50	0.00	102.50	19.60	19.60	19.12%	122.10	0.00	122.10	
653	Resident permits (Price band F) (1801 to 2000 cc) - 4th and subsequent	*	0.00	0.00	0.00	132.28	132.28		132.28		132.28	
654	Resident permits (Price band G) (2001 to 3000 cc) - 1st vehicle	*	51.50	0.00	51.50	(2.30)	(2.30)	-4.47%	49.20	0.00	49.20	
655	Resident permits (Price band G) (2001 to 3000 cc) - 2nd vehicle	*	102.50	0.00	102.50	(3.28)	(3.28)	-3.20%	99.22	0.00	99.22	
656	Resident permits (Price band G) (2001 to 3000 cc) - 3rd	*	113.00	0.00	113.00	22.30	22.30	19.73%	135.30	0.00	135.30	
657	Resident permits (Price band G) (2001 to 3000 cc) - 4th and subsequent	*	0.00	0.00	0.00	146.58	146.58		146.58		146.58	
658	Resident permits (Price band H) (3001+ cc)- 1st vehicle	*	61.50	0.00	61.50	12.30	12.30	20.00%	73.80	0.00	73.80	
659	Resident permits (Price band H) (3001+ cc) - 2nd vehicle	*	123.00	0.00	123.00	25.83	25.83	21.00%	148.83	0.00	148.83	
660	Resident permits (Price band H) (3001+ cc) - 3rd	*	123.00	0.00	123.00	39.36	39.36	32.00%	162.36	0.00	162.36	
661	Resident permits (Price band H) (3001+ cc) - 4th and subsequent vehicle	*	0.00	0.00	0.00	175.89	175.89		175.89	0.00	175.89	
662	Parking Waiver - Daily	*							30.00	0.00	30.00	
663	Parking Waiver - Weekly	*							100.00	0.00	100.00	
664	Domestic carer permit - Year	*							80.00	0.00	80.00	
665	Domestic carer permit - 6 months	*							120.00	0.00	120.00	
666	Vehicle release from locked car park location	*							150.00	0.00	150.00	
667	Car Club annual permit	*							1,000.00	0.00	1,000.00	
											0.00	
	<b>Traffic Management orders</b>										0.00	
668	o Change to traffic management order - £1,500	*							1,500.00	0.00	1,500.00	
669	o Traffic Management order revoke - £1,500	*							1,500.00	0.00	1,500.00	
670	o Traffic Management order; Temporary - £3,500	*							3,500.00	0.00	3,500.00	
671	o Traffic Management order; Experimental - £3,500	*							3,500.00	0.00	3,500.00	
672	o Traffic Management order; Permanent - £4,000	*							4,000.00	0.00	4,000.00	
673	Signs and Lines infrastructure implementation per metre	*							550.00	0.00	550.00	
674	New parking post / plate	*							150.00	0.00	150.00	
675	Implementation / Removal of new bay markings	*							150.00	0.00	150.00	
676	Implementation of personalised Disabled Bay	*							350.00	0.00	350.00	New simplified fee structure to replace old one
677	Temporary permit	*							20.40	0.00	20.40	
678	Visitor Voucher (Book of 10) 4 Hours	*							7.50	0.00	7.50	
679	Visitor Voucher (Book of 10) 1 day	*							13.80	0.00	13.80	
680	Business / Trade Permit	*							313.20	0.00	313.20	
681	Doctors Permit	*							320.40	0.00	320.40	
	<b>Off-street Parking New Model</b>											
	<b>Major (London Road Multi-Storey)</b>											
682	30 min	*							N/A	0.00	N/A	
683	upto 1 hr	*							N/A	0.00	N/A	
684	0-2 hrs	*							2.00	0.00	2.00	
685	3-4 hrs	*							3.50	0.00	3.50	
686	4-6 hours	*							5.50	0.00	5.50	
687	6 -12 hours	*							9.00	0.00	9.00	
688	all day	*							16.00	0.00	16.00	
689	Overnight (8pm - 8am)	*							5.50	0.00	5.50	New simplified fee structure to replace old one

12/08/17

APPENDIX A - Full list of Fees and Charges 2017/18

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			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	<b>Major</b>											
690	30 min	*							Free	0.00	Free	New simplified fee structure to replace old one
691	upto 1 hr	*							1.00	0.00	1.00	
692	0-2 hrs	*							3.00	0.00	3.00	
693	3-4 hrs	*							6.50	0.00	6.50	
694	4-6 hours	*							N/A	0.00	N/A	
695	6 -12 hours	*							N/A	0.00	N/A	
696	all day	*							N/A	0.00	N/A	
697	Overnight (8pm - 8am)	*							N/A	0.00	N/A	
	<b>District (The Mall Multi-Storey)</b>											
698	30 min	*							N/A	0.00	N/A	New simplified fee structure to replace old one
699	upto 1 hr	*							0.50	0.00	0.50	
700	0-2 hrs	*							1.00	0.00	1.00	
701	3-4 hrs	*							3.00	0.00	3.00	
702	4-6 hours	*							4.00	0.00	4.00	
703	6 -12 hours	*							5.50	0.00	5.50	
704	all day	*							9.00	0.00	9.00	
705	Overnight (8pm - 8am)	*							5.50	0.00	5.50	
	<b>District</b>											
706	30 min	*							Free	0.00	Free	New simplified fee structure to replace old one
707	upto 1 hr	*							0.50	0.00	0.50	
708	0-2 hrs	*							1.00	0.00	1.00	
709	3-4 hrs	*							1.50	0.00	1.50	
710	4-6 hours	*							N/A	0.00	N/A	
711	6 -12 hours	*							N/A	0.00	N/A	
712	all day	*							N/A	0.00	N/A	
713	Overnight (8pm - 8am)	*							N/A	0.00	N/A	
	<b>On-street Parking New Model</b>											
	<b>Major</b>											
714	30 min	*							Free	0.00	Free	New simplified fee structure to replace old one
715	upto 1 hr	*							1.00	0.00	1.00	
716	0-2 hrs	*							3.00	0.00	3.00	
717	3-4 hrs	*							7.00	0.00	7.00	
718	Overnight (8pm - 8am)	*							N/A	0.00	N/A	
	<b>District</b>											
719	30 min	*							Free	0.00	Free	New simplified fee structure to replace old one
720	upto 1 hr	*							0.50	0.00	0.50	
721	0-2 hrs	*							1.00	0.00	1.00	
722	3-4 hrs	*							2.00	0.00	2.00	
723	Overnight (8pm - 8am)	*							N/A	0.00	N/A	
	<b>Season Tickets Major (6am - 8pm)</b>											
724	3 months	*							175.00	0.00	175.00	New simplified fee structure to replace old one
725	6 months	*							318.00	0.00	318.00	
726	12 months	*							583.00	0.00	583.00	
	<b>Season Tickets Major (8pm - 8am)</b>											
727	3 months	*							60.00	0.00	60.00	New simplified fee structure to replace old one
728	6 months	*							110.00	0.00	110.00	
729	12 months	*							199.00	0.00	199.00	
	<b>Season Tickets Major (24/7)</b>											
730	3 months	*							228.00	0.00	228.00	New simplified fee structure to replace old one
731	6 months	*							411.00	0.00	411.00	

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APPENDIX A - Full list of Fees and Charges 2017/18

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732	12 months	*							776.00	0.00	776.00	
	Season Tickets District (24/7)											
733	3 months	*							75.20	0.00	75.20	
734	6 months	*							140.00	0.00	140.00	New simplified fee structure to replace old one
735	12 months	*							261.00	0.00	261.00	
	<b>Associate Permit</b>											
736	4 months	*							106.00	0.00	106.00	New simplified fee structure to replace old one
737	6 months	*							153.00	0.00	153.00	
738	12 months	*							280.00	0.00	280.00	
	<b>Essential work permit</b>											
739	12 months	*							250.00	250.00	250.00	New simplified fee structure to replace old one
	<b>Bay Suspension / Dispensation</b>											
740	Daily (per bay)	*							65.00	65.00	65.00	New simplified fee structure to replace old one
741	Weekly (per bay)	*							195.00	195.00	195.00	
	<b>Licences</b>											
742	Other income - Pollution - Seizure of Equipment by Noise Patrol -Fee for reclamation of property (NON-BUSINESS)	*	213.00	0.00	213.00	3.83	3.83	1.80%	216.83	0.00	216.83	Inflationary Increase and rounded
743	Dog Warden Service - Stray Dog Collection	*	82.00	0.00	82.00	1.48	2.00	1.80%	83.48	0.00	84.00	
744	Dog Warden Service - Administration Fee	*	28.00	0.00	28.00	0.50	0.50	1.79%	28.50	0.00	28.50	
745	Dog Warden Service - Cost Per Night in Kennel	*	28.00	0.00	28.00	0.50	0.50	1.79%	28.50	0.00	28.50	
746	Micro chip implants - Implant and registration with national pet register per animal (VATABLE)	**	9.17	1.83	11.00	0.17	0.50	1.85%	9.34	1.87	11.50	
	<b>Street Trading Services</b>											
747	Street Trading Charges - 2 metres+ -	*	330.00	0.00	330.00	5.94	5.94	1.80%	335.94	0.00	335.94	Inflationary Increase and rounded
748	1 to 2 metres -	*	263.00	0.00	263.00	4.73	4.73	1.80%	267.73	0.00	267.73	
749	Small area (-1 metre).	*	208.00	0.00	208.00	3.74	3.74	1.80%	211.74	0.00	211.74	
750	Mobile Catering Vans -	*	330.00	0.00	330.00	5.94	5.94	1.80%	335.94	0.00	335.94	
751	Leaflet Distribution - Main Distributor - First application fee & 1 day distribution	*	47.00	0.00	47.00	0.85	0.85	1.81%	47.85	0.00	47.85	
752	Leaflet Distribution - Associate licence - First application fee & 1 day distribution	*	22.00	0.00	22.00	0.40	0.40	1.82%	22.40	0.00	22.40	
753	Leaflet Distribution - Main Distributor - Renewal fee & 1 day distribution	*	36.00	0.00	36.00	0.65	0.65	1.81%	36.65	0.00	36.65	
754	Leaflet Distribution - Associate licence - Renewal fee & 1 day distribution	*	18.00	0.00	18.00	0.32	0.32	1.78%	18.32	0.00	18.32	
755	Leaflet Distribution - extra charge per day per licence (Max 6 days)	*	11.00	0.00	11.00	0.20	0.20	1.82%	11.20	0.00	11.20	
	<b>Barking Market and Street Trading</b>											
	<b>Saturdays - Card Payment</b>											
756	Ripple Rd (Square) - price per foot including licence fee	*	4.90	0.00	4.90	0.10	0.10	2.04%	5.00	0.00	5.00	Inflationary Increase and rounded
757	East St (Top) - price per foot including licence fee	*	4.90	0.00	4.90	0.10	0.10	2.04%	5.00	0.00	5.00	
758	East St (Bottom) - price per foot including licence fee	*	4.20	0.00	4.20	0.30	0.30	7.14%	4.50	0.00	4.50	
759	Short Blue Square - price per foot including licence fee	*	4.90	0.00	4.90	0.10	0.10	2.04%	5.00	0.00	5.00	
760	Casuals (On top of charge) - price per foot including licence fee	*	5.50	0.00	5.50	0.50	0.50	9.09%	6.00	0.00	6.00	
	<b>Saturdays - Cash Payment</b>											
761	Ripple Rd (Square) - price per foot including licence fee	*	5.00	0.00	5.00	0.00	0.00	0.00%	5.00	0.00	5.00	Inflationary Increase and rounded
762	East St (Top) - price per foot including licence fee	*	5.00	0.00	5.00	0.00	0.00	0.00%	5.00	0.00	5.00	
763	East St (Bottom) - price per foot including licence fee	*	4.30	0.00	4.30	0.20	0.20	4.65%	4.50	0.00	4.50	
764	Short Blue Square - price per foot including licence fee	*	5.00	0.00	5.00	0.00	0.00	0.00%	5.00	0.00	5.00	
765	Casuals (On top of charge) - price per foot including licence fee	*	5.70	0.00	5.70	0.30	0.30	5.26%	6.00	0.00	6.00	
	<b>Weekday - Card Payment</b>											
766	Ripple Rd (Square) - price per foot including licence fee	*	3.60	0.00	3.60	0.40	0.40	11.11%	4.00	0.00	4.00	Inflationary Increase and rounded
767	East St (Top) - price per foot including licence fee	*	3.60	0.00	3.60	0.40	0.40	11.11%	4.00	0.00	4.00	

Page 23 of 239

APPENDIX A - Full list of Fees and Charges 2017/18

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768	East St (Bottom) - price per foot including licence fee	*	3.00	0.00	3.00	0.00	0.00	0.00%	3.00	0.00	3.00	Inflationary Increase and rounded
769	Short Blue Square - price per foot including licence fee	*	3.60	0.00	3.60	0.40	0.40	11.11%	4.00	0.00	4.00	
770	Casuals (On top of charge) - price per foot including licence fee	*	5.50	0.00	5.50	0.50	0.50	9.09%	6.00	0.00	6.00	
771	Tables & Chairs (per set) (Up to 2sq Metres)	*	5.00	0.00	5.00	0.00	0.00	0.00%	5.00	0.00	5.00	
772	Tables & Chairs (per set) (Up to 3sq Metres)	*	6.30	0.00	6.30	0.20	0.20	3.17%	6.50	0.00	6.50	
773	Fines - Late Payment	*	10.20	0.00	10.20	0.30	0.30	2.94%	10.50	0.00	10.50	
774	Fines - License Replacement	*	25.60	0.00	25.60	0.40	0.40	1.56%	26.00	0.00	26.00	
775	Fines - Late Removal of Vans	*	10.20	0.00	10.20	0.30	0.30	2.94%	10.50	0.00	10.50	
	<b>Weekday - Cash Payment</b>											
776	Ripple Rd (Square) - price per foot including licence fee	*	3.70	0.00	3.70	0.30	0.30	8.11%	4.00	0.00	4.00	Inflationary Increase and rounded
777	East St (Top) - price per foot including licence fee	*	3.70	0.00	3.70	0.30	0.30	8.11%	4.00	0.00	4.00	
778	East St (Bottom) - price per foot including licence fee	*	3.10	0.00	3.10	0.05	0.05	1.61%	3.15	0.00	3.15	
779	Short Blue Square - price per foot including licence fee	*	3.70	0.00	3.70	0.30	0.30	8.11%	4.00	0.00	4.00	
780	Casuals (On top of charge) - price per foot including licence fee	*	5.70	0.00	5.70	0.30	0.30	5.26%	6.00	0.00	6.00	
781	Tables & Chairs (per set) (Up to 2sq Metres)	*	5.10	0.00	5.10	0.40	0.40	7.84%	5.50	0.00	5.50	
782	Tables & Chairs (per set) (Up to 3sq Metres)	*	6.50	0.00	6.50	0.50	0.50	7.69%	7.00	0.00	7.00	
783	Fines - Late Payment	*	10.50	0.00	10.50	0.50	0.50	4.76%	11.00	0.00	11.00	
784	Fines - License Replacement	*	26.20	0.00	26.20	0.80	0.80	3.05%	27.00	0.00	27.00	
785	Fines - Late Removal of Vans	*	10.50	0.00	10.50	0.50	0.50	4.76%	11.00	0.00	11.00	
	<b>Building Control</b>											
786	Hourly rate for fees and charges	**	85.00	17.00	102.00	1.53	2.00	1.80%	86.53	17.31	104.00	Inflationary Increase and rounded
	<b>Small Domestic Building, Extensions and Alterations Plan Charge</b>											
787	Detached Building, garage carport or both, floor area not exceeding 40sqm	**	101.67	20.33	122.00	1.83	2.00	1.80%	103.50	20.70	124.00	Inflationary Increase and rounded
788	Any extension to a dwelling not exceeding 10sqm floor area no inspection charge applicable	**	432.50	86.50	519.00	7.79	9.00	1.80%	440.29	88.06	528.00	
789	Any extension to a dwelling not exceeding 40sqm floor area	**	135.83	27.17	163.00	2.44	3.00	1.80%	138.27	27.65	166.00	
790	Any extension to a dwelling exceeding 40sqm but not exceeding 60sqm floor area	**	200.00	40.00	240.00	3.60	4.00	1.80%	203.60	40.72	244.00	
791	Internal alterations e.g. Simple through lounge, chimney breast removal etc where the estimated costs is less than £2000	**	165.00	33.00	198.00	2.97	4.00	1.80%	167.97	33.59	202.00	
792	Internal alterations where the costs is between £2000 - £5000	**	251.67	50.33	302.00	4.53	5.00	1.80%	256.20	51.24	307.00	
	<b>Small Domestic Building, Extensions and Alterations Inspection Charge</b>											
793	Detached Building, garage carport or both, floor area not exceeding 40sqm	**	230.00	46.00	276.00	4.14	5.00	1.80%	234.14	46.83	281.00	Inflationary Increase and rounded
794	Any extension to a dwelling exceeding 10sqm but not exceeding 40sqm floor area	**	406.67	81.33	488.00	7.32	9.00	1.80%	413.99	82.80	497.00	
795	Any extension to a dwelling exceeding 40sqm but not exceeding 60sqm floor area	**	516.67	103.33	620.00	9.30	11.00	1.80%	525.97	105.19	631.00	
	<b>Small Domestic Building, Extensions and Alterations Building Notice Charge</b>											
796	Detached Building, garage carport or both, floor area not exceeding 40sqm	**	330.83	66.17	397.00	5.95	7.00	1.80%	336.78	67.36	404.00	Inflationary Increase and rounded
797	Any extension to a dwelling not exceeding 10sqm floor area	**	432.50	86.50	519.00	7.79	9.00	1.80%	440.29	88.06	528.00	
798	Any extension to a dwelling exceeding 10sqm but not exceeding 40sqm floor area	**	542.50	108.50	651.00	9.77	12.00	1.80%	552.27	110.45	663.00	
799	Any extension to a dwelling exceeding 40sqm but not exceeding 60sqm floor area	**	716.67	143.33	860.00	12.90	15.00	1.80%	729.57	145.91	875.00	
800	Internal alterations e.g. Simple through lounge, chimney breast removal etc where the estimated costs is less than £2000	**	165.00	33.00	198.00	2.97	4.00	1.80%	167.97	33.59	202.00	
801	Internal alterations where the costs is between £2000 - £5000	**	251.67	50.33	302.00	4.53	5.00	1.80%	256.20	51.24	307.00	
	<b>Non habitable detached building with a total floor area not exceeding 60m2</b>											
802	Plan Charge	**	101.67	20.33	122.00	1.83	2.00	1.80%	103.50	20.70	124.00	Inflationary Increase and rounded
803	Inspection Charge	**	344.17	68.83	413.00	6.20	7.00	1.80%	350.37	70.07	420.00	
804	Building Notice Charge	**	445.83	89.17	535.00	8.02	10.00	1.80%	453.85	90.77	545.00	

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	<b>Notifiable Electrical work (in addition to the above)</b>											
805	Where a certificate will not be issued by a Part P registered electrician	**	284.17	56.83	341.00	5.12	6.00	1.80%	289.29	57.86	347.00	
	<b>One or more private dwelling houses or flats</b>											
806	1 house or flat plan charge	**	185.83	37.17	223.00	3.34	4.00	1.80%	189.17	37.83	227.00	
807	2 houses or flats plan charges	**	261.67	52.33	314.00	4.71	6.00	1.80%	266.38	53.28	320.00	
808	3 houses or flats plan charges	**	329.17	65.83	395.00	5.93	7.00	1.80%	335.10	67.02	402.00	Inflationary Increase and rounded
809	4 houses or flats plan charges	**	395.00	79.00	474.00	7.11	9.00	1.80%	402.11	80.42	483.00	
810	5 houses or flats plan charges	**	480.83	96.17	577.00	8.65	10.00	1.80%	489.48	97.90	587.00	
811	1 house or flat inspection charge	**	387.50	77.50	465.00	6.98	8.00	1.80%	394.48	78.90	473.00	
812	2 houses or flats inspection charge	**	505.83	101.17	607.00	9.10	11.00	1.80%	514.93	102.99	618.00	
813	3 houses or flats inspection charge	**	634.17	126.83	761.00	11.42	14.00	1.80%	645.59	129.12	775.00	Inflationary Increase and rounded
814	4 houses or flats inspection charge	**	732.50	146.50	879.00	13.19	16.00	1.80%	745.69	149.14	895.00	
815	5 houses or flats inspection charge	**	840.00	168.00	1,008.00	15.12	18.00	1.80%	855.12	171.02	1,026.00	
816	1 house or flat building notice	**	573.33	114.67	688.00	10.32	12.00	1.80%	583.65	116.73	700.00	
817	2 houses or flats building notice	**	766.67	153.33	920.00	13.80	17.00	1.80%	780.47	156.09	937.00	
818	3 houses or flats building notice	**	962.50	192.50	1,155.00	17.33	21.00	1.80%	979.83	195.97	1,176.00	Inflationary Increase and rounded
819	4 houses or flats building notice	**	1,127.50	225.50	1,353.00	20.30	24.00	1.80%	1,147.80	229.56	1,377.00	
820	5 houses or flats building notice	**	1,320.83	264.17	1,585.00	23.77	29.00	1.80%	1,344.60	268.92	1,614.00	
	<b>Estimated cost of Work where other charge does not apply</b>											
821	Plan Charges up to £2,000	**	165.00	33.00	198.00	2.97	4.00	1.80%	167.97	33.59	202.00	
822	Plan Charges up to £2,001 - £5,000	**	251.67	50.33	302.00	4.53	5.00	1.80%	256.20	51.24	307.00	
823	Plan Charges up to £5,001 - £10,000	**	76.67	15.33	92.00	1.38	2.00	1.80%	78.05	15.61	94.00	
824	Plan Charges up to £10,001 - £15,000	**	101.67	20.33	122.00	1.83	2.00	1.80%	103.50	20.70	124.00	
825	Plan Charges up to £15,001 - £20,000	**	111.67	22.33	134.00	2.01	2.00	1.80%	113.68	22.74	136.00	
826	Plan Charges up to £20,001 - £25,000	**	131.67	26.33	158.00	2.37	3.00	1.80%	134.04	26.81	161.00	
827	Plan Charges up to £25,001 - £30,000	**	144.17	28.83	173.00	2.59	3.00	1.80%	146.76	29.35	176.00	
828	Plan Charges up to £30,001 - £35,000	**	158.33	31.67	190.00	2.85	3.00	1.80%	161.18	32.24	193.00	
829	Plan Charges up to £35,001 - £40,000	**	167.50	33.50	201.00	3.02	4.00	1.80%	170.52	34.10	205.00	
830	Plan Charges up to £40,001 - £45,000	**	178.33	35.67	214.00	3.21	4.00	1.80%	181.54	36.31	218.00	
831	Plan Charges up to £45,001 - £50,000	**	186.67	37.33	224.00	3.36	4.00	1.80%	190.03	38.01	228.00	Inflationary Increase and rounded
832	Plan Charges up to £50,001 - £55,000	**	202.50	40.50	243.00	3.65	4.00	1.80%	206.15	41.23	247.00	
833	Plan Charges up to £55,001 - £60,000	**	213.33	42.67	256.00	3.84	5.00	1.80%	217.17	43.43	261.00	
834	Plan Charges up to £60,001 - £65,000	**	224.17	44.83	269.00	4.03	5.00	1.80%	228.20	45.64	274.00	
835	Plan Charges up to £65,001 - £70,000	**	234.17	46.83	281.00	4.21	5.00	1.80%	238.38	47.68	286.00	
836	Plan Charges up to £70,001 - £75,000	**	240.00	48.00	288.00	4.32	5.00	1.80%	244.32	48.86	293.00	
837	Plan Charges up to £75,001 - £80,000	**	256.67	51.33	308.00	4.62	6.00	1.80%	261.29	52.26	314.00	
838	Plan Charges up to £80,001 - £85,000	**	265.83	53.17	319.00	4.79	6.00	1.80%	270.62	54.12	325.00	
839	Plan Charges up to £85,001 - £90,000	**	283.33	56.67	340.00	5.10	6.00	1.80%	288.43	57.69	346.00	
840	Plan Charges up to £90,001 - £95,000	**	293.33	58.67	352.00	5.28	6.00	1.80%	298.61	59.72	358.00	
841	Plan Charges up to £95,001 - £100,000	**	308.33	61.67	370.00	5.55	7.00	1.80%	313.88	62.78	377.00	
842	Inspection Charge up to £5,001 - £10,000	**	228.33	45.67	274.00	4.11	5.00	1.80%	232.44	46.49	279.00	
843	Inspection Charge up to £10,001 - £15,000	**	279.17	55.83	335.00	5.02	6.00	1.80%	284.19	56.84	341.00	
844	Inspection Charge up to £15,001 - £20,000	**	331.67	66.33	398.00	5.97	7.00	1.80%	337.64	67.53	405.00	
845	Inspection Charge up to £20,001 - £25,000	**	385.00	77.00	462.00	6.93	8.00	1.80%	391.93	78.39	470.00	
846	Inspection Charge up to £25,001 - £30,000	**	437.50	87.50	525.00	7.88	9.00	1.80%	445.38	89.08	534.00	
847	Inspection Charge up to £30,001 - £35,000	**	471.67	94.33	566.00	8.49	10.00	1.80%	480.16	96.03	576.00	
848	Inspection Charge up to £35,001 - £40,000	**	501.67	100.33	602.00	9.03	11.00	1.80%	510.70	102.14	613.00	
849	Inspection Charge up to £40,001 - £45,000	**	535.00	107.00	642.00	9.63	12.00	1.80%	544.63	108.93	654.00	
850	Inspection Charge up to £45,001 - £50,000	**	558.33	111.67	670.00	10.05	12.00	1.80%	568.38	113.68	682.00	
851	Inspection Charge up to £50,001 - £55,000	**	606.67	121.33	728.00	10.92	13.00	1.80%	617.59	123.52	741.00	Inflationary Increase and rounded
852	Inspection Charge up to £55,001 - £60,000	**	638.33	127.67	766.00	11.49	14.00	1.80%	649.82	129.96	780.00	
853	Inspection Charge up to £60,001 - £65,000	**	670.00	134.00	804.00	12.06	14.00	1.80%	682.06	136.41	818.00	
854	Inspection Charge up to £65,001 - £70,000	**	701.67	140.33	842.00	12.63	15.00	1.80%	714.30	142.86	857.00	
855	Inspection Charge up to £70,001 - £75,000	**	727.00	144.00	871.00	12.96	16.00	1.80%	732.96	146.59	880.00	

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
856	Inspection Charge up to £75,001 - £80,000	**	767.50	153.50	921.00	13.82	17.00	1.80%	781.32	156.26	938.00	
857	Inspection Charge up to £80,001 - £85,000	**	798.33	159.67	958.00	14.37	17.00	1.80%	812.70	162.54	975.00	
858	Inspection Charge up to £85,001 - £90,000	**	845.83	169.17	1,015.00	15.23	18.00	1.80%	861.06	172.21	1,033.00	
859	Inspection Charge up to £90,001 - £95,000	**	876.67	175.33	1,052.00	15.78	19.00	1.80%	892.45	178.49	1,071.00	
860	Inspection Charge up to £95,001 - £100,000	**	923.33	184.67	1,108.00	16.62	20.00	1.80%	939.95	187.99	1,128.00	
861	Building Notice up to £2,000	**	165.00	33.00	198.00	2.97	4.00	1.80%	167.97	33.59	202.00	
862	Building Notice up to £2,001 - £5,000	**	251.67	50.33	302.00	4.53	5.00	1.80%	256.20	51.24	307.00	
863	Building Notice up to £5,001 - £10,000	**	303.33	60.67	364.00	5.46	7.00	1.80%	308.79	61.76	371.00	
864	Building Notice up to £10,001 - £15,000	**	373.33	74.67	448.00	6.72	8.00	1.80%	380.05	76.01	456.00	
865	Building Notice up to £15,001 - £20,000	**	444.17	88.83	533.00	7.99	10.00	1.80%	452.16	90.43	543.00	
866	Building Notice up to £20,001 - £25,000	**	512.50	102.50	615.00	9.23	11.00	1.80%	521.73	104.35	626.00	
867	Building Notice up to £25,001 - £30,000	**	582.50	116.50	699.00	10.49	13.00	1.80%	592.99	118.60	712.00	
868	Building Notice up to £30,001 - £35,000	**	628.33	125.67	754.00	11.31	14.00	1.80%	639.64	127.93	768.00	
869	Building Notice up to £35,001 - £40,000	**	668.33	133.67	802.00	12.03	14.00	1.80%	680.36	136.07	816.00	
870	Building Notice up to £40,001 - £45,000	**	712.50	142.50	855.00	12.83	15.00	1.80%	725.33	145.07	870.00	
871	Building Notice up to £45,001 - £50,000	**	744.17	148.83	893.00	13.39	16.00	1.80%	757.56	151.51	909.00	Inflationary Increase and rounded
872	Building Notice up to £50,001 - £55,000	**	808.33	161.67	970.00	14.55	17.00	1.80%	822.88	164.58	987.00	
873	Building Notice up to £55,001 - £60,000	**	850.83	170.17	1021.00	15.32	18.00	1.80%	866.15	173.23	1,039.00	
874	Building Notice up to £60,001 - £65,000	**	892.50	178.50	1071.00	16.07	19.00	1.80%	908.57	181.71	1,090.00	
875	Building Notice up to £65,001 - £70,000	**	935.83	187.17	1,123.00	16.85	20.00	1.80%	952.68	190.54	1,143.00	
876	Building Notice up to £70,001 - £75,000	**	960.00	192.00	1,152.00	17.28	21.00	1.80%	977.28	195.46	1,173.00	
877	Building Notice up to £75,001 - £80,000	**	1022.50	204.50	1,227.00	18.41	22.00	1.80%	1,040.91	208.18	1,249.00	
878	Building Notice up to £80,001 - £85,000	**	1064.17	212.83	1,277.00	19.15	23.00	1.80%	1,083.32	216.66	1,300.00	
879	Building Notice up to £85,001 - £90,000	**	1,127.50	225.50	1,353.00	20.30	24.00	1.80%	1,147.80	229.56	1,377.00	
880	Building Notice up to £90,001 - £95,000	**	1,168.33	233.67	1,402.00	21.03	25.00	1.80%	1,189.36	237.87	1,427.00	
881	Building Notice up to £95,001 - £100,000	**	1,230.83	246.17	1,477.00	22.16	27.00	1.80%	1,252.99	250.60	1,504.00	
882	Regularisation Charge is 120% of Building Notice Charge	**										
<b>HMO Licensing</b>												
883	HMO - Standard Fee - Up to 5 Rooms	*	900.00	0.00	900.00	20.00	20.00	2.22%	920.00	0.00	920.00	
884	HMO - Standard Fee - Up to 6-10 Rooms	*	1,050.00	0.00	1,050.00	25.00	25.00	2.38%	1,075.00	0.00	1,075.00	
885	HMO - Standard Fee - 10+ Rooms	*	1,150.00	0.00	1,150.00	25.00	25.00	2.17%	1,175.00	0.00	1,175.00	
886	HMO - Assisting Applicants Complete Forms - Up to 5 Rooms (+ £7.50 per Room)	*	150.00	0.00	150.00	5.00	5.00	3.33%	155.00	0.00	155.00	Inflationary Increase and rounded
887	HMO - Assisting Applicants Complete Forms - 6-10 Rooms (+ £7.50 per Room)	*	160.00	0.00	160.00	5.00	5.00	3.13%	165.00	0.00	165.00	
888	HMO - Assisting Applicants Complete Forms - 10+ Rooms (+ £7.50 per Room)	*	171.00	0.00	171.00	4.00	4.00	2.34%	175.00	0.00	175.00	
889	HMO - Notice	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
<b>Discretionary Licensing</b>												
890	5 year Selective Private Rented Property Licence fee	*	506.00	0.00	506.00	9.00	9.00	1.78%	515.00	0.00	515.00	Inflationary Increase and rounded
891	5 year Additional Private Rented Property Licence fee	*	700.00	0.00	700.00	10.00	10.00	1.43%	710.00	0.00	710.00	
892	1 year Selective Private Rented Property Licence fee	*	506.00	0.00	506.00	9.00	9.00	1.78%	515.00	0.00	515.00	
893	1 year Additional Private Rented Property Licence fee	*	700.00	0.00	700.00	10.00	10.00	1.43%	710.00	0.00	710.00	
894	Change of licence from Selective PRP to Additional PRP	*	300.00	0.00	300.00					0.00	0.00	
<b>Housing Act 2004</b>												
895	Improvement Notice	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	Inflationary Increase and rounded
896	Prohibition Order	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
897	Hazard Awareness Notice	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
898	Emergency Remedial Action	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
899	Emergency Prohibition Order	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
900	Demolition Order	*	490.00	0.00	490.00	10.00	10.00	2.04%	500.00	0.00	500.00	
<b>Planning</b>												
901	Planning Enforcement Notice compliance letter	*	203.00	0.00	203.00	3.65	4.00	1.80%	206.65	0.00	207.00	Inflationary Increase and rounded
902	Planning enforcement Condition Compliance letter	*	102.00	0.00	102.00	1.84	2.00	1.80%	103.84	0.00	104.00	
903	Planning enforcement approved plans confirmation letter	*	203.00	0.00	203.00	3.65	4.00	1.80%	206.65	0.00	207.00	

Negative

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service	2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change	
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
	<b>Highways</b>											
904	Skip Permits	*	50.00	0.00	50.00	0.90	1.00	1.80%	50.90	0.00	51.00	
905	Skip Company Annual Registration Admin Fee	*	270.00	0.00	270.00	4.86	5.00	1.80%	274.86	0.00	275.00	
906	Administration fee for processing skips without a permit	*	300.00	0.00	300.00	5.40	5.00	1.80%	305.40	0.00	305.00	
907	Materials (on Highway) licence	*	50.00	0.00	50.00	0.90	1.00	1.80%	50.90	0.00	51.00	
908	Crane licence - 3 Months	*	500.00	0.00	500.00	250.00	250.00	50.00%	750.00	0.00	750.00	Recommend this is increased to £750 per 3 month period to be closer to charges by other Authorities.
909	Mobile Crane / Cherry Picker licence - One day	*	100.00	0.00	100.00	50.00	50.00	50.00%	150.00	0.00	150.00	Recommend this is increased to £150 per day to be closer to charges by other Authorities.
910	Containers on the public highway	*	500.00	0.00	500.00	9.00	9.00	1.80%	509.00	0.00	509.00	
911	Scaffolding licence - 3 Months	*	500.00	0.00	500.00	250.00	250.00	50.00%	750.00	0.00	750.00	Recommend this is increased to £750 per 3 month period to be closer to charges by other Authorities.
912	Scaffolding licence per linear metre of highway occupied	*	20.00	0.00	20.00	0.36	0.00	1.80%	20.36	0.00	20.00	
913	Hoarding licence	*	500.00	0.00	500.00	250.00	250.00	50.00%	750.00	0.00	750.00	Recommend this is increased to £750 per 3 month period to be closer to charges by other Authorities.
914	Hoarding licence per 10 linear metres of highway occupied	*	50.00	0.00	50.00	0.90	1.00	1.80%	50.90	0.00	51.00	
915	Section 50 NRSWA licence	*	500.00	0.00	500.00	100.00	100.00	20.00%	600.00	0.00	600.00	Recommend this is increased to £600 to be closer to other Authorities.
916	Unplanned Road closures (max 21 days)	*	1,600.00	0.00	1,600.00	50.00	50.00	3.13%	1,650.00	0.00	1,650.00	Round up to £1650
917	Footway Crossing Application fee	*	152.00	0.00	152.00	2.74	3.00	1.80%	154.74	0.00	155.00	
918	Footway Crossing Administration Fee	*	310.00	0.00	310.00	5.58	6.00	1.80%	315.58	0.00	316.00	
919	White Lines for demarking domestic foot path crossings	*	50.00	0.00	50.00	50.00	50.00	100.00%	100.00	0.00	100.00	Increase to £100 as current cost does not cover cost of works and administration
920	Traffic Management Order - Experimental	*	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	
921	Traffic Management Order - Temporary	*	3,000.00	0.00	3,000.00	0.00	0.00	0.00%	3,000.00	0.00	3,000.00	
922	Traffic Management Order - Permanent	*	3,500.00	0.00	3,500.00	0.00	0.00	0.00%	3,500.00	0.00	3,500.00	
	<b>Street Works Permit Scheme Charges (LoPS)</b>											
923	Road Category 0,1,2 & Traffic Sensitive - PAA for Major Works	*	105.00	0.00	105.00	1.89	2.00	1.80%	106.89	0.00	107.00	
924	Road Category 0,1,2 & Traffic Sensitive - Permit for Major Works	*	240.00	0.00	240.00	4.32	4.00	1.80%	244.32	0.00	244.00	
925	Road Category 0,1,2 & Traffic Sensitive - Permit for Standard Works	*	130.00	0.00	130.00	2.34	2.00	1.80%	132.34	0.00	132.00	
926	Road Category 0,1,2 & Traffic Sensitive - Permit for Minor Works	*	65.00	0.00	65.00	1.17	1.00	1.80%	66.17	0.00	66.00	
927	Road Category 0,1,2 & Traffic Sensitive - Permit for Immediate Works	*	60.00	0.00	60.00	1.08	1.00	1.80%	61.08	0.00	61.00	
928	Road Category 0,1,2 & Traffic Sensitive - Permit Variation	*	45.00	0.00	45.00	0.81	1.00	1.80%	45.81	0.00	46.00	
929	Road Category 3 & 4 non Traffic Sensitive - PAA for Major Works	*	75.00	0.00	75.00	1.35	1.00	1.80%	76.35	0.00	76.00	
930	Road Category 3 & 4 non Traffic Sensitive - Permit for Major Works	*	150.00	0.00	150.00	2.70	3.00	1.80%	152.70	0.00	153.00	
931	Road Category 3 & 4 non Traffic Sensitive - Permit for Standard Works	*	75.00	0.00	75.00	1.35	1.00	1.80%	76.35	0.00	76.00	
932	Road Category 3 & 4 non Traffic Sensitive - Permit for Minor Works	*	45.00	0.00	45.00	0.81	1.00	1.80%	45.81	0.00	46.00	
933	Road Category 3 & 4 non Traffic Sensitive - Permit for Immediate Works	*	40.00	0.00	40.00	0.72	1.00	1.80%	40.72	0.00	41.00	
934	Road Category 3 & 4 non Traffic Sensitive - Permit Variation	*	35.00	0.00	35.00	0.63	1.00	1.80%	35.63	0.00	36.00	
935	Abandoned vehicles - investigation charge	*	75.00	0.00	75.00					0.00	0.00	
	<b>DIRECT SERVICES</b>											
	<b>Pest Control</b>											
936	Pest Control - insects - Low Income Rate	**	55.00	11.00	66.00	2.69	3.23	4.89%	57.69	11.54	69.23	
937	Pest Control - insects - Standard rate	**	110.00	22.00	132.00	(21.77)	(26.12)	-19.79%	88.23	17.65	105.88	
938	Pest Control - insects - Commercial rate	**	160.00	32.00	192.00	(42.93)	(51.52)	-26.83%	117.07	23.41	140.48	
939	Pest Control - Squirrels per trap per week - Low Income Rate	**	69.17	13.83	83.00	1.24	1.49	1.80%	70.41	14.08	84.49	
940	Pest Control - Squirrels per trap per week - Standard rate	**	139.17	27.83	167.00	2.50	3.00	1.80%	141.67	28.33	170.00	
941	Pest Control - Squirrels per trap per week - Commercial rate	**	210.83	42.17	253.00	3.80	4.56	1.80%	214.63	42.93	257.56	
942	Pest control - Pigeon Survey Only - Low Income Rate	**	41.67	8.33	50.00	16.02	19.23	38.46%	57.69	11.54	69.23	
943	Pest control - Pigeon Survey Only - Standard rate	**	82.50	16.50	99.00	5.73	6.88	6.95%	88.23	17.65	105.88	
944	Pest control - Pigeon Survey Only - Commercial rate	**	115.00	23.00	138.00	2.07	2.48	1.80%	117.07	23.41	140.48	
945	Pest control - Mice - Low Income rate	**	41.67	8.33	50.00	16.02	19.23	38.46%	57.69	11.54	69.23	
946	Pest control - Mice - Standard rate	**	82.50	16.50	99.00	5.73	6.88	6.95%	88.23	17.65	105.88	
947	Pest control - Mice - Commercial rate	**	115.00	23.00	138.00	2.07	2.48	1.80%	117.07	23.41	140.48	
948	Pest Control - wasps - Low Income Rate	**	41.67	8.33	50.00	16.02	19.23	38.46%	57.69	11.54	69.23	
949	Pest Control - wasps - Standard rate	**	82.50	16.50	99.00	5.73	6.88	6.95%	88.23	17.65	105.88	
950	Pest Control - wasps - Commercial rate	**	115.00	23.00	138.00	2.07	2.48	1.80%	117.07	23.41	140.48	

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
951	Pest Control - Fleas - Low Income Rate	**	50.00	10.00	60.00	23.81	28.57	47.62%	73.81	14.76	88.57	Standardised fees and charges to become customer focused and straight forward in accordance with new digital booking system
952	Pest Control - Fleas - Standard rate	**	100.83	20.17	121.00	46.78	56.13	46.39%	147.61	29.52	177.13	
953	Pest Control - Fleas - Commercial rate	**	150.83	30.17	181.00	69.74	83.68	46.23%	220.57	44.11	264.68	
954	Pest control - Rats --Low Income Rate	**	56.67	11.33	68.00	1.02	1.23	1.80%	57.69	11.54	69.23	
955	Pest control - Rats - Standard rate	**	86.67	17.33	104.00	1.56	1.88	1.80%	88.23	17.65	105.88	
956	Pest control - Rats - Commercial rate	**	115.00	23.00	138.00	2.07	2.48	1.80%	117.07	23.41	140.48	
957	Pest control - Bedbugs - Low Income Rate	**	72.50	14.50	87.00	1.31	1.57	1.81%	73.81	14.76	88.57	
958	Pest control - Bedbugs - Standard rate	**	145.00	29.00	174.00	2.61	3.13	1.80%	147.61	29.52	177.13	
959	Pest control - Bedbugs - Commercial rate (up to 3 beds)	**	216.67	43.33	260.00	3.90	4.68	1.80%	220.57	44.11	264.68	
960	Pest control - Cockroaches - Low Income Rate	**	55.00	11.00	66.00	2.69	3.23	4.89%	57.69	11.54	69.23	
961	Pest control - Cockroaches - Standard rate	**	110.00	22.00	132.00	(21.77)	(26.12)	-19.79%	88.23	17.65	105.88	
962	Pest control - Cockroaches - Commercial rate	**	150.83	30.17	181.00	(33.76)	(40.52)	-22.38%	117.07	23.41	140.48	
963	Pest control - Pharaoh ants - Low Income Rate	**	55.00	11.00	66.00	2.69	3.23	4.89%	57.69	11.54	69.23	
964	Pest control - Pharaoh ants - Standard rate	**	110.00	22.00	132.00	(21.77)	(26.12)	-19.79%	88.23	17.65	105.88	
965	Pest control - Pharaoh ants - Commercial rate	**	160.00	32.00	192.00	(42.93)	(51.52)	-26.83%	117.07	23.41	140.48	
966	Pest control - Bedbugs - Extra charge per bedroom (over 3 beds) - Commercial rate	**	17.50	3.50	21.00	7.50	9.00	42.86%	25.00	5.00	30.00	
	Landlord Charge for Flat rate Pest Control Treatment (Max 3 rooms)								220.57	44.11	264.68	New charge for Landlord Forum
	<b>Refuse</b>											
967	Trade Refuse Collection - Refuse Sacks	*	5.20	0.00	5.20	0.09	(0.20)	1.73%	5.29	0.00	5.00	
968	Trade Refuse Collection - Euro or Paladin Bin Per Collection	*	25.00	0.00	25.00	0.45	0.00	1.80%	25.45	0.00	25.00	
969	Weekly Collection Charge per Bin - Charity Rate	*	16.00	0.00	16.00	0.29	0.00	1.81%	16.29	0.00	16.00	
970	Trade Refuse Collection - Euro or Paladin Bin Per Collection where there are more than six units on site	*	20.00	0.00	20.00	0.36	0.00	1.80%	20.36	0.00	20.00	
971	Trade Refuse Collection - Euro or Paladin Bin Annual rental	*	127.00	0.00	127.00	2.29	2.00	1.80%	129.29	0.00	129.00	Inflationary increase and rounded
972	9 Cubic yard Demountable container -Charge per Collection	*	262.00	0.00	262.00	4.72	5.00	1.80%	266.72	0.00	267.00	
973	9 Cubic yard Demountable container - Annual rental	*	867.00	0.00	867.00	15.61	16.00	1.80%	882.61	0.00	883.00	
974	Bulky Waste - Standard Service (Up to 4 items)	*	11.50	0.00	11.50	0.21	0.50	1.83%	11.71	0.00	12.00	
975	Bulky Waste - Standard Service (Additional Item)	*	4.40	0.00	4.40	0.08	(0.40)	1.82%	4.48	0.00	4.00	
	<b>Cemeteries</b>											
976	Grave fees - EROB - A Grade Traditional (50 years)	*	3,228.00	0.00	3,228.00	58.10	58.00	1.80%	3,286.10	0.00	3,286.00	Inflationary increase and rounded
977	Grave fees - EROB - B Grade Traditional (50 years)	*	3,040.00	0.00	3,040.00	54.72	55.00	1.80%	3,094.72	0.00	3,095.00	Inflationary increase and rounded
978	Grave fees - EROB - Muslim with mounded finish (50 years)	*							2,100.00	0.00	2,100.00	New fee for Chadell Heath Mounded Graves
979	Grave fees - EROB - Lawn (50 years)	*	1,545.00	0.00	1,545.00	27.81	28.00	1.80%	1,572.81	0.00	1,573.00	
980	Grave fees - EROB - Children's Corner (50 years) depth for one only	*	460.00	0.00	460.00	8.28	8.00	1.80%	468.28	0.00	468.00	
981	Grave fees - EROB - Ashes only grave in Garden of Rest (25 years)	*	341.00	0.00	341.00	6.14	6.00	1.80%	347.14	0.00	347.00	
982	Grave fees - EROB - Ashes only above ground vault (25 years)	*	1,432.00	0.00	1,432.00	25.78	26.00	1.80%	1,457.78	0.00	1,458.00	
983	Interment fees - Private Grave - Non-private Grave (excluding still-born)	*	960.00	0.00	960.00	17.28	17.00	1.80%	977.28	0.00	977.00	
984	Interment fees - Additional Charge per Casket	*	316.00	0.00	316.00	5.69	6.00	1.80%	321.69	0.00	322.00	Inflationary increase and rounded
985	Interment fees - Additional Charge per body over depth of two	*	161.00	0.00	161.00	2.90	3.00	1.80%	163.90	0.00	164.00	
986	Interment fees - Child in Non-private Grade (Aged between 3 weeks and 12 years)	*	169.00	0.00	169.00	3.04	3.00	1.80%	172.04	0.00	172.00	
987	Interment fees - Child up to the age of 12 years old in Children's Corner (depth for 1 only)	*	132.00	0.00	132.00	2.38	2.00	1.80%	134.38	0.00	134.00	
988	Interment fees - Still Born Babies & Children up to 3 weeks old	*	126.00	0.00	126.00	2.27	2.00	1.80%	128.27	0.00	128.00	
989	Additional fee for Saturday burial (AM only appointments, Direct to grave and subject to staff availability)	*							447.00	0.00	447.00	New fee for express service - Muslim Burial 24hrs
990	Cremated remains fees - Internment of child's cremated remains in Children's Corner	*	132.00	0.00	132.00	2.38	2.00	1.80%	134.38	0.00	134.00	
991	Cremated remains fees - Internment of cremated remains in Private Grave - Internment of cremated remains in Ashes Grave in Garden of Rest - Cremated remains in Garden of Rest and two line inscription in Book of Remembrance (ONLY)	*	202.00	0.00	202.00	3.64	4.00	1.80%	205.64	0.00	206.00	
992	Cremated remains fees - Each additional line in the Book of Remembrance	*	45.00	0.00	45.00	0.81	1.00	1.80%	45.81	0.00	46.00	
993	Cremated remains fees - Second Internment of cremated remains in "above ground vault".	*	85.00	0.00	85.00	1.53	2.00	1.80%	86.53	0.00	87.00	

Inflationary



APPENDIX A - Full list of Fees and Charges 2017/18

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Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
994	Memorial fees - Right to place memorial on lawn & non-lawn type grave - Right to place single or double memorial vase on any grave - Right to place memorial book or plaque on non-lawn type of grave - Right to add kerbs - landing	*	160.00	0.00	160.00	2.88	3.00	1.80%	162.88	0.00	163.00	Inflationary increase and rounded
995	Memorial fees - Provision of soil in kerb sets	*	75.00	0.00	75.00	1.35	1.00	1.80%	76.35	0.00	76.00	
996	Memorial fees - Adding inscription, levelling/straightening memorials, cleaning/restoration works	*	59.00	0.00	59.00	1.06	1.00	1.80%	60.06	0.00	60.00	
997	Use of Cemetery Chapel	*	104.00	0.00	104.00	1.87	2.00	1.80%	105.87	0.00	106.00	
998	Registration of declaration regarding Non-production of Registrar's Certificate	*	38.00	0.00	38.00	0.68	1.00	1.79%	38.68	0.00	39.00	
999	Transfer of Exclusive Right of Burial	*	38.00	0.00	38.00	0.68	1.00	1.79%	38.68	0.00	39.00	
1000	Family Trace (per named entry)	*	30.00	0.00	30.00	0.54	1.00	1.80%	30.54	0.00	31.00	
1001	Photocopies per A4 sheet	*	3.00	0.00	3.00	0.05	0.00	1.67%	3.05	0.00	3.00	
1002	Grounds Annual Maintenance - non-lawn type grave	*	145.00	0.00	145.00	2.61	3.00	1.80%	147.61	0.00	148.00	
1003	Grounds Annual Maintenance - lawn type grave	*	93.00	0.00	93.00	1.67	2.00	1.80%	94.67	0.00	95.00	
1004	Memorial Benches (Standard 6ft Hardwood Bench)	*	746.00	0.00	746.00	13.43	13.00	1.80%	759.43	0.00	759.00	
1005	Provision of Concrete Base onto which a bench can be placed	*	335.00	0.00	335.00	6.03	6.00	1.80%	341.03	0.00	341.00	
1006	Provision of Commemorative Plaque - Standard	*	73.00	0.00	73.00	1.31	1.00	1.79%	74.31	0.00	74.00	
1007	Provision of Commemorative Plaque - Large	*	85.00	0.00	85.00	1.53	2.00	1.80%	86.53	0.00	87.00	
1008	Provision of Memorial Tree - (8/10 Standard Sized)	*	192.00	0.00	192.00	3.46	3.00	1.80%	195.46	0.00	195.00	
1009	Provision of Memorial Tree Plaque	*	132.00	0.00	132.00	2.38	2.00	1.80%	134.38	0.00	134.00	
1010	Planter Plaque (10 yrs)	*	165.00	0.00	165.00	230.00	230.00	139.39%	395.00	0.00	395.00	
1011	Barbican - Memorial Plaque (10 Yrs)	*							395.00	0.00	395.00	
1012	Mushroom - Memorial Plaque (10 Yrs)	*							395.00	0.00	395.00	
1013	Scattering of Ashes within Scattering Landscaped Areas	*							98.00	0.00	98.00	
	<b>Pet Cemetery</b>											
1014	<b>Ashes - Pets</b>	*										
1015	Burial of Ashes	*							135.00	0.00	135.00	
1016	Scattering in landscaped gardens	*							98.00	0.00	98.00	
	<b>Burial - Pets</b>											
1017	Under 7kg - Size 1	*							195.00	0.00	195.00	
1018	7 - 20kg - Size 2	*							210.00	0.00	210.00	
1019	20 - 33kg - Size 3	*							225.00	0.00	225.00	
1020	33 - 50kg - Size 4	*							240.00	0.00	240.00	
1021	Over 50kg - Size 5	*							260.00	0.00	260.00	
1022	Biodegradable Coffin - Small	*							35.00	0.00	35.00	
1023	Biodegradable Coffin - Large	*							48.00	0.00	48.00	
1024		*										
	<b>Lease for Burial Options - Pets</b>											
1025	Memorial Plot Lease 10 years - Burial Only	*							220.00	0.00	220.00	
1026	Memorial Plot Lease 30 years - Burial Only	*							450.00	0.00	450.00	
	<b>Memorials - Pets</b>											
1027	Memorial shrub in Landscaped gardens	*							22.00	0.00	22.00	
1028	Natural Memorial within Landscaped gardens 15x12" with inscription upto 50 letters	*							240.00	0.00	240.00	
1029	Natural Headstone Supply and put in place	*							480.00	0.00	480.00	
1030	Inscription charge (per letter)	*							1.80	0.00	1.80	
1031		*										
1032	<b>Graffiti &amp; Deep Cleaning</b>	*										
1033	Graffiti & Deep Cleaning - First removal of graffiti - In Default (per sqm)	**	35.83	7.17	43.00	0.64	1.00	1.79%	36.47	7.29	44.00	Inflationary increase and rounded
1034	Graffiti & Deep Cleaning - Graffiti removal kit - Without Charter	**	17.50	3.50	21.00	0.32	0.00	1.83%	17.82	3.56	21.00	
	<b>Fleet Department</b>											
1035	Driving Assessments.	*	66.00	0.00	66.00	1.19	1.00	1.80%	67.19	0.00	67.00	
1036	Vehicle Hire w/ Driver - 20 Seat Wheel chair accessible mini coach (£35 Per Hour + 35p Per Mile)	*	38.00	0.00	38.00	0.68	1.00	1.79%	38.68	0.00	39.00	

New charges in line with Cemetery Cabinet report Sept 2016

APPENDIX A - Full list of Fees and Charges 2017/18

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Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
1037	Vehicle Hire w/ Driver - 16 Seat Wheel chair accessible minibus (£30 Per Hour + 30p Per Mile)	*	33.00	0.00	33.00	0.59	1.00	1.79%	33.59	0.00	34.00	Inflationary increase and rounded
1038	Vehicle Hire w/ Driver - 16 Seat minibus - (£30 Per Hour + 25p Per Mile)	*	33.00	0.00	33.00	0.59	1.00	1.79%	33.59	0.00	34.00	
1039	Driver CPC Training	*	73.35	0.00	73.35	1.32	1.65	1.80%	74.67	0.00	75.00	
1040	Private MOT Class IV	*	40.00	0.00	40.00	0.72	1.00	1.80%	40.72	0.00	41.00	
1041	Private MOT Class V	*	50.00	0.00	50.00	0.90	1.00	1.80%	50.90	0.00	51.00	
						0.00	0.00	0.00%	0.00		0.00	
						0.00	0.00	0.00%	0.00		0.00	
						0.00	0.00	0.00%	0.00		0.00	
	<b>General Housing</b>											
1042	Eastbrookend - Travellers caravan site Weekly Licence Charge - Single Pitch	*	75.20	0.00	75.20	1.35	1.80	1.80%	76.55	0.00	77.00	
1043	Eastbrookend - Travellers caravan site Weekly Licence Charge - Double Pitch	*	192.60	0.00	192.60	3.47	3.40	1.80%	196.07	0.00	196.00	
	<b>Right To Buy (RTB)</b>											
1044	Repayment of Discount	*	187.00	0.00	187.00	3.37	3.00	1.80%	190.37	0.00	190.00	Inflationary Increase and rounded
1045	Deeds of Covenant/Rectification/Variation/Enforcement	*	993.80	0.00	993.80	17.89	18.20	1.80%	1,011.69	0.00	1,012.00	
1046	Licences	*	993.80	0.00	993.80	17.89	18.20	1.80%	1,011.69	0.00	1,012.00	
1047	Licences for Garden Land	*	468.10	0.00	468.10	8.43	8.90	1.80%	476.53	0.00	477.00	
1048	Sale of Garden Land	*	993.80	0.00	993.80	17.89	18.20	1.80%	1,011.69	0.00	1,012.00	
1049	Duplicate DS1/Replacement form 53	*	70.80	0.00	70.80	1.27	1.20	1.79%	72.07	0.00	72.00	
1050	Deed of Release	*	1,287.00	0.00	1,287.00	23.17	23.00	1.80%	1,310.17	0.00	1,310.00	
1051	Copy Transfer	*	128.40	0.00	128.40	2.31	2.60	1.80%	130.71	0.00	131.00	
1052	Notice of Assignment	*	175.90	0.00	175.90	3.17	3.10	1.80%	179.07	0.00	179.00	
1053	Notice of Mortgage -	*	175.90	0.00	175.90	3.17	3.10	1.80%	179.07	0.00	179.00	
1054	Notice of Sub-let	*	175.90	0.00	175.90	3.17	3.10	1.80%	179.07	0.00	179.00	
1055	Postponements	*	152.70	0.00	152.70	2.75	2.30	1.80%	155.45	0.00	155.00	
1056	Retrieval of file	*	35.40	0.00	35.40	0.64	0.60	1.81%	36.04	0.00	36.00	
1057	Duplicate Transfer/Lease (Unsealed)	*	81.90	0.00	81.90	1.47	1.10	1.79%	83.37	0.00	83.00	
1058	Duplicate Papers (Flats)	*	81.90	0.00	81.90	1.47	1.10	1.79%	83.37	0.00	83.00	
1059	Duplicate Papers (House)	*	58.60	0.00	58.60	1.05	1.40	1.79%	59.65	0.00	60.00	
1060	General Photocopy (Per sheet)	*	3.50	0.00	3.50	0.06	0.50	1.71%	3.56	0.00	4.00	
1061	Copy of S.125 (Landlord's Offer Notice)	*	35.40	0.00	35.40	0.64	0.60	1.81%	36.04	0.00	36.00	
1062	Certificate Of Compliance	*	88.00	0.00	88.00	1.58	2.00	1.80%	89.58	0.00	90.00	
1063	Buy Back of Council Lease	*	525.70	0.00	525.70	9.46	9.30	1.80%	535.16	0.00	535.00	
1064	Deed of Release - Front Garden Parking -	*	525.70	0.00	525.70	9.46	9.30	1.80%	535.16	0.00	535.00	
1065	Retrospective Consent (charged by Housing including VAT) -	**	351.30	70.30	421.60	6.32	7.40	1.80%	357.62	71.52	429.00	
1066	Lease holders Enquiries (including VAT)	**	351.30	70.30	421.60	6.32	7.40	1.80%	357.62	71.52	429.00	
						0.00	0.00	0.00%	0.00		0.00	
	<b>Registrars</b>											
1067	Nationality Checking Service Flat Charge per Document (All Ages)	**	45.83	9.17	55.00	0.00	0.00	0.00%	45.83	9.17	55.00	To remain competitive.
1068	Individual Citizenship Payments (Per Adult)	*	85.00	0.00	85.00	0.00	0.00	0.00%	85.00	0.00	85.00	Statutory
1069	Marriages/Civil Partnerships at Woodlands (Mon - Thurs)	*	130.00	0.00	130.00	6.00	6.00	4.62%	136.00	0.00	136.00	Allowing an increase under 5% round number reduces the need for change on site.
1070	Marriages/Civil Partnerships at Woodlands (Friday)	*	180.00	0.00	180.00	6.00	6.00	3.33%	186.00	0.00	186.00	Allowing an increase under 5% round number reduces the need for change on site.
1071	Marriages/Civil Partnerships at Woodlands (Saturday)	*	270.00	0.00	270.00	6.00	6.00	2.22%	276.00	0.00	276.00	Allowing an increase under 5% round number reduces the need for change on site.
1072	Marriages/Civil Partnerships at Woodlands (Sunday and Bank Holiday)	*	396.00	0.00	396.00	10.00	10.00	2.53%	406.00	0.00	406.00	Allowing an increase under 5% round number reduces the need for change on site.
1073	Marriages/Civil Partnerships at Approved Premises	*	340.00	0.00	340.00	26.00	26.00	7.65%	366.00	0.00	366.00	Incorrect increase last year.
1074	Marriages/Civil Partnerships at Approved Premises (Sundays)	*	400.00	0.00	400.00	6.00	6.00	1.50%	406.00	0.00	406.00	Allowing an increase under 5% round number reduces the need for change on site.
1075	Dusk Marriages (Late Fridays)	*	350.00	0.00	350.00	0.00	0.00	0.00%	350.00	0.00	350.00	To remain competitive.
1076	Non-Statutory Ceremonies (Renewal of Vows & Baby Naming) (Mon-Thurs)	**	108.33	21.67	130.00	5.00	6.00	4.62%	113.33	22.67	136.00	In line with same time period of ceremony as a wedding etc.
1077	Non-Statutory Ceremonies (Renewal of Vows & Baby Naming) (Fri)	**	150.00	30.00	180.00	5.00	6.00	3.33%	155.00	31.00	186.00	
1078	Non-Statutory Ceremonies (Renewal of Vows & Baby Naming) (Saturday)	**	225.00	45.00	270.00	5.00	6.00	2.22%	230.00	46.00	276.00	
1079	Non-Statutory Ceremonies (Renewal of Vows & Baby Naming) (Sunday)	**	333.33	66.67	400.00	0.00	0.00	0.00%	333.33	66.67	400.00	In line with same time period of ceremony as a wedding etc.
1080	Additional fee for all Bank Holidays, New Years Eve, Christmas Eve and Valentine's Day	*	80.00	0.00	80.00	5.00	5.00	6.25%	85.00	0.00	85.00	To remain competitive.
1081	Cancellation of ceremony / date change fee	*	35.00	0.00	35.00	0.00	0.00	0.00%	35.00	0.00	35.00	To remain competitive.
1082	Notice appointment booking fee	*	35.00	0.00	35.00	0.00	0.00	0.00%	35.00	0.00	35.00	To remain competitive.
1083	Non refundable wedding booking fee	*	110.00	0.00	110.00	0.00	0.00	0.00%	110.00	0.00	110.00	To remain competitive.

Page 14 of 14

APPENDIX A - Full list of Fees and Charges 2017/18

Not VATable \*

includes VAT \*\*

Ref	Description of Service		2016/17 Charge			Proposed Increase / (Decrease)			Proposed 2017/18 Charge			Rationale for fee change
			Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
1084	Application for place of Worship excluding the cost of advertisement	*	28.00	0.00	28.00	0.00	0.00	0.00%	28.00	0.00	28.00	To remain competitive.
1085	Application for place of marriage excluding cost of advertisement	*	125.00	0.00	125.00	0.00	0.00	0.00%	125.00	0.00	125.00	Statutory
1086	Application to be an Approved Premises- Non refundable application fee for 3 year approval excluding the cost of advertisement which is the responsibility of the applicant	*	750.00	0.00	750.00	0.00	0.00	0.00%	750.00	0.00	750.00	Statutory
1087	Application for an Approved Premises- Non refundable application for renewal excluding the cost of advertisement which is the responsibility of the applicant	*	750.00	0.00	750.00	0.00	0.00	0.00%	750.00	0.00	750.00	To remain competitive.
1088	Approved Premises- Fee for review by the Review Officer or Assembly following refusal	*	330.00	0.00	330.00	0.00	0.00	0.00%	330.00	0.00	330.00	To remain competitive.
1089	Web Casting for Civil Marriages	**	12.50	2.50	15.00	0.00	0.00	0.00%	12.50	2.50	15.00	To remain competitive.
1090	Non-Statutory services - commemorative certificate	**	12.50	2.50	15.00	0.00	0.00	0.00%	12.50	2.50	15.00	To remain competitive.
1091	Citizenship - Framed Certificate	**	16.67	3.33	20.00	0.00	0.00	0.00%	16.67	3.33	20.00	To remain competitive.
1092	Priority service for copy certificates issued same day	**	16.67	3.33	20.00	0.00	0.00	0.00%	16.67	3.33	20.00	To remain competitive.
1093	Marriage Rehearsals	**	33.33	6.67	40.00	0.00	0.00	0.00%	33.33	6.67	40.00	To remain competitive.
1094	Appointments for Marriage Notices outside of normal office hours	*	15.00	0.00	15.00	0.00	0.00	0.00%	15.00	0.00	15.00	To remain competitive.
1095	Birth/Death/Marriage General Search (historical search by public in indexes)	**	20.83	4.17	25.00	0.00	0.00	0.00%	20.83	4.17	25.00	To remain competitive.
1096	Marriage - historical searches (if copy not provided)	**	10.83	2.17	13.00	0.00	0.00	0.00%	10.83	2.17	13.00	To remain competitive.
1097	Copy full & short certificates (open)	*	4.00	0.00	4.00	0.00	0.00	0.00%	4.00	0.00	4.00	Statutory
1098	Copy full & short certificates (open) after day of registration	*	7.00	0.00	7.00	0.00	0.00	0.00%	7.00	0.00	7.00	Statutory
1099	Copy full certificates (closed)	*	10.00	0.00	10.00	0.00	0.00	0.00%	10.00	0.00	10.00	Statutory
1100	Copy short certificates (closed)	*	10.00	0.00	10.00	0.00	0.00	0.00%	10.00	0.00	10.00	Statutory
1101	Registrar Attendance at place of worship (includes stat certificate)	*	84.00	0.00	84.00	0.00	0.00	0.00%	84.00	0.00	84.00	Statutory
1102	Blue Badges	*	10.00	0.00	10.00	0.00	0.00	0.00%	10.00	0.00	10.00	Statutory
	<b>Barking &amp; Dagenham Direct</b>											
1103	Social Alarm Service - Charge per annum	**	208.33	41.67	250.00	0.00	0.00	0.00%	208.33	41.67	250.00	Reviewed 2 years ago.
	<b>Information Governance</b>											
1104	Data Protection Act subject access request fee	*	10.00	0.00	10.00	0.00	0.00	0.00%	10.00	0.00	10.00	Statutory
	<b>Court Costs</b>											
1105	Summonses - Council Tax	*	123.00	0.00	123.00	0.00	0.00	0.00%	123.00	0.00	123.00	Summonses costs (£3) remain unchanged. An increase in costs would result in greater pressure on taxpayers currently struggling to make payment.
1106	Summonses - NNDR	*	227.00	0.00	227.00	0.00	0.00	0.00%	227.00	0.00	227.00	Summons costs remain unchanged (£3). Revaluation in 2017 will result in further pressure on businesses
1107	Possessions	*	319.50	0.00	319.50	75.00	75.00	23.47%	394.50	0.00	394.50	Cost increased by Court service
1108	Evictions	*	110.00	0.00	110.00	11.00	11.00	10.00%	121.00	0.00	121.00	Cost increased by Court service
1109	Summonses - General Income	*	156.00	0.00	156.00	0.00	0.00	0.00%	156.00	0.00	156.00	Cost remains unchanged by Court service
1110	Charging Order - General Income	*	100.00	0.00	100.00	0.00	0.00	0.00%	100.00	0.00	100.00	Cost remains unchanged by Court service
1111	Judgement - Housing Benefit Overpayment	*	40.00	0.00	40.00	0.00	0.00	0.00%	40.00	0.00	40.00	Cost remains unchanged by Court service
1112	Charging Order - Housing Benefit Overpayment	*	100.00	0.00	100.00	0.00	0.00	0.00%	100.00	0.00	100.00	Cost remains unchanged by Court service

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**Appendix B - Fees and charges to be deleted from the 2016/17 schedule**

Description of Service	Current 2016/17 Charge Exclusive of VAT £	Reason for Deletion of Charge
<b>Library Service</b>		
Fax per sheet (where available)	1.50	No longer available at all libraries
Stationery - Headphones	1.50	No longer available at all libraries
<b>Heritage Services - Valence House</b>		
Archives & Local Studies Reprographics - Microfilm printout A4	0.42	Service no longer provided
<b>National Land Information Service</b>		
Copies of Searches	30.00	Service no longer used
<b>Allotments</b>		
Cost per acre of usable allotment land leased to Allotment Associations	113.33	All alotments now leased
<b>Controlled Parking Zone</b>		
Up to 30 mins Charge for CPZ and Ringo	0.80	
1 Hour Charge for CPZ and Ringo	1.10	
Up to 2hrs Charge for CPZ and Ringo	1.70	
<b>Barking Off Street Car Parking</b>		
Up to 1hr	1.33	
Up to 2hrs	2.25	
Up to 4hrs	5.42	
Up to 6hrs	9.50	
Over 6hrs	17.25	
<b>Barking On Street Parking</b>		
Up to 30 mins	0.90	
Up to 1hr	1.60	
Up to 2hrs	2.70	

**Appendix B - Fees and charges to be deleted from the 2016/17 schedule**

Description of Service	Current 2016/17 Charge Exclusive of VAT £	Reason for Deletion of Charge
Up to 3hrs	4.80	
<b><u>Barking Shopping Parades</u></b>		
Up to 1hr	0.30	
Up to 2hrs	0.80	
Up to 3hrs	2.20	
Up to 6hrs	7.50	
<b><u>Dagenham Off Street</u></b>		
Up to 2hrs	0.41	
Up to 4hrs	1.08	
Up to 6hrs	3.50	
Over 6hrs	7.50	
<b><u>Dagenham On Street Parking</u></b>		
Up to 2hrs	0.50	
Up to 4hrs	1.30	
Up to 6hrs	4.50	
<b><u>Dagenham Shopping Parades</u></b>		
Up to 2hrs	0.50	All parking charges reorganised
Up to 4hrs	1.40	
Up to 6hrs	4.50	
<b><u>Off-Street Pay &amp; Display Heathway Multi Storey Car Park</u></b>		
Up to 1 hour	0.50	

**Appendix B - Fees and charges to be deleted from the 2016/17 schedule**

Description of Service	Current 2016/17 Charge Exclusive of VAT £	Reason for Deletion of Charge
Up to 2 hours	1.17	
Up to 4 hours	2.25	
Up to 6 hours	4.25	
Over 6 hours	7.34	
Overnight parking (8 pm to 8 am)	3.75	
<b>Off-Street Pay &amp; Display London Road Multi Storey Car Park</b>		
Up to 1 hour	0.75	
Up to 2 hours	1.34	
Up to 4 hours	2.83	
Up to 6 hours	5.83	
Over 6 hours	10.83	
Overnight parking (8 pm to 8 am)	3.50	
<b>Administration fee - change/refund of permits</b>		
Administration fee - change/refund of permits	11.00	
<b>Off Street Parking Services</b>		
Associate permit (police, PCT, job centre plus) - annual	233.33	
Associate permit (police, PCT, job centre plus) - 6 months	127.50	
Associate permit (police, PCT, job centre plus) - 4 months	88.33	
Season tickets (Residents and businesses) (Annual) (6 am - 8 pm) - car parks	485.83	
Season tickets (Residents and businesses) (6 months) (6 am - 8 pm) - car parks	265.00	
Season tickets (Residents and businesses) (3 months) (6 am - 8 pm) - car parks	146.25	
Season tickets (24/7) (Residents and businesses) (Annual) - car parks	646.67	
Season tickets (24/7) (Residents and businesses) (6 months) - car parks	342.50	
Season tickets (24/7) (Residents and businesses) (3 months) - car parks	190.00	
Season tickets (overnight) (Annual) - car parks	165.83	

**Appendix B - Fees and charges to be deleted from the 2016/17 schedule**

Description of Service	Current 2016/17 Charge Exclusive of VAT £	Reason for Deletion of Charge
Season tickets (overnight) (6 months) - car parks	91.67	
Season tickets (overnight) (3 months) - car parks	50.00	
Staff Permits - Standard (Annual)	269.38	
Staff Permits - Priority (Annual)	458.33	
Staff Permits - Day (20 Half-Day Permits)	8.58	
<b><u>Highways</u></b>		
Footway Crossing Pre-Application Fee	30.00	No Longer Applicable



**CABINET****15 November 2016**

<b>Title:</b> Public Spaces Protection Orders - Application and Use	
<b>Report of the Cabinet Member for</b> Enforcement and Community Safety	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Jonathon Toy, Enforcement Services	<b>Contact Details:</b> Tel: 020 8227 3683 E-mail: Jonathon.toy@lbbd.gov.uk
<b>Accountable Director:</b> Jonathon Toy Operational Director, Enforcement Services	
<b>Accountable Strategic Director:</b> Claire Symonds, Strategic Director of Customer, Commercial and Service Delivery	
<p><b>Summary:</b></p> <p>This report seeks Cabinet approval of a framework for the Council's approach to adopting Public Spaces Protection Orders.</p> <p>Public Spaces Protection Orders, as set out in the Anti Social Behaviour Crime and Policing Act 2014, are orders that place restrictions on specific activities in an area with the aim of preventing those activities having a detrimental effect of the quality of life of those in the locality.</p> <p>Council officers have been looking at a number of areas and activities where a Public Space Protection Order would have positive effective in addressing anti-social behaviour and enviro-crime issues. The expectation is that these orders can be used as an effective enforcement mechanism to support behaviour change.</p> <p>The report sets out a Council-wide approach to Public Places Protection Orders, including the approval of such orders by the lead Strategic Directors following consultation with, amongst others, the Community Safety Partnership Board.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Approve the framework for approving Public Spaces Protection Orders as set out in the report; and</li> <li>(ii) Delegated authority to Strategic Directors to approve the formal adoption of Public Spaces Protection Orders.</li> </ul>	

## Reason(s)

1. To ensure that the Council has a consistent approach to Public Spaces Protection Orders.
2. To enable the council and its partners to implement Public Spaces Protection Orders swiftly to the benefit of local residents

## 1. Introduction and Background

- 1.1 The Anti Social Behaviour Crime and Policing Act 2014 set out a number of fundamental changes to the legislation related to anti social behaviour.
- 1.2 In summary the act aimed to simplify the legislation related to addressing anti social behaviour, since the introduction of the Crime and Disorder Act 1998, by reducing the numbers of powers to just six:-
  - Civil Injunctions
  - Criminal Behaviour Orders
  - Community Protection Notices
  - Closure Orders
  - Public Space Protection Orders and
  - Dispersal Powers
- 1.3 The introduction of Public Spaces Protection Orders brings to an end a range of area based control orders such as Dog Control Orders and Designated Public Places Orders. Where these types of area-based controls are in place, they will come to an end no later than 2 years from the introduction of the above act.
- 1.4 A local authority can make a Public Spaces Protection Order if it is satisfied that two conditions are met:-
  - First condition – Activities carried out on a public place within the local authority's area have had a detrimental effect on the quality of life of those in the locality, or it is likely that activities will be carried on in a public place within that area and they will have such an effect.
  - Second condition – That the effect of the specified activities is or is likely to be of a persistent or continuing nature, is or is likely to be unreasonable and justifies the restrictions imposed by the notice.
- 1.5 The order identifies the area that the restriction applies and prohibits specific things from being done, and/or requires specific things to be done by persons carrying out specified acts in that area. For example a Public Space Protection Order can include such activities as:-
  - Drinking alcohol in a specified public place
  - Control of dogs in a specified public place
  - Playing loud music in a specified public place
  - Parking inconsiderately near a school
  - Persistent disturbance from motor vehicles driving inconsiderately to the

detriment of local people

- 1.6 The breach of the order is an offence, discharged by the local authority through a fine. These will be issued through the Council's Enforcement Service.
- 1.7 The order is for a period of no more than three years. However there is provision to extend the order, both in terms of the time period and the area that it covers.
- 1.8 A number of Local Authorities across England and Wales have introduced Public Spaces Protection Orders. However, one of the key challenges has come from human rights campaigners who argue that these types of controls impact disproportionately on protected rights. These include Article 8 - the right to a private and family life, Article 10 - the right to freedom of expression and Article 11 - the freedom of assembly and association.

## **2. Proposal and Issues**

- 2.1 Barking and Dagenham is seeing significant changes socially, economically and demographically. These changes both increase opportunity for existing and future residents and businesses but also increase the risk of behaviour that can have a detrimental effect on the quality of life in the Borough's town centres and residential areas.
- 2.2 Public Space Protection Orders provide a valuable tool by placing a framework in an area which controls behaviour which has been evidenced as a significant nuisance to local people. As such, Public Space Protection Orders are a key part of enforcement activity, as set out in the Council's Enforcement Policy. They support the aim to change behaviour and increase civic pride, alongside an ability to deal with matters quickly.
- 2.3 Public Spaces Protection Orders are a useful tool that provides the Council with the ability to control activities that cause persistent anti-social behaviour to local communities.
- 2.4 A number of Council services have been looking at the possibility of introducing these orders for a range of different issues, across different areas of the borough. This includes street drinking, dog fouling and racing of motor vehicles.
- 2.5 At present there is no formalised Council approach for the introduction of such an order. This could result in an inconsistency and challenges against the council.
- 2.6 The process that a Local Authority must follow for approving Public Space Protection Orders can be quite time consuming and has been known to exceed six months in some cases, which has prevented councils and their partner agencies being in a position to move swiftly on emerging issues. This is known to be a concern for residents, councillors and partner agencies, particularly where the anti social behaviour or enviro-crime has such a significant impact on local communities that it effects people's daily lives.
- 2.7 To ensure that Barking and Dagenham has a robust and responsive process that minimises delay, it is proposed that the following principles in relation to the Introduction of a Public Spaces Protection Order:

- Principle 1 – for an application for a Public Spaces Protection Order, there needs to be a clear evidence base that the nuisance is a persistent nuisance in the defined area. Evidence will need to be gathered through statistical data and/or resident’s survey feedback to demonstrate this.
- Principle 2 – There needs to be a period of consultation of no less than one month prior to the creation of an Order. Consultation must include council and partnership services as well and the public, specific interested bodies and ward councillors. This will take place through a range of communication sources, including the council’s Community and Voluntary Sector portal, Safer Neighbourhood Ward Panels and Public Notices.
- Principle 3 – The Public Spaces Protection Order must be supported by the Police. In addition the Public Spaces Protection Order must be endorsed by the LBBD Community Safety Partnership (CSP) Board. The membership includes the relevant Cabinet Member and senior representatives from the 6 co-operating authorities: the Local Authority, Police Service, NHS, National Probation Service, Fire Authority and Transport for London. The CSP Board meetings are open to the public, enabling public participation. The CSP Board would also be responsible for review applications.
- Principle 4 – The final report seeking formal adoption of a Public Spaces Protection Order must be signed off by the relevant Strategic Director and the Director of Law and Governance, or their authorised nominees. That final report must include consideration of the Human Rights convention in adoption and be accompanied by an Equality Impact Assessment.
- Principle 5 – Once adopted there must be signage around the area defined by the Public Spaces Protection Order, clearly identifying the order and the relevant restrictions.

2.8 Public Space Protection Orders are one of a number of tools available to the council and its partner agencies for addressing anti social behaviour that affects the quality of life of local communities. These include injunctions, dispersal powers, fines and prosecutions. The council can use these powers during the period of consultation and prior to the introduction of a Public Space Protection Order, to provide a short term respite or remedy.

2.9 Following endorsement of the Public Spaces Protection Order by the relevant bodies as set out above, it is proposed that the adoption will be formally signed off by the relevant Strategic Director under delegated authority from the Cabinet.

### **3. Options Appraisal**

3.1 The Council should have a formal process in place for dealing with Public Spaces Protection Orders. The recommended option is considered to represent the best balance for dealing with enviro-crime or anti-social behaviour issues in a structured and responsive manner while ensuring that proper consultation with the local community and relevant authorities takes place to ensure a balanced and fair approach. Alternative options are as follows:-

- To continue with the current position where different departments continue to consider and develop orders. Whilst there is a cross referencing process through the current governance and constitutional arrangements, these processes are at the latter stages of the development of an order. As a result the opportunity for duplication and potential costs to the council will exist.
- Apply the 5 principles that are set out above and require formal approval of an Order to be made by the Cabinet, instead of the authority being delegated to a Strategic Director. This could result in unnecessary delays in the implementation of an Order.

3.2 In consideration of the above proposals, it is proposed that the recommendations of the report provides the Council with a clear framework for Public Spaces Protection Orders, whilst ensuring the authority for final approval enables a swift introduction of the controls.

#### **4. Consultation**

4.1 The Community Safety Partnership team in the Council has been consulted, along with Legal Services.

4.2 Consultation has taken place with the senior representatives of the Police who support the approach.

4.3 It is intended that there will be ongoing consultation with residents, interested parties and internal Council departments in relation to any application for a Public Spaces Protection Order, as set out in Principle 2 above.

#### **5. Financial Implications**

Implications completed by: Katherine Heffernan, Finance Group Manager

5.1 This report seeks to formalise the Council's approach to Public Space Protection Orders. There is no specific funding available for this work and so any costs of implementing such orders must be met from within the resources of the Council services involved.

#### **6. Legal Implications**

Implications completed by: Chris Pickering, Principal Solicitor

6.1 The Anti Social Behaviour Crime and Policing Act 2014 and associated guidance sets out a series of requirements for introducing PSPOs and the policy for their adoption. As noted in the report, the process for adoption of PSPOs will be done in conjunction with Legal Services and follow a programme of full consultation.

#### **7. Other Implications**

7.1 **Crime and Disorder Issues** - The proposals in this report are fully supportive of section 17 of the Crime and Disorder Act.

7.2 **Environmental Issues** - There are no direct implications in adopting the enforcement policy and minimal environmental impact from adoption of the policy

itself. However successful application of the policy will assist in delivering efficient regulation which may reduce environmental damage, and ensure that resources are targeted where there is most significant environmental harm.

- 7.3 **Risk Management** - The proposals will ensure that the public continue to have a number of avenues for involvement in the process prior to any determination.
- 7.4 **Corporate Policy and Customer Impact** - A screening for the equalities impact assessment has been carried out on the effect of the policy. The policy has low relevance in relation to its impact on the areas under the statutory duties contained in the equalities impact assessment, but contributes towards the corporate priorities of the council, open and transparent decision making.

The Council, when taking decisions in relations to any of its functions, must comply with its public sector equality duty as set out in S149 of the Equality Act 2010 (Act).

An Equality Impact Assessment will need to be carried out for any application for a Public Space Protection Order. No order will be approved without an Equality Impact Assessment having been completed.

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

**List of Appendices:** None

**CABINET****15 November 2016**

<b>Title:</b> Establishment of the Barking and Dagenham Delivery Partnership (BDDP)	
<b>Report of the Cabinet Member for Community Leadership and Engagement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Sal Asghar Interim Strategy and Performance Manager	<b>Contact Details:</b> Tel: 020 8227 3734 E-mail: <a href="mailto:salauoddin.asghar@lbbd.gov.uk">salauoddin.asghar@lbbd.gov.uk</a>
<b>Accountable Director:</b> Tom Hook, Strategy and Programmes Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director for Finance and Investment	
<b>Summary</b>	
<p>The recent Growth Commission report confirmed that delivery of the Council's vision for the borough is a joint effort and not something the Council can achieve on its own. Everyone needs to play their part to ensure the vision is clearly articulated and delivered.</p> <p>In order to achieve this, the Council has embarked upon two related projects which respond to some of the recommendations made by the Commission. The first is to develop a Borough Manifesto setting out the 20-year vision for the borough. The draft manifesto is currently out for a 12-week public consultation ending on 31 October. Findings from the consultation will inform the development of the manifesto.</p> <p>The second is to establish a partnership arrangement comprising all key partners which will collectively be responsible for providing oversight, direction, and leadership in order for the borough to achieve its aspirations. To achieve this, the Council propose to establish a Barking and Dagenham Delivery Partnership (BDDP) which will own and deliver key strategic priorities for the borough. The partnership will be a consultative forum and all decisions will continue to be made through existing decision-making forums.</p>	
<b>Recommendation(s)</b>	
Cabinet is recommended to agree to the establishment of the Barking and Dagenham Delivery Partnership (BDDP) on the terms set out in the report.	
<b>Reason(s)</b>	
The Barking and Dagenham Delivery Partnership (BDDP) is a key part of enabling the Council to deliver the vision and priorities through ensuring partners are all involved and lead the process. As recommended by the Growth Commission, ensuring everyone plays their part in the delivery of the vision will be key to success.	

## 1 Introduction

- 1.1 The delivery of the Council's vision and ambition requires a reinvigorated approach to partnership working. The Growth Commission stated:

*'The Council cannot act alone and if that new agenda is to be as successful as it has the potential to be, it will be critical that it engages business, the community and other stakeholders' and 'the burden of fulfilling the vision will be borne by those best placed to do so, with.... each playing an appropriate leading role'.*

The importance of strong partnership working with stakeholders in the future of the borough was a key recommendation of the Growth Commission and one which the Council is keen to ensure is delivered. A good relationship is crucial if the scale of the transformation and growth planned for the borough is to be delivered.

- 1.2 The borough has always worked in partnership with businesses, voluntary and community organisations, other relevant organisations and its residents. Partners regularly come together in many forums and at many levels to work collectively to achieve the best for the area. Consideration however needs to be given to re-establishing an overarching partnership building upon existing structures. To this end, it is proposed that an overarching partnership called the Barking and Dagenham Delivery Partnership (BDDP) be created.
- 1.3 There are a number of existing partnerships which are responsible for delivery in certain areas. These will continue to operate in their existing form with the proposed BDDP sitting on top as the overarching partnership forum. The new overarching partnership will be a consultative forum and unlike other Boards such as the Health and Wellbeing Board, will not have any formal decision making authority. Formal decisions will continue to be made through existing forums. Key existing thematic partnerships in the borough include:
- Health and Wellbeing Board
  - Community Safety Partnership
  - Children's Trust
  - Safeguarding Children's Board
  - Safeguarding Adults Board
  - Employability Partnership
  - Cultural Partnership
- These will continue to operate as they do with no changes proposed to them.
- 1.4 The Chief Executive chaired a meeting with key partners in September. This meeting provided an update to partners on progress on the transformation plans and the Borough Manifesto. The appetite for setting up the BDDP was also discussed along with draft terms of reference. All partners present supported the need for an overarching partnership. There was consensus that a meeting of key partners would help deliver the plans for the borough and would provide a mechanism to ensure collective leadership in realising the vision.
- 1.5 It is proposed that once established, the first meeting of the BDDP will take place in December. The partnership will receive an update on the Borough Manifesto development and will provide input before it is agreed for presentation at Cabinet.



## **2 Aims and Objectives of the BDDP**

2.1 As mentioned above at a meeting with our partners in September, the terms of reference for the proposed BDDP were considered. Partners supported the need for the partnership and agreed the draft terms of reference. The section below sets out what partners felt should be the aims and objectives of the new partnership. BDDP will be established to achieve delivery of key strategic local priorities.

### **2.2 Aim:**

- To own and deliver the key strategic priorities of the borough as articulated through the Borough Manifesto

### **2.3 Objectives:**

- Develop a single vision for the Borough
- Commit to an outcomes framework through to 2035 to which partners work - 'The Borough Manifesto'
- Create a mechanism to allow for debate of key issues
- To enable partners to comment, constructively challenge and share ideas, knowledge and expertise

### **2.4 The partnership will:**

- Ensure the delivery of the Borough Manifesto
- Act as a lead body for implementation of change in the borough
- Commit to joint working and joint delivery
- Be transparent and accountable to local people
- Promote networking and sharing of ideas
- Serve as a means of communication to wider organisations and the public.

2.5 Where locally agreed priorities and targets conflict with parent organisations and / or Government Departments' priorities every effort will be made by the partnership to ensure that local priorities prevail.

## **3 Membership**

### **3.1 The partnership shall consist of:**

- London Borough of Barking & Dagenham
- BHRUT (Barking, Havering, Redbridge University Hospitals NHS Trust)
- NELFT (North East London Foundation Trust)
- CCG (Clinical Commissioning Group)
- Chamber of Commerce
- Metropolitan Police
- London Fire Brigade
- Barking and Dagenham College (BDC)
- University of East London (UEL)
- Coventry University
- Primary School representation
- Secondary School representation
- Third Sector representation – Council for Voluntary Service (CVS)

- Department for Work and Pensions (DWP)
- Cultural partnership
- Any other partners deemed necessary by the Chair

#### **4 Ways of working**

- 4.1 Invitations to the BDDP are to Chief Executive's. Substitutes of an appropriate level are welcome to attend meetings.
- 4.2 The Chair of the partnership will be the Deputy Leader of the Council/Cabinet Member for Community Leadership & Engagement. The Leader of the Council will also sit on the BDDP.
- 4.3 Meetings will be held quarterly in public with the notes and papers available on the Council's website. All papers will be open to Freedom of Information requests. Secretariat support will be provided corporately by LBBD.

#### **5 Monitoring delivery of the vision**

- 5.1 The BDDP will play a key role in monitoring delivery of the vision and priorities for the borough. The partnership will oversee the development and delivery of the Borough Manifesto. The partnership will receive progress reports and will collectively drive delivery of the vision ensuring those best placed to deliver do so with everyone playing their part.

#### **6 Consultation**

- 6.1 The proposed members of the partnership have been consulted and all support the creation of BDDP. The Cabinet Member for Community Leadership and Engagement has been consulted and will Chair the partnership.

#### **7 Financial Implications**

Implications completed by: Jonathan Bunt, Strategic Director of Finance and Investment

- 7.1 There are no specific financial implications as a result of this report. Members will not be expected to pay a membership fee nor will the partnership have any financial decision making authority. The cost of secretariat for meetings will be absorbed by the Council.

#### **8 Legal Implications**

Implications completed by: Dr. Paul Field, Senior Lawyer

- 8.1 The BDDP will be a consultative forum providing direction and input on delivery of the vision for the borough. The partnership will not have any formal decision making authority and therefore any decisions will continue to be made via existing established routes. Nevertheless it will play an important part in ensuring that local stakeholders are consulted during the development of policy and decision making.

## 9 Other Implications

- 9.1 **Risk Management** – There are no specific risks associated with this report. The establishment of BDDP will help the Council and partners manage risk associated with delivery of the vision and priorities as set out in the Borough Manifesto.
- 9.2 **Customer Impact** – The vision and priorities give a clear and consistent message to residents and partners in Barking and Dagenham about the Council’s role in place shaping and providing community leadership.
- 9.3 **Safeguarding Children** - The priority **Enabling social responsibility** encompasses activities to safeguard children in the borough and is delivered through the Local Safeguarding Children Board and Children’s Trust.
- 9.4 **Health Issues** - The priority **Enabling social responsibility** encompasses activities to support the prevention and resolution of health issues in the borough and is delivered through the Health and Wellbeing Board.
- 9.5 **Crime and Disorder Issues** - The priority **Encouraging civic pride** encompasses activities to tackle crime and disorder issues and will be delivered through the Community Safety Partnership.

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

**List of appendices:** None

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**CABINET****15 November 2016**

<b>Title:</b> Treasury Management Strategy Statement Mid-Year Review 2016/17	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> Yes
<b>Report Author:</b> David Dickinson, Group Manager Pensions and Treasury	<b>Contact Details:</b> Tel: 020 8227 2722 E-mail: <a href="mailto:david.dickinson@lbbd.gov.uk">david.dickinson@lbbd.gov.uk</a>
<b>Accountable Director:</b> Kathy Freeman, Finance Director	
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<p><b>Summary</b></p> <p>Regulation changes have placed greater onus on elected Members in respect of the review and scrutiny of treasury management policy and activities. This mid-year review report is important in that respect as it provides details of the mid-year position for treasury activities and highlights compliance with the Council's policies previously approved by the Assembly.</p> <p>The Assembly agreed the Treasury Management Strategy Statement for 2016/17 on 24 February 2016 which incorporated the Prudential Indicators. This report updates Members on treasury management activities in the current year.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is asked to recommend the Assembly to:</p> <ul style="list-style-type: none"> <li>(i) Note the Treasury Management Strategy Statement Mid-Year Review 2016/17;</li> <li>(ii) Note that the Council complied with all 2016/17 treasury management indicators during the first half of the 2016/17 financial year;</li> <li>(iii) Note that the value of investments as at 30 September 2016 totalled £259.0m;</li> <li>(iv) Note that the value of long-term borrowing as at 30 September 2016 totalled £454.9m, comprising market, PWLB and EIB loans; and</li> <li>(v) Note that the value of short term borrowing as at 30 September 2016 totalled £63.9m.</li> </ul>	

## **Reason(s)**

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

### **1. Introduction and Background**

- 1.1 The Council operates a balanced budget whereby cash raised during the year meets the Council's cash expenditure needs. Part of the treasury management operations is to ensure this cash flow is adequately planned, with surplus monies invested with counterparties of an appropriate level of risk, providing adequate liquidity before considering maximising investment return.
- 1.2 The second main function of treasury management is the funding of the Council's capital programme. These capital plans provide a guide to the Council's borrowing need, which is essentially the use of longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging loans, using cash flow surpluses or restructuring previously drawn debt to meet Council risk or cost objectives.
- 1.3 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) recommends the:
- (i) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management.
  - (ii) Creation and maintenance of Treasury Management Practices which set out the how the Council will seek to achieve those policies and objectives.
  - (iii) Receipt by the full council of an annual Treasury Management Strategy Statement, including the Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-Year Review Report and an Annual Report (stewardship report) covering activities during the previous year.
  - (iv) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
  - (v) Delegation by the Council to a specific named body, which for LBBDD is the Cabinet, to scrutinise the treasury management strategy and policies.
- 1.4 This mid-year report has been prepared in compliance with CIPFA's Code of practice on Treasury Management, and covers the following:
- 1. Economic Summary;
  - 2. Treasury Position at 30 September 2016;
  - 3. Debt Position as at 30 September 2016;
  - 4. Investment Portfolio 2016/17; and
  - 5. The Council's Capital Position (Prudential Indicators), including:
    - Prudential Indicator for Capital Expenditure
    - Changes to the Financing of the Capital Programme
    - Prudential Indicator – Capital Financing Requirement
    - Limits to Borrowing Activity.

## 2. Economic Update and Interest Rate Forecast

- 2.1 Throughout the first part of the financial year the economic data generally painted a picture of continued moderate growth with limited inflationary pressures. On 23 June 2016 the UK voted to leave the European Union, which shocked investment markets despite polls before the referendum suggesting that the vote could go either way.
- 2.2 The initial reactions in markets were pronounced: sterling fell dramatically, safe haven assets like government bonds rallied and equity markets were marked lower. Equity markets generally staged a recovery in the final days of the quarter, supported by expectations that interest rates would stay lower for longer.
- 2.3 The Bank of England (BOE) cut the Base Rate from 0.5% to 0.25% to try and reduce the impact of market volatility and due to the fact that the next political steps around Brexit lacked clarity. The BOE gave forward guidance that it expected to cut Base Rate again to near zero before the year end.
- 2.4 This cut directly reduced the interest rates on offer from financial institutions and from other Local Authorities. From an investment return point of view this will mean that the return target for the Council for 2017/18 and beyond will be more difficult to achieve. From a borrowing prospective the cost of borrowing is at a historical low and provides opportunities to fund capital spend where appropriate.
- 2.5 In the Eurozone, continued bond purchases by the ECB contributed to bond yields falling to record low levels. Meanwhile in the US, weak employment data released at the start of June saw the market re-price the likelihood of a Federal Reserve hike before the end of the year.
- 2.6 The Council's treasury advisor, Capita Asset Services (CAS) undertook a quarterly review of its interest rate forecasts after the Bank Rate cut. The forecast below includes a further cut to 0.10% in November 2016 and a first increase in May 2018, to 0.25%, but no further increase to 0.50% until a year later. The Monetary Policy Committee (MPC) is concerned about the impact of increases on heavily indebted consumers, especially if the growth in average disposable income is weak and could turn negative if inflation exceeds average pay increases over the next two years.

**Table 1: Interest Rate and PWLB forecasts**

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
<b>Bank rate</b>	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%
<b>5yr PWLB rate</b>	1.00%	1.00%	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.30%
<b>10yr PWLB rate</b>	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%	1.80%
<b>25yr PWLB rate</b>	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.60%
<b>50yr PWLB rate</b>	2.10%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.30%	2.30%	2.40%

### 3. Council Cash Position, Treasury Budget and Strategy Amendments

#### Council Cash Position

- 3.1 Table 2 details the Council's mid-year treasury position. Overall the Council's borrowing has increased from 31 March 2016 due to short-term borrowing positions and an additional £60m borrowed from the Public Works and Loan Board (PWLB). As a result, the average cost of borrowing has decreased. Investment balances remain elevated but the return has improved.

**Table 2: Council's Treasury Position at 30 September 2016**

	Principal Outstanding £000s	Rate of Return %	Average Life (yrs)
<b>General Fund Fixed Rate Borrowing</b>			
PWLB	60,000	2.52	46.2
Market Loans	119,000	2.66	32.9
Short Term Borrowing	63,948	0.32	0.2
<b>Total General Fund Debt</b>	<b>242,948</b>	<b>2.01</b>	<b>27.6</b>
<b>Housing Revenue Account Fixed Rate Borrowing</b>			
PWLB	265,912	3.50	39.3
Market Loans	10,000	3.98	61.7
<b>Total Housing Revenue Account Debt</b>	<b>275,912</b>	<b>3.51</b>	<b>40.1</b>
<b>Total Council Borrowing</b>	<b>518,860</b>	<b>2.81</b>	<b>34.25</b>
<b>Investments</b>			
Banks	188,218	1.33	0.91
Local Authorities	65,891	1.74	0.71
Other Investments	4,918	3.25	3.50
<b>Total Investments</b>	<b>259,027</b>	<b>1.43</b>	<b>0.90</b>

- 3.2 During the first half of the financial year the Council has used short term borrowing to cover a disconnect between financing of capital spend on schools and receiving the grant to fund this and to cover a prepayment to Elevate East London.

#### Treasury Budget Position

- 3.3 As part of the Council's savings proposals several revisions were made to the General Fund treasury budget for 2015/16 and 2016/17. The budget revisions resulted in **£4.6m** being removed from the Treasury budget. To achieve the interest income budget set, without taking significant risk, the treasury section has sought to increase the duration of a number of investments and make opportunistic investments as opportunities arise. Potential higher returns are weighed against the risk of locking in investments. In addition, at the July 2016 Assembly, Members approved the following changes in investment strategy:

- Increase the limit for Other UK Banks & Building Societies from £30m to £40m;
- Increase the Lloyds Banking Group limit from £50m to £65m; and
- Increase the limit for Property Investment from £15m to £20m.



- 3.4 Improved investment returns, higher than forecast cash balances, careful management of the Council's cash flow and its borrowing requirement has resulted in a forecast surplus of **£50k** in net interest against the revised budget for the General Fund. Table 3 summarises the 2016/17 budget, the forecast net interest and the variance between the 2016/17 budget and forecast.

**Table 3: 2016/17 Treasury Interest Budget Position**

Description	2016/17 Budget	2016/17 Forecast	Variance
	£000's	£000's	£000's
Interest Payable (excluding HRA)*	2,251	2,667	416
Net Interest to the General Fund*	(2,147)	(2,613)	(466)
<b>Net Interest Payable to GF</b>	<b>104</b>	<b>54</b>	<b>(50)</b>

\* interest is for the General Fund and excludes HRA, Schools and EIB interest

#### European Investment Bank Loan

- 3.5 In August 2014, Cabinet agreed to the regeneration of the Gascoigne Estate Phase 1 and Abbey Road and that financing of £89m would be provided by a loan from the European Investment Bank (EIB). This decision was ratified by the Assembly in September 2014. Cabinet also agreed that, given the low borrowing costs at the time, £2m from the Budget Support Reserve (BSR) would be made available to pay for interest costs in the development period. On 30 January 2015 £89m was borrowed from the EIB at a competitive rate of 2.21% for a duration of 30 years.
- 3.6 Table 4 below provides a summary of the likely costs that will be charged to the BSR in 2016/17 and 2017/18 as a result of borrowing the full £89m in advance.

**Table 4: 2016/17 EIB Borrowing Costs**

	2016/17	2017/18
Gross Interest (EIB)	1,964,230	1,964,230
Interest Income from Abbey Road 2	(569,000)	(569,000)
Interest from Cash Balance	(595,000)	(300,000)
Total Charge	800,000	1,069,000
Remaining Reserve Available	1,080,000	11,000

- 3.7 In addition to the interest repayment, capital repayments of £2.3m needs to be paid for 2016/17 and 2017/18. This will be partially funded by income from Abbey 2 and Gascoigne Phase 1. Where there is a shortfall, short term borrowing will be used to fund this. It is expected that sufficient income will be received from Gascoigne Estate Phase 2 and Abbey Road to cover the interest and capital repayments to the EIB in 2018/19.

#### 4. Debt Position at 30 September 2016

- 4.1 As part of the Ambition 2020 proposals, a strategy was agreed to increase the Council's income generating asset base and enable the Council to be an active participant in the growth opportunities within the borough but with a very clear focus on return. The target investment return expected, after all costs, is 5% based on £100m+ investment. The majority of the investment fund requires external

borrowing and a strategy of borrowing when costs are low was implemented in early 2016.

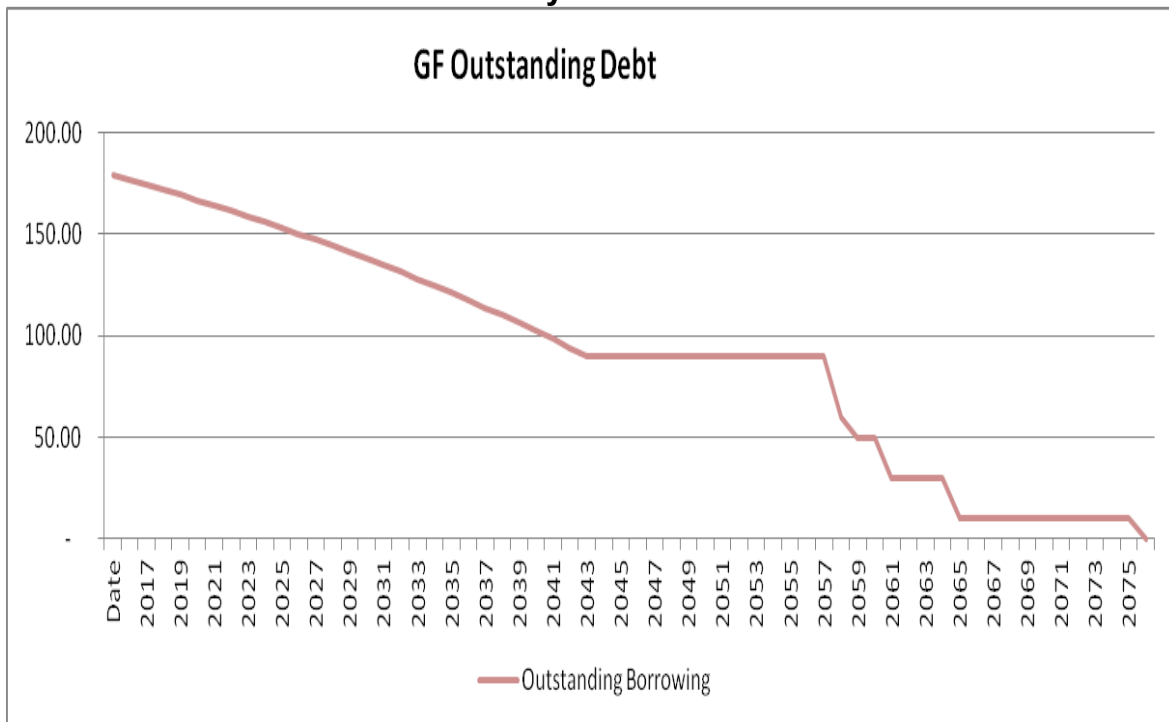
4.2 In June 2016, due to uncertainty over the referendum outcome, the cost of long term borrowing significantly reduced. As a result, the Strategic Director – Finance and Investments agreed to borrow £60m from the PWLB to fund the investment strategy. The actual borrowing is summarised below:

- On 09 June 2016, borrowed £20m at 2.72% with a 50 year maturity;
- On 14 June 2016, borrowed £10m at 2.65% with a 43.5 year maturity;
- On 28 June 2016, borrowed £10m at 2.49% with a 43.5 year maturity;
- On 29 June 2016, borrowed £10m at 2.38% with a 46 year maturity; and
- On 07 July 2016, borrowed £10m at 2.14% with a 46 year maturity.

4.3 The total General Fund borrowing, excluding short-term borrowing, is £179m at an average rate of 2.63%. The cost of the borrowing is included in the 2016/17 Treasury Interest Budget Position summarised in table 3. There is potential for further borrowing to be made should rates continue to remain low.

4.4 Although the size of the borrowing is significant, Members are asked to note that the EIB borrowing of £89m is an annuity repayment. This means that over the 30 years of the loan, a proportion will be repaid each year. The Council’s borrowing repayment is outlined in Chart 1 below and is based on the current General Fund borrowing position of £179m.

**Chart 1: General Fund Debt Maturity**



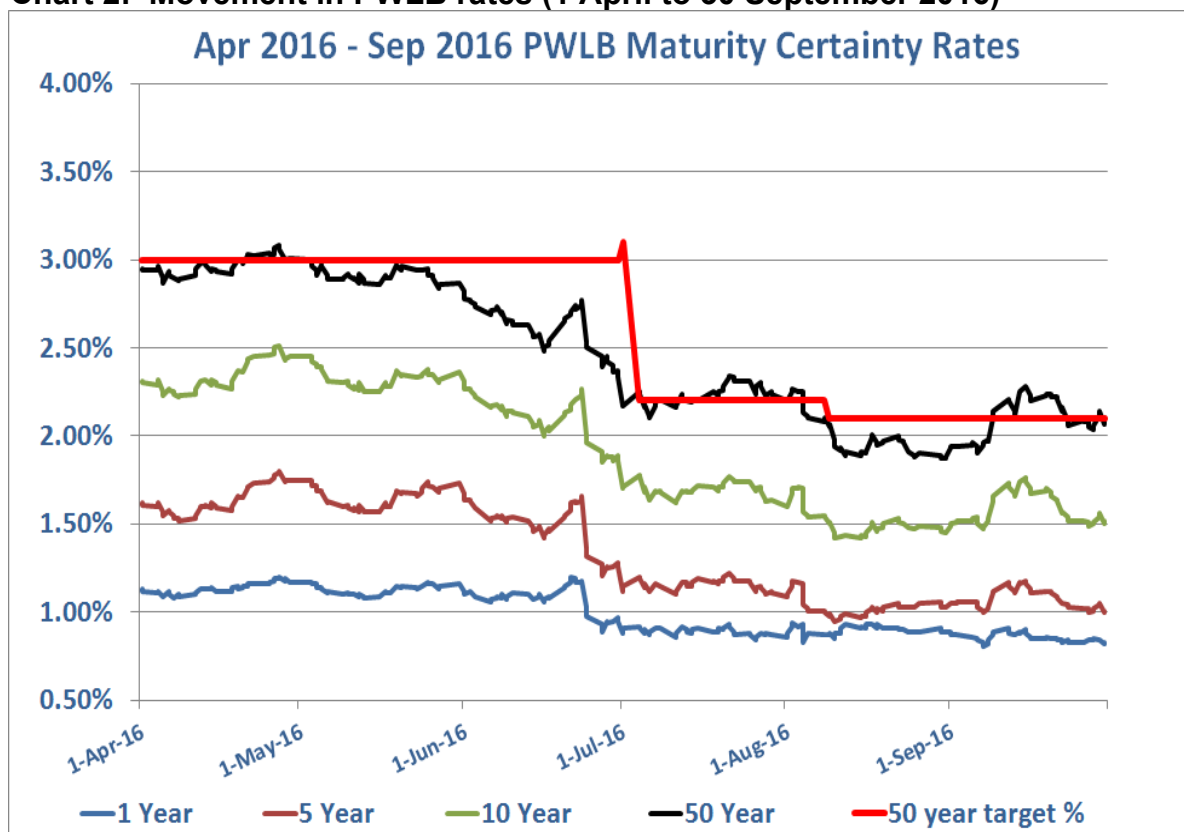
## Debt Repayment and Rescheduling

- 4.5 Debt rescheduling opportunities are limited in the current economic climate. No debt rescheduling or repayments were undertaken during the first six months of the financial year.
- 4.6 In June 2016 Barclays sent a letter advising of a change to their Lender Option Borrower Option (LOBO) Loan with the Council. The loan was for £10m and the rate is 3.98% with a maturity of 2078. The change outlined by Barclays converted the loan to a fixed loan with a very long maturity and removed the Lender Option Borrower Option.
- 4.7 Given the long duration of the loan and the fixed rate, the SDFI, in consultation with the Cabinet Member for Finance agreed to transfer this debt across to the HRA. Having a very long dated loan at a competitive rate will reduce the HRA refinancing risk.

## PWLB Rates

- 4.8 Chart 2 below shows the movements in PWLB rates for the first six months of the financial year (to 30 September 2016).

**Chart 2: Movement in PWLB rates (1 April to 30 September 2016)**



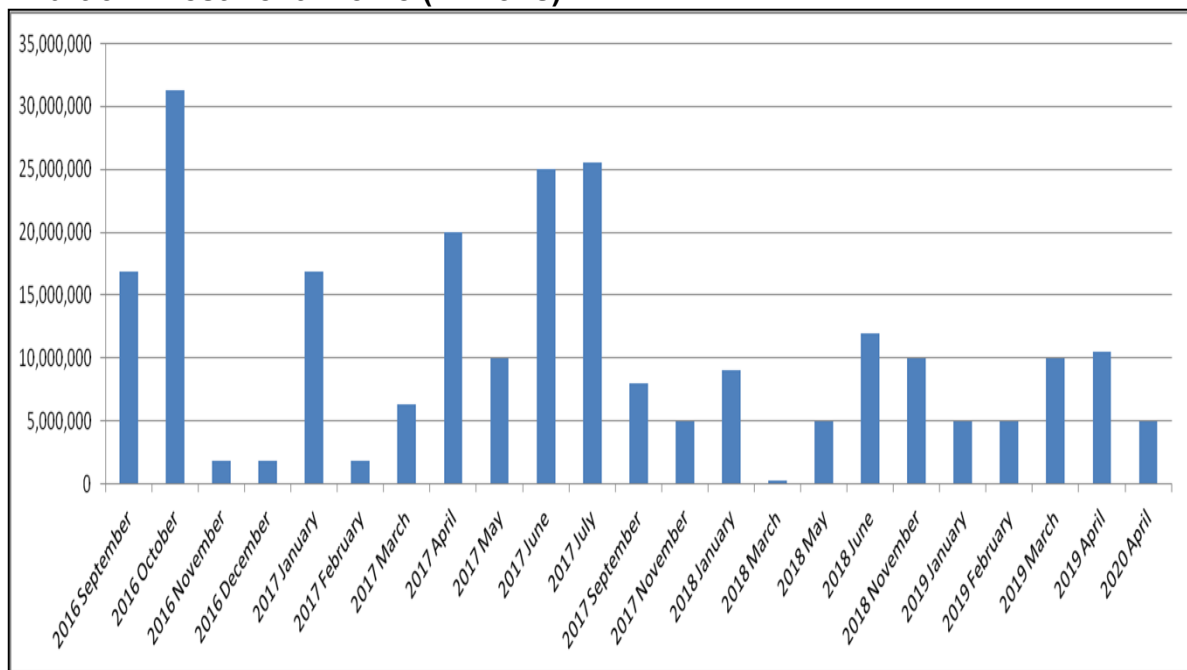
## 5. Investment Portfolio 2016/17

- 5.1 It is the Council's priority to ensure security of capital and liquidity before obtaining an appropriate level of return which is consistent with the Council's risk appetite. In the current economic climate, the Council's risk appetite remains relatively low, with the treasury section looking to take advantage of the fluctuations in rates offered by Local Authorities and Financial Institutions to lock in favourable rates without the need to take on significant additional risk.

### Investment Profile

- 5.2 The Council's investment maturity profile in Chart 3 below shows that as at 30 September 2016, 7.7% of the Council's investments had a maturity of 60 days or less, with 61.3% having a maturity of one year or less. Spreading out the maturity of longer dated investments allows the Council to take advantage of improved rates of return while ensuring sufficient liquidity.

**Chart 3: Investment Profile (Millions)**



- 5.3 Although yields have remained at historically low levels for much of the first half of the financial year, several opportunistic investments have resulted in a much-improved average rate of return of **1.55%** for the first six months of the year.
- 5.4 The rate at 30 September 2016 is 1.43% indicating that the returns for the second part of the financial year will be lower than that achieved in the first half. It is also likely that the average rate for 2017/18 will struggle to achieve an average rate above 1.35%.

## 6. The Council's Capital Position (Prudential Indicators)

### Prudential Indicator for Capital Expenditure

- 6.1 Table 6 shows the changes to the original capital expenditure budgets and highlights the original supported and unsupported elements of the capital programme, together with the expected financing arrangements of this capital expenditure.
- 6.2 The borrowing need increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

**Table 5: Revised Estimate to Capital Programme as at 30 September 2016**

<b>Capital Expenditure by Service</b>	<b>2016/17 Original Budget £000s</b>	<b>2016/17 Revised Budget £000s</b>
Service Development & Integration	58,625	61,722
Customer, Commercial & Service Delivery	7,812	9,046
Finance & Investment	4,297	3,029
Growth & Homes	56,669	61,257
HRA	74,000	62,659
<b>Total</b>	<b>201,403</b>	<b>197,713</b>
<b>Financed by:</b>		
Capital grants & contributions	70,391	79,065
Capital receipts	382	382
Contributions/Reserves	3,333	4,104
MRA/HRA funding	72,250	62,199
<b>Total financing</b>	<b>146,356</b>	<b>145,750</b>
<b>Borrowing need</b>	<b>55,047</b>	<b>51,963</b>

### Prudential Indicator – CFR

- 6.3 Table 6 shows an increase in the CFR compared to original budget. The increase is predominantly due to costs related to expenditure within Growth and Homes. The SDFI reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.
- 6.4 The Authorised Limit represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.
- 6.5 There is currently a significant difference between the Authorised Limit and the actual borrowing. This difference is made up of internal borrowing, £61m which could potentially be borrowed from the European Investment Bank, and headroom to accommodate any potential new borrowing requirements.

**Table 6: Revised Capital Financing Requirement as at 30 September 2016**

	<b>2016/17 Original Estimate £000s</b>	<b>2016/17 Revised Estimate £000s</b>
<b>Prudential Indicator – Capital Financing Requirement</b>		
CFR – non housing	146,351	158,536
CFR – housing	267,722	278,472
Reside 1 and 2	117,932	155,186
Alternative Financing (PFI and leases)	55,047	51,713
<b>Total CFR</b>	<b>587,052</b>	<b>643,907</b>
<b>Net movement in CFR</b>	<b>8,953</b>	<b>56,855</b>
<b>Prudential Indicator – External Debt / the Operational Boundary</b>		
Long Term Borrowing	394,912	454,912
Other long term liabilities	55,047	51,713
<b>Total debt 31 March</b>	<b>449,959</b>	<b>506,625</b>
<b>Operational Boundary</b>	<b>745,000</b>	<b>745,000</b>
<b>Authorised Limit</b>	<b>803,000</b>	<b>803,000</b>

**Treasury Indicators: Limits to Borrowing Activity**

6.6 There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure: identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure: is similar to the previous indicator and covers a maximum limit on fixed interest rates; and
- Maturity structure of borrowing: gross limits to reduce the Council's exposure to large fixed rate sums requiring refinancing.

6.7 The SDFI reports that there were no breaches in any of the limits outlined below:

<b>Interest rate exposures</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
<b>Limits on fixed interest rates based on net debt</b>	100%	100%	100%
<b>Limits on variable interest rates based on net debt</b>	70%	70%	70%
<b>Limits on fixed interest rates:</b>			
• <b>Debt only</b>	100%	100%	100%
• <b>Investments only</b>	80%	80%	80%
<b>Limits on variable interest rates</b>			
• <b>Debt only</b>	70%	70%	70%
• <b>Investments only</b>	80%	80%	80%

<b>Maturity structure of fixed interest rate borrowing 2015/16</b>		
	<b>Lower</b>	<b>Upper</b>
<b>Under 12 months</b>	0%	40%
<b>12 months to 2 years</b>	0%	40%
<b>2 years to 5 years</b>	0%	70%
<b>5 years to 10 years</b>	0%	70%
<b>10 years and above</b>	0%	100%

<b>Maturity structure of variable interest rate borrowing 2015/16</b>		
	<b>Lower</b>	<b>Upper</b>
<b>Under 12 months</b>	0%	40%
<b>12 months to 2 years</b>	0%	40%
<b>2 years to 5 years</b>	0%	70%
<b>5 years to 10 years</b>	0%	70%
<b>10 years and above</b>	0%	80%

## **7. Consultation**

- 7.1 The Strategic Director, Finance & Investment, in his role as statutory chief finance officer, has been informed of the approach, data and commentary in this report.

## **8. Financial Implications**

Implications completed by: Kathy Freeman, Finance Director

- 8.1 This report sets out the mid-year position on the Council's treasury management position and is concerned with the returns on the Council's investments as well as its short and long term borrowing positions.

## **9. Legal Implications**

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

- 9.1 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its expenditure and income against the budget calculations. The Council sets out its treasury strategy for borrowing and an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 9.2 The Council also should 'have regard to' the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out its functions under the Act.
- 9.3 A report setting out the Council's strategies in accordance with the Act was presented to Cabinet and Assembly in February 2016. This report is a mid-year review of the strategy's application and there are no further legal implications to highlight.

## **10. Options Appraisal**

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

## **11. Other Implications**

- 11.1 **Risk Management** - The whole report concerns itself with the management of risks relating to the Council's cash flow. The report mostly contains information on how the Treasury Management Strategy has been used to maximise income during the first 6 months of the year.

### **Public Background Papers Used in the Preparation of the Report:**

- HRA Business Plan (<http://moderngov.barking-dagenham.gov.uk/ieListDocuments.aspx?CId=180&MId=8150&Ver=4>)
- Treasury Management Strategy Statement - Assembly Report 24 February 2016 (<http://moderngov.barking-dagenham.gov.uk/ieListDocuments.aspx?CId=179&MId=8618&Ver=4>)

### **List of appendices:**

- Appendix 1: Investments as at 30 September 2016



## Investments as at 30th September 2016

Investments Held	Lowest Long Term Rating	Interest Rate	Amount £000s	Start Date	End Date
Barclays Bank	A	0.05%	9	25/03/2011	Same day
Lloyds Banking Group	A	0.15%	0	04/11/2013	Same day
Royal Bank of Scotland	BBB+	0.21%	9	31/03/2015	Same day
Federated Investors	AAA	0.37%	3,200	01/04/2016	31/03/2017
Santander UK	A+	0.67%	40,000	09/09/2015	95 day notice
Royal Bank of Scotland	BBB+	1.32%	15,000	30/01/2015	30/01/2017
Goldman Sachs Interna.	A	0.70%	5,000	29/09/2016	29/03/2017
Lloyds Banking Group	A	1.15%	4,500	31/03/2015	31/03/2017
LBBB Pension Fund	AA+ Equivalent	4.70%	11,000	01/04/2016	31/03/2017
Royal Bank of Scotland	BBB+	1.45%	20,000	30/04/2015	28/04/2017
Dudley MBC	AA+ Equivalent	1.05%	10,000	15/05/2015	15/05/2017
Royal Bank of Scotland	BBB+	1.45%	20,000	26/06/2015	26/06/2017
Lloyds Banking Group	A	1.05%	5,000	01/07/2016	30/06/2017
Newport City Council	AA+ Equivalent	1.10%	2,000	09/02/2015	10/07/2017
Newport City Council	AA+ Equivalent	1.10%	1,500	09/03/2015	10/07/2017
Newport City Council	AA+ Equivalent	1.50%	2,000	10/11/2014	11/07/2017
Lloyds Banking Group	A	1.05%	10,000	14/07/2016	14/07/2017
Royal Bank of Scotland	BBB+	1.80%	20,000	24/07/2015	24/07/2017
Lloyds Banking Group	A	1.05%	5,000	03/08/2016	03/08/2017
Wolverhampton City Council	AA+ Equivalent	0.94%	8,000	28/09/2015	28/09/2017
Lancashire County Council	AA+ Equivalent	1.02%	5,000	16/11/2015	16/11/2017
Lancashire County Council	AA+ Equivalent	1.05%	5,000	08/01/2016	08/01/2018
Fife Council	AA+ Equivalent	1.00%	4,000	14/01/2016	15/01/2018
Valence Primary School	AA+ Equivalent	3.50%	200	12/02/2015	29/03/2018
Lancashire County Council	AA+ Equivalent	1.00%	5,000	11/11/2015	11/05/2018
Lloyds Banking Group	A	1.43%	10,000	06/06/2016	06/06/2018
Doncaster MBC	AA+ Equivalent	0.90%	2,000	24/06/2016	25/06/2018
Lancashire County Council	AA+ Equivalent	1.54%	5,000	20/11/2015	20/11/2018
Lancashire County Council	AA+ Equivalent	1.54%	5,000	26/11/2015	26/11/2018
Lloyds Banking Group	A	1.67%	5,000	20/01/2016	18/01/2019
Lloyds Banking Group	A	1.67%	5,000	03/02/2016	01/02/2019
Lloyds Banking Group	A	1.80%	10,000	15/03/2016	15/03/2019
Lloyds Banking Group	A	1.79%	5,000	01/04/2016	01/04/2019
Lloyds Banking Group	A	1.84%	5,500	21/04/2016	18/04/2019
Barking Riverside Limited	AA+ Equivalent	3.50%	4,918	15/10/2014	01/04/2020
Grafton Primary School	AA+ Equivalent	4.50%	107	03/03/2016	03/03/2026
Gascoigne Primary School	AA+ Equivalent	4.50%	84	03/03/2016	03/03/2036
<b>Total Investments</b>			<b>259,027</b>		
<b>Average Rate</b>			<b>1.43%</b>		

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## CABINET

15 November 2016

<b>Title:</b> Investment and Acquisition Strategy	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report with Exempt Annex and Appendices</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> Yes
<b>Report Author:</b> Andrew Sivess, Head of Assets and Investment	<b>Contact Details:</b> Tel: 020 8227 5732 E-mail: <a href="mailto:andrew.sivess@lbbd.gov.uk">andrew.sivess@lbbd.gov.uk</a>
<b>Accountable Strategic Director:</b> Jonathan Bunt, Strategic Director of Finance and Investment	
<p><b>Summary</b></p> <p>The Council is facing unprecedented challenges and opportunities. The population of the borough is expected to increase to 220,000 by 2020 and rising further to 275,000 by 2037. Demand for Council services will increase significantly but within the context of falling budgets with an estimated budget gap of £63m to 2020. However, the Borough's growth potential provides a significant opportunity to invest in developments in Barking and Dagenham to generate a financial return that benefits both the Council and the community. This is in addition to the wider anticipated benefits in terms of employment opportunities, educational attainment and better health outcomes.</p> <p>Approximately 42,000 new homes, commercial, industrial and infrastructure assets will be built over the next twenty years. This represents a construction value of c£10.5bn in new residential units alone which will see the borough will be transformed. This scale of development will be delivered in a highly competitive, complex and uncertain environment. Most development will be on land owned by the private sector and by other public bodies.</p> <p>To benefit from this opportunity the Council needs to fundamentally change how it approach investment and regeneration building on a strong record as one of London's most effective regeneration authorities. However, going forward the Council will need to become a proactive developer and investor, helping to support growth opportunities and ensure that the Council and future generations benefit by increasing its ownership of long-term income producing assets. The establishment of Be First as the Council's development management vehicle will be fundamental to help to bring forward the borough's growth potential, set out by the independent Growth Commission.</p> <p>This report proposes the establishment of an Investment and Acquisition Strategy. This will frame an initial £250m investment budget and £100m land and property acquisition budget. The report sets out the Council's investment objectives, how investment decisions will be made and how investments will be managed to ensure that expected</p>	

returns are realised. It is expected that the primary delivery vehicle will Be First (proposed elsewhere on this Cabinet's agenda) which will identify and propose development and investment opportunities in addition to those identified inside the Council or proposed by other organisations such as developers and investment institutions.

The proposed Investment and Acquisition Strategy is at **Appendix 1** and the Land and Property Acquisitions Decision Framework at **Appendix 2**. There is also some supplementary information, including the assessment of the financial implications, in **Annex 1** to this report. These documents are in the exempt section of the agenda as they contain information relating to the financial and business affairs of the Council (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Approve the Investment and Acquisition Strategy at Appendix 1 to the report;
- (ii) Note that an advisory Investment Panel, with a membership comprising Strategic Directors and external advisers, shall be established to assess and make recommendations on individual investment decisions to implement the Investment and Acquisition Strategy and that details of the purpose, governance arrangements and membership for the Investment Panel shall be the subject of a future report;
- (iii) Approve the establishment of an Investment Budget, initially of £250m, to be borrowed to fund the development and long-term financing of the investment programme identified in this report;
- (iv) Approve the establishment of a Land and Property Acquisition budget and to borrow £100m for a period of three years on an interest-only basis;
- (v) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Investment, to make the appropriate borrowing arrangements;
- (vi) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Investment, to agree the appropriate source(s) of funding for each investment or acquisition;
- (vii) Note that the parameters of any delegations will be clarified in tandem with the establishment of the Investment Panel and that each investment decision shall be considered individually and may be subject to approval by Cabinet in appropriate circumstances; and
- (viii) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Investment and the Director of Law and Governance, to make any necessary and non-material textual changes to the Investment Strategy following the meeting of Cabinet.

## **Reason(s)**

The investment strategy supports the corporate objective of growing the borough and enables development of a long-term income stream which contributes the Council financial sustainability.

### **1. Background**

#### **1.1. Challenges**

- 1.1.1. The Council faces major financial challenges and opportunities from population growth, the development of significant numbers of new homes and reducing financial support from central government. The Council's response to these challenges were set out in its Ambition 2020 programme. A major component of this vision is the establishment of an Investment and Acquisition Strategy (IAS) to help the Council benefit from and influence the expected level of new residential and commercial development in the borough over the coming decades.
- 1.1.2. The borough is set to change radically with the population expected to grow from 198,000 people in 2014 to 230,000 people by 2020 and by a further 25% to 275,000 people by 2037. It has one of the youngest demographic patterns in the country with the fourth highest proportion of people aged 10 -19 and an expected 25% increase in people aged 20 -29. A major priority is to ensure that these age groups benefit from the scale of economic activity expected in the borough through both the generation of income that supports Council services and through employment and educational opportunities that benefit local people.
- 1.1.3. The key is to ensure that the Council frames the scale and direction of development through our role as Local Planning Authority, as developer of new projects and by becoming a key investor in new developments. Its involvement will allow the shaping of the strategic direction and pattern of development, ensure that construction activity provides employment and skills development opportunities and that new homes support healthy living, supports educational achievement and protects the environment. The financial impact on the Council, from demographic changes and reduced financial support from the Government, mean that it will spend 50% less in providing services in 2020 than in 2010. It is imperative that the Council generates new sustainable income streams through participation the Borough's growth potential.

#### **1.2. 2020 Strategic direction**

- 1.2.1. To help address these challenges a key element of the 2020 strategic vision is to ensure that new housing developed in the Borough provides a wider, diversified tenure mix. This is required to meet local requirements, London's diversity and to support existing and new local business development. A key tool to achieving these objectives is for the Council to become a proactive investor in new mixed-use developments. This will allow it to benefit financially, to shape how schemes are designed, built and managed ensuring that new development contributes to the financial, environmental and social sustainability of the Borough.

1.2.2. To be able to effectively participate and benefit from the borough's growth opportunities, there is a need to fundamentally change how the approach investment and regeneration. The Council has a strong record as one of London's most effective regeneration authorities, having become London's sixth largest developer of intermediate housing. However, to build on this track record and to be able to participate in the borough's growth potential, it is necessary to build on the strengths and experience and create a robust and sustainable organisation capable of growing and managing the Council's asset base within a highly competitive environment. This requires the establishment of a new regeneration and development organisation that can identify new opportunities and speed-up development and alongside the Council becoming a proactive investor to both support and benefit from the expected level of growth.

### 1.3. Barking and Dagenham Reside

1.3.1. The Council's approach to redevelopment and property investment has been to develop large sites in our ownership through a series of project specific Special Purpose Vehicles (SPVs). Collectively these SPVs comprise Barking and Dagenham Reside though, in actuality, all SPVs within Reside are separate legal entities governed by directors appointed by Cabinet. The directors are legally required to govern each SPV to achieve the objectives agreed by the Council for each scheme.

1.3.2. This approach provides a flexible structure, allowing sites to be re-developed through specific financing, construction and management arrangements. Development and operational risk is ring-fenced to each SPV individually. A different solution can be adopted for each site, enabling the most appropriate solution to be developed that best meets the requirements of the Council, its partners and the changing regulatory environment. Institutional investors and private developers typically adopt this approach to development and long-term investment.

1.3.3. Developing and holding assets through SPVs allows the Council to make effective use of its legal status as a local authority and of its commercial strength as property owner and funder to bring in private sector resources that may otherwise not be available to the Council. This includes development expertise and the ability to finance schemes from Council borrowing and in partnership with private sector funding institutions where this produces better outcomes.

1.3.4. The following schemes have been developed through a Barking and Dagenham Reside SPV.

<b>Scheme</b>	<b>Status</b>	<b>Units</b>	<b>Tenure</b>	<b>Funding</b>
King William Street & Eastern End Thames View	Completed	477	Social Rent and Intermediate Rented	Institutional
Abbey Road 2	Completed	144	Intermediate Rent	European Investment Bank
Gascoigne Phase 1	Construction	252	Social Rent, Intermediate	European Investment

			Rent, Shared Ownership	Bank
Kingswood	Planning	Subject to detailed design	Shared Ownership	PWLB
Gascoigne Phase 2	Planning	285	Social Rent, Intermediate Rent, Shared Ownership	PWLB
Sebastian Court	Pre-Planning	Subject to detailed design	Shared Ownership, Intermediate Rent	PWLB
Total		1,156		

## 2. Investment and Property Acquisition Strategy

### 2.1. Summary

2.1.1. The purpose of the Investment and Acquisition Strategy (IAS) is to increase the Council's income generating assets to support the long-term financial sustainability of the authority. The core objective is to achieve a target average net investment return of 5%, with an initial target to produce £5m net annual income. It should be noted that this is a target and not a cap and where good investment opportunities exist, projects would continue to be financed beyond the level needed to generate the £5m income objective. Consequently, there will be no artificial cap on the level of borrowing and investment schemes where our investment criteria are satisfied would continue to be funded. An initial allocation of £250m is recommended in this report for investment schemes and any increase to that would require additional Cabinet approval.

2.1.2. The intention is to invest inside the Borough to support regeneration and economic development programmes and this will be the primary focus for the Strategy. Investments will also be sought outside Barking and Dagenham to diversify investment risk and to support out of Borough initiatives. The proposed IAS is contained in Appendix 1 in the exempt section of the agenda.

### 2.2. Investment targets

2.2.1. To achieve the target investment return the Council will construct an investment portfolio across a range of asset classes covering residential, commercial, industrial and energy assets. The aim is to create a balanced and diversified investment portfolio to deliver the overall investment target.

### 2.3. Creating the Investment Portfolio

2.3.1. Constructing the portfolio in the proportions set-out above is required to achieve robust levels of returns in operational assets. This approach increases the likelihood of achieving the required average 5% level of returns. Investing in a portfolio of projects with different levels of returns diversifies risk and enables

higher yielding assets to compensate for the lower risk but lower return assets such as affordable housing.

2.3.2. This approach is of fundamental importance to sustainably achieving the net income target of £5m per annum. At least 50% of the portfolio will be invested in intermediate housing. Returns in this asset class in the early years of each project are likely to be relatively lower in net cash terms but over time rental growth inflation means that net rental income should grow significantly. However, due to the low yielding nature of such investments (reflecting the relatively low risk) relative to higher yielding but higher risk assets, the Council will need to invest in other higher yielding asset classes to help generate the required level of income required.

2.3.3. In addition to showing how each project would contribute to achieving the target net return of 5%, each proposal will also need to address the following factors to be considered for funding:

Customers	▪ what demand(s) will be met now and in the future
Place making	▪ new and existing places which meet customer needs, provide value and support effective operational management
Development	▪ quality design and construction to deliver place making objectives over the medium and long term
Funding	▪ capable of being developed and managed within budget to achieve expected returns

2.3.4. The approach to constructing the Council investment portfolio will combine an assessment of proposals to achieve expected financial returns appropriate and an assessment of how proposals will contribute to the Council’s wider objectives of creating sustainable, quality places that meet the needs of people and business and that are capable of cost effective development.

### 3. Portfolio and Asset Management

3.1. Key to realising expected returns is effective portfolio and asset management (financial and operational performance). This is essential to ensure that returns continue to be generated and that if expected returns do not materialise then ultimately assets are redeveloped or sold to ensure that overall portfolio returns are maintained.

3.1.1. Assets held within the Council investment portfolio will be managed within the following framework and scheme of delegation:

Category	Details	Responsibility
Fund management	<ul style="list-style-type: none"> <li>• Strategic management of the investment fund</li> <li>• Approval of investment decisions</li> <li>• Acquisitions and disposals</li> <li>• Portfolio performance management</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Panel</li> </ul>



Portfolio management	<ul style="list-style-type: none"> <li>• Investment management of assets within the portfolio</li> <li>• Monitoring of portfolio level returns and risk exposure management</li> <li>• Performance management and financial/ pricing models of underlying assets</li> <li>• Adjustment of portfolio structure to ensure returns are realised</li> <li>• Acquisitions and disposals</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Director Finance and Investment</li> <li>• Head of Assets and Investment</li> <li>• Expert external support</li> </ul>
Asset management	<ul style="list-style-type: none"> <li>• Investment management of individual assets within the portfolio (not taking into account portfolio structure) to maximise financial performance and achievement of expected returns</li> </ul>	<ul style="list-style-type: none"> <li>• Head of Assets and Investment</li> <li>• Expert external support</li> </ul>
Property management	<ul style="list-style-type: none"> <li>• Operational asset management to ensure end user satisfaction and maintenance of the assets</li> </ul>	<ul style="list-style-type: none"> <li>• My Place</li> </ul>

3.1.2. Assets held within the investment portfolio need to be actively managed, across the investment management categories set-out above, to ensure that expected returns are achieved. This will be a new approach for the Council similar to that used by institutional investors. This will require external support to help develop the Council's internal skill base and to subject the investment management process to external scrutiny. Where a project fails to meet its returns targets, it will be considered for disposal if the situation cannot be rectified.

#### 4. **Investment Governance**

4.1 The implementation of the investment process will be led by an Investment Panel, with a membership comprised of strategic directors and external advisers. The Investment Panel will consider individual investment decisions and strategies and make recommendations to Cabinet or to appropriate directors in order to implement the Investment and Acquisition Strategy. The Investment Panel is yet to be created, its objectives, key terms of reference, governance arrangement and membership of the Panel will be the subject of a future report. The Panel will also be responsible for decisions concerning the management of the investment portfolio to ensure that the expected returns set-out above are achieved.

## **5. Development and delivery capacity**

- 5.1. A significant risk to achieving the investment objective to generate £5m net income per annum is the Council's delivery capacity. Although the scale of investment is subject to change as schemes are brought forward the programme anticipates a level of investment in excess of c£750m and this will require a step-change in the capacity and skills to successfully deliver on this scale.
- 5.2. Although the Council has built a strong reputation in delivering complex regeneration schemes, the existing capacity will not be sufficient to deliver the objectives in this report. Development in the Borough will be undertaken within an increasingly competitive environment and the Council will need to attract and retain the skills necessary to undertake development and investment in this environment.
- 5.3. The proposal, elsewhere on this agenda, to establish Be First as the Council's wholly owned development and regeneration vehicle is key to achieving our investment strategy objectives. Be First will be tasked with identifying and delivering regeneration and investment schemes on commercially acceptable terms within the investment framework set out in this report.
- 5.4. In terms of residential development, an aspiration flowing from the IAS will be for Be First to be generating 2,000 new intermediate and market rented residential units that will be owned by a Reside vehicle(s) by 2021. This equates to Be First delivering 400 completed units per annum just for Reside. This is substantially in excess of the capacity of the Council currently.

## **6. Financial Implications**

- 6.1. The financial implications are covered in **Annex 1** in the exempt section of the agenda.

## **7. Legal Implications**

Implications completed by Suzan Yildiz, Legal Services Manager

### **7.1 General powers of competence, investment and prudential borrowing**

- 7.2 The Council has a wide range of powers concerning borrowing, investment and dealings with property which would empower the Council to pursue the proposed Investment Strategy.
- 7.3 Section 1 of the Localism Act 2011, the general power of competence ("GPC") empowers local authorities to do anything that an individual can lawfully do provided that is not expressly prohibited by other legislation. Activities authorised by the GPC can include investment, trading or charging decisions which may be undertaken through commercial (corporate) vehicles with the primary aim of benefiting the authority, its financial management, its area or its local communities. The power is fairly wide and provided that investment activity is not expressly restricted or proscribed by other legislative provisions, it is likely to encapsulate the primary objectives of the Investment Strategy which are predicated upon ensuring the

effective management of the authority's finances in order to optimise outcomes for the development and regeneration of its areas for the benefit of local communities.

- 7.4 Whilst the General Power of Competence will permit the Council to invest in property for a return, such activity is likely to be deemed as 'activity for a commercial purpose' which cannot be undertaken directly by the authority and must be undertaken through a company structure within the meaning of Section 1(1) of the Companies Act 1996 (s.4 Localism Act 2011). Operating through a company structure will have the advantage of ring-fencing financial risks, however, there are also attendant corporation and income tax liabilities which will need to be addressed in a full business case as individual investment decisions are pursued by company vehicles. The formation of each investment company vehicle would be the subject of a detailed business case which will consider the financing of the company, tax and any state aid implications. Notably, the Investment Strategy proposes that Be First, a regeneration vehicle to be created by the Council, will act as development manager and the main vehicle for implementing and delivering development focused elements of the Investment Strategy. The creation and governance arrangements of Be First are not the subject of this report, but a full business case is being developed and will be presented for decision to Cabinet in the near future. To the extent that other special purpose vehicle companies (SPVs), being subsidiaries of the parent company, are created their purpose, creation and activities would be the subject of future decisions.
- 7.5 Section 12 of the Local Government Act 2003 ("Power to Invest") enables a local authority to invest for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs. Whilst speculative borrowing to invest purely for profit will not be authorised under this power as relevant to the authority's functions, investment in land or property, for example with a view to regeneration, and in line with CIPFA's Prudential Code for Capital Finance would enable the prudential investment of funds borrowed for the purpose of expenditure in the reasonably near future. The CIPFA Code contains detailed recommendations about this procedure in the context of prudent borrowing practice, which will be considered as individual investment decisions are made. In exercising the power to invest under s.12(b) the Council should have regard to the CLG Guidance on Local Government Investments. The Guidance advocates the preparation of an investment strategy which the Council is expected to follow in decision making unless a sensible and cogent reasons exist for departing from it.
- 7.6 Section 1 of the Local Government Act 2003 ("Power to Borrow") provides local authorities with the power to borrow for any purpose relevant to their functions under any enactment or for the purpose of the prudent management of its financial affairs. The Power to Borrow has similar constraints to the investment power under the 2003 Act. Borrowing primarily to achieve a return is unlikely to be deemed connected to functions of the Council or prudent financial management. Caution should be exercised in making individual decisions to ensure that new investments financed with borrowing do further functions of the Council and are consistent with prudent management of the Council's financial affairs.
- 7.7 Section 111 of the Local Government Act 1972 ("Incidental Power") enables a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

7.8 Investment and borrowing for the sole purpose of creating a return would not be deemed pursuant to the functions of the authority as required under the above powers. However, the report has clearly set out the primary objectives of the investment activity are connected with shaping the strategic growth and economic development of the area to meet the needs of a growing local demographic and shape local communities. Therefore, investment and borrowing in respect of property assets would be prudent and authorised pursuant to the authority's functions, when used as regeneration tools, alongside other financial measures, to provide a suitable diversified housing mix for the growing local population, to regenerate areas and to create employment and education opportunities. It is critical that the primary policy objectives of any investment activity, such as building new homes, regenerating an area or creation of employment opportunities, are furthered and public funds are not exposed to unnecessary or unquantified risk.

### 7.9 **Property Acquisition Powers**

7.10 The Investment and Property Acquisition Strategy (IPA) is a critical element of the Council's overall Investment Strategy. The aims of IPA are to increase the Council's income generating assets to a target net investment return of 5% in order to support the long-term financial sustainability of the Council. The aim of IPA is not merely to generate a commercial return; the primary aims are to support regeneration and economic development programmes in the Council's area by reinvesting net yields within the borough and potentially outside the borough. Therefore, the IPA strategy has a double bottom line of generating a return on investment for the purposes of securing the sustainable financial management of the Council for the regeneration and economic development of the Council's area. As such the IPA and investment decisions pursuant to the Strategy are likely to fall within the parameters of the General Power of Competence providing that its core aims of supporting regeneration and economic development are progressed. The Department for Communities and Local Government has produced Guidance on Local Government Investments (2010 edition) which advises that local government investment priorities should be based on security, liquidity and yield in that order.

7.11 Notably, many individual investment and acquisition decisions will be made in implementing the various strands of the Investment Strategy. Individual decisions will be the subject of future reports and full consideration will be given to the Council's powers of investment and acquisition, any relevant guidance such as the CIPFA Code and the aims of this Investment Strategy.

7.12 To the extent that strategic land required for regeneration supported by planning policy cannot be assembled through voluntary acquisitions, which forms a key part of the Investment Strategy, the Council may also consider recourse to its various compulsory purchase powers. However, acquisitions by compulsory purchase are beyond the remit of this report which is focused on voluntary acquisitions. Suffice it to say that such decisions would be individually reported for decision following careful consideration of the relevant enabling powers and constraints imposed by public law and relevant guidance.

7.13 For the sake of completeness, in addition to the General Power the following land acquisition powers are relevant and available to pursue individual projects in line with IPA:

- 7.13.1 Section 111 of the Local Government Act 1972 enables the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
- 7.13.2 In accordance with the Local Government Act 1972, Section 120, the Council is empowered to acquire by agreement
- (a) any land situated inside or outside its area for the purposes of any of its functions stipulated by the 1972 Act or other statutory provisions or
  - (b) for the benefit, improvement or development of its area, and notwithstanding that the land is not immediately required for that purpose. Until the land is required for the purpose acquired, it may be used for any purposes associated with of any of the Council's functions.
- 7.14 The Council's Constitution, Part 4, Chapter 4 sets out the Land Acquisition and Disposal Rules. In accordance with paragraph 2.1, all strategic decisions about the use, acquisition and disposal of land and property assets are generally within the remit of the Cabinet. Formulation of strategic decisions is overseen by the Property Advisory Group (PAG) and the Cabinet. Such decisions, depending on the value of assets to be acquired may also be key decisions which would be publicised on the Council's forward plan ahead of the decision. Individual decisions on strategic acquisitions pursuant to the Investment Strategy / IPA would be made by Cabinet, in accordance with the Council's Constitution and its Land Acquisition and Disposal Rules.
- 7.15 **Governance Implications**
- 7.16 Section 9D(2) of the Local Government Act 2000 as amended establishes the functions of Executive Cabinets. This enables a Cabinet to carry out decisions on any function unless reserved by order of the Secretary of State. Investment decisions of an authority are not a reserved function. Under part 3 Chapter 1 paragraph 1.2 of the Council's Constitution, the Cabinet can in turn delegate its functions to an officer if it so determines or authorise the officer to take investment decisions subject to established parameters, such as the need to consult prior to making a decision. In the case of investments there can be a need to move quickly to make the best of opportunities. Therefore, authorising the section 151 Local Government Act 1972 Chief Financial Officer to make relevant investment decisions is a wide spread practice.
- 7.17 The current recommendations authorise the Strategic Director of Finance and Investment to allocate the required investment budgets and make arrangements for borrowing up to £100m. Further delegations may be deemed necessary in due course or in tandem with presenting the Investment Panel report. Nevertheless, the need to observe the recording of key decisions and use of the forward plan remains and will be subject to the overview and scrutiny committee.

## 8. Other Issues

- 8.1 **Risk Management** – each potential investment and land acquisition opportunity would be subject to a full evaluation and risk analysis process as part of the approvals process.
- 8.2 **Contractual Issues** – sites acquired in advance of planning permission being granted would be acquired under a Call Option arrangement or through outright purchase depending on the commercial evaluation and opportunity provided by each site.
- 8.3 **Staffing Issues** – additional staff may be required to implement and manage the anticipated level of investment and consequent investment portfolio. Any additional staffing costs would be funded from investment returns.
- 8.4 **Corporate Policy and Customer Impact** – the proposals in this report would help to achieve the Council's growth objectives and would help to achieve financial sustainability of the Council.
- 8.5 **Safeguarding Children** – Purchase of land in advance of planning permission could potentially lead to the development of additional family housing which could improve help improve the life chances of children through a healthier environment and better domestic space in which to study.
- 8.6 **Crime and Disorder Issues** – successful implementation of the Investment and Acquisition Strategy would lead to developments being influenced by or in the Council's control where 'designing out crime' can be an explicit objective.
- 8.7 **Property / Asset Issues** – The proposal sin this report would help the Council increase its asset base and would help to address other asset management issues and opportunities within the Council's existing property holdings.

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

### List of appendices:

- **Annex 1:** Supplementary information (exempt document)
- **Appendix 1:** Investment and Acquisition Strategy (exempt document)
- **Appendix 2:** Land and Property Acquisitions Decision framework (exempt document)

**CABINET****15 November 2016**

<b>Title:</b> Proposal to Establish Barking and Dagenham Regeneration Company (Be First)	
<b>Report of the Cabinet Member for Finance, Growth and Investment</b>	
<b>Open Report with Exempt Appendix 1</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended)	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> John East, Strategic Director of Growth and Homes	<b>Contact Details:</b> Tel: 0208 227 2240 E-mail: john.east@lbbd.gov.uk
<b>Accountable Strategic Director:</b> John East, Strategic Director Growth and Homes	
<p><b>Summary</b></p> <p>This report seeks Cabinet agreement to a proposal to establish a new Council-owned company to manage the delivery of the borough's regeneration agenda, provisionally named 'Be First', in line with Recommendation 8 of the report of the independent Growth Commission. The aim of Be First is to accelerate the regeneration of the borough and deliver increased revenues and returns to the Council by using greater flexibilities to attract high-quality staff and create joint ventures with developers than would be available to an in-house Council function.</p> <p>Be First will be a 100% Council-owned company that is operationally independent of the Council, operating in the same way as a commercial organisation, and being accountable to members through a Shareholder Executive Board. It will encompass all aspects of regeneration and place-shaping for the borough, including not only housing, commercial buildings and infrastructure but also green spaces and other community assets, employment, prosperity and community well-being.</p> <p>Compared with continuing with an in-house operation, Be First will provide greater focus and clarity of purpose, build capacity and capability for effective delivery and inject dynamism and pace through more efficient and effective ways of working whilst maintaining public sector community focus. It is estimated that, compared with a continuation of the current in-house operation, Be First will deliver an additional £18.6m (discounted) benefit to the Council over the next 10 years as well as delivering or enabling socio-economic benefits in areas such as skills, household earnings, employment and community well-being.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Agree the establishment of Be First in accordance with the proposals set out in the report and detailed in the draft full business case at Appendix 1 to the report;</p>	

- (ii) Delegate authority to the Strategic Director of Growth and Homes, in conjunction with the Cabinet Member for Finance, Investment and Growth, the Strategic Director of Finance and Investment and the Director of Law and Governance, to implement all steps leading to the establishment of Be First in line with the proposals;
- (iii) Delegate authority to the Director of Law and Governance to execute all the legal agreements, contracts and any other documents on behalf of the Council to implement the setting up of Be First; and
- (iv) Delegate authority to the Chief Executive, in consultation with the Leader, to select the individuals to be appointed to the Shareholder Executive Board of Be First.

**Reason(s)**

This proposal is in line with Recommendation 8 of the independent Growth Commission’s report published in February 2016 and will generate additional income and value for money for the council compared with an alternative ‘in house’ approach. It is therefore aligned to both the ‘Growing the Borough’ and ‘Well run organisation’ objectives.

**1. Introduction and Background**

- 1.1 In its report published in February 2016 the independent Barking & Dagenham Growth Commission recommended a Borough-wide regeneration vehicle to manage the delivery of the Borough’s housing and regeneration plans. A report on a number of options for such a vehicle, with a recommendation on the preferred option, was approved by the Ambition 2020 Board in August 2016. This regeneration vehicle is provisionally named ‘Be First’.

**2. Proposal and Issues**

- 2.1 This report sets out a proposal to establish a new council-owned company to manage the delivery of the borough’s regeneration agenda, provisionally named ‘Be First’. The achievement of the Council’s long term strategic goals, in particular to build 35,000 new homes by 2035, will require a step change in delivery performance that will require substantial increases in both capacity and capability if these targets are to be met. The purpose of Be First is to provide increased flexibility to attract such staff and establish development vehicles with the private sector in order to accelerate the borough’s regeneration programme.
- 2.2 Be First will transform the borough and deliver long-term economic growth and prosperity for the people of B&D through housing growth and greater diversity of tenure, investment in transport and other infrastructure, attracting inward investment, business growth and job creation, and promoting improved skills and productivity. In addition, Be First will deliver significant financial benefits to the council by bringing forward returns in Council Tax, NNDR and New Homes Bonus. Over the next 10 years, Be First is expected to deliver a net present value (NPV) to the Council of £18.6m compared with a continuation of an in-house solution.



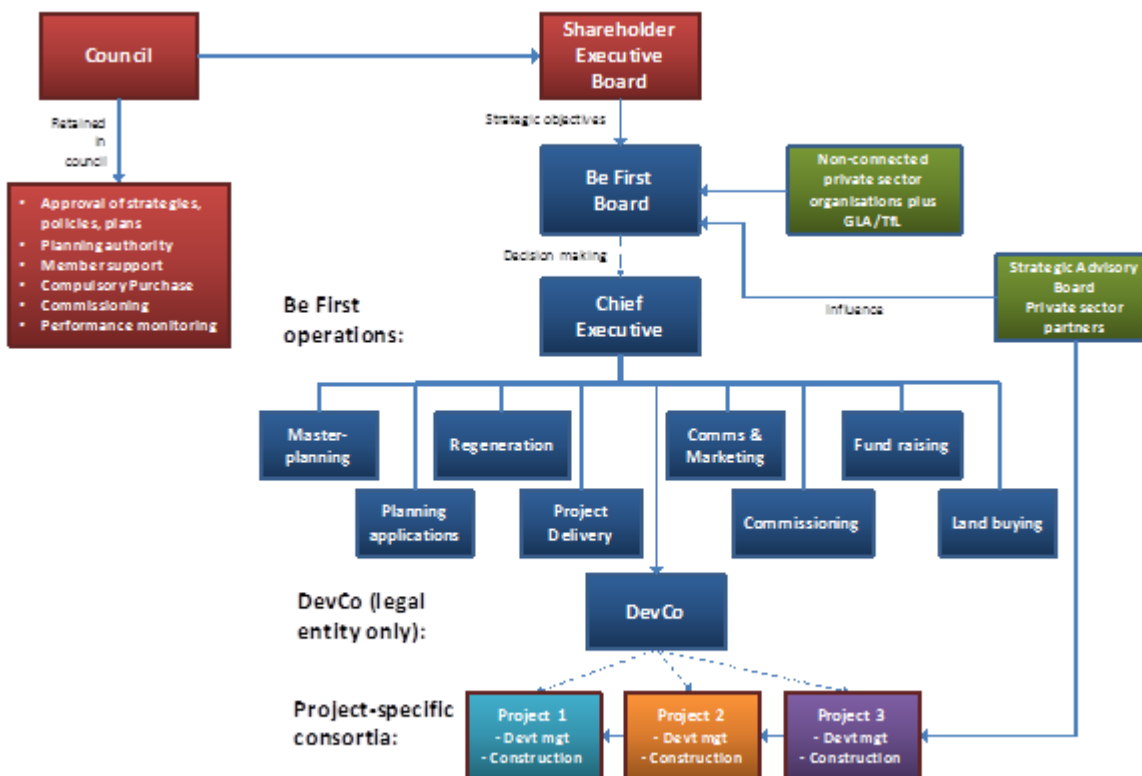
- 2.3 If the current situation continues it is unlikely that the Council's goals for regeneration will be delivered to currently expected timescales. In particular, the cumulative number of housing units built in future years will fall well short of target, with consequent impact on projected Council Tax and New Homes Bonus receipts by the Council. It is therefore necessary to have the flexibility to develop attractive packages that will attract the right people to come and work in Barking & Dagenham.
- 2.4 Be First will be a 100% Council-owned company that is operationally independent of the Council, operating in the same way as a commercial organisation, being accountable to members for its performance and conduct through a Shareholder Executive Board. It will encompass all aspects of regeneration and place-shaping for the borough, including not only housing, commercial buildings and infrastructure but also green spaces and other community assets, employment, prosperity and community well-being. It is expected to bring forward Council Tax, NNDR and New Homes Bonus receipts and generate greater return on council investment than a continuation of a wholly in-house solution and will also generate profits from external work that will be returned to the council via dividends.
- 2.5 Compared with continuing with an in-house operation, Be First will provide greater focus and clarity of purpose, build capacity and capability for effective delivery and inject dynamism and pace through more efficient and effective ways of working whilst maintaining public sector community focus.

### **Operating Model**

- 2.6 The scope of Be First will include all activities currently undertaken by the current Development Planning, Economic Development and Capital Commissioning and Delivery functions within the Growth and Homes Directorate, encompassing around 75 staff. The scope of Be First will exclude the ownership of assets and ad hoc and cyclical maintenance of council assets, although it will include large-scale regeneration of council-owned assets, eg Decent Homes projects.
- 2.7 LBBD will retain responsibility for the determination of planning applications and Compulsory Purchase Orders, for the approval of strategic objectives, business plans, strategies and policies proposed by Be First, for the approval of statutory fees and charges, and for the commissioning of services and new projects or other initiatives to be undertaken by Be First. Members will be supported in these area by a small, strategic client function sitting within the council. The Development Control Board (DCB) will continue to function as at present.
- 2.8 Within the framework set by the Borough Manifesto, the initial strategic direction over Be First will be set through a 10-year Management Agreement with LBBD that will include high level strategic objectives based on those listed in the Growth Commission report (eg 35,000 new homes by 2035). The Management Agreement will include provision for its termination in the event that Be First fails to succeed in its stated objectives, and for the payment of any outstanding loans from the Council.
- 2.9 Be First will execute its operations under a rolling 5-year business plan, refreshed and approved annually by the Shareholder Executive Board, that sets out how Be First will make progress towards its strategic objectives, which will be refreshed every 5 years. From time to time Be First will submit proposals for strategies, plans

and policies covering any of the aspects within its remit to the Shareholder Executive Board for approval.

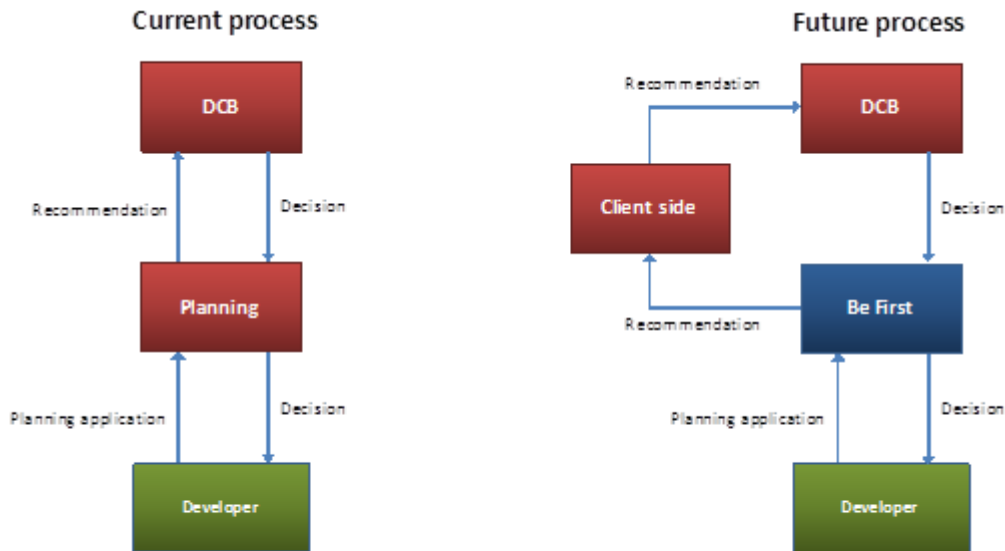
**Figure 1: High level legal structure.**



- 2.10 Figure 1 shows the high level legal structure for Be First. Be First will be a ‘Teckal’ company subject to public law (including procurement procedures and FOI) but able to trade externally up to 20% of its turnover.
- 2.11 LBBDD will exert strategic control over Be First via a Shareholder Executive Board, comprising 3 or 4 elected members drawn from the council’s Cabinet, together with key officers. Through the Shareholder Executive Board, Members will set long-term strategic objectives, for example on numbers of new homes, numbers of new jobs, and tenure mix, will monitor achievement of these objectives on a regular basis, approve annual 5-year business plans and deal with any reserved matters. The LBBDD Strategic Director Growth and Homes will retain responsibility for overall strategy and objectives.
- 2.12 The Council will establish a small but strategic ‘intelligent client’ function that will advise members on proposals put before them for approval, sign off planning applications under delegated powers, monitor progress towards the achievement of the Council’s strategic objectives by Be First, commission services and specific pieces of work by Be First and ensure that a joined-up approach is adopted between Be First and other subsidiaries set up by the Council and other departments of the Council. The size and composition of this team will be determined during the implementation phase, but is likely to be around 2-3FTE in total.

2.13 Members will retain control over planning decisions through the Development Control Board, and will be supported by the client side in the council. A comparison of the current and proposed planning approval processes is shown in Figure 2 below.

**Figure 2: Comparison of current and proposed planning approval processes.**



2.14 Be First will have its own Board of Directors that will be responsible for the operation of the new company. The Board will comprise well-qualified personnel with considerable relevant experience from the external construction/regeneration industry together with at least 1 elected member and 1 officer. Discussions are ongoing with GLA and TfL with a view to either or both of them having representation on the Be First Board.

2.15 A Strategic Advisory Board will be established to allow developers and investors currently involved in schemes within the borough to engage with but not exercise control over the strategic shape and decision-making of Be First. This Board will consist of private sector investment and development partners and will make recommendations and observations to the Be First Board to inform their decision-making.

2.16 Be First will be headed by an experienced CEO with significant experience of working with the construction/regeneration sector, employed directly by Be First. It will deal with all planning, development and regeneration activities, together with marketing, raising of investment funds etc. Be First will support the development of planning proposals for large-scale projects by the council and developers, and make recommendations to the Council client function and/or DCB for the determination of such applications.

2.17 The majority of the current staff in LBB Development Planning, Economic Development and Capital Commissioning and Delivery will transfer under TUPE regulations into Be First. These will be supplemented with additional staff as necessary to deliver the volume and nature of work from the evolving regeneration programme. Additional staff will also be recruited to fulfil new or enlarged roles in

areas such as investment and purchasing negotiations, marketing and communications. The aim will be to develop a high-quality, responsive culture amongst staff. A performance-based remuneration system will be introduced for new recruits and will be available on a voluntary basis for staff who transfer from LBBB.

- 2.18 Separate consortia or special purpose vehicles (SPVs) will be established to deliver specific projects. These may be stand-alone public sector, joint ventures between Be First and the private sector, or solely private sector. Each SPV will be responsible for delivering the scheme to agreed standards and timescales and Be First will seek to secure business from private sector partners in delivering planning services for a fee.
- 2.19 A separate subsidiary of Be First ('DevCo') will be established as a subsidiary company of Be First purely as a legal entity outside public sector procurement constraints to give greater freedoms in establishing SPVs. The potential advantage of this status is that it can be more responsive to opportunities presented by developers and other land owners in the borough and have greater flexibility to form project specific JV's with investors/developers. There are a number of legal and financial factors to be considered in establishing Devco and these will be addressed in its implementation.
- 2.20 As indicated above, Be First will prepare a rolling 5-year Business Plan that will be submitted for approval to the Shareholder Executive Board on an annual basis. This will set out how Be First will achieve the strategic objectives defined by the council, some of which will need to be fulfilled in partnership with other council functions.
- 2.21 The profits from Be First may be reinvested in the business and/or returned to the council in the form of dividends. The proportion of retained to distributed profits will be agreed between LBBB and Be First from time to time through the Shareholder Executive Board.
- 2.22 A key part of Be First's remit is to attract investment into the borough, which it will achieve at a number of levels. It will:
- Promote the borough as an attractive and affordable place to live and work through external communications and marketing
  - Develop regeneration master plans and design standards that support this claim
  - Develop financially attractive propositions to put to investors and developers, based on tangible packages of work ('schemes')
  - Work with GLA, TfL and others to ensure that the necessary infrastructure is developed on timescales that support the implementation of schemes, and that GLA's strategic objectives are taken into account. Be First will make proposals for investment to GLA and TfL, designed to enable and accelerate the progress of the execution of the portfolio of schemes.
- 2.23 Once a scheme has been built it will be handed over and will start to generate revenue streams for investors (through sales and rents) and LBBB (through Council Tax, Business Rates, New Homes Bonus and returns on its investments). Over time, LBBB will expect to see the progressive achievement of its strategic socio-

economic objectives, including increased jobs and prosperity, and improved skills and educational achievement.

- 2.24 Funding of setup costs and initial working capital for Be First will come from a loan from LBBD. Dependence on council funding will reduce over time as Be First becomes self-sufficient through the levying of fees for services. Be First is expected to become cash-positive in 2018/19. Any loans to Be First from the council will be made in line with the constraints of the Local Government Act 2003 and related statutory and CIPFA guidance, and state aid compliance restrictions, which require any loans to a company for commercial reasons to be made at market rates.

### **Business Case**

- 2.25 The draft full business case for Be First is at **Appendix 1** - this document contains commercially confidential information and has been deemed exempt from publication under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), as the public interest in maintaining the exemption outweighs the public interest in disclosing the information. The key benefits of Be First to the Council are:

- Greater certainty around the achievement of the strategic outcomes set out by the Growth Commission and incorporated in the Council's plans, including building new homes, creating additional jobs, improving household incomes and socio-economic indicators such as improved skills levels and community well-being
- Additional income to the council from Council Tax, non-domestic rates and New Homes Bonus receipts
- Improved returns on Council investments in property and other assets
- Dividends from Be First's operations

Taken together, the identified financial benefits will meet around 20% of the Council's projected funding gap by 2020.

- 2.26 The business case is addressed from the strategic, financial and community viewpoints. The Strategic Business Case for Be First starts from the fact that, against a background of increasingly stringent government restrictions on local government funding, the council will progressively be unable to meet the demands for services from its citizens unless it generates new revenue streams. Regeneration and growth provide significant opportunities to generate additional revenues to the council from both returns on investments and increased Council Tax, NNDR and other levies, for example New Homes Bonus.
- 2.27 The achievement of the Council's long term strategic goals, in particular to build 35,000 new homes by 2035, will require a step change in delivery performance, from 500-600 units per year in recent years to over 2,000 units per year by 2018. This will require substantial increases in both capacity and capability if these targets are to be met.
- 2.28 The council is currently constrained by national pay scales in being able to secure sufficient high-quality staff to meet the demands of the existing regeneration programme in a buoyant external market for planning, regeneration and project management skills. As a result there are shortages in capacity and it is proving

difficult and time-consuming to attract sufficient well-qualified people (many of whom work in the private sector) to fill vacancies. This is already inhibiting progress in progressing regeneration schemes in the borough. In addition, the regeneration agenda requires new skills, for example land buying, which are scarce in the external market. The best people in this field are less interested in job security and pensions than in interesting, commercially-based work and competitive salaries, and it is difficult to offer this in a local authority context.

- 2.29 If the current situation continues it is unlikely that the Growth Commission's goals will be delivered to currently expected timescales and the cumulative number of housing units built in future years will fall well short of target, with consequent impact on projected Council Tax and New Homes Bonus receipts, and returns on investment, by the Council. It is therefore necessary to have the flexibility to develop attractive packages that will attract the right people to work in Barking & Dagenham to meet the required rate of home building of over 2,000 units per year from 2018/19 onwards.
- 2.30 Be First will have the freedom to set its own pay rates and structures in line with norms in the external market, enabling it to attract the necessary numbers of well-qualified staff out of their current positions to fill existing and future resourcing needs to support a larger forward programme of regeneration. By attracting the right people Be First will also be able to deliver planning services for private sector developers at market-level fees.
- 2.31 As a separate company Be First will have greater freedoms and flexibility to create partnerships with private sector organisations and act more rapidly to specific opportunities, for example in the strategic purchase of land. If successful, Be First will be able deliver four times the number of homes as at present at a lower net cost to the council.
- 2.32 Be First will bring augmented marketing and communications to promote the borough's strengths and opportunities to investors and developers, and in a more general sense to promote Barking and Dagenham as a great place live, work and play. It will also promote Be First as a fast-moving, dynamic entity that will be responsive to the needs of investors and developers, and that over time will have a strong track record of delivering returns to such bodies. The focus on strategic marketing will attract more investment into the borough than would otherwise be the case. This, together with the capacity, flexibility and responsiveness afforded by Be First, will drive an acceleration in the pace of regeneration. Be First will also promote the case for more investment in transport and other infrastructure as part of a holistic approach to regeneration.
- 2.33 The accelerated pace of regeneration will not be limited to construction. Greater investment and capacity will allow funds to be generated for programmes to increase the education and skills base of those in the borough, and to attract higher-skilled (and therefore higher-earning) people to move into the borough. This will also have beneficial effects on health and well-being indicators.
- 2.34 The Financial Business Case is made by:

- a) comparing the incremental financial benefit to LBBB of establishing Be First compared with the alternative option of continuing with an enhanced version of the existing in-house services, and
- b) by evaluating whether Be First will be financially viable in its own right.

2.35 The financial benefits of Be First to the council are summarised in Table 1 below. By reducing or removing the risk of slippage inherent in the current programme of regeneration, Be First will bring forward returns in Council Tax, NNDR and New Homes Bonus. Over the next 10 years, Be First is expected to deliver a net present value (NPV) to the Council of £18m compared with the 'Enhanced in house' approach.

**Table 1: 10 year Cost/income comparison of Enhanced In House v Be First**

Revenue Type	Undiscounted £m		Discounted £m	
	Enhanced In-House	Be First	Enhanced In-House	Be First
Operating costs	59.9	96.4	41.2	66.2
Fee income	61.2	113.9	42.5	77.9
Total net operating cost	<b>1.3</b>	<b>17.5</b>	<b>1.3</b>	<b>11.7</b>
Council Tax	107.3	117.0	68.9	75.0
Business Rates	65.8	67.9	41.3	42.6
New Homes Bonus*	61.6	72.2	40.6	47.4
Intermediate Rental	187.2	193.4	119.7	123.8
Commercial Revenue	61.1	61.6	39.7	40.0
Total Added value	<b>483.0</b>	<b>512.1</b>	<b>310.2</b>	<b>328.8</b>
Be First net benefit	<b>29.1</b>		<b>18.6</b>	

\*The government has undertaken a consultation process on the future calculation of the New Homes Bonus. The outcome of this has not yet been released but it is likely to impact on the amount of NHB received in future.

2.36 Compared with the current MTFS, Be First is expected to bring forward additional income to the Council as shown in Table 2 below. Note that Council Tax receipts will be partially offset by the costs of providing services to additional properties, and that the dividend shown is the maximum potential dividend to the council based on projected surplus generated by Be First after corporation tax..

**Table 2: Additional income to LBBB from implementing Be First compared with MTFS**

£m	2017/18	2018/19	2019/20	2020/21
Council Tax	0.8	3.5	6.3	9.3
New Homes Bonus	0.0	1.1	4.7	8.9
Dividend	0.0	0.0	3.2	4.7
<b>Total</b>	<b>0.8</b>	<b>4.6</b>	<b>14.2</b>	<b>22.9</b>

2.37 The Council's investment strategy currently includes a fledging investment portfolio of 621 units. As outlined in the Investment Strategy report on the agenda for

November Cabinet Be First will enhance the opportunity for this to be accelerated and create a long-term income stream, which is estimated at £750k next year and to grow to over £5m by 2020.

- 2.38 The financial viability of Be First as a stand-alone entity over the next 10 years is shown in Figure 3 below. This assessment allows for setup costs, ongoing operational costs and expected fee income based on a range of assumptions detailed in the main body of the paper. Be First is expected to break even in 2018 and over the period to 2025/26 generate a cumulative surplus of £17.5m.

**Figure 3: Be First Income and Expenditure 2016/17 to 2025/26**



- 2.39 The Community Business Case is based on the fact that Be First’s remit will include the delivery or enablement of a range of community benefits to the population of the borough, including improved educational performance, higher skills and average earnings, community cohesion and health and well-being. Be First’s performance will be measured against a balanced scorecard of parameters that will encourage it to deliver the holistic regeneration agenda. The Growth Commission’s report provided targets against community measures that would place Barking and Dagenham at or above the average for London boroughs by 2035, and this will require a step change in performance. Be First will have a significant part to play in achieving these ambitious targets, by shaping a borough to which higher-skilled people are attracted to live and to stay, and by working with other parts of the council and external agencies to improve the skills, wealth and well-being of the current population.
- 2.40 Part of Be First’s marketing activity will be specifically aimed at understanding the needs of those skilled and aspiring people in London and surrounding areas that will make the desired contribution to the borough. This insight will be used to inform the design of the borough, including restaurants, bars, shops, open spaces and to attract facilities, events and cultural activities. In parallel, Be First will promote the borough as a great place to live, work and play to those groups of potential citizens that we want to attract. In addition, Be First may conduct or commission initiatives to improve socio-economic indicators for the current population. These are likely to involve close working with council services to improve educational attainment and working-age skills and to promote good citizenship.

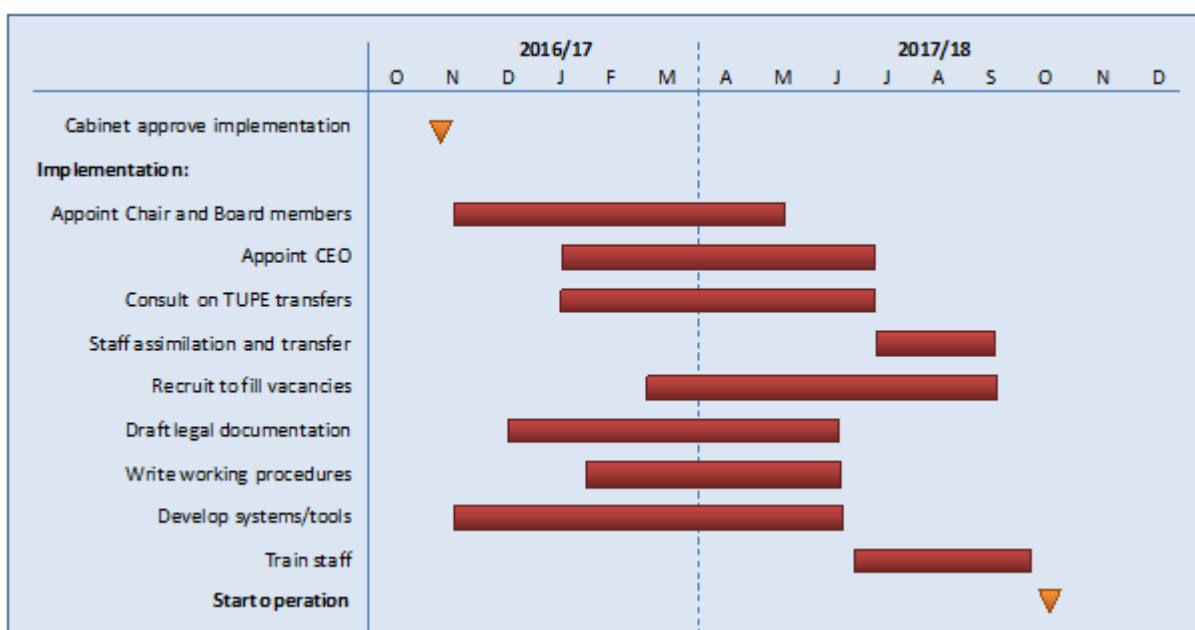


## Implementation

2.41 The implementation plan for Be First is shown in Figure 4 below. Following Cabinet approval of this proposal, substantial work will be conducted to set up Be First, including:

- Appointment of Be First Board of directors and CEO
- New staff structure, including role descriptions, finalised
- Completion of TUPE consultation and assimilation of existing staff into new structure
- Conclusion of all legal and financial processes to establish Be First, including the contractual arrangements between Be First and LBBDD

**Figure 4: Be First Implementation Plan**



2.42 The aim will be to have Be First up and running by 1<sup>st</sup> October 2017, with all governance, staffing, procedures and systems in place in line with the Target Operating Model. However, it is likely that there will be a transitional period of up to 2 years during which Be First will continue to take support services such as Finance, HR, Legal, Payroll, Procurement and IT from the council while it sets these up in its own right and the council adjusts its overhead base.

## 3. Options Appraisal

3.1 Options for the structure of a new regeneration company were set out in a paper that was considered by Ambition 2020 Board in August 2016. This paper evaluated a wide range of alternative models deployed in other local authorities and the Board endorsed the conclusion that the model described above would be the most advantageous option for Barking and Dagenham to adopt.

3.2 The main alternative to the Be First model would be an 'enhanced in-house' approach where the current in-house arrangements continue but with known improvements in efficiency and working practices to address the challenges of the forward regeneration programme. This scenario has been adopted as the baseline

for the business case outlined in section 2 above and described in full in Appendix 1.

#### **4. Consultation**

- 4.1 The proposal to establish a council-owned regeneration company was subject to public consultation as part of the Ambition 2020 consultation that took place between 20 April and 16 June 2016. 26 responses specific to the proposal to establish Be First were received, 81% of which were partially or wholly in favour, with only 4% (1 response) against.
- 4.2 The Target Operating Model and Full Draft Business Case were considered and approved by the Ambition 2020 Board at its meeting on 17 October 2016.
- 4.3 Presentations on the Be First proposal contained in this document were been made to Policy Forum on 4 October 2016 and an All Member Briefing on 26 October 2016.
- 4.4 General briefings to staff on Ambition 2020, including Be First, were made in roadshows conducted in April and May 2016. In addition, specific briefings have been given to staff affected by this proposal, most recently on 20 and 21 September 2016. Feedback from staff has been generally positive, with the main question raised being around the necessity to establish a separate organisation at all, which is addressed fully in the draft full business case at Appendix 1.

#### **5. Financial Implications**

Implications completed by: Kathy Freeman, Finance Director

- 5.1 The figures in this report have been reviewed by Finance and have also been incorporated into the Council's transformation and MTFS processes.
- 5.2 The financial model is based on projections of new builds by both the council and the private sector, delivering around 10,000 units by 2020/21. Any surplus generated by Be First will be related to the successful delivery of these units.
- 5.3 It has been assumed that Be First will pay Corporation Tax at the current rate of 20% on all surpluses, and it should be noted that this rate may change in future. The forecast surplus by 2021 is £5.9m which would potentially mean a Corporation Tax bill of £1.2m. Further work will need to be undertaken to ensure the most appropriate relationship is in place between the company and the Council. An example of this would be the placing of work undertaken to generate Planning fees and Land Charges.
- 5.4 The model assumes a continuation of the current New Homes Bonus regime, in which payments are made over 6 years based on national average Council Tax rates. The government has undertaken a consultation process on the future calculation of the New Homes Bonus. The outcome of this has not yet been released but it is likely to impact on the amount of NHB received in future. The government has indicated its wish to increase support for the Better Care Fund by top-slicing the national amount available for New Homes bonus. The consultation

includes exemplifications proposals to reduce the payment amounts by 43%. This could potentially reduce the amount of NHB generated by 3.8m by 2020.

## **6. Legal Implications**

Implications completed by: Assaf Chaudry, Major Project Solicitor

- 6.1 This report is seeking approval to establish a wholly owned company to manage the delivery of the borough's regeneration agenda in accordance with the recommendations of the independent Growth Commission.
- 6.2 The power to establish Be First and DevCo can be done under "general power of competence" as set out in Section 1 of the Localism Act 2011. This section gives the local authority the power "...to do anything that individuals generally may do". This power is not limited by the need to evidence a benefit accruing to the local authority's area, nor is it limited in geographical scope. However, existing and future restrictions contained in the legislation continue to apply.
- 6.3 Be First will be established as a Teckal company which will be a wholly owned company of the Council. The advantage of a wholly owned company is the ability to award contracts directly, avoiding the procurement regime, assuming the arrangements satisfy the requirements of the Teckal exception test which are set out below:
- The contracting authority exercises over the legal person concerned a control similar to that which it exercises over its own departments.
  - More than 80% of the activities of the controlled legal person are carried out in the performance of tasks entrusted to it by the controlling contracting authority or by other legal persons controlled by that contracting authority.
  - There is no direct private capital participation in the controlled company.
- 6.4 The Council will exercise the required level of control to satisfy the Teckal test by exercising a decisive influence over both strategic objectives and significant decisions of Be First. This will be done as a shareholder of the wholly owned company. The Shareholders Executive Board will be responsible for approving the business plan to be delivered by Be First and have the right to remove directors if appropriate. The Council will have other roles such as the Commissioner Role – ensuring quality of service and value for money is obtained from Be First but more significantly it will have a funder's role – it may decide to lend. The power to fund Be First can be done under the Local Government Act 2003 subject to complying with the Treasury guidance and State Aid rules.
- 6.5 Since the Transfer of undertaking provisions (TUPE) is to apply on the transfer of these services to Be First, the Council will have the obligations of the duty to inform and the duty to consult which need to be undertaken during the implementation phase of Be First.
- 6.6 It has been agreed that Cabinet Members will be provided with periodic updates during the process of implementation of Be First.

## 7. Other Implications

- 7.1 **Risk Management** – Risk management implications are covered in section 9 of the draft full business case at Appendix 1.
- 7.2 **Contractual Issues** – If approved, Be First will operate under a long-term contract with LBBD. This will be prepared during the implementation phase with advice from both internal and external lawyers.
- 7.3 **Staffing Issues** – The establishment of Be First will involve TUPE transfer of council staff into the new organisation on their current terms and conditions, the recruitment of a board of directors and CEO, and the recruitment of additional staff to fill capacity and capability gaps. Consultation with staff has started and unions will be engaged immediately following the approval of this proposal. Consultation will continue through the TUPE process. External support from recruitment agencies specialising in relevant resources will be engaged to support the recruitment of Be First Board members and additional staff.
- 7.4 **Corporate Policy and Customer Impact** – The proposal to establish Be First is in line with the independent Growth Commission's recommendations and the Ambition 2020 strategy. An Equalities Impact Assessment (EIA) that identifies the impact on the community as a whole and specific protected groups and is attached at **Appendix 2**. Additional EIAs will be drawn up for schemes within the regeneration programme as they are brought forward for planning approval.
- 7.5 **Property / Asset Issues** – Whilst focusing on regeneration and being responsible for the execution of the Council's Capital programme, Be First will not take ownership of any Council property or land assets.

### Public Background Papers Used in the Preparation of the Report:

- Report of the Independent Growth Commission: 'No-one left behind: in pursuit of growth for the benefit of everyone', February 2016

### List of appendices:

- **Appendix 1:** 'Be First' Draft Full Business Case, October 2016 (Exempt document)
- **Appendix 2:** 'Be First' Equalities Impact Statement, October 2016

# Proposal to establish Barking and Dagenham Regeneration Company (Be First)

## Community and Equality Impact Assessment

As an authority we have made a commitment to apply a systematic screening process to both new policy development or changes to services.

This is to determine whether the proposals are likely to have a significant impact on different groups within our community.

This process has been developed, together with **full guidance** to support officers in meeting our duties under the:

- Equality Act 2010.
- The Best Value Guidance
- The Public Services (Social Value) 2012 Act

As well as supporting you to look at whether there is, or will be, a significant impact, the guidance will also consider ways in which you might mitigate this in the future.

## About the service or policy development

Name of service or policy	Be First
Lead Officer	John East, Strategic Director, Growth and Homes
Contact Details	

### Why is this service or policy development/review needed?

Be First is a new wholly council-owned company intended to promote and implement regeneration in the borough in line with the recommendations of the independent Growth Commission. It will do this by attracting more investment into the borough, streamlining business processes and establishing development vehicles that will accelerate the pace of regeneration and address a number of objectives, both financial and non-financial (eg improving educational attainment, reducing unemployment).

Be First will not in itself have any impacts on communities or protected groups that the regeneration agenda would not have had in any case. Whilst its aim will be to deliver regeneration schemes and the resulting additional housing units, jobs and other benefits, at a faster pace than the current in-house functions, the nature of the changes impacting the borough's population will be broadly in line with current plans.

Individual regeneration projects initiated by Be First will submit separate EIAs focused on their specific impacts.

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

What impacts will this service or policy development have on communities?  
Look at what you know? What does your research tell you?

### Consider:

- National and local data sets
- Complaints
- Consultation and service monitoring information
- Voluntary and Community Organisations
- The Equality Act places a specific duty on people with 'protected characteristics'. The table below details these groups and helps you to consider the impact on these groups.

### Demographics

Be First's primary objective is to promote and accelerate the general redevelopment and regeneration of the borough as a whole over the next 20-30 years. As such, general demographic information that is available to the council is considered the appropriate data set on which to base this EIA.

The schemes delivered by Be First will potentially affect any and every citizen living, working

or visiting the borough.

ONS 2015 mid year estimate shows that 51% of Barking & Dagenham's population of 202,000 is female and 49% male. No information is available on transgender numbers. Age distribution data is available from ONS 2015 mid year estimate and ONS 2014 Sub National Population Projections. See Annex 1, which also includes data from the 2011 census on ethnicity, disability and religion/belief.

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
<b>Local communities in general</b>	X			Improvement in the quality of the built environment. Increased numbers of jobs	
<b>Age</b>	X			Part of the regeneration agenda is to support the improvement in the levels of educational achievement and skills, thereby benefitting younger members of the population. This will be done through place-shaping, managing the demographic mix of the population through tenure mix, and by commissioning of specific initiatives designed to improve working-age skills levels.	
<b>Disability</b>		X			
<b>Gender reassignment</b>		X			
<b>Marriage and civil partnership</b>		X			
<b>Pregnancy and maternity</b>		X			
<b>Race (including Gypsies, Roma and Travellers)</b>		X			
<b>Religion or belief</b>		X			
<b>Gender</b>		X			
<b>Sexual orientation</b>		X			

<p><b>Any community issues identified for this location?</b></p>	<p>X</p>		<p>Be First will have targets for the delivery of new housing units in the borough and will enable and support a diverse tenure mix in new-build housing, in particular the delivery of a defined level of affordable/social housing in line with council and London-wide targets.</p> <p>Regeneration is likely to attract higher-income people to live and work in the borough, thereby contributing to the general prosperity of the borough. Be First will also have targets for job creation in the borough, thereby generating wealth.</p> <p>However, increasing prosperity is likely to increase property and rental prices in the borough, thereby affecting those who are less well off. Whilst this impact would occur in any event without Be First, Be First is likely to accelerate this effect.</p>	
<p><b>Staff</b></p>		<p>X</p>	<p>It is envisaged that existing staff in the Planning, Regeneration and Capital Delivery Unit functions of the council will transfer to Be First under TUPE legislation. Whilst this will ensure that staff terms and conditions in the new organisation are broadly equivalent to those in the council, individual members of staff may be affected by the transfer in different ways dependent on their specific circumstances. In addition, new recruits into Be First may be engaged on different terms and conditions, leading to a 'two tier workforce', which may lead to perceptions of unequal treatment from some. Overall, it is likely that the remuneration package for Be First staff will move towards market rates, which for the disciplines involved are generally more advantageous than those currently prevailing in local authorities.</p>	



## 2. Consultation.

Provide details of what steps you have taken or plan to take to consult the whole community or specific groups affected by the service or policy development e.g. on-line consultation, focus groups, consultation with representative groups?

The creation of Be First as a commercially dynamic social enterprise, owned by the Council. to execute some of the functions currently undertaken by the council was envisaged in the public consultation on the Ambition 2020 programme, 'We all have a part to play'. The feedback from this consultation was generally positive, with over 80% of respondents fully or partially agreeing with the statement 'Do you agree with the 'Be First' proposals overall?' and less than 4% of respondent disagreeing.

It is proposed to undertake a further consultation exercise in early 2017 following Cabinet approval of the proposal to progress into implementation stage. Go live is currently planned for 1 October 2017.

As specific regeneration schemes are identified and come forward, public consultation will take place and an EIA will need to be prepared for each scheme as part of the planning approval process.

### 3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented? <i>These actions should be developed using the information gathered in Section 1 and 2 and should be picked up in your departmental/service business plans.</i>		
Action	By when?	By who?
The overall impact of regeneration on communities and equalities should be picked up by the council's normal community monitoring processes.	No specific action required.	
Be First will prepare an annual Business Plan that will be submitted to the Shareholder Executive (elected members) on an annual basis for approval. Progress against this Business Plan will be reviewed by the Shareholder Executive on a regular basis.	At Go Live in October 2017 and regularly monitored at a frequency to be determined	Be First/ Shareholder Executive

### 4. Next steps

It is important the information gathered is used to inform any Council reports that are presented to Cabinet or appropriate committees. This will allow Members to be furnished with all the facts in relation to the impact their decisions will have on different equality groups and the community as a whole.

Take some time to précis your findings below. This can then be added to your report template for sign off by the Strategy Team at the consultation stage of the report cycle.

Implications/ Customer Impact
Overall Be First is expected to have a positive impact on the borough, through accelerating the pace of regeneration, enforcing high quality design of the built environment and by contributing to the achievement of improvements across a number of community wealth, skills and well-being indicators. There may be some small perceived short-term impact on staff who transfer to Be First from the council, but these are likely to be ameliorated by the fact that market remuneration packages are better than those available to equivalent staff in local authorities. There is also likely to be an impact on property prices and local market rents, although this would occur in any case under the independent Growth Commission's recommendations for the borough.

## 5. Sign off

The information contained in this template should be authorised by the relevant project sponsor or Divisional Director who will be responsible for the accuracy of the information now provided and delivery of actions detailed.

Name	Role (e.g. project sponsor, head of service)	Date

## Annex 1: Borough-wide demographic data

**Table 1: Population by age and gender**

<b>Estimated Population Barking and Dagenham</b>			
<b>Age</b>	<b>Female</b>	<b>Male</b>	<b>Grand Total</b>
00-04	9,499	10,137	19,636
05-09	9,067	9,650	18,717
10-14	6,757	7,236	13,993
15-19	6,134	6,782	12,916
20-24	6,378	6,604	12,982
25-29	8,196	7,530	15,726
30-34	8,834	7,951	16,785
35-39	8,351	7,306	15,657
40-44	7,495	7,280	14,775
45-49	6,918	6,374	13,292
50-54	6,093	5,639	11,732
55-59	4,480	4,728	9,208
60-64	3,559	3,395	6,954
65-69	3,078	2,739	5,817
70-74	2,262	1,912	4,174
75-79	2,107	1,537	3,644
80-84	1,717	1,147	2,864
85-89	1,276	700	1,976
90+	812	319	1,131
<b>Grand Total</b>	<b>103,013</b>	<b>98,966</b>	<b>201,979</b>

Source: ONS Mid Year Estimates 2015

**Table 2: Population forecast by age (ONS 2014 Sub National Population Projections).**

Age	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85 to 89	90+	Total
2014	19,661	17,984	13,352	12,971	12,974	15,493	16,456	15,368	14,499	12,954	11,401	8,720	6,805	5,738	4,119	3,721	3,000	1,951	1,127	198,294
2015	19,777	18,724	13,930	13,029	13,300	15,811	16,861	15,846	14,755	13,222	11,746	9,178	6,922	5,846	4,169	3,644	2,905	1,974	1,114	202,753
2016	19,973	19,173	14,612	13,242	13,362	16,177	17,123	16,398	14,902	13,462	12,087	9,571	7,064	5,953	4,368	3,527	2,850	1,957	1,134	206,934
2017	19,950	19,555	15,660	13,200	13,604	16,423	17,418	16,801	15,292	13,593	12,312	9,958	7,343	5,834	4,671	3,522	2,778	1,951	1,138	211,002
2018	19,987	19,899	16,670	13,211	13,781	16,534	17,708	17,402	15,538	13,810	12,456	10,444	7,555	5,930	4,799	3,457	2,844	1,903	1,164	215,092
2019	20,296	20,033	17,548	13,493	13,618	16,833	17,826	17,861	15,823	14,078	12,617	10,775	7,903	5,995	4,986	3,457	2,849	1,883	1,158	219,032
2020	20,623	20,143	18,180	13,954	13,563	16,885	17,975	18,187	16,295	14,272	12,832	11,087	8,300	6,097	5,095	3,514	2,818	1,858	1,196	222,875
2021	20,903	20,317	18,581	14,552	13,612	16,824	18,217	18,405	16,827	14,406	13,032	11,396	8,643	6,226	5,195	3,690	2,743	1,846	1,212	226,625
2022	21,135	20,283	18,967	15,458	13,502	16,922	18,361	18,632	17,252	14,738	13,142	11,610	8,980	6,468	5,102	3,958	2,752	1,824	1,231	230,317
2023	21,327	20,330	19,275	16,331	13,449	16,968	18,371	18,860	17,811	14,980	13,310	11,748	9,401	6,656	5,188	4,084	2,724	1,889	1,239	233,941
2024	21,499	20,616	19,418	17,060	13,588	16,795	18,536	18,967	18,219	15,285	13,524	11,897	9,701	6,954	5,256	4,249	2,741	1,907	1,245	237,457
2025	21,642	20,926	19,533	17,589	13,885	16,694	18,519	19,071	18,517	15,749	13,687	12,085	9,979	7,295	5,350	4,356	2,801	1,904	1,275	240,857
2026	21,756	21,190	19,695	17,920	14,305	16,646	18,425	19,267	18,724	16,255	13,813	12,262	10,251	7,595	5,472	4,450	2,949	1,864	1,300	244,139
2027	21,844	21,407	19,657	18,297	14,955	16,484	18,458	19,380	18,924	16,674	14,104	12,360	10,448	7,888	5,684	4,385	3,181	1,881	1,320	247,330
2028	21,920	21,584	19,706	18,593	15,574	16,416	18,447	19,358	19,129	17,191	14,335	12,497	10,577	8,251	5,856	4,463	3,294	1,884	1,379	250,453
2029	21,994	21,737	19,968	18,737	16,096	16,494	18,290	19,463	19,236	17,554	14,644	12,670	10,712	8,517	6,117	4,531	3,432	1,909	1,409	253,510
2030	22,075	21,857	20,255	18,844	16,507	16,720	18,174	19,418	19,322	17,826	15,090	12,812	10,873	8,763	6,415	4,619	3,526	1,964	1,439	256,497
2031	22,170	21,948	20,499	18,956	16,785	17,090	18,068	19,311	19,498	18,016	15,568	12,926	11,027	9,002	6,680	4,733	3,609	2,075	1,442	259,403
2032	22,280	22,012	20,698	18,922	17,112	17,651	17,876	19,304	19,597	18,193	15,975	13,181	11,112	9,180	6,938	4,920	3,569	2,255	1,475	262,251
2033	22,406	22,063	20,859	18,997	17,337	18,198	17,790	19,261	19,563	18,380	16,457	13,398	11,223	9,299	7,257	5,076	3,637	2,347	1,523	265,071
2034	22,546	22,112	20,996	19,238	17,460	18,648	17,826	19,114	19,639	18,482	16,787	13,699	11,364	9,420	7,498	5,305	3,701	2,448	1,567	267,851
2035	22,702	22,167	21,101	19,496	17,542	19,024	18,002	18,988	19,580	18,558	17,038	14,122	11,487	9,558	7,719	5,566	3,780	2,521	1,626	270,576
2036	22,872	22,235	21,177	19,713	17,629	19,294	18,329	18,849	19,468	18,716	17,215	14,568	11,589	9,692	7,933	5,801	3,883	2,584	1,699	273,246
2037	23,056	22,319	21,228	19,890	17,578	19,620	18,820	18,637	19,442	18,804	17,376	14,952	11,809	9,769	8,097	6,029	4,042	2,567	1,834	275,867
2038	23,250	22,417	21,266	20,035	17,618	19,813	19,316	18,537	19,383	18,767	17,548	15,393	12,006	9,862	8,208	6,308	4,178	2,623	1,919	278,447
2039	23,451	22,532	21,301	20,155	17,793	19,915	19,720	18,552	19,242	18,825	17,647	15,690	12,285	9,978	8,319	6,526	4,372	2,678	2,001	280,983

**Table 3: Disability**

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Confidence	95% confidence interval of percent figure (+/-)			
Date	Apr 2015-Mar 2016			
	<b>Barking and Dagenham</b>			
<b>Variable</b>	<b>E09000002</b>			
	<b>numerator</b>	<b>denominator</b>	<b>percent</b>	<b>conf</b>
% aged 16-64 who are EA core or work-limiting disabled	20,700	128,300	16.1	3.0
% of males aged 16-64 who are EA core or work-limiting disabled	9,100	62,800	14.4	4.3
% of females aged 16-64 who are EA core or work-limiting disabled	11,600	65,500	17.7	4.2
% aged 16-64 who are EA core disabled	18,300	128,300	14.3	2.9
% of males aged 16-64 who are EA core disabled	8,000	62,800	12.7	4.0
% of females aged 16-64 who are EA core disabled	10,300	65,500	15.8	4.0
% aged 16-64 who are work-limited core disabled	17,100	128,300	13.3	2.8
% of males aged 16-64 who are work-limited disabled	7,300	62,800	11.6	3.9
% of females aged 16-64 who are work-limited disabled	9,800	65,500	14.9	3.9
% aged 16-64 who are not disabled	106,700	128,300	83.2	3.1
% of males aged 16-64 who are not EA core or work-limiting disabled	53,300	62,800	84.8	4.4
% of females aged 16-64 who are not EA core or work-limiting disabled	53,400	65,500	81.6	4.3

20/07/2016 Data has been reweighted in line with the latest ONS estimates.

Table 4: Ethnicity

2011 Table Title	LBBB (Number)		number Increase / Decrease	% Increase / Decrease	LBBB (%)		London (2011)	England (2011)
	2011	2001			2011	2001		
<b>Ethnic Groups</b>	All Residents	185,911	163,944	21,967	13.4%			
	White British	91,949	132,566	-40,617	-30.6%	49.5%	80.9%	44.9%
	White Irish	1,730	2,753	-1,023	-37.2%	0.9%	1.7%	2.2%
	White Gypsy or Irish Traveller	182	na			0.1%	n/a	0.1%
	White Other	14,525	4,348	10,177	234.1%	7.8%	2.7%	12.6%
	Mixed / multiple ethnic groups: White and Black Caribbean	2,669	1,420	1,249	88.0%	1.4%	0.9%	1.5%
	Mixed / multiple ethnic groups: White and Black African	2,128	572	1,556	272.0%	1.1%	0.3%	0.8%
	Mixed / multiple ethnic groups: White and Asian	1,246	534	712	133.3%	0.7%	0.3%	1.2%
	Other mixed	1,835	550	1,285	233.6%	1.0%	0.3%	1.5%
	Asian / Asian British: Indian	7,436	3,681	3,755	102.0%	4.0%	2.2%	6.6%
	Asian / Asian British: Pakistani	8,007	3,055	4,952	162.1%	4.3%	1.9%	2.7%
	Asian / Asian British: Bangladeshi	7,701	673	7,028	1044.3%	4.1%	0.4%	2.7%
	Asian/Asian British: Chinese	1,315	775	540	69.7%	0.7%	0.5%	1.5%
	Asian / Asian British: Other Asian	5,135	877	4,258	485.5%	2.8%	0.5%	4.9%
	Black/African/Caribbean/Black British: African	28,685	7,284	21,401	293.8%	15.4%	4.4%	7.0%
	Black/African/Caribbean/Black British: Caribbean	5,227	3,434	1,793	52.2%	2.8%	2.1%	4.2%
	Black/African/Caribbean/Black British: Other Black	3,228	722	2,506	347.1%	1.7%	0.4%	2.1%
	Other Ethnic group: Arab	973	na		n/a	0.5%	n/a	1.3%
	Other Ethnic Group: Any other ethnic group	1,940	700	1,240	177.1%	1.0%	0.4%	2.1%

Table 5: Religion

2011 Table Title		LBBD (Number)		number Increase / Decrease	% Increase / Decrease	LBBD (%)		London (2011)	England (2011)
		2011	2001			2011	2001		
<b>Religion</b>	Christian	104,101	113,111	-9,010	-7.97%	56.0%	69.0%	48.4%	59.4%
	Buddhist	842	366	476	130.05%	0.5%	0.2%	1.0%	0.5%
	Hindu	4,464	1,867	2,597	139.10%	2.4%	1.1%	5.0%	1.5%
	Jewish	425	547	-122	-22.30%	0.2%	0.3%	1.8%	0.5%
	Muslim	25,520	7,148	18,372	257.02%	13.7%	4.4%	12.4%	5.0%
	Sikh	2,952	1,754	1,198	68.30%	1.6%	1.1%	1.5%	0.8%
	Other Religion	533	308	225	73.05%	0.3%	0.2%	0.6%	0.4%
	No Religion	35,106	25,075	10,031	40.00%	18.9%	15.3%	20.7%	24.7%
	Religion not stated	11,968	13,768	-1,800	-13.07%	6.4%	8.4%	8.5%	7.2%



**CABINET****15 November 2016**

<b>Title:</b> Urgent Action: Proposed Purchase of Land at Former Sanofi Site, Rainham Road South, Dagenham	
<b>Report of the Cabinet Member of Finance, Growth and Investment</b>	
<b>Open Report with Exempt Appendices</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Information</b>
<b>Wards Affected:</b> Eastbrook	<b>Key Decision:</b> Yes
<b>Report Authors:</b> David Harley, Acting Head of Planning and Regeneration (Regeneration) Alan Dawson, Democratic Services Manager	<b>Contact Details:</b> Tel: 020 8227 5316 E-mail: <a href="mailto:david.harley@lbbd.gov.uk">david.harley@lbbd.gov.uk</a> Tel: 020 8227 2348 E-mail: <a href="mailto:alan.dawson@lbbd.gov.uk">alan.dawson@lbbd.gov.uk</a>
<b>Accountable Director:</b> David Harley, Acting Head of Planning and Regeneration (Regeneration)	
<b>Accountable Strategic Director:</b> John East, Strategic Director of Growth and Homes	
<p><b>Summary:</b></p> <p>As part of the masterplan for the former Sanofi / May and Baker site at Dagenham East a supermarket was proposed on the Rainham Road South frontage and a 9.17 acre site was purchased by Sainsbury's plc. Planning permissions was granted for a stand-alone store with associated car parking and a petrol station.</p> <p>Due to changing market conditions for the 'Big Four' supermarkets, Sainsbury's decided not to progress its proposals for the site and has been actively marketing the site for sale.</p> <p>During this time the adjacent Londoneast-uk Business and Technical Park has been used extensively as a film, TV and advertisement location and, at the same time, leading industry figures have raised the need for new film studios within the M25 area. In recent weeks the Mayor of London visited the site and announced that the Greater London Authority (GLA) would match fund, with the Council, a detailed feasibility study looking at how such a complex could be delivered and the benefits it could bring locally and for the capital.</p> <p>The Sainsbury's Board was to meet on Tuesday 25 October to discuss the bids received for the site and to make a decision. Whilst it was recognised that there was a significant amount of work to be done to develop film studio proposals, it was apparent that the opportunity would be lost if the Sainsbury's land was not secured by the Council. An independent land valuation was commissioned by the Council and although the full 'red book' valuation was not available by the deadline for the submission of bids, the preliminary independent valuation advice indicated that the proposed terms of the Council's offer were appropriate.</p>	

In the circumstances and as the matter could not be delayed until the 15 November Cabinet meeting, the Chief Executive decided that it would be in the Council's best interests to deal with the matter under the Urgent Action provisions of paragraph 4, Chapter 16, Part 2 of the Constitution so that the Council's offer could be made ahead of the Sainsbury's Board meeting on 25 October 2016. The full report and relevant appendices which formed the basis of the Chief Executive's decisions are set out at Annex 1 to this report - these documents are in the exempt section of the agenda as they contain information relating to the financial and business affairs of the Council and a third party (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

In line with the Urgent Action provisions, and as the matter qualified as a "key decision" and had not been publicised in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chair of the Cabinet and the Lead Member of the Public Accounts and Audit Select Committee were consulted prior to the Chief Executive agreeing the proposals on 24 October 2016.

Members are asked to note that the Council's bid was successful. Further reports will, therefore, be presented to the Cabinet in the new year setting out proposals for the future use of the site and the revenue funding arrangements associated with the cost of borrowing.

### **Recommendation(s)**

The Cabinet is asked to note the following action taken by the Chief Executive under the urgency procedures contained within paragraph 4, Chapter 16, Part 2 of the Constitution:

- (i) Agree that the Council submit an offer to Sainsbury's Plc in accordance with the Heads of Terms set out in Appendix B to the report at Annex 1 for the 9.17 acre site at the former Sanofi site, Rainham Road South, Dagenham as shown edged red in the plan attached at Appendix A to that report;
- (ii) Authorise the Strategic Director of Growth and Homes, in consultation with the Strategic Director of Finance and Investment, the Director of Law and Governance and the Cabinet Member for Finance, Growth and Investment, to progress the purchase of the site in accordance with the Heads of Terms set out in Appendix B and to enter into all necessary agreements to complete the purchase should the Council's offer be accepted;
- (iii) Note that further reports will be presented to Cabinet setting out proposals for the future use of the site and the revenue funding arrangements associated with the cost of borrowing.

### **Reasons**

To accord with the requirements of the urgency procedures contained within paragraph 4, Chapter 16, Part 2 of the Constitution.

## 1. Legal Implications

Implications completed by: Erol Islek, Senior Property Lawyer and Suzan Yildiz, Legal Services Manager, Law and Governance

- 1.1 Section 1 of the Localism Act 2011 provides a general power of competence enabling the Council to do anything individuals generally may do, therefore allowing the Council to undertake a wide range of activities. Furthermore Section 111 of the Local Government Act 1972 enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
- 1.2 Further, in accordance with the Local Government Act 1972, Section 120, the Council is empowered to acquire by agreement any land situated inside or outside its area for
  - (i) the purposes of any of its functions stipulated by the 1972 Act or other statutory provisions; or
  - (ii) for the benefit, improvement or development of its area, and notwithstanding that the land is not immediately required for that purpose. Until the land is required for the purpose acquired, it may be used for any purposes associated with of any of the Council's functions.
- 1.3 The Council's Constitution, Part 4, Chapter 4 sets out the Land Acquisition and Disposal Rules. In accordance with paragraph 2.1, all strategic decisions about the use, acquisition and disposal of land and property assets are usually within the remit of the Cabinet. Formulation of strategic decisions is overseen by the Property Advisory Group (PAG) and the Cabinet. Generally, the recommendations and an acquisition at the current value, which renders this decision a key decision, require the acquisition decision to be taken by Cabinet in accordance with the Council's Constitution and its Land Acquisition and Disposal Rules.
- 1.4 However, the urgency to agree the terms of the Council's offer in order to facilitate a rare opportunity to acquire the site with a view to promoting future proposals, such as film studios, which would create employment opportunities for residents of the Borough was noted and delay was deemed by reporting officers to be prejudicial to the interests of the Council. The Chief Executive is empowered to take urgent action in respect of acquisitions which otherwise constitute key decisions by virtue of his powers of urgent action under paragraph 4, Chapter 16, Part 2 of the Constitution. Therefore, the Chief Executive was authorised to approve the Heads of Terms in Appendix B subject to clearance of the report and his decision by the Monitoring Officer and the Chief Finance Officer, which occurred.
- 1.5 The reporting officer has procured an independent (arm's length) red book valuation of the Site which is anticipated early during the week commencing 24 October 2016. A preliminary valuation opinion relayed to officers by the independent valuer supports the proposed acquisition price. It is advised that the full red book valuation report be presented to the Chief Executive, Monitoring Officer and Chief Finance Officer as soon as it is available to verify the preliminary valuation opinion.

- 1.6 Subject to full consideration of the contents, options and risks detailed in this report, the decision may proceed by the Chief Executive's Urgent Action subject to a full report to Cabinet to appraise them of the decision.

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

**List of appendices:**

- **Annex 1** - Report and appendices re "Proposed Purchase of Land at Former Sanofi Site, Rainham Road South, Dagenham" (exempt documents)

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