



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 7 July 2011

To: Members of the
EXECUTIVE

Councillor Stephen Carr (Chairman)

Councillors Graham Arthur, Robert Evans, Peter Morgan, Ernest Noad, Colin Smith and Tim Stevens

A meeting of the Executive will be held at Bromley Civic Centre on **WEDNESDAY 20 JULY 2011 AT 7.00 PM** *

***PLEASE NOTE STARTING TIME**

MARK BOWEN
Director of Resources

*Copies of the documents referred to below can be obtained from
www.bromley.gov.uk/meetings*

A G E N D A

- 1 APOLOGIES FOR ABSENCE
- 2 DECLARATIONS OF INTEREST
 - a TO CONFIRM THE MINUTES OF THE MEETING HELD ON 22ND JUNE 2011 (EXCLUDING EXEMPT INFORMATION)_(Pages 1 - 8)
 - b MATTERS ARISING_(Pages 9 - 14)
- 4 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING
To hear questions received in writing by the Democratic Services Team by **5pm on Thursday 14th July 2011** and to respond.
- 5 BIGGIN HILL AIRPORT OLYMPIC PROPOSALS - VERBAL PROGRESS REPORT
- 6 BUDGET MONITORING 2011/12 (Pages 15 - 30)
- 7 CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2011/12 (Pages 31 - 40)

- 8 **GATE REVIEW 2/3 RELOCATION OF CLEANSING FACILITIES TO FORMER CHARTWELL BUSINESS CENTRE, CENTRAL DEPOT** (Pages 41 - 50)
- 9 **SHORT BREAK SERVICE (RESPIRE) FOR PEOPLE WITH LEARNING DISABILITIES** (Pages 51 - 62)
- 10 **GATEWAY REVIEW - PROCUREMENT STRATEGY FOR DOMICILIARY CARE SERVICES** (Pages 63 - 68)
- 11 **LIBRARIES - SHARED SERVICES** (Pages 69 - 106)
- 12 **NORMAN PARK MULTI-HUB SITE** (Pages 107 - 126)
- 13 **OMBUDSMAN'S REPORT** (Pages 127 - 134)
- 14 **CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**
- 15 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

- | | | |
|----|---|---|
| 16 | EXEMPT MINUTES OF THE MEETING HELD ON 22ND JUNE 2011 (Pages 135 - 140) | |
| 17 | EXTENSION OF WASTE MANAGEMENT CONTRACT (Pages 141 - 150) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 18 | AWARD OF BUILDING CONTRACT - LEARNING AND DISABILITY RESPIRE (TO FOLLOW) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 19 | BROMLEY MYTIME - CONTRACT OPTIONS (Pages 151 - 156) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

**20 CAPITAL PROGRAMME MONITORING - 1ST
QUARTER 2011/12 CAPITAL RECEIPTS (Pages
157 - 158)**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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EXECUTIVE

Minutes of the meeting held on 22 June 2011 starting at 7.00 pm

Present:

Councillor Stephen Carr (Chairman)
Councillors Graham Arthur, Robert Evans, Peter Morgan,
Colin Smith (Vice-Chairman) and Tim Stevens

Also Present:

Councillor Douglas Auld, Councillor Nicholas Bennett J.P.,
Councillor Will Harmer, Councillor Brian Humphrys,
Councillor John Ince, Councillor Alexa Michael, Councillor
Tony Owen, Councillor Richard Scoates and Councillor
Stephen Wells

15 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Noad.

16 DECLARATIONS OF INTEREST

Councillors Arthur and Nicholas Bennett JP subsequently declared interests School Governors of one of the schools referred to in item 15 – Commercial Transfer Agreements for Schools seeking Academy status.

17 MINUTES OF THE MEETING HELD ON 25TH MAY 2011

a) Minutes

Since the draft minutes were published Councillor Nicholas Bennett JP requested that his comment in respect of amendments to the Core Strategy Issues Document (Minute 8) be clarified. The Chairman agreed the request and the Minutes circulated had been amended.

RESOLVED that the amended Minutes of the meeting held on 25th May 2011, excluding exempt information, be confirmed as a correct record.

b) Matter Arising

Since the last meeting the Leader of the Council reported that he had agreed to some additional membership changes as follows (Minute 5 refers):

Councillor Stephen Carr (alternate Councillor Colin Smith) appointed as a member of the Improvement & Efficiency Sub-Committee;

Executive
22 June 2011

Councillor John Getgood appointed as a member of the SEN Working Party;
Councillor Ian Payne appointed as a member of the Town Centre Working Party.

RESOLVED that the above membership appointments be noted.

18 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

One written and one oral question had been received from members of the public which, together with the answers, are set out in the Appendix to the minutes.

19 BIGGIN HILL AIRPORT OLYMPIC PROPOSALS

Report RES 11045

The Executive considered a report setting out details of a second application received from Biggin Hill Airport Limited (BHAL) for a more limited extension of flying hours over the Olympic period mainly affecting the 'shoulder hours' in the morning and evening times. This application did not include any request for a temporary alteration to the user clause. Attached to the report was an extract from the letter submitted by the Managing Director, BHAL explaining the basis of their reduced proposal.

Reference was made to the previous proposal (Minute 186 – 21.03.11 refers) when an extensive consultation exercise was carried out which had resulted in 2193 responses, with the vast majority in opposition. The Executive's views were being sought on the action to be taken on the latest application.

Councillor Owen attended to speak to this item and voiced his opposition to the proposal. Two other members also expressed their doubts.

The Chairman pointed out that the application was very different from the previous request as BHAL were no longer applying for changes to allow for fare paying passengers and the time extensions were shorter. He felt that in the interests of openness consultation should take place on this second application to give all those who had responded previously and other interested parties the chance to review the new proposals. To report back to the Executive's next meeting in July was too short a time period, although an update could be given to members at that time, and he therefore proposed the consultation should run until the end of July. A special meeting of the Executive could then be convened during the beginning of August to consider the application, together with the results of the consultation exercise.

Councillor Colin Smith agreed with this approach and commented on two issues on which he had concerns, firstly the claim that permitting the change would be setting a precedent, which he felt had on occasion been taken out of

context; and secondly there was no information on what benefits there would be to borough residents in supporting the latest request.

The Executive having discussed the matter agreed to go out to consultation on the request and members felt that it should commence as soon as possible following this meeting and therefore agreed that the five day call-in period be waived on this occasion.

RESOLVED that consideration of the latest application by BHAL be deferred to enable consultations to start as quickly as possible and conclude at the end of July, with a special meeting to be convened early in August to deal with the matter.

20 RELOCATION OF STREET CLEANSING FACILITIES TO FORMER CHARTWELL BUSINESS CENTRE, CENTRAL DEPOT

Report DRR 11055

The Executive decided to defer consideration of this report to the next meeting to enable additional information on the business case for the proposal to be provided by the Officers.

RESOLVED that the report be deferred for consideration at the July meeting.

21 PROVISIONAL FINAL ACCOUNTS 2010/11

Report RES 11030

Consideration was given to a report on the provisional outturn at Portfolio level and Council wide for the financial year 2010/11 including the potential implications for the Council's financial position in 2011/12. Also included were details of carry forward requests and a request to set aside a sum in the Government Grant Reserve to deal with technical accounting changes.

It was noted that the 2010/11 provisional outturn showed an overall net improvement in balances of £2.9m (before carry forwards) which represented a variation of 1.4% compared with the final approved budget of £213.4m. This sum consists of £1.2m on services and central items, carry forward of £0.9m and prior year adjustments of £0.8m. The Finance Director introduced the report and advised that service departments have taken positive action to address in-year overspend, even after allowing for in-year significant reductions in government grant funding. Some of the underspend identified had been built into the 2011/12 budget. He also referred to the prior year adjustment and the list of carry forward requests detailed in the report which includes carry forward requests in respect of grants.

The Resources Portfolio Holder commented on the significant level of underspends (£2.9m) and that respective PDS Committees and Portfolio Holders should look at these in more detail. He considered that a proportion of the underspend might be used to contribute towards funding the severance fund. In respect of the large number of carry forward requests, this gave reason for some concern and should be examined in more detail. Following discussion about options in reporting back to the next meeting of Executive to consider the carry forward request in more depth, the Finance director advised that PDS Committees would be receiving information on these issues as part of the July monitoring report and that Chief Officers in liaison with Portfolio Holders could consider the requests in more depth prior to reporting back to the Executive. He also referred to the number of carry forward requests in respect of government grants and that a number of these had to be repaid if not used for the purpose specified. The Chairman also raised issues on the grant carry forwards and commented that those that did not need to be repaid should be looked at closely as the monies could possibly be utilised for other purposes.

The Executive in discussing the overall situation generally felt there should be tighter monitoring and that the carry forwards shown in Appendix 7, excluding the Town Centre items, should be referred back to PDS Committee for an in depth review and come back to the Executive for further consideration.

RESOLVED that

- 1) the provisional revenue and capital outturns for the 2010/11 financial year, and the earmarked balances on the General Fund as at 31st March 2011, be noted;**
- 2) a more detailed analysis of the 2010/11 final outturn will be reported to the individual Portfolio Holder meetings and their respective PDS Committees;**
- 3) the variations in 2010/11 impacting on the Council's 2011/12 financial position be noted;**
- 4) the carry forward of £748,000 relating to repairs and maintenance, approved under delegated powers as set out in Appendix 7 of the report be noted;**
- 5) the previously approved carry forward requests of £153,000 (mainly related to Town Centre matters) be noted;**
- 6) the further carry forward requests totalling £50,000 (net) detailed in Appendix 7 be referred back to the Portfolio Holders for more in depth examination and reported back to the Executive; and**
- 7) a sum of £884,000 be set aside in the Government Grant Reserve to deal with technical accounting changes relating to non-ring fenced government grants.**

22 CAPITAL PROGRAMME - OUTTURN 2010/11

Report RES11031

Details were submitted of the final outturn on capital expenditure and receipts for 2010/11. The report also contained information on the final outturn in respect of block provisions within the 2010/11 Capital Programme and to three carry forward requests from 2010/11 into 2011/12 totalling £542,000.

It was noted that the final capital outturn (actual expenditure plus sundry creditors) for the year was £47.8m compared to the revised total estimate of £71.4m approved by the Executive in February. The Finance Director advised that the large amount of slippage on schemes at this stage was significantly higher than previous years. As a result the capital monitoring procedure was being reviewed to tighten things up and build more rigour into the process. The Resources Portfolio Holder reiterated his concerns and whilst accepting the situation in respect of the Langley School for Boys Building Schools for the Future scheme, considered more explanation was needed as to the reasons for such high slippage on other schemes. The Finance Director in response to a question from Councillor Morgan agreed to provide him with a list of those schemes included as part of the general heading 'other contributions'.

The Executive in agreeing the recommendations proposed that Portfolio Holders/PDS Committees examine the reasons for the slippage in more detail as part of their scrutiny work programme.

RESOLVED that the report be noted and approval be given to the carry forward of unspent capital budgets on the following block provisions (as referred to in paragraphs 3.8 to 3.10 of the report):

- i) CYP Planned Maintenance/Modernisation – £243,000;
- ii) Works to prepare sites for disposal - £30,000;
- iii) Disabled Facilities Grants - £269,000.

23 REPORT OF THE NEW TECHNOLOGY WORKING GROUP

RES11040

The Executive welcomed Councillor William Harmer to the meeting to introduce the report of the Working Group he chaired on how developments in new technology could be applied to Council services. Councillor Nicholas Bennett had also been involved with the Working Group and was attending for both this item and the following review item. The Chairman thanked both members for the work, time and effort they put into the review.

The Executive and Resources PDS Committee had commissioned this review and had referred the report with its nine recommendations to the Executive for further consideration and implementation. Councillor Harmer explained the

approach taken by the Working Group who had looked at the use of technology in all departments. In general he felt the Council was proactive in following up opportunities to use new technology to enhance its service delivery as well as achieve savings. One of the key areas was encouraging a different approach to using technology when dealing with the public which was far cheaper than face to face contact. In response to questions from members Councillor Harmer advised that there were no major cost implications arising from the proposals as it was largely about building on existing arrangements such as for example on line school admissions. The Working Group had looked at examples in other local authorities and could show cost savings particularly in the area of public communication.

The Chairman spoke in support of the general thrust of the review but asked more about the first recommendation encouraging the Council to widen its use of social media. Councillor Harmer advised that the example of Barnet Council had been looked at where that authority had encouraged people to communicate electronically rather than by letter or personal visits and it had proved less costly. Councillor Nicholas Bennett also spoke in support of this proposal and how it might be used to advantage by Bromley.

Members discussed the various initiatives and asked questions on the background to some of the proposals. A member asked in relation to recommendation 5 whether paper versions of documents, for example agendas would still be available. Councillor Harmer spoke of the strong business case for reducing the amount of paper generated and that several members already accessed their meeting documents electronically even at meetings as had happened at a recent Audit Sub-Committee meeting. There had been considerable improvements and the new technology now available made it far more user friendly. Councillor Bennett suggested that those members who voluntarily wished to try the new process could be invited to trial the use of hand held/tablet devices as opposed to hard copy versions of documents as part of the next stage.

RESOLVED that the recommendations of the New Technology Working Party be endorsed and the Chief Executive, together with Councillor Harmer work through the proposals and a progress report be submitted to the PDS Committee in September.

24 COUNCIL COMMUNICATIONS UPDATE

Report CE 117

Consideration was given to a report summarising progress against recommendations made by the Executive and Resources Scrutiny Working Group on Communications. Councillor Nicholas Bennett JP had chaired the Working Group which had reported to the PDS Committee back in February 2010 and was in attendance to speak to the report. He noted that quite a number of the recommendations had been progressed during the past year.

The Executive and Resources PDS Committee at its meeting the previous week had noted the progress being made and had drawn attention to a number of items to be given priority. Councillor Bennett referred to these and specifically asked what had happened in respect of recommendation 15 concerning use of the Design Studio for all Council printing work. The Chief Executive advised that responsibility for the Design Studio had very recently transferred to Resources and the situation was currently being reviewed including the issue Councillor Bennett raised. Work on all the areas raised in the report was or had been addressed and this was against a background of reduced staffing resources. The emphasis was on a more corporate approach to getting the Council's message across to residents. The Chairman commented that recommendation 8 about the attendance of Communications staff at all PDS Committee meetings should be on a case by case basis. The Chief Executive confirmed this was the approach being taken and explained that staff were involved at an earlier stage in the process and were picking up issues in readiness before the meetings.

RESOLVED that

- 1) **the strategic and operational direction adopted to develop effective Council wide communications be noted;**
- 2) **the progress to date on meeting the recommendations of the Working Group be noted; and**
- 3) **the suggested way forward to further meet the recommendations of the Working Group, the objectives of the Communications Strategy and to continue to ensure Council communications activity is led politically and managerially be endorsed.**

25 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

There were no additional issues to be reported from the Executive and Resources PDS Community.

26 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summaries
refer to matters
involving exempt information**

27 EXEMPT MINUTES OF THE MEETING HELD ON 25TH MAY 2011

The exempt minutes of the meeting held on 25th May 2011 were confirmed.

28 CHISLEHURST ROAD BRIDGE REPLACEMENT - CONTRACT AWARD

The Executive considered a report on the outcome of a tender exercise for the replacement of Chislehurst Road Bridge and agreed to award the contract to the successful company. It was also agreed to recommend Council to include the scheme in the approved Capital Programme.

29 COMMERCIAL TRANSFER AGREEMENTS FOR SCHOOLS SEEKING ACADEMY STATUS - WARREN ROAD AND HAYES PRIMARY SCHOOL

The Executive received a report on the finalising and execution of Commercial Transfer Agreements for a number of schools currently in the process of converting to academy status.

Approval was given to the terms of the Transfer Agreements and for delegated authority to be given to the Director of Resources, to approve and execute any such future Commercial Transfer Agreements, ancillary agreements and Leases as required.

30 FORMER LEESONS CENTRE, CHIPPERFIELD ROAD, ST PAUL'S CRAY

A report was submitted recommending the marketing of the above site on a dual basis for housing redevelopment and or extra care housing for older people.

Chairman

The Meeting ended at 8.55 pm

Report No.
RES11048

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement & Efficiency Sub Committee

Date: 6th July 2011

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MATTERS ARISING FROM PREVIOUS MEETINGS**

Contact Officer: Kerry Nicholls, Democratic Services Officer
Tel: 020 8313 4602 E-mail: kerry.nicholls@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: N/A

1. Reason for report

Appendix A updates Members on matters arising from previous meetings.

2. **RECOMMENDATION(S)**

The Committee is asked to consider progress on matters arising from previous meetings.

Corporate Policy

1. Policy Status: N/A.
 2. BBB Priority: N/A.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: N/A
 4. Total current budget for this head: £N/A
 5. Source of funding: N/A
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable. This report does not involve an executive decision
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
 2. Summary of Ward Councillors comments: N/A
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3. COMMENTARY

The Committee is asked to consider progress on matters arising from previous meetings.

Non-Applicable Sections:	Policy Implications; Financial Implications; Legal Implications; Personnel Implications
Background Documents: (Access via Contact Officer)	Strategies and plans for each corporate area

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
16th June 2010				
40 Review of Service Proposals and procurement strategy – Transportation, Highways & Engineering Consultancy Services Contract	Agreed recs and to review the suitability of the arrangements at the end of the trial 18 month period. Report back to Executive.		Director of Environmental Services	January 2012
58/1 Sheila Stead House, Bushell Way, Chislehurst	Agreed to retain in Council's ownership for the time being.	The Resources Portfolio Holder on 17 th June 2011 agreed to the immediate remarketing of this property, which proposal had been supported by the Executive & Resources PDS Committee.	Director of Renewal and Recreation	
8th December 2010				
123 Bromley Museum at The Priory Orpington	Agreed 1 st stage application to the Heritage Lottery Fund – further report on outcome.		Colin Brand, Asst. Director Leisure & Culture	
12th January 2011				
142 Carbon Management Programme – Progress report	Agreed recommendations including those of the Env PDS Cttee.		Director of Environmental Services	Annual Progress Report 2011/12 January 2012
143 Carbon Reduction Commitment	Agreed recs including those of the Environment PDS Committee. Representations to be made to Government re responsibility for Academy Schools.	The Leader wrote to the Secretary's of State for Education and for Energy and Climate Change. Response received from Secretary of State, Dept of Energy & Climate Change.	Director of Environmental Services	Annual report January 2012

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
2nd February 2011				
2nd February 2011 167 Consultation on Mayoral Community Infrastructure Levy – Draft Charging Schedule	Deferred for more detailed consideration at the meeting on 14.02.11. Agreed to write to the Mayor of London requesting an extension to the consultation deadline.	The Leader wrote to the Mayor raising initial concerns at the proposal and requesting an extension of the consultation period. Report also considered by Development Control Committee on 8.2.11	Chief Planner	Executive meeting on 14.02.11.
14th February 2011				
14th February 2011 178 Consultation on Mayoral Community Infrastructure Levy – Draft Charging Schedule	Agreed the Council's formal response strongly objecting to the levy.	The Leader, together with the Chairman of the Development Control Committee wrote to the Mayor as requested. The Development Control Committee on 30 th June 2011 was advised that the Mayor's second stage consultation on the Charging Schedule had been published with comments to be received by 8/7/11. It was agreed to continue to make objections to the proposals.	Chief Planner	
25th May 2011				
7 Update on Portfolio Holders and Appointment of Executive Assistants and Various Member Working Groups	Noted appointments made by the Leader to various Working Parties/Groups	Since the meeting the Leader has made the following appointments: i) Councillor Ian Payne onto the Town Centre Working Party and ii) Councillor Carr (alternate Cllr Colin Smith) on the Improvement & Efficiency Sub-Committee; and iii) Cllr Getgood on the SEN Working Party.		

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
8 Core Strategy Issues Document – Consultation Draft	Subject to taking into consideration the amendments discussed, approval was given for the document to be released for consultation. Members to be kept informed of any significant issues.		Chief Planner	Consultation period ends in September 2011
22nd June 2011				
19 Biggin Hill Airport Olympic Proposals	Consideration of the latest application by BHAL was deferred for consultation – deadline for comments by 29 th July 2011. Special Meeting to be convened early August.	Oral update report to July Executive – see item 5 on the agenda.	Director of Renewal and Recreation	29 th July 2011
20 Relocation of Street Cleansing facilities to former Chartwell Business Centre, Central Depot	Report deferred to July meeting for further information.	See item 8 on the agenda.	Director of Renewal and Recreation	
22 Report of the New Technology Working Group	Working Party recommendations endorsed. Update report to the E& R PDS Committee in September 2011		Chief Executive/Cllr William Harmer	12 th October 2011

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
28/1 Chislehurst Road Bridge Replacement – Contract Award	Approval given to award the contract and Council recommended to include the scheme in the current Capital Programme.	The Council on 4 th July 2011 agreed to include the scheme for the replacement of Chislehurst Road Bridge in the Capital Programme.	Director of Resources	
30/1 Former Leasons Centre, Chipperfield Road, St Paul's Cray	Agree to market the property on a dual basis for housing redevelopment and for extra care housing for older people.		Director of Renewal and Recreation	

Report No.
RES11061

London Borough of Bromley

Agenda
Item No.

PART 1 - PUBLIC

Decision Maker: Executive

Date: 20 July 2011

Decision Type: Non-Urgent Executive Key

Title: BUDGET MONITORING 2011/12

Contact Officer: Lesley Moore, Deputy Finance Director,
Tel: 020 8461 4633 E-mail: lesley.moore@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: Borough Wide

1. Reason for report

This report provides the first budget monitoring position for 2011/12 primarily based on any overspends/under spends in 2010/11 that follow through into 2011/12 where no additional funding has been set aside in the 2011/12 budget. The report also highlights any significant variations arising in this financial year based on activity up to May 2011.

2. **RECOMMENDATION(S)**

- 2.1 Note that a projected overspend of £475,000 is forecast on the first Budget Monitoring report for 2011/12 based on information as at May 2011.
- 2.2 Agree the carry forward requests totalling £50,000 included in Appendix 2.
- 2.3 Note the creation of an earmarked reserve for severance costs as approved by the Executive in February 2011 and detailed in paragraph 3.10

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £246m
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
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Staff

1. Number of staff (current and additional): 6,845 (per 2011/12 FCB), which includes 4,425 for delegated schools.
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory requirement. The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000; and the Local Government Act 2002.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2011/12 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: Council wide

3. Budget Monitoring 2011/12

3.1 The table below provides a breakdown of the 2011/12 budget and projected spend as at end of May 2011:-

	2011/12 Original Budget £'000	2011/12 Latest Budget £'000	2011/12 Projected Outturn £'000	2011/12 Variation £'000
Adult & Community Services	96,371	101,921	101,981	60
Children & Young People	48,078	66,988	67,388	400
Renewal & Recreation	19,087	19,560	19,560	0
Environmental Services	37,855	43,464	43,464	0
Public Protection Resources	3,721 9,818	3,721 10,627	3,721 10,642	 15
	<u>214,930</u>	<u>246,281</u>	<u>246,756</u>	<u>475</u>

3.2 A detailed breakdown of the Latest Approved Budgets and Projected Outturn across each Portfolio is shown in Appendix 1.

Children & Young People

3.3 The Children & Young People Portfolio is currently projecting an overspend of £400,000. This is caused by two areas of pressure. The main area is in the Children's Disability Team. Three recent unbudgeted high cost placements of children to emergency/short term accommodation have resulted in a projected overspending of £300,000.

The remaining overspending of £100,000 is projected in Children's Social Care. The majority of this is due to the use of locum social workers to cover vacant frontline social worker posts. The department has targets for reducing the dependency on Locums. These are currently being exceeded and as a consequence fewer Locums are being employed as anticipated. However usage of Locums remains and continuing efforts are being made to drive their use down further with recruitment and retention of permanent social workers.

Management action will be taken to reduce the overspending down to a neutral position

Adult & Community Services

3.4 There has been a marked increase in the number of households presenting with housing needs, particularly those faced with imminent homelessness. This is mainly due to rent or mortgage arrears or the loss of private rented sector accommodation. There has been an increase of 16% in numbers for temporary accommodation and 29% for B&B placements since December 2010.

The number of properties available for temporary and bed and breakfast accommodation has reduced and there is greater competition between other London boroughs for available units. As a result there is an increase in the use of more expensive nightly paid accommodation and increasing demand for accommodation, meaning that additional cost pressures of around £60,000 are currently being projected.

Officers continue to focus on preventing homelessness and diversion to alternative housing options and a number of initiatives are in place or proposed to contain the projected overspend. Budgets will be monitored closely during the year and further updates reported.

Carry forwards from 2010/11 to 2011/12

- 3.5 The Executive on the 6th April 2011 approved carry forwards for the Renewal & Recreation Portfolio relating to Town Centre Events for £53,000 and the Local Development Framework £100,000.
- 3.6 The Executive on the 22 June 2011 approved the carry forward of £748,000 for Repairs & Maintenance projects across departments. At the same meeting the Executive approved all carry forwards where grant would have to be repaid but asked that carry forward requests funded from revenue or where grant would not have to be repaid, this related to Chief Executives and Adult & Community Services, officers liaise with their Portfolio Holder to approve the carry forward requests prior to any final approval by the Executive.
- 3.7 The carry forward requests that have now been agreed by the Portfolio Holders are shown on Appendix 2. The only change since the last Executive is that Connecting Communities grant has been reduced down from £83,000 to £63,000 as agreed with the Resources Portfolio Holder. The area within this grant that the Portfolio Holder has not supported relates to website development work, where work had not yet started.

Early Warning

- 3.8 A sum of £162,000 has been set aside in the 2011/12 Central Contingency for potential loss of income relating to changes in regulations around Land Charges and Building Control within the Renewal & Recreation Portfolio.
- 3.9 The Government withdrew the statutory fee allowed to be charged for personal searches which has resulted in a full year effect of loss of income of £112,000 in the Land Charges budget. It has been assumed in this first monitoring report that this loss of income will be met from the central contingency unless alternative savings can be identified. This will be covered in more detail in the next full budget monitoring report.

Severance Fund

- 3.10 Executive on the 14th February 2011 and subsequently Council agreed a sum of £3.5m be set aside from balances for funding severance costs in 2011/12 with further potential estimated requirements of £2m in 2012/13, to enable the achievement of revenue savings totalling £22m in 2011/12 and £33m in 2012/13.

Non-Applicable Sections:	Legal, Personnel, Customer Impact
Background Documents:	2011/12 Budget Monitoring files within Adult & Community Services Finance Section

(Access via Contact Officer)	
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2010/11 Actuals £'000	Division Service Areas	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Projection £'000	Variation £'000	Notes	Full Year Effect £'000
5,785	Access and Inclusion Access	5,313	5,313	5,313	0		0
7,867	Bromley Children and Family Project	15,010	15,010	15,010	0		0
21,022	SEN and Inclusion	24,266	26,678	26,978	300	1,3	0
34,674		44,589	47,001	47,301	300		0
0	Early Intervention Grant Early Intervention Grant	-10,999	-10,999	-10,999	0		0
0		-10,999	-10,999	-10,999	0		0
3,320	Learning and Achievement Bromley Youth Support Programme	2,380	2,380	2,380	0		0
720	Education Commissioning and Business Services	1,583	1,583	1,583	0		0
1,733	Standards and Achievement Services	2,550	2,550	2,550	0		0
5,773		6,513	6,513	6,513	0		0
9,547	Safeguarding and Social Care Care and Resources	12,934	12,897	12,997	100	2,4	0
513	Children in Care Education	555	555	555	0		0
3,389	Referral and Assessment	2,267	2,267	2,267	0		0
5,546	Safeguarding and Care Planning	2,565	2,505	2,505	0	4	0
2,038	Safeguarding and Quality Assurance	2,091	2,188	2,188	0	4	0
828	Youth Offending Team	944	944	944	0		0
21,859		21,356	21,356	21,456	100		0
159,857	Schools Related Budgets Delegated Budgets	168,154	121,895	121,895	0		0
-195,830	Schools Budget Grants	-208,024	-160,054	-160,054	0		0
7,046	Schools Related Budgets Not Delegated	8,874	4,751	4,751	0		0
-28,927		-30,996	-33,408	-33,408	0		0
664	Strategy and Performance Research and Statistics	580	580	580	0		0
512	Strategic Planning and Commissioning	486	486	486	0		0
1,176		1,066	1,066	1,066	0		0
34,555	TOTAL CONTROLLABLE FOR CHILDREN & YOUNG PEOPLE	31,529	31,529	31,929	400		0
40,835	TOTAL NON CONTROLLABLE	10,376	29,286	29,286	0		0
7,334	TOTAL EXCLUDED RECHARGES	6,173	6,173	6,173	0		0
82,724	PORTFOLIO TOTAL	48,078	66,988	67,388	400		0

Reconciliation of latest approved budget

£'000

Original budget 2011/12

48,078

Supplementary estimate for capital accounting adjustment relating to Government Grants Deferred

18,910

Latest Approved Budget for 2011/12

66,988

CYP - Variations and budget notes – 31 May 2011

Appendix 1

The Children & Young People department is currently projecting an overspending of £400,000. This is caused by two main areas of pressure

1. Children Disability Team

This is caused by two areas of pressure. The main area is in the Children's Disability Team. Three recent unbudgeted high cost placements of children to emergency/short term accommodation have resulted in a projected overspending of £300,000.

2. Social Care

The remaining overspending of £100,000 is projected in Children's Social Care. The majority of this is due to the use of locum social workers to cover vacant frontline social worker posts. The department has targets for reducing the dependency on Locums.

Budget revisions that have no effect on the bottom line

3. Reallocation of Schools Budget

Budgets have been revised due to schools becoming academies and reallocation between schools block expenditure lines. They have a zero effect on the overall bottom line. The movements are as follows:-

	£'000
SEN Matrix funding for Academies	2,412
Delegated budgets transferred to Academy Trusts	-46,259
Reduction in Dedicated Schools Grant	47,970
Reduction in CERA	-2,483
Reduction in centrally held Schools' contingency	-1,640
	<u>0</u>

4. Reallocation of social care budgets

Budgets have been revised due to a reallocation of salary budgets within Safeguarding and Social Care Division at the request of the AD. They have no effect on the overall bottom line.

Summary of CYP variations

	Variation £'000
Children Disability Team Placements	300
Children Social Care Agency cover	100
Total Variation	<u>400</u>

2010/11 Actuals £'000	Division Service Areas	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Projection £'000	Variation £'000	Notes	Full Year Effect £'000
(5,515)	Customer & Support Services						
	Parking	(5,366)	(5,316)	(5,316)	0	1	0
1,605	Support Services	1,554	1,540	1,540	0		0
(3,910)		(3,812)	(3,776)	(3,776)	0		0
	Public Protection - ES						
112	Emergency Planning	114	114	114	0		0
112		114	114	114	0		0
	Street Scene & Green Space						
5,803	Area Management/Street Cleansing	5,975	5,975	5,975	0		0
(65)	Markets	(47)	(47)	(47)	0		0
5,809	Parks and Green Space	6,153	6,153	6,153	0		0
567	Street Regulation	519	519	519	0		0
16,091	Waste Services	16,893	16,843	16,843	0	2	0
28,205		29,493	29,443	29,443	0		0
	Transport & Highways						
10,025	Highways	9,523	9,523	9,523	0		0
147	Highways Planning	144	144	144	0		0
(583)	London Permit Scheme	(287)	(287)	(287)	0		0
843	Traffic & Road Safety	790	790	790	0		0
216	Transport Strategy	235	235	235	0		0
11,231		10,405	10,405	10,405	0		0
35,638	TOTAL CONTROLLABLE	36,200	36,186	36,186	0		0
(1,469)	TOTAL NON CONTROLLABLE	(693)	4,977	4,977	0		0
2,997	TOTAL EXCLUDED RECHARGES	2,348	2,301	2,301	0		0
37,166	PORTFOLIO TOTAL	37,855	43,464	43,464	0		0

Reconciliation of latest approved budget	£'000
Original budget 2011/12	37,855
Supplementary estimate for capital accounting adjustment relating to Government Grants Deferred	5,670
Transfer of design studio to Corporate Services (Resources Portfolio)	(61)
Latest Approved Budget for 2011/12	<u>43,464</u>

1. Off Street Car Parking £0k

Off-street car parking income is projected to be £100k below budget expectation. This is mainly due to reduced demand and parking fees not having been increased to match inflation added to the budget as a result of the normal estimate process, nor the loss of income as a direct result of the increase in VAT.

This projected shortfall is from the four multi-storey car parks where income was £32k below budget for April and May, with the majority (£23k) occurring in April, probably due to the high number of bank holidays.

This projected shortfall in income is offset by £50k savings as a result of management action, and a balance from a provision of £50k no longer required for contract payments following successful negotiations with the parking contractor.

2. Waste Management £0k

Prices for trade waste collections were increased by 15% in April 2011 and 11% in April 2010. For 2010/11 the fall-out of customers equated to 3.8%, however in 2011/12 this percentage has more than doubled, currently 9.75%. When setting the new fees and budgets an assumption was made that there would be reduction of a further 5% of customers and therefore the additional reduction of 4.75% has meant that income is currently projected to be £90k below budget.

It should be noted that this is partly offset by a corresponding reduction in contract collection costs of £20k and £50k for disposal costs due to a projected reduction of 700 tonnes from the decrease in customers. This leaves a balance of Dr £20k which is offset by a small reduction in other disposal tonnage of Cr £20k.

This is summarised in the table below :-

Summary of Variations:-	£'000
Shortfall of trade waste collected income due to reduction in customers	90
Corresponding reduction in trade waste collection contract costs	-20
Reduction in disposal tonnage from trade waste collection customers	-50
Minor reduction in other disposal tonnages	-20
Total variation for waste management	<u><u>0</u></u>

Renewal and Recreation Budget Monitoring Summary

Appendix 1

2010/11 Actuals £'000	Division Service Areas	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Projection £'000	Variation £'000	Notes	Full Year Effect £'000
(291)	Adult Education Centres Adult Education Centres	(401)	(401)	(401)	0		0
(291)		(401)	(401)	(401)	0		0
(142)	Planning Building Control	(31)	(31)	(31)	0	1	0
(238)	Land Charges	(275)	(275)	(275)	0	2	0
1,208	Planning	979	964	964	0	3	0
1,401	Renewal	1,371	1,471	1,471	0		0
2,229		2,044	2,129	2,129	0		0
3,308	Recreation Culture	2,644	2,659	2,659	0		0
5,251	Libraries and Museums	5,326	5,326	5,326	0		0
373	Town Centre Management & Business Support	339	392	392	0		0
8,932		8,309	8,377	8,377	0		0
10,870	TOTAL CONTROLLABLE	9,952	10,105	10,105	0		0
5,407	TOTAL NON CONTROLLABLE	6,777	7,097	7,097	0		0
2,713	TOTAL EXCLUDED RECHARGES	2,358	2,358	2,358	0		0
18,990	PORTFOLIO TOTAL	19,087	19,560	19,560	0		0

Reconciliation of latest approved budget £'000

Original budget 2011/12 19,087

Carry forward of funds relating to Local Development Framework 100

Carry forward of funds relating to town centre events 53

Supplementary estimate for capital accounting adjustment relating
to Government Grants Deferred 320

Latest Approved Budget for 2011/12 19,560

1. Building Control £0k

A shortfall of income of £190k is projected due to the recession and is being offset by savings of £190k from management action to reduce costs, including holding 3.5fte vacant.

2. Land Charges £0k

As a result of the Government withdrawing the statutory fee for personal searches in 2010, the full year effect of the loss of income will be £112k. A request will be submitted to the Executive to draw down part of a contingency which was set aside for the likely event of the withdrawal of this statutory fee which currently has a balance of £162k.

3. Planning £0k

Income from non-major applications seem to be increasing compared to 2010/11, £162k has been received for April and May compared to £127k received for the same period in 2010. At this stage it is projected that income received will be £882k compared to a budget of £912k, a shortfall of income of £30k. However, the overall income is expected to be over £200k higher than 2010/11.

No income has been received from major applications for April and May 2011. Officers have given details of potential income that will be due from major developments that are expected to be submitted during 2011/12 and this totals £150k compared to a budget of £300k.

For information, £393k was received for major applications during 2009/10 and £236k for 2010/11.

The budget option relating to the introduction of new fees for pre-application meetings for non-majors has not generated the level of income expected since April and it is likely that only £10k will be received compared to the target of £30k. The situation is being reviewed and a six monthly review will be undertaken and reported to Members later in the year.

Management action taken includes holding 8 fte posts vacant and reducing spend on running expenses totalling Cr £200k.

Summary of Planning variations

	Variation £'000
Effect of holding 8 FTE's vacant within Planning	(200)
Shortfall of income from planning fees	180
Pre-application fees for non-majors	20
Total Variation	<u><u>0</u></u>

2010/11 Actuals £'000	Division Service Areas	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Projection £'000	Variation £'000	Notes	Full Year Effect £'000
	Public Protection						
755	Community Safety	516	516	516	0		0
336	Mortuary & Coroners Service	344	344	344	0		0
2,891	Public Protection	2,586	2,586	2,586	0		0
3,227		3,446	3,446	3,446	0		0
3,227	TOTAL CONTROLLABLE	3,446	3,446	3,446	0		0
381	TOTAL NON CONTROLLABLE	6	6	6	0		0
527	TOTAL EXCLUDED RECHARGES	269	269	269	0		0
4,135	PORTFOLIO TOTAL	3,721	3,721	3,721	0		0

Financial Summary	2011/12 Original Budget £'000	2011/12 Latest Approved £'000	2011/12 Projected Outturn £'000	Variation £'000	Notes	Full Year Effect £'000
CENTRAL ITEMS						
Interest on Balances	-2,691	-2,691	-2,691	0		0
CDC & Non Distributed Costs (Past Deficit etc.)	6,965	6,965	6,965	0		0
CHIEF EXECUTIVE'S DEPARTMENT						
Audit	993	1,009	1,009	0		0
Comms	117	117	117	0		0
Organisation & Improvement	328	328	328	0		0
Policy & Partnership	85	85	85	0		0
Human Resources						
Health & Safety	239	239	239	0		0
HR Management	322	322	322	0		0
HR Strategy and L & D	518	518	518	0		0
Operational HR	723	723	723	0		0
Management and Other (C.Exec)	570	570	570	0		0
Sub Total - Chief Executive's Department	3,895	3,911	3,911	0		0
RESOURCES DEPARTMENT						
Financial Services & Procurement						
Exchequer - Payments & Income	1,338	1,338	1,338	0		
Exchequer - Revenue & Benefits	5,558	5,558	5,558	0		
Financial Management	2,483	2,467	2,467	0		
Procurement	412	412	412	0		
Information Systems	4,884	4,884	4,884	0		0
Customer Services						
Bromley Knowledge	224	224	224	0		0
Contact Centre	868	868	868	0		0
Democratic, Electoral & Registrar's						
Customer Service Development	93	93	93	0		0
Democratic Services	1,656	1,656	1,656	0		0
Electoral	366	366	366	0		0
Registrars	-39	-39	-39	0		0
Legal Service & Facilities Support						
Admin. Buildings	1,968	1,926	1,926	0		
Facilities & Support	651	707	707	0		0
Legal Services	1,672	1,672	1,672	0		0
Management and Other	134	134	134	0		0
Sub Total - Resources Department	22,268	22,266	22,266	0		0
RENEWAL & RECREATION DEPARTMENT						
Property Services (excl. Investment Property)	1,366	1,366	1,366	0		0
Repairs & Maintenance (All LBB)	3,967	4,715	4,715	0		
Other Rental Income	-733	-733	-733	0		
Sub Total	4,600	5,348	5,348	0		
Investment & Non Operational Property Rental Income	-3,608	-3,608	-3,597	11		0
Sub Total Renewal & Recreation Department	992	1,740	1,751	11		
Total Controllable Departmental Budgets	27,155	27,917	27,928	11		0
Total Non Controllable	1,985	1,985	1,985	0		
Total Excluded Recharges	-21,244	-21,197	-21,197	0		
Less: R&M allocated across other Depts	-2,999	-2,999	-2,999	0		
Less: Rent allocated across other Depts	647	647	651	4		
Net Departmental Budgets	5,544	6,353	6,368	15		0
Total Corporate Services/Resources Portfolio	9,818	10,627	10,642	15		0

Chief Executives Department

1. Single Status/Management Grade Review

35,000

Grants that would not have to be repaid

2. Connecting Communities Grant

63,000

3. Smart Project Grant

Whilst the project is live (until September this year) the grant is required to be spent on activities relating to the pan European sustainability project and in achieving the required outcomes. At this stage, it is anticipated that the remaining grant will be required to fund project costs relating to producing technical documents, information & advice, tools, workshops and conferences.

6,936

69,936

Resources Contribution to Earmarked Reserves

-69,936

35,000

Adults & Community Services

4. Choice Based Lettings - contribution towards auto banding

15,000

Grants that would not have to be repaid

5. Learning Disability Campus Re provision

- Transitional Care Staffing (e.g. time limited night wakes)
- Client Furniture (means tested purchase plus Removals & Storage)
- Programme Related costs - Management & Legal & HR engagement
- Access workers & care management
- Costs associated with remaining Campus operation
- Respite reconfiguration - associated costs

81,893
27,500
126,300
38,400
176,200
8,500

458,793

6. Housing Overcrowding Pathfinder

Implement new Allocation System/contribution towards Hsg Register

92,517

7. New Homelessness

- Maintenance and Extension of Money & Debt Advice Surgeries
- Houses in Multiple Occupation - Inspection & Regulation
- Tenancy Sustainment/Negotiator
- Incentives and Deposits to Landlords
- Introduction/Development of Incentive Schemes

15,000
10,000
40,000
40,000
45,000

Housing Benefit Migration Grant - When the grant was given it was for the period up to March 2012 and was the Coalition Government's offer to London Boroughs to deal with the negative effects of the reductions in HB to save off the potential for more homelessness due to tenants getting less HB.

150,000

8. Stroke Care

Fund 2 Stroke Co-ordinators to work in care management teams to develop competencies in meeting needs of stroke patients being discharged from hospital.
Fund contract with Stroke Association to provide support to families & carers of people with strokes. Contract ends Nov 2011

67,000	
23,144	90,144
	-791,454
	<u>15,000</u>
	<u>50,000</u>

Resources Contribution to Earmarked Reserves

TOTAL

Report No.
RES11064

London Borough of Bromley

Agenda
Item No.

PART 1 - PUBLIC

Decision Maker: Executive

Date: 20th July 2011

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME MONITORING - 1ST QUARTER
2011/12

Contact Officer: Martin Reeves, Principal Accountant (Technical & Control)
Tel: 020 8313 4291 E-mail: martin.reeves@bromley.gov.uk

Chief Officer: Director of Resources

Ward: All

1. Reason for report

This report summarises the current position on capital expenditure and receipts following the 1st quarter of 2011/12 and seeks the Executive's approval to a revised Capital Programme. The report also covers any detailed issues relating to the 2010/11 Capital Programme outturn, which was reported in summary form to the June meeting.

2. RECOMMENDATION(S)

The Executive is asked to:

Note the report and to agree a revised Capital Programme.

Approve the following amendments to the Capital Programme:

- (i) Total reduction of £16.6m over the years 2011/12 to 2014/15 to delete duplicated budgets for capitalised maintenance, modernisation and suitability works in schools and other educational establishments (see para 3.2);
- (ii) Virement of £600k in 2011/12 from capital maintenance in schools to security works (£150k), suitability/modernisation issues (£150k) and seed challenge (£300k) (see para 3.3);
- (iii) Total reduction of £12,450k over the years 2012/13 to 2014/15 to reflect reduced government support for Formula Devolved Capital (see para 3.4);

- (iv) Virement of £22k in 2011/12 from capitalised maintenance, modernisation and suitability works in schools and other educational establishments to cover the overspend on the Riverside Autistic Spectrum scheme (see para 3.5);
- (v) Reduction of £91k in 2011/12 to reflect revised grant receivable from Transport for London in respect of various highway schemes (see para 3.6);
- (vi) Deletion of Bromley Town Centre Variable Message Signing scheme (£93k) due to non-availability of external funding (see para 3.7);
- (vii) Reduction of £90k on Bromley North Village scheme to reflect reduced TfL funding (see para 3.8).

Corporate Policy

1. Policy Status: Existing policy. Capital Programme monitoring and review is part of the planning and review process for all services.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: Estimated cost Total reduction of £29.1m over the 4 years 2011/12 to 2014/15, mainly due to deletions / reductions in externally funded education schemes
 2. Ongoing costs: Non-recurring cost.
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £Total £106.5m over 4 years 2011/12 to 2014/15
 5. Source of funding: Mainly capital grants / receipts
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Expenditure

3.1 Appendix A sets out proposed changes to the Capital Programme following a detailed monitoring exercise carried out after the 1st quarter of 2011/12. Further information is provided in paragraphs 3.2 to 3.9. The base position is the revised programme approved by the Executive on 2nd February 2011, as amended by variations approved at subsequent Executive meetings. If the changes proposed in this report were approved, the total Capital Programme 2011/12 to 2014/15 would reduce by £29.1m, mainly due to reductions in externally funded education schemes (see paragraphs 3.2 and 3.4) and the 2011/12 estimate would increase by £16.7m, mainly due to the rephasing of expenditure from 2010/11.

3.2 Planned maintenance/modernisation/suitability issues in schools, etc (total reduction of £16.6m)

For a number of years, the Capital Programme has included around £4m per annum for planned maintenance, modernisation and suitability issues in schools and other educational establishments. In the 2011/12 settlement, however, the government announced that it would give the Council grant support of £5.7m to fund capital maintenance in schools. This sum was included in the approved programme in February, but the previous provision was not removed as the maintenance budgets for 2011/12 had not been finalised at that time. Accordingly, there is currently an element of double-counting in 2011/12 and the Executive is asked to approve the deletion of the previous budgets totalling £16.6m over the years 2011/12 to 2014/15. Further Capital Programme approvals will be sought as and when the government makes any announcements for 2012/13 and later years.

3.3 Virement from capital maintenance in schools (£600k in 2011/12)

At its meeting on 15th March 2011, the CYP PDS Committee agreed that a total of £600k be allocated from the capital maintenance in schools budget to fund security works (£150k), suitability/modernisation issues (£150k) and seed challenge (£300k). The Executive is asked to confirm these budget adjustments.

3.4 Formula Devolved Capital (total reduction of £12.45m)

The current approved Capital Programme includes provision for Formula Devolved Capital grant of £845k in 2011/12 (based on the actual level of support announced by the government) and £5.0m per annum thereafter (based on the average level of support over recent years). It is recommended that the level of support from 2012/13 be reduced to £845k, which would reflect a more realistic assumption.

3.5 Virement in respect of Riverside Autistic Spectrum Disorder provision overspend (£22k in 2011/12)

The Riverside ASD scheme was overspent by £22k as at 31st March 2011 and it is proposed that this be funded by way of a virement from the carry-forward of £243k on the planned maintenance/modernisation budget that was approved at the last meeting.

3.6 Transport for London – revised support for highway schemes (reduction of £91k in 2011/12)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2011/12 to 2014/15 on the basis of the bid in our Borough Spending Plan (BSP). Notification of an overall reduction of £91k in 2011/12 has been received from TfL. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.7 Bromley Town Centre – Variable Message Signing (deletion of scheme £93k in 2011/12)

The Bromley Town Centre VMS scheme has been in the Capital Programme for many years on the assumption that it would be funded by a contribution from Capital Shopping Centres. It has been confirmed that the funding is not available and the budget (£93k in 2011/12) can now be removed from the programme.

3.8 Bromley North Village (reduction of £90k)

Notification of a minor reduction of £90k in TfL support for the Bromley North Village scheme has been received and the programme has been amended accordingly.

3.9 Scheme Rephasing

There was major slippage of expenditure originally planned for 2010/11 and a total of £25.2m has been rephased into 2011/12. Further phasing adjustments have resulted in £4.6m being rephased from 2011/12 into 2012/13. The significant scale of Capital Programme slippage was highlighted in the June report and the monitoring process is currently being reviewed and will be strengthened in the coming months.

Capital Receipts

3.5 Details of the 2010/11 outturn for capital receipts and the receipts forecast in the years 2011/12 to 2014/15 are included elsewhere on the agenda in a confidential appendix to this report (Appendix C). Actual receipts from asset disposals totalled some £3.8m in 2010/11, which was exactly in line with the forecast reported to the February meeting. The latest estimate for 2011/12 has reduced to £5.2m from £5.8m reported in February, due to slippage of receipts into later years. Estimates for 2012/13, 2013/14 and 2014/15 are now £16.8m, £1.8m and £2.5m respectively (£17.7m, £0.2m and £2.7m were reported in February). These totals include estimated receipts in respect of the disposal of the three main sites in the disposal programme; Tweedy Road, Westmoreland Road and Bromley Town Hall. For illustrative purposes, two financing models have been prepared. One assumes we achieve all planned receipts and the other assumes we fail to achieve any of the three main disposals. These are summarised in paragraph 5.3. A total of £1m per annum is assumed for later years, in line with the target included in the Resources Portfolio Plan. The financing and balances projections shown in Appendix B reflect prudent assumptions for capital receipts in view of continuing uncertainties in the housing market and assume non-receipt of the three main disposals.

3.6 In addition to capital receipts from asset disposals, the Council is holding a number of Section 106 contributions received from developers. These are made to the Council as a result of the granting of planning permission and are restricted to being spent on capital works in accordance with the terms of agreements reached between the Council and the developers. These receipts are held in a reserve, the balance of which stood at £3,337,000 as at 31st March 2011, and will be used to finance capital expenditure from 2011/12 onwards. The current position on capital Section 106 receipts (including commitments) is shown below.

Specified capital works	Balance 31/3/11 £000	Receipts 2011/12 £000	Expenditure 2011/12 £000	Balance 30/6/11 £000
Local Economy & Town Centres	39	-	-	39
Housing provision	2,074	-	445	1,629
Education	375	-	-	375
Community use	849	-	44	805
TOTAL	3,337	-	489	2,848

2010/11 Capital Programme outturn – other issues

- 3.7 A number of schemes were overspent as at 31st March 2011 and these continue to be investigated by officers. Brief details are given below and more detail will be included in future monitoring reports or in post-completion reports.

Biggin Hill Primary School amalgamation (total budget £180,000) – this scheme was overspent by £19,000 as at 31st March 2011. Officers are looking at funding options and it is likely that the overspend will be met by a contribution from the education capital maintenance budget in 2011/12.

Pupil Referral Unit (total budget £2,311,000) – scheme overspent by £41,000 as at 31st March 2011. This scheme has been beset by contractual problems and early warnings have been given to Members on previous occasions. It is likely that the overspend will be met by a contribution from the education capital maintenance budget in 2011/12.

Civic Centre – Emergency Back-up (total budget £293,000) – scheme overspent by £26,000 as at 31st March 2011. Officers are looking at funding options and it is likely that the overspend will be met by a contribution from the education capital maintenance budget in 2011/12.

Walnuts Leisure Centre - roof (total budget £650,000) – overspent by £57,000 as at 31st March 2011. Officers are looking at funding options and details will be brought to the Executive once the final position is known.

Post-Completion Reports

- 3.8 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. Post-completion reports on the following schemes should be submitted to the relevant Portfolio Holders during 2011/12:

Biggin Hill Primary School – amalgamation

Riverside ASD provision

Pupil Referral Unit – new facilities

Mottingham Community Centre – refurbishment

Walnuts Leisure Centre – roof

Biggin Hill Leisure Centre

4. POLICY IMPLICATIONS

- 4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

5. FINANCIAL IMPLICATIONS

- 5.1 These are contained in the main body of the report and in the appendices. A summary of the changes to the Capital Programme detailed in this report is shown in Appendix A. If the proposed changes were approved, the total Capital Programme 2011/12 to 2014/15 would reduce by £29.1m, mainly due to reductions in externally funded education schemes (see paragraphs 3.2 and 3.4) and the 2011/12 estimate would increase by £16.7m to £72.1m, mainly

due to slippage of expenditure originally planned for 2010/11. Appendix C (on the Part 2 agenda) gives details of actual and anticipated capital receipts from asset disposals.

- 5.2 Attached as Appendix B is a capital financing statement, which gives a long-term indication of how the revised Programme would be financed if all the proposed changes were approved. The phased transfer of rolling programmes of maintenance-type expenditure from capital to revenue was completed in the 2009/10 budget and the financing projections continue to assume no General Fund support to the revenue budget in future years. They also assume approval of the revised capital programme recommended in this report, together with an estimated £1.25m pa for new capital schemes from 2012/13 onwards (broadly in line with the average cost to the Council of new schemes approved in recent years). Further expenditure totalling £3m in 2011/12 and 2012/13 is assumed in respect of service investment priorities that have not yet been specified and £4m is included for flexible working.
- 5.3 The following table summarises the estimated impact on balances of the revised programme and revised capital receipt assumptions. Under Model 1 (non-achievement of three main disposals), total balances would reduce from £71.7m (General Fund £53.8m and capital receipts £17.9m) at the end of 2010/11 to £54.7m by the end of 2014/15 and would reduce further to £50.2m by the end of 2019/20. The General Fund would be required to contribute £1.7m to the funding of capital expenditure in 2015/16 and a further £2.0m in total over the following three years. This reflects prudent assumptions on the level of capital receipts in view of continuing uncertainty in the housing market. Under Model 2 (all planned receipts are achieved), total balances would reduce from £71.7m at the end of 2010/11 to £65.4m by the end of 2014/15 and would then reduce to £60.8m by the end of 2019/20.

	Balance 1/4/11	Estimated Balance 31/3/15	Estimated Balance 31/3/20
	£m	£m	£m
MODEL 1 (no big receipts)			
General Fund	53.8	53.8	50.1
Capital Receipts	17.9	0.9	0.1
	<u>71.7</u>	<u>54.7</u>	<u>50.2</u>
MODEL 2 (all receipts)			
General Fund	53.8	53.8	53.8
Capital Receipts	17.9	11.6	7.0
	<u>71.7</u>	<u>65.4</u>	<u>60.8</u>

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns June 2011. Approved Capital Programme (Executive 2/2/11). Capital Programme Outturn 2010/11 report (Executive 22/6/11).

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CAPITAL FINANCING STATEMENT Executive 20/7/11 - includes allowance for investment priorities & other liabilities. £1.25m pa for future new schemes																									
(NB. Assumes reduced capital receipts - see below)																									
	2008-09		2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20		
	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000	Actual £000	Estimate £000's	Actual £000's	Estimate £000's	Actual £000's	Estimate £000's	Actual £000's	
Summary Financing Statement																									
Capital Grants	23,930	13,072	27,670	26,209	39,280	25,344	30,430	7,540	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560
Other external contributions	10,400	9,725	10,910	8,354	16,100	12,488	16,490	8,220	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Usable Capital Receipts	11,480	4,930	5,370	3,822	5,130	423	15,940	9,220	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503
Revenue Contributions	5,360	3,749	7,590	4,094	10,420	9,619	1,260	900	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550
General Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Borrowing	3,000	703	1,100	0	500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total expenditure	54,170	32,179	52,640	42,479	71,430	47,874	64,120	25,880	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340
Usable Capital Receipts																									
Balance brought forward	16,799	16,799	14,032	14,032	13,236	13,236	17,943	4,983	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933
New usable receipts	1,200	2,163	2,540	3,026	5,150	5,130	2,980	11,200	420	420	420	420	420	420	420	420	420	420	420	420	420	420	420	420	420
Capital Financing	17,999	18,962	16,572	17,058	18,386	18,366	20,923	16,183	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503	1,503
	-11,480	-4,930	-5,370	-3,822	-5,130	-423	-15,940	-9,220	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503	-1,503
Balance carried forward	6,519	14,032	11,202	13,236	13,256	17,943	4,983	6,963	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933	933
General Fund																									
Balance brought forward	45,214	45,214	46,900	46,900	51,900	51,900	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800
Less: Capital Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Use for Revenue Budget	86	1,686	1,100	5,000	-2,100	1,900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance carried forward	45,300	46,900	48,000	51,900	49,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800
TOTAL AVAILABLE RESERVES	51,819	60,932	59,202	65,136	63,056	71,743	58,783	60,763	54,733	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543	57,543
Assumptions																									
Rolling programmes - £1.5m t/f to revenue in 2009/10 (i.e. completes the transfers).																									
General Fund contribution to support revenue budget - zero in 2011/12 and no further contributions thereafter.																									
GF contribution to support capital programme - small contribution required each year from 2015/16																									
New capital schemes - £1.25m pa from 2012/13 onwards for future new schemes.																									
Capital receipts - includes figures reported by Property Division as at 30/06/11 (pessimistic/realistic estimate, but excluding Tweedy, Westmoreland & Town Hall) and £1m pa from 2016/17.																									
Current approved programme - as proposed to Executive 20/7/11																									
Service investment priorities - £4m for flexible working and £3m for other capital investment (balance of "legacy" money)																									

Report No.
DRR11/070

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Executive

Date: 20 July 2011

Decision Type: Non-Urgent Executive Non-Key

Title: **GATE REVIEW 2/3
RELOCATION OF STREET CLEANSING FACILITIES TO
FORMER CHARTWELL BUSINESS CENTRE, CENTRAL
DEPOT**

Contact Officer: John Turner, Chief Property Officer
Tel: 020 8313 4404 E-mail: john.turner@bromley.gov.uk

Chief Officer: Marc Hume, Director of Renewal and Recreation

Ward: Bromley Town

1. Reason for report

To request funding in the sum of £300,000 for enhancement works to the former Chartwell Business Centre, Central Depot on a spend to save basis, to make the building suitable for use by street cleansing services and to delegate authority to the Chief Property Officer to seek and accept tenders for the project in accordance with the recommendations listed below.

2. **RECOMMENDATION(S)**

- 2.1 That approval be given for capital funding of £300,000 on a spend to save basis for the enhancements required to make the former Chartwell Business Centre suitable for occupation by the street cleansing services.
- 2.2 That the Chief Property Officer is given approval to seek and accept tenders for the project.
- 2.3 That delegated authority is given to the Chief Property Officer to value engineer the project at award stage, if tenders are returned in excess of the 5% of the approved estimate.
- 2.4 That delegated authority is given to the Chief Property Officer and Finance Director to accept a tender for these works as long as the tender sum can be contained within the budget.

Corporate Policy

1. Policy Status: Existing policy. Bromley 2020 Vision, Building a Better Bromley. Environment Portfolio
 2. BBB Priority: Quality Environment.
-

Financial

1. Cost of proposal: Estimated cost £697,457
 2. Ongoing costs: Non-recurring cost. £697,457
 3. Budget head/performance centre: Property Services
 4. Total current budget for this head: £397,457 available from Planned Maintenance Budget
 5. Source of funding: Capital Funding Spend to Save/ Planned Maintenance Programme
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory requirement.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide impact
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 In November 2007, the Depot Review Project examined the current and likely future use of Central, Beaverwood and Churchfields Depots. The review was undertaken to provide a long term framework for maintenance and other investment decisions.
- 3.2 The current usage of the depots was examined and the vacation and possible disposal of each depot was considered. The report concluded that there would be potential financial and service gains from re-locating the street cleansing and street lighting services from Beaverwood Depot to Central and Churchfields Depots respectively and to vacating Beaverwood Depot.
- 3.3 Following discussions between officers and contractors it was decided that it would not be practical to move the current contractors, but that any relocation of services should take place when the current contracts have expired and new contracts commence. The contract for street cleansing expires in March 2012 and for street lighting in 2013.
- 3.4 Chartwell Business Centre at Central Depot was occupied by a tenant and sub tenants. When they vacated the premises it provided an opportunity to move forward the proposal to relocate the street cleansing contractor and also the street cleansing client side staff. The proposal to relocate the street cleansing operation to Central Depot was reported to the Executive on 21st March 2011 in the report, "Service Proposals and Procurement Strategy – Street Cleansing Contract 2012/2019.
- 3.5 The Central Depot Project Board was set up to take this project forward. The Project is being run in accordance with Prince 2 principles. Relevant project documents, including the risk register and Communication Plan have been drawn up and are under constant review. The scope and priorities of the project have been reviewed and included within the Project Initiation Document.
- 3.6 The Project Board reviewed the initial decision taken as a result of the Depot Review Project and confirmed that it was still the preferred option.
- 3.7 The initial Depot Project Review and the Central Depot Project Initiation Document covered all aspects of the Gate Review 1 and 2 processes with two exceptions: the potential costs of the relocation had not been fully assessed; the statutory processes required for this project, including planning permission, were not confirmed.
- 3.8 The Board decided to commission a feasibility report. A brief was drawn up and the consultant was appointed to visit the vacant building at Central Depot and provide:
- Indicative floor plans
 - Indicative programme
 - A costed schedule
 - Advice on all statutory approval processes likely to be necessary as part of this project
 - Identification of any essential items of maintenance
 - Advice on any specialist survey work required

3.9 The consultant submitted his report on 15 April 2011. The consultant confirmed that planning permission is required. He also prepared an indicative programme that demonstrated that it was possible to complete the building works by March 2012, but only if the project commences immediately.

3.10 The estimated building costs for the project are £647,457 and are broken down as follows:

General Building Costs	£498,706
Preliminaries	£59,845
Contingency	£40,000
Total	£598,551
Professional and Statutory fees	£48,906
Grand Total	£647,457 excludes VAT

3.11 In addition a contingency of approximately £50,000 should be set aside for IT/Telephony and F&E for the client side offices.

3.12 The estimated building costs can be divided into expenditure needed to maintain the useful life of the building, which would be incurred anyway, and enhancements, which are works that are only required to make the former Chartwell Business Centre suitable for occupation by the street cleansing services.

3.13 The Chief Property Officer has confirmed that the expenditure needed to maintain the building can be funded from the planned maintenance programme and funding has been set aside in the planned maintenance programme 2011/12 to carry out these works. The enhancement works would be capital expenditure. An analysis of the estimated costs, taking into account building works, professional fees and fitting out of the client side office, has been undertaken and the enhancement works amount to approximately £300,000.

3.14 This report requests capital funding in the sum of £300,000.

3.15 In accordance with Gate Review 2 processes, the procurement strategy for this project has been reviewed and it is the preferred option to follow the traditional procurement route and to draw up a specification for the work and seek competitive tenders in accordance with the authority's contract procedure rules. Planning permission will also be sought.

3.16 There are pressing time constraints in this project. As previously mentioned the project needs to proceed immediately if the premises are to be ready in time for the commencement of the new contract. This report also requests that the decision to award the contract is delegated to the Chief Property Officer and Finance Director, who will ensure compliance with the Gate Review 3 processes, when making that decision.

4. POLICY IMPLICATIONS

4.1 The relocation of street cleansing services to the former Chartwell Business Centre complies with the policy aims and objectives of the Council, the Corporate Operating Principles, the Environment Portfolio Plan and the Asset Management Strategy and Plan.

4.2 Improved street scene services are a key outcome for the Environment Portfolio and link with the Council's policy and priorities to provide a quality environment, vibrant thriving town centres and supporting independence and safer communities.

- 4.3 The Asset Management Strategy and Plan outlines the fundamental objectives of asset management planning include rationalising property holdings, reducing the level of required (backlog) maintenance and annual running costs, improving facilities for service delivery and increasing space utilisation.
- 4.4 The Council also aims for sustainability, in terms of environment by reducing carbon emissions from vehicles and buildings and by ensuring sustainable property holdings.

5. BENEFITS OF RELOCATING STREET CLEANSING SERVICES TO CENTRAL DEPOT

- 5.1 The relocation of street cleansing services from Beaverwood Depot to Central Depot is the first phase of the vacation of Beaverwood Depot. When the street lighting contractor vacates the following year, it will provide an empty site, which can be disposed of or given an alternative use. The options for the future of Beaverwood site are discussed later in the report.
- 5.2 There are benefits that can be achieved from the relocation of street cleansing services from Beaverwood Depot to Central Depot with effect from 2012. These benefits and any estimated savings are outlined below. The savings will be quantified in more detail when the tenders for the contract are returned, but are estimated to be no less than £100,000 per annum (as detailed in paragraph 7.8). The benefits that can be achieved are as follows:

5.2.1 Development of Central Depot as the Council's main operational base for key operational services.

Central Depot is the largest depot and is centrally based in the borough. By locating as many services there as possible, we increase the flexibility in the future to combine contracts in the most economically advantageous way.

5.2.2 Environmental Services will control the entire site and the operations within it

The security of the site and control of the operations within it will be managed by the Depot Manager. Activities by previous tenants undermined the security of the site and caused complaints by the neighbours and reflected badly on the Council as owners.

5.2.3 Reduced traffic movements (Mileage and fuel)

Street cleansing vehicles are located on the edge of the borough and some vehicles have to travel the length of the borough every day. Vehicles also have to travel to Central Depot every day to tip off. This results in longer journeys and longer travelling time. It is estimated that vehicles would travel 14,000 fewer miles per annum if they were based at Central Depot. Savings of approximately £35,000 could be made over the term of the new contract. The carbon saving would be in the region of 65 tonnes.

5.2.4 Greater service efficiencies in street cleansing, particularly from vehicle journeys (Loss of Productivity, Vehicles and Labour)

It is estimated that being located at Central Depot would save approximately 2600 man hours per annum, i.e. time that is currently spent sitting in traffic and travelling. This amounts to a cost of £218,000 over the term of the contract.

5.2.5 Potential synergy between waste services and street cleansing

The street cleansing contractor uses the waste tipping facilities at Central Depot daily. There would also be the option of combined contracts in a different way if all services were co-located as mentioned in paragraph 5.2.1.

Additional benefits other than contract savings are:

5.2.6 Fit for Purpose Facilities

Beaverwood Depot was built at the turn of the century. Buildings, some of which are temporary structures have been added on an ad hoc basis over the years. Drainage on the site is inadequate, electrical supplies have reached capacity and the buildings are in a poor condition. The building at Central Depot is a shell, which provides the opportunity to create a modern fit for purpose facility.

5.2.7 Reduction in required (backlog) maintenance

The closure and disposal of Beaverwood Depot eliminates the need to carry out costly maintenance in the sum of the approximately £300,000 over the life of the forthcoming contract.

5.2.8 Rationalisation of Depots

The Depot Review carried out a detailed review of its depots and demonstrated in that review that only two depots were required and that Beaverwood Depot would be the best one to close. Reducing the number of Depots will reduce annual running costs, i.e. NNDR, energy, maintenance etc, estimated to be a net saving of approximately £80,000 per annum (as detailed in paragraph 7.8).

5.2.9 Vacation of Beaverwood Depot

This provides an opportunity to dispose of the site or provide an alternative use for it

6. VACATION OF BEAVERWOOD DEPOT

6.1 Beaverwood Depot would be vacated by March 2013. The Depot is in green belt and within a conservation area. Some of the buildings on the site are locally listed. In planning terms, the site is sui generis, i.e. it can be used for its current purpose. No decision has been taken on the future of the site, but there are a number of options that could be considered. Each of these options has a cost implication for the Council, as well as benefits, which have not been quantified and would have to be considered and reported to members separately. They are:

- Convert the site to green belt use
- Seek an exception to the normal green belt policy by justifying “very special circumstances” and convert part of the site to green belt use and sell the remainder of the site for residential development
- Seek an exception to the normal green belt policy by justifying “very special circumstances” and convert part of the site to cemetery use and sell the remainder of the site for residential development
- Sell the site as a Depot

6.2 Beaverwood Depot is adjacent to Chislehurst Cemetery, which has no more vacant plots. Although there is burial space in other parts of the borough, it would be a desirable option to expand Chislehurst Cemetery.

6.3 The potential capital receipt for Beaverwood Depot is in the region of £750,000 to £1.25 million depending on planning, market conditions and use.

7. FINANCIAL IMPLICATIONS

7.1 Chartwell

The costs for making the former Chartwell Business Centre suitable for use by the street services contractor and client side staff are as follows:

Description	£
Building costs (including preliminaries and contingency)	598,551
Fees	48,906
Furniture and Equipment/IT/Telephony-client side offices	50,000
Total	697,457

7.2 The £598,551 building costs includes maintenance costs, which would have to be incurred at the former Chartwell Business Centre whoever occupied the building and would be funded from the planned maintenance programme. Approximately £300,000 of the building costs are considered to be “enhancements” and are only required to make the building fit for occupation by street cleansing services.

7.3 Capital funding in the sum of £300,000 is being requested for the “enhancements”.

7.4 Required maintenance works include replacing the roof, improving insulation to current building regulation standards, electrical mains distribution, water supplies, heating installations, fire and burglar alarm system, external resurfacing and drainage repairs.

7.5 Enhancements include raising roof to Workshop 1 to allow for vehicle maintenance, facilities for wash down, fuelling, tyre inflation, including the provision of below ground interceptor, additional WCs and showers, fitting out of client side and contractor offices and mess room including IT/telephony infrastructure, compressed air system in workshops, extraction for exhaust, battery recharging, CCTV.

Beaverwood

7.6 Investment in the Beaverwood Depot has been limited because of the uncertainties about the future of the site. There are significant backlog maintenance issues and many of the facilities are not fit for purpose, or are owned and provided by the current contractor, who would remove them if they were not successful in their bid. The authority would be legally bound to carry out essential maintenance and provide suitable facilities at Beaverwood Depot before occupation. It is estimated that these costs could be in the region of £584,375. The costs of remaining at Beaverwood can be summarised as follows:

Description	£
Required (backlog) maintenance, including electrical works and road resurfacing	300,000
Capital Costs of replacing buildings	250,000
Fees	34,375
Total	584,375

7.7 Required maintenance work at Beaverwood Depot includes building maintenance works, electrical works, mechanical works, increasing electrical capacity, resurfacing and provision of exterior security lighting. Asbestos removal works would also have to be carried out prior to any other works.

Comparison of Options

Relocation of Street Cleansing Facilities to former Chartwell Business Centre

7.8 The relocation of street cleansing services to the former Chartwell Business Centre will incur the following one off costs.

Description	£
One off costs	697,457

There will also be revenue savings per annum as follows:

Description	£
Contract (minimum)	-100,000
Accommodation	-80,000
Loss of rental income	38,000
Total	-142,000

In addition to the savings shown above there is a potential future capital receipt in the region of £750,000 to £1.25 million depending on members' decision about future use of the site.

Continuation of Existing Arrangements (Beaverwood and Chartwell)

Description	£
Beaverwood One off Costs	584,375
Former Chartwell Business Centre, Central Depot One off maintenance costs	317,110
Total Cost of Operating at Two Sites	901,485
Variation in Costs between the two options	205,000

If the street cleansing services do not occupy the former Chartwell Business Centre, but remain at Beaverwood Depot, it would not be possible to achieve the revenue savings that a more central location could provide nor would the benefits in management be achieved by co-locating the client-side staff there. In addition on-going maintenance and other costs would be incurred at two depots instead of one and the opportunity cost of a capital receipt would not be possible.

If the street cleansing services do not occupy the former Chartwell Business Centre, attempts would be made to lease the building for small business units. It must be noted that there might not be demand for these units in the current economic climate.

8. LEGAL IMPLICATIONS

None

9. PERSONNEL IMPLICATIONS

It is proposed that up to 22 Streetscene staff currently located at the Civic Centre should be relocated to Central Depot. Advice will be sought from Human Resources about any consultation with staff that that is required under the terms and conditions of their employment.

Non-Applicable Sections:	Legal Implications
Background Documents: (Access via Contact Officer)	Business Case Depots Review Project 16.11.07(Gavin Moore) Service Proposals and Procurement Strategy-Street Cleansing Contract 2012/2019 Report to Executive 21.03.11 (Dan Jones) Central Depot Project Board PID 11.05.11(Cathy Pimm) Relocation of Street Cleansing Facilities Feasibility Report 04.11 (Cathy Pimm)

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Report No.
ACS 11032

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Executive

Date: 20th July 2011

Decision Type: Non-Urgent Executive Key

Title: **SHORT BREAK SERVICE (RESPITE) FOR PEOPLE WITH LEARNING DISABILITES**

Contact Officer: Lorna Blackwood, Assistant Director - Commissioning and Partnerships
Tel: 020 8313-4799 E-mail: lorna.blackwood@bromley.gov.uk

Chief Officer: Terry Rich - Director, Adult and Community Services

Ward: N/a

1. Reason for report

The report sets out proposals for a new integrated short break (respite) service for adults with learning disabilities to be located at 118 Widmore Road Bromley. The proposal involves the transfer of ownership of 118 Widmore Road from NHS Bromley to the Council and the allocation of funds from the learning disability re-provision capital programme for the purchase and refurbishment of 118 Widmore Road.

The report seeks the Executive's agreement to the proposals. The proposals were scrutinised by the Adult and Community Services Policy Development and Scrutiny (PDS) Committee on 14th June and supported by both the PDS Committee and the Adult and Community Portfolio Holder.

2. **RECOMMENDATION(S)**

The Executive is asked to:

- a. agree the proposals for the integrated short break service for people with learning disabilities;
- b. subject to final agreement from NHS London, agree to the transfer of ownership of 118 Widmore Road to London Borough of Bromley; and
- c. agree to the allocation of £1m from the learning disability capital fund towards the purchase and refurbishment of 118 Widmore Road and enter into an agreement with NHS Bromley under s256 NHS Act 2006 in respect of the transfer of £885,000 as a contribution to the said costs.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Supporting Independence.
-

Financial

1. Cost of proposal: Estimated cost Capital cost £1.885m : £1m from LD re-provision capital funds; £885k from NHS Bromley; Revenue cost £539,780 : LBB £260,370 from learning disability pooled budget; ££279,410 transferred to Council in Learning Disability and Health Revenue Grant from NHS ;
 2. Ongoing costs: Recurring cost. Revenue cost of £539,780
 3. Budget head/performance centre:
 4. Total current budget for this head: £
 5. Source of funding:
-

Staff

1. Number of staff (current and additional): 15
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Approximatey 86 people with learning disabilities
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 Building based short break (respite) services for adult with learning disabilities are currently provided from two locations – 3 Tugmutton Close, Farnborough (located on Bassetts site and owned by NHS Bromley) and 44 Bromley Road, Beckenham (owned by Affinity Sutton Housing Association and leased to London Borough of Bromley).
- 3.2 Both services were funded via the learning disability pooled budget (now part of the learning disability budget transferred from the NHS to the local authority) and managed by the Council under a Section 75 agreement.
- 3.3 Staff employed at 3 Tugmutton Close are employed by NHS Bromley and formally seconded to the Council, while staff at 44 Bromley Road are employed directly by the Council.
- 3.4 In acknowledgement of the need to re-provide the service at 3 Tugmutton Close as part of the re-provision programme for NHS provided services, provision was made within the campus capital bid submitted to the Department of Health in January 2008 for funding to re-provide this service. Currently £1m is allocated to the re-provision of the short break service.
- 3.5 The service at Tugmutton Close provides a five bed nursing led respite service for people with higher support and mobility needs. The Bromley Road respite service is a seven bed registered care service which has limited access for people with mobility difficulties or high support need. Together, these services cater for around 86 service users each year, with varying allocations of respite time. Given the projected increase in the number of people with learning disabilities coming through transition in future years and the increasing number of people currently living with older carers, there will be a continuing demand for building based respite services in the short to medium term while alternative forms of respite are developed.
- 3.6 In view of the need to move the service based at Tugmutton Close, the limitations of the Bromley Road building and the inefficiencies of managing two separate services, options for the provision of an integrated service which would replace both existing services were considered. The internal configuration of the existing buildings and the difference in the level of service provided restricts the efficient allocation of respite – the needs of a service user may be better catered for in a service in which there is no vacancy at the required time, whilst the other service might have an unused vacancy. The proposals in this report do not increase the number of beds available but would enable more efficient use of the places.
- 3.7 Five options were considered for the provision of the short break service, including continuing with the existing services. These were:
- ∇ Continue with the existing separate services
 - ∇ Reprovide an integrated respite service in a new build property
 - ∇ Purchase and re-furbish an existing building to provide an integrated service.
 - ∇ Re-furbish 118 Widmore Road to reprovide an integrated service. 118 Widmore Road was previously operated as part of the NHS provision as an 18 bed long stay residential service for people with learning disabilities. The service was decommissioned in 2010 and the building, which is owned by NHS Bromley, has remained empty. NHS Bromley has no current plans for its use.
 - ∇ Spot purchase all respite services.
- 3.8 A detailed options appraisal is attached at Appendix 1 with all 5 options assessed against agreed benefits criteria which include:
- ∇ Meeting individual needs

- ✓ Ensuring quality of accommodation and access to local services
- ✓ Cost effectiveness
- ✓ Deliverability
- ✓ Long term viability and flexibility

- 3.9 Each of the benefits criteria has been weighted and all 5 options have been assessed by both the NHS and the Local Authority, following discussions with other key learning disability stakeholders including families and carers. Scoring has been assessed with 1 being the lowest and 10 being the highest fit to the criteria. A primary consideration is the ability to deliver a new service by the end of the 2011 calendar year when the last of the remaining residential clients move from the Bassetts site so as to avoid the service becoming isolated on an otherwise vacant site and to allow the whole of the Bassetts site to be available to the NHS for disposal.
- 3.10 As can be seen from the scoring matrix (Appendix 1), Options 1 and 5 score low compared to Options 2, 3 and 4 with a key factor in all cases being the deliverability and long-term viability of these proposals. Whilst Option 4, which involves the refurbishment of 118 Widmore Road, is clearly the highest scoring option a detailed financial appraisal has been carried out on all 3 higher scoring options to test their financial viability in more detail. The financial appraisal is set out in Section 5 below.
- 3.11 The proposal to use 118 Widmore Road for the respite service would free up the property at Bromley Road Beckenham for consideration by the Council and Affinity Sutton for continued use as a learning disability facility.

4. POLICY IMPLICATIONS

The proposal supports the Council's Building a Better Bromley priority to support independence by providing respite breaks for service user's families and carers.

5. FINANCIAL IMPLICATIONS

Capital costs

- 5.1 A financial appraisal has been carried out on the capital costs of the three building based options. As summarised below, this assessment is based on the agreed model of the provision of an integrated twelve bed respite unit which could replace both 3 Tugmutton Close and 44 Bromley Road and sets out the comparative costs of:

Purchasing land and building a new 12 bed respite unit

Purchasing an existing building and refurbishing it to provide the required 12 bed accommodation (this example is based on an existing property owned by the Council)

Using the existing building at 118 Widmore Road and refurbishing it to provide the required 12 bed accommodation.

5.2 The table below provides a breakdown of the 3 options:-

	Total Cost £'000	cost of unit £'000
New Build		
Land	759	
Building	1,596	
	<u>2,355</u>	230
Refurbish Existing Building		
Property cost	1,277	
Refurbishment*	835	
	<u>2,112</u>	207
Refurbish 118 Widmore Road		
Property cost	1,085	
Refurbishment*	800	
	<u>1,885</u>	184

* The Council's Property Division has estimated the refurbishment costs at around £785,000 – the works are currently being tendered to establish the final costs

- 5.3 The cost of the new build is estimated at £230k per unit – based on estimated land values and new build costs provided by the Council's Property Division.
- 5.4 The cost of the option to purchase and refurbish an existing building is £207k per unit – again the costs were provided by the Council's Property Division and the value of the property based on 2010 estimates.
- 5.5 The cost of the 118 Widmore Road option is £184k per unit based on the current value of Tugmutton Close provided by NHS Bromley. As can be seen from the table above the most cost effective option is to refurbish 118 Widmore Road.
- 5.6 The business case for using 118 Widmore Road for the new respite service is being considered by NHS Bromley and NHS London, both of which have to agree to its use. Agreement from NHS London is being sought and the outcome will be reported verbally at the Executive meeting. Should all parties agree, it is proposed that funding of the scheme be split as follows:-
- NHS Bromley - £885,000
- LBB - £1m
- 5.7 The £1m contribution from the Council can be met from the learning disability re-provision scheme in the capital programme, which is funded from Department of Health capital grant made available to support the Campus Re-provision Programme.
- 5.8 The transfer of funds from NHS Bromley will be via a Section 256 agreement; the Council will purchase 118 Widmore Road from NHS Bromley for £1.085m and the remaining £800k will be used to fund the refurbishment costs.

5.9 A separate report is on the Executive agenda (Part 2) regarding the award of the building contract.

Revenue costs

5.10 The 2011/12 combined budget for the two current services is £539,780. The funding was previously part of the learning disability pooled budget arrangement between the Council and the PCT and is now made up of £260,370 from the Council's budget and £279,410 included in the transfer of funding for learning disabilities and health revenue grant from the NHS to the Council in 2011/12. The revenue cost of the new service will be contained within the existing combined budget.

6. LEGAL IMPLICATIONS

6.1 The transfer of funds from NHS Bromley will be via a Section 256 agreement.

7. PERSONNEL IMPLICATIONS

7.1 15 staff are currently employed between the two services (7 by LBB and 8 by NHS Bromley). It is proposed that all staff would transfer into the new service, with the staff employed by NHS Bromley continuing with their existing terms and conditions and secondment arrangements. Due to the differing service requirements there may be changes to individual job descriptions which would be subject to staff consultation. At this stage it is not anticipated that there would be any redundancies.

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	[Title of document and date]

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APPENDIX 1

Learning Disability Short Breaks Business Case

1. Summary of Options Appraisal

The benefit criteria used to evaluate each option are derived from the principles and objectives for the project. The benefit criteria relating to this project focus on:

Criteria	Weighting %	Description
Criteria One	25	Meets individual needs as identified through Community Care Assessments and Person Centered Planning
Criteria Two	25	Provides accommodation to appropriate standards i.e. Registered Care Home Standards. Ensures appropriate physical environment is provided with easy access to the local community and resources
Criteria Three	10	Cost effectiveness in both capital and revenue investment for the NHS, including maximizing capital contributions from the Local Authority and the NHS.
Criteria Four	30	Ensuring ease of implementation, that proposals are practically viable and can be delivered in a timely way.
Criteria Five	10	Ensuring that properties/services developed have longer term viability and are sufficiently flexible to meet the future needs of local people with learning disabilities
	100	

2. Options evaluated

Five main options have been considered as the project has progressed. These may be described as follows:

Option One: Do nothing, retain the two separate existing short break services

Option Two: Purchase a new building, to house an integrated short break service

Option Three: Purchase an existing building and refurbish to provide an integrated short break service

Option Four: Refurbish and adapt existing PCT owned building (118 Widmore Road)

Option Five: Spot purchase beds from Private / Independent Sector

The anticipated benefits and/or disadvantages of each of the five options may be summarized as follows:

Option	Benefits	Disadvantages
1. Do nothing, retain the existing respite services.	<ul style="list-style-type: none"> ▪ No capital requirement for modernization/refurbishment 	<ul style="list-style-type: none"> ▪ Existing units 3, Tugmutton and Bromley Road will continue to provide a poor physical environment ▪ Will not meet the requirements of the registration authority CQC in terms of physical environment ▪ Will fail to address environmental issues raised by users and carers ▪ Will not achieve benefits of integration ▪ The Tugmutton unit will be isolated on the Bassetts campus ▪ The continuing existence of the Tugmutton unit will reduce the saleability of the Bassetts Campus site.
2. Build a purpose built unit	<ul style="list-style-type: none"> ▪ Purpose built, able to meet service users, carers and environmental needs ▪ Will meet CQC Standards 	<ul style="list-style-type: none"> ▪ Finding suitable land for new build close to local amenities/facilities may (? will) be difficult ▪ Length of time required for identification, purchase, planning permission, architectural designs and construction ▪ Potentially more costly than refurbishment option
3. Purchasing an existing building, to house integrated short break	<ul style="list-style-type: none"> ▪ Can include in the design preferences of service users and carers ▪ Will meet CQC Standards 	<ul style="list-style-type: none"> ▪ Time that would be taken to find a suitable building for adaptation ▪ Time likely to be taken for planning submissions, viability reports, architectural designs ▪ This will not be a purpose built

		<p>unit so some desirable design features may be compromised</p> <ul style="list-style-type: none"> ▪ Difficult to guarantee a site that is close to local amenities and facilities
<p>4. Refurbish and adapt existing PCT owned building - 118 Widmore Road</p>	<ul style="list-style-type: none"> ▪ Can be delivered by Autumn 2011. Does not require planning permission ▪ Preparation work around viability, designs and specifications already underway ▪ Can include in the design preferences of service users and carers ▪ Will meet CQC Standards ▪ A flexible design has been proposed ▪ Close to community facilities 	<ul style="list-style-type: none"> ▪ This will not be a purpose built unit so some desirable design features may be compromised
<p>5. Spot purchasing beds from Private / Independent Sector</p>	<ul style="list-style-type: none"> ▪ Allows some choice for service users 	<ul style="list-style-type: none"> ▪ There is no suitable accommodation within the local authority area for short breaks/respites ▪ Accommodation in surrounding Boroughs may involve long journeys which will be both costly and present risks to some service users ▪ Very limited availability of beds and competition from other local authorities in surrounding areas to purchase them ▪ Service User/Carer preference for local accommodation where facilities can be accessed within the PCT/Local authority area

Scored Options Against Benefit Criteria

Benefit Criteria	Benefit Criteria Weighting	Option 1 Do nothing		Option 2 New build		Option 3 Purchase existing building		Option 4 Refurbish Widmore
1. Meets individual needs of service users	25	5	125	8	200	8	200	8
2. Standard of accommodation	25	4	100	8	200	8	200	8
3. Cost effectiveness to the NHS	10	5	50	4	40	4	40	6
4. Deliverability & ease of implementation	30	1	30	1	30	1	30	9
5. Long term viability	10	1	5	8	40	8	40	8
TOTALS	100	16	310	29	510	29	510	39

Key

1 = low fit to criteria

5 = medium fit to criteria

10 = high fit to criteria

Report No.
ACS 11033

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Executive

Date: 20th July 2011

Decision Type: Non-Urgent Executive Key

Title: **GATEWAY REVIEW - PROCUREMENT STRATEGY FOR DOMICILIARY CARE SERVICES**

Contact Officer: Rebecca Jarvis, Joint Strategic Commissioning Manager
Tel: 020 8313 4198 E-mail: rebecca.jarvis@bromley.gov.uk

Chief Officer: Terry Rich, Director of Adult and Community Services

Ward: Boroughwide

1. Reason for report

The contracts for the current domiciliary care services expire in February 2012. In accordance with requirements for Gateway reviews, this report seeks approval from the Executive for the recommended procurement strategy for the new contracts and for interim arrangements from February to August 2012.

2. **RECOMMENDATION(S)**

The Executive is asked to:

- a) Approve the proposal to waive competitive tender requirements to continue the existing contractual arrangements for a further six months until 27th August 2012, and
- b) Agree to conduct an open tender for a framework for domiciliary care services. The framework would be let for 5 years from 28th August 2012 with an option to extend for up to 2 years, the options to be exercised by the Director of Adult and Community Services in consultation with the Adult and Community Portfolio Holder.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Supporting Independence.
-

Financial

1. Cost of proposal: Estimated cost Approximately £8.7m per annum.
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: 824***3614 and 818***3614
 4. Total current budget for this head: £8,733,730
 5. Source of funding: ACS Domiciliary Care budgets (Older People and Physical Disabilities)
-

Staff

1. Number of staff (current and additional): n/a The service is provided by external agencies
 2. If from existing staff resources, number of staff hours: n/a
-

Legal

1. Legal Requirement: Statutory requirement.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): There are approximately 1500 people receiving domiciliary care services in Bromley.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 The Council's strategy for care is to support independence by moving away from a reliance on residential care towards community-based services which support people to remain in their own homes. Domiciliary care services are key to achieving this aim. The focus of this report is on the domiciliary care services primarily used by older people and people with physical disabilities. The community support services provided to people with learning disabilities and mental health are not covered in this report and are subject to a separate commissioning strategy.
- 3.2 Since the Executive decision on 8th December 2010 to close the in-house homecare service, all domiciliary care services are now provided by external providers.
- 3.3 Currently contracts are held with 23 providers to provide domiciliary care services. Following a full competitive tender process in 2005, contracts were awarded to ten 'preferred' providers. These providers deliver more than 60 per cent of the business. The contracts are fit for purpose in providing the flexibility needed to enable service users to exercise choice and control over how they receive their care as they are not 'block' contracts and providers have not been guaranteed any minimum hours.
- 3.4 Since the contracts were awarded in 2005, new providers have entered the market and some existing providers have diversified their business. Additional contractual arrangements have been put in place with these providers so that they can help to meet the changing demands of domiciliary care and to provide care in areas which preferred providers find it difficult to cover such as double-handed care, dementia and hospital discharges and rural areas. Approximately 25 per cent of the business is delivered by these providers.
- 3.5 All of the current contracts expire on 27th February 2012 with no provision to extend.

Extension of current contracts

- 3.6 Benchmarking information from comparator authorities suggests that there are financial benefits to be gained from re-tendering for domiciliary care services as it is likely to result in more competitive rates. It was not proposed to start the procurement process earlier in 2011 which would have allowed for the new contracts to be awarded before the expiry date of the current contracts as during this period large numbers of care packages were being transferred from the in-house service to external providers as the in-house service was being closed down. Announcing a tender process at this time may have caused instability in the market which could have impacted on the careful balance of supply and demand needed to ensure a smooth transfer of work.
- 3.7 As a tendering process of this size requires at least 12 months lead in, the Executive is asked to agree to waive competitive tender requirements and extend the existing contracts for six months until 27th August 2012 to enable a full tender exercise to be carried out.

Procurement Framework

- 3.8 For the longer term, it is proposed that tendering is undertaken to set up a framework agreement for domiciliary care services. Tendering for the framework would start in October 2011 and would create a five year framework agreement. Providers would be asked to submit price and quality responses (weighted 60% price and 40% quality) with the top 25 (maximum) being awarded places on the framework. The framework will be in place by the end of the existing contracts' proposed expiry date (27th August 2012).
- 3.9 New work will be called off the framework following a mini-competition and awarded to the most cost effective provider. Providers are able to reduce their prices at any time during the lifetime of

the framework and the Council is not bound to use the framework if for any reason it prefers not to do so.

- 3.10 If existing providers are not successful in being awarded a place on the framework, it is not proposed at this stage to transfer their existing care packages to the new providers unless the tender process has identified issues of quality or significant cost discrepancy. The financial implications of this will form part of the evaluation process.
- 3.11 The framework will be tendered using the Due North electronic tendering system. The Due North system allows companies to submit expressions of interest and tenders online giving the Council greater visibility of market interest, reducing the administrative burden of the tendering process for all parties and gives the Council access to a potentially wider market of suppliers through on line advertising thereby increasing the potential for value for money from the procurement process.
- 3.12 The results of the tender will be reported to the Executive to agree the final award of contracts.
- 3.13 As part of the procurement process, officers will be seeking efficiencies in the delivery of services whilst maintaining quality and reliability.

4. POLICY IMPLICATIONS

- 4.1 Domiciliary care services are key in meeting the Council's objective of Supporting Independence.

5. FINANCIAL IMPLICATIONS

- 5.1 The domiciliary care contracts will be funded by the domiciliary care budgets for adults with physical disabilities and older people (£8.7m in 2011/12) in Adult and Community Services. The proposals to extend the existing contracts by a further six months and to undertake a tendering process to set up a framework agreement will not have any adverse impact on these budgets.
- 5.2 The local and national strategic direction for social care is to support more people in their own homes rather than in residential nursing care. This approach, together with increasing number of older people in Bromley requiring care suggests that the demand for domiciliary care will increase over the next few years. However, since the contracts were awarded in 2005 there have been significant policy changes in social care as a result of the personalisation agenda which have had an impact on the demand for domiciliary care services and may result in reductions in the number of hours of care delivered. Overall, the volumes of domiciliary care planned hours over the past three years has remained relatively stable at around 15,000-16,000 hours per week. As noted in para 3.3 the current contracts do not rely on guaranteed hours being awarded to providers and this will remain the case for the framework arrangement.
- 5.3 Domiciliary care contracts are monitored through a robust quality assurance programme. The majority of service-users are satisfied with the service they receive and there are no significant quality concerns. Where concerns have been identified the contracts monitoring team has taken effective action to address them.

6. LEGAL IMPLICATIONS

The Director of Resources and Assistant Director of Finance having confirmed their support to the proposed waiver of the need for competitive tendering for the 6 month extension, Members may authorised this under CPR 13.1

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	

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Report No.
DRR11/048

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Renewal and Recreation Portfolio Holder
For Pre Decision Scrutiny by the Renewal and Recreation
PDS Committee**

Executive

Date: **5 July 2011
20 July 2011**

Decision Type: Urgent Executive Key

Title: **LIBRARIES - SHARED SERVICES**

Contact Officer: Colin Brand, Assistant Director
Tel: 020 8313 4107 E-mail: colin.brand@bromley.gov.uk

Chief Officer: Marc Hume, Director of Renewal and Recreation

Ward: Borough wide

1. Reason for report

1.1. At the meeting of the Renewal and Recreation PDS Committee on 15 February 2011 Members considered the Final Report of the Members' Libraries Working Group which put forward a number of recommendations for the future shape, structure and composition of the borough's library service. The Member Working Group identified four options, and these are contained in the full report which is Appendix 1 of this report. The PDS Committee agreed to pursue further work around Option 4, which included:

- a) exploring the concept of partnership working with the London Borough of Bexley;
- b) looking at the possibility of a Trust option for Libraries;
- c) consideration of the distribution of the library branch network.

1.2. On 12 April 2011 the Renewal and Recreation PDS Committee met again and recommended that the Portfolio Holder:

- a) note the position on shared services and in particular the benefits including the levels of potential savings that have been identified; and
- b) agree that the Director of Renewal and Recreation continues with the detailed negotiations with the London Borough of Bexley and that a further report be brought to

this meeting outlining the available options and the outcome of negotiations and staff consultation.

- 1.3 This report seeks to address the points raised in 1.1 above. Furthermore, at the last meeting of the Renewal and Recreation PDS Committee Members sought further clarity and information around Option 4 of the members Libraries Working Group which included the Trust Option for Libraries and the scope to increase potential savings.

2. RECOMMENDATION(S)

2.1. The Renewal and Recreation PDS committee is recommended to: -

- 2.1.1 Note the responses received from staff and their representatives to date with regard to entering into a 'shared services' arrangement with the London Borough of Bexley and also seek the committee's perspective on the proposals. Comments from all parties will then be fed back to the Executive Committee at its meeting on 20 July 2011 when they will be asked to approve the Shared Services Agreement between the London Borough of Bromley and the London Borough of Bexley for the provision of back office and library management functions across the two boroughs, and**
- 2.1.2 Note the options set out in this report to vary the hours of operation of the borough's library service and also the option whether or not to close a number of libraries; subject to the outcome of any consultation with staff, their representatives, ward Councillors and library users to consider further detailed proposals which will be the subject of a separate report, should the R & R PDS Committee consider this to be the appropriate direction of travel.**
- 2.1.3 Note the option as set out in the report to implement charges for the Peoples Network**
- 2.1.4 Subject to the views of the R & R PDS Committee, that the Executive be asked to support the proposed consultation with staff, their representatives, ward Councillors and library users on library opening hours and closure of a number of libraries and the introduction of charging for the Peoples Network as identified in this report.**

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Vibrant Thriving Town Centres.
-

Financial

1. Cost of proposal: Estimated cost Potential savings of £702k for 12/13, reducing to £672k in 2013/14 and £642k for 2014/15
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Library, Archive and Museum
 4. Total current budget for this head: £7.3m
 5. Source of funding: Existing Revenue Budget 2011/12
-

Staff

1. Number of staff (current and additional): 139 Fte
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: <please select>
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 2,005,251 visits per annum
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 On 15 February 2011 the Renewal and Recreation PDS considered the Final Report of the Members' Libraries Working Group which put forward a number of recommendations for the future shape, structure and composition of the borough's library service. The PDS Committee agreed to pursue further work around Option 4 of the Report and asked officers to report back on progress, which included details on the concept of shared services with the London Borough of Bexley.
- 3.2 In the report to the Renewal and Recreation PDS and Portfolio Holder on 12 April 2011 the rationale was set out for the proposals to develop a 'shared service' agreement. The key objectives being; to reduce the costs including the overheads of the library service by having a new joint, combined library service management team.
- 3.3 Furthermore the report went on to set out a range of benefits that this approach could bring:
- the creation of a single joint management structure to provide overall leadership whilst retaining democratic accountability to each borough
 - sharing of specialist and support staff
 - harmonising service contracts and joint procurement
 - rationalising arrangements for storage, home library service and transport arrangements
 - developing a dual approach to the use of assets, e.g. mobile library service
 - Exploiting the best parts of each library service to the benefit of both authorities and library users.
- 3.4 Since the last report to Members on 12 April 2011 good progress has been made across the two boroughs. Regular steering groups have been held comprising Assistant Directors and Heads of Service, along with other relevant senior management representing Human Resources, Legal services, Finance and Corporate Communications. The project has been tracked across both boroughs by an inter-borough shared services board at Chief Executive level.
- 3.5 It is expected that there will be savings of approximately £370k for Bromley arising from the shared service and a new library management system in 2012/13.
- 3.6 The key principles behind the agreement are that:
- This will be a partnership between both boroughs sharing the benefits and costs as agreed by both parties;
 - Bromley Staff will be seconded to the new library shared services and will continue to be employed by Bromley on appropriate terms and conditions
 - Appropriate governance arrangements to ensure democratic accountability will be in place to provide appropriate levels of control and transparency as set out in paragraph 4.2.
 - The majority of back office and management staff will be based at Footscray offices, but will work flexibly across both boroughs with 'touch down' spaces at libraries as necessary.

- Bexley's book stack is likely to be relocated to Bromley and Bromley's three book stacks will be consolidated into one new joint borough book stack, initially at the Central Library. A number of staff from Bexley may therefore be based in the borough of Bromley.

3.7 Subject to approval of these proposals it is intended that the first task will be appoint to the key management roles in this new structure. They will then start to put in place the new structure as outlined in Appendix 2 and begin to deliver the new shared service.

3.8 Subject to the proposed timetable which is set out at paragraph 4.13, the steering group have identified a consultation programme which envisages the senior management team for the combined library service being in place by September 2011. This team would then be responsible for developing the new structure by April 2012.

Consultation Timetable

3.9 All affected staff, trade unions, staff side secretary and departmental representatives were sent a full consultative document on 6 June 2011 and the consultation process highlighted above has now been concluded. A summary of comments, by theme, received by the time this report went to print have been included in Appendix 3. A summary of comments received after this deadline will be circulated to the Renewal and Recreation PDS and Portfolio Holder on the night of the Committee meeting and a summary of all comments will be attached to the report that will go to the Executive on 20 July 2011 along with the Director's response. Following consultation both boroughs will consider all comments received and review the proposals where necessary.

3.10 The proposals set out the staffing requirements as agreed jointly with Bexley Council officers and these are shown in the proposed new 'shared service' structure in Appendix 2. Each borough will retain full management of their own branch structure through two key posts of Assistant Director, Bromley and Deputy Director, Bexley. These posts will ensure the needs of each borough are being met through the equitable use of the shared staff. The emphasis of these new posts is to ensure a strong shared strategic vision for the shared service and to establish a structure that can commission, plan and execute consistent quality offers and services to customers across the two boroughs. Some aspects of the joint services will be developed over a period of time, however in terms of reporting lines the new teams will be established from the commencement of the shared service

4. PROPOSED SHARED SERVICES GOVERNANCE MODEL

4.1 It is proposed that the London Borough of Bexley will host the shared service. The key reasons for this approach are as follows:

- Performance – The best practice adopted when services are shared across boroughs is for the better performing borough to act as host. Whilst statistics are clearly open to interpretation, the 2009/10 CIPFA statistics demonstrate that LB Bexley marginally out-performed LB Bromley in five of the eight areas in 2009/10 – as illustrated in the table below.

Cipfa Actuals 2009-10 (last full year available)	Bexley	Bromley
User satisfaction (Adult PLUS) % of users rating library as Good/Very good	92.1	91.6
Revenue Cost per visit	3.95	3.39
Revenue Cost per book issue	4.30	3.72
Book issues per head of staff	10,142	11,661
Book issues per item of stock	6.0	4.2
Visits per 1,000 population	6,422	6,384
% Active users per head of population	24.0	22.5

- It is important to note that LB Bromley out-performed LB Bexley in relation to 2009-10 service provision costs. However, when Bexley's 2010-11 costs and visits are analysed (i.e. the approved net libraries budget for 2010-11 and the visitor figures for 2010-11) Bexley's revenue cost per visit drops to £3.78, making the service only 6 pence more expensive than Bromley's in 2010-11. Furthermore, the Bexley revenue cost per visit is expected to drop further – it is currently anticipated to fall to £3.21 in 2012. It should be noted, however, that similar proposals are also being developed in Bromley as set out in this report which will make further cost reductions and will also impact in a positive manner on our cost base.
- Geographical location - the combined back office and management function will be located at the Footscray Offices in Bexley.

Governance Arrangements

- 4.2 It is proposed that the strategic direction of the combined library service will be provided through a Joint Councils Library Board. This will comprise Member representation and will meet either annually or bi-annually to review the performance of the shared library service and to advise the two borough Councils as appropriate on any matters that they would like to bring to their attention. It will be necessary to consider whether the Joint Councils Library Board will have decision making powers, or whether it will play an advisory role in developing the relationship between the Councils with regard to the Joint Councils Library Board arrangements. If it is decided that the Board should have decision making powers, it will be necessary to set up a Joint Committee (under section 102 of the Local Government Act 1972).
- 4.3 It is anticipated that a Joint Library Services Management Team will sit below the Joint Councils Library Board. This Team will have delegated responsibility for overseeing the management of the service at officer level. The Team will comprise the Deputy Director for Leisure, Arts and Tourism in Bexley, the Assistant Director for Renewal and Recreation in Bromley, the Head of the Joint Library Service and the operations managers, and also a Finance and HR representative from each borough. Other colleagues may also be invited to join the Team on a joint-invitation basis to give advice on key issues as they arise.
- 4.4 The Joint Library Services Management Team will have delegated responsibility for management of the joint working arrangements. Key responsibilities will include:
- preparing a three-year rolling joint business plan
 - preparing and agreeing a detailed work programme in accordance with an Approved Business Plan
 - preparing the budgets and estimates for approval by both Councils
 - overseeing the implementation of the agreed work programme
 - overall responsibility for delivery against the Approved Business Plan
 - identifying the need for specific projects or tasks to be undertaken
 - identifying business development opportunities

Financial Model

- 4.5 The Directors of Finance and senior finance and service staff of Bexley and Bromley have met to discuss the financial model that will form the basis and allocation of costs of the proposed arrangements. The ongoing costs of the joint arrangements will include staffing, accommodation costs, ICT costs and support costs. There will also be non-recurring costs that will include redundancy and ICT costs as well as staff training and development costs.
- 4.6 The costs of the operation of the back office will be on an open book arrangement and costs will be incurred by both boroughs. It is important that the basis of the sharing of the costs is simple, fair and certain.
- 4.7 The size of the back office is not directly proportional to the level of direct service provided to users but this will be a factor. There will be a base level of provision in the back office function but again, this will not be directly proportional to each borough's current frontline service. In view of this, a financial cost sharing model has been agreed between finance officers which combine the fixed and variable costs of the back office function. This will be as follows:
- 2011/12 - (part year) and 2012/13 (full year) - equal share of costs (50:50)
 - 2013/14 - Bromley 52%: Bexley 48%
 - 2014/15 - half the cost being shared 50:50 and the other half based on relative visitor numbers. Based on the latest published statistics this would mean that the costs will be shared Bromley 54%: Bexley 46% as Bromley has 15 libraries compared to the 12 that Bexley operate. It is proposed that the level of visits will be reviewed before year 3 and the proportions adjusted accordingly.

Staff Considerations

- 4.8 There are a number of staffing issues which need to be addressed in a move towards shared service arrangements. In some shared service arrangements, staff have transferred from one authority to a second lead authority under the Transfer of Undertakings (Protection of Employment) regulations. In this instance, Bromley's preferred approach is to second their staff. This approach retains maximum flexibility should the shared services arrangement be extended to another authority in the future. Any Bromley staff that are offered and accept new roles in the structure will be seconded to the shared library service and will be appointed on Bromley's terms and conditions. All staff will continue to be paid through their current payroll arrangements.
- 4.9 There are currently 36 staff in Bromley management and back office and 35 Bexley management and back office staff. The proposed new joint structure has 36 posts. The Council has a policy of avoiding compulsory redundancies wherever possible and all efforts will be made to find redeployment across the wider Council for post holders at risk who do not secure a post in the new shared library service. In the event that suitable alternative employment cannot be found however they will be made redundant.
- 4.10 In accordance with our statutory and procedural obligations, meetings have been held with staff both directly and indirectly affected by the proposals and have also been held with Trade Unions, Departmental Representatives and the Staff Side Secretary. Whilst both boroughs have undertaken this consultation separately, it was undertaken concurrently, with many documents standardised across both authorities to ensure a consistent message by those consulted.

Office Location

- 4.11 The back office and management library function will be located at the Footscray offices in Bexley. The back office and management function, plus the e-library service, will require ICT support services. Work is in hand to define specific ICT requirements and these will include ICT arrangements for both Bromley and Bexley employees. A range of ICT aspects are being assessed, including personal computing, software, Bexley and Bromley data and voice network connections, data security, and internet arrangements. Work is also in hand for both Councils to share the same Library Management System platform which will be externally hosted and managed.
- 4.12 It is anticipated that a suitable site in Bromley will house both boroughs' reserve stack and stock services; initially this will be through a rationalisation of the joint boroughs' stack and is likely to be based on Floor 6 of the Central Library situated in Bromley town centre.

Implementation Timetable

- 4.13 The table below outlines the proposed implementation timetable for the shared services project.

Trade Union and Staff Consultation commenced	6 June 2011
Press release	6 June 2011
End of consultation	5 July 2011
Decision made to share services subject to full signoff by both boroughs	20 July 2011
Appointment process commences	August 2011
Appoint to Head of Service post	August 2011
Appoint to all other posts	September/October 2011
New structure established	November/December 2011
Staff relocate to new locations	January 2012
'Soft start' to shared service	February 2012
Formal commencement of shared service	1 April 2012

- 4.14 Throughout this process officers will be seeking to ensure that a consistent message is communicated across both boroughs in relation to the progress of the shared library service project. In order to ensure this happens, both boroughs have coordinated dates for the release of key information and press releases.

5. OPENING HOURS OF LIBRARIES WITHIN BROMLEY

- 5.1 At the last meeting of the Renewal and Recreation PDS members discussed the importance of examining all of the available options that could be considered to contribute to the funding reductions that the Council faces. One such option is amending the hours of operation at Bromley libraries.
- 5.2 Members stressed the need for the opening hours of libraries to extend beyond office hours and that there should be at least one evening a week where there was a late opening. It is intended to commence consultation with staff, their representatives, Ward Councillors and library users on a range of options including details of potential savings, details of which will be the subject of a separate report to this Committee. The table in Appendix 4 illustrates one potential model whereby the hours of opening could be amended to meet the ambition of further savings.

5.3 The underlying rationale behind the proposal to amend opening hours is as follows:

- *Central, Beckenham & Orpington:* These three libraries have the highest level of investment in buildings and stock and are strategically placed to give good cover across the borough. These libraries provide the widest range of stock and will attract an audience from further away because of their specialist nature and should be available to people who work during the standard week and also family use. Any future proposals would need to take into account these considerations.
- *Chislehurst, Petts Wood, West Wickham:* These branches fill in the major geographic gaps left by the three larger libraries. An analysis has shown that they do not offer the full range of services but have an interest to working people and family use. Any future proposals would need to take into account these considerations. There are no proposed changes in hours at Biggin Hill as the building is operated over an extended period beyond that of existing library opening hours as part of the leisure management contract.
- *Burnt Ash, Hayes, Mottingham, Shortlands, Southborough, St Paul's Cray, Anerley and Penge:* These Community libraries have a far more restricted range of services purely aimed at young families and the elderly who would have more difficulty travelling further. They do not cater adequately for working people of larger families. They are not connected to larger shopping areas thus there is far less special demand for them being open on Saturdays. Maintaining the same hours across the borough would also allow more flexibility in the use of staff. There is less demand for morning opening whilst it is important to be open for local schoolchildren after school. The two suggested mornings could either be fully open or adopt a more flexible approach with the branch arranging special opening for children's events, school visits, reading groups or learning activities.

5.4 If Members were to consider this the direction of travel they wished to pursue, this would need to be the subject of consultation with all stakeholders, including staff and their representatives.

6. TRUST OPTION

6.1 The Member Working Group for Libraries identified a number of options with regard to the future management of the borough's library service. In particular Members raised the issue of generating further savings through the creation of a not-for-profit Trust organisation.

6.2 Whilst there can be a number of reasons for transferring a service to a trust, the key driver is a financial one with potential savings to the local authority through savings on non-domestic rates.

6.3 Two options exist with regard to transferring the existing Library Service into a trust:

- i) A new stand-alone trust
- ii) An arrangement with an existing trust

6.4 Developing a new trust for the provision of library services would require considerable time and the allocation of resources. In order to qualify for the current 80% relief from business rates, a new trust would have to be constitutionally formed as a registered charity before the re-localisation of Business Rates from 2013.

6.5 The transfer and set up costs of establishing a new library trust would far outweigh the financial benefit to the authority. In addition, unlike other trust models such as leisure;

libraries do not generate significant levels of income and would continue to be reliant on the local authority for ongoing funding to maintain existing levels of service provision. Therefore, if Members were minded to pursue the transfer of the Library Service to a Trust, a far simpler and more cost effective route would be to effectively market test such an approach with a number of existing (leisure and cultural) trusts.

- 6.6 There is a shared ambition across both boroughs to develop a framework which enables further expansion of the shared service over time. This approach will ensure that the service is able to respond positively to changes in the library market going forward. Ideas for development might include merger of front offices between Bexley and Bromley; other boroughs joining the shared service, bidding for outsourced library management opportunities in other boroughs and the development of a cross-borough Trust. Clearly, both boroughs will need to jointly agree any further business development opportunities going forward.

7. CLOSURE OPTIONS

- 7.1 Members are aware that subject to identifying suitable premises there is an option to merge Anerley and Penge libraries which was included in the report agreed by Full Council in February 2011 as part of the overall efficiency savings. One option available to Members is to consider the case for branch closures, which if Members were to consider this the direction of travel they wished to pursue, would need to be the subject of consultation with all stakeholders, including staff and their representatives.

- 7.2 Following the meeting of the Renewal and Recreation PDS on 12 April 2011, a user needs and Equalities Impact Assessment has been undertaken on each of the eight Community Libraries. This exercise has looked at usage patterns, broken down by user groups, activities, book issues and computer use at each of the libraries in question. Consideration has also been given to continuing to meet existing levels of need were a library to be closed. Information has been taken from the Public Library User Survey (PLUS) for both children and adults has been included in the needs assessment together with information from Bromley Libraries performance statistic and other demographical and statistical data held by the local authority. Such an approach is necessary to address the key considerations as outlined in the letter of 3 December 2010 from the Minister for Culture, Communications and Creative Industries which advised Councils to undertake a full assessment of the needs of the community. From an initial analysis by officers two libraries have been identified for further consideration at this stage.

Example 1

- 7.3 The analysis of Burnt Ash Library indicates:
- Restricted opening hours (21.5hours per week) which affects the type of use.
 - Low level active library membership
 - 32,375 visits per year (the lowest in the borough with the exception of the mobile)
 - Overall book loans the lowest in the Borough at 22,239 (lower than the mobile)
 - Computer use has fallen over the last three years to 32% of library visitors
 - Majority of users fall into two groups, children and adults between 25 and 44.
- 7.4 If Burnt Ash Library were to close the authority would expect to meet the needs of residents in Plaistow and Sundridge using a combination of delivery methods:
- Provision of a library service form Central Library (1.5 miles) served by three bus routes 336,126 and 261 with a journey time of 5 – 10 minutes. Walking time of 33 minutes.

- Promotion of the Home Library Service for housebound readers
- Development of borough wide on line library services
- Downham Library – London Borough of Lewisham

7.5 Closing Burnt Ash Library would save £68k per annum providing opening hours are not reduced, with the site having a potential capital value of £130k.

Example 2

7.6 The analysis of Southborough library indicates:

- Currently open 43.5 hours per week including one late night at present
- Active library membership of 2,570 in 2009/10. Ninth highest level of active membership in Bromley.
- Registered 595 new borrowers in 2009/10
- Highest number of issues out of the community libraries
- Book borrowing still remains the most popular activity for adults and children
- Computer use at 40% of visitors
- Used by 0 -10 age group and 25 – 64

7.7 If Southborough were to close the authority would expect to meet the needs of the residents in Bickley Ward through a variety of means:

- Provision of a library service from Petts Wood Library (open 45.5 hours per week including two late nights and all day Saturday opening) (1.1 miles) served by one bus route 208.
- Provision of a library service from the Central Library
- Promotion of Home Library service for housebound readers

7.8 Closing Southborough Library would save £80k per annum, providing opening hours are not reduced, with the site having a potential capital value of £700k.

7.9 If Members wish to consider these or any other closure options it would be necessary to undertake a full consultation exercise with library users including:

- a statement of what the service is trying to achieve
- a description of local needs, including the general and specific needs of adults and children who live, work and study in the area
- a detailed description of how the service will be delivered and how the plans will fully take into account the demography of the area and the different needs of adults and children in different areas (both in general and specific terms)
- the resources available for the service, including an annual budget.

8. NEW INITIATIVES - PEOPLES NETWORK CHARGING OPTIONS

8.1 At present there are 160 People's Network terminals located in the boroughs 15 libraries with an average time per user of around 30 minutes. Users currently self book themselves onto the network, avoiding the use of librarians in administering this process. The average number of hours of use across the borough per month is approximately 3,700, this equates to 42,400 hours of use per annum. Given the usage figures this service is seen as a key component of the library offer within the borough and in addition to the normal range of internet access that it offers, it allows users to interact with the authority through services such as: Library e services, Home Seekers and job search. It is likely that the quantity of electronic interaction

with the Council will continue to grow over time and introducing a charging policy that charges for every minute on line could be seen as being at odds with this approach. At present no London library service charges for the first hour of use.

- 8.2 Based on current usage if we were to charge £1 per hour for all use of terminals this would generate an annual income of £42k. However, if we were to follow the approach of some other London boroughs where a charge of £1 per hour is levied with no charge for the first hour of use (86% of Peoples Network users are on the system for an hour or less) this would generate a more modest annual income of £4k. It would be possible to provide one stand-alone computer in each of the borough's libraries which could allow the public to access Bromley sites at no cost to the user. If this approach was adopted then following the initial outlay on stand-alone terminals, and assuming no drop-off in use, there is a potential income stream of £42k per annum.
- 8.3 There is also the consideration of the Wi-Fi usage where the public use their own equipment, this is at present a free service offered by the library service.
- 8.4 Examples from other Library Services in London indicate that where charges have been introduced there has been a significant impact on the usage figures and in some cases this has led to a reversal of the decision to charge. Westminster and Camden have previously introduced charges but subsequently withdrawn them.

9. POLICY IMPLICATIONS

- 9.1 The review of the Library Service is entirely consistent with the Councils objectives around Vibrant and Thriving Town Centres and an Excellent Council.

10. FINANCIAL IMPLICATIONS

- 10.1 The potential savings from the proposals in this report are as follows: -

Area of Saving	2012/13 £'000	2013/14 £'000	2014/15 £'000
Shared back office services with Bexley *	340	310	280
Cost efficiencies in library management system	30	30	30
	370	340	310
New savings options			
Reduction in opening hours **	350	350	350
Income from charging for peoples network	42	42	42
Less reduction in savings for Penge/Anerley	(60)	(60)	(60)
Total savings from proposals in this report	702	672	642

* Subject to the final agreement on structure, set up costs and any staffing implications that arise from creating the new structure.

** It is assumed that any potential redundancy costs arising from this option will be met from the central contingency provision.

- 10.2 The savings from the shared back office services with Bexley reduce over the three years as shown above which reflect the financial cost sharing model as detailed in 4.7.

- 10.3 For information, the table below shows the amount of savings made in 2010/11 and the savings agreed by Full Council in February 2011: -

Area of Savings	2010/11 £'000	2012/13 £'000	Total £'000
Staffing reductions made during 2010/11	340		340
Savings agreed by Full Council on 28th February 2011			
Review of site officers		50	50
Amalgamation of Penge & Anerley libraries***		90	90
Total savings previously agreed	340	140	480

*** Subject to the identification and purchase of suitable premises.

- 10.2 If the reduction in hours is agreed for the Penge and Anerley libraries, the savings already agreed by Full Council for the merging of the two libraries will be significantly reduced as shown by the Cr £60k in the table within 10.1 above.
- 10.3 A change was made to the delegation process by the Executive at its meeting on 12 January 2011, which gave the Chief Executive the authority, in consultation with the relevant Chief Officer, Portfolio Holder and the Leader, to approve service reorganisations which have financial implications arising from redundancy/early retirement costs. The Chief Executive has been advised that there are likely to be redundancy/early retirement implications arising from these proposals. Based on the Council's redundancy policy framework, the maximum redundancy costs are estimated to be £467k and the cost of early release of pension estimated at £217k (total estimated cost of £684k). The proposal is that these costs will be funded from the central contingency provision set aside for redundancy/early retirement costs arising from the budget efficiency savings identified in the same report, which were approved by the full Council in February 2011. Given that the redundancies will be spread across both Councils, and these figures represent the worst case scenario, it is likely that the final redundancy/early retirement costs will be lower.

11. LEGAL IMPLICATIONS

- 11.1 The Council is under an obligation to inform the Department of Business, Innovation and Skills where there is a risk of redundancies involving 20 or more staff. It is also an obligation to formally consult with the relevant recognised trade unions and staff affected by changes of this nature.
- 11.2 The Public Libraries and Museums Act 1964 requires that library authorities provide a "comprehensive and efficient" public library service. The terms "comprehensive and efficient" are not defined within the Act; however the Act requires local authorities to provide, free of charge, access for people who live, work or study in their area to borrow or refer to books and other material in line with their needs and requirements.
- 11.3 Whilst charges can't be made for lending or looking at books unaided Regulations made under the act permit charges to be made for assisting people to use computers, where copies of material or catalogues are produced which become the property of the person requesting them, for providing private rooms, for providing electronic or other facilities to view books or material and for making available any other library facilities which go beyond the statutory duty.

- 11.4 The 1964 Act brought libraries under the overall supervision of the Secretary of State. Under the act each London Borough is a Library authority for its own area. However Section 4 provides that a library authority's functions "*may also be exercised elsewhere than within its library area if the authority thinks fit.*"
- 11.5 Section 5 of the Act provides that if the Secretary of State is prepared to make the necessary Order two or more library authorities can combine to form a joint Library Board. Any Order would deal with management arrangements, transfer of staff and transfer of property.
- 11.6 There are also a number of powers which allow local authorities to provide services to each other at a charge or otherwise – for example The Local Authorities (Goods and Services) Act 1970 or to place staff at the disposal of another local authority – Section 113 Local Government Act 1972.
- 11.7 The recent case of RMP v London Borough of Brent has effectively taken most local authority shared service initiatives which include only public bodies outside of the EU procurement regime.
- 11.8 The Local Government and Public involvement in Health Act 2007 and the new Statutory Guidance for the Duty to involve places authorities under a duty to consider the possibilities for provision of information to consultation.
- 11.9 In accordance with the Equality Act 2010 there is a duty on public bodies to publish information showing how they are complying with the public sector equality duty when taking decisions and making policies, including information about the impact of their policies and decisions on both employees and the public.
- 11.10 The intention to reduce staff has employment implications and may result in claims for breach of contract and/or unfair dismissal under the Employment Rights Act 1996 and/or under the Equality Act 2010. The new Equality Act 2010 protects employees from direct/indirect discrimination, harassment or victimisation on grounds of sex, race, disability, age.

12. PERSONNEL IMPLICATIONS

- 12.1 The proposals for a shared library service have redundancy implications and formal consultation, in line with the Council's procedures for managing change, is now underway with staff, Trade Unions, Staff Side Secretary and Departmental Representatives. They are being consulted on the impact on staff of the proposed shared library services.

Non-Applicable Sections:	[List non-applicable sections here]
Documents: (Access via Contact Officer)	[Title of document and date]

Introduction

- 1 This report details findings of the Working Group, commissioned by the Renewal and Recreation Policy Development and Scrutiny Committee, to consider the future shape and scope of the borough's Library service.
- 2 The Working Group was established following completion of a new state of the art library at Biggin Hill, and good progress at the town centre development in Orpington, which includes a library, and is expected to open in March 2011. It was recognised that there was further need to review the Bromley libraries in other parts of the borough.
- 3 In addition, huge financial pressures caused by the national deficit, have forced all areas of the council to review their services and to operate with severely reduced revenue budgets. However, the Working Group has looked at imaginative options that might limit or negate any cuts, and may improve the quality of some services available to residents.
- 4 The Working Group has looked at the full breadth of front end services offered at libraries from the traditional book lending function, through to modern information services, and including all the additional social facilities such as rhyme groups for toddlers, junior reading clubs and IT support help for those new to modern technology. It has considered appropriate charging, storage facilities, use of space and access, opening times and location. It has also discussed management structure behind the scenes, and possible joint working arrangements.
- 5 The recommendations focus on major changes required that will ensure a balanced budget whilst retaining a good service .
- 6 The Working Group has received much valued help from Council officers, and comments from library staff and library users and it is very appreciative of this input.
- 7 I commend this report and thank my colleagues and officers in reaching the conclusion and recommendations outlined in the following pages.

Councillor Sarah Phillips
Chairman of the Working Group
February 2011

<p>LIBRARIES REVIEW REPORT</p>

Introduction

- 1.1 This report sets out the work and findings of the Renewal and Recreation PDS Working Group on the Library Service and it furthermore makes a number of recommendations for the future shape, structure and composition of the borough's library service.
- 1.2 The objectives of the Working Group were to "Identify further opportunities to modernise and improve the borough's library offer as set out in 'Building a Better Bromley' 2010 to 2012".
- 1.3 The PDS Investigation Project Outline was reported to the Renewal and Recreation PDS on the 29th June 2010.
- 1.4 Members will be further aware that the report to the Executive on 12th January 2011 identified two initial areas of savings within the library service:
 - i) Tender the services currently provided by the Library Site Officers.
 - ii) Amalgamate Penge and Anerley Libraries.
- 1.5 The work required to market test the Site Officer function will be undertaken during 2011/12, with savings being delivered in the financial year 2012/13. The work to amalgamate Penge and Anerley libraries is currently on going and subject to the identification of suitable premises. This work will be subject to further reports to the Renewal and Recreation PH/PDS.
- 1.6 Members of the Working Group were as follows:

Cllr. Sarah Phillips (Chairman)

Cllr. Russell Jackson

Cllr. John Ince

Cllr. Brian Humphrys

1.7 The following documents were considered by the Working Group as part of the PDS Working Groups examination of the Library Service.

- PDS Investigation Project Outline
- Hierarchy of Libraries
- Libraries Coverage
- Visitor and Issue Figures
- Activities by Library
- Existing Staffing structure
- Ed Vaizey's letter – 3rd December 2010
- Library Site Coverage
- Revised Travel times

1.7 As part of its consideration of the boroughs library service, the Unison Branch Secretary attended a Working Group meeting to present a range of views and comments, in particular:

- That the public expected to see a library service run by a democratically elected and accountable body.
- That the nature of a library service has changed significantly over the years to become a busy multipurpose environment serving a wider cross section of the community.
- That libraries were now in even more demand in the current economic climate
- That libraries should act as a hub for local communities and be a point at which to access a wide range of council services.
- A diminishing book fund has been part of the cause of the reduction in visits and issues and that this needs to be addressed. Hillingdon was cited as an example where following an increase in the book stock fund, issues had risen five fold.
- That the library service had already incurred significant cuts, with £340k being removed from the employee budgets in this year and that this had on occasion led to unplanned closures.

2. WORKING GROUP RECOMMENDATION(S)

The member working group recommends to the Renewal and Recreation Performance, Development and Scrutiny Committee that:

2.1 The Renewal and Recreation PDS notes the contents of the Working Groups report and in particular the Option 4 which the Working Group recommends as the preferred model for taking the borough's library service forward and that this option is subject to further reports to Members.

3. BACKGROUND

3.1 At the first meeting of the Working Group Members were advised of the current pressures facing the library service, these being:

- Reduction in book loans from four million issues per annum in 1990 to two million issues per annum in 2010.
- Reduction in the value of the stock fund from £2 million per annum to £650,000 per annum.
- The lack of investment in the library service resulting in a tired looking service.
- Reduction in staff with £340,000 of staffing costs being removed in 2010/11.
- Introduction and impact of new technology on usage patterns within Libraries. Use of the Peoples network continues to remain strong and demand out strips capacity.
- Reducing income.
- Broadening role for libraries to support the wider Council agenda, i.e. choice-based lettings.

3.2 Members of the Working Group considered that the following themes should be addressed:

- The location of and number of libraries in the borough.
- The range of services provided in libraries.
- The out-sourcing option "contract versus trust versus in-house delivery".

3.3 Members of the Working Group were updated on the existing hierarchy of libraries within the borough, and the distribution of the existing library service and the Visitor and Issues Figures.

15 Static libraries

Tier 1

Central Library

Tier 2 – District

Tier 4 – Community

Anerley Library

Burnt Ash Library

Hayes Library

Mottingham Library

Penge Library

Beckenham Library
Orpington Library

Shortlands Library
Southborough Library
St Pauls Cray Library

Tier 3 – Neighbourhood

Biggin Hill Library
Chislehurst Library
Petts Wood Library
West Wickham Library

1 Mobile Library

- 3.4 A full list of activities provided by the Bromley Library Service was provided to the Working Group and in order that Members of the Working Group could fully consider the borough's library offer, all of the libraries were visited on Saturday 13th November 2010.
- 3.5 Broadening out the Working Group debate, the efficiency of the library service was considered in terms of:
- Are the arrangements for the delivery of the library service – buildings, staff, service provision, facilities and technology – meeting the demands of the community and are they cost efficient.
 - What partnership opportunities exist to make the services more efficient and effective. For instance, Biggin Hill Library was cited as an example of good practice. Opening hours had been extended within existing budgets, the range of services had been broadened and book borrowing had risen by 30%.
- 3.6 The Biggin Hill model also highlighted the potential value in integrating or co-locating library services with other public sector services, in this case a swimming pool. However members of the Working Group noted that co-location of services was not always an option that was available, but there was general agreement that Biggin Hill provided a broader template for what a modern library offer could look like, and the positive effect that this could have on a local community.
- 3.7 In March 2010 the Department for Culture, Media and Sport published "The Modernisation Review of Public Libraries", a policy statement.
- 3.8 The key drivers behind this report were to:
- Drive forward the quality of all library services up to the level of the best.
 - Aim to reverse the decline in library usage.
 - Aim to ensure that library services respond to the current economic climate and limited public sector resources.
 - Aim to respond to the growing expectations of people and communities in terms of access to information.

3.9 In order to achieve these drivers, this report set out a number of proposals.

A Library Offer to the Public

3.10 The working Group were advised that the Government had issued advice on what a library offer should comprise for all public libraries in England. The library offer will be made up of a 'core offer' of services which all library services should deliver and a 'local offer' of service shaped and delivered at local level.

A core offer for all libraries

3.11 Central Government recommends that the core offer for all libraries should include the following provisions to be made available across all library authorities:

- **Library membership from birth:** Details of local schemes to ensure that library membership is available from the earliest point in a child's life (The Government expects that from April 2011 all local authorities ensure that library membership is an entitlement to children from birth).
- **An opportunity to have your say and get involved in shaping the service.**
- **Free access to a range of quality book stock to browse and borrow and online resources and information that meet local needs** (including e-books as the market grows).
- **Access to the national book collection** – any book from anywhere: Order any book through your library (even out of print books).
- **Free internet access for all:** computers and access to online information and communication. (The Government will change legislation to prevent library authorities charging for internet access from April 2011).
- **Help to get online:** support for people using the internet for the first time or searching for information.
- **Links to other public services and opportunities:** connections to health, education and learning or employment opportunities (local details to be set out).
- **A community of Readers:** connecting people to other readers through reading groups, activities and recommendations.
- **Flexible opening hours:** to suit the needs of the local people (local details to be set out).
- **Commitment to customer service and expert, helpful staff.**

- **A safe local space which is accessible and convenient for the community.**
- **24 hour access:** through your library's online catalogue, online reference and other services. Website details to be set out.
- **Services which reach out and attract local people** (local details to be set out including 'at home' services to housebound people).
- **An opportunity to be a member of all libraries in England:** easy to join, accessible services as announced by the Society of Chief Librarians.

3.12 On 3rd December 2010 Ed Vaizey, Minister for Culture, Communications and Creative Industries wrote to all local authorities around the financial challenges on local authorities, particularly in relation to library services. The Minister set out a number of key considerations that every library service should have in mind, these are:

- a statement of what the service is trying to achieve;
- a description of local needs, including the general and specific needs of adults and children who live, work and study in the area;
- a detailed description of how the service will be delivered and how the plans will fully take into account the demography of the area and the different needs of adults and children in different areas (both in general and specific terms);
- the resources available for the service, including an annual budget.

3.13 In order for the authority to avoid a successful challenge that was the case in the Wirral prior to implementing any proposed changes to the service it would have to comply with the above statement.

3.14 The Public Libraries and Museums Act 1964 requires the authority to provide a "comprehensive and efficient" public library service. The terms "comprehensive and efficient" are not defined within the Act; however the Act requires local authorities to provide, free of charge, access for people who live, work or study in their area to borrow or refer to books and other material in line with their needs and requirements.

4. OPTIONS FOR RECOMENDATION

Option 1 – Status Quo

4.1 Proposed revenue savings of £140k in 2012/13 made up of £50k savings from changes to the way in which the Site Officer function is delivered and £90k saving from the amalgamation of the Penge of and Anerley libraries providing a similar service, but no further planned closures. The delivery of the Penge/Anerley option is dependent on the authority securing suitable

premises and the Working Group acknowledged that this area of work would be subject to further reports.

Option 2 - **Library Rationalisation and Reduction in Service Points**

- 4.2 A rationalisation plan would reduce the number of service points (Tier 4 – Community Libraries) and significantly improves the remaining libraries (Tiers 1, 2 and 3).
- 4.3 One approach arising from this option could be based on retaining:

Penge Library (merged with Anerley)
West Wickham Library
Bromley Town Library
Biggin Hill Library
Petts Wood Library
Beckenham Library
Orpington Library
Chislehurst Library

and releasing:

ANERLEY: Poor site at the back of the Town Hall. Low level of book issues and close to Penge

PENGE: Popular but totally inadequate for a modern library service as it is so small and provides no room for children's activities, learning or the growing demand for PC based services

BURNT ASH: This small part time branch is the least used for book borrowing. Whilst it's activities are popular it is very close to the Central Library.

HAYES: Another part-time library with reasonable book issues and range of events. However it is divorced from the shops in the area and many Hayes residents will shop in either Bromley or West Wickham.

MOTTINGHAM: This branch, right on the edge of the borough, is poorly used for book borrowing but has a very vibrant range of popular activities. Potential for merging with the Learning shop elsewhere in Mottingham.

SHORTLANDS: Close to Central Library, although separated by the railway line, this is a reasonably popular library but in the middle of a residential area.

SOUTHBOROUGH: Although this library is the busiest book borrowing Community library this branch is poorly designed with an inaccessible upper floor and is very close to the bigger Petts Wood Library with significant overlap in their catchment areas. The branch is also close to the wider catchment of the Central Library.

ST. PAUL'S CRAY: Book borrowing is about average at this branch, serving a more isolated and relatively deprived area. The isolated location makes it more prone to vandalism. However the facility is quite near to Orpington Library which is currently undergoing a major improvement. There is also the potential for merging the service with the Cotmandene Learning Shop.

- 4.4 If this option were to be implemented it is considered necessary to improve the remaining libraries with the funds from the sale of these sites will be used to refurbish:

Petts Wood Library
Bromley Central Library
West Wickham Library
Beckenham Library
Chislehurst Library

- 4.5 LBB's 15 libraries currently have coverage of 98% in terms of proximity (households within one mile.) Adopting the above approach would reduce the coverage, based on the same criteria (households within one mile) to 91%. . Members of the Working Group were advised that the Public Enquiry in Wirral Metropolitan Borough Councils (MBC) library found that the Council's decision to restructure its library service to be in breach of its statutory duties under the Public Libraries and Museums Act 1964. The primary reason for this breach was that the Council failed to make an assessment of local needs within its strategic asset review whereby it sought to restructure its library service down from 24 to 13 neighbourhood centres.

- 4.6 This approach would require the ring-fencing of the capital sums achieved from the disposal of the five sites (assuming that capital receipts from releasing Penge and Anerley are themselves ring-fenced to the costs of the new Penge Library) into development works at Petts Wood, Central, West Wickham, Beckenham and Chislehurst. (A new modern Orpington Library is due to open at the end of March/early April 2011.) The concept being to create "super" libraries that embrace the components of Biggin Hill and shortly Orpington Libraries, in that they are modern and welcoming spaces that are accessible with an enhanced offer, both in terms of opening hours/days but also in terms of the services that they offer.

- 4.7 This option can be developed at a number of levels in terms of the number of libraries closed and the final cost savings will be dependent on what branches are closed and which are retained, the hours and days of operation and the range of services offered. Furthermore, within this option it is possible to mitigate the impact further by utilising the two learning shops at Cotmandene and Mottingham. A reduced library offer in terms of books for loan could be provided in each of the shops which currently duplicate a range of services within St.Pauls Cray and Mottingham libraries. If this was accepted it would be possible to explore the range of opening hours of the learning shops. The Working Group discussed the potential of providing a libraries 'outreach' service, in much the same way that the sports development role is delivered.

For instance, if a particular branch were to be closed, certain non core activities, such a book reading clubs, could be delivered in local venues.

- 4.8 Members of the working group were advised that Initial valuations of those libraries which could be released (excluding Penge and Anerley) indicate potential capital receipts in the region of £2.6 million. As already identified, it is recommended that this is reinvested in the five libraries identified in paragraph 4.3 to fully modernise them and to introduce self-service (RFID) to those sites that currently are not on the network. As with Option 1, this option would require further reports to members

Option 3 Market Test current of reduced service

- 4.9 A 'soft' market testing exercise has been undertaken in conjunction with John Laing integrated Services Ltd who currently manage the library service in the London Borough of Hounslow. Savings have been identified by Laings based on the eight super library approach as set out in Option 2. These savings are in the main achieved through:

- Increased self service across the libraries network
- Service rationalisation
- Asset management
- Creation of a lean organisational structure
- Utilisation of site officers/security guards instead of core library staff to prolong opening hours.
- Encouraging co-location of a wider range of services to share costs.
- Creation of a virtual library

In order to fully understand the financial benefit from this approach it would be necessary to undertake a formal market testing exercise. This could specify a range of options, including management of the current 15 plus mobile service through to the option above featuring 8 super library hubs. The market for out sourcing library services is increasing albeit at a relatively moderate rate with the latest outcome being that of Slough Borough Council who, through a formal tender have invited Essex County Council to manage their library service.

Option 4 Partnership Model.

- 4.10 Discussions have been held with the London Borough of Bexley to examine the concept of merging two library services into one new organisation. There is a strong indication that significant savings could be realised through the merging of management structures from head of service to branch manager and junior professional level. Furthermore, it should be possible to save an additional sum through economies of scale and rationalisation of resources and other parts of the budgets not covered by the management structure. This option has been examined on the basis of maintaining the existing library stock within each of the two boroughs. An initial analysis would seem to indicate that creating one library management team would save in the

region of £350,000 - £550,000 in staff costs. Further costs savings are currently being identified from services areas such as:

- Shared IT and Library Management Systems
- Book stack amalgamation
- Deliveries and book movements
- Shared head office accommodation
- Cash Collection

4.11 In addition, if incorporated into a 'trust', further savings could accrue to the two authorities relating to the potential rate relief on their NNDR costs.

4.12 As with Option 2, the Partnership model still enables the distribution of libraries to be considered and the Working Group considered that it was important that consideration was given within this option to consider the distribution of the library branch network.

5. POLICY IMPLICATIONS

5.1 As already set out in the report local authorities through The Public Libraries and Museums Act 1964 have a duty to provide a "comprehensive and efficient" public library service.

6. FINANCIAL IMPLICATIONS

- 6.1 The working Group were advised that a range of savings had been identified from within the following options:

Option 1 Status Quo

£140,000 comprising £90,000 from merging Penge and Anerley Libraries providing a like for like service and £50,000 from the review of the libraries Site Officers. This option will be considered by the Executive on 14th February 2011.

Option 2 – Library Rationalisation

This option would save between £500,000 and £750,000 depending on the final structure of the revised offer. For example if this option was pursued, members may wish to see the remaining 8 libraries operating with extended hours and days, above that of the current provision. If this option was opted for, then savings at the lower end of the spectrum would be achieved, not enhancing opening hours would see savings at the higher end, i.e. £750,000. Similarly, if members were of the view that not all of the community libraries should close, i.e. the option to merge St. Pauls Cray Library with the Cotmandene Learning Shop and Mottingham Library with the Mottingham Learning Shop, the levels of savings achieved would be reduced.

Option 3 Market Testing

Savings have been identified, through a 'soft' market testing exercise for an eight library service and further savings have been identified over a ten year contract. Actual savings would only be identified following a formal tender process and would ultimately be dependent on the level of service delivery that was specified.

Option 4 Partnership/Trust Model.

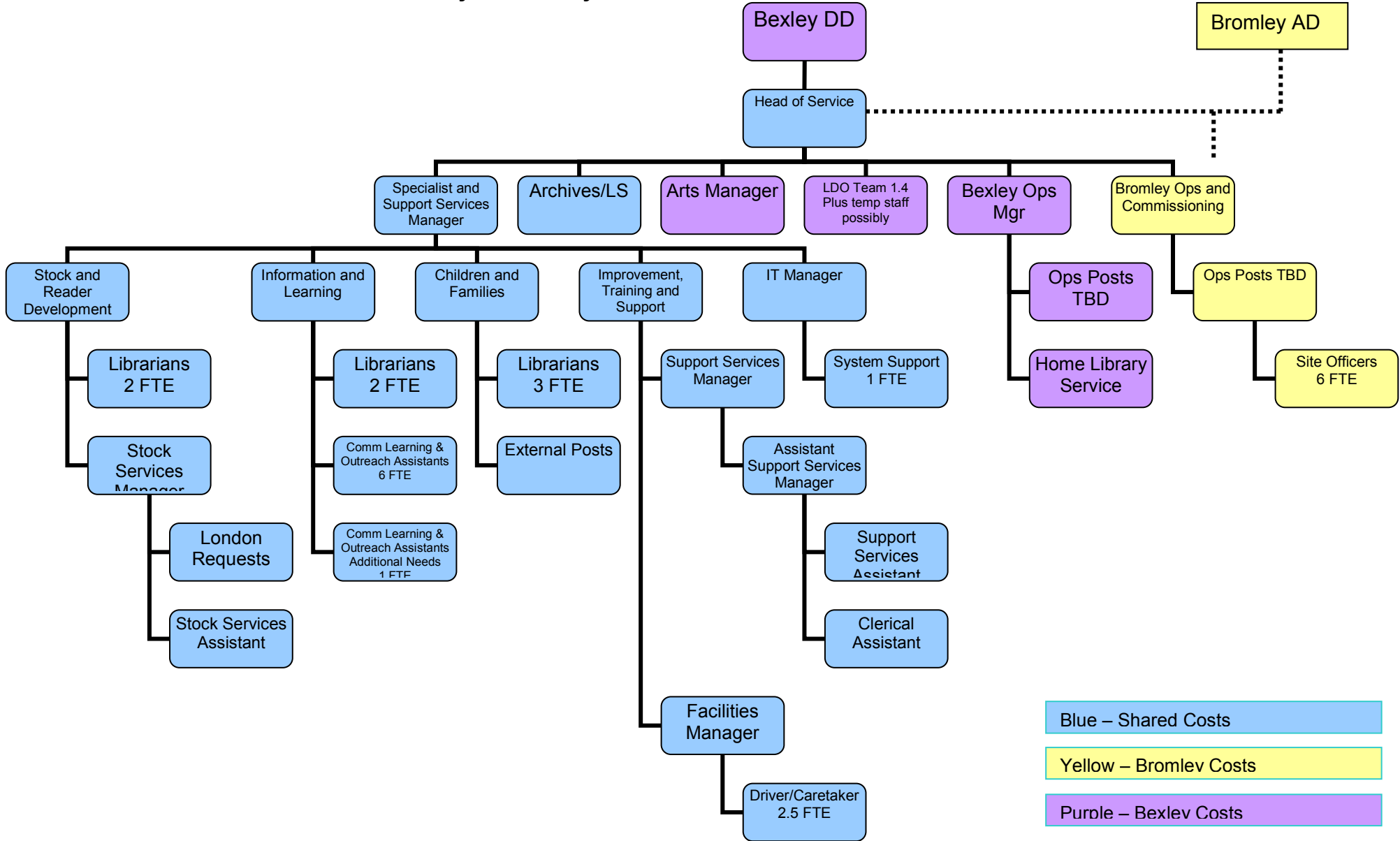
Savings in the region of £350,000 - £550,000 have been identified from merging two boroughs management structures, further savings from joint working are currently being developed with a view to identifying more savings. Further savings could accrue from the partnership model expanding into a trust.

As with the Option 2, if a number of libraries were to be closed as part of this option, then the level of savings would increase.

7. LEGAL IMPLICATIONS

- 7.1 Members of the Working Group were advised that there were a number of pieces of legislation that affected the authorities decision making on the delivery of a library service, in particular:
- 7.2 The Public Libraries and Museums Act 1964 requires the authority to provide a “comprehensive and efficient” public library service. The terms “comprehensive and efficient” are not defined within the Act; however the Act requires local authorities to provide, free of charge, access for people who live, work or study in their area to borrow or refer to books and other material in line with their needs and requirements.
- 7.3 The race relations (Amendment Act) (2000), Disability Discrimination Act (2005) and the Equality Act 2006 further place a duty on a public body to carry out equality Impact Assessments as soon as a new policy, function or service is considered.
- 7.4 The Local Government and Public involvement in Health Act 2007 and the new Statutory Guidance for the Duty to involve as it places authorities under a duty to consider the possibilities for provision of information to, consultation with and involvement of representatives of local persons across all authority areas.

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Bromley/Bexley Library Shared Services Consultation

Themed Comments Received from Bromley Staff during Consultation Period

Issues Raised
General
Why is the Council considering the Library service for shared services rather than other departments with back office functions.
Why isn't the Council looking for fewer but better libraries to reduce duplication of services where branches are close together.
Why is the proposed Shared Service adopting a four tier structure similar to that in Bexley at present.
Some posts look like existing Bexley posts.
Why has Footscray been chosen as the base.
Which staff will be expected to travel as part of their role.
Will staff receive travel expenses
Service Specific Issues
Have the two strands of the proposed IS changes been thought through and are the proposed staffing levels and transition arrangements proposed adequate across the two boroughs, ie Corporate contracts and support Library Management Systems changes/integration/maintenance

Have the proposals taken into account sufficiently the effect on the front line services, ie support currently given by the Librarians; IT staff.

How can a local studies manager be an 'expert' across both Boroughs. Local studies research and services will be damaged by the proposals

Has account been taken of the loss of expertise gained over a long period of time that could be lost through the proposals.

Community links will be broken – is it worth it to make relatively small savings.

Has sufficient account been taken of the effect the proposals will have on reader development services for children and young people and the personal service appreciated by elderly users.

Will operational staff be offered a meeting about the effect Shared Services may have on them.

Volunteers are effectively used in some areas, eg local studies but could not be successfully used to keep branches open.

How will some of the current back office work such as promotions and training be accommodated in the future.

Will current HR/Finance systems change in the Shared Service.

HR/Change Management Issues

Content of some job descriptions needs clarity and/or revision, eg
Business Support Officer (BR6)
Business Support Assistant (BR5)
Librarian

Some posts should be ring fenced to a wider group of staff than currently identified.

Why are Bexley staff on higher and lower grades than Bromley staff included in the same ring fence arrangements.
Will operational staff who have been invited to apply for voluntary redundancy/early retirement now be offered an opportunity at a later date.
If after consultation release of staff on voluntary redundancy/early retirement is agreed how will it be decided who can be released
If voluntary redundancy/early retirement is offered when will it take effect.
How independent will the independent person sitting on interview panels be.
Will staff have to complete application forms for new posts.
Will interview performance be the only criteria for selection for the new posts
Will staff be expected to have more than one interview if they apply for multiple posts.
Will successful staff be offered training if required and if so who would undertake it.

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PROPOSED CHANGES TO BRANCH LIBRARY OPENING HOURS

APPENDIX 4

1. CENTRAL GROUP

CENTRAL	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	0930 - 1800	0930 - 2000	0930 – 1800	0930 – 2000	0930 – 1800	0930 – 1700	CLOSED	54.5
Proposed	0900 – 1700	0900 – 1700	0900 – 1700	1200 – 2000	0900 - 1700	0900 – 1700	CLOSED	50

BIGGIN HILL	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	07.30-21.30	07.30-21.30	07.30-21.30	07.30-21.30	07.30-20.30	08.00-19.30	8.00-19.30	92
Proposed	07.30-21.30	07.30-21.30	07.30-21.30	07.30-21.30	07.30-20.30	08.00-19.30	8.00-19.30	92

BURNT ASH	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	9.30-13/14-18	CLOSED	CLOSED	9.30-13/14-18	CLOSED	9.30-13/14-17	CLOSED	21.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

HAYES	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	CLOSED	9.30-13/14-18	CLOSED	14.00-20.00	9.30-1/2-18	9.30-13/14-17	CLOSED	27.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

SOUTHBOROUGH	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-18.00	09.30-18.00	CLOSED	09.30-18.00	09.30-20.00	09.30-17.00	CLOSED	43.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

2. WEST GROUP

BECKENHAM	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-18.00	09.30-18.00	09.30-20.00	CLOSED	09.30-20.00	09.30-17.00	CLOSED	45.5
Proposed	10.00-17.00	10.00-17.00	12.00-20.00	CLOSED	10.00-17.00	10.00-17.00	CLOSED	36

WEST WICKHAM	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-20.00	09.30-18.00	CLOSED	09.30-18.00	09.30-20.00	09.30-17.00	CLOSED	45.5
Proposed	13.00-17.00	10-12/13-19	CLOSED	CLOSED	13.00-17.00	10.00-14.00	CLOSED	20

ANERLEY	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-20.00	09.30-18.00	09.30-18.00	CLOSED	09.30-18.00	09.30-17.00	CLOSED	43.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

PENGE	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-18.00	09.30-18.00	CLOSED	09.30-18.00	09.30-18.00	09.30-17.00	CLOSED	41.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

SHORTLANDS	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	9.30-13/14-20	9.30-13/14-18	9.30-13/14-18	CLOSED	9.30-13/14-18	9.30-13/14-17	CLOSED	38.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

3. EAST GROUP

ORPINGTON	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	10.00-20.00	09.30-18.00	09.30-18.00	09.30-18.00	09.30-18.00	09.30-17.00	CLOSED	52.5
Proposed	10.00-20.00	09.30-18.00	09.30-18.00	09.30-18.00	09.30-18.00	09.30-17.00	CLOSED	52.5

CHISLEHURST	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-20.00	09.30-18.00	CLOSED	09.30-20.00	09.30-18.00	09.30-17.00	CLOSED	45.5
Proposed	13.00-17.00	10-12/13-19	CLOSED	CLOSED	13.00-17.00	10.00-14.00	CLOSED	20

PETTS WOOD	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-20.00	09.30-18.00	CLOSED	09.30-20.00	09.30-18.00	09.30-17.00	CLOSED	45.5
Proposed	13.00-17.00	10-12/13-19	CLOSED	CLOSED	13.00-17.00	10.00-14.00	CLOSED	20

MOTTINGHAM	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-18.00	09.30-18.00	09.30-18.00	CLOSED	09.30-20.00	09.30-17.00	CLOSED	43.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

ST PAUL'S CRAY	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Hours
Current	09.30-18.00	09.30-20.00	CLOSED	09.30-18.00	09.30-18.00	09.30-17.00	CLOSED	43.5
Proposed	13.00-17.00	10-12/13-17	CLOSED	CLOSED	13.00-17.00	CLOSED	CLOSED	14

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Report No.
DRR11/058

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Renewal and Recreation Portfolio Holder
For Pre Decision Scrutiny by the Renewal and Recreation
PDS Committee**

**Environment Portfolio Holder
For Pre Decision Scrutiny by the Environment PDS
Committee**

Executive

Date: **5 July 2011
19 July 2011
20 July 2011**

Decision Type: Non-Urgent Executive Key

Title: **NORMAN PARK MULTI HUB SITE**

Contact Officer: John Gledhill, Head of Cultural Business Development
Tel: 020 8461 7527 E-mail: colin.brand@bromley.gov.uk

Chief Officer: Marc Hume, Director of Renewal and Recreation

Ward: Borough wide

1. Reason for report

- 1.1 This report provides Members with details on proposals for the development of a multisport hub site at Norman Park.
 - 1.2 The report outlines proposals to seek a suitable and appropriately qualified leisure investment and management company to design, construct, manage, fund manage and operate a new multi sport hub site at Norman Park, which will look to incorporate the current athletics track and playing pitches within the park.
-

2. RECOMMENDATION(S)

That the Renewal and Recreation PDS, and the Environment PDS:

2.1 Note the contents of the report and provide their Portfolio Holder with their comments.

That the Renewal and Recreation Portfolio Holder, and the Environment Portfolio Holder consider the comments provided by the Renewal and Recreation PDS and the Environment PDS and recommend that the Executive:

2.2 Agrees for Officers to continue to develop proposals for a multi hub site at Norman Park in line with the project timetable detailed within the Report, and that Officers bring a further Report back to the Renewal and Recreation PDS and Portfolio Holder, the Environment PDS and Portfolio Holder, and the Executive, updating Members on the outcome of the tender process, and the details of the proposals received.

Corporate Policy

1. Policy Status: Existing policy. Included with BBB priorities for 2011-12
 2. BBB Priority: Vibrant Thriving Town Centres. and Quality Environment
-

Financial

1. Cost of proposal: Estimated cost potential annual saving of £40k (£1m over a 25 year period) and cost avoidance of £28k p.a. for annual maintenance (property)
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Leisure Trust Client
 4. Total current budget for this head: £40k
 5. Source of funding: Existing revenue budgets 2011/12
-

Staff

1. Number of staff (current and additional): 0
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Norman Park Track - 46,130 casual users , 334 memberships, 428 school hours. Delegated Sports Management - 38 senior players, 320 junior players.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes.
2. Summary of Ward Councillors comments: Ward Members have been consulted on the proposals as they currently stand. Generally Ward Members views towards the scheme were favourable and positive, although some concerns were raised in respect to the impact the scheme may have in terms of additional traffic that may be generated, and in respect to the impact that any proposed floodlights may have on neighbouring local residents. Members also expressed a desire for local residents who may potentially be effected by the proposals to be consulted as more detailed plans for the scheme emerge.

3. COMMENTARY

Background

- 3.1 This report outlines proposals to upgrade the existing facilities and to develop new facilities within Norman Park, Bromley. The current changing facilities and the infrastructure within the park and the athletics track are becoming outdated and unfit for purpose, and will require significant investment and maintenance going forward. Additionally the formal sports and recreational offer in the park is currently limited to athletics and football, and the play area in the park requires upgrading and potentially re-siting. The park would also benefit from the addition of a modern high quality cafeteria. The proposals as set out in this report will look to address these concerns, potentially creating a high quality multi sports destination for local residents.
- 3.2 There are potentially significant future liabilities for the Council in continuing with the current arrangements for the operation of the Norman Park and the athletics track. Historically between 2000 and 2010 the Council has spent £293k on maintenance across the facilities within the park and the athletics track (an additional £100k was also secured from the London Marathon Fund in 2005 to upgrade the track from six to eight lanes). The Council has also funded Norman Park Track Management Company (NPTMC) to the value of £420k over that period for its management of the athletics track (the current grant is £39k per annum).
- 3.3 The financial projections for the period 2011 – 2021 are for a minimum financial commitment of £276k to be spent to maintain the pavilions, the athletics track and the gate-keepers house, and £400k to be paid to NPTMC (£40k for 10 years). Members should be aware that the sub base to athletics track was last replaced in 1992 and it will need replacing along with the track surface within the next 10 years. This is estimated to be around £142k, and it is included within the above financial projections. If these works are not undertaken then the track would lose its licence to stage county competitions and events. The current athletics pavilion has also been underpinned on three occasions within the last 20 years, the latest works taking place in early 2010. Further underpinning works may be required on the building going forward if it continues to subside. The above figures do not include replacement of the athletics pavilion or provision for further underpinning works.
- 3.4 One option for the Council is to seek to develop the site as multi sports hub, and to appoint a suitable and appropriately qualified leisure investment and management company to fund, design, construct, manage, maintain, and operate the new facilities at the park, along with the athletics track and the grass playing pitches within the park.
- 3.5 Officers have developed a draft “Partner Brief” (Appendix A) which will be amended to accommodate any additional requirements or changes that Members may wish to include. Should Members wish officers to further develop the scheme, it is proposed to undertake a soft market testing exercise with potential partner companies to refine and develop the Partner Brief. This developed Partner Brief will be advertised to interested management partners as part of a tender process to identify a suitable management partner for the scheme.
- 3.6 The London Borough of Bromley’s Procurement and Legal teams have advised that this scheme would be let through a concession arrangement between the London Borough of Bromley and the management partner.
- 3.7 It is proposed that within the arrangements for the new developments at the park, the aforementioned ongoing liabilities would be the responsibility of the new management

partner, and all tenderers will be asked to demonstrate their maintenance and investment proposals over the life of the agreement within their submissions to the Council.

- 3.8 The scheme would look to demolish the existing four pavilions that currently support the park's grass playing pitches, and the gatekeepers lodge (currently empty), along with the pavilion within the athletics track. It is proposed to use this footprint and replace these buildings with a new dual aspect pavilion which will provide all necessary changing facilities for the proposed new facilities, the athletics track and the existing grass pitches. This would enable modern changing facilities to be developed within a single building, and would improve the openness and the aesthetics of the park through the removal of the four large park pavilions.
- 3.9 The Council is seeking to appoint a successful management partner that would:
- Develop the existing facilities and provide a range of new facilities and services to enhance the leisure, sporting and recreational offer available in the park, under a full repairing and insuring lease which is expected to be for 25 years, however the length of the lease will be negotiated through the tendering process.
 - Develop and implement plans that will enable access and increase participation in sport and physical activity, support active lifestyles, and enable people to develop their sporting potential.
 - Ensure the park and its facilities are developed for use by clubs, community and voluntary groups, schools and colleges, local businesses and the local community.
- 3.10 The Council will require interested companies to develop a suitable and costed business case for their proposals. The Council will insist that there must be no reduction of the current levels of service provision in respect to activities within the athletics track, activities within the park including the grass pitches, and the current events programme for the park.
- 3.11 The Council will require the successful partner company to provide costed details of its commitments to capital investment across the newly developed and existing facilities over the life of the contract, and its planned maintenance and decorations programmes.

Future Proposals

- 3.12 It is anticipated that a management partner will be appointed who will be responsible for the management, operation and development of the site, under a full repairing and insuring lease.
- 3.13 The new management partner may wish to continue with the current arrangements for management of the athletics track with Norman Park Track Management Limited (NPTML), or may seek to enter into discussions with the Council and NPTML to deliver this service directly themselves.
- 3.14 Similarly, any new management partner may wish to continue with the current arrangements for the booking and operation of the grass pitches with the current delegated manager, utilising the new changing facilities provided within the new facilities, or the new management partner may wish to undertake these functions directly themselves.
- 3.15 The new management partner may also wish to continue with the current arrangements for the maintenance of the grass pitches or may seek to re-specify the arrangements with the current contractor, or the new management partner may wish to undertake these functions directly themselves.

- 3.16 The Council will continue with its current maintenance commitments and responsibilities for the car parks.
- 3.17 The management partner will be responsible for developing, managing, and marketing:
- The facilities
 - The agreed development plans
 - The usage of the facility by the community, clubs and schools etc.
- 3.18 The Council wishes the successful partner company to be able to demonstrate within their submission how their proposals deliver the Council's sustainable community strategy - Building a Better Bromley 2020, and how their submission aligns with local, regional, and national strategies and plans, and meets local needs and targets.
- 3.19 The Council is seeking proposals from suitable management partners regarding the wider development of the park and as such the Council may also seek to work with other agencies such as National Governing Bodies for Sports, and Pro Active Bromley to examine further development opportunities that may be possible within the park such as cycling facilities, and enhancing the play provision within the park.

Benefits of the Scheme

- 3.20 It is anticipated the development could provide the following benefits:
- A range of new and improved sports and recreational facilities within Norman Park offering new activities and opportunities that make the park a destination of choice for Bromley's residents.
 - Capital and service improvements to be provided at no cost to the Council
 - A potential saving to the Council over the life of the agreement as the current ongoing liabilities and management would become the responsibility of the new management partner, equating to potentially around £400k for the first 10 years as well as cost avoidance of at least £418k.
 - New opportunities for wider access, increased participation, improved performance and support for healthy lifestyles.
 - Development plans to increase sporting and recreational opportunities for the local clubs, community, groups, schools, colleges and businesses.
 - New changing and office facilities for the athletics track replacing the current pavilion and potentially improved spectator facilities.
 - New changing and facilities for parks based activities.
 - Potential, dependent upon tender returns, for an income stream to be generated via lease arrangements with partner company.

Risks and Issues

- 3.21 Officers have, in line with Contract Procedure Rule Requirements, attempted to identify the risks and issues for the Council in developing this scheme as below:
- No suitable partner companies express an interest in the scheme.
 - The total costs of the project cannot be met through the projected operating surpluses, and therefore the scheme will need to be value engineered, and there may be no revenue stream generated for the Council.
 - Planning permission or other consents needed for the scheme are not obtained.
 - Surveys undertaken as part of the design and build process result in scheme being undeliverable.
 - The Council needs to be indemnified against a cost or time overrun by the partner company.
 - Projected income targets for the new facility are found to be unrealistic resulting in a re-negotiation of the lease arrangements, or for the termination of the agreement and a new management operator to be found.
 - The partner company becomes insolvent during the build phase or during operation.
- 3.22 The actual costs and business case will be determined via the procurement process.

Assumptions

- 3.23 The following assumptions have been made in respect to the scheme:
- There will be no capital or ongoing revenue costs to the Council in delivering this project and its subsequent operation.
 - Planning consent and all other consents, permissions and surveys will be the responsibility of the partner company and will be at their risk.
 - Current services and standards in respect to the athletics track, sports pitches and events must, as a minimum, be maintained.
 - All costs in developing the scheme shall be met by the partner company and shall be at their risk.
- 3.24 The procurement process and the development proposals will be developed to place, where possible, the risks and costs with the potential management partners rather than the Council.
- 3.25 Ultimately the feasibility of the scheme and the details of what the market can deliver at the site can only be identified through soft market testing and the tendering process. It is proposed that following the completion of the tendering process a further update report is brought to Members for their consideration.

Project Timetable

3.26 The anticipated project timetable and milestones are detailed below:

Undertake soft market testing exercise	Aug – Oct 2011
Refine and develop brief in accordance with soft market testing exercise results including tender specification	Oct – Dec 2011
Advertisement in press	Jan 2012
Expressions of interest received	Feb 2012
PQQ dispatched	Feb 2012
PQQ returns	Mar 2012
Approval of short list of partner companies	Mar 2012
Full documents issued	Apr 2012
Briefing of potential partner companies / visits to site	Jun 2012
Scheme proposals returned by partner companies	Jul 2012
Evaluation of scheme proposals (+ interviews and presentations from shortlist tenderers as required)	Aug - Sep 2012
Selection of preferred contractor	Sep 2012
Negotiate with preferred contractor on final scheme	Oct – Dec 2012
Report to Renewal and Recreation PDS and PH, Report to Environment PDS and PH, and Executive	Dec 2012
Award of contract	Jan 2013
Planning and all consents and surveys to be obtained / undertaken by partner company	May 2013
Start of build phase	Jul 2013
Completion of build phase	Aug 2014
New facilities open to public	Sep 2014

Wider Consultation and Partnerships

3.27 There are a number of partner organisations and stakeholders that may wish to be involved in shaping the development proposals of the park going forwards. Council Officers have undertaken an initial consultation with the organisations listed below.

Pro-Active Bromley, c/o London Borough of Bromley, B43a St Blaise, Bromley Civic Centre

Bromley Mytime, 4th Floor Linden House, 153-155 Masons Hill, BR2 9HY

Bromley Football Club, The Stadium, Hayes Lane, Bromley, Kent BR2 9EF

Bromley College of Further Education, Rookery Lane Campus, Rookery Lane, Bromley, Kent, BR2 8HE

Bromley School Sports Partnership, c/o Priory School, Tintagel Road, Orpington, BR5 4LG and Kelsey Park School, Manor Way, Beckenham, BR3 3SJ.

Rookery Estates, Barnet Wood Road, Bromley

Delegated Manager – Norman Park

3.28 The general consensus from the consultation was that, at the current position in respect to the development of the scheme, the proposals were welcomed and potentially offered significant benefits to the park and its future potential users. The delegated manager expressed some

concerns regarding their long-term arrangements at the park. Should the scheme further progress then additional and more detailed consultations with these partners and stakeholders would be undertaken.

4. POLICY IMPLICATIONS

4.1 The scheme is included within the BBB priorities for 2011-12 for Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

5.1 It is assumed there will be no capital or ongoing revenue costs to the Council in delivering this project and its subsequent operation during the lease agreement. There should be annual savings of £40k on the Council’s existing revenue budget as well as the potential to generate income from the lease arrangements or from a profit share agreement.

5.2 The proposed scheme will also enable the Property Division to avoid costs of at least £276k maintaining the pavilions and replacing the track.

5.3 Depending on the final agreement, there could be the potential to make a small annual saving on the grounds maintenance costs of the park.

5.4 Prior to any final decision being made on the scheme, a full financial assessment of the potential proposals will be undertaken as part of the evaluation of the tender process and the results reported back to Members for consideration.

6. LEGAL IMPLICATIONS

6.1 Initial discussions have taken place with legal and procurement and any service to be delivered on this project will adhere to council Financial Regulations and in line with a fair and transparent procurement procedure.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	[Title of document and date]

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NORMAN PARK SPORTS HUB

BRIEF FOR PARTNER COMPANY

DRAFT

Bromley Council is seeking to appoint an appropriately skilled management partner who will, in conjunction with the Council's requirements, fund, design, construct, manage, maintain and operate a new multi sport hub site at Norman Park, Bromley, BR2. It is anticipated that this will be for a term of 25 years, however the length of the term will be negotiated as part of the tender process.

1. PROGRAMME VISION

The Council is seeking to appoint a suitable and appropriately qualified leisure investment and management company (hereto referred to as the 'management partner') to fund, design, construct, manage, maintain, and operate a new multi sport hub site at Norman Park which will incorporate the current athletics track and the grass playing pitches within the park.

The Council seeks a management partner who will demolish the existing four pavilions that currently support the park's grass playing pitches and the pavilion within the athletics track. The total building area for these facilities is estimated to be around 937 square metres, and the associated hard standing areas are estimated to be around 617 square metres. As part of the demolition works, the Council expects the management partner to also demolish the gatekeepers lodge.

The Council anticipates that the management partner will replace these buildings with a new dual aspect pavilion which will provide all changing facilities for the proposed new facilities, the athletics track, and the existing grass pitches.

The successful management partner will:

- Develop the existing leisure, sporting and recreational offer available in the park, in addition to providing a range of new facilities and services that will enhance the offer, under a full repairing and insuring lease which the Council expects will be for 25 years, *however the length of the term can be negotiated as part of the tender process.*
- Develop and implement plans that will enable access and increase participation in sport and physical activity, support active lifestyles, and enable people to develop their sporting potential.
- Ensure the park and its facilities are developed for use by clubs, community and voluntary groups, schools and colleges, local businesses and the local community.

The Council requires interested companies to develop a suitable and costed business case for their proposals.

The Council insists that there must be no reduction of the current levels of service provision in respect to:

- *Activities within the Athletics Track*
The Council wish to see that the current successful arrangements with schools and clubs (notably Blackheath and Bromley Harriers) continues and where possible is enhanced. The Council also expects to see an Athletics Development Plan from the management partner, detailing future investments and proposals for the track site that include use by schools, clubs and casual users. The Council also wishes to see dedicated changing facilities, toilets and offices for use of the athletics track within the proposed new facilities.
- *Activities within the Park*
The Council wishes for the management partner to support and further develop the current offer in relation to activities on grass pitches and that proposals are developed to encourage wider use of the park for other sports (such as tennis and cricket). Moreover, the Council expects the management partner to develop a Football Development Plan for the site which will include proposals for the use of any new synthetic pitches along with the existing grass pitches within the park. It would also detail arrangements that support existing and new clubs at the site, as well as use by schools, colleges, and the wider community.
- *Events Programme within the Park*
The Council anticipates that the successful management partner will maintain and further develop the current events programme for the park within their proposals.

The Council wishes the successful partner company to provide costed details of its commitments to capital investment across the newly developed and existing facilities over the life of the contract, and its planned maintenance and decorations programmes.

2. BACKGROUND

Norman Park is under a mile from Bromley town centre and Bromley South railway station. The main entrance is situated on the B265 Hayes Lane, with an additional entrance off the A21 Bromley Common through Hook Farm Road. The park is served well by public transport and has good road links including the A21 and the M25 (which is just over 6 miles away). Both entrances are accommodated by large car parks providing approximately 140 and 90 spaces respectively. There are residential areas abutting the park and its entrances. It is a large site able to support a range of different sports and recreational facilities, and is close to a number of schools, colleges and clubs.

Facilities currently provided at Norman Park:

- *Outdoor Athletics Track*
Currently, the track is managed through Norman Park Track Management Company and is host to Blackheath & Bromley Harriers Athletics Club. It has an eight lane 400m athletics track plus long jump, high jump, hammer, discus, javelin, pole vault and steeple chase facilities. There is a pavilion with changing facilities and other

outbuildings used for storage and as a meeting room. The track is certificated to host regional athletics meetings and is also served by floodlights. There is currently no seating available and no covered stand for spectators.

The opening times are: Tuesday, Wednesday and Thursday 1200-2100; Saturday 1000-1300 and Sunday 0900-1300

- *Outdoor Pitches*
There are eight full size grass football pitches and two grass mini soccer pitches, none of which are floodlit. There are four pavilions within park, three of which provide changing facilities for the grass pitches where as the fourth is used predominantly for storage and contains public toilets.
- *Play Area*
There is a small play area within the park which is adjacent to the athletics track (towards the Hayes Lane entrance).

Although there is currently no cafeteria within Norman Park, the Council would wish to see a cafeteria that would serve the new pavilion in addition to wider park users considered within the management partner's proposals.

Other Park Uses:

- *Athletics Track*
The track is home to Blackheath and Bromley Harriers Athletics Club who are one of the top performing clubs in the country and based in Hayes, Bromley. The Club's Young Junior Athlete Team are the current National Champions and the Club's Junior Women came fifth in the European Club Cup. The Club offers participation and competitive opportunities in many athletic disciplines including track and field, cross-country and road-running for children and adults of varying ages and abilities. The Club's 'Bees Academy' provides coaching for children in school years 4-7. The athletics track currently hosts over 70 events a year, almost exclusively between April and November.

The cost of an annual adult season ticket (*standard/club*) is £250 / £150

The cost of an annual junior season ticket (*standard/club*) is £165 / £100

Casual usage for an adult / junior is £3.20 / £2.30

- *Grass Pitches*
For the duration of the football season, grass pitches are let for football on Saturdays and Sundays from 10.00 – 15.00. The site is used by around 20 clubs competing in Bromley and Orpington leagues. The site also hosts Petts Wood Football Club who have 24 teams including five women's teams and a veteran's team. Petts Wood Football Club are keen to develop their clubs involvement at Norman Park. There is some limited evening use in addition to some casual bookings throughout the summer period. The charge for a full pitch and changing facilities is currently £65 a game.

- *Cricket*
There are currently no cricket facilities in the park however the Council welcomes proposals and plans that include facilities for cricket at the site.
- *Tennis*
There are currently no tennis facilities in the park however the Council welcomes proposals and plans that include facilities for tennis at the site.
- *Events*
There are around ten events annually in the park including a three day pageant of motoring, and other community events mainly between June and August. It is anticipated that the new management partner will work in conjunction with the London Borough of Bromley's Parks & Greenspaces Team to enable the staging of such events.

Current Management Arrangements

The Athletics Track is currently managed by Norman Park Track Management Limited (NPTML) through a delegated management agreement with the Council. The Council pays an annual grant to NPTM of £39,500 (2011-12).

The playing pitches are currently operated through a delegated management agreement at a peppercorn rent and are maintained by the London Borough of Bromley through a grounds maintenance contract, the current value of which is £12,600 per annum.

The play area is currently managed by the London Borough of Bromley. The Council would welcome any investment proposals from any prospective management partner to further develop this area in conjunction with a new cafeteria offer.

3. FUTURE PROPOSALS

Operation and Management

It is anticipated that a management partner will be appointed who will be responsible for the management, operation and development of the site, under a full repairing and insuring lease which the Council anticipates will be for 25 years.

The new management partner may wish to continue with the current arrangements for management of the athletics track with Norman Park Track Management Limited (NPTML), or may seek to enter into discussions with the Council and NPTML to deliver this service directly themselves.

The new management partner may also wish to continue with the current arrangements for the booking, operation and maintenance of the grass pitches with the delegated manager, or the new management partner may wish to undertake these functions directly themselves.

The Council will continue with its current maintenance commitments and responsibilities for the car parks.

The management partner will be responsible for developing, managing and marketing:

- The facilities
- The agreed development plans
- The use of the facility by the community, clubs and schools etc.

Reporting

In order to monitor the ongoing performance of the management partner, the Council will require an annual report from the management partner which will include the following information:

- a set of audited accounts from the management partner
- a review of performance across the different facility areas including a breakdown of usage and attendances and attendances against address / postcode.
- a review of the development plans and the management partner's performance against the agreed targets in addition to a draft of the coming year's development plan and associated activities, proposals, targets and prices.

The Council and the management partner shall have an Annual Service Review to monitor the management partner's overall service delivery. This will include information from the management partner on customer comments and feedback as well as user group forums. The Annual Service Review will enable consultation between the management partner and the Council with regard to future proposals and development plans and will provide an opportunity to both parties to discuss and resolve any other issues arising from the delivery of the service.

Additionally the Council proposes there should be bi-monthly meetings between Council Officers and the management partner to monitor and review progress.

4. STRATEGIC FIT

The Council wishes the successful management partner to be able to demonstrate within their submission how their proposals deliver the Council's sustainable community strategy contained within its Building a Better Bromley 2020 Vision document, and how their submission aligns with local, regional, and national strategies and plans, and meets local needs and targets.

It will be the responsibility of the management partner to ensure there is a proven strategic need for their specific proposals and that they are supported by robust evidence.

5. WIDER PARTNERSHIPS

There are a number of partner organisations and stakeholders who may wish to become involved in establishing and developing the multi hub site, some of whom are listed below, however this is not an exhaustive list of potentially interested organisations.

Pro-Active Bromley

c/o London Borough of Bromley, B43a St Blaise, Bromley Civic Centre.

A Community Sport and Physical Activity Network (CSPAN) established as a strategic, independent alliance of partners who are active in sustaining and increasing participation in sport and physical activity in the London Borough of Bromley.

Bromley Mytime

4th Floor Linden House, 153-155 Masons Hill, BR2 9HY

Bromley Mytime is a Charitable Trust managing the Council's leisure facilities and delivering leisure services on behalf of the Council. They have over 3 million annual visits across 18 sites including sports and leisure centres, golf courses and civic halls. They also undertake the sports development function on behalf of the Council.

Bromley Football Club (BFC)

The Stadium, Hayes Lane, Bromley, Kent BR2 9EF

BFC facilities lie adjacent to Norman Park and the club submitted a successful planning application on 14th August 2009 for an all weather sports pitch and two five-a-side and one seven-a-side pitches with boundary fencing, floodlighting illumination and 2m high earth bund to western boundary (planning application number 09/01869).

Bromley College of Further Education

Rookery Lane Campus, Rookery Lane, Bromley, Kent, BR2 8HE

Bromley College is less than half a mile from Norman Park. The college specialises in helping people acquire skills and qualifications for working life including a BTEC National Diploma in Sport and Exercise Sciences with Sports Injury Rehabilitation. They have over 8,000 students - around 1,700 young people, 5,000 adult learners, 750 higher education students and 250 14-15 year olds attending from local schools.

Bromley School Sports Partnership

c/o Priory School, Tintagel Road, Orpington, BR5 4LG and Kelsey Park School, Manor Way, Beckenham, BR3 3SJ

All schools are now part of the partnership which provides linkages within the community to enable high quality opportunities for physical activity within and beyond the curriculum.

Rookery Estates

Barnet Wood Road, Bromley

Rookery Estates are the adjacent land owner to Norman Park and as such need to be consulted and their potential involvement determined in respect to the proposed developments within the Park.

6. SCHEME BENEFITS

It is anticipated the development will provide the following benefits:

- Capital and service improvements to be provided at no cost to the Council.
- A range of new facilities offering new opportunities for wider access, increased participation, improved performance and support for healthy lifestyles.
- Development plans to increase sporting and recreational opportunities for the local clubs, community groups, schools colleges and businesses.
- New changing and office facilities for the athletics track replacing the current pavilion which is outdated in addition to improved spectator facilities.
- New changing and facilities for parks based teams.
- Potential, dependent upon tender returns, for an income stream to be generated via lease arrangements with the management partner.

7. PROJECT TIMETABLE

The anticipated project timetable and milestones are detailed below:

Undertake soft market testing	Aug – Oct 2011
Refine and develop brief in accordance with soft market testing results including tender specification	Oct – Dec 2011
Advertisement in press requesting expressions of interest	Jan 2012
Expressions of interest received	Feb 2012
PQQ dispatched	Feb 2012
PQQ returns	Mar 2012
Approval of short list of partner companies	Mar 2012
Full documents issued	Apr 2012
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Scheme proposals returned by partner companies	Jul 2012
Evaluation of scheme proposals (+ interviews and presentations from shortlist tenderers as required)	Aug - Sep 2012
Selection of preferred contractor	Sep 2012
Negotiate with preferred contractor on final scheme	Oct – Dec 2012
Report to Renewal and Recreation PDS and PH, Report to Environment PDS and PH, and Executive	Dec 2012
Award of contract	Jan 2013
Planning and all consents and surveys to be obtained / undertaken by partner company	May 2013
Start of build phase	Jul 2013
Completion of build phase	Aug 2014
New facilities open to public	Sep 2014

8 RISKS AND ISSUES

The procurement process may reveal that the total costs of the project cannot be met through the projected operating surpluses, and therefore the scheme will need to be value engineered, with the result that there may be no revenue stream generated for the Council.

Planning permission or other consents for the scheme are not given because of the site's location in the Green Belt. The park is designated Green Belt, and as such any planning application must show very special circumstances to justify what may be inappropriate development. Part, but only part, of the very special circumstances could be that the footprint and the location of the new building(s) are improvements on the existing situation. Any such planning applications must also seek to keep the openness of, and demonstrate improvement to, the green space.

Surveys undertaken as part of the design and build process result in scheme being undeliverable.

The Council needs to be indemnified against a cost or time overrun by the management partner.

Projected income targets for the new facility are found to be unrealistic and the management partner seeks to re-negotiate lease arrangements/cease to operate the facility.

The management partner becomes insolvent during the build phase or during operation.

The actual costs and business case will be determined via the procurement process.

9. ASSUMPTIONS

There will be no capital or ongoing revenue costs to the Council in delivering this project and its subsequent operation.

Planning consent and all other consents, permissions, and surveys will be the responsibility of the management partner and will be at their risk

Current services provided through the athletics track and sports pitches must be maintained. Use of park Norman Park for events to be facilitated within the project proposals.

All costs in developing the scheme, including the demolition of existing facilities as may be required, shall be met by the management partner and shall be at their risk.

AERIAL VIEW: NORMAN PARK, BROMLEY



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Report No.
RES11068

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Executive**

Date: **20th July 2011**

Decision Type: Non-Urgent Executive Key

TITLE: OMBUDSMAN'S REPORT

Contact Officer: Jim Kilgallen, Senior Lawyer
Tel: 020 8 313 4763 E-mail: jim.kilgallen@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: All

1. Reason for report

- 1.1 An adverse report has been published by the Ombudsman against the Council containing a finding of maladministration causing injustice. A copy of the report may be found at <http://www.lgo.org.uk/complaint-outcomes/social-care/social-care-archive-2011-12/london-borough-bromley-08-019-214>
- 1.2 Where the LGO reports that there has been maladministration in connection with the exercise of a local authority's administrative functions section 31 Local Government Act 1974 requires that the report be considered by members. The Monitoring Officer is also required to produce a report under section 5A Local Government & Housing Act 1989. This is a joint report fulfilling the statutory requirements. The local authority is further required to notify the LGO, within 3 months, of the action the Authority have taken or propose to take.
-

2. **RECOMMENDATION**

- 2.1 **That the Executive consider the report and it's findings and agree to respond to the Ombudsman in the form of the letter attached**

Corporate Policy

1. Policy Status: N/A
 2. BBB Priority: N/A
-

Financial

1. Cost of proposal: <please select> £4000.00
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Care Services
 4. Total current budget for this head: £96,000,000.00
 5. Source of funding: ACS Revenue Budget 2011/12
-

Staff

1. Number of staff (current and additional) – N/A
 2. If from existing staff resources, number of staff hours – N/A
-

Legal

1. Legal Requirement: Statutory requirement: Section 31 Local Government Act 1974 and 5A Local Government & Housing Act 1989
 2. Call in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected) - N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 An Ombudsman report in respect of complaint no 08 019 214 dated 9th June 2011 has been published a finding against the Council of maladministration causing injustice.
- 3.2 The report relates to Mr. A and arrangements made by the Council in respect of his father's Mr.B's care arrangements' A complained the Council failed properly to arrange and provide a satisfactory standard of residential care for his father, Mr B; it failed to monitor and review his placement in D House; and failed properly to respond to his complaints about the matter until after Mr B had been accommodated elsewhere. Mr A was not given the option of Mr B paying his contribution to the Council rather than to the care home.
- 3.3 The recommendations made by the Ombudsman to remedy this maladministration are as follows:
- make a payment of £1,000 to Mr B,
 - write off £2,000 owing to the Council, in recognition of the injustice he was caused by failures
 - make a payment to Mr A of £1,000 in recognition of his separate injustice,
 - review procedures for reviewing and monitoring care home placements,
 - review its accounting procedures,
 - review its complaints procedures so extraordinary and inexcusable delays seen in this case are avoided in future and
 - report to the Ombudsman in three months' time, the outcome of it's' reviews of procedure and recommendations.
- 3.4 The Executive members will need to consider the proposed recommendations in the light of the history of this matter and the provisions already put in place by the Council.
- 3.5 Mr A asserts his father was living in unsatisfactory conditions for about a year longer than would otherwise have been the case, and he has been put to avoidable time and trouble in pursuing the matter.
- 3.6 The contract for Mr B's placement was completed by the Council, the contract said the provider would collect Mr B's contribution to the costs of his care direct from him (or his representative), and the Council would only pay the provider the difference. Mr A (Mr B representative) did not appear to have been given the option to pay Mr B's contribution directly to the Council, instead of the care home.
- 3.7 The contract stated the Council would review Mr B's placement initially at four weeks, six months, and annually thereafter. Mr B was placed on the 16 February 2006 and reviewed on the 20th April 2006 and 20th December 2007
- 3.8 In January and June 2006, the Commission for Social Care Inspection (CSCI, the predecessor of the Care Quality Commission) carried out an announced followed by an unannounced inspection. As a result, D House received a zero rating, indicating overall standards were judged to be poor. Further unannounced inspections took place in January and August 2007, with the same outcome.
- 3.9 In 2008 Mr A asked for a reduction in the level of fees and a refund due to the poor quality of care received by Mr B, throughout this time period Mr. B was held liable for care home fee contributions. Mr A complained about the delay in carrying out a review of Mr.B's needs. This matter was treated by the Council as a complaint and was concluded in February 2009.

- 3.10 Mr A was unhappy with the response from the Council and an independent investigator was appointed and in July 2009 the investigation was concluded.
- 3.11 The investigating officer upheld Mr.A's complaints The Council responded to the complaint investigation report by writing to Mr A on 7 August 2009. It accepted the findings and Mr A's complaints were upheld.
- 3.12 The Council expressed regret the standards of care at D House were unsatisfactory, but stopped short of apologising because it said the care standards were the responsibility of D House.
- 3.13 The Council did not; agree to any refund of fees in respect of Mr B's time at D House.
- 3.14 The Council made a without prejudice offer, to waive £1,000 in respect of an outstanding bill for respite to the family. This debt was not associated with D House.
- 3.15 Mr A remained unhappy and complained to the Ombudsman. In February 2010, the ombudsman invited the Council to settle the complaint by making payments to Mr A of £5,600 of which £1000 in recognition of uncertainty caused by the Council's actions in respect of the outcomes for Mr B, and of Mr A's time and trouble in pursuing the complaint.
- 3.16 The Council responded to this invitation in May 2010 and offered an increased waiver of £2000. The Council concluded on balance the delay by the Council in carrying out a review of Mr B's care between October 2006 and December 2007 was not material to Mr B's deterioration and during this time his family did not seek an alternative placement due to poor care. Furthermore the professionals review in December 2007 concluded Mr B's care was adequate and naturally the Council accepted this decision.
- 3.17 The Council in placing Mr B acquiesced to Mr A's wish for his father to be placed in a care home near to the family, in an out of borough placement. In doing so the Council ensured the placement would meet Mr B assessed needs.
- 3.18 The Council accepted the failings outlined in the draft report from the ombudsman and responded with an increased remedy and apology. However it did not agree there are grounds for an additional refund of care home fees because:
- (a) although there were poor ratings of the home, there is no evidence that Mr B suffered any personal detriment while there because;
 - (b) there is no evidence that a change of placement would have happened had the annual review taken place when it should have done, at least in part
 - (c) because the December 2007 review did not recommend a change of placement and Mr A was not seeking one;
 - (d) Mr B's health conditions are ones which are degenerative and would have worsened regardless of the environment, so any suggestion that conditions in the home had an impact is pure speculation; and
 - (e) When Mr B moved to another home, the rating of D House had improved (the Council's implication is that the move was not the result of conditions at the home, but of Mr B's changing care needs).
- 3.19 However, The Council recognises that to protract this matter further is neither helpful to the complainant nor efficient use of resources and proposes the following actions which will meet the LGO's recommended remedy

4. ACTIONS TAKEN BY COUNCIL TO REMEDY MALADMINISTRATION

- 4.1 Since the complaint in 2008, the Department of Health complaint regulations have changed. The revised procedure became operational in April 2009, and reviewed in 2010 along with our complaints operations. Complaint response times were reported to PDS in this year's annual complaints report, 74% of formal complaints have been responded to within the department's timescale of 20 working days.
- 4.2 All people placed by the Council in care homes have their care reviewed by care management staff. The standards are reviews take place initially after 4 weeks, followed by 6 months and then annually. Where someone is placed in a home which receives a poor or adequate rating from the care quality commission, the frequency of care management reviews is increased to 6 monthly.
- 4.3 Further the procedures for reviewing and monitoring care home placements has been reviewed with particular emphasis on one star and zero star homes, One and zero star homes are visited annually by the Contracts Team, who also view the inspection reports published by CQC for these homes. A questionnaire is sent to the councils in whose area all the out-of-borough one star placements are located asking their views on the standards in these care homes. Care Management teams performance on annual reviews and the twice annual reviews for one and zero star homes is reported to a monthly monitoring meeting which holds them to account for their performance.
- 4.4 Over the last four years a number of improvements have been made to the Council's accounting procedures to ensure that accurate invoices are raised in a timely manner, and where invoices are raised for more than one service period the invoices are raised in chronological order.
- 4.5 As part of the improvements, the Council took further steps to centralise its accounts receivable functions by moving the responsibility for raising invoices for Adult and Community Services to a centralised income team. This has resulted in an improved and consistent standard of service in this area.
- 4.6 Specifically in relation to charges for respite, the procedures have been amended to ensure that invoices are raised at the earliest possible opportunity following the period of respite.
- 4.7 The following actions are proposed:
- (i) Pay the sum of £1000.00 to Mr.B and confirm that the £2000.00 outstanding in respect of care home fees owing has already been written off.
 - (ii) Pay the sum of £1000.00 to Mr. A in recognition of his separate injustice
 - (iii) Report to the Ombudsman within three months

5. POLICY IMPLICATIONS

- 5.1 Council policies have been amended to remedy the defects identified by the Ombudsman

6. FINANCIAL IMPLICATIONS

- 6.1 The Ombudsman has recommended that the Council should pay compensation totalling £4,000. This amount can be funded from within the Adult Social Care budget for 2011/12.

7. LEGAL IMPLICATIONS

- 7.1 The Council is not obliged to accept the Ombudsman's findings but if it does not do so she will issue a second report. The Head of Resources and the Council's Monitoring Officer considers that the Ombudsman's report should be accepted in this case.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	

Local Government Ombudsman
DX 702110
COVENTRY 6

Your ref 08 019 214/JM/DC/lam

Our ref:

July 2011

For the attention of Dr.Jane Martin

Dear Dr.Martin,

RE: COMPLAINT AGAINST THE LONDON BOROUGH OF BROMLEY

With reference to the above and further to the publication of your report in respect of complaint no 08 019 214. and the recommendations contained therein.

This complaint was considered at a meeting of the Council's Executive on the 27th July 2011 (I append a copy of the report for your information).

At that meeting it was agreed that the financial remedies proposed would be made by the Council although it was felt that The Council accepts the findings of the Ombudsman that it failed to review the care provided to Mr A whilst he was resident in a care home in Kent and that given the home had received an adverse report from the Commission for Social Care Inspection (CSCI) that failure to review the care promptly was a serious failing.

The Council also accepts that when Mr B complained about these matters it did not manage that complaint in a satisfactory manner.

The Council has already offered to waive outstanding care home fees in recognition of these shortcomings, described by the Ombudsman as maladministration.

However the Council does not accept that there is any material evidence that Mr A received poor or inadequate care during the period in question and it is clear that the Commission for Social Care Inspection at no time indicated that any individual's care in the particular home was such that residents should be moved. Indeed the evidence shows that following the CSCI inspection the home responded appropriately and improved its ratings considerably to 2 star "good".

The Council rejects any suggestion that Mr B's deteriorating health condition is in any way connected to the Council's delay in reviewing his care. Mr A suffers from a progressive neurological condition and his subsequent move from that care home was at the point when the managers of the care home determined that his needs had increased beyond a level that they could provide – even one rated as 2 star. He was moved to an alternative home registered for dementia care, which was more able to manage his needs and his deteriorating behavioural. Mr A has subsequently moved to a specialist nursing home for people with dementia as his condition has further deteriorated.

The Council has though made changes to its procedures to ensure that such delays in undertaking reviews do not recur. This includes introducing a requirement for additional reviews, beyond the usual annual review should take place where a Bromley funded residents is placed in a home that is rated as zero or one star.

It has also reviewed the operation of its complaints procedures to ensure that complaints are responded to in a timely manner and complainants kept fully informed of the progress in investigating their complaints.

The Council recognises that to protract this matter further is neither helpful to the complainant nor efficient use of resources and will arrange for payments of £1000 to be made to Mr A and to Mr B.

Yours faithfully

Doug .Patterson-Chief Executive

Agenda Item 16

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Agenda Item 17

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 19

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 20

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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