

TO MEMBERS OF THE COUNCIL

Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 12 December 2016 at 7.00 pm which meeting the Members of the Council are hereby summoned to attend.

Prayers

A G E N D A

- 1 Apologies for absence
- 2 Declarations of Interest
- 3 To confirm the Minutes of the meeting of the Council held on 26th September 2016 (Pages 3 - 50)
- 4 Questions from members of the public where notice has been given.

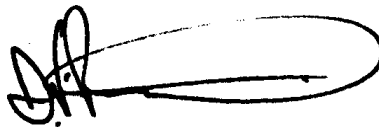
Questions must be received by 5pm on Tuesday 6th December 2016.
- 5 Oral questions from Members of the Council where notice has been given.
- 6 Written questions from Members of the Council where notice has been given
- 7 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 8 Education Select Committee observations on responses to the recommendations in the First Select Committee Report on the Education Landscape in Bromley (Pages 51 - 54)
- 9 Second Report of the Education Select Committee 2016/17 - Alternative Provision (Pages 55 - 82)
- 10 Drawdown of Section 75 Funding for the Development and Implementation of the Bromley Out of Hospital Strategy (Pages 83 - 94)
- 11 Council Tax Support/Reduction Scheme 2017/18 (Pages 95 - 132)
- 12 Capital Programme (Pages 133 - 170)

- 13 Treasury Management - Annual Report 2015/16 and Quarter 2 Performance 2016/17 and Mid-Year Review (Pages 171 - 206)
- 14 Local Pension Board - Annual Report 2015/16 (Pages 207 - 220)
- 15 Appointment of External Auditors (Pages 221 - 224)
- 16 Public Protection and Safety PDS Committee - Membership (Pages 225 - 226)
- 17 Minor Amendment to the Constitution - Questions (Pages 227 - 230)
- 18 Updates to the Scheme of Delegation (Pages 231 - 232)

The updated Scheme of Delegation to Officers will be to follow.

- 19 To consider Motions of which notice has been given.
- 20 The Mayor's announcements and communications.

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Chief Executive

**BROMLEY CIVIC CENTRE
BROMLEY BR1 3UH
Friday 2 December 2016
Vol.53 No.4**

LONDON BOROUGH OF BROMLEY

MINUTES

of the proceedings of the Meeting of the
Council of the Borough
held at 7.00 pm on 26 September 2016

Present:

The Worshipful the Mayor
Councillor Ian F. Payne

The Deputy Mayor
Councillor Hannah Gray

Councillors

Vanessa Allen	Robert Evans	Sarah Phillips
Graham Arthur	Simon Fawthrop	Tom Philpott
Douglas Auld	Peter Fookes	Chris Pierce
Kathy Bance MBE	Peter Fortune	Neil Reddin FCCA
Julian Benington	Ellie Harmer	Michael Rutherford
Nicholas Bennett J.P.	Will Harmer	Richard Scoates
Ruth Bennett	Samaris Huntington-	Colin Smith
Eric Bosshard	Thresher	Diane Smith
Kim Botting FRSA	William Huntington-	Melanie Stevens
Katy Boughey	Thresher	Tim Stevens
Kevin Brooks	David Jefferys	Teresa Te
Lydia Buttinger	Charles Joel	Michael Tickner
Stephen Carr	Kate Lymer	Pauline Tunnicliffe
David Cartwright QFSM	Russell Mellor	Michael Turner
Alan Collins	Alexa Michael	Stephen Wells
Mary Cooke	Peter Morgan	Angela Wilkins
Peter Dean	Keith Onslow	Richard Williams
Ian Dunn	Tony Owen	
Judi Ellis	Angela Page	

The meeting was opened with prayers

In the Chair
The Mayor
Councillor Ian F. Payne

32 Apologies for absence

Apologies for absence were received from Councillors Nicky Dykes, David Livett, Terence Nathan, Catherine Rideout and Charles Rideout.

33 Declarations of Interest

The Mayor declared an interest relating to minute 40 (Ofsted Inspection of Children's Services) in that his daughter was a social worker employed by the Council.

34 To confirm the Minutes of the meeting of the Council held on 4th July 2016

RESOLVED that the minutes of the meeting of the Council held on 4th July 2016 be confirmed.

35 Petitions
Report CSD16121

A petition had been received on behalf of residents in Cray Valley west ward and surrounding areas calling for the Council to reconsider the decision to discontinue the Green garden Waste collection site at Cotmandene Crescent. Sue Green addressed the council on behalf of the petitioners.

A motion to take no further action on the petition was moved by Councillor Colin Smith, seconded by Councillor William Huntington-Thresher and **CARRIED.**

36 Questions from members of the public where notice has been given

Six questions had been received from members of the public. These are set out in Appendix A to these minutes.

37 Oral questions from Members of the Council where notice has been given

Fourteen questions for oral reply had been received from members of the Council. These are set out in Appendix B to these minutes.

38 Written questions from Members of the Council where notice has been given

Thirteen questions for written reply had been received from members of the Council. These are set out in Appendix C to these minutes.

39 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.

A statement was made by Councillor Robert Evans, Portfolio Holder for Care Services, updating Members on the current position with regard to the Ofsted Inspection report on Children's Services. In the aftermath of the report, the Leader of the Council had pledged to provide the resources needed to ensure

a real improvement in services, and this was reflected in the recommendations before the Council in the next agenda item. A full and detailed improvement plan had been produced and submitted to Ofsted and several improvements had already been implemented under the direction of a multi-agency Improvement Board chaired by the Leader, and a multi-agency officer group. The multi-agency aspect of the work was crucial. In producing the Improvement Plan, the main driver had not only been responding to the eighteen recommendations made by Ofsted, but also to the much wider improvement brief promoted by the Commissioner.

The Council had recently appointed a new Director, Mr Ade Adetsoya, who had been assisting the Council as an Independent Advisor; he was expected to take up his post in November. Staff had been recruited to strengthen the Court Team, to reduce case-loads and to improve middle management monitoring and oversight. Further training had been provided to staff and an “early Permanence panel” had been set up to review all looked after children from 0 to 16. Other measures taken included reviewing all cases to ensure that thresholds were correctly maintained; improving systems and processes for dealing with the return of children who had been missing from their home or placement; and no longer placing any young person leaving care into bed and breakfast accommodation.

Much had been done, but much remained to be done in future. It was expected that Ofsted would approve the Improvement Plan; they would be returning in November and then in March for an officially reported visit. The Improvement Board would continue to monitor improvements under the direction of an independent chairman. The Commissioner was due to make her report to the Minister the next day; the Council would receive further direction and her report would be made public. The Portfolio Holder promised to make a further statement to Council once her recommendations were known.

40 Ofsted Inspection of Children's Services
Report CSD16134

A motion to (i) approve funding for the posts included in Phase 1 and Phase 2 which had already been committed totally £949k in 2017/17 with a full year effect of £1,471k as set out in paragraph 6.3 of the report and (ii) release up to a further £141k in 2016/17 and a further £975k in a full year for Phase 3, with any utilisation of the monies being subject to approval by the Executive following an appropriate level of scrutiny, was moved by Councillor Stephen Carr, seconded by Councillor Robert Evans and **CARRIED** unanimously.

41 Meeting of the Urgency Committee
Report CSD16116

A motion to note the decisions made by the Urgency Committee at its meeting on 8th August 2016 was moved by councillor Stephen Carr, seconded by Councillor Robert Evans and **CARRIED**.

42 Government's Four Year Funding Offer
Report CSD16120

A motion to (i) accept the government's four year funding offer for the period 2016/17 to 2019/20, and (ii) agree that if further changes are required to the Efficiency Plan (as set out in paragraph 3.4.5 of the report) the amendments would be undertaken by the Director of Finance with the agreement of the Leader of the Council and the Resources Portfolio Holder, was moved by Councillor Graham Arthur, seconded by Councillor Stephen Carr and **CARRIED**.

43 Treasury Management - Quarter 1 Performance 2016/17 and Investment Strategy
Report CSD16110

A motion to approve the following changes to the Treasury Management Investment Strategy was moved by Councillor Graham Arthur, seconded by Councillor Stephen Carr and **CARRIED** -

- (i) a reduction to the sovereign rating criteria to AA- as detailed in paragraph 3.6.2 of the report;
- (ii) a reduction to the individual counterparty rating criteria to BBB+ as detailed in paragraph 3.6.3;
- (iii) an increase to the maximum investment period for UK banks in Banks 1C category as detailed in paragraph 3.6.4;
- (iv) the inclusion of investments with Housing Associations as detailed in paragraph 3.6.5; and
- (v) the inclusion of Variable Net Asset Value Fund Money Market funds as detailed in paragraph 3.6.6.

44 Animal Health and Welfare - Adoption of Revised Standard Licence Conditions
Report CSD16133

A motion to adopt the revised standard conditions/guidance for use in relation to (a) Pet Shops, (b) Animal Boarding Establishments (Cats), (c) Animal Boarding Establishments (Dogs) and (d) Dog Breeding Establishments, with effect from 1st January 2017, was moved by Councillor Tim Stevens, seconded by Councillor Diane Smith and **CARRIED**.

45 To consider Motions of which notice has been given

The following motion was moved by Councillor Nicholas Bennett JP and seconded by Councillor Neil Reddin FCA -

“This Council welcomes the announcement by the Prime Minister that new Grammar Schools may be opened. The Council notes the massive over subscription for the two selective schools in the Borough and resolves to encourage and, if appropriate, support applications by existing schools and new free schools to provide selective education especially for able but disadvantaged children.”

The motion was **CARRIED**.

46 Mayor’s Announcements

The Mayor thanked members for their attendance at his Bowls Evening and at other events, particularly those held in their wards, and commented that there were only four wards that he had yet not made an official visit to. On behalf of ward members, he also thanked members for their donations to the fund set up for the families of those killed in the recent car accident in Penge.

Next Friday he would be holding a reception for the victorious London Youth Games team. The Deputy Mayor’s parachute jump had been delayed, but was now anticipated to take place on the coming Saturday.

The Mayor drew attention to two forthcoming events – the Christmas Masquerade Ball at the Beaverwood Club on Saturday 10th December and the Christmas Civic Celebration at the Langley Park Performing Arts Centre on Sunday 11th December. Further details were available from the Mayor’s Office.

The Meeting ended at 9.38 pm

Mayor

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COUNCIL MEETING

26th SEPTEMBER 2016

QUESTIONS FROM MEMBERS OF THE PUBLIC

(a) QUESTIONS FOR ORAL REPLY

1. From Sam Webber to the Environment Portfolio Holder

What progress has been made to improve disabled access at railway stations in Bromley such as St Mary Cray and Petts Wood, as announced by the Government in 2014? Has the Council had contact with Network Rail or other agencies to ensure these improvements are completed promptly?

Reply:

Bromley officers have met with representatives from Network Rail on several occasions following the announcement of Access for All funding for St Mary Cray, Petts Wood and Shortlands Stations.

We are however aware that Network Rail are experiencing challenges delivering their full complement of schemes allocated to this spending period (2014-2019), as well that their Chairman, Sir Peter Hendy, formerly of TfL, has recommended a revaluation of all planned schemes, including the potential deferral of Access for All schemes until after 2019.

I am advised that a final decision as to which, if any, stations from the Access for All programme might be deferred is likely to be taken by the Government before the end of this year.

Supplementary Question:

Can the Portfolio Holder ensure that the vital improvements to these stations, including ramps, tactile paving and, especially lifts, proceed, and reiterate the former Government's commitment to this scheme and particularly to these stations – our residents depend on these improvements.

Reply:

Of course we want to see these schemes go ahead and we are urging that the Government moves in that direction. Funding is an issue, but we shall be pushing to ensure that they continue to deliver on what has been promised.

2. From Richard Wilsher to the Care Services Portfolio Holder

On what date did the Council know the Director of Children's Services position would become vacant, and when will the post be filled on a permanent basis?

Reply:

Children's services are part of an integrated department comprising care, education, health and housing services under the leadership of an Executive Director. Following the departure of the Executive Director in May 2015, the Chief Executive oversaw the department but day to day leadership and management of Children's services including the statutory DCS role was allocated to the Assistant Director for Children's services on an interim basis and thus assuming the new title of Interim Director of Services. However, this arrangement was criticised by Ofsted and I am happy to advise that the Council has now appointed an outstanding candidate on a permanent basis for the wider Executive Director role and his start date is currently being finalised – we hope that this will be in November.

Supplementary Question:

Why did it take so long to make the appointment when there was clearly money available in the care services budget? This smacks of austerity. Why was this not undertaken sooner and why was a Director not put in place immediately?

Reply:

Local authorities are changing all the time, both in terms of their organisation and officer arrangements. When Mr Parkin left we considered very carefully how to reconfigure the department. We decided on a particular set up which we thought would work. I think the Chief Executive and myself would say that was probably a mistake and that now we have rectified that mistake and we now have a full Director in post.

3. From Julie Ireland to the Leader of the Council

In June Councillor Terry Nathan made some inflammatory public comments on Facebook about killing referendum Remain supporters until Article 50 was invoked. At the time the Council and Police indicated they were investigating these comments. What were the results of the Council's investigation and has any action been taken?

Reply:

Thank you for your question. The Council's Democratic Services Manager wrote to you on 11th August 2016 setting out the Council's position. As comments were made by Cllr. Nathan in a private capacity rather than through his position as a Councillor, the Council's Code of Conduct cannot be applied. I am sure I do not need to emphasise that the Council does not condone such comments. However, we are not able to take action and, where a democratically elected representative chooses not to resign or is not disciplined by his political party in these circumstances the only way for the public to hold him to account will be through the ballot box. You also refer to the Police – it is my understanding that they did look into this, but this is a matter for them and Councillor Nathan.

Supplementary Question:

Ms Ireland stated that she had not received the response – this would be looked into. Would the Leader of the Council back me up in condemning unequivocally the comments made by Cllr Nathan.

Reply:

The Leader confirmed that he personally did not condone the comments, but that he was satisfied with the response made by the Council.

(b) QUESTIONS FOR WRITTEN REPLY

1. From Susan Sulis, Secretary, Community Care Protection Group, to the Leader of the Council

In the interests of transparency, scrutiny, public accountability and value for money, since 2012/13, Bromley has been required to publish an annual “Pay Policy Statement” (PPS) which can easily be found by a simple search on the Council’s website. Why is only the 2016/17 PPS accessible in this way?

Reply:

In accordance with the Localism Act 2011 we publish our pay policy statement or any amendment on our website as soon as is reasonably practicable to do. There is no requirement to publish previous pay policy statements which have been replaced or amended and in accordance with good data publication principles we endeavour to remove out of date documents from our website.

2. From Susan Sulis, Secretary, Community Care Protection Group, to the Leader of the Council

The remuneration of the previous Director of Children and Care Services, Terry Parkin, in 2015/16 included in the Statement of Accounts, totals £133,087. This includes a salary figure for April and May, when he left, of £33,052. Why is this £7,150 higher than his monthly pro-rata salary for 2015/14?

Reply:

The difference in the pay for 15/16 related largely to a payment for untaken annual leave payable to Mr Parkin when he left the Council and the April 2016 cost of living pay rise of 1.2% paid to all staff employed by the Council.

3. From Susan Sulis, Secretary, Community Care Protection Group, to the Leader of the Council

Where can the annual payments made to the Chief Executive for his electoral duties since 2009/10 be viewed?

Reply:

Fees paid to the Returning Officer are in accordance with the appropriate Statutory Fees and Charges Order and they reflect his personal statutory responsibilities; the fees can be calculated in accordance with that Order.

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COUNCIL MEETING

26TH SEPTEMBER 2016

QUESTIONS FOR ORAL REPLY FROM MEMBERS OF THE COUNCIL

1. From Cllr Angela Wilkins to the Leader of the Council

How, and by whom, are decisions taken about which committee reports and papers are considered under “Part Two” (i.e. not available to the public)?

Reply:

There is no discretion on disclosure of confidential material. Where a report contains exempt information the proper officer will decide if a report should be exempt from publication when the agenda is issued and Members then decide whether or not the matter should be debated in public.

Supplementary Question:

There is clear guidance in the Local Government Act, and other publications and there is a public interest – are we giving sufficient weight to whether public interest is being met and can we re-consider whether the report to Executive and Resources PDS Committee on 7th September 2016 “Reference from Audit Sub-Committee: Contract Issues Arising from Internal Audit” can be put into the public domain?

Reply:

Councillor Carr stated that he was happy for particular cases to be reviewed, but weight had to be given to Legal advice. (Councillor Simon Fawthrop added that legal advice had been sought on the report mentioned by Cllr Wilkins.)

Supplementary question:

Councillor Nicholas Bennett asked whether the Leader was aware that some years ago the Children and Young People PDS Committee had moved a report from part 2 to part 1, and that it was up to Members to challenge part 2 items if they did not meet the criteria.

Reply:

Councillor Carr agreed with this and stated that he had used his pre-meetings to challenge part 2 reports that should be in the public domain. He agreed that as much as possible should be in part 1.

2. From Cllr Ian Dunn to the Leader of the Council

What are the consequences for the Council of our External Auditor qualifying their conclusion on the Value for Money we provide with the following words:-

‘We have qualified our conclusion, noting that the Authority has made proper arrangements to work effectively with partners and third parties and deployed resources to achieve planned and sustainable outcomes for taxpayers and local

people except for in the areas relating to children's services and Youth Offending Teams, where the Authority received negative reports from external inspection agencies relating to current performance in these areas, on which basis our opinion is qualified.'

and

Given one of the Authority's core services has been rated as inadequate, it is evident that resources have not been deployed in a sustainable fashion in these areas within the Council. The way resources are currently being deployed is deemed by Ofsted to be putting children at a greater risk, which is not sustainable in the longer term.

Reply:

The Section 151 Officer has confirmed to me that there is no direct consequence arising from the auditor's opinion. The improvement plan on the Council's agenda seeks to address action required following the Ofsted report. The appointment of a new Director will assist in reviewing the resources available and provides an opportunity to ensure that future resources are allocated appropriately. I have had this confirmed by the Council's external auditor.

Supplementary Question:

At Executive and Resources PDS it was said a few weeks ago that Adult Services would be, at best, "requires improvement" at an inspection and we all know that there is a substantial budget gap in future years. How will you assure yourself and this Council that the budget gap can be closed without putting services at risk as services for children were?

Reply:

I don't agree with the opening remarks of Councillor Dunn, but as the Chief Executive said at the PDS Meeting he is challenging all Chief Officers to ensure that all services are providing the type and level of service that our residents expect. I do feel comfortable and that work will continue.

There is a significant role for all scrutiny panels to be far more forensic in the way that they scrutinise services. I know that colleagues are very keen to scrutinise the Executive and individuals; what is crucial is that scrutiny committees scrutinise the policy and delivery not just of the Council but of external providers as well.

3. From Cllr Kathy Bance to the Portfolio Holder for Resources

We are seeing an increase in casework around protracted Liberata Housing Benefit claims where the resident has either been issued an eviction notice or is under threat of eviction due to rent arrears. Although all requests from Liberata for documentation are in their files the cases sit Pending Review. We Cllrs are asked to intervene by residents and suddenly the cases move to conclusion.

What is LBB doing to ensure that Liberata are fulfilling their duty to our residents and closing out queries as early as possible and so reducing the stress to our residents?

Reply:

As part of contract monitoring, officers consider the processing times of both new claims and change of circumstances, as well as undertaking the mandatory checks

on accuracy. Officers actively review and instigate inquiries and complaints received from representatives or escalated through the Authority's complaints procedure. Feedback on the monitoring team's findings is provided by Liberata at the regular operational management meetings with any serious and/or unresolved items being escalated to senior managers within Liberata's organisation.

A significant percentage of claims have always required further information. However, welfare reform and changes in the make-up of the caseload have in many cases exacerbated the position. Even allowing for the additional days taken in the collection and verification of information, last month's performance identified that new claims were processed in an average of 19 days and change of circumstances in 9 days.

The welfare reform changes which form part of the Government's approach to getting people back into work have resulted in a greater number of tenants contributing to their rent costs, thereby increasing the risk of arrears and subsequent recovery action. A process is in place to prioritise claims from those at risk of eviction; however on occasions this is only brought to the attention of the Benefits Section by receipt of a Member's enquiry. There are plans in place to significantly reduce the need to request further information, and thereby reduce the amount of time claimants are waiting for their application to be processed following investment in the development of a new online benefit application and verification system. Bromley is working with Liberata in its implementation and will explore any further opportunities for automation of the information received from the Department of Work and Pensions.

Supplementary Question:

My concern is that Liberata staff are not using the correct method to elevate claims. When claimants visit the Council officers their claims are just sitting in a pending tray - it seems that a note from me and their claims are instantly resolved. It seems that Liberata are not asking for help soon enough – can you continue to work with them to ensure that claims are escalated?

Reply:

We can and must do better. In common with a lot of Councils we do have issues. When you look at performance we are in the top half, but not in the top quarter. When I visit other Councils I can identify a couple of boroughs who are doing better, and that is what we are trying to learn from. I think we will see steady improvement.

4. From Cllr Vanessa Allen to the Portfolio Holder for Renewal & Recreation

The R&R Portfolio Plan 2016/17 sets out its strategy for the year with various issues for development including for example attracting major private sector investment, attracting external funding, and securing the future of cultural assets, previously part of Marc Hume's remit. Is the Portfolio Holder aware that at last week's E&R PDS it was suggested that he - the Portfolio Holder - should become more involved with the work now that we have no director of Regeneration and Transformation? What are his plans?

Reply:

I am becoming increasingly involved with all of this work and meet relevant officers on a weekly basis to determine progress on a range of development projects. I will also work with our new property contractors AMEY and Cushman and Wakefield who have the necessary expertise and will be in a position to provide appropriate advice.

Supplementary Question:

Are there any plans to appoint a new Director?

Reply:

No.

5. From Cllr Kevin Brooks to the Portfolio Holder for the Environment

Does the Portfolio Holder think that there is a problem with speeding in the north of the borough?

Reply:

Could I start by saying on behalf of everybody in this Chamber just how saddened we all were by the shocking crime which occurred in Penge & Cator Ward on the afternoon of Wednesday, 31st August.

Whilst their loved ones and the wider local community can only now mourn those who were so cruelly taken from them, could I place on record everybody's hopes and best wishes for as full and complete recoveries as possible for those so badly injured and traumatised that truly awful afternoon.

It is against that very difficult backdrop that I now turn directly to the question which has been posed.

My answer is that speeding is not a particular problem in the North of the Borough, any more than it is, or is perceived to be in the East, West, Centre or South.

Where there are any problem roads causing local concern, I would as always, strongly encourage colleagues to report them to the Police via their relevant Safer Neighbourhood Panels/Teams, likewise the Council's Road Safety Team to have them prioritised either for enforcement action where the problem is deemed to be a Ward priority and speed check assessments where not.

Supplementary Question:

Councillor Brooks thanked the Portfolio Holder for his comments on the recent tragedy, but commented that there was a wider issue about speeding. He reported that buses were sometimes guilty of speeding, and asked whether, appreciating the budgetary constraints, any other options beyond speed humps and 20mph zones had been considered, and whether more TfL funding could be obtained.

Reply:

The Portfolio Holder commented that he was aware that all bus journeys were recorded and bus drivers could get into serious trouble, or even be sacked, for speeding, so there was a mechanism for dealing with dangerous bus driving. The road infrastructure and intervention was prioritised by the number of accidents

suffered over a three year period in any given cluster of roads or stretch of road. That is what the £2.5m of the TfL budget is focussed on each year. This year, the Green Lane/Penge High Street junction has risen to the top of the list and is going to benefit from intervention. That is how the money spent is organised. There are different priorities in different Councils across London – some believe in 20mph restrictions, but in Bromley we do not. I can only suggest that if you believe there are roads in your wards that need attention please let the Engineers or the Police know and they can be looked at.

6. From Cllr Peter Fookes to the Portfolio Holder for the Environment

When is he going to do something about the disgusting state of the carriageway under the Birkbeck Station bridge?

Reply:

If you had asked your Clock House Ward colleagues they could have told you that the area in question is jet washed on an ad hoc basis. I understand that the next ad hoc intervention may already have been undertaken, and will be undertaken shortly if not.

Supplementary Question:

What action has been taken to resolve this issue, and is the Portfolio Holder glad that street cleaning is not inspected by Ofsted?

Reply:

I think the frankly bizarre nature of the question doesn't merit a response. But, I'm sorry if Councillor Fookes is offended that the street has been cleaned when he asked for it to be cleaned. I might be missing something.

7. From Cllr Angela Wilkins to the Leader of the Council

Do you agree with me on the following points:

- That for the three senior figures in this council to all express “surprise” at the recent OFSTED report on Children’s Services merely reflects their poor understanding and lack of knowledge about the quality of services being delivered by this council to our vulnerable children?
- That if such a damning indictment of management competence were to have happened in the private sector, “heads would have rolled”?
- That it is time that the quality of all services provided by this council, along with the effective monitoring and scrutiny of them, are given greater priority.

Reply:

I think this is more complicated than the Member’s question suggests. The indications prior to the inspection from our Performance Monitoring and our Audit and Quality Assurance were that we would probably be a service that requires improvement. We can all look back with the benefit of hindsight, however, looking forward I have already put in place a more robust and detailed series of performance management and monitoring systems including through the Care Service PDS. We

have also significantly improved our internal audit and quality processes. The DfE Commissioner has indicated her satisfaction with this approach. You will also note the significant emphasis on Performance Management and Monitoring in the Improvement Plan.

A key issue in the report was one of capacity. It was therefore important in the immediate short term to bring in additional staff at all levels rather than destabilise the Department at a crucial time. Now that the Executive Director has been appointed, his skills and expertise will be vital in the continued development of a strong, secure service for children and young people in Bromley.

The Member and her colleagues have been in recent meetings of the E&R PDS, Care Services PDS and Executive, she will therefore be fully aware of the discussions on this very point. Quality of our Services has always been a priority.

Supplementary Question:

Councillor Wilkins commented that the Leader had not considered an apology to be appropriate at the last meeting, would he consider making one now?

Reply:

For the record, I was not present at the last meeting. I certainly regret any damage that may have been done in the quality of service as measured by Ofsted if it has had a negative impact on anyone in the borough.

8. From Cllr Ian Dunn to the Portfolio Holder for Care Services

The OFSTED report states that the Assistant Director for Children has limited authority corporately to lead, share or drive forward change and has absorbed extensive additional responsibilities as part of the Council's financial pressures. How can you assure Members and the residents of Bromley that the new Director will have sufficient authority to make the necessary improvements and will not be subject to excessive financial pressures?

Reply:

In appointing the new Executive Director of Education, Care & Health Services, the Council has made a clear statement of intent to ensure all the issues contained in the Ofsted report are addressed. Should the Council make the decision to allocate the monies for the Improvement Plan later this evening, then this emphasises our commitment. Having interviewed and had discussions with the new Director he would not have taken the job unless he was given authority to do what needs to be done. The Leader has similarly given his commitment. As far as financial pressures are concerned, I am afraid that we cannot insulate anything against financial pressure. All that we can do is to say that, in terms of services to vulnerable people, we will do our very best to maintain services at the highest possible level within the constraints that we have financially.

Supplementary Question:

How will the performance of the new Director be assessed?

Reply:

The new Director will be subject to the same appraisal and assessment procedures as any other officer.

9. From Cllr Kathy Bance to the Portfolio Holder for Care Services:

When will you be in a position to present the options for alternative arrangements for School nurses and will these arrangements have taken into consideration the rise in the number of children self-harming or with some form of emotional or mental illness so that we can ensure there is early detection and intervention for every child.

Reply:

A review of Children's Public Health services is being completed at the moment, which includes a detailed well-being needs assessment. This will inform future commissioning of options of Public Health services for 5-19 year old school children. The review will be completed in the next couple of weeks.

Supplementary Question:

Does the Portfolio Holder accept that the school nurse plays a vital role in detecting the early stages of mental ill-health?

Reply:

As I understand it from the experts, the model in Bromley of school nursing is out-moded. The sort of thing that we will probably be suggesting is that we will continue to have school nurses, but not to have them allocated to a particular school, but to have experts who carry out peripatetic work across the borough. This will not be as expensive as the old school nurse system. But from all accounts, including the Commissioner, we could get a better service from a smaller amount of money.

10. From Cllr Kevin Brooks to the Portfolio Holder for Care Services

What assurances can the Portfolio Holder provide that any future audits and inspections across all of Bromley Care Services will not highlight other deficiencies in the department?

Reply:

The recent Inspection of Children's Services identified Children's Services quality assurance and performance monitoring arrangements as insufficient to the task. This area is identified for action in the Children's Improvement Plan and work is currently progressing on developing a new children's performance framework to include monthly case audits and performance data which will be reported to Members and senior officers across the Council. Members of the Children's Board and Care Services Committee have in addition requested training to support greater challenge of information that is being provided. The incoming Director is also looking at this area and how the Council can introduce independent audit and scrutiny support. These improvements are being implemented to bring greater assurance of how well children are being safeguarded.

Adult Services have been conducting internal team and service audits for the past few years, we have also had a positive ADASS peer review for our safeguarding process. We annually conduct audits to ensure services are fit for purpose and so

that we can assure ourselves that services are being delivered in a way that meets need and safeguards adults. We also have in place service improvement plans based on outcomes from these audits.

Supplementary Question:

After two unfortunate reports, has there been any movement to ensure that recommendations are implemented – I fear that we are becoming a retrospective Council. What monitoring is the Portfolio Holder doing to ensure that disability services are adequate?

Reply:

I would not agree that we are becoming a retrospective Council. The two reports that we have received on the YOS Service and Children's Services are very regrettable, but in both cases we have resolved to do what is needed to improve the situation.

As far as Adult Services are concerned, I can only assure that we are doing our very best to make sure that we conduct audits, we conduct peer reviews and do all we possibly can to ensure that the standards that we have in the Department are as high as they possibly can be.

11. From Cllr Peter Fookes to the Portfolio Holder for Care Services

How many people in Bromley were refused access to the housing register last year?

Reply:

During 2015/16:

3,805 households applied for inclusion on the housing register

1,083 households met the criteria for inclusion

2,759 households were not accepted as they did not meet the threshold criteria for acceptance onto the housing Register.

The numbers do not add up to as some of those processed will have been received prior to the start of the year.

Supplementary Question:

What follow up is there with the people who do not meet the criteria?

Reply:

Our housing department works incredibly hard with everyone who applies to us. We undertake all sorts of measures to mitigate the effects of people being made homeless. A year or so ago we changed the criteria for entry to the register because we felt that it was not fair to put people onto the register when they do not have a chance of getting any accommodation for ten, fifteen, twenty years. At the moment, we have 3,840 people on the register; the average time, even for that reduced figure, for someone in a fairly high band to obtain two bed accommodation, is three and a half years.

(At this point the time allocated for questions had elapsed, but the Mayor agreed to continue until all the questions had been dealt with.)

12. From Cllr Angela Wilkins to the Portfolio Holder for the Environment

Whilst being pleased that the long-running troubles at the former Waste 4 Fuel site appear to have been resolved and clear-up work can now begin, can he please update the council on the uncertainty discussed at the Executive on 2nd September regarding the Environment Agency's stated position that any "unforeseen" clear-up costs would have to be borne by Bromley Council?

Reply:

I am by no means clear what uncertainty Cllr Wilkins refers to and it certainly isn't the case that any "unforeseen" clear-up costs would have to be borne by Bromley Council either.

The Environment Agency's latest position is:

"We consider that there are sufficient funds to effect clearance of the waste. We have agreed that we will work extremely closely with LBB and Veolia during the clearance phase to check progress and to consider any issues as they arise. We would therefore expect to have early sight of any as yet unforeseen circumstances and be well positioned to agree a course of action and any additional funding requirements identified."

Supplementary Question:

Can I remind Councillor Smith that there was uncertainty, this was in the report and this was discussed at the Executive. Is there no way that this Council is going to face any further costs from this clean-up?

Reply:

I would be very curious to know if the Labour Party would refuse the residents of the Crays a few dozen extra thousands of pounds to clear up the waste mountain if indeed it were to be needed?

13. From Cllr Kathy Bance to the Portfolio Holder for the Environment

LBB recently introduced a charge for Remembrance Day Parade Services apparently brought about by the police's demand for formal road closures - The cost to be borne by the organiser. The organisers are our communities, uniformed cadets, Ministers, local councillors and residents all who made a promise "not to forget" past sacrifices. Will LBB agree to budget for these services or write to Central Government and strongly advise them that present day cost cutting and budget constraints should not jeopardise this service of gratitude to those who gave their lives for our country and so ensure that future generations can continue to honour them in this formal and public display of gratitude and remembrance.

Reply:

As a former and indeed future poppy seller myself, likewise the Member responsible for the introduction and continuation of the giant poppies adorning our Town Centre High Street each November, I am delighted to confirm that I have already instructed the cancellation of any such suggestion for the very reasons you rightly touch upon.

14. From Cllr Peter Fookes to the Leader of the Council

Given that we are always being told about the parlous state of the finances of Bromley Council, when are we going to see an income generation strategy being produced?

Reply:

Thank you Mr Mayor and Cllr Fookes for your question as it enables me to remind colleagues of the success of our income generation strategy which in turn is helping to protect frontline services. Part of that strategy will be debated later this evening at item 12 on our agenda, but of course it is much more than that.

We have been able to set aside funds to create our growth fund which colleagues will be hearing about shortly. Our property investment fund is performing as we hoped with yields of in excess of 5% rather than at bank rates.

Our Total Facilities Management Contract, as part of our strategy, is anticipated to accrue in the order of £750k in a full year and also allow to make further disposals of surplus assets.

Our Council Tax Support initiative and Council Tax collection levels also continue to perform.

Mr Mayor, we do have a strategy that is working for us, and may I say I am not sure the Labour Party has supported any of the things I have made mention of this evening, which begs the question how on earth would they make ends meet if the unthinkable were to happen and they got their fingers off the purse strings again.

Perhaps Cllr Fookes will resort to selling sandwiches to members and members of the public to pay the bills.

Supplementary Question:

I think we do need to be a bit more inventive than some of the things suggested. I was going to suggest that we look at some of the work done by the London Finance Commission, instigated by Mayor Livingstone and continued by Mayor Johnson. Can we look at setting up a working group to look at this in more detail?

Reply:

The Administration is open to new suggestions; I will look at this further.

COUNCIL MEETING
26TH SEPTEMBER 2016

QUESTIONS FOR WRITTEN REPLY FROM MEMBERS OF THE COUNCIL

1. From Cllr Ian Dunn to the Leader of Council

Please provide an organisation chart showing the direct reports of the Chief Executive with their direct reports, including a summary of each post holder's main responsibilities.

Reply:

See appendix 1 attached.

If you require further or better information please let the Director of Human Resources or the Chief Executive know.

2. From Cllr Ian Dunn to the Portfolio Holder for Resources

Please provide a breakdown of the Council's use of Agency Staff, showing person days and net cost, by month from January 2015 to as recently as figures are available, broken down by Adult Social Care, Children's Social Care, other EHCS, ECS and other. Please also show the number of employees in FTE with the same breakdown.

Reply:

See appendix 2 attached.

3. From Cllr Ian Dunn to the Portfolio Holder for the Environment

Please provide the number of "missed collection" reports for refuse and recycling collection received for the year April 2015 – March 2016, broken down by business/residential and by ward.

Reply:

Trade Waste - only started in CRM 10 August 2015.

	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016
Bickley	3	4	7	4	8	8	4	9
Biggin Hill			1					1
Bromley Common and Keston	5	16	5	2	5	2		
Bromley Town	16	7	6	11	10	13	12	16
Chelsfield and Pratts Bottom	9	7	5	3	5	6	5	3
Chislehurst	7	13	7	2	11	4	7	7
Clock House	5	6	1	7	4	4	3	4
Copers Cope	4	5	7	5	3	7	8	5
Cray Valley East	3	10	5	1	9	4	3	9
Cray Valley West	1	2	1	6	9	5	8	9
Crystal Palace			2	1	1	4	2	4
Darwin	3	4	5		5	1		2
Farnborough and Crofton	2	9	6	3	1	2	1	1
Hayes and Coney Hall	4	9	6	2	3	2	2	1
Kelsey and Eden Park	7	6	2	1	4	5	2	7
Mottingham and Chislehurst North	1	7	4		5	1	6	7
Orpington	5	4	4	1	1	1	6	1
Penge and Cator	5	9	7	10	10	23	13	2
Petts Wood and Knoll	2	3	4	2	1	2	3	4
Plaistow and Sundridge		2	3	1	9	1	2	8
Shortlands	2	5			2			1
West Wickham	3	11	8	5	7	6		

Domestic -

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Bickley	182	132	287	456	337	363	235	170	186	173	216	170
Biggin Hill	62	106	120	337	202	138	78	97	113	83	84	67
Bromley Common and Keston	147	128	260	447	193	244	137	104	130	139	111	91
Bromley Town	131	128	242	430	273	225	148	114	124	122	137	112
Chelsfield and Pratts Bottom	64	115	127	502	228	139	145	100	95	122	113	91
Chislehurst	168	147	170	708	364	367	239	154	176	209	185	171
Clock House	129	114	131	391	244	169	134	86	148	135	125	118
Copers Cope	88	97	143	473	341	244	185	155	174	130	129	156
Cray Valley East	116	118	125	398	225	182	138	94	79	133	94	75
Cray Valley West	102	116	118	418	201	332	140	85	104	137	113	102
Crystal Palace	87	89	105	261	144	127	144	133	88	131	120	124
Darwin	49	31	63	308	128	73	46	35	57	45	35	37
Farnborough and Crofton	88	100	112	397	290	212	154	109	162	152	126	80
Hayes and Coney Hall	92	92	169	330	178	186	89	108	83	95	73	101
Kelsey and Eden Park	107	110	181	362	171	190	165	143	162	147	123	132
Mottingham and Chislehurst North	100	78	163	260	149	150	72	53	59	83	60	89
Orpington	101	91	77	421	188	150	150	148	68	124	83	90
Penge and Cator	130	161	199	331	256	224	192	159	131	183	166	157
Petts Wood and Knoll	86	91	156	312	266	190	80	100	107	124	105	116
Plaistow and Sundridge	117	197	251	383	252	235	179	116	121	157	110	134
Shortlands	121	84	142	282	127	157	91	62	84	82	93	141
West Wickham	128	119	134	461	290	213	115	84	72	117	110	110
TOTAL	2395	2444	3475	8668	5047	4510	3056	2409	2523	2823	2511	2464

4. From Cllr Angela Wilkins to the Chairman of General Purposes & Licencing Committee

Please supply a list of all internal audit reports provided since 2011, indicating which are or will shortly be available in full to the public, which are available only in redacted form and which it is not intended to make public.

Reply:

The decision taken by Members of both Audit Sub Committee and General Purposes & Licencing to publicise Internal Audit reports came in to effect in March 2014. It was agreed that all reports finalised from November 2013 should be publicised after suitable redaction except where exemptions were sought. It was also agreed by Members that should be a trawl of any reports in the preceding three year period of the decision to publicise, where potential losses through fraud, error, malpractice and VFM issues totalled £100k. Two –the North Block and the Children& Families Investigation into the use of consultants were publicised but four –CDM Project,

Parks and Greenspace, Behaviour Services and Castlecombe Children and Family Centre were not for the reasons given below.

The last update to Audit Sub Committee in July 2016 stated that since the above decision to publicise, Internal Audit have published a total of 130 reports. See attached list at [appendix 3](#) (this list shows 135 reports published as 5 reports were decisions made by Audit Sub Committee to release that are indicated in the attachment).

There are 12 reports that have not been published following exemptions sought and approved. These are:

March 2014

- CDM Project – Not published –Exemption sought on the grounds of potential legal proceedings
- Parks and Greenspace- Not Published –Exemption sought on the grounds of contractual matters
- Behaviour Services- Not Published- Exemption sought on the grounds of potential legal proceedings
- Castlecombe Children and Family Centre-Not Published on the grounds of potential legal proceedings

November 2014

- Misuse of the Internet- Not published on the grounds of disciplinary action and reference to an offspring of the former member of staff.
- Fixed Penalty Notices- exemption was sought on the basis that management intended to seek recovery from the former contractor for this service which may have prejudiced LB Bromley's case should the report be published. There was also a reputational risk that publication of the report may leave the authority open to criticism and claims from members of the public who were subject to FPNs.

March 2015

- Parking Enforcement Investigation - An exemption was sought on the basis that there were legal issues to be resolved in respect of Penalty Charge Notices (PCNs) issued as a result of malpractice and some contractor staff who were not entitled to work in the UK; potential monies to be recovered from the contractor; and the report made references to individuals. There was also a reputational risk that publication of the report may leave the authority open to criticism and claims for refunds from members of the public who were subject to PCNs.

December 2015

- Stray Dogs Report and CCTV audit reports- there was an ongoing management review of the Internal Audit findings. There were also references to contractors.
- Temporary Accommodation review- there was extensive reference to the contractor and also exemption was sought as there are cases under dispute that could affect the final liability figure.
- Astley Day Centre- the report made reference to the status of an individual and the findings were being considered by the new contractor.

July 2016

- Crystal Palace Skatepark and Shadow Board Recruitment Projects- exemption from publication on the basis that the officer who raised concerns in this area had now left under a compromise agreement and that the report made reference to individual officers.

5. From Cllr Angela Wilkins to the Portfolio Holder for Care Services

Please provide details and results of all CQC (or other similar agency) reports for services provided either directly by the council or by contractors employed by the council within Care Services since 2011.

Reply:

The CQC has reported on our services six times -

Service	Date of Inspection	Judgement
Homecare	9/10/12	Met all standards
Homecare	28/10/13	Met all Standards
Shared Lives	6/7/16	Good
Shared Lives - Adult Placement Scheme	22/2/12	The Adult Placement Scheme was meeting all the essential standards of quality and safety.
Shared Lives	30/4/13, 1/5/13, 2/5/13	Met all standards
Shared Lives	23/5/14	Met all Standards

In addition, Healthwatch Bromley and Lewisham has provided three "Enter and View" reports on Extra Care Housing, which has not had a CQC inspection since 2007 -

Apsley Court (February 2016)
Durham House (February 2016)
Extra Care Units (overview) (June 2016)

The standards for extra care housing and supported living are measured under domiciliary care standards. The providers are regularly monitored by teams of inspectors even if a formal CQC inspection isn't undertaken against the framework

(Further information is attached in [Appendix 4.](#))

6. From Cllr Angela Wilkins to the Portfolio Holder for Care Services

Please provide a list of how many safeguarding concerns have been reported for both adult and children's services, per annum since 2011.

Reply:

Adults Services Concluded enquiries (investigations) -

2011-12	2012-13	2013-14	2014-15	2015-16
266	271	365	380	392

Referrals to Childrens Social Care -

2011-12	2012-13	2013-14	2014-15	2015-16
2,409	2,111	2,138	2,049	2,998

Section 47 investigations commenced (CP referrals) -

2011-12	2012-13	2013-14	2014-15	2015-16
629	631	717	613	739

7. From Cllr Kathy Bance to the Portfolio Holder for the Environment

Over recent years we have seen a decrease in the levels of graffiti in the borough. However, between Sydenham Station and Penge West Station, walls and buildings are covered in unsightly graffiti. Would the London Borough of Bromley work with TfL, London Overground, Network Rail and Lewisham council as appropriate to co-ordinate removal of the graffiti?

Reply:

I can confirm that any NR property which can be accessed from the Highway will be addressed by the Council's contractor in the standard manner.

Anything above head height, or on their bridge parapets, visible from the highway, should be reported to their Customer Services which however slowly, they will then eventually get around to addressing.

So far as walls within the curtilage of NR property alongside their tracks are concerned, like-wise similarly located buildings and other railway paraphernalia, NR have unfortunately made it amply clear, in response to many requests

over the years that they take a more pro-active approach, that they simply don't regard the removal of graffiti as being either a policy or financial priority for them to attend to.

Given your expressed concern, which I suspect colleagues of all political persuasions happen to strongly share, I have sent a copy of your question and my response to each of the Bromley's 4 MPs, the Mayor for London's Office, and the Chief Executives of Network Rail, SE Railways, Southern Railways in an effort to elicit their formal positions in the forlorn hope that I am mistaken and that a more enlightened view might now be being taken.

8. From Cllr Kathy Bance to the Portfolio Holder for the Environment

Fly tipping statistics for my ward are on the increase and a recent incident involved a fully loaded skip being dropped into a parking bay in a residential road. The skip was rusted through and so could not be lifted with the load. That skip sat there for 5 weeks with residents/visitors adding daily to the load. It took 4 sessions on different days to remove the pile. Can LBB investigate the use of the nearby CCTV cameras in bus lanes to capture and make examples of such flagrant breaches of the law?

Reply:

It is possible to utilise bus lane cameras as you suggest, albeit some of the cameras are fixed in position and there would be potential revenue issues were they to be moved or redeployed.

Where fly-tipping is a particularly difficult or recurring problem, separate surveillance cameras can of course be installed, subject to the limitations and regulations imposed by RIPA legislation.

9. From Cllr Richard Williams to the Portfolio Holder for Resources

We are still waiting for the lease to be signed for Crystal Palace Community Development Trust to take over Anerley Town Hall, something which should have been completed close to six months ago.

Could he please provide a definite and guaranteed date by which this will be done?

Reply:

There have also been some difficulties finalising terms with the Trust. The Trust has recently gone back on what was agreed with regard to the decoration works following the agreed repair works being undertaken by the Council. It was originally agreed that that the Council would give the Trust an agreed sum of money (£26,292) to do the decorations along with other works that they were intending to do immediately with grant monies received). It has now been agreed that the Council will undertake the decoration. This is broadly cost neutral.

The Trust has also asked the Council to meet the incidental costs arising from decanting the offices to enable the repair works and decoration to take place. This will include moving furniture etc and compensating the tenants (rent free periods) for the inconvenience. This was not part of the terms agreed and is currently being refused.

The fundamental issue is that the Trust is unable to draw down the Mayor's Regeneration Grant because their proposed nursery provider has withdrawn. The nursery provision, which would have provided match funding and new employment, is a condition of the grant. However, the Trust still wishes to proceed with the Lease of ATH as soon as everything is agreed.

The implications of this is that the Trust is unlikely to (at least initially) have sufficient funds to put the building into repair over the first 10 years of the term, as required under the agreed lease terms. However, they are pursuing an alternative tenant for the former library (The Crystal Palace Sports Injury Clinic). They also have unrestricted reserves of their own (£150k, of which they are allocating £100k to the project). They are also exploring other avenues of grant funding, and in particular they are focussing in on "Power 2 Change", which is a Lottery stream providing capital funding of between £50k and £350k. They believe that they meet the criteria for this funding and that there is a 1 in 20 chance of being successful.

10. From Cllr Peter Fookes to the Chairman of Development Control Committee

How many cases of planning enforcement are still outstanding?

Reply:

I can confirm that Enforcement cases outstanding and including current investigations are 584.

11. From Cllr Peter Fookes to the Portfolio Holder for the Environment

In respect of footway and highway repairs, what is the performance target between the white line markings and the job being done?

Reply:

If this question refers to the white spray markings Bromley's highway inspectors use to mark-up reactive repairs, the timeframe would be a maximum of 35 working days.

12. From Cllr Peter Fookes to the Portfolio Holder for the Environment

When will the blocked drain outside 118 Oakfield Rd, Penge be fixed?

Reply:

There are currently no outstanding drainage works logged at this location. There was a service request at this location, logged on 27th May 2016. The work was completed on 6th June 2016. There have been no further reports since this date, but further requests for blocked drains can be logged by visiting www.bromley.gov.uk/report.

13. From Cllr Mary Cooke to the Portfolio Holder for Renewal and Recreation

As you know there was a tragic event in Shortlands on 8th July when as a result of a road traffic incident the local War Memorial was destroyed.

Ward Councillors were told, in early August, that a named senior officer had been appointed to oversee the reinstatement and associated work and that an expert

conservator was to be appointed.

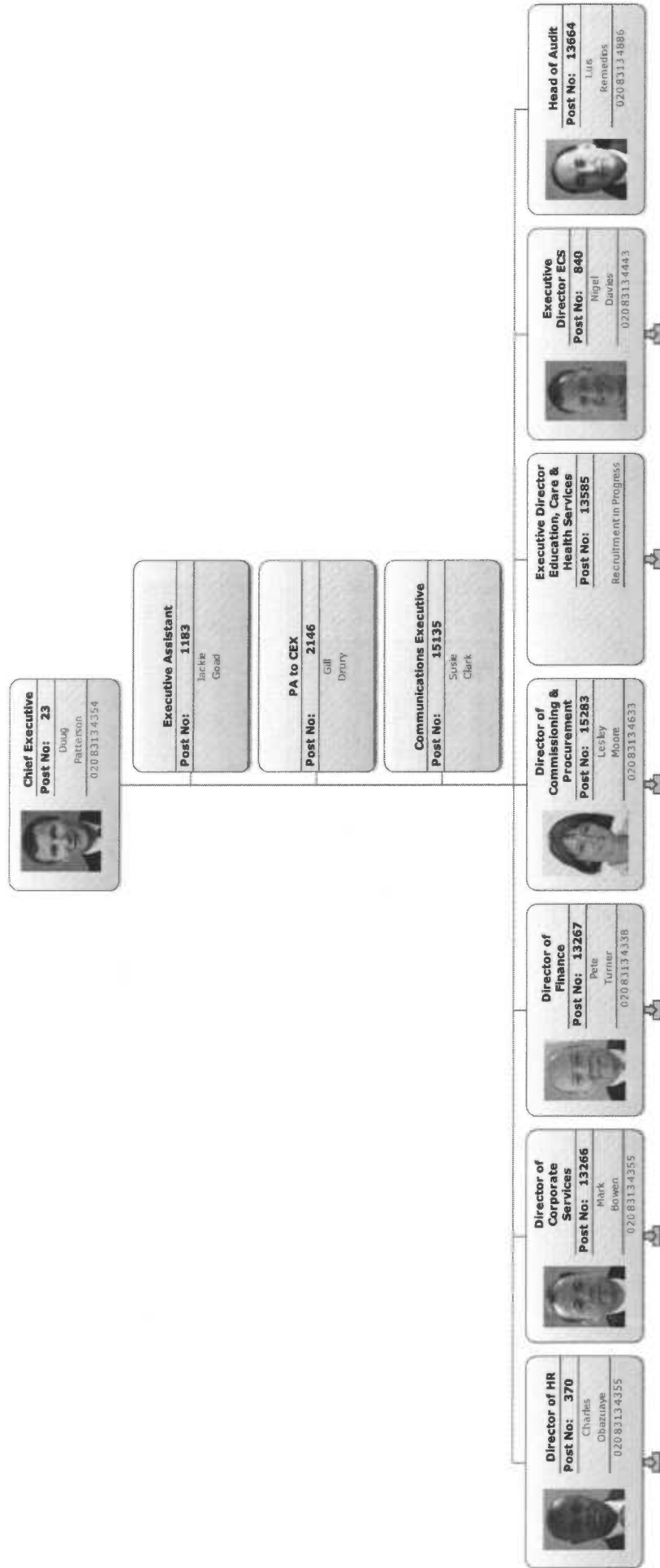
Since then my residents have been asking for an update but despite two e mails to the officers concerned and the appropriate director on 5th and 18th September there has been no reply or information forthcoming.

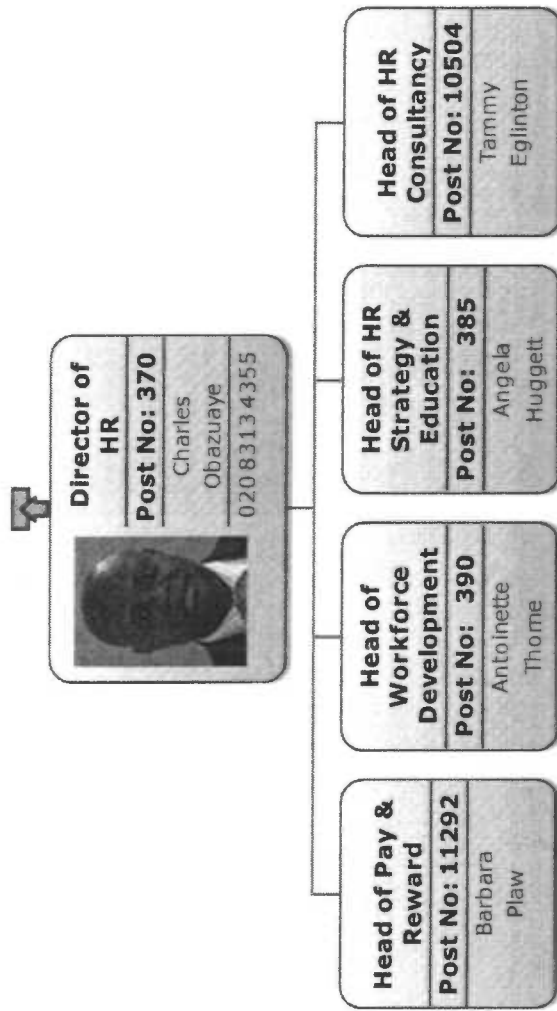
Can you advise me what is happening and advise what to say to my constituents who are naturally very concerned about this very sensitive issue and there has been no statement since just after the incident nearly three months ago.

Reply:

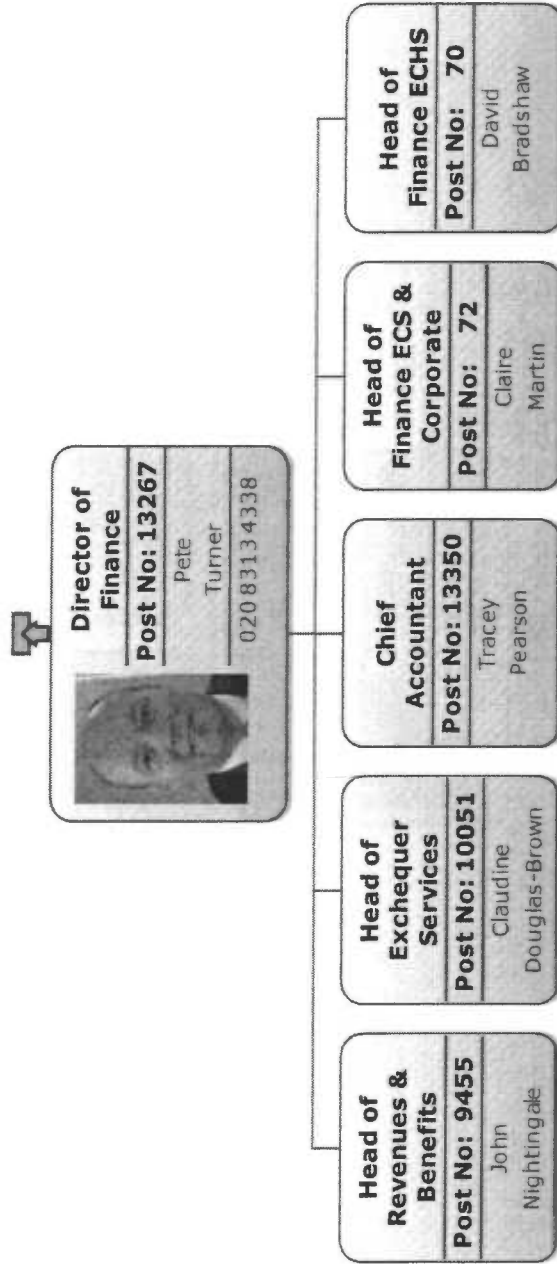
An invitation to tender for the services of a specialist conservator to produce a report on the war memorial, options for re building, including the reuse of some of the stone work and costings has now been completed. Once this work stream has been completed and we have the report, we will then be in a position to update all parties on a definitive programme of works. The loss adjusters for the insurance company are also awaiting from us an indication as to our approach to the works and the costs.

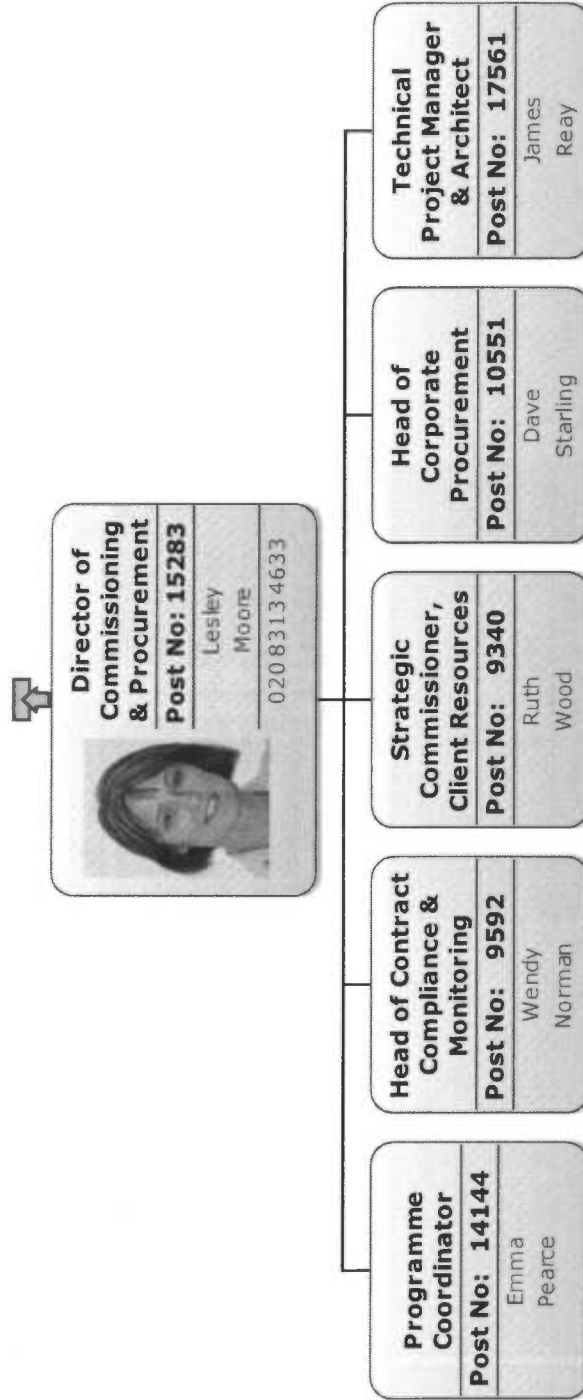
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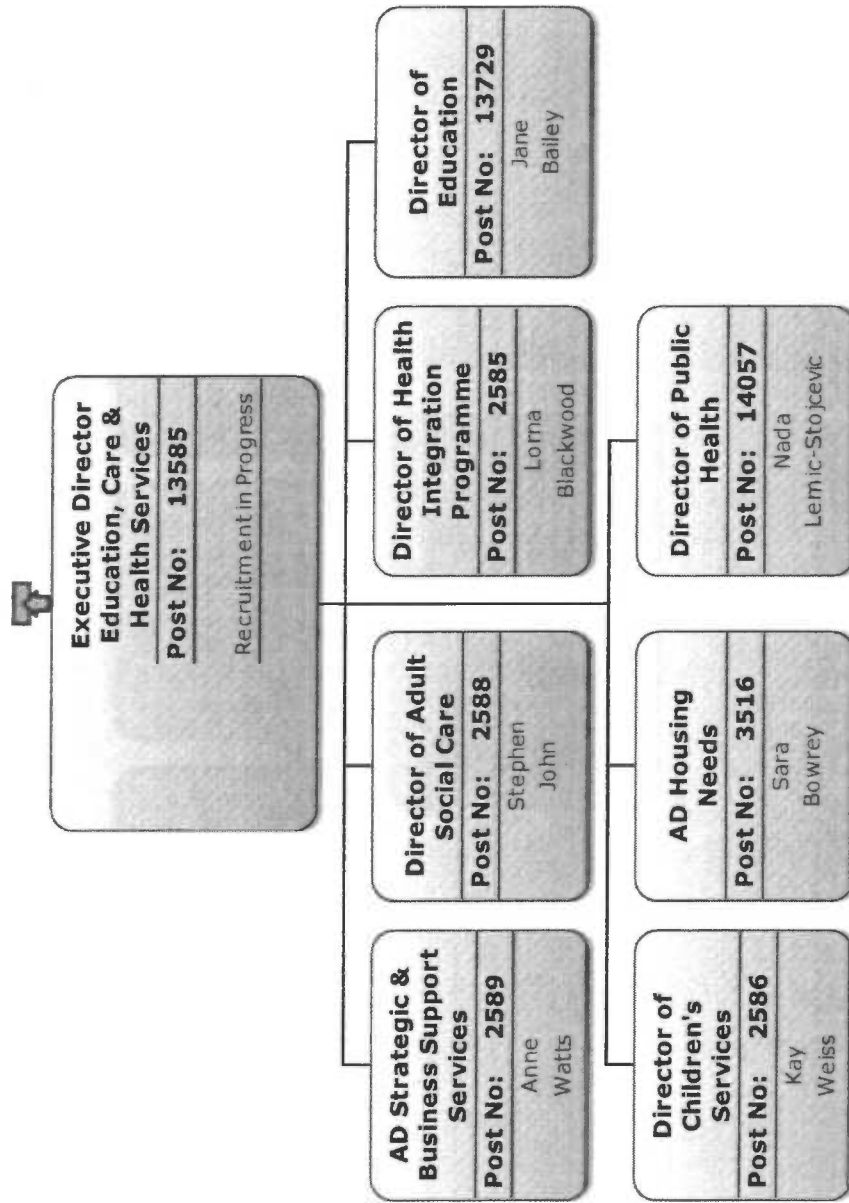


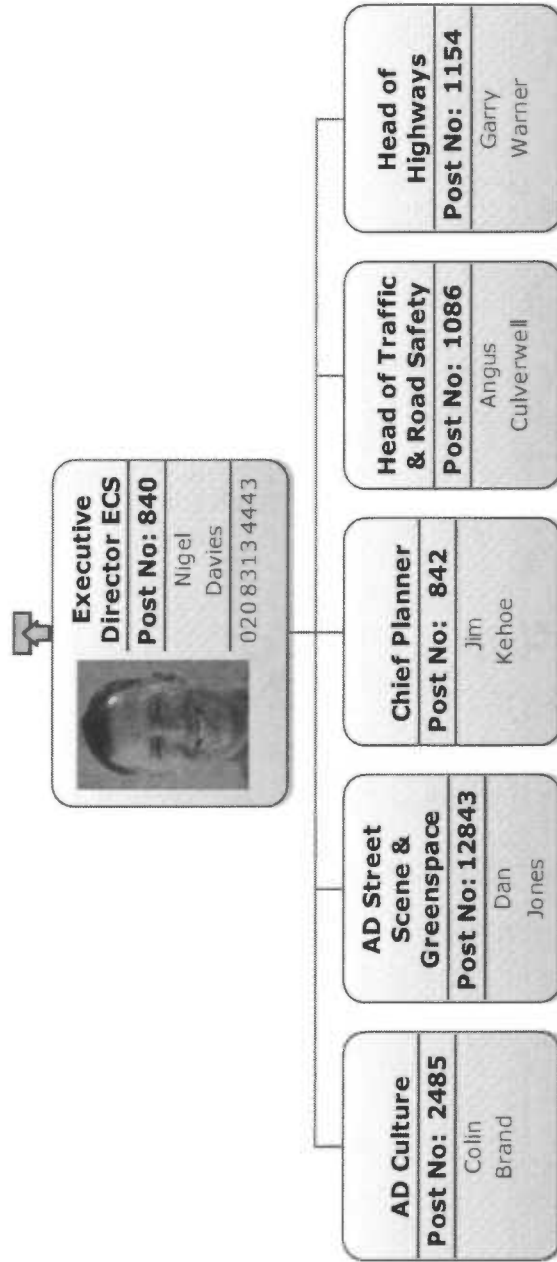












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**Appendix 2
(Question 2)**

YearVal	MonthNameVal	GroupName	CalcDays	Hours	netAmt	vatAmt	grossAmt	Employee FTE as at last day of month (Sept 16 as at 22.09.16)
2015	January	1. Adult Social Care	2,354.31	16,951.00	314,115.84	62,823.28	376939.12	329.99
2015	January	2. Childrens Social Care	665.38	4,790.75	129,859.16	25,971.85	155831.01	308.34
2015	January	3. Other ECHS	338.06	2,434.00	58,329.79	11,666.00	69995.79	358.40
2015	January	4. ECS	588.37	4,236.25	74,268.18	14,853.57	89121.75	320.78
2015	January	5. Other	245.52	1,767.75	43,377.45	8,675.50	52052.95	284.13
2015	January	6. Unknown	8.44	60.75	833.41	166.70	1000.11	
2015	February	1. Adult Social Care	2,241.42	16,138.25	295,729.80	59,146.01	354875.81	329.38
2015	February	2. Childrens Social Care	596.67	4,296.00	111,691.50	22,338.22	134029.72	307.54
2015	February	3. Other ECHS	274.06	1,973.25	51,379.80	10,275.97	61655.77	358.82
2015	February	4. ECS	631.49	4,546.75	78,149.03	15,629.80	93778.83	319.14
2015	February	5. Other	262.05	1,886.75	46,055.05	9,210.98	55266.03	283.96
2015	March	1. Adult Social Care	3,115.07	22,428.50	411,067.06	82,213.53	493280.59	324.86
2015	March	2. Childrens Social Care	855.17	6,157.25	163,958.68	32,791.79	196750.47	305.44
2015	March	3. Other ECHS	333.40	2,400.50	72,263.17	14,452.68	86715.85	361.74
2015	March	4. ECS	730.24	5,257.75	92,317.56	18,463.47	110781.03	319.70
2015	March	5. Other	349.58	2,517.00	60,413.36	12,082.63	72495.99	282.90
2015	March	6. Unknown	2.99	21.50	273.48	54.69	328.17	
2015	April	1. Adult Social Care	1,326.94	9,554.00	178,951.52	35,790.33	214741.85	322.05
2015	April	2. Childrens Social Care	463.26	3,335.50	83,620.35	16,724.02	100344.37	304.46
2015	April	3. Other ECHS	207.33	1,492.75	43,699.70	8,739.94	52439.64	364.97
2015	April	4. ECS	407.74	2,935.75	52,732.86	10,546.62	63279.48	315.59
2015	April	5. Other	151.01	1,087.25	26,728.84	5,345.77	32074.61	280.81
2015	April	6. Unknown	3.19	23.00	292.56	58.51	351.07	
2015	May	1. Adult Social Care	2,116.39	15,238.00	304,276.91	60,855.31	365132.22	317.66
2015	May	2. Childrens Social Care	581.67	4,188.00	103,015.51	20,603.19	123618.7	300.83
2015	May	3. Other ECHS	342.47	2,465.75	65,940.97	13,188.21	79129.18	362.48
2015	May	4. ECS	613.37	4,416.25	75,340.24	15,068.04	90408.28	316.95
2015	May	5. Other	291.53	2,099.00	50,759.18	10,151.80	60910.98	278.55
2015	May	6. Unknown	4.44	32.00	434.24	86.85	521.09	
2015	June	1. Adult Social Care	2,588.78	18,639.25	343,257.10	68,651.50	411908.6	315.16
2015	June	2. Childrens Social Care	772.81	5,564.25	144,345.77	28,869.22	173214.99	300.29
2015	June	3. Other ECHS	357.12	2,571.25	71,913.95	14,382.75	86296.7	359.80
2015	June	4. ECS	599.51	4,316.50	78,054.07	15,610.90	93664.97	311.48
2015	June	5. Other	365.03	2,628.25	63,002.45	12,600.52	75602.97	277.13
2015	June	6. Unknown	3.61	26.00	330.72	66.15	396.87	
2015	July	1. Adult Social Care	2,884.79	20,770.50	405,323.65	81,064.78	486388.43	315.52
2015	July	2. Childrens Social Care	876.91	6,313.75	166,276.78	33,255.29	199532.07	297.82
2015	July	3. Other ECHS	461.49	3,322.75	94,368.60	18,873.79	113242.39	358.75
2015	July	4. ECS	780.87	5,622.25	94,474.21	18,894.86	113369.07	310.26
2015	July	5. Other	398.16	2,866.75	67,133.50	13,426.65	80560.15	277.81
2015	August	1. Adult Social Care	1,929.86	13,895.00	287,278.70	57,455.76	344734.46	312.80
2015	August	2. Childrens Social Care	772.33	5,560.75	153,719.33	30,743.79	184463.12	294.99
2015	August	3. Other ECHS	324.27	2,334.75	62,276.06	12,455.26	74731.32	356.87
2015	August	4. ECS	590.07	4,248.50	70,828.13	14,165.65	84993.78	304.17
2015	August	5. Other	338.61	2,438.00	55,228.24	11,045.65	66273.89	281.48
2015	September	1. Adult Social Care	2,632.12	18,951.25	365,912.62	73,182.62	439095.24	308.61
2015	September	2. Childrens Social Care	878.33	6,324.00	166,089.52	33,217.94	199307.46	298.63
2015	September	3. Other ECHS	407.99	2,937.50	76,865.54	15,373.14	92238.68	366.84
2015	September	4. ECS	621.74	4,476.50	78,680.10	15,736.08	94416.18	300.84
2015	September	5. Other	357.36	2,573.00	57,483.35	11,496.65	68980	281.62
2015	September	6. Unknown	2.08	15.00	250.17	50.03	300.2	
2015	October	1. Adult Social Care	2,276.35	16,389.75	333,269.74	66,654.02	399923.76	238.14
2015	October	2. Childrens Social Care	1,052.71	7,579.50	207,562.49	41,512.54	249075.03	297.34
2015	October	3. Other ECHS	509.62	3,669.25	113,213.95	22,642.75	135856.7	366.15
2015	October	4. ECS	648.13	4,666.50	89,964.65	17,992.92	107957.57	301.00
2015	October	5. Other	387.43	2,789.50	64,583.47	12,916.71	77500.18	285.18
2015	October	6. Unknown	0.14	1.00	32.51	6.50	39.01	
2015	November	1. Adult Social Care	1,824.44	13,136.00	260,886.22	52,177.21	313063.43	236.33
2015	November	2. Childrens Social Care	906.46	6,526.50	176,046.83	35,209.43	211256.26	293.42
2015	November	3. Other ECHS	414.38	2,983.50	90,801.35	18,160.26	108961.61	361.52
2015	November	4. ECS	558.92	4,024.25	87,799.77	17,559.94	105359.71	301.29
2015	November	5. Other	280.38	2,018.75	49,699.45	9,939.87	59639.32	283.93
2015	December	1. Adult Social Care	1,862.22	13,408.00	289,482.91	57,896.65	347379.56	215.39
2015	December	2. Childrens Social Care	1,098.85	7,911.75	207,911.25	41,582.32	249493.57	254.89
2015	December	3. Other ECHS	454.06	3,269.25	92,130.82	18,426.14	110556.96	369.27
2015	December	4. ECS	620.38	4,466.75	86,286.02	17,257.17	103543.18	385.28
2015	December	5. Other	419.83	3,022.75	80,583.04	16,116.60	96699.64	219.85
2016	January	1. Adult Social Care	1,435.56	10,336.00	232,149.29	46,429.87	278579.16	218.24
2016	January	2. Childrens Social Care	744.27	5,358.75	137,459.83	27,492.11	164951.94	254.51
2016	January	3. Other ECHS	317.26	2,284.25	72,073.11	14,414.60	86487.71	370.89
2016	January	4. ECS	443.61	3,194.00	64,655.16	12,931.03	77586.19	389.08
2016	January	5. Other	308.61	2,222.00	56,553.17	11,310.59	67863.76	219.45
2016	February	1. Adult Social Care	1,661.60	11,963.50	270,179.04	54,035.73	324214.77	220.60
2016	February	2. Childrens Social Care	944.90	6,803.25	174,084.44	34,816.95	208901.39	257.80
2016	February	3. Other ECHS	432.40	3,113.25	86,220.46	17,244.10	103464.56	370.83
2016	February	4. ECS	579.31	4,171.00	77,513.47	15,502.63	93016.1	388.07
2016	February	5. Other	352.19	2,535.75	62,791.13	12,558.25	75349.38	219.01
2016	March	1. Adult Social Care	2,145.00	15,444.00	348,354.68	69,671.02	418025.7	218.92
2016	March	2. Childrens Social Care	1,021.94	7,358.00	181,367.11	36,273.59	217640.7	259.13
2016	March	3. Other ECHS	563.16	4,054.75	121,016.87	24,203.39	145220.26	369.67
2016	March	4. ECS	807.60	5,814.75	112,890.23	22,577.99	135468.22	387.64
2016	March	5. Other	447.08	3,219.00	79,638.96	15,927.90	95566.86	219.01
2016	April	1. Adult Social Care	1,727.95	12,441.25	279,896.72	55,979.43	335876.15	220.08
2016	April	2. Childrens Social Care	837.47	6,029.75	154,713.88	30,942.64	185656.52	255.14
2016	April	3. Other ECHS	385.42	2,775.00	84,908.42	16,981.73	101890.15	368.73
2016	April	4. ECS	604.31	4,351.00	80,512.28	16,102.38	96614.66	384.90
2016	April	5. Other	352.74	2,539.75	71,730.98	14,346.20	86077.18	216.61
2016	May	1. Adult Social Care	2,139.72	15,406.00	350,256.06	70,051.08	420307.14	216.41
2016	May	2. Childrens Social Care	1,030.42	7,419.00	199,464.23	39,892.84	239357.07	248.30
2016	May	3. Other ECHS	437.22	3,148.00	100,175.03	20,034.94	120209.97	365.70
2016	May	4. ECS	749.62	5,397.25	103,962.22	20,792.91	124755.13	383.02
2016	May	5. Other	360.45	2,595.25	85,125.22	17,025.09	102150.31	216.26

**Appendix 2
(Question 2)**

2016 June	1. Adult Social Care	1,858.02	13,377.75	328,157.36	65,631.45	393788.81	215.23
2016 June	2. Childrens Social Care	1,124.69	8,097.75	229,291.31	45,858.26	275149.57	246.85
2016 June	3. Other ECHS	425.17	3,061.25	101,793.81	20,358.71	122152.52	365.13
2016 June	4. ECS	765.52	5,511.75	108,600.76	21,720.16	130320.92	377.90
2016 June	5. Other	593.40	4,272.50	105,701.61	21,140.29	126841.9	219.76
2016 July	1. Adult Social Care	1,459.79	10,510.50	252,616.07	50,523.27	303139.34	212.40
2016 July	2. Childrens Social Care	1,037.43	7,469.50	211,151.83	42,230.28	253382.11	244.27
2016 July	3. Other ECHS	357.26	2,572.25	78,068.71	15,613.68	93682.39	355.14
2016 July	4. ECS	606.15	4,364.25	83,404.20	16,680.83	100085.03	374.61
2016 July	5. Other	505.69	3,641.00	99,472.36	19,894.51	119366.87	218.26
2016 August	1. Adult Social Care	746.01	5,371.25	126,386.27	25,277.23	151663.5	210.06
2016 August	2. Childrens Social Care	640.28	4,610.00	139,448.02	27,889.50	167337.52	238.27
2016 August	3. Other ECHS	151.74	1,092.50	32,762.28	6,552.42	39314.7	346.29
2016 August	4. ECS	327.92	2,361.00	44,821.77	8,964.39	53786.16	370.67
2016 August	5. Other	217.99	1,569.50	40,207.53	8,041.50	48249.03	216.09
2016 September	1. Adult Social Care	11.53	83.00	213.29	42.73	256.02	211.65
2016 September	2. Childrens Social Care	14.31	103.00	205.87	41.26	247.13	238.72
2016 September	3. Other ECHS	4.31	31.00	97.98	19.66	117.64	335.01
2016 September	4. ECS	11.53	83.00	250.63	50.09	300.72	366.27
2016 September	5. Other	10.56	76.00	217.49	43.54	261.03	218.41

List of publicised Internal Audit reports

March 2014

1. Review of Early Years
2. NNDR
3. Pensions
4. Registrars –Tell Us Once
5. Staff Car Parking
6. Waste Management
7. Welfare Fund
8. Alexander Infants Pre academy audit
9. Malcolm Primary Pre academy audit
10. Royston Primary Pre academy audit
11. North Block*
12. Children and Family Centres- Investigation into Commissioning of Consultants*

June 2014

13. Contract and Commissioning (Public Health)
14. Coroner and Mortuary Service
15. Creditors
16. Debtors
17. Looked After Children
18. Main Accounting System and Budgetary Control
19. TCES audit
20. Payroll
21. Street Lighting-Invest to Save
22. Farnborough Primary-closure audit
23. Manor Oak-closure audit
24. Perry Hall- closure audit

November 2014

25. Housing Benefit 2013/14
26. Penalty Charge Notices 2013/14
27. Parking Income 2013/14
28. Purchasing Card Review
29. Learning Disabilities Follow Up
30. Family Placements
31. Leaving Care
32. SEN Transport
33. Council Tax-Single Person Discount Exercise
34. Treasury Management 2013/14
35. Troubled Families
36. Council Tax 2013/14
37. Carbon Reduction Commitment Scheme
38. Essential Car User Review *
39. Review of IT Licenses and Asset Register *
40. Review of Agency Staff
41. Dorset Road Primary School
42. Princes Plain Primary School
43. Southborough Primary School

- 44. St Olave's and St Saviour's Grammar School
- 45. Castlecombe Primary School- Pre Academy Closure Audit
- 46. Keston CE Primary School- Pre Academy Closure Audit
- 47. Leasons Primary School- Pre Academy Closure Audit
- 48. Scotts Park Primary School- Pre Academy Closure Audit
- 49. St John's CE Primary School- Pre Academy Closure Audit

March 2015

- 50. Pupil Referral Unit Closure Audit
- 51. Leavers Procedure Audit 2014-15
- 52. Worsley Bridge Primary School Audit
- 53. Adult Education College Audit for 2014-15
- 54. Follow Up Audit of Registrars (Tell Us Once Scheme)
- 55. Audit of Section 75, 76 and 256 agreements between LB Bromley and Bromley CCG 2014-15
- 56. Review of Street Cleansing Audit for 2014-15
- 57. Internal Audit review of St Peter and St Paul Catholic Primary School
- 58. Internal Audit review of St Mary Cray Primary School
- 59. Council Tax Audit 2014-15
- 60. Procurement Audit 2013-14
- 61. Internal Audit review of Chislehurst [St Nicholas] C of E Primary School
- 62. Pensions Audit 2014-15
- 63. Review of Transition Team
- 64. Review of Libraries
- 65. Review of NHE Health Check Programme
- 66. Clare House School Audit

June 2015

- 67. Follow Up Audit for Appointeeship & Deputyship 2014-15
- 68. Gifts and Hospitality Follow-up Report 2014-15
- 69. Housing Needs Final Report 2014-15 redacted
- 70. Final Domiciliary Care Report for 2014-15
- 71. Final Report for Welfare Fund Audit 2014-15
- 72. Final Report Red Hill 2014-15
- 73. Staff Car Parking Follow-up Report 2014-15
- 74. Treasury Management Final Report 2014-15
- 75. Review of Waste Management 2014-15
- 76. Review of Creditors 2014-15
- 77. Capital Projects Audit 2014-15
- 78. Review of VAT 2014-15

December 2015

- 79. Parks & Greenspace
- 80. Property Management
- 81. Commercial Property Rents
- 82. Direct Payments

83. Downe Primary School
84. Planning Enforcement
85. Merit Pay
86. Review of Debtors-Income
87. Follow up Audit of Family Placements
88. Follow up Review of Leaving Care
89. Housing Benefit Review
90. Follow up Review of Purchase Cards
91. Building Maintenance Audit
92. Follow up Review of IT Licenses & Asset Register
93. Oak Lodge Primary School
94. Follow up Review of Pooled Cars & Fuel Cards
95. St Olave's & St Saviour's Grammar School
96. Main Accounting
97. Review of Exchequer and Customer Services Contract
98. Review of Green Garden Waste

April 2016

99. Blenheim Primary School
100. Chelsfield Primary School
101. Review of Extra Care Housing (Norton Court)
102. Edgebury Primary School
103. Marjorie McClure School
104. Car Parking Income (Multi Storey and On Street)
105. Section 106 Agreements
106. Council Tax
107. Southborough Primary School-Follow up
108. Review of NNDR
109. Bickley Primary School
110. Review of Debtors
111. Clare House- Follow up
112. Poverest Primary School
113. Troubled Families
114. Youth Offending Service
115. Red Hill Primary School Follow up

July 2016

116. Libraries
117. Adult Education College
118. Churchfields Primary School follow up
119. Legal Services
120. Oak Lodge Primary School
121. Review of Treasury Management
122. Riverside School
123. Review of Housing Benefit
124. Review of Pensions
125. Capital Budget follow up
126. Review of Car Parking Income

- 127. Review of SLAs for GP Practices 2015/16
- 128. Transition Audit follow up
- 129. Domiciliary Care follow up
- 130. Review of Cash and Banking
- 131. VAT follow up
- 132. Agency Staff follow up
- 133. Manorfields **
- 134. Blenheim Primary School Follow up**
- 135. Review of Penalty Charge Notices (PCNs)**

* Audit Sub Committee request to redact and publicise as losses through fraud, error, malpractice, VfM/overspend issues totalled over £100K in each instance.

**Audit Sub Committee approval to release three reports post committee that were in part 2 for decision in July 2016.

AGENCIES WITH CURRENT SUSPENSIONS

Agency		Date of last CQC inspection		Previous Inspections							
Framework	ACSC Ltd (Advanced Care & Support in the Community)	Apr-15	Good	Jan-14	5x ✓	Jun-12	3x ✓ & 2x ✗				
Framework	Allied Healthcare (Bromley)	Mar-14	5x ✓	May-13	5x ✓	Feb-13	4x ✓ & 1x ✗	Aug-11	5x ✓		
Framework	Always Caring	Jul-16	Good	May-14	5x ✓	May-13	5x ✓				
Framework	Bridges Healthcare	Aug-16	Requires Improvement	Aug-14	4x ✓ & 1x ✗	Aug-14	4x ✓ & 1x ✗	Nov-13	5x ✓	Sep-13	3x ✓ & 2x ✗
Framework	Carby Community Care	Jul-15	Good	Nov-13	5x ✓	Jan-13	5x ✓				Oct-11
Framework	Care Outlook (West Wickham)	May-16	Requires Improvement	Sep-14	4x ✓	Mar-12	5x ✓				
Framework	Caremark Bromley	Jul-16	Requires Improvement	Dec-14	Good	Apr-14	5x ✓	40725	5x ✓	Nov-12	2x ✓ & 3x ✗
Framework	DARET HEALTHCARE	May-16	Requires Improvement	Nov-13	5x ✓	Jun-11	4x ✓ & 1x ✗				
Framework	Day to Day Care / Carewatch	Nov-13	5x ✓	Nov-12	5x ✓						
Framework	Eleanor Nursing & Social Care	Apr-14	5x ✓	Jan-14	4x ✓ & 1x ✗	Mar-12	5x ✓				
Framework	Eternal Care	Jun-16	Inadequate	Feb-13	5x ✓	Mar-12	5x ✓				
Framework	Fabs Homecare Ltd	May-16	Good								
Framework	Harmony Home Aid Services Ltd	Feb-14	5x ✓	Mar-13	5x ✓	Aug-11	5x ✓				
Framework	HomeCare Bromley / Surecare Bromley	Jun-16	Good	Jul-14	5x ✓	Nov-12	5x ✓				
Framework	Independent Homecare Ltd	Apr-16	Good								
Framework	Kentish Home Care	Aug-16	Requires Improvement	Jan-14	5x ✓	Sep-12	5x ✓	Jun-11	4x ✓ & 1x ✗		
Framework	Krislight Care Ltd	Not Yet Inspected									
Framework	Lifecome Care	Jun-16	Requires Improvement	Nov-13	4x ✓						
Framework	Mears Care	Oct-14	Good	Nov-13	5x ✓	Jan-13	5x ✓				
Framework	MiHomeCare / ENARA (KERATOME)	Jun-15	Good	Sep-13	5x ✓	May-12	5x ✓	Jun-11	5x ✗		
Framework	Sevacare	Nov-15	Requires Improvement	Jan-14	Inadequate	Jan-14	5x ✓	Jan-12	5x ✓		
Framework	The Link Care Nursing Agency	Jan-16	Good	Dec-13	5x ✓	Nov-12	5x ✓				
Framework	Verilife	Dec-13	5x ✓	Aug-13	4x ✓ & 1x ✗	Nov-12	5x ✓				
Framework	Westminster Homecare	Dec-14	Good	Jan-14	5x ✓	Dec-12	5x ✓	Dec-11	5x ✓		
Spot	Abacus Homecare Ltd	Jun-16	Good	Jan-16	Good						
Spot	Anjel 2000 Ltd (cease trading 5/8/16)	Sep-14	4x ✓								
Spot	Capital Homecare	Aug-16	Inadequate	Sep-14	4x ✓						
Spot	Care Direct	Mar-16	Good	Jun-13	4x ✓						
Spot	Compassion Homecare	Oct-16	Requires Improvement	Jul-14	5x ✓						
Spot	Dignity Direct Homecare Ltd	Not Yet Inspected									
Spot	Home Healthcare	Mar-16	Good								
Spot	Invicta 24 Plus	Sep-15	Good								
Spot	MACKLEY HOME CARE LTD	Mar-14	5x ✓	May-13	5x ✓	Jan-13	4x ✓ & 1x ✗	Nov-11	4x ✓ & 1x ✗		
Spot	Petts Wood Homecare	Dec-15	Good								
Spot	River Garden Homecare	Not Yet Inspected									
Framework	Ark Home Healthcare - contract terminated 2014	May-14	3x ✓ & 2x ✗	Oct-13	4x ✓ & 1x ✗	Mar-13	3x ✓ & 2x ✗	Nov-12	5x ✗		
Framework	BS Homecare - contract terminated	Oct-13	5x ✓	Mar-13	5x ✓	Sep-12	5x ✓				
Framework	Care UK - Contract terminated	Jun-14	5x ✓	Feb-13	4x ✓ & 1x ✗	Apr-12	4x ✓ & 1x ✗	Apr-11	5x ✓		
Framework	CHRISTIES CARE (Live In Care)	Nov-11	5x ✓								
Framework	Guardian Homecare - contract terminated	Apr-15	Good	May-13	5x ✓						
Spot	Heart of the South - Contract terminated	Dec-13	5x ✓								
Spot	MINDCARE BECKENHAM	Sep-11	3x ✓ & 2x ✗								
Spot	NIGHTINGALE HOME CARE	May-11									
Spot	PRESTIGE NURSING	Sep-11	5x ✓								
Spot	REDSPOT HOMECARE LTD - contract terminated	Jun-11	4x ✓ & 1x ✗								
Spot	Sanctuary - Extra Care Housing	Feb-15	Good	Dec-13	5x ✓	Jul-13	4x ✓ & 1x ✗				
Spot	SCOTT'S PROJECT TRUST (Flexible Support - GW)	Jul-11	4x ✓ & 1x ✗								
Spot	Sweet Tree Home Care Services	Oct-15	Good	May-12	3x ✓ & 2x ✗						
Not In Use	BLUEBIRD CARE AGENCY	Jun-11	5x ✓								
Not In Use	Care Matters UK Ltd	Jul-16	Requires Improvement	Jul-13	5x ✓	Feb-13	5x ✓	Oct-12	4x ✓ & 1x ✗		
Not In Use	DAWN TO DUSK COMMUNITY CARE (BEXLEY MH)	Jul-11	5x ✓								
Not In Use	KENT CARE AT HOME (LEONARD CHESHIRE)	Nov-11	5x ✓								
Not In Use	Plan Care	Sep-13	5x ✓	Feb-13	4x ✓ & 1x ✗	Nov-11	4x ✓ & 1x ✗				
Not In Use	SC SUPPORT & CARE SERVICES LTD (Flexible Support)	Nov-11	5x ✓								
Not In Use	SOMALI CARERS PROJECT	Jul-11	4x ✓ & 1x ✗								

HOMES WITH CURRENT SUSPENSIONS																	
Home	Owning Company	Date of last CQC inspection		Previous Inspections													
BAT - Winsford House	BAT	Mar-13	4x ✓														
Elmstead	BUPA	Jul-16	Good	May-14	5x ✓	Jul-13	4x ✓ & 1x ✗	Aug-12	5x ✓								
Cabrini Childrens Society, 1 Healy Drive (Diagrama Healthcare Services Limited)	Cabrini Children's Society	May-16	Good	Jun-14	5x ✓	Jun-13	5x ✓	Jan-13	4x ✓ & 1x ✗								
Cabrini Childrens Society, 3 Healy Drive (Diagrama Healthcare Services Limited)	Cabrini Children's Society	Jul-16	Good	Jun-14	5x ✓	Jun-13	5x ✓	Oct-12	4x ✓ & 1x ✗								
Ashcroft (Bromley)	Care Providers (UK) Ltd	May-16	Good	Jan-16	Requires Improvement	Jan-14	4x ✓ & 1x ✗	Nov-12	5x ✓								
Foxbridge House	Care UK	Sep-16	Good	Nov-15	Requires Improvement	May-15	Inadequate	Oct-14	1x ✓ & 4x ✗	Aug-13	5x ✓						
Sundridge Court	Caring Homes Group	May-16	Good	Jun-14	4x ✓	Dec-13	4x ✓ & 1x ✗	Jul-13	5x ✓	Jun-13	5x ✓						
Beechmore Court	Cedarmore Housing Association	Feb-16	Good	Sep-14	5x ✓	Sep-13	3x ✓ & 2x ✗	Jun-09	5x ✓		Aug-12	3x ✓ & 2x ✗					
Ashglade	Chislehurst Care	Jan-16	Good	Feb-15	Requires Improvement	Jun-14	3x ✓ & 2x ✗	Jan-14	3x ✓ & 2x ✗	Jul-13	4x ✓ & 1x ✗	Feb-13	5x ✓				
Ashling Lodge	Chislehurst Care	Oct-16	Requires Improvement	Feb-16	Requires Improvement	Nov-13	5x ✓	Jul-13	4x ✓ & 1x ✗	Jan-13	5x ✓		May-12	5x ✗			
Blyth House	Chislehurst Care	Sep-16	Good	Aug-13	5x ✓	Dec-11	5x ✓										
The Sloane	Chislehurst Care/Mills Group	Apr-16	Good	Sep-13	5x ✓	May-13	4x ✓ & 1x ✗	Aug-12	5x ✓								
Eversleigh Residential Care Home	CNV	Jul-16	Good	Jul-15	Requires Improvement	Mar-15	Requires Improvement	Mar-15	Inadequate	May-14	5x ✓	Jun-13	5x ✓	Jul-12	5x ✓		
Rosecroft	CNV	Sep-15	Good	Jan-15	Inadequate	Aug-13	5x ✓	Aug-13	1x ✓ & 4x ✗	Jun-12	2x ✓ & 3x ✗				Jun-13	5x ✓	
Community Options Ltd 56 High St	Community Options	Nov-15	Good	May-15	Good	Feb-15	Good	May-13	5x ✓	Nov-12	3x ✓ & 2x ✗					Jul-12	5x ✓
Community Options Ltd 73 Repton Road	Community Options	Jul-15	Good	May-13	5x ✓	Aug-12	4x ✓ & 1x ✗	Aug-12	5x ✓								
Community Options Ltd, 33 Albermarle Road	Community Options	May-15	Good	Jun-13	5x ✓	Aug-12	5x ✓										
Community Options Ltd, 4 Sandford Road	Community Options	Apr-15	Good	Oct-13	Good	Oct-13	5x ✓	Feb-13	4x ✓ & 1x ✗	Nov-11	5x ✓						
Community Options Ltd, 78 Croydon Road	Community Options	Jun-16	Good	Dec-15	Good	Dec-14	Good	Aug-13	5x ✓								
Community Options Ltd, Wheathill Road, 19	Community Options	Feb-15	Good	Nov-13	5x ✓	Apr-13	5x ✓										
Park Avenue	Excelcare Holdings	Aug-16	Good	Apr-16	Good	Apr-14	5x ✓	Apr-13	5x ✓	Nov-11	5x ✓						
Glebe Court	Glebe Housing Association	Oct-16	Good	Oct-15	Requires Improvement	Sep-13	4x ✓ & 1x ✗	Nov-12	5x ✓								
Queen Elizabeth House	Greensleeves Homes Trust	Sep-15	Good	Dec-13	5x ✓	Aug-13	4x ✓ & 1x ✗	Jul-13	5x ✓	Sep-12	5x ✓						
The Old Manse	HFT/Self Unlimited	Apr-15	Good	Oct-13	3x ✓ & 2x ✗	Feb-13	5x ✓	Jan-13	2x ✓ & 3x ✗								
Coloma Court	Hospital Management Trust	Aug-16	Good	Dec-13	5x ✓	Mar-12	5x ✓										
Angelina Care	Independent	May-16	Good	Feb-14	4x ✓	Aug-13	3x ✓ & 2x ✗										
Archers Point	Independent	Jan-16	Requires Improvement	May-15	Requires Improvement	Oct-14	2x ✓ & 3x ✗	Jul-14	5x ✗	Jan-14	5x ✓	Feb-13	2x ✓ & 3x ✗	Apr-12	5x ✓		
Benedict House closing Aug / Sept 16	Independent	Jul-16	Inadequate	Sep-15	Requires Improvement	Apr-15	Requires Improvement	Jul-14	4x ✓ & 1x ✗	Jul-13	5x ✓	May-13	3x ✓ & 2x ✗	Oct-12	5x ✓		
Fairmount	Independent	Dec-15	Requires Improvement	Jan-14	5x ✓	Jan-13	3x ✓ & 2x ✗										
Florence Nursing Home	Independent	Jan-14	5x ✓	Feb-13	2x ✓ & 3x ✗	Apr-12	4x ✓ & 1x ✗										
Homelands	Independent	Sep-15	Good	Aug-14	5x ✓	May-14	4x ✓ & 1x ✗	Aug-13	4x ✓ & 1x ✗								
Oatlands	Independent	Dec-15	Good	Aug-13	4x ✓	Aug-13	5x ✓	Nov-12	5x ✓								
Oatleigh	Independent	Nov-15	Good	Feb-15	Requires Improvement	Dec-13	5x ✓	Aug-12	5x ✓								
Rowena	Independent	Oct-15	Good	Oct-14	4x ✓ & 1x ✗	May-13	5x ✓	Jun-12	5x ✓								
The Haven	Independent	Dec-15	Good	Jun-13	5x ✓	Jun-12	5x ✓										
The Heathers	Independent	Jun-16	Requires Improvement	Feb-16	Requires Improvement	Sep-14	4x ✓	Jun-13	5x ✓	Jul-12	3x ✓ & 2x ✗						
Whitehouse	Independent	Apr-14	5x ✓	Dec-13	2x ✓ & 3x ✗	Feb-13	5x ✓										
Whiteoak Court	Independent	Jul-16	Requires Improvement	Nov-14	4x ✓	Jul-14	4x ✓ & 1x ✗	Jul-13	4x ✓	Jun-13	5x ✓	Nov-12	5x ✓				
Elmers End House	Leonard Cheshire	Aug-13	5x ✓	Sep-12	5x ✓												
Maple House	Leonard Cheshire	Dec-15	Requires Improvement	Apr-14	5x ✓	Dec-13	4x ✓ & 1x ✗	Dec-12	5x ✓	May-12	1x ✓ & 4x ✗						
Parkside (Thicket Road, 79)	Leonard Cheshire	May-16	Good	Nov-15	Requires Improvement	May-13	5x ✓	Sep-12	2x ✓ & 3x ✗	Oct-11	5x ✓						
Springfield	Leonard Cheshire	Sep-16	Good	May-13	4x ✓ & 1x ✗	Jul-12	3x ✓ & 2x ✗										
St Cecilia's	Leonard Cheshire	Jul-16	Inadequate	Sep-15	Inadequate	Oct-13	5x ✓	Jan-13	5x ✓	Oct-12	5x ✗						
Nash College	Livability	Jun-15	Good	Mar-13	4x ✓ & 1x ✗	Jan-13	5x ✓										
Burrell Mead	MHA	Jul-16	Good	Jun-15	Good	Apr-13	5x ✓	Oct-12	2x ✓ & 3x ✗								
Burstow Lodge	Mills Group	Oct-11	5x ✓														
Fairlight and Fallowfield	Mills Group	Mar-16	Requires Improvement	Apr-15	Requires Improvement	Jan-14	5x ✓	Feb-13	5x ✓	Apr-12	5x ✓						
Heatherwood	Mills Group	Sep-16	Requires Improvement	Oct-15	Requires Improvement	Nov-13	4x ✓ & 1x ✗	Jan-13	5x ✓								
Lauriston House	Minster / Larchwood	Sep-16	Requires Improvement	May-16	Good	Dec-15	Good	Dec-14	Good	Dec-13	5x ✓	Jul-13	2x ✓ & 3x ✗	Dec-12	5x ✗		
Elmwood	Mission Care	Jul-15	Good	Dec-14	Good	Aug-13	5x ✓	Dec-12	5x ✗								
Greenhill	Mission Care	Nov-15	Good	Sep-14	Good	Sep-14	5x ✓	Sep-13	5x ✓	Mar-13	5x ✓	Nov-12	5x ✓				
Homefield	Mission Care	Jun-16	Requires Improvement	Nov-15	Requires Improvement	Apr-14	5x ✓	May-13	4x ✓ & 1x ✗	May-12	4x ✓ & 1x ✗						
Willett House	Mission Care	Jun-15	Good	Nov-13	5x ✓	Apr-13	4x ✓	Jan-13	5x ✓								
Barnabas House	N/A	Oct-09	Not yet open														
Widmore Road (Respite Service)	N/A	Jul-15	Good	Nov-13	4x ✓	Jul-13	5x ✓										
Bromley Park Dementia Nursing Home	Nellsar Ltd	Dec-14	Good	Jan-14	4x ✓ & 1x ✗	Mar-13	4x ✓ & 1x ✗	Jun-12	5x ✓								
Nettlestead	Nightingales	Jun-15	Good	Apr-15	Requires Improvement	Dec-13	4x ✓ & 1x ✗	Mar-13	5x ✓	Nov-11	5x ✓						
Clairleigh NH	Palmgrange Ltd	Mar-15	Good	Nov-13	5x ✓	Jun-13	4x ✓ & 1x ✗	Dec-12	5x ✓								
Antokol	Polish Citizen's Committee	Mar-15	Good	May-13	Good	May-13	5x ✓	Aug-11	5x ✓								
Prince George Duke of Kent Court	Royal Masonic Benevolent Institution	Jul-16	Requires Improvement	Feb-16	Requires Improvement	Aug-14	3x ✓ & 2x ✗	Mar-13	5x ✓	Jul-13	1x ✓ & 3x ✗						
Jansondean	Sage	Jun-16	Good	Oct-15	Requires Improvement	Jul-15	Requires Improvement	Apr-15	Inadequate	Jan-15	Inadequate	Apr-14	2x ✓ & 2x ✗	Aug-13	5x ✓		
Tanglewood	Totem Care	Jun-15	Good	Nov-13	5x ✓	Feb-13	5x ✓	Mar-12	5x ✓								
Burrows House	Viridian	May-16	Requires Improvement	Jun-14	5x ✓	Dec-13	4x ✓ & 1x ✗	Sep-13	5x ✓	Jun-13	3x ✓ & 2x ✗	Jul-12	5x ✓				
The London Autistic Spectrum Condition Centre - Closed	Glen Care	Jul-13	1x ✓ & 4x ✗														
Oak Residential - Closed	Independent	May-13	3x ✓ & 2x ✗	Aug-12	1x ✓ & 4x ✗												
Queen Mary House - Closed	Schoolmistresses & Governesses Benevolent Institution	Jan-14	4x ✓	Nov-13	5x ✓	Mar-13	5x ✓										
St Raphael's - Closed 2015	MHA	Jan-15	Requires Improvement	Jan-14	5x ✓	Jul-13	3x ✓ & 2x ✗	Feb-13	1x ✓ & 4x ✗	Apr-12	4x ✓ & 1x ✗						

Home	Owning Company	Date of last CQC inspection		Previous Inspections			
Avenues - 54 Cowden Road	Avenues	Aug-16	Good	Jan-15	4x ✓		
Avenues - Hillcrest	Avenues	Nov-13	3x ✓ & 1x ✗				
Avenues Head Office	Avenues	Nov-15	Good	Jul-13	5x ✓		
Burgess Autistic Trust - Head Office	Burgess Autistic Trust	Jan-14	5x ✓	June 13	3x ✓ & 2x ✗	Jan-12	3x ✓ & 2x ✗
Hamilton House	Burgess Autistic Trust	Mar-13	5x ✓				
Northernhay	Burgess Autistic Trust	Jan-13	5x ✓				
Winsford House	Burgess Autistic Trust	Jul-13	5x ✓				
Certitude - Head Office	Certitude	Nov-15	Good	Dec-13	5x ✓		
CMG - 111 Masons Hill	CMG	Sep-15	Good	Jun-14	5x ✓	Dec-13	4x ✓
Orchard Grove	LBB	Feb-14	5x ✓	Nov-13	4x ✓ & 1x ✗	Mar-13	5x ✓
St Blaise	LBB	Dec-13	5x ✓	Sep-13	4x ✓	Jul-13	5x ✓
MCCH - 109 Masons Hill	MCCH	Sep-15	Good	Jun-14	5x ✓		
MCCH - Head Office	MCCH	May-16	Good	Mar-13	5x ✓		
Outward - Bromley Road/ Head Office	Outward	Sep-13	5x ✓				
Sanctuary - Johnston Court	Sanctuary	Dec-13	5x ✓				
Sunnyside - Head Office	Sanctuary	Mar-13	5x ✓	Mar-13	5x ✓		
Woodham House - De-registered now Supported Living	Independent	Jan-16	Inadequate	Sep-15	Inadequate	Apr-13	5x ✓
						Aug-12	5x ✓

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Report No.
CSD16167

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: EDUCATION SELECT COMMITTEE OBSERVATIONS ON RESPONSES TO THE RECOMMENDATIONS IN THE FIRST SELECT COMMITTEE REPORT ON THE EDUCATION LANDSCAPE IN BROMLEY

Contact Officer: Philippa Gibbs, Democratic Services Officer
Tel: 020 8461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: All Wards

1. Reason for report

To set out the Education Select Committee observations on responses to the recommendations in the first Select Committee Report on the Education Landscape in Bromley.

2. **RECOMMENDATION(S)**

That Full Council note the response of the Education Select Committee to the responses received concerning the First Select Committee Report on the Education Landscape in Bromley

Impact on Vulnerable Adults and Children

1. Summary of Impact: the Education Select committee considered the needs of vulnerable children as part of their review.
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Not Applicable:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £ £335,590
 5. Source of funding:
-

Personnel

1. Number of staff (current and additional): 8 posts (7.27fte)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications:
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable

Non-Applicable Sections:	Impact on vulnerable Adults and Children/Policy/Financial/Legal/Personnel/Procurement
Background Documents: (Access via Contact Officer)	Response to the First Report of The Education Select Committee 2016/17 - The Education Landscape In Bromley

Education Select Committee observations on responses to the recommendations in the First Select Committee Report on the Education Landscape in Bromley

1. The Committee has considered the responses that had been received following the publication of the Select Committee's first report – the Education Landscape in Bromley.
2. The purpose of this enquiry was to examine the role of the Council in education once all maintained schools had become academies. The Committee made 12 recommendations in total.
3. The Portfolio Holder for Education provided responses to eight of the recommendations. The Portfolio Holder for Renewal and Recreation provided responses to three of the recommendations. The Development Control Committee considered the Select Committee's report at its meeting on 6th September 2016.. The Executive considered the Select Committee's report at its meeting on 14th September 2016.
4. The Committee noted the blandness of some of the responses that had been provided by the Portfolio Holder for Education and felt that they did not properly address the recommendations. Whilst the Committee acknowledged that the Portfolio Holder would receive advice from his officers, the replies should be from the Portfolio Holder rather than 'Sir Humphrey'. In response, the Portfolio Holder indicated that he was happy to put some more flesh on the bone of the responses.
5. In relation to the response provided to recommendation 2.2, the committee sought more information about the Schools' Partnership Board and the Portfolio Holder explained the role of that Board and emphasised its importance as a mechanism for supporting and increasing collaborative working. The Portfolio Holder confirmed that representations had been made to a number of agencies concerning strengthening the requirement and duty to co-operate. The Senior Education Welfare Officer reported that earlier in the year, the Government had published guidance with elements of legislation making it compulsory for all schools to report data to the Local Authority. The Education Department in Bromley was currently in the process of establishing systems to ensure that data was received from school. The Portfolio stressed that within the Government's Academy agenda Bromley was a leader in the field but as a result of this Bromley was to a certain extent having to navigate its way in the dark.
6. In response to a question, the Director of Education confirmed that invitations to the Schools' Partnership Board had been positively received. A range of agencies would be represented on the Board including the Regional Schools Commissioner, Primary, Secondary and Special School Head Teachers, Bromley Clinical Commissioning Group, Public Health, the Police, the Virtual Headteacher amongst others. The Harris Academy Trust would also be represented on the Board and it was clear that there was a determination amongst all the agencies to work collaboratively for the benefit of all young people in the Borough.

7. In relation to recommendation 2.4 the Portfolio Holder confirmed that he would welcome applications for new schools from anyone in the Borough and would be happy to hold a meeting with representatives of the Catholic Community in order to discuss the provision of a Catholic Secondary Schools in the Borough.

8. In considering the Portfolio Holder's response to recommendation 2.9, the Committee sought confirmation of the structure of the Education Department as more schools converted to academy status. The Portfolio Holder stressed the need to ensure that the Department was able to meet the challenges that lay ahead in terms of pupil place planning and being a champion for pupils and their parents. The Director of Education reported that the Bromley Commissioner for Children's Services had been reviewing the whole of Children's Services including Education and it was clear that the Commissioner's expectation was that the Local Authority's relationships with schools are strengthened even as the Local Authority's responsibilities towards them decrease.

9. The Chairman reported that at the Executive meeting on 14 September 2016, the Leader of the Council had indicated that he would consider with the new Executive Director of Education, Care and Health Services whether to create a new role of Portfolio Holder for Children and Families.

10. The Committee expressed some scepticism surrounding the response of the Portfolio Holder for Renewal and Recreation to the recommendations as the Local Plan would not be approved if it did not have within it provision for education sites. The Committee noted that the Development Control Committee had voted that they could not give such assurance until after the public consultation on the Local Plan. The Portfolio Holder expressed dismay at some of the more recent decision of the Planning Sub Committees in relation to planning applications concerning schools, especially the decision that had been taken in relation to Eden Park High.

Report No.
CSD16168

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: SECOND REPORT OF THE EDUCATION SELECT COMMITTEE
2016/17 - ALTERNATIVE PROVISION

Contact Officer: Philippa Gibbs, Democratic Services Officer
Tel: 020 8461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: All Wards

1. Reason for report

To report the recommendations made by the Education Select Committee at its second meeting held on 15 September 2016

2. **RECOMMENDATION(S)**

That Council be recommended to:

1. **Comment on the second report of the Education Select Committee;**

2. **Invite the Leader and appropriate Portfolio Holders to consider the recommendations and**

(a) **refer the recommendations within the report to Service Directors where appropriate; and**

(b) **Provide a written response to the Education Select Committee for consideration at the Select Committee's next meeting on 17 January 2017.**

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Not Applicable:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £ £335,590
 5. Source of funding:
-

Personnel

1. Number of staff (current and additional): 8 posts (7.27fte)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable

Non-Applicable Sections:	Impact on vulnerable Adults and Children/ Policy/Financial/Legal/Personnel/Procurement
Background Documents:(Access via Contact Officer)	Minutes of the Education Select Committee - 15 September 2016

**REPORT OF THE EDUCATION SELECT COMMITTEE
2016/17**

Alternative Provision

Meeting Date: Thursday 15 SEPTEMBER 2016

Present:

Councillor Nicholas Bennett J.P. (Chairman)
Councillor Neil Reddin FCCA (Vice-Chairman)
Councillors Kathy Bance MBE, Kim Botting FRSA, Alan Collins, Mary Cooke,
Judi Ellis, Ellie Harmer and Chris Pierce

Church Representatives with Voting Rights:
Joan McConnell

Parent Governor Members with Voting Rights:
Emmanuel Arbenser, Special School Parent Governor
Mylene Williams, Primary School Parent Governor

Non-Voting Co-opted Members
Emmanuel Arbenser, Special School Parent Governor
Alison Register, (Pre-School Settings and Early Years Representative)

Also Present:
Councillors Peter Fortune (Portfolio Holder for Education)

Witnesses:

Mr Neil Miller, Headteacher Bromley Beacon Academy and Bromley Trust Academy;
Ms Jenny MacDonald, Senior Education Welfare Officer, LBB;
Ms Debbie Partington, Lead Teacher for Home and Hospital Tuition, LBB;
Mr Kevin Grant, Home Tutor, Alternative Education and Welfare, LBB.

The Committee gives its sincere thanks to the witnesses for their contribution to the Education Select Committee.

EDUCATION SELECT COMMITTEE

1. The Education Select Committee met on 15 September 2016 to consider alternative education provision

Committee was provided with a range of written evidence including a report providing an overview of alternate education in Bromley, a written statement from a home educator based in the Borough, an article on home education from a July 2016 edition of *The Times Magazine* and an article entitled *Call to Review Home School Rules* from the 4 August edition of the *Municipal Journal*. In addition to this, Mr Neil Millar had provided supplementary information on Bromley Beacon Academy and Bromley Trust Academy under separate cover. Subsequent to the meeting further written submissions were received, at the request of the committee from all the witnesses.

2. Executive summary

RECOMMENDATION 1

The School Partnership Board consider how the progress of pupils who have attended the Bromley Academy Trust can be better monitored so prevent re-admittance and to enable evaluation of the outcomes of the Academy.

Recommendation 2

That the School Partnership Board examine how best practice can be disseminated with regard to the provision of work for pupils unable to attend school through ill health.

Recommendation 3

That the School Partnership Board consider how the work of the Core Panel can be made more widely known to schools and to consider whether standardised information questionnaires regarding pupils in need of support through alternative provision might be helpful.

Recommendation 4

That the School Partnership Board identify best practice for the reintegration of pupils into mainstream education and encourage all schools to adopt it.

Recommendation 5

That if required, further analysis of the reasons for the rise in the number of children with mental health problems be undertaken in the light of the findings of the review by CAMHS

Recommendation 6

That the Executive be requested to examine what resources from other sources including the CGC might be accessed to ensure a seamless service for children in education with serious medical needs.

Recommendation 7

That the Council directly and through the Members of Parliament for the

Borough makes representations to the Government for the following changes in the law:

- 1. To introduce a registration system for all young people not educated in a formal school;**
- 2. to enshrine in law the right of parents to home educate such a right is subsidiary to the right of every child to a proper education so as to be able to find employment and be a full member of the community;**
- 3. to ensure that Local Authorities have the power investigate and ensure that children outside the formal education system are safe and well;**
- 4. that the recommendations of the Badman Report and the Select Committee on Education Report be taken into account in drafting other legislative proposals.**

3. Background

The vast majority of schools in Bromley are now academies; the Council still has responsibility for ensuring alternative provision for those unable to attend mainstream or Special education. The Council also has a safeguarding responsibility for all children within the Borough. Alternative provision comprises;

**Provision for pupils excluded from school
Hospital and Home Tuition for pupils unable to attend school
Elective Home Education**

4. Evidence

4.1 Alternative provision for pupils excluded from school

Witness

Neil Miller, Headteacher, Bromley Beacon Academy and Bromley Trust Academy

4.1.1 Bromley Education Trust (BET) under the auspices of London South East Colleges (formerly Bromley College of F&HE) is responsible for the Bromley Beacon Academy (formerly Burwood School) and for the Bromley Trust Academy.

4.1.2 The Bromley Beacon Academy is not an Alternative Provision but a special school for young people with Social, Mental and Emotional Health.

4.1.3 The Bromley Trust Academy (BAT) was previously known as the Pupil Referral Unit (PRU). It has two locations – Hayes Lane (secondary) and Midfield Campus (primary provision).

4.1.4 Detailed statistics were provided by Mr Miller in the briefing paper attached with the agenda for the committee hearing. In 2016 every pupil finished Key Stage 4 with at least one qualification. Attendance has also improved, although the data for previous years had been incorrectly recorded which meant that this improvement was not evidenced in the statistics provided to the Committee. Significant improvements have also been made in terms of behaviour, with the number of emergency call outs to the Hayes Campus reducing from 30 in 2013/14 to 1 in 2015/16. Positive feedback was received through the Parent Survey and in

2016 every Year 11 student has undertaken at least one week's work experience.

4.1.5 We were pleased to hear that robust measures are in place to manage post-registration truancy which had been poor some years ago when operated as the PRU.

4.1.6 50% of pupils have returned to mainstream secondary education.

4.1.7 There are currently no systems or structure are in place to monitor the performance of pupils as they transfer between provisions. One of the challenges is that if young people did well in the BAT it is sometimes very difficult to return them to mainstream provision. There are still some young people that 'bounce back' to the BAT after returning to mainstream education and this highlighted the importance of ensuring that the right support is in place to support young people during the period of transition.

4.1.8 We were informed that tracking of pupil's progress was in place in the Academy and that there is an holistic approach to the young people, starting with their home lives as this often impacted on their education and that once these issues are addressed young people tend to achieve higher levels of attainment. A number of young people were now choosing to remain in education and progress onto further education.

RECOMMENDATION 1

The School Partnership Board consider how the progress of pupils who have attended the Bromley Academy Trust can be better monitored so prevent readmittance and to enable evaluation of the outcomes of the Academy.

4.2 Home and Hospital Tuition

Witness

Debbie Partington, Lead Teacher for Home and Hospital Tuition, LBB

4.2.1 The Home and Hospital team are responsible for providing schooling for young people on the Children's Ward at the Princess Royal University Hospital as well as a Home Tuition Service for young people that are considered to be medically unfit to attend school or those that are between provisions. At any one time there are 20-25 people attending the Nightingale Centre and service users include pregnant teenagers or teenage mothers, young people with mental health issues and young people that are medically unfit to attend mainstream education but are able to cope in a smaller setting. There is a full time teacher and a full time teaching assistant based at the hospital. Curriculums are set through topic work and the teacher tries to deliver the same work that the young people would be undertaking if they were at school, working to a flexible curriculum that supported all children. Ms Partington said that this can be very challenging as there is a wide range of ages and abilities at the hospital and the teacher has to cater for individual needs. The Committee heard that the response from schools is patchy.

Recommendation 2

That the School Partnership Board examine how best practice can be disseminated with regard to the provision of work for pupils unable to attend school through ill health.

4.2.2 Intake to the Service is through the Core Panel. Ms Partington said that there is a concern that there appears to be a lack of understanding in schools of the processes and the support that is available from the Local Authority. The Core Panel is an excellent gatekeeper for the Service and as a result of this process the Service is now receiving a great deal more initial information about the individual needs of the young people accessing the Service and the support they require.

Recommendation 3

That the School Partnership Board consider how the work of the Core Panel can be made more widely known to schools and to consider whether standardised information questionnaires regarding pupils in need of support through alternative provision might be helpful.

4.2.3 The Committee was told that although a lot of reintegration work was undertaken to prevent young people 'bouncing back' into the alternate provision, it is often difficult to reintegrate young people into mainstream provision in Key Stage 4. There is no standard across the Borough and some schools are really good at supporting young people back into mainstream education whilst others are less so.

Recommendation 4

That the School Partnership Board identify best practice for the reintegration of pupils into mainstream education and encourage all schools to adopt it.

4.2.4 We were concerned to hear that there had been a substantial increase in the numbers of children presenting with mental health issues, some of them severe symptoms. The Service had initially been set up to support young people with physical or medical issues however, in the previous year 62% of young people within the Service suffered from mental health issues and only 1% with physical or medical needs. Further statistics, subsequently supplied, at the committee's request, are attached at **Appendix A**. From the evidence we received there appears to be no single reason for the rise. In recent years there had been a marked rise in the number of high achieving pupils who needed help. Therapeutic input is key to supporting the young people referred to the Service. To ensure service users are treated in an holistic way a counsellor has recently been recruited to provide additional support.

4.2.5 We were informed that a review by the Child and Adolescent Mental Health Service (CAMHS) is taking place and a copy would be provided once the report was published.

Recommendation 5

That if required, further analysis of the reasons for the rise in the number of children with mental health problems be undertaken in the light of the findings of the review by CAMHS

4.2.6 The Hospital and Home Tuition Service is funded through the High Needs Block. In the future the Block will be formula funded and the Department anticipates that there will be a number of pressures placed on it. Funding from the Block has to be directed at education services and if a young person has a health problem support will generally be accessed through health channels rather than education. The Bromley Y service is the route for a school to refer a young person for counselling.

Recommendation 6

That the Executive be requested to examine what resources from other sources including the CGC might be accessed to ensure a seamless service for children in education with serious medical needs.

4.3 Elective Home Education (EHE)

Witnesses

Jenny MacDonald, Senior Education Welfare Officer, LBB
Kevin Grant, Home Tutor, Education and Welfare, LBB

4.3.1 The Committee invited representatives from those who home school. A letter (attached as **Appendix B**) was received from an organisation described as 'Home Education Hub'. Sadly the letter contained a series of assertions many of which, from the evidence of the hard work undertaken by the Education service, were untrue. As the writer admitted, having written under the banner of the 'Hub', the views and opinions were merely those of the author and not those of home educating families in Bromley. We regret the lack of co-operation with our inquiry by a representative of home schooling parents.

4.3.2 We heard evidence that there has been a steady rise in the number of declarations of Elective Home Education (EHE) since 2012. And that there were currently 202 cases. This figure is increasing by approximately 155 per annum. Although official data is not collected by the DfE, from information gathered at Officer forums it was clear that Bromley was not unique in experiencing this rise and this was part of a national trend.

4.3.3 We note that in the *Report into Elective Home Education in England* chaired by Graham Badman, a former Director of Children's Services at Kent County Council (The Badman Report) published in June 2009, a question had arisen over the accuracy of the figures relating to the numbers of young people in EHE. The Senior Education Welfare Officer responded that the Local Authority could only know what it knows.

"Children who are withdrawn from school need to be recorded with the Local Authority and a parent must write to the Head Teacher stating their child is to be de-registered and confirming that it is their intention to home educate their child. If a child has never been registered for a school place, or moves from one LA area to another, the parents do not have to inform the LA they are home educated"

(Professionals Briefing Sheet A Guide to Elective Home Education (EHE) in Bromley) submitted to the Committee.

4.3.4 The reasons that parents opt for EHE ranged from philosophical objections to traditional schooling (including Lifestyle, cultural and religious beliefs), dissatisfaction with the school system, alleged bullying and school anxiety and phobia. The Home Tutor reports that the percentage of parents choosing EHE for philosophical reasons has reduced in recent years. Contrary to some suggestions the traveller community in Bromley is not disproportionately represented. Many more families are choosing to home educate for short periods or as a stop-gap between schools and whilst 5 years ago there were slightly more boys being home educated, in recent years more girls are being home schooled.

4.3.5 More parents of children due to enter Reception class appear to be opting for EHE. 11 pupils of reception age are recorded as EHE (6 girls, 5 boys) of which 4 are Summer born children. A number had indicated that this was because they do not feel that their child is old enough to start school. Usually the children enter mainstream education in Year 2 or Year 3 and the time away from mainstream education is therefore not too long. However, if parents declare EHE in Year 2 or 3 the evidence is that the intention is to permanently home school.

4.3.6 Although there is little statistical information available it would appear that very few of those educated at home went on to higher education. In the 2014/15 cohort only 2 or 3 of the 14 or 15 young people that declared EHE went on to university whilst some went to college. Unfortunately many were declared NEET. It is difficult to record accurate figures because parents are reluctant to engage with the Local Authority after Year 12.

4.3.7 One particular issue that frequently arises is that of parents removing their children from mainstream education and opting for EHE in year 9 and then trying to return them in years 10 and 11 (Key stage 4). In some instances this might be due to pressure from schools to remove the pupils from the school and in other circumstances it could be an attempt by parents to enrol their children into a school that they perceive to be better. Whatever the circumstance, it is the policy of the Local Authority to ensure that a pupil is returned to the school at which they were previously enrolled.

4.3.8 The UK is the only country in Europe that allows parents complete freedom to opt for EHE. One of the characteristics of EHE is that it is a rejection of the formal system of education, and as such an extension of this is that parents also reject formal examinations, although a small proportion of home educated pupils sit exams at the Nightingale Centre.

The Law

Appendix C sets out the current legal position.

4.3.9 The choice of EHE is the prerogative of parents and legislation is in place to support this. "*Education is compulsory but school is not*". Section 7 of the Education Act 1996 states that a parent must ensure that their child receives education that is full-time, efficient and suitable. What counts as efficient and suitable is not defined.

A parent must make available an educational provision that is suitable for to the child's age, ability and aptitudes and takes account of any Special Educational Needs. The education should primarily equip the child for life within the community to which s/he is a member but should not foreclose the child's options in later years to adopt a different form of life.

Parents do not have to follow the National Curriculum, assess work, have a timetable, nor follow practices usually observed in school or operate within 'school times'. Some parents employ tutors or purchase on-line educational resources, join with similar minded families or share resources. Learning can take place out[doors], informally with family and friends or more formally through tutorial centres"

4.3.10 The role of the Home Tutor includes gaining an understanding of what the family is trying to teach. They are able to give advice and make suggestions however they are not allowed to attempt to persuade families back into the formal education system. There is no right of entry into homes and the Local Authority can only make enquiries if it has evidence to suggest that the young people are not in receipt of a suitable education. There is no legal responsibility to teach subjects other than English and Maths and the Local Authority is not allowed to monitor progress. The only requirement placed on parents is that the education has to be full-time and suitable. If problems are identified parents have to be given the opportunity to address and rectify them before any action can be taken. In the main, Home Educators in Bromley engage with the Local Authority. There is a joined up multi-agency approach that is managed through the Core Panel process. Officers within Bromley liaise with the Police who have access to boarder agencies in order to identify if children had left the country

4.3.11 We were pleased to note that the Home Tutor has a good relationship with the majority of parents opt for EHE. Once a parent decides to return their child to mainstream education, there are very few who then return to EHE.

4.3.12 There had always been, and is always likely to be, tension between the rights of parents to pursue EHE and the duties placed on Local Authorities in respect of safeguarding and child protection. The Local Authority actively tracks and monitors children missing from education but that is as far as the powers of the Local Authority extend. There are no legislative powers that enable the Local Authority to compel parents to place their children in mainstream education. Concerns can be raised through the Core Panel and through this Panel Officers have access to partner organisations that may be able to provide further information if a child comes to the attention of any of the other partner agencies.

4.3.13 The powers of local authorities are limited once parents declare they are home schooling. However, if the Local Authority could demonstrate that all reasonable steps had been taken to track down a young person missing from education it is likely that it would be considered to have fulfilled its corporate parenting duties.

4.3.14 A major dilemma which the current law does not resolve is the failure to decide whether the rights of parents to home school are greater than the rights of the child. In our view the right of a child to receive a comprehensive and all round education must be paramount. There are clearly concerns as to whether the current rather vague legislative position provides adequate protection for the child

4.3.15 The Committee considered the Pembrokeshire Case that was currently the subject of a Serious Case Review. An eight year old boy Dylan Seabridge died of a heart attack. A post mortem revealed that he had anaemia and some of his teeth were loose. It concluded

“these findings together are explicable through the effects of longstanding vitamin C deficiency (scurvy)“

The Child Practice Review found that he was 'invisible' to the authorities following his parents' decision to educate him at their secluded Welsh rural house and refuse officials any access.

“It could be argued he was not having the opportunity to have his basic human rights met. He was not routinely having access to play, leisure, sporting and cultural activities along with friendships and age appropriate socialisation. When he encountered health problems he was not given the right to appropriate healthcare. It appears that his emotional and physical well being was compromised”

The Children’s Commissioner for Wales commenting on the report said

“I am concerned about a small number of children who are not in school and may have fallen under the radar. Under current arrangements, it is possible for a local authority and health board to be unaware that the child is resident in their area and for the child not to be receiving any meaningful education and health care.

This is the case in Wales and throughout the UK. I think it is vital that every child has the opportunity to express their view about their education and to be seen by a professional on at least an annual basis. Every child should receive health care, including routine checks and dentistry”.

4.3.16 Mindful of this case, we are very concerned that vulnerable children could fall under the radar and that the powers a Local Authority has to intervene are circumscribed. We agree with the Senior Education Welfare Officer and Home Tutor that the current situation is not satisfactory and that there remains a large gap in the system of child protection and safeguarding. We note that across the country many Local Authorities believe that changes in the law are necessary if this gap is to be filled.

4.3.18 Although excellent multi-agency links exist, there could well be young people in the Borough who have never come to the attention of any agency. If a child has not formally entered mainstream education there is no duty on parents to engage with the local authority and this means that children cannot always be tracked. Until Parliament changes the law in this respect there is always a real possibility that children are not known to the Local Authority and are therefore not included in official statistics.

4.3.19 Whilst respecting the right of parents to home educate we believe that the current situation is untenable. It is very unsatisfactory situation and compromises the Council’s duties to safeguard the wellbeing of every child who lives in the Borough.

4.3.20 The Badman Report (Para 4.3.3) made 28 recommendations to the Government in 2009 including a compulsory registration system. There was considerable opposition to the Report’s recommendations from home schoolers. Subsequently the House of Commons Children, Schools and Families Select Committee responded to the Review. It opposed any form of compulsion or extension of LA powers.

(Second Report Children, Schools and Families SC HC39-1 and 11Session 2009-10)

Nonetheless the Government proposed, in the 2009 Queen’s Speech the introduction of a registration system in a Children Schools and Family Bill. The clauses proposing compulsory registration were subsequently dropped after opposition in the Commons.

4.3.21 The EHE movement is a powerful lobby however we believe that the climate has changed considerably since 2010. Tragedies such that in Pembrokeshire together with a renewed concern about the child safeguarding means that the current situation cannot continue. Local Authorities need stronger powers if the commit and responsibility for safeguarding is to be effective with regard to Elective Home Education.

Recommendation 7

That the Council directly and through the Members of Parliament for the Borough makes representations to the Government for the following changes in the law:

- 5. To introduce a registration system for all young people not educated in a formal school;**
- 6. to enshrine in law the right of parents to home educate such a right is subsidiary to the right of every child to a proper education so as to be able to find employment and be a full member of the community;**
- 7. to ensure that Local Authorities have the power investigate and ensure that children outside the formal education system are safe and well;**
- 8. that the recommendations of the Badman Report be taken into account in drafting other legislative proposals.**

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Home and Hospital Tuition Service

Report

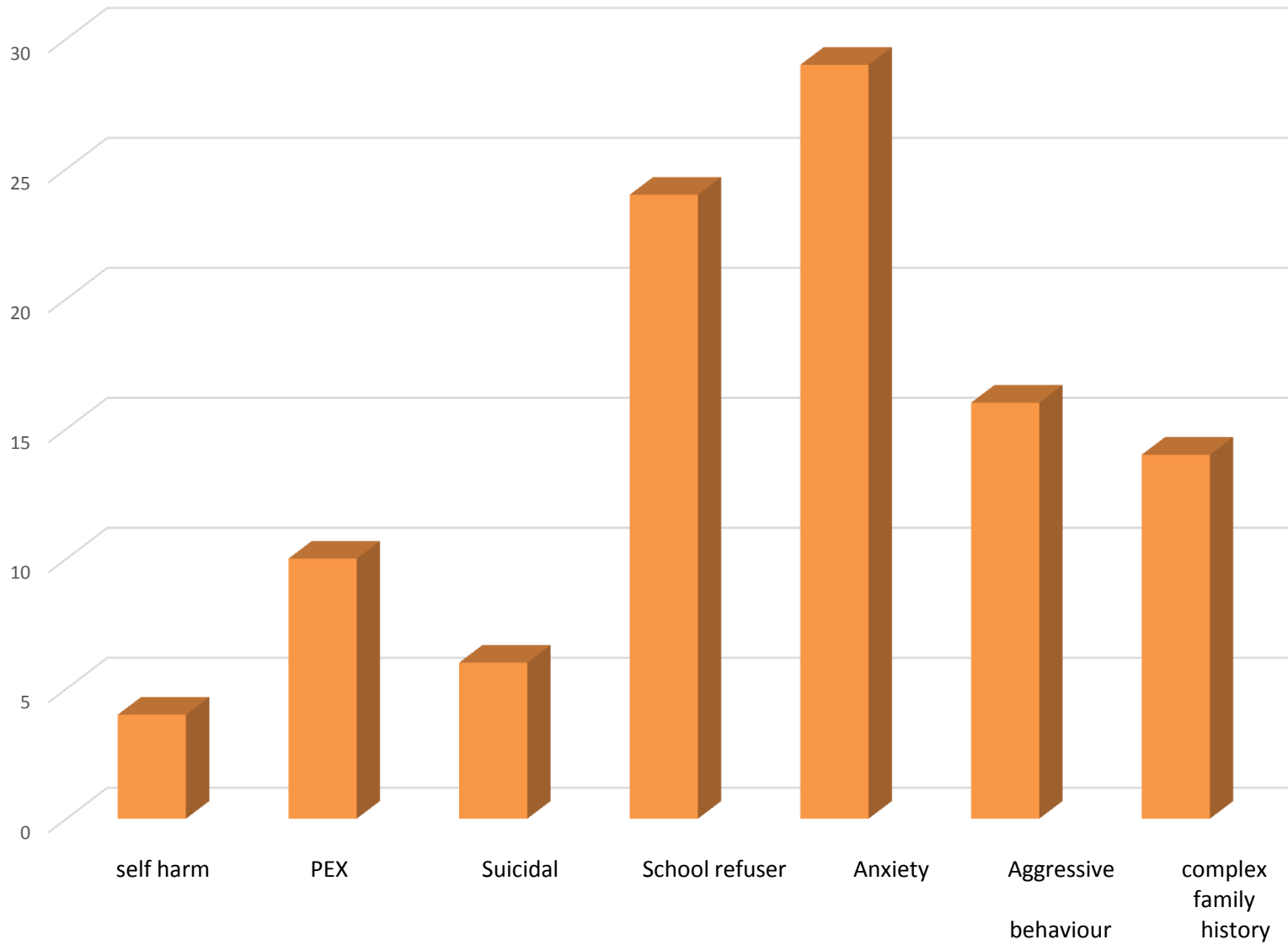
September 2016

Pupils with mental health needs

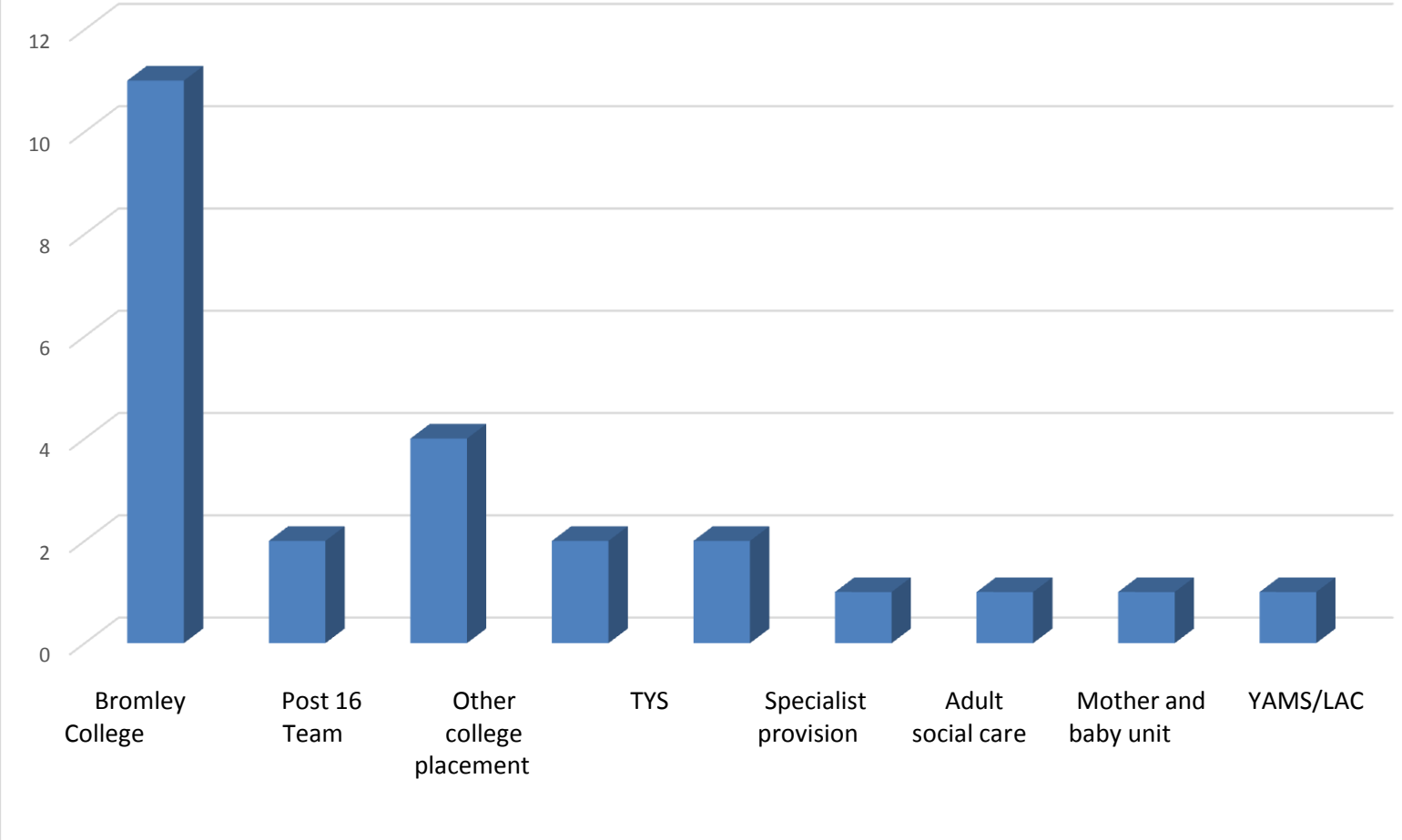
Data content

1. Mental Health needs by type
2. Outcomes
3. Agency involvement
4. Attendance
5. Case studies
6. What will happen to pupils who don't fit the BFA criteria?
7. Hospital school data

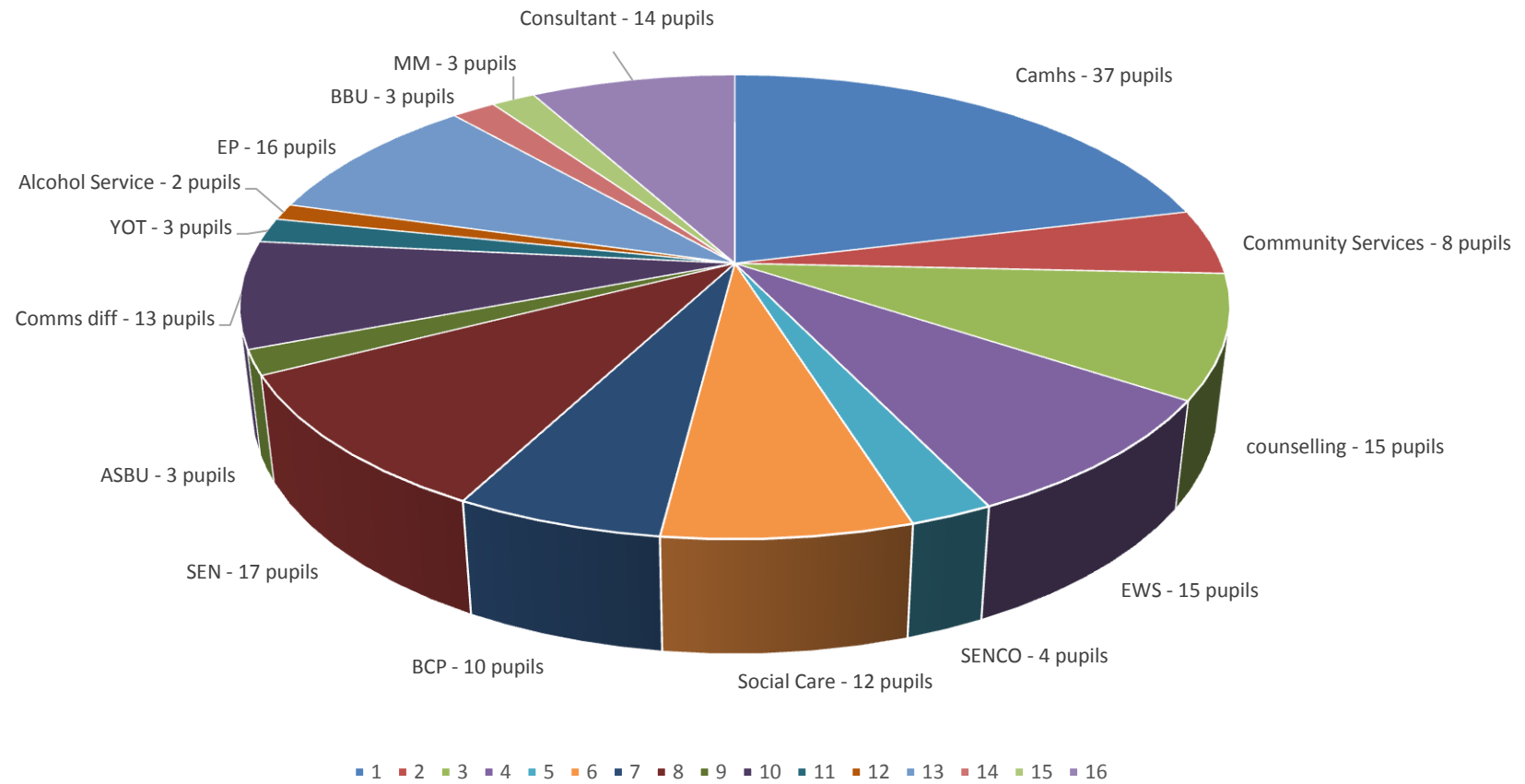
Pupils with mental health needs 2015-16 breakdown by type.



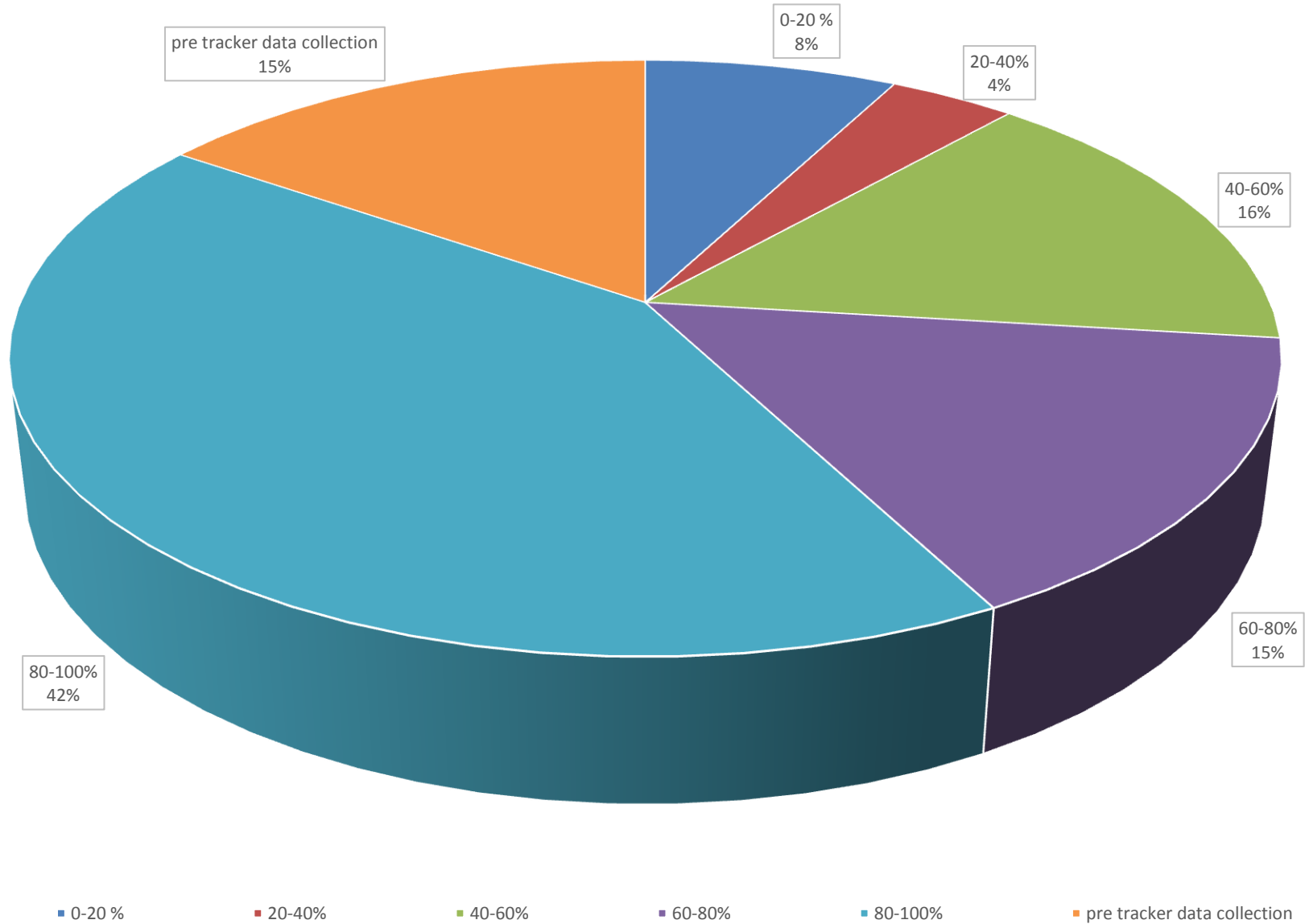
Placement outcomes for post 16 pupils 2015-16



Agency involvement with pupils with mental health 2015/16



Attendance Data for pupils with mental health 2015 / 16 - 52 pupils



[REDACTED]
Home Education Hub (HE Hub)

📍 Oak Road

Green Street Green

BR6 [REDACTED]

31 July 2016

FAO: Councillor Nicholas Bennett JP, Education Select Committee, Bromley Council

Re – Meeting Scheduled for 7pm, 15 September 2016

What HE Hub does

HE Hub helps to disseminate relevant information to new and long-term (elective) home educating families based in Bromley and surrounding areas. It also gives parents who are disillusioned with the traditional school system a place and opportunity to explore alternatives, and engage with others in similar situations.

Relevant information includes:

- Mainstream news items affecting home education, for example, ministerial appointments, changes in educational policies, court cases, parliamentary proposals
- What to expect from meetings with local councils
- Changes in home education practices in other parts of the UK and Europe
- Social and educational ad-hoc and regular events
- Educational resources

Dissemination takes place via dedicated home education community forums, Facebook groups and to a very limited extent, the public website.

Examining the efficiency and effectiveness of alternative education in Bromley

In the absence of a formal measurement of the efficiency and effectiveness of home education in Bromley, all that can be proffered is surely superficial – post-16 attainments, perhaps.

For the record, we regularly get good news about the successes of children who have either passed their IGCSEs and going on to do Advanced Level in pursuit of admission onto degree programmes or those who have been able to obtain apprenticeships within their chosen career fields.

During the active home education period, how effective the process is depends to a large extent on:

1. **The financial status of the family:** Can the children readily access educational resources? Can they afford events – travel and fees? Can extra tuition be paid for? Can the parents/carers afford additional or special tools required for a particular child? Can parents/carers afford extra-curricular activities?
2. **The familial support structure:** Is there any respite available for the main educator?
3. **Examinations:** Though this is related to 1 above, it deserves a separate heading because it is a highly contentious issue. IGCSEs are very expensive. My belief is that every child in the borough should be entitled to at least a **FREE** first attempt. That parents are made to privately fund these crucial examinations appears like a punishment being meted out by the council for daring to 'go against the norm'. Taking IGCSEs or GCSEs, free of any charge or condition, should be every child's right regardless of how or where in the UK the child is educated.
4. **Special Educational Needs (SENs):** Most of the children taken out of the school system have SENs. The current system adopted by Bromley takes a hands-off approach evidenced by the NIL provision of support towards the educational needs of the child.
5. **Dialogue:** The relationship (or lack of) between the home education community and the council is dismal. When I started home educating my kids many years ago, I heard nothing positive about the council, and I imagine the same applies to a host of others.

What should be prioritised

In my view, examining the efficiency and effectiveness of a phenomenon presupposes that all parties are in agreement, that they understand their respective roles, understand why the event occurs, and have similar objectives. I feel that what this meeting is about ignores the underlying issues that should first be addressed. I am astounded that a meeting is being called to address the effectiveness and efficiency of a system that the council has no positive input in.

The following issues need to be looked into:

1. Why home education in Bromley is rising.
2. The root cause of the continuing dissatisfaction with the traditional school system.
3. The assistance that can be offered to home educated children to ensure they pursue and reach their potentials.
4. The lack of an inquiry when kids are pulled from schools.
5. The lack of understanding and empathy for parents who make the very difficult decision to home educate their children, having tried in vain to make traditional schooling work.
6. The unabated incidences of children being traumatised by bullying in schools.
7. The reactive (rather than proactive) stance of the education department – more needs to be done to engage with parents whilst their children are still in school. There ought to be a system in place that allows parents to resolve issues being encountered at school.
8. The reasons why 'under the radar' home educating families choose to stay anonymous.
9. The abject lack of council-sponsored facilities (sports, music, etc) for home educating children during school terms.

[Unfortunately, I will not be at the meeting due to work and child care commitments, but I do hope the above points get discussed, or at the very least, noted.]

P Debola

@yahoo.co.uk

info@he-hub.com



[The views and opinions in this document are mine. I do not speak for all the home educating families in Bromley.]

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Supplementary Information for Elective Home Education Legal

LA guidance regarding EHE:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/288135/guidelines_for_las_on_elective_home_educationsecondrevisev2_0.pdf

2.1 The responsibility for a child's education rests with their parents. In England, education is compulsory, but school is not.

2.2 Article 2 of Protocol 1 of the European Convention on Human Rights states that: "No person shall be denied the right to education. In the exercise of any functions which it assumes in relation to education and to teaching, the State shall respect the right of parents to ensure such education and teaching is in conformity with their own religious and philosophical convictions."

Parents have a right to educate their children at home. Section 7 of the Education Act 1996

provides that: "The parent of every child of compulsory school age shall cause him to receive efficient full-time education suitable -

- (a) to his age, ability and aptitude, and
- (b) to any special educational needs he may have, either by regular attendance at school or otherwise."

2.3 The responsibility for a child's education rests with his or her parents. An "efficient" and "suitable" education is not defined in the Education Act 1996 but "efficient" has been broadly described in case law¹ as an education that "achieves that which it sets out to achieve", and a "suitable" education is one that "primarily equips a child for life within the community of which he is a member, rather than the way of life in the country as a whole, as long as it does not foreclose the child's options in later years to adopt some other form of life if he wishes to do so".

Parental rights and responsibilities

2.4 Parents may decide to exercise their right to home educate their child from a very early age and so the child may not have been previously enrolled at school. They may also elect to home educate at any other stage up to the end of compulsory school age. Parents are not required to register or seek approval from the local authority to educate their children at home.

Parents who choose to educate their children at home must be prepared to assume full financial responsibility, including bearing the cost of any public examinations. However, local authorities are encouraged to provide support where resources permit –

Local authorities' responsibilities

2.5 The DCSF recommends that each local authority provides written information about elective home education that is clear, accurate and sets out

the legal position, roles and responsibilities of both the local authority and parents. This information should be made available on local authority websites and in local community languages and alternative formats on request.

Local authorities should recognise that there are many approaches to educational provision, not just a "school at home" model. What is suitable for one child may not be for another, but all children should be involved in a learning process.

2.6 Local authorities have a statutory duty under section 436A of the Education Act 1996, inserted by the Education and Inspections Act 2006, to make arrangements to enable them to establish the identities, so far as it is possible to do so, of children in their area who are not receiving a suitable education.

The duty applies in relation to children of compulsory school age who are not on a school roll, and who are not receiving a suitable education otherwise than being at school (for example, at home, privately, or in alternative provision). The guidance issued makes it clear that the duty does not apply to children who are being educated at home.

2.7 Local authorities have no statutory duties in relation to monitoring the quality of home education on a routine basis. However, under Section 437(1) of the Education Act 1996, local authorities shall intervene if it appears that parents are not providing a suitable education. This section states that:

"If it appears to a local education authority that a child of compulsory school age in their area is not receiving suitable education, either by regular attendance at school or otherwise, they shall serve a notice in writing on the parent requiring him to satisfy them within the period specified in the notice that the child is receiving such education."

Section 437(2) of the Act provides that the period shall not be less than 15 days beginning with the day on which the notice is served.

2.8 Prior to serving a notice under section 437(1), local authorities are encouraged to address the situation informally.

The most obvious course of action if the local authority has information that makes it appear that parents are not providing a suitable education, would be to ask parents for further information about the education they are providing. Such a request is not the same as a notice under section 437(1), and is not necessarily a precursor for formal procedures. Parents are under no duty to respond to such enquiries, but it would be sensible for them to do so.

1 Mr Justice Woolf in the case of R v Secretary of State for Education and Science, ex parte Talmud Torah Machzikei Hadass School Trust (12 April 1985)

4

2 Statutory Guidance for Local Authorities in England to Identify Children not Receiving Education available at <http://www.everychildmatters.gov.uk/ete/childrenmissingeducation/>.

3 Phillips v Brown (1980) <http://swarb.co.uk/phillips-v-brown-qbd-20-jun-1980/>
5

Elective Home Education Guidelines for Local Authorities

2.9 Section 437(3) refers to the serving of school attendance orders:

"If

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Report No.
CSD16176

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: **DRAWDOWN OF SECTION 75 FUNDING FOR THE DEVELOPMENT AND IMPLEMENTATION OF THE BROMLEY OUT OF HOSPITAL STRATEGY**

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At its meeting on 30th November 2016 the Executive considered the attached report recommending that funding of £7m over the two years 2016/17 and 2017/18 be released from earmarked reserves, as requested by Bromley Clinical Commissioning Group, to support the Bromley out of Hospital Strategy. In considering the recommendations, the Executive proposed an alteration so that Council approves the release of the first tranche of monies for 2016/17 with any release of funds for 2017/18 referred being back to the Executive for final approval.

2. **RECOMMENDATIONS**

- (1) **That the release of funds for 2016/17 (at £3.5m) to provide the funding requested by Bromley Clinical Commissioning Group be approved.**
- (2) **That Council agrees in principle to the funding for 2017/18 but that a further report be provided to the Executive at a later stage to seek approval for the release of funds (at £3.5m) for 2017/18.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The proposal supports the Council and Bromley CCG priority to enhance the quality of life for all people in the borough with care and support needs, including children.
-

Corporate Policy

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

Financial

1. Cost of proposal: Estimated Cost: £7m over two years – 2016/17 and 2017/18
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: Central contingency
 4. Total current budget for this head: £12.153m is included in the Council's earmarked reserves.
 5. Source of funding:
-

Personnel

1. Number of staff (current and additional): Not applicable
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All Bromley residents
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

Non-Applicable Sections:	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	See attached report

Decision Maker: EXECUTIVE
COUNCIL

Date: Wednesday 30 November 2016
Monday 12 December 2016

Decision Type: Non-Urgent Executive Key

Title: DRAW DOWN OF SECTION 75 FUNDING FOR THE
DEVELOPMENT AND IMPLEMENTATION OF THE BROMLEY
OUT OF HOSPITAL STRATEGY

Contact Officer: Mark Cheung, Chief Finance Officer, Bromley Clinical Commissioning Group
Mark.cheung@nhs.net Tel 01689 866104
Peter Turner, Director of Finance, London Borough of Bromley
Peter.turner@bromley.gov.uk Tel 020 8313 4338
Lorna Blackwood, Director, Health Integration Programme
Lorna.blackwood@bromley.gov.uk Tel 020 8313 4799

Chief Officer: Peter Turner, Director of Finance, London Borough of Bromley
Lorna Blackwood, Director, Health Integration Programme

Ward: (All Wards);

1. Reason for report

- 1.1 This paper sets out a request from Bromley Clinical Commissioning Group (BCCG) to drawdown £7m over the two financial years, 2016/17 and 2017/18 from the Council's earmarked reserve (monies relate to an agreement under Section 75 of the NHS Act 2006). This will provide non-recurrent investment into the development of the Bromley out of hospital programme. The development of the programme will make a significant contribution to the recurrent savings programme of over £24.713m over those two respective years to enable BCCG to continue to meet its financial targets.
- 1.2 Bromley CCG has met its financial and savings targets over the last three years since its inception and, with the release of the monies, is forecast to do so again in 2016/17. However with the significant reductions in income over the next two years, the CCG and the NHS as a whole now faces its most significant financial challenge to date and a requirement to make major savings to maintain its ability to meet its financial targets going forward. The development and delivery of the CCG QIPP (Quality, Innovation, Productivity and Prevention) savings programme is monitored through the internal CCG governance process as well as externally on a monthly basis by NHS England.
- 1.3 A key part of delivering the savings targets is the continued development of the BCCG out of hospital strategy through the implementation of the Integrated Care Networks (ICNs) in Bromley. Work is progressing at pace on phase one of the strategy, introducing two new

pathways in pro-active care and frailty. Governance structures are in place which include both Bromley CCG and the London Borough of Bromley as commissioners and all major providers in Bromley. Providers in Bromley have all signed up to the Memorandum of Understanding which sets out key principles and objectives as well as setting metrics aligned to the CCG QIPP savings programme and Better Care Fund (BCF) targets.

- 1.4 Metrics and performance information will need to be provided to measure the impact on all parts of the health and social care economy in Bromley. It is essential to understand the impact the development of the networks on other areas of the health and social care system. This may be impact in terms of additional costs and capacity required in areas including primary and community care and also social care. This may also impact in respect of changes to working practices of the various parts of the system. The monitoring of the results will allow commissioners to re-design the system so that appropriate mechanisms are in place to shift funding into the most appropriate area or effect changes to mitigate any potential increases in cost.
 - 1.5 In order to ensure the accelerated implementation of the programme, one off investment is requested by Bromley CCG to cover non-recurrent costs of implementation, pump-priming investment and double running costs in the community and acute sector during the implementation period. Funding was set aside by Bromley CCG into the section 75 to cover such costs. Executive are requested to recommend to Council the release of £7m from the earmarked reserve to meet Bromley CCG's funding requirements.
-

2. RECOMMENDATION(S)

- 2.1 Executive is requested to recommend to Council the release of £7m from earmarked reserves (Section 75 agreement monies) over two financial years (2016/17 and 2017/18) to provide the funding requested by Bromley Clinical Commissioning Group (see 3.2).
- 2.2 Subject to the approval by the Executive, Council is requested to approve the release of £7m from earmarked reserves (Section 75 agreement monies) over two financial years (2016/17 and 2017/18) to provide the funding requested by Bromley Clinical Commissioning Group.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The proposal in this report supports the Council and Bromley CCG priority to enhance the quality of life for all people in the borough with care and support needs, including children.
-

Corporate Policy

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

Financial

1. Cost of proposal: Estimated Cost: £7m over two years – 2016/17 and 2017/18
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: Central contingency
 4. Total current budget for this head: £12.153m is included in the Council's earmarked reserves
 5. Source of funding: Integrated Care and Health s75 funds
-

Personnel

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

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable Not Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Whole population of Bromley
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

Introduction

- 3.1 Bromley CCG is seeking approval for the non-recurrent drawdown of funds from the Integrated Care and Health Programme s75 funds held jointly between Bromley CCG and the London Borough of Bromley which are included in the Council's earmarked reserves.
- 3.2 The total requirement for which approval is sought is a drawdown of £7m over the two financial years 2016/17 and 2017/18 - £3.5m for each year. The fund currently stands at £12.153m and the balance remaining after drawdown would be £5.153m.
- 3.13 With the scale of challenge the CCG is facing, there is an urgent need for the CCG to significantly accelerate its key strategies to deliver not only transactional savings, but transformational changes that will deliver real reductions in the acute hospital activity. The table below provides the indicative areas where potential savings have been identified.
- 3.16 This is clearly a challenging target and the CCG will need to ensure that robust arrangements are in place in the delivery and monitoring of the savings schemes. The CCG already has a Project Management Office (PMO) in place to monitor the progress of schemes and identify risks of under-delivery which will report to the CCG Integrated Governance Committee on a monthly basis. The programme is ambitious but required, otherwise to do nothing would result in the recurrent budget gap increasing and any remedial action would take time to implement. This investment will progress and accelerate work that has already been set in motion.
- 3.17 The acceleration of the out of hospital strategy is essential to ensure not only that savings targets can be met in 2017/18 onwards on a recurrent basis, but also in meeting many other targets set for Bromley CCG and the London Borough of Bromley through the BCF performance measures, in particular reductions in emergency admissions and delayed transfers of care.
- ***3.19 The work on the Bromley CCG out of hospital transformation programme has progressed significantly since the publication of the strategy in September 2015 and phase one has already been accelerated in the first six months of 2016/17. All local providers, both NHS and non-NHS have signed up to the Memorandum of Understanding (MOU) to support the implementation of ICNs in Bromley. The providers are Bromley Healthcare, King's College Hospitals NHS Foundation Trust, Bromley Third Sector Enterprise, Oxleas NHS Foundation Trust, St Christopher's and the Bromley GP Alliance.
- 3.20 The MOU establishes a robust governance structure that reports through to both Bromley CCG and the London Borough of Bromley as local commissioners. Currently the London Borough of Bromley attend as non-voting members of the Boards. The ICN Board brings together senior leaders from all commissioning and provider organisations to drive forward the out of hospital agenda and meet the key principles, objectives and outcomes set out in the MOU. The key elements include:
- Key principles for ICN development, including requiring all parts of the system to work collaboratively, ensuring quality and value for money.
 - A set of metrics to measure steps towards mobilisation during the first half of 2016/17 (achieved).
 - A set of metrics that will monitor the outcomes of service developments required by providers following mobilisation in October 2016.
 - The governance structure for monitoring adherence to MOU

- Access to transformation funding to support implementation and establishment of new roles/services

3.21 Fundamental for 2016/17 and 2017/18 is the establishment of key performance metrics which align to the Bromley CCG QIPP savings programme and BCF targets as set out in the table below. Full details of the metrics contained in the MOU are provided in Appendix 1.

MEASURE	MONITORING FREQUENCY	TARGET (ANNUAL)
Reduction in emergency admissions (acute and mental health)	Monthly	825 fewer admissions per year
Reduction in DTOCs (relating to the participating Providers)	Monthly	19.50% reduction in DTOCs
Reduction in A&E attendances	Monthly	825 fewer attendances per year
Delivery of planned reduction in emergency readmissions	Monthly	TBC

3.22 These metrics and associated performance will continually be developed and monitored through implementation. In particular it will be important to measure the impact of the development of the networks on other areas of the health and social care system. This may be the impact in terms of additional costs and capacity required in other areas including primary and community care and also social care. This may also impact in respect of changes to working practices of the various parts of the system. The monitoring of the results will allow commissioners to re-design the system so appropriate mechanisms are in place to shift funding into the most appropriate area or effect changes to mitigate any potential increases in cost. This may include looking at roles and responsibilities of staff and pooling of budgets and risk.

3.23 Included in the MOU is non-recurrent transformation and performance funding to pump prime investment in the development of the care pathways to deliver these QIPP savings. Signatories to the MOU are very clear that this funding is non-recurrent and that continued funding of the pathways must be funded in the future from recurrent savings achieved through the implementation of the ICN schemes.

3.24 Through the MOU providers in Bromley have worked together to develop proposals on the implementation of the first two pathways as part of phase one which started in Autumn 2016. These are:

- Pro-active care – supporting people with long-term conditions or complex health and social care needs;
- Frailty pathway – specialist support for non-acute elderly care.

3.25 Proposals have been agreed and appointment to roles has already started to ensure immediate delivery towards the MOU metrics and contribution to the CCG QIPP savings over the two years. Initial multi-disciplinary team (MDT) meetings have already been held as part of the pro-active care pathway and evaluations completed.

3.26 Joint working with all parties is continuing in the development of the frailty pathway with Kings in conjunction with the establishment of the step up / down facility at Orpington Hospital.

- 3.27 Progress on these and other workstreams against key metrics and information requirements takes place on a monthly basis by the Integrated Care Networks (ICN) Steering Group, attended by both Bromley CCG and the London Borough of Bromley.
- 3.28 Bromley CCG recognises that the implementation of the ICN models may have an impact on the social care costs of the Council. It is clear that this cannot be done in isolation and joint working with the Council is essential for the model to be successful and to develop mechanisms with the goal of shifting resources around the system to achieve a balance of fair funding in the overall health and social care economy. The impact of the ICNs and other transformation activity will need to be closely monitored with action taken quickly if pressures start to materialise in the social care system.
- 3.29 Building on existing pooled arrangements and sharing budgets and risk may provide potential mechanisms to mitigate the risks around this - for example, through increasing the capacity of the third sector from additional investment from Better Care Fund and the development of the role of the care navigators to steer patients to alternative services available. Information is being collected within the ICNs and at the front door of social care to enable patients to be tracked through the system and the specific impact to be determined.

Sustainability and Transformation Plan

- 3.30 The Sustainability and Transformation Plan (STP) in South East London, which includes six CCGs and the main health providers, sets out the scale of the financial challenge over the next five years. The increasing demands and costs of a growing population living longer with more long term conditions will outstrip any increases in funding resulting in a financial gap of £934M in five years' time. The plan acknowledges the financial challenges facing local authorities with both budget cuts and increasing costs impacting on social care going forward but does not address those specific issues.
- 3.31 The STP sets out five key priorities by which the health gap can be closed
- Developing consistent and high quality community based care (CBC) and prevention;
 - Improving quality and reducing variation across both physical and mental health;
 - Reducing cost through provider collaboration;
 - Developing sustainable specialised services;
 - Changing how we work together to deliver the transformation required.
- 3.32 Locally in Bromley, the first priority of developing CBC is being delivered through the out of hospital strategy and the development of the three Integrated Care Networks (ICNs) which will focus on population health and wellbeing, supporting people to manage their conditions and increasing prevention and early intervention. Doing this through the actions identified earlier will mitigate the forecast increases in acute and secondary care and deliver the shift in activity and significantly contribute to the savings required to balance the CCG budgets going forward.
- 3.33 Continued and further detailed engagement of London Borough of Bromley on the South East London STP will be required on two levels. On a South East London basis on the wider implications of the proposed changes on area such as changes to planned care. This should be achieved and further developed through existing governance structures with representation on the overall leadership as well as through the joint scrutiny committees. It is also essential to continue the engagement at a local level through Bromley CCG to work with partners on the implementation of the local models set out in the STP and understanding of the impact on the health and social care economy as a whole.

Non Recurrent Funding Requirement

- 3.34 In order to develop the out of hospital strategy and deliver the recurrent savings required to balance the CCG budget, non-recurrent investment will be required to accelerate the changes required. Bromley CCG have requested the £7m one-off funding for 2016/17 and 2017/18 to be utilised as invest to save, establishing the programme required deliver recurrent savings of almost £24.713m over those two years. As set out above, Bromley CCG is on track to meet its forecast overall target of £8.6m, in 2016/17, though reserves and budget reductions have been required to offset some slippage in some of the scheme. The target for 2017/18 is £16.113m, - an indicative breakdown of proposals totalling £16.865m are shown above in para 3.13.
- 3.35 For 2016/17, the focus has been on establishing and funding the new models as set out in the MOU with a commitment of £1.5m to cover costs and performance of the phase one schemes for the pro-active and frailty pathways. These costs are split into £1m investment with a £0.5m performance-related payment upon the demonstration of achieving the savings identified in the MOU. Providers are expected to work collaboratively to develop business cases within the parameters of the MOU and be able to demonstrate how this will impact on the performance metrics.
- 3.36 While these pathways are being developed, cover will be required for double running costs in both community services and acute sector, estimated to be around £1.5m, until these pathways are fully operational and to cover any slippage in the timetable. The continued development costs of this programme and other programmes identified in the QIPP programme will require non-recurrent investment of £0.5m. This includes non-recurrent costs such as set up costs and licences, as well as staff capacity to deliver the programmes.
- 3.37 For 2017/18, the ability to pump prime investment becomes more challenging with reduction in CCG funding and increasing cost pressures in the NHS. Currently estimates for required funding are assumed in a similar profile as 2016/17, with £1.5m required to cover investment costs of the development of further care pathways and £2m required to cover double running and other additional costs in the community and acute sector while the programmes are established.
- 3.38 The funding requirements identified are consistent with the original objectives of the fund, when with the previous ProMISE programme objectives now being delivered through the development of the ICNs in Bromley. It is essential that the impact on social care is monitored closely through the ICN Steering Group and Board, through agreed metrics and performance information with redirection of funding, where required, being considered.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The proposal in this report supports the Council and Bromley CCG priority to enhance the quality of life for all people in the borough with care and support needs, including children.

5. POLICY IMPLICATIONS

- 5.1 The proposal supports the Council's priority to support independence.

6. FINANCIAL IMPLICATIONS

- 6.1 The Council has received various contributions from Bromley CCG totalling £13.695m over a period of years as part of a Section 75 agreement with drawdown to date totalling £1.542m resulting in a net balance of £12.153m remaining in the Council's earmarked reserves. After the proposed £7m drawdown, the remaining balance on the fund will be £5.153m.

- 6.2 The Council has benefited from investment income through treasury management whilst retaining these sums.
- 6.3 Bromley CCG will undertake the monitoring of their expenditure and progress in QIPP savings through existing Bromley CCG financial governance arrangements.
- 6.3 Should the drawdown not be made available, Bromley CCG have advised that they will be unable to fully deliver their QIPP savings programme and consequently not meet their financial targets. Bromley CCG have advised that the potential impact of this, as seen in other parts of the NHS, is that the CCG will lose its green financial assurance rating and potentially be placed into formal turnaround. This would involve the development of a comprehensive turnaround plan, to be assured by external consultants, and frequent reporting to NHS England.
- 6.4 Bromley CCG have also advised that failure to deliver their financial targets could have a negative impact on meeting the joint delivery of BCF targets.
- 6.5 This report refers to the Sustainability and Transformation Plan (para. 3.30 to 3.33) which identifies significant savings in the health sector but does not address, at this stage, the impact on social care and the associated cost implications. It is essential that there is continued and further detailed engagement from the health sector to determine the full implications and to seek the redirection of resources where required.

7. LEGAL IMPLICATIONS

- 7.1 The previous section 256 fund was transferred into an over-arching pooled budget fund under section 75 of the NHS Act 2006. The fund is specifically identified as an earmarked fund within the section 75.
- 7.2 The MOU signed by all the main providers in Bromley is an over-arching agreement which is in addition to existing contracts held between Bromley commissioners and providers.

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

Appendix 1 – Integrated Care Networks Memorandum of Understanding – Performance Metrics

Key Outcome Indicators

The following outcome indicators are the key metrics linked to the Performance Fund.

Payment of the Performance Fund is dependent on the joint achievement of these metrics by the Providers.

Reduction in emergency admissions (acute and mental health)	Monthly	825 fewer admissions per year
Reduction in Delayed Transfers of Care – DTOCs - (relating to the participating Providers)	Monthly	19.50% reduction in DTOCs
Reduction in A&E attendances	Monthly	825 fewer attendances per year
Delivery of planned reduction in emergency readmissions	Monthly	<i>TBC</i>

Where required these metrics can be broken down to a more granular level, for example age group (i.e. over 65s) or specific conditions (i.e. COPD, heart failure, UTIs, long term conditions etc.).

Additional Outcome Indicators

The following are a set of additional health and care outcome indicators focused on quality and efficiency that are expected to improve as a result of the implementation of the ICN model of care, but are not linked to the payment of the Performance Fund.

- Number of readmissions within 30 days of previous admission (acute and mental health)
- Number of visits made by the crisis response team
- Number of people able to die in their preferred place of residence
- Percentage of people still at home 91 days after discharge from hospital into rehabilitation and reablement
- Outpatient activity in over 65s
- Dementia diagnosis rates
- % of heart failure and COPD patients receiving an annual review
- Number of people with an emergency admission to hospital due to a long term condition.
- Number of readmissions due to condition within 30 days of discharge from the same condition (i.e. UTIs, LTCs, falls etc.).
- Number of emergency / unplanned / crisis admissions to care or residential homes.
- Percentage of over 65s who received rehabilitation / reablement services after admission.
- Improved patient experience (using the patient engagement survey).

All of these Additional Outcome Indicators will be monitored and reviewed on a monthly basis.

It is expected that as part of signing up to this MOU that the Providers should demonstrate they are working collaboratively to deliver improved health and care to the population of Bromley.

KPIs supporting the delivery of the ICN principles

The following KPIs are not linked to the Performance Fund allocations, but will be used as means of promoting discussions around how the implementation of the ICN model of care is changing ways of working, and in particular how providers are working together to meet the Key Outcome Indicators:

- Average number of emergency admissions per person per week.
- Reduction in duplication of diagnostic tests by health and care professionals.
- Percentage of records shared by providers
- Proportion of people identified for integrated case management who have a written integrated care and support plan (that has also been shared with the individual).
- Number of people stepped down from integrated case management as their health and care needs have stabilised.
- Number of Multi-Disciplinary Team (“**MDT**”) meetings taking place with all required health and care representatives in attendance.
- Number of referrals to social prescribing / self-management.
- Number of services accessible seven (7) days a week.

All of these Additional Outcome Indicators will be monitored and reviewed on a monthly basis.

Report No.
CSD16174

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: COUNCIL TAX SUPPORT/REDUCTION SCHEME 2017/18

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At its meeting on 30th November 2016 the Executive considered a report advising them of the results of the public consultation exercise on Council Tax Support in 2017/18 and requesting that the proposed Scheme be forwarded to full Council for adoption. The report, which includes the responses to the consultation exercise, a response from the Greater London Authority and an Impact Assessment, is attached.
- 1.2 Members are asked to note that the reference made in section 7 of the attached report to more detailed legal implications being contained in a previous report on 7th July is incorrect. The more detailed legal implications are in a report to the Executive on 15th July 2015.
-

2. **RECOMMENDATIONS**

(1) Members are requested to consider the responses to the public consultation exercise, the response from the greater London Authority to the consultation documents and the content of the Impact Assessment.

(2) Council is recommended to adopt, for the financial year 2017/18, a scheme retaining the calculation of entitlement for working age claimants on 75% of the household's Council Tax liability. Thereby, the maximum assistance provided to a claimant of working age is 75% of his/her Council Tax liability.

Impact on Vulnerable Adults and Children

1. Summary of Impact: 4,948 households with children and 3,143 disabled claimants
-

Corporate Policy

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

Financial

1. Cost of proposal: Estimated annual cost of the scheme with minimum liability is £12.765m
2. Ongoing costs: Recurring Cost:
3. Budget head/performance centre: Revenues, Benefits and Admin
4. Total current budget for this head: £7.686m
5. Source of funding: Government funding, not identified as a separate item in the grant notification.
-

Personnel

1. Number of staff (current and additional): 8 + Liberata staff
2. If from existing staff resources, number of staff hours: Once the Scheme is adopted extra work will fall onto Liberata, taken into account in costings provided.
-

Legal

1. Legal Requirement: Statutory Requirement:

2. Call-in: Not Applicable:

Procurement

1. Summary of Procurement Implications: Not Applicable

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 16,870 (the current number of households in receipt of Council Tax Support.)

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable

2. Summary of Ward Councillors comments: Not applicable

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Financial/Legal/Personnel/Commissioning
Background Documents: (Access via Contact Officer)	See attached report

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Decision Maker: EXECUTIVE

Date: Wednesday 30 November 2016

Decision Type: Non-Urgent Executive Key

Title: COUNCIL TAX SUPPORT/REDUCTION SCHEME 2017/18

Contact Officer: John Nightingale, Head of Revenues and Benefits
Tel: 020 8313 4858 E-mail: john.nightingale@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards)

1. Reason for report

To advise Members of the results of the public consultation exercise and seek authorisation of the scheme to be forwarded to Full Council for approval.

2. **RECOMMENDATION(S)**

1. Members are asked to consider the responses to the public consultation exercise

2. Members are asked to consider the response from the Greater London Authority to the consultation documents

3. Members are asked to note the content of the Impact Assessment

4. Members are asked to recommend that Full Council, at the meeting of the 12th December, adopt for financial year 2017/18 a scheme retaining the calculation of entitlement for working-age claimants on 75% of the households Council Tax liability. Thereby the maximum assistance provided to a claimant of working-age is 75% of his/her Council Tax liability.

Impact on Vulnerable Adults and Children

1. Summary of Impact: 4,948 household s with children and 3.143 disabled claimants.
-

Corporate Policy

1. Policy Status: New Policy:
 2. BBB Priority: Not Applicable:
-

Financial

1. Cost of proposal: Estimated annual cost of scheme with minimum liability is £12.765m
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Revenues, Benefits and Admin
 4. Total current budget for this head: £7.686m
 5. Source of funding: Government funding, not identified as a separate item in the grant notification
-

Personnel

1. Number of staff (current and additional): 8 + Liberata staff
 2. If from existing staff resources, number of staff hours: Once scheme adopted extra work will fall onto Liberata, taken into account in costings provided
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable:
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):16,870 (the current number of households in receipt of Council Tax support)
-

Ward Councillor Views

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

3. COMMENTARY

3.1 Introduction

From the 01 April 2013 the national scheme for providing assistance with Council Tax (Council Tax Benefit) ceased to exist and was replaced by a local authority designed scheme for those claimants of working-age. The scheme is known as Council Tax Support/Reduction (CTS/R). For those of pensionable age, the scheme continued to be based on national rules and regulations.

In the financial year 2013/14, working-age claimants were liable to pay a minimum of 8.5% of their Council Tax liability. For the financial years 2014/15 and 2015/16 working-age claimants were liable for a minimum of 19% of their Council Tax liability, before this increased to 25% in 2016/17.

At the 7th July meeting of the Executive, Members agreed that a minimum liability of 25% be the Authority's preferred option for inclusion in the public consultation exercise, the results of which are contained later in the report.

It should be noted that the scheme needs to be adopted at Full Council by the 31st January prior to the financial year it relates to.

3.2 Consultation

At the 7 July 2016 meeting of the Executive & Resources PDS, it was agreed to undertake a consultation exercise, with the preferred option being that CTS/R continue to be based on 75% of the households Council Tax Liability. The consultation exercise closed on the 2 October 2016 by which time 960 responses had been received. Included in these were responses from the following representative bodies:

- Age Concern
- Chislehurst Debt Advice Service
- Penge Church Housing

Responses to the questions contained in the consultation exercise are entered as Appendix 1. A full report of the consultation findings can be found on the LBB website, the link for which is: <http://www.bromley.gov.uk/CouncilTaxSupport>

To summarise the main findings were:

- In respect of financial year 2017/18, 68% of respondents confirmed their preference to keep the minimum contribution at 25%. The responses were weighted in favour of maintaining this level of support irrespective of whether the respondent was in receipt of CTS/R
- 38% of respondents said that the Council should use its reserves to fund any additional contribution to the Council Tax Support scheme.
- 92% of respondents said that there should be a hardship fund, with 66% agreeing that it should remain at the current level (£100k)
- Where opportunity was given to suggest changes to the scheme, the comments made fell into the following broad categories:
 - Undertaking better checks on those receiving CTS
 - Increasing protection for certain categories of claimant
 - Employing a sliding scale of assistance
 - Limiting the support further e.g. to those living in the lowest Council Tax band
 - Helping citizens through employment opportunities

In addition to the public consultation exercise the Greater London Authority was consulted as to their views. Their response is attached as Appendix 2.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

There are currently 3,143 disabled claimants and 4,948 households with children affected by the policy. This excludes pensioner claimants whose entitlement continues to be based on 100% of their Council Tax liability.

The impact on vulnerable adults and children is mitigated by building into the scheme disregards and additional assistance contained in the Housing Benefit scheme. In addition a hardship fund is available for those faced with exceptional circumstances. A copy of the Impact Assessment can be found at Appendix 3.

5. POLICY IMPLICATIONS

A copy of the 2016/17 scheme can be accessed by the following web link:

http://www.bromley.gov.uk/downloads/file/2479/adopted_council_tax_support_scheme_2016

This scheme will be revised in light of any changes agreed by Members, required by legislative change and/or resultant of the annual uprating of the benefit system

The Authority's scheme needs to be adopted on an annual basis following a public consultation exercise.

6. FINANCIAL IMPLICATIONS

The below table shows the projected expenditure of the scheme based on working-age claimants having their entitlement based on 75% of the households Council Tax liability.

Minimum working-age CTS liability	25%
Total estimated annual CTS expenditure	£12.765m
Less GLA estimated proportion – 20.49%	£2.616m
LBB estimated annual CTS expenditure Costs – 79.51%	£10.149m

Calculations have been based on the Council Tax levels for 2016/17 and the current number of households in receipt of CTS/R.

In addition to the expenditure figures above, the sum of £100k per annum is available for the provision of discretionary awards.

7. LEGAL IMPLICATIONS

Full legal implications are set out in the report considered by members of the Executive on 7th July and these are not repeated here. Members should however have regard to these and to the earlier Equality Impact assessment work undertaken. However, in summary Section 33 (1) (e) of the Welfare Reform Act 2012 abolished the national scheme of Council Tax benefit. Section 10(1) of that Act introduced a new Section 13 A(2) into the Local Government Finance Act 1992 which obliged each local authority to make its own scheme for those who it considered to be in financial need.

Schedule 1 A of the 1992 Act sets out the procedural steps required to make or revise a scheme. These include an obligation to consider whether or not to change a scheme for any Financial year. Where changes are made there is a statutory obligation to publish a draft scheme and to consult with such persons as we deem to have an interest. That will include both individuals who receive benefit and those who don't. Any new scheme must be adopted by 31 January in the financial year preceding that in which it is to apply. Bromley has undertaken the required consultation exercise and whereas members must have regard to the consultation outcomes, they are not obliged to follow the majority view.

Non-Applicable Sections:	Personnel and Procurement implications
Background Documents: (Access via Contact Officer)	

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Appendix 1

London Borough of Bromley

Council Tax Reduction – Consultation Report

6th October 2016

Author : Louise Freeth

Outcomes

Details of the full consultation question and analysis responses, both overall and broken down, are detailed below.

Question 1.

Q1 The Council is recommending for 2017/18 the retention of the current maximum level of support for working-age claimants. The maximum level of support being 75% of the households Council Tax liability after any discounts or exemptions have been applied. This would require working age claimants to pay a minimum of 25% of their liability.

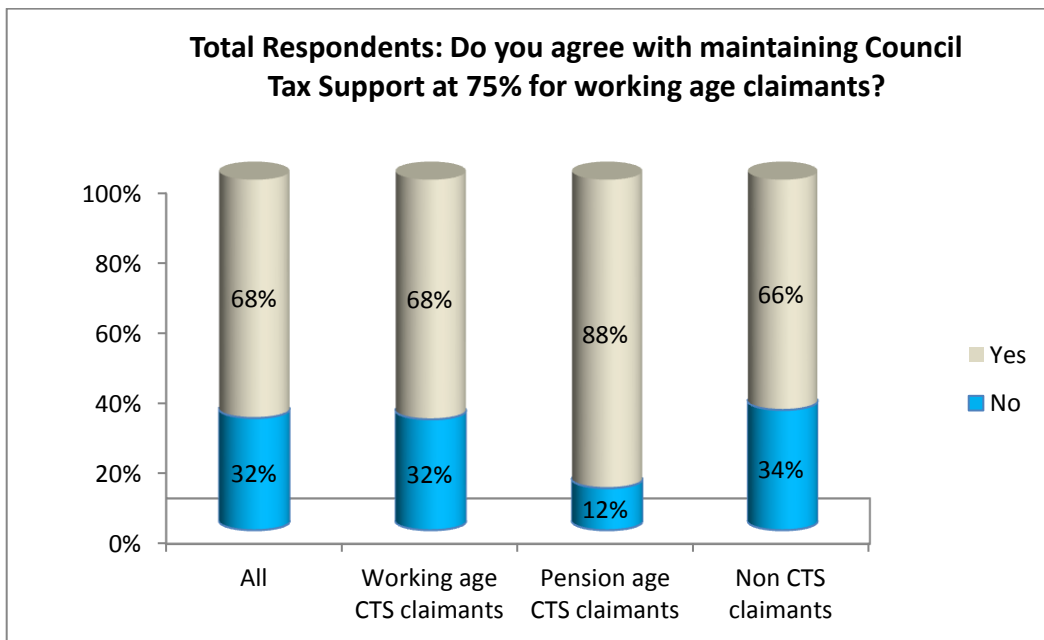
	Yes	No
Please confirm whether you:		
a. Agree with maintaining the assistance at 75%	<input type="checkbox"/>	<input type="checkbox"/>
b. If <i>NO</i> do you think Council Tax Support claimants should;		
<i>Pay more Council Tax</i> e.g. receive less support	<input type="checkbox"/>	<input type="checkbox"/>
<i>Pay less Council Tax</i> e.g. receive more support to	<input type="checkbox"/>	<input type="checkbox"/>

If you disagree with maintaining assistance for working-age claimants at 75%, please state why:

.....

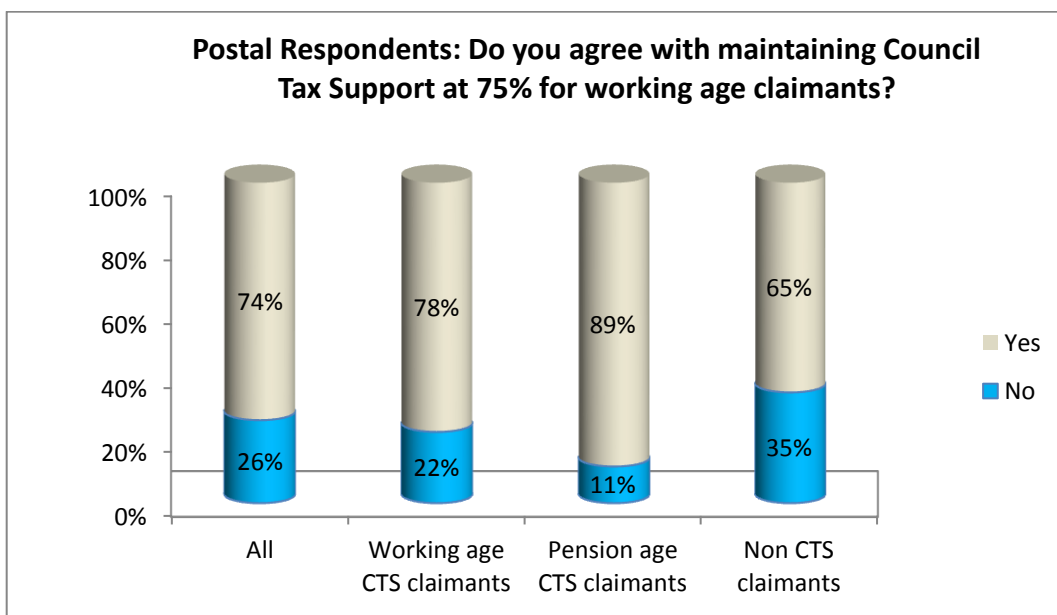
Overall response.

Of those who responded the *overall* outcome was that they wished to keep the scheme the same with 68% confirming this to be their preference. Interestingly the responses were weighted in favour of maintaining support at this level irrespective of whether the respondent was in receipt of Council Tax Reduction or not.

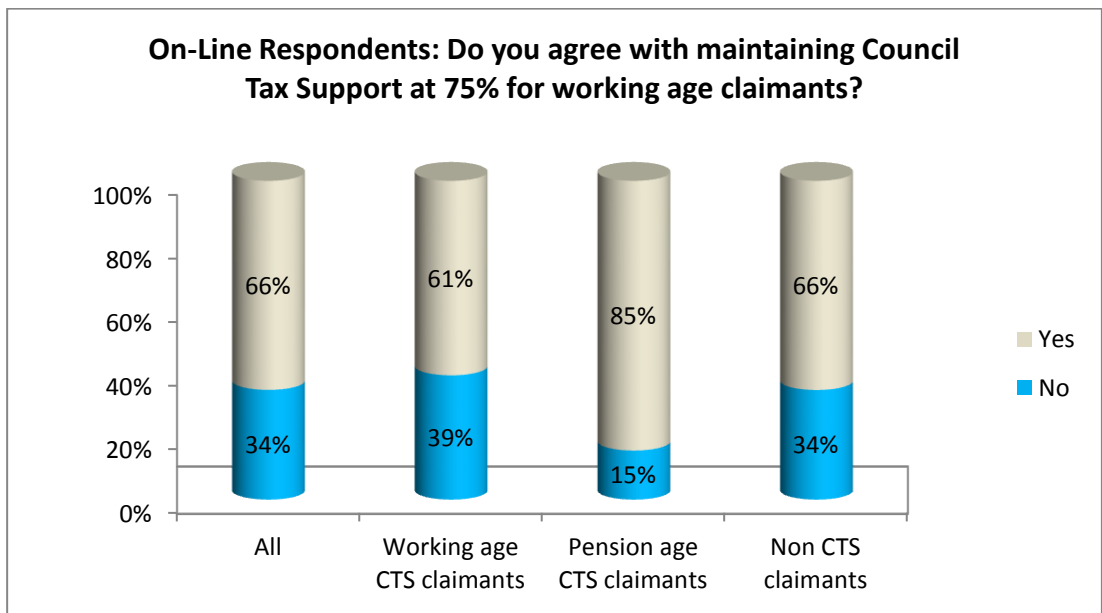


Analysis of Respondents by Survey Type.

Of the postal responses received, overall 74% were in favour of retaining the level of support at a maximum of 75%. Again the result was irrespective of whether they were in receipt of Council Tax Reduction or not.



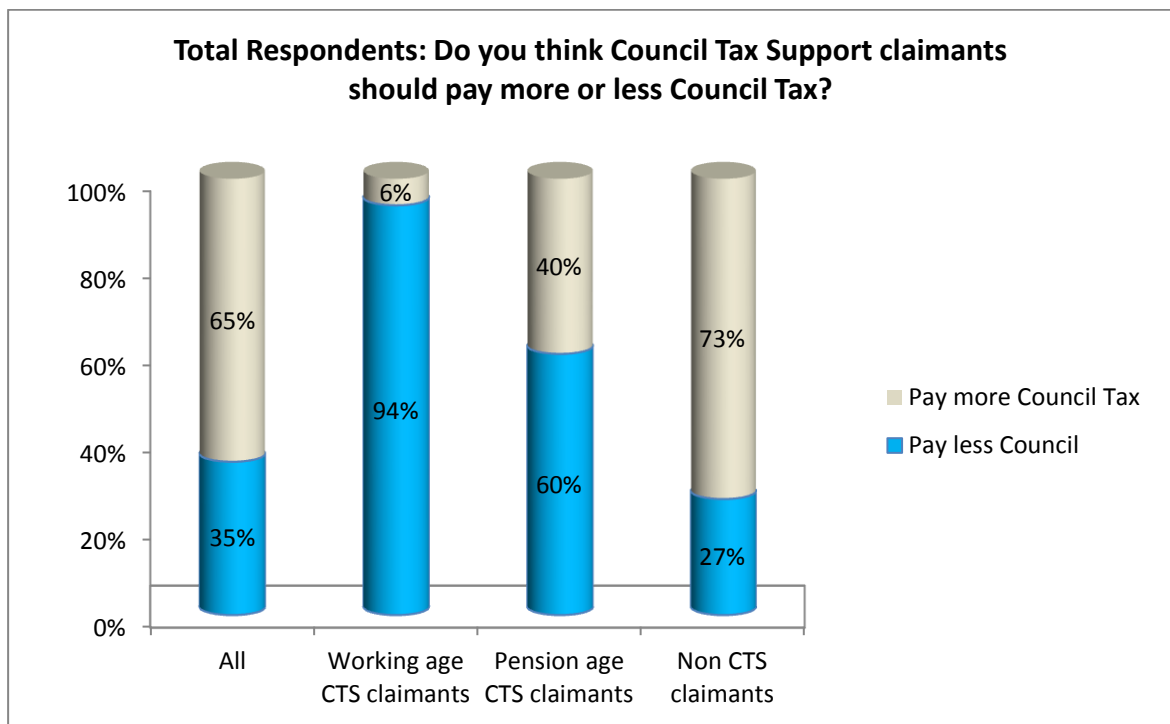
A similar situation was recorded with those who completed the survey on-line despite significantly higher numbers of respondents confirming that they were not in fact in receipt of Council Tax Reduction.



Question 1b.

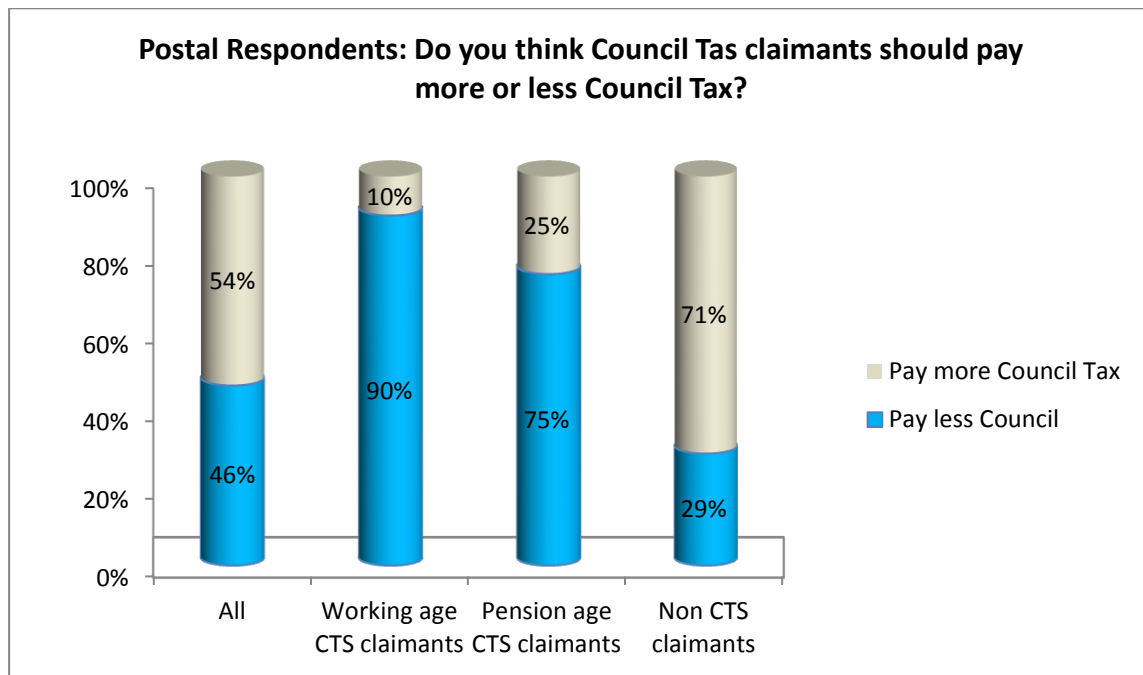
Overall response.

Of those who responded to state that they believe assistance should not be maintained at 75%, the *overall* outcome was that they wished to reduce the level of support thereby increasing the levels of Council Tax which recipients would need to pay. However, it should be noted that of the 65% of respondents who held this opinion the vast majority, 73%, were not themselves currently in receipt of Council Tax Reduction.

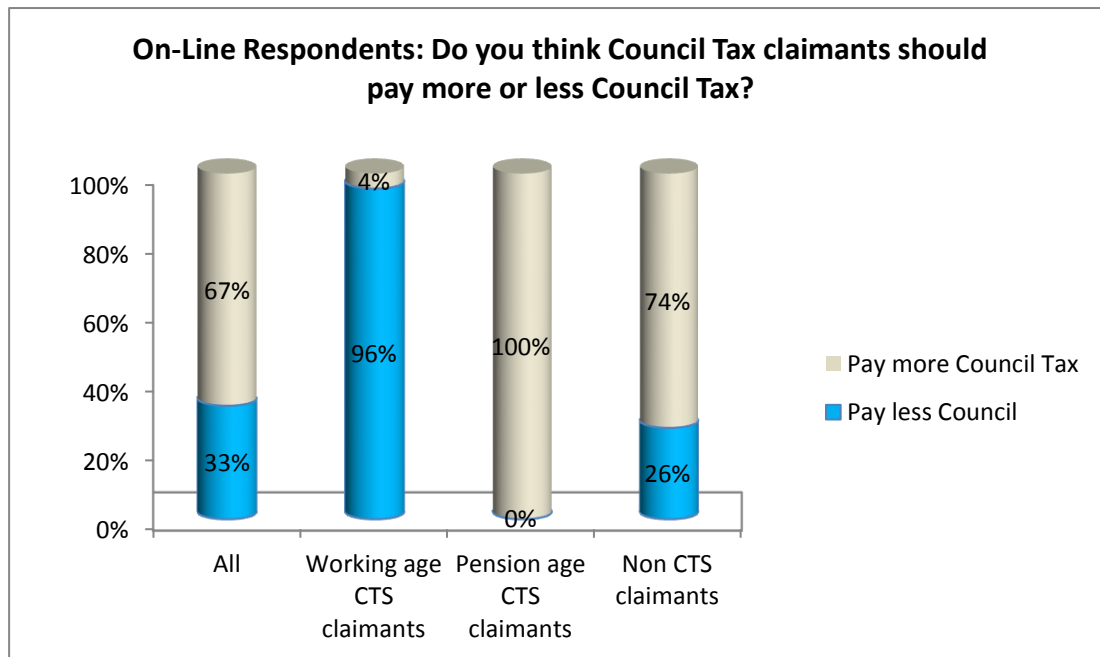


Analysis of Respondents by Survey Type.

Of the postal responses received, overall 54% were in favour of Council Tax Reduction claimants receiving less support and paying more Council Tax. Again this opinion was overwhelmingly supported by those not currently in receipt of support.



Of the on-line responses received, overall 67% were in favour of Council Tax Reduction claimants receiving less support and paying more Council Tax. Again this opinion was overwhelmingly supported by those not currently in receipt of support.



Question 2.

Q2 If you think that Council should increase the level of assistance for working-age people from 75%, how do you think this should be funded? In particular, should the Council increase Council Tax or cut other Council services or use the Council reserves, or all three?

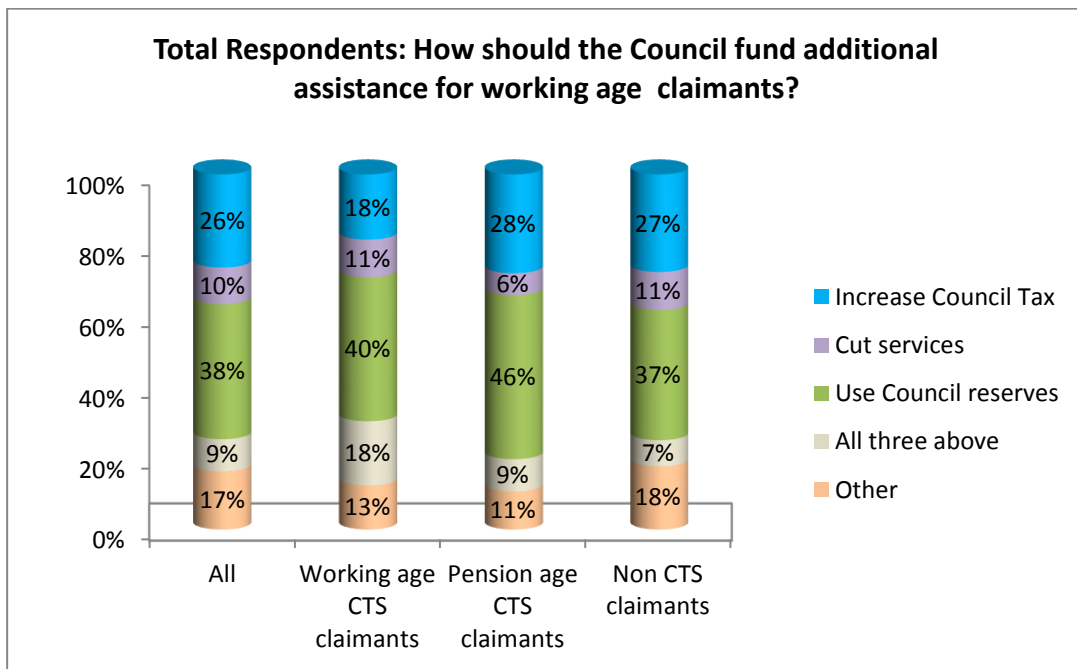
Please choose any of these that apply:

- a. Increase Council Tax
- b. Cut services
- c. Use Council reserves
- d. All three above
- e. Other

If you think services should be cut or have another suggestion, please write your answer here:

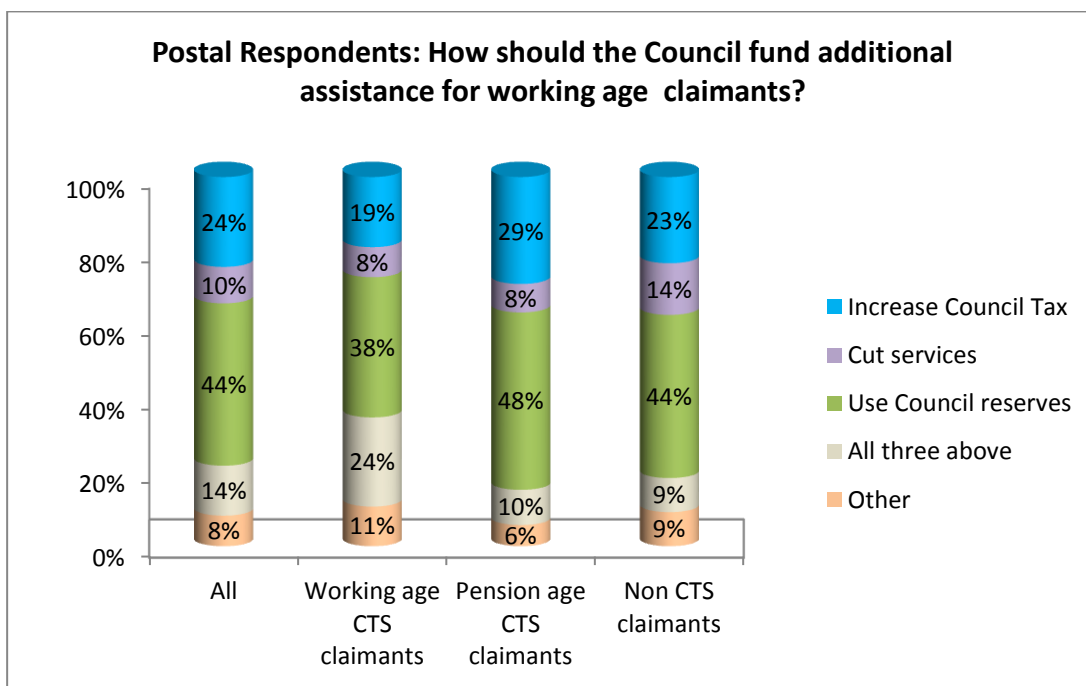
Overall response.

The overall response to this question was that the Council should use its reserves to fund any additional contribution to the Council Tax Reduction scheme with 38% stating this to be their preference. This question was also asked last year when again, this was the preference for respondent but, at the time, the % was slightly higher at 44%.

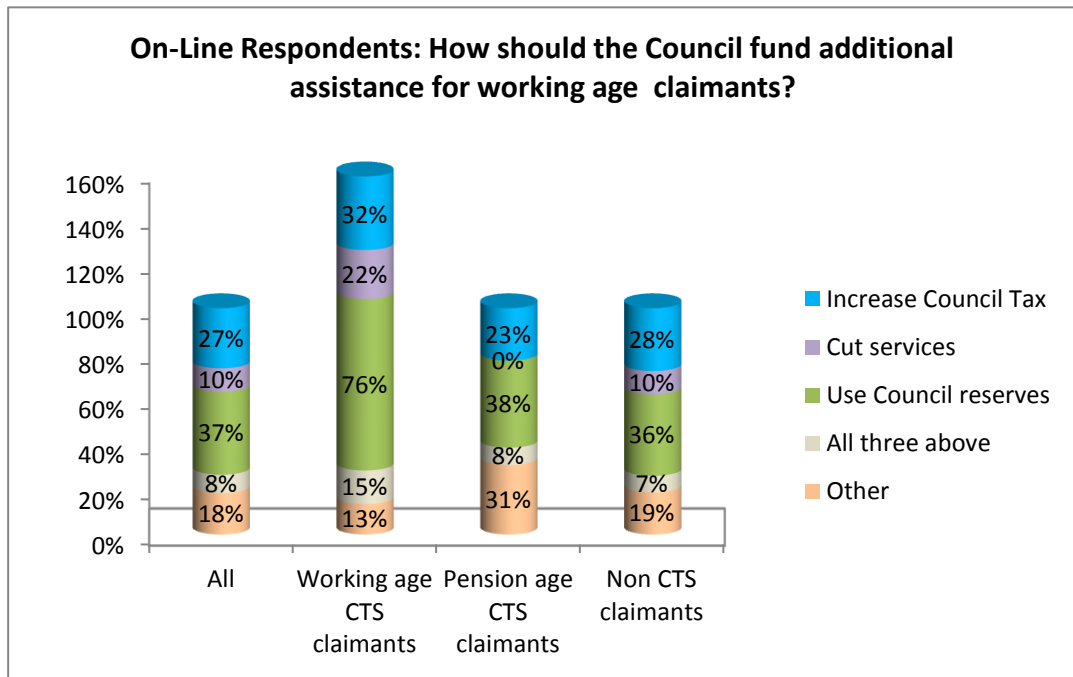


Analysis of Respondents by Survey Type.

Of those who completed the postal survey, 44% confirmed this to be their preferred option.



Of those who completed the on line survey 37% confirmed this to be their preferred option with the highest % of respondents choosing this option being those of working age who are currently in receipt of Council Tax Reduction.



Question 3.

Q3 The Council has a hardship fund of £100,000 to protect the most vulnerable. This is to provide extra help to residents who are experiencing exceptional financial hardship and are unable to pay their Council Tax.

	Yes	No
--	-----	----

a. Do you agree that there should be a hardship fund? Yes No

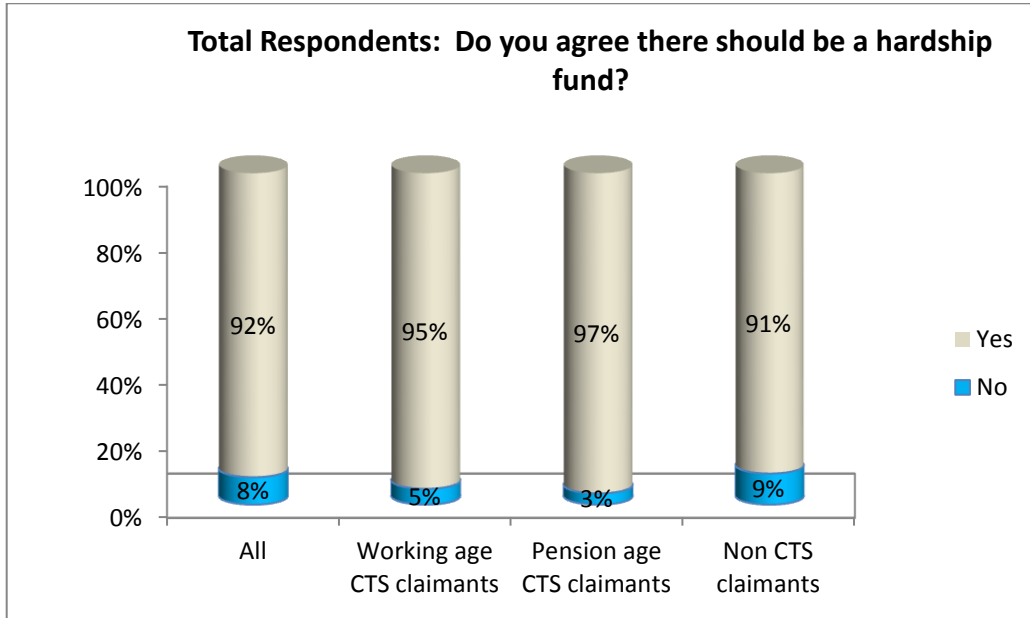
b. Do you agree the level of funding at £100,000 is correct? Yes No

If you disagree please write your answer here:

.....

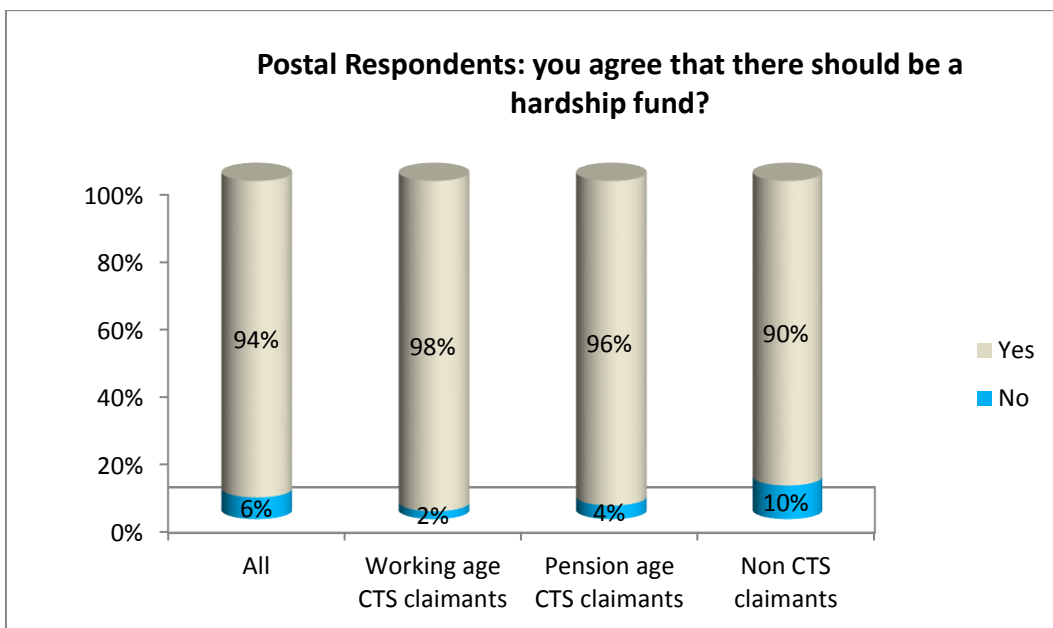
Overall response – part a.

The overall response to part (a) of this question was that, yes, the Council should have a hardship fund with 92% agreeing with this statement. This question was asked last year and the exact same % of respondents agreed at that time also.

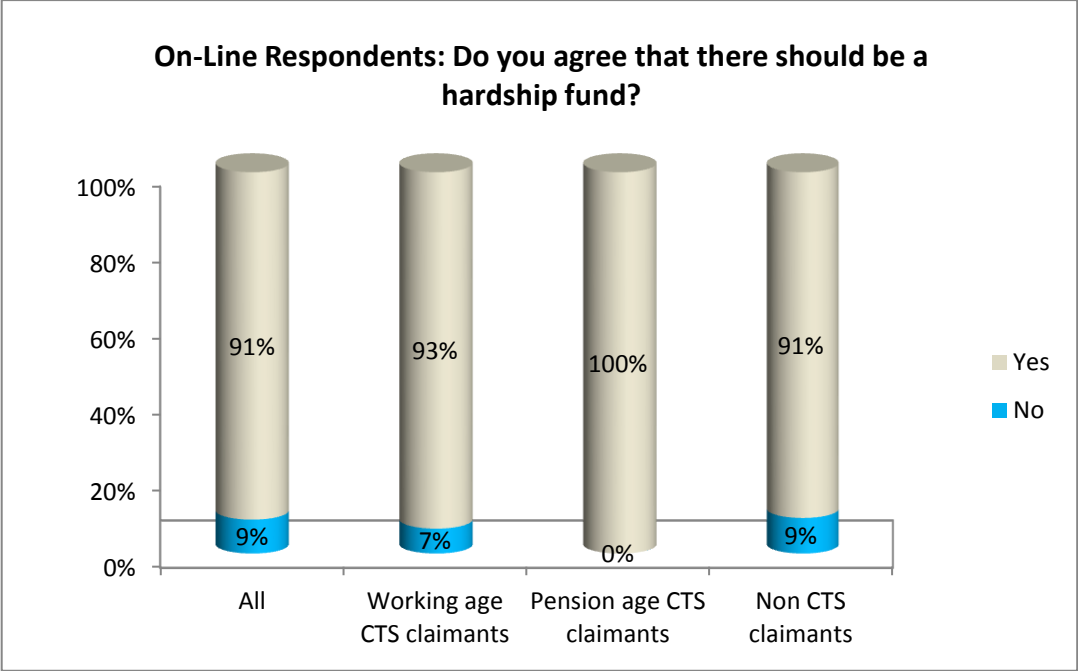


Analysis of Respondents by Survey Type.

Of those who completed the postal survey 94% confirmed that there should be a hardship fund with a slightly higher % of those in receipt of CTR agreeing with this statement, irrespective of their age.



Of those who completed the on line survey 91% confirmed that there should be a hardship fund with 100% of those of Pensionable Age, in receipt of CTR, agreeing with this statement. Interestingly, only 91% of those in receipt of CTR who were of working age and therefore most likely to benefit from a hardship fund agreed with the statement, however this is a significant increase upon the same group last year when only 67% agreed with this statement.



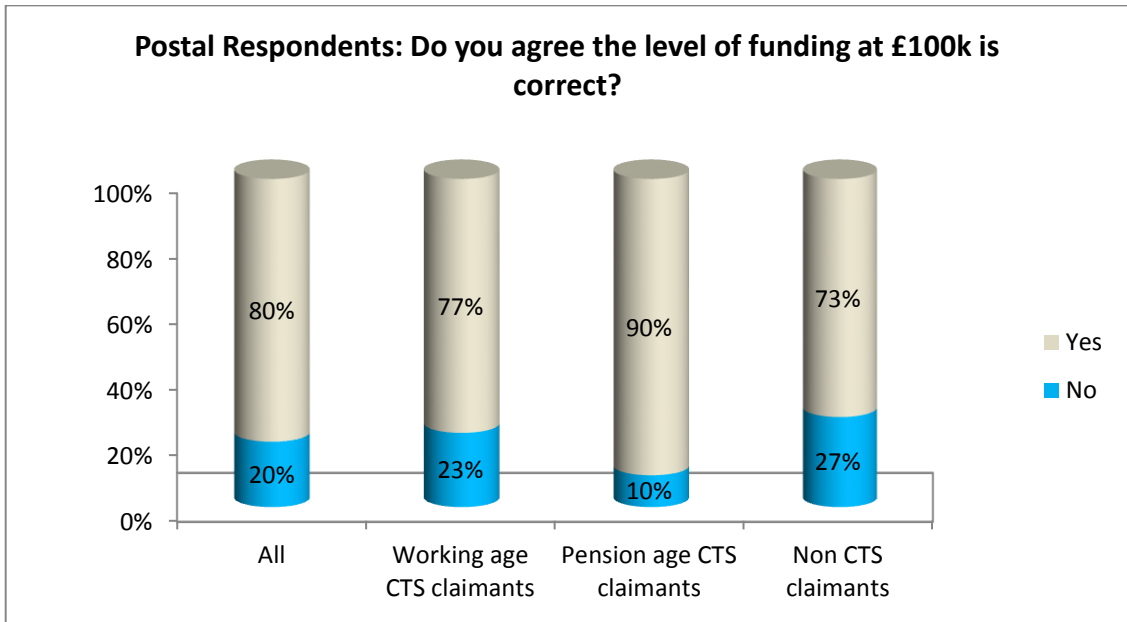
Overall response – part b.

The overall response to part (b) of this question was that, yes, the level of £100,000 for a hardship funding was correct with 66% agreeing with this statement, slightly down from the 71% recorded last year.

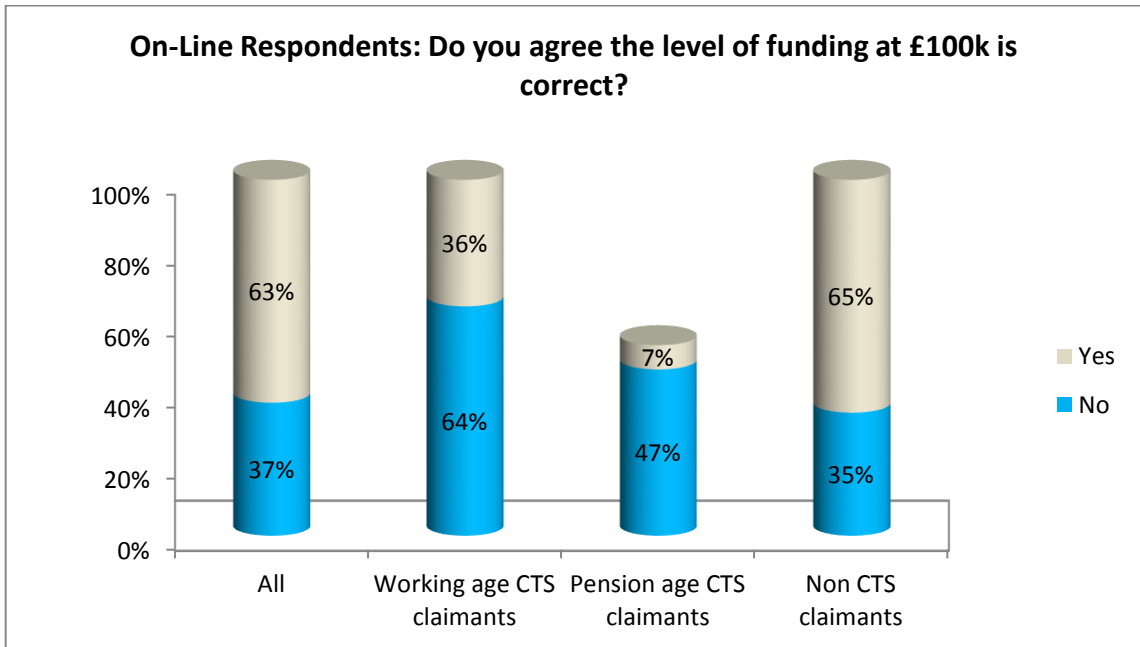
Of those who provided further commentary 39% believed that the sum should be increased and 12% that it should be decreased. Many of the other respondents felt that they were unable to comment without any further facts and figures being provided regarding the potential spend, numbers affected etc.

Analysis of Respondents by Survey Type.

Of those who completed the postal survey 80% confirmed that the sum of £100,000 was correct.



Of those who completed the on line survey only 63% confirmed that the sum of £100,000 in respect of a hardship fund was correct.



Question 4.

Question 4 provided the respondents with the opportunity to raise anything else which they believed should alter in respect of the CTR scheme.

Q4 Are there any other changes you would like to see to the Council Tax Support scheme for 2016/17 to 2017/18 or general comments regarding CTS?

Please write your answer here:

Where respondents did suggest changes, responses here fell into a number of broad categories with many suggesting the following:

- Undertaking better checks into those receiving CTR
- Increased protection for certain categories of people such as the disabled or carers
- Employing a sliding scale of assistance
- Limiting the support further e.g. to those living in the lowest CTAX band
- Helping citizens to help themselves through employment opportunities

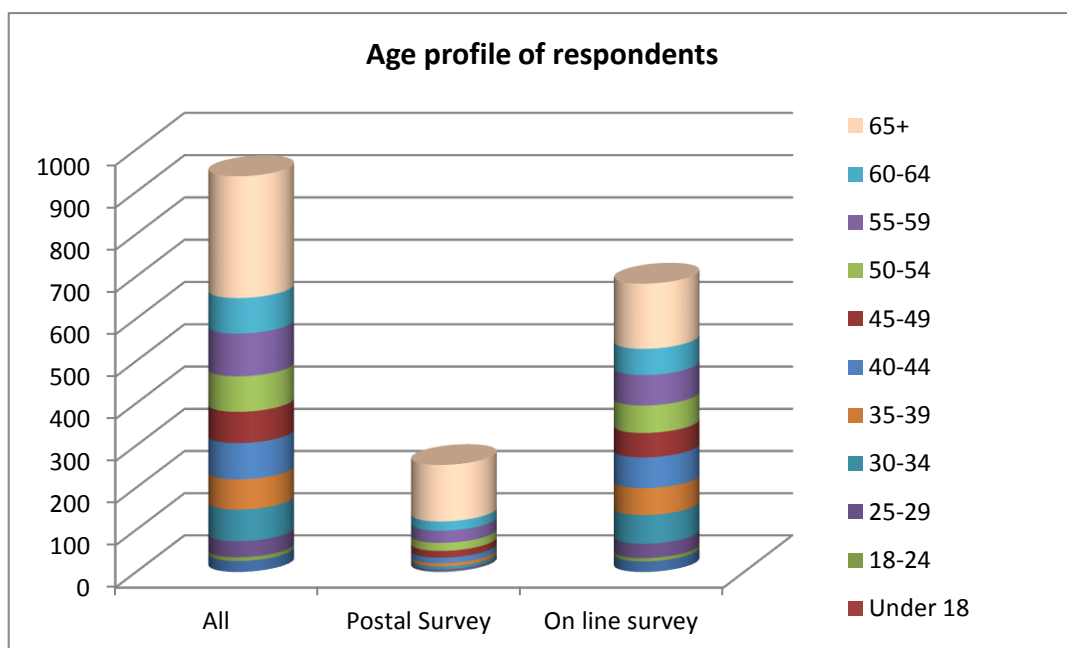
Equality and Diversity.

Standard questions relating to Equality and Diversity were included on the survey but it was made clear that answering these was not compulsory.

While 960 responses were received, not all respondents chose to complete the questions regarding their circumstances or ethnic background.

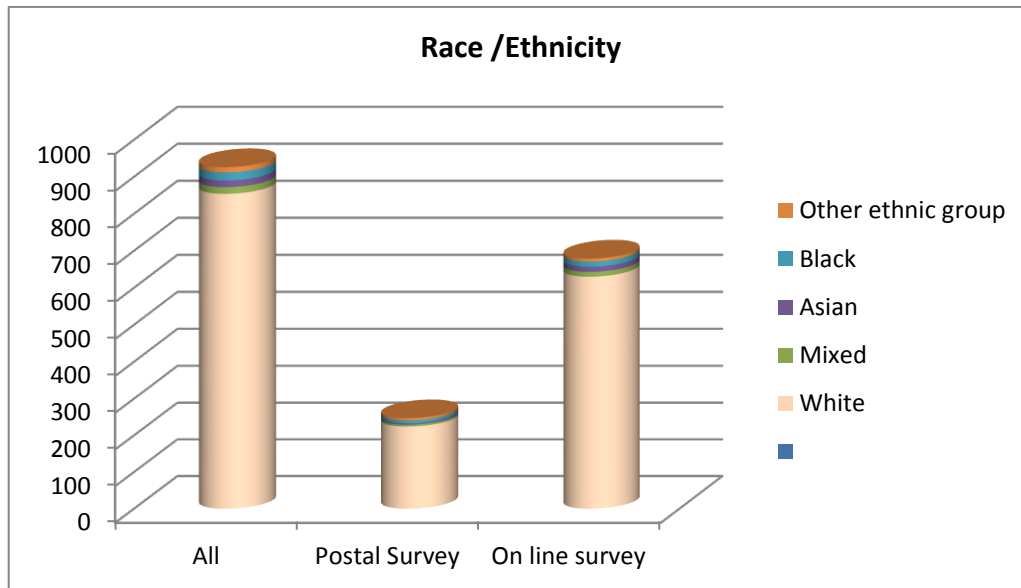
CTR Recipients.

Overall, 911 people confirmed their age with the highest volumes of respondents being from those aged over 65 years of age, irrespective of whether the survey was completed on-line or by post. The split between those in receipt of CTR and those not in receipt was almost even, being 440 and 520 respectively.



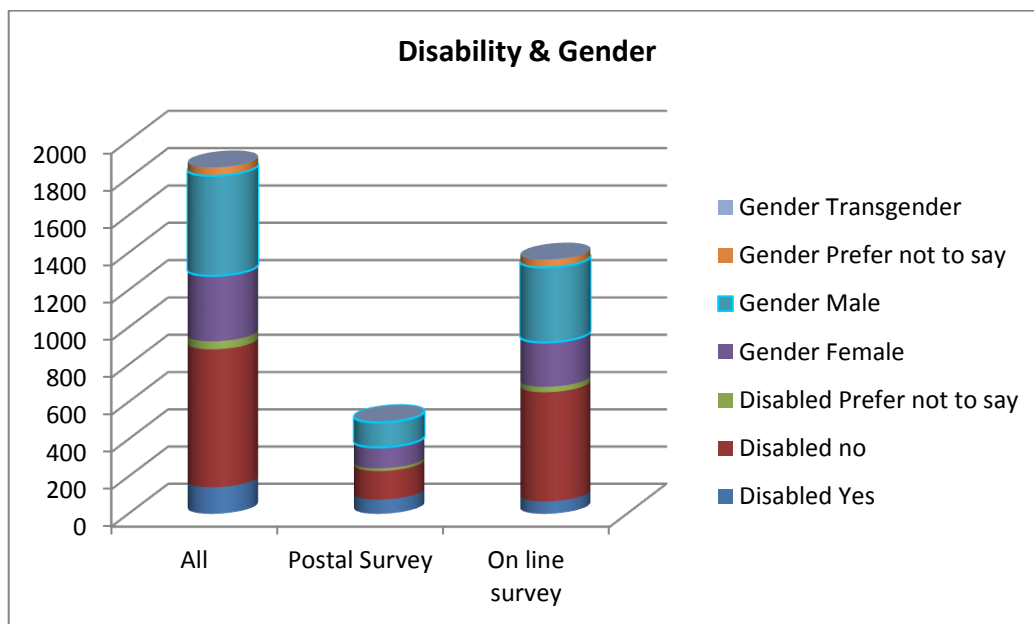
Ethnic Background.

926 respondents confirmed their ethnic background with the majority of respondents, 92%, stating that they were from a white background.



Disability and Gender.

883 respondents were happy to confirm whether they were disabled or not and 889 to confirm their gender. The analysis is shown below.



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**GREATER LONDON AUTHORITY
RESOURCES GROUP FINANCE**

City Hall
The Queen's Walk
More London
London SE1 2AA
Switchboard: 020 7983 4000
Minicom: 020 7983 4458
Web: www.london.gov.uk

Our ref: CTB Localisation
Your ref:
Date: 30 September 2016

John Nightingale
Head of Revenues and Benefits
London Borough of Bromley
Civic Centre, Stockwell Close,
Bromley, BR1 3UH

Dear John

**LONDON BOROUGH OF BROMLEY
DRAFT 2017-18 COUNCIL TAX SUPPORT SCHEME
GREATER LONDON AUTHORITY RESPONSE TO CONSULTATION**

Thank you for your email dated 8 August and attached documentation setting out the draft council tax support (CTS) scheme for 2017-18 which the London Borough of Bromley has issued for public consultation. The draft scheme options consulted on are summarised in this letter. This letter sets out the GLA's response to the consultation.

Introduction

Firstly, the GLA recognises that the determination of council tax support schemes under the provisions of the Local Government Finance Act 2012 are a local matter for each London borough. Individual schemes need to be developed which have regard to specific local circumstances, both in respect of the potential impact of any scheme on working age claimants (particularly vulnerable groups) and more generally the financial impact on the council and local council tax payers – and therefore the final policies adopted may, for legitimate reasons, differ across the capital's 33 billing authorities.

This fact notwithstanding the GLA also shares in the risks and potential shortfalls arising from the impact of council tax benefit localisation in proportion to its share of the council tax in each London billing authority. It is therefore important that we are engaged in the scheme development process and have an understanding both of the factors which have been taken into account by boroughs in framing their proposals as well as the data and underlying assumptions used to determine any forecast shortfalls which will inform the final scheme design.

Framing and Publicising Proposals

The Government has expressed a clear intention that in developing their scheme proposals billing authorities should ensure that:

- Pensioners see no change in their current level of awards whether they are existing or new claimants
- They consider extending support or protection to other vulnerable groups
- Local schemes should support work incentives and in particular avoid disincentives to move into work

The GLA concurs with those general broad principles and would encourage all billing authorities in London to have regard to them in framing their schemes. We note in particular that Bromley currently has a hardship fund of £100,000 which it uses to provide extra support to residents who are experiencing exceptional financial hardship and are unable to pay their council tax. The GLA regards the amount held in such funds to be a matter for local determination which will likely include consideration of forecast local need and likely uptake by claimants alongside wider resourcing issues.

The GLA considers that before finalising their 2017-18 schemes billing authorities should re-examine the challenges which they will face in collecting relatively small sums of money from claimants on low incomes who may not be in a position to pay by direct debit or other automatic payment mechanisms based on their experiences in the first four years of the localised system.

The 2017-18 Scheme

In April 2013 the London Borough of Bromley created its own council tax support (CTS) scheme to replace the old council tax benefit (CTB) system; that CTS scheme is now in its fourth year. Under the current 2016-17 scheme the maximum amount of CTS available to non-vulnerable working age claimants is 75% of their council tax liability. We note that in order to introduce the change for residents gradually, on introduction of the localised scheme in April 2013 the Council initially capped the maximum amount of support at 91.5%, increasing it to 81% in 2014-15.

The London Borough of Bromley's preferred option for 2017-18 is to maintain the maximum level of support for CTS claimants at 75%. We note also your Council's intention to continue uprating CTS in line with those levels adopted in respect of Housing Benefit.

The GLA has no specific comments on these proposals at this stage as it regards them as being a legitimate matter for local determination, notwithstanding the need for the Council to consider the equalities impact of its final decision and the potential impact on vulnerable groups.

Financial Implications of the Proposed 2017-18 Scheme

We note Bromley's statement that increasing the current level of maximum support (75%) would require the Council to fund the additional costs through means such as raising council tax; reducing council services; using reserves; or a combination of the three.

It would be helpful for the GLA's planning purposes if Bromley could provide us with an updated forecast total cost for the 2017-18 council tax support scheme based on its forecast 2016-17 caseload taking into account any developments since the public consultation was launched – ideally apportioning all elements between the GLA and the Council having regard to 2016-17 council tax shares. This would also allow the GLA to calculate its share of the cost of the scheme proposed by Bromley.

Technical Reforms to Council Tax

The GLA considers that in formulating its council tax support scheme each billing authority should both consider and address the impact of the additional revenue it is expecting to raise from the technical reforms to council tax introduced in the Local Government Finance Act 2012, which provide greater flexibility in relation to discounts, exemptions and premiums for second and empty homes. The additional revenues from the technical reforms could be used to reduce any shortfalls and thus the sums which need to be recovered from working age claimants via any changes to council tax support.

The GLA understands that in 2016-17 Bromley has the following policies in place:

- For properties requiring or undergoing major repairs or structural alterations (former class A): a 0% discount
- For properties unoccupied and substantially unfurnished (former class C): a 0% discount
- Second homes: 0% discount
- Long-term empty properties: The London Borough of Bromley has chosen not to apply a 50% premium on properties that have been unoccupied and substantially unfurnished for a continuous period of two years.

We would encourage the Council to inform us as soon as possible of any changes to its discount policies in order to assist us in assessing the potential impact on the Mayor's funding and tax base for 2017-18 and future years.

Setting the Council Tax Base for 2017-18 and Assumptions in Relation to Collection Rates

The Council will be required to set a council tax base for 2017-18 taking into account the potential impact of the discounts the Council may introduce in respect of council tax support and any potential changes the Council may implement regarding the changes to the treatment of second and empty homes.

The Council will need to make a judgement as to the forecast collection rates from those claimants and council taxpayers affected by any changes to council tax support, taking into account the experience in the first four years of the council tax support arrangements. The GLA notes that across London collection rates for council tax support recipients have generally been better than had originally been forecast prior to the introduction of localised council tax support schemes. The GLA notes that in 2015-16 Bromley's overall council tax collection rate was 97.8% compared to 97.7% in 2014-15.

The GLA would encourage the Council to provide it with an indicative council tax base forecast as soon as options are presented to members for approval in December or January (if not before) in order that it can assess the potential implications for the Mayor's budget for police, fire and other services for 2017-18. This should ideally be accompanied by supporting calculations disclosing any assumptions around collection rates and discounts granted having regard to the final council tax support scheme design.

Collection Fund and Precept Payments

By 23 January 2017 the Council is required to notify the GLA of its forecast collection fund surplus or deficit for 2016-17, which will reflect the cumulative impact of the first three years of the localisation of council tax support. The GLA would encourage the Council to provide it with this information as soon as it is available.

I would like to thank you again for consulting the GLA on your proposed council tax support options for 2017-18.

Yours sincerely

Martin Mitchell
Finance Manager

Impact Assessment for Council Tax Support

London Borough of Bromley

Part 1: Description of policy change and its relevance to equality

Category of trigger for Impact Assessment: Re-adoption of existing policy

Background

Council Tax Benefit (CTB) was abolished on the 01 April 2013. The Local Government Act replaced CTB for working age claimants with a scheme to be designed by the local authority – Council Tax Support (CTS). Funding was no longer demand led, but based on an estimate of Borough caseloads, with an initial overall budget 10% lower than that of CTB. Residents meeting the state pension credit age being eligible for a separate national scheme to "leave them no worse off than they are now".

Reason for review

Bromley adopted a 2 year scheme in January 2013 for the financial years 2013/14 and 2014/15. The scheme was based on a minimum liability of 8.5% for 2013/14 and 19% for 2014/15. This scheme was retained for 2015/16 before revision to a 25% minimum contribution for 2016/17. It is proposed that the minimum contribution remains at 25% for 2017/18

CTS is a local scheme to assist those who are on a low income to meet their Council Tax liability. Individuals apply for CTS and if their income is below a certain level, which takes account of their circumstances, they are eligible for a reduction on their Council Tax bill.

The "generosity" of the scheme has a direct impact on the Authority's finances. Therefore, the cost of the scheme will influence service provision in other areas, reserves and/or the Council Tax level.

Consultation on the scheme for 2017/18

Views on the retention of the proposed scheme have been sought from the Greater London Authority and a sample of Bromley households. These households included those currently in receipt of CTS as well as those meeting their Council Tax liability from their own means.

Part 2 — Collection of Evidence — what do we know?

Description of data used

In order to assess the impact of this policy change, Bromley has used information from a variety of different sources including:

- Data collected from records from the Council Tax and Housing Benefit systems;
- Consultation responses – including equality monitoring data;
- Census 2011 first release data;
- Bromley's Budget Strategy & other financial information about the service

General Information - Bromley's population and evidenced inequality

The most up to date information about Bromley's population from the Census 2011 first release can be found here:

http://www.bromley.gov.uk/download/downloads/id/1557/census_2011_-_first_data_release_bromley_only

http://www.bromley.gov.uk/info/200088/statistics_and_census_information/322/census/10

Financial Information and Impact

The impact of this proposed scheme will affect all working-age claimants from the 1/4/17. For the financial year 17/18 it is proposed that the maximum amount of assistance available to working-age claimants under the CTS scheme will be unchanged. Calculations have been supplied based on a minimum liability of 25% using the current years (16/17) Council Tax levels.

Table 1 - Financial Impact of Introduction of Local Scheme

	2016/17 Liability	2016/17 Maximum assistance Pensionable Age	2016/17 Maximum assistance under proposed CTS (75%)	2016/17 Minimum weekly amount to pay (25%)
Band A - Full Charge	£898.18	£898.18	£673.64	£4.31
Band A - with 25% discount	£673.64	£673.64	£505.23	£3.23
Band B - Full Charge	£1,047.88	£1,047.88	£785.91	£5.02
Band B - with 25% discount	£785.91	£785.91	£589.43	£3.77
Band C -Full Charge	£1,197.57	£1,197.57	£898.18	£5.74
Band C - with 25% discount	£898.18	£898.18	£673.64	£4.31
Band D - Full Charge	£1,347.27	£1,347.27	£1,010.45	£6.46
Band D - with 25% discount	£1,010.45	£1,010.45	£757.84	£4.84
Band E - Full Charge	£1,646.06	£1,646.06	£1,234.55	£7.89
Band E - with 25% discount	£1,234.55	£1,234.55	£925.91	£5.92

Band F - Full Charge	£1,946.06	£1,946.06	£1,459.55	£9.33
Band F - with 25% discount	£1,459.55	£1,459.55	£1,094.66	£7.00
Band G - Full Charge	£2,245.45	£2,245.45	£1,684.09	£10.77
Band G - with 25% discount	£1,684.09	£1,684.09	£1,263.07	£8.07
Band H - Full Charge	£2,694.54	£2,694.54	£2,020.91	£12.92
Band H - with 25% discount	£2,020.91	£2,020.91	£1,515.68	£9.69

Breakdown of current claimants

In order to understand how the proposed changes will impact on different protected groups Bromley has examined data, where available, based on the current benefit caseload. Data is available on the following: age, gender and disability which are noted in Table 2. There is very limited data available on the ethnic breakdown of current claimants as the appropriate section is seldom completed on the application form.

Table 2 - Breakdown of Current claimants Council Tax Support

Type	Total	Female	Male	Disabled	Disabled female	Disabled male	DLA/PIP Income
Working age - Passported (equalisation definition)							
Single no child dependant	3333	1683	1650	1289	644	645	1580
Single with child dependant	2496	2396	100	238	223	15	622
Couple no child dependant	300	129	171	112	44	68	200
Couple with child dependant	481	253	228	99	36	63	276
Working age - Non Passported							
Single no child dependant	938	506	432	182	91	91	196
Single with child dependant	1379	1333	46	35	34	1	116
Couple no child dependant	94	28	66	30	8	22	49
Couple with child dependant	628	306	322	27	13	14	104
Total Working age	9649	6634	3015	2012	1093	919	3143
Pensioner- Passported	4475	2949	1526	1212	882	330	825
Pensioner- Non Passported	2207	1263	944	527	304	223	264
Total Pensioner	6682	4212	2470	1739	1186	553	1089
Overall Total	16331	10846	5485	3751	2279	1472	4232

The table below provides some additional evidence by protected characteristic that has been used to complete this EIA.

Protected Characteristic	Evidence																																																							
Age	<p>Please see table 2 for detailed breakdown</p> <p>9,649 (59.08%) of current claimants are under Pension Credit age and will be affected by the Authority's Council Tax Support policy. <i>Data based on Sep 2016 caseload. Caseload numbers may fluctuate on a daily basis.</i></p> <p>The data demonstrates that 3875 (40.2%) of current working-age claimants are single parent families with child dependents</p>																																																							
Disability	<p style="text-align: center;">Bromley's population</p> <p>The following table shows the number and percentage of working-age residents in receipt of benefits, including those related to sickness and Disability (latest identified data – Feb 2016).</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Bromley (numbers)</th> <th style="text-align: center;">Bromley (%)</th> <th style="text-align: center;">London (%)</th> <th style="text-align: center;">Great Britain (%)</th> </tr> </thead> <tbody> <tr> <td>Total claimants</td> <td style="text-align: center;">17,080</td> <td style="text-align: center;">8.5</td> <td style="text-align: center;">10.3</td> <td style="text-align: center;">11.8</td> </tr> <tr> <td colspan="5" style="text-align: center;">By statistical group</td> </tr> <tr> <td>Job seekers</td> <td style="text-align: center;">2,030</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.7</td> <td style="text-align: center;">1.5</td> </tr> <tr> <td>ESA and incapacity benefits</td> <td style="text-align: center;">8,250</td> <td style="text-align: center;">4.1</td> <td style="text-align: center;">5.1</td> <td style="text-align: center;">6.2</td> </tr> <tr> <td>Lone parents</td> <td style="text-align: center;">1,960</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.1</td> <td style="text-align: center;">1.1</td> </tr> <tr> <td>Carers</td> <td style="text-align: center;">2,310</td> <td style="text-align: center;">1.1</td> <td style="text-align: center;">1.2</td> <td style="text-align: center;">1.6</td> </tr> <tr> <td>Others on income related benefits</td> <td style="text-align: center;">290</td> <td style="text-align: center;">0.1</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">0.2</td> </tr> <tr> <td>Disabled</td> <td style="text-align: center;">1,900</td> <td style="text-align: center;">0.9</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Bereaved</td> <td style="text-align: center;">340</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">0.1</td> <td style="text-align: center;">0.2</td> </tr> <tr> <td>Key out-of-work benefits'</td> <td style="text-align: center;">12,530</td> <td style="text-align: center;">6.2</td> <td style="text-align: center;">8.1</td> <td style="text-align: center;">9.0</td> </tr> </tbody> </table> <p>Source: DWP benefit claimants - working age client group</p> <p>Key out-of-work benefits include the groups: job seekers, ESA and incapacity benefits parents and others on income related benefits. See the Definitions and Explanations for details Note: % is a proportion of resident population of area aged 16-64. Figures do not yet include Universal Credit</p> <p style="text-align: center;">Breakdown of current claimants</p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"> • 2012 (20.85%) of current claimants below pension credit age have declared a disability • 3143 (32.57%) are receiving DLA/PIP 		Bromley (numbers)	Bromley (%)	London (%)	Great Britain (%)	Total claimants	17,080	8.5	10.3	11.8	By statistical group					Job seekers	2,030	1.0	1.7	1.5	ESA and incapacity benefits	8,250	4.1	5.1	6.2	Lone parents	1,960	1.0	1.1	1.1	Carers	2,310	1.1	1.2	1.6	Others on income related benefits	290	0.1	0.2	0.2	Disabled	1,900	0.9	0.8	1.0	Bereaved	340	0.2	0.1	0.2	Key out-of-work benefits'	12,530	6.2	8.1	9.0
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Sex	<p style="text-align: center;">Bromley population</p> <p>According to nomis official labour market stats Bromley's population (2015) is 51.95% female and 48.05% male</p> <p style="text-align: center;">Breakdown of current claimants</p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <p style="text-align: center;">68.75% of current claimants under pensionable age are female</p> <p>Indicates that women are over represented amongst our CTS claimants</p>																																																							
Gender reassignment	<p>The Council does not anticipate this policy will have a particular equality impact on this protected group.</p>																																																							

Pregnancy & Maternity	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Race	<p style="text-align: center;">Bromley population - Current claimants</p> <p>As advised earlier, there is very limited data available on the ethnic breakdown of the current claimants as only a few complete the non-mandatory section of the form.</p> <p style="text-align: center;">Borough wide information</p> <p>It was estimated in mid-2014 that 15.7% of its population were "non-white". Bromley has a less ethnically diverse population than most other London boroughs, although a distinctive group within the borough is a settled traveller community in the Crays with an estimated 2,000 members, this is the largest such community in Britain and one of the largest in Europe.</p>
Religion & Belief	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Civil Partnerships & Marriage	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Sexual Orientation	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.

Part 3 - Analyse of evidence and description of the impact

Characteristic	Actual or likely impacts (negative/positive/no impact) and justification	Actions to be taken to mitigate potential negative impacts <small>(include name of lead and estimated date of completion)</small>
Age	<p>Neutral impact for pension age claimants as the Government has stipulated this group must have their claims assessed as they are now.</p> <p>Given the large number of CTS claimants that are single parent families with dependent children increases in the minimum contribution would have a negative impact on levels of child poverty. There is insufficient evidence to be certain what this impact will be.</p>	<p>It is proposed a hardship fund be retained for those faced with exceptional circumstances. It is further planned to retain all aspects of the current CTS scheme that provides assistance by way of disregards of income and increased allowances.</p> <p>The Council will monitor the impact on this Client group through monitoring of communications, complaints, appeals, request for discretionary awards</p>

		<p>Responsible Officer(s) Welfare Reform Manager & Head of Revenues & Benefits — Monitoring to be ongoing</p>
Disability	<p>Any increased level of 'contribution' will have a negative impact on current and future disabled CTS claimants as working age claimants will have to pay more towards their council tax bill.</p>	<p>The proposed Council Tax Support scheme allows for the complete disregard of certain income types such as Disability Living Allowance/PIP and the award of Disability premiums in the benefit calculation. These will be retained to mitigate the impact on those who are disabled. The planned continuation of the hardship scheme for those faced with exceptional circumstances will further alleviate any impact on the disabled.</p> <p>Responsible Officer(s) Welfare Reform Manager & Head of Revenues & Benefits — Monitoring to be ongoing</p>
Sex	<p>Females are disproportionately represented amongst current CTS claimants.</p> <p>Any reduction in the level of assistance given would have a negative impact on current and future working age CTS claimants (regardless of gender) as claimants would have to contribute more towards their council tax bill then they have had previously.</p> <p>Although any change in the scheme would be applied universally (i.e. men and women would face the same reduction in CTS) our evidence makes clear that a greater proportion of current CTS claimants are women and therefore as a protected group women would feel the impact of any change in greater numbers.</p>	<p>Monitoring of the impact on women who claim Council Tax Support will continue. In order to mitigate impact it is proposed that the scheme retains the income disregards and allowances that are predominately received by females for example allowances in respect of child care costs. The planned continuation of the hardship scheme will provide a further safeguard for those faced with exceptional circumstances.</p> <p>Responsible Officer(s) Head of Revenues & Benefits — Monitoring to be ongoing</p>
Gender reassignment	<p>No specific impact identified other than all claimants will have to contribute more towards their council tax bill</p>	

Pregnancy & Maternity	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Race	<p>Any reduction in the level of assistance provided would have a negative impact on current and future CTS claimants (regardless of race) as some claimants will have to contribute more towards their council tax bill than they have had previously.</p> <p>There is very limited evidence available to quantify if there will be a differential impact on the different ethnicities.</p>	<p>In order to mitigate any adverse impact is proposed that a hardship fund is retained for those faced with exceptional circumstances.</p> <p>Responsible Officer(s) Head of Revenues & Benefits — Monitoring to be ongoing.</p>

	There is evidence to indicate that BME communities are more likely to be unemployed and, therefore, possibly more reliant on CTS. However, there is insufficient evidence on current claimants to demonstrate this is in fact the case in Bromley.	
Religion & Belief	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Civil Partnerships & Marriage ²	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Sexual Orientation	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	

Part 5 — Completion and authorisation

Officer completing assessment	John Nightingale, Head of Revenues and Benefits
EIA completed	
Officer responsible for monitoring impact	John Nightingale
Date EIA is scheduled to be reviewed	March 2018

Report No.
CSDF16184

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: CAPITAL PROGRAMME

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: Cray Valley West, Copers Cope, Clock House, Kelsey and Eden Park

1. Reason for report

- 1.1 At its meeting on 30th November 2016 the Executive received the attached report seeking approval for a revised capital programme. The report contained one recommendation for full Council - to include the scheme for land acquisition at Cornwall Drive, St Paul's Cray in the Capital Programme, which the Executive supported.
- 1.2 At an earlier meeting on 18th October 2016, the Executive considered and approved two further reports (also attached) recommending that full Council approve capital funding for the Beckenham Town Centre Improvement Scheme and Highways Investment proposals.
-

2. **RECOMMENDATIONS**

That Council approves the following schemes for inclusion in the Capital Programme —

- (1) A scheme of land acquisition at the end of Cornwall Drive, St Paul's Cray at a total cost of £2,709k (£2,409k to be funded by the Environment Agency and a £300k contribution from the 2016/17 Central Contingency).**
- (2) Capital funding of £1,145k, of which £995k is from capital receipts and £150k from the earmarked reserve, for the Beckenham Town Centre Improvement Scheme.**
- (3) £11.8m capital funding for investment in planned highway maintenance to be funded from capital receipts**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

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

Financial

1. Cost of proposal: See attached reports
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: ££ 138.7m over 4 years 2016/17 to 2019/20
 5. Source of funding: capital grants, capital receipts and earmarked revenue contributions
-

Personnel

1. Number of staff (current and additional): 1fte
 2. If from existing staff resources, number of staff hours: 36
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

Non-Applicable Sections:	Impact on Vulnerable adults and Children/ Policy/Legal/Financial/Personnel/Procurement
Background Documents: (Access via Contact Officer)	See attached reports

Decision Maker: Executive
Council

Date: Executive 30th November 2016
Council 12th December 2016

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING – 2ND QUARTER 2016/17

Contact Officer: James Mullender, Principal Accountant
Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

This report summarises the current position on capital expenditure and receipts following the 2nd quarter of 2016/17 and seeks the Executive's approval to a revised Capital Programme.

2. RECOMMENDATION(S)

2.1 The Executive is requested to:

- (a) Note the report, including the rephrasing of £26,655k from 2016/17 into later years (see para 3.3.10), and agree a revised Capital Programme;
- (b) Approve the following amendments to the Capital Programme:
 - (i) Inclusion of an additional £106k funding from S106 receipts for Orpington Town Centre - Walnut Centre & New Market Infrastructure (see para 3.3.1);
 - (ii) A supplementary capital estimate of £52k to the Performance Management/Children's Services - information technology capital scheme for the Eclipse system, offset by a corresponding reduction in the Social Care Grant scheme (see para 3.3.2);
 - (iii) Deletion of £45k residual balance on Pavilion Leisure centre redevelopment & refurbishment, and Central Library/Churchill Theatre - chillers and controls, which have reached completion (see paras 3.3.3 and 3.3.4);
 - (iv) Transport for London - Revised Support for Traffic and Highway Schemes (£657k addition to match funding available) (see para 3.3.5), and

- (v) Section 106 receipts from developers - net increase of £492k to reflect the funding available and remaining unallocated balance (see para 3.3.6).**
- (c) Recommend to Council that a scheme for Land Acquisition - Cornwall Drive be included the Capital Programme with a budget of £2,709k (see para 3.4.1), and**

2.2 Council is requested to:

- (a) Agree the inclusion of a scheme for Land Acquisition - Cornwall Drive in the Capital Programme with a budget of £2,709k (see para 3.4.1).**

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The Council continuously reviews its property assets and service users are regularly asked to justify their continued use of the property. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley". The capital review process requires Council Directors to ensure that bids for capital investment provide value for money and match Council plans and priorities
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Estimated Cost: Total increase of £1.2m over the 4 years 2016/17 to 2019/20, mainly due to £657k revised support for Traffic and Highway Schemes, £492k net increase in Section 106 receipts from developers to reflect the funding available and remaining unallocated balance
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £138.7m over 4 years 2016/17 to 2019/20
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 1 fte
 2. If from existing staff resources, number of staff hours: 36
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: 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? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Capital Expenditure

3.1.1 Appendix A sets out proposed changes to the Capital Programme following a detailed monitoring exercise carried out after the 2nd quarter of 2016/17. The base position is the revised programme approved by the Executive on 20th July 2016, as amended by variations approved at subsequent Executive meetings. If the changes proposed in this report are approved, the total Capital Programme 2016/17 to 2019/20 would increase by £1,210k, mainly due to a £657k increase on TfL funded highway and Traffic schemes, and an increase of £492k in the S106 unallocated budget to reflect the current funding available

The variations are summarised in the table below, with further detail set out in Appendix A.

	2016/17	2017/18	2018/19	2019/20	TOTAL 2016/17 to 2019/20
	£000	£000	£000	£000	£000
Programme approved by Executive 20/07/16	72,575	39,308	4,336	4,306	120,525
Variations approved at subsequent Executive meetings	16,888	82	0	0	16,970
Approved Programme prior to 2nd Quarter Monitoring	89,463	39,390	4,336	4,306	137,495
Variations requiring the approval of the Executive	1,238 Cr	28	0	0	1,210
Variations not requiring approval:					
Net rephasing from 2016/17 into later years	Cr 26,655	17,175	9,270	210	0
Total Amendment to the Capital Programme	Cr 25,417	17,147	9,270	210	1,210
Total Revised Capital Programme	64,046	56,537	13,606	4,516	138,705
Assumed Further Slippage (for financing purposes)	Cr 5,000	2,000	2,000	2,000	1,000
Assumed New Schemes (to be agreed)	0	0	2,500	2,500	5,000
	Cr 5,000	2,000	4,500	4,500	6,000
Projected Programme for Capital Financing Forecast (see Appendix C)	59,046	58,537	18,106	9,016	144,705

3.2 Variations approved at subsequent Executive meetings

3.2.1 As detailed in Appendix A, variations totalling £17.0m have been approved since the first quarter Capital Monitoring report. This mainly comprises £14.1m for Civic Centre Development Strategy funded from Capital receipts, and £2.7m for Land Acquisitions at Cornwall Drive, of which £2.4m is funded by the Environmental Agency.

3.3 Variations requiring the approval of the Executive (£1,210k net increase)

3.3.1 Orpington Town Centre - Walnuts Centre & New Market Infrastructure (£106k increase in 2016/17)

A report requesting the allocation of £106k Section 106 receipts to the Orpington Town Centre - Walnuts Centre was submitted on 5th July 2016 to the Renewal and Recreation PDS Committee. Members are asked to approve the addition of this £106k to the Capital Programme

3.3.2 Eclipse System (£net nil in 2016/17)

A review found that the current children's ICS system was outdated and difficult for Social Care staff to use. It resulted in variable quality of records held, the ability for management

oversight limited and it took up too much time for staff to input records that could have been spent directly working with families. In an attempt to address the issues raised Bromley became an “Early Adopter” and began working on a project with a handful of local authorities and OLM Systems to develop a new case management system for Children’s Social Care, with the objective to work with OLM to develop a brand new case management system. This has enabled Bromley to have a direct influence over how the product is being designed. The LBB Project Manager is currently allocated to the project for 2 days per week. This needs to increase to a full time post for the next 12 months in order to deliver all tasks in time for the go live date. This will result in an overspend of £52k, and members are requested to agree a supplementary capital estimate of £52k for this scheme, to be offset by a corresponding reduction in the Social Care Grant capital scheme.

3.3.3 Pavilion Leisure Centre redevelopment & refurbishment (£17k reduction in 2016/17)

Following the completion of the outstanding work for Pavilion Leisure Centre redevelopment & refurbishment, it is recommended that the residual balance of £17k be deleted.

3.3.4 Central Library/Churchill Theatre - chillers and controls (£28k reduction in 2017/18)

Following the completion of the outstanding work relating extra netting protection to pipework, the final payment was paid to contractors for Central Library/Churchill Theatre - chillers and controls. It is recommended that the residual balance of £28k be deleted.

3.3.5 Transport for London (TfL) – Revised support for Highways and Traffic Schemes (£657k increase in 2016/17)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2016/17 to 2019/20 on the basis of the bid in the Borough Spending Plan (BSP). Notification of an overall increase of £657k in the 2016/17 grant has been received from TfL. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.3.6 Section 106 receipts (uncommitted balance) (net increase £492k)

In July 2015, the Executive agreed that the Capital Programme budget should reflect the total of S106 receipts available to fund expenditure. Members are asked to agree a net increase of £492k in the Capital Programme budget for Section 106 in respect of additional receipts since the last report to match the total funding available.

3.3.7 Scheme Rephasing

In the quarter 2 monitoring exercise, slippage of £26,655k has been identified and this has been re-phased from 2016/17 into later years to reflect the latest estimates of when expenditure is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme. Further details are provided in Appendix B.

3.4 **Variations requiring the approval of Council (£2,709k net increase)**

3.4.1 Land Acquisition - Cornwall Drive (£2,709k addition in 2016/17)

On 2nd September 2016, Executive agreed to a release a total of £2,709k funding for the acquisition and clearance of land at the end of Cornwall Drive. £2,409k will be funded by the Environment Agency, and a £300k contribution made from the Council’s 2016/17 Central Contingency. It is requested that Executive recommend to Council that this scheme be added to the Capital Programme.

3.5 Capital Receipts

3.5.1 Details of the receipts forecast in the years 2016/17 to 2019/20 are included in Appendix E to this report to be considered under part 2 proceedings of the meeting. The latest estimate for 2016/17 has decreased to £4.9m from £10.6m reported in July, mainly due to an expected delay in realising a large receipt which is now expected in 2017/18. Estimates for 2017/18, 2018/19, 2019/20 are now £11.1m, £1.0m and £16.0m respectively (£5.0m, £1.0m and £1.0m were reported in July). A total of £1m per annum is assumed for receipts yet to be identified in later years. The financing and balances projections shown in Appendix E reflect prudent assumptions for capital receipts.

3.6 Financing of the Capital Programme

3.6.1 A capital financing statement is attached at Appendix C and the following table summarises the estimated impact on balances of the revised programme and revised capital receipt projections, which reflect prudent assumptions on the level and timing of disposals. Total balances would reduce from £49.6m (General Fund £20.0m and capital receipts £29.6m) at the end of 2015/16 to £37.3m by the end of 2019/20 and would then reduce further to £32.7m by the end of 2023/24.

	Balance	Estimated	Estimated
	01/04/16	Balance	Balance
	£m	31/03/20	31/03/24
	£m	£m	£m
General Fund	20.0	14.6	14.6
Capital Receipts	29.6	22.7	18.1
	49.6	37.3	32.7

3.7 Investment Fund and Growth Fund

3.7.1 To date, total funding of £124.1m has been placed in the Investment Fund and Growth Fund earmarked reserves to contribute towards the Council's economic development and investment opportunities. In November 2014, £10m was set aside in the Growth Fund to support growth initiatives in Biggin Hill, the Cray Valley and Bromley Town Centre. Council approved additional allocations of £6.5m in December 2015, £6m in March 2016 and £7m in June 2016 to the Growth Fund.

3.7.2 Appendix D provides a detailed analysis of the Funds dating back to their inception in September 2011. A total of £72.8m has been spent to date, and schemes totalling £101.7m have been approved (£76.8m on Investment Fund, and £24.9m on Growth Fund). The uncommitted balance as at November 2016 stands at £17.9m for the Investment Fund and £4.6m for the Growth Fund.

3.8 Section 106 Receipts

3.8.1 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 as a receipt in advance on the Council's Balance Sheet, the balance of which stands at £8,345k as at 30th September 2016 as shown in the table below, and will be used to finance capital expenditure from 2016/17 onwards:

Specified capital works	Balance	Receipts	Expenditure	Balance
	31/03/16 £000	2016/17 £000	2016/17 £000	30/09/16 £000
Housing	5,181	233	317	5,097
Education	2,801	259	-	3,060
Highways	81	1	-	82
Local Economy	0	106	-	106
Total	8,063	599	317	8,345

3.8.2 The Council's budgets are limited and, where a developer contribution (S106) can be secured consistent with the national Community Infrastructure Levy Regulations, this will be required as a contribution towards projects, notwithstanding any other allocation of resources contained in the Council's spending plans.

3.9 Post-Completion Reports

3.9.1 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 are due to be submitted to the relevant PDS Committees:

- Increasing Network Security
- Civic Centre Cabling Renewal
- Joint Web Platform
- Server Virtualisation
- Financial systems upgrade/replacement of unsupported software
- Office Accommodation Strategy
- Pavilion Leisure centre redevelopment & refurbishment
- Central Library/Churchill Theatre – replacement of chillers and control

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. Attached as Appendix C 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 and if all the planned receipts were achieved. The financing projections continue to assume no General Fund support in future years for the current approved programme. They also assume approval of the revised capital programme recommended in this report, together with an estimated £2.5m per annum for new capital schemes and service developments from 2018/19 onwards.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring 2015/16 & Annual Capital Review 2016 to 2020, Council 22 nd February 2016 Capital Programme Monitoring - 1 st Quarter 2016/17, Executive 20 th July 2016 Land Acquisition - Cornwall Drive, St Paul's Cray, Executive 2 nd September 2016 List of potential capital receipts from Strategic Property (as at 03/11/16)

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CAPITAL PROGRAMME MONITORING - NOV 2016 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME

Variations on individual schemes	Date of Portfolio meeting	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL 2016/17 to 2019/20 £000	Comments/reason for variation
Current Approved Capital Programme							
Programme approved in Qtr 1 by Executive 20/07/16	Exec 20/07/16	72,575	39,308	4,336	4,306	120,525	
Civic Centre Development Strategy	Council 04/07/16	14,100				14,100	
Land Acquisition - Cornwall Drive, St Paul's Cray	Council 12/12/16 *	2,709				2,709	* Subject to Council approval - see para 3.4.1
Betts Park Canal Bank Stablisation Project	Exec 14/09/16	136				136	
Upgrade of Website	Exec 14/09/16		176			176	
Virement re Eclipse Business Lead	Exec 14/09/16					0	
From: Social Care Grant		Cr 69				Cr 69	
To: Performance Management/Children's Services - information technology		69				69	
Chippfield Road Development - St Paul's Cray	Exec 18/10/16		105			105	
Beckenham public realm improvements design and budget sign off	Exec 20/09/16	Cr 57	Cr 199			Cr 256	
Approved Programme prior to 2nd Quarter's Monitoring		89,463	39,390	4,336	4,306	137,495	
Variations in the estimated cost of approved schemes							
(i) Variations requiring the approval of the Executive							
Increase funding for Orpington Town Centre - Walnut Centre & New Market Infrastructure		106				106	See paragraph 3.3.1
Eclipse System - increase in scheme costs		52				52	See paragraph 3.3.2
Social Care Grant - reduction in uncommitted balance		Cr 52				Cr 52	See paragraph 3.3.2
Deletion of residual balance							
- Pavilion Leisure centre redevelopment & refurbishment		Cr 17				Cr 17	See paragraph 3.3.3
- Central Library/Churchill Theatre - chillers and controls			Cr 28			Cr 28	See paragraph 3.3.4
Increase in TFL funding for Highway & Traffic schemes		657				657	See paragraph 3.3.5
Section 106 receipts from developers - uncommitted balance		492				492	See paragraph 3.3.6
		1,238	Cr 28	0	0	1,210	
(ii) Variations not requiring approval							
Net rephasing from 2016/17 into later years		Cr 26,655	17,175	9,270	210	0	See paragraph 3.3.7 and Appendix B
		Cr 26,655	17,175	9,270	210	0	
TOTAL AMENDMENT TO CAPITAL PROGRAMME		Cr 25,417	17,147	9,270	210	1,210	
TOTAL REVISED CAPITAL PROGRAMME		64,046	56,537	13,606	4,516	138,705	
Less: Further slippage projection		Cr 5,000	2,000	2,000	2,000	1,000	
Add: Estimate for further new schemes		0	0	2,500	2,500	5,000	
TOTAL TO BE FINANCED		59,046	58,537	18,106	9,016	144,705	

CAPITAL PROGRAMME MONITORING - NOV 2016 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME - SCHEME REPHASING

Variations on individual schemes	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000	Comments/reason for variation
Rephasing of schemes						
Glebe School expansion	Cr 120	120	0	0	0	There are some major delays by the contractor. Responsible officer is monitoring the progress closely and ensuring that the Council is applying any actions available to it under the terms of the contract to minimise any further delays. It is anticipated that the works will be certified as practically complete in mid Oct 16, and the defects liability period will not expire until Oct 17. Once the building is complete, there will some further order such as furniture & equipment, request to rephase £120k into 17/18
Schools Access Initiative	Cr 103	103	0	0	0	Officers are looking at expanding number of places of hygiene room in schools. Works at Charles Darwin and Valley schools have completed. Works at Tubbenden and Crofton will be carried out in the next FY, request to rephase £103k into 17/18 (for Tubbenden, Crofton and St Joseph's). As part of the savings required to balance the 16/17 Schools Budget (DSG), the Direct Revenue Financing for Schools Access Initiative has been ceased. (Executive 20/07/16). Request to vire £150k from Basic Need.
Security Works	Cr 50	50	0	0	0	Ad hoc security works for schools. Works at Burwood (Fencing & Maglock), Oakland and Worsley Bridge are completed. Works at Churchfield is currently in planning permission stage. Request to rephase £50k
Basic Need	Cr 2,888	2,888	0	0	0	it is estimated £7m works to completed by 16/17. A full detailed report on the various projects within the Basic Need Programme was reported to Executive on 23 Mar 16. This includes works at Trinity (to start in Oct 16), Castlecoombe (at planning permission stage), Bishop Justus (to be completed by Easter), Edgebury (to be completed in Feb 16), Poverest (to start in Easter), Stewart Fleming (1st phase to start in Nov/Dec 16), and Leesons (to start in Easter), St George (to start in Dec 16). Request to rephase £2,888m into 17/18.
Early Education for Two Year Olds	Cr 96	96	0	0	0	Further additions £558k in the Early Education for Two Year Olds scheme; £150k contribution from revenue (DSG), and £186k for the London Childcare Grant (Approved in Executive 26/11/14). Works in development at, Poverest, Leesons School now have planning permission, Southborough pre-school completed and now in defect process. Works completed at Blenheim Nursery and Community Vision nursery. For the remaining monies a small grants call will be developed for schools based provision to be spent by end of 2016-17 academic year. It is expected that all works will be completed by September 2017. Request to rephase £96k into 17/18
Social Care Grant	Cr 2,742	2,742	0	0	0	This funding is made available to support reform of adult social care services. To date, these have been funded by the Council. As the new legislation for adult social care becomes clearer it is likely that this funding will be used to support the changes required. For example previously the funding has been used for works to Council owned learning disability properties and for investment in older people day opportunity services. Request to rephase £2,742k into 17/18. The phasing reflects that there may be some small schemes in the remainder of 16/17 with the balance of the funding being rephased in to 17/18
Mental health grant	Cr 226	226	0	0	0	This funding is made available to support reform of adult social care services. To date, these have been funded by the Council. As the new legislation for adult social care becomes clearer it is likely that this funding will be used to support the changes required. Request to rephase £226k into 17/18
Housing Zone Bid and Site G	Cr 5,238	5,238	0	0	0	Officers are working on the agreement, and it is not expected expenditure likely to occur this financial year. Executive 24.03.15 - Housing Zone bid and Site G report 24/03/15 - £3m PIL and £2.7m from Growth fund (Bromley Town Centre). The Housing Investment Group of the GLA considered the Council's HZ bid on 10th November 15. Properties have been purchased, one completed in August, one in November, and for the remaining properties, officers are working on the agreement, and it is not expected expenditure likely to occur remainder of this financial year therefore request to rephrase the balance £5,268k.
Winter maintenance - gritter replacement	Cr 150	30	120	0	0	Work beginning on purchase of 1 used gritting vehicle. Estimate cost of £55k. In addition, it is estimated the cost of replacement gritter weighing equipment to be around £25k.Used gritter is ready for delivery. Request to rephase £30k to 17/18 and £120k to 18/19
Upgrade of Core Network Hardware	Cr 200	200	0	0	0	The additional hardware has been purchased and is being configured to meet the needs of London Public Service Network, Direct access, Citrix and reverse proxy application servers. Due to changes on the service provider, it is not anticipated that project will be complete in this financial year, as several other projects will have to completed first. It is taking longer than anticipate to migrant. Request to rephase £200k into 17/18
Replacement of Storage Area Networks	Cr 500	500	0	0	0	The major SAN replacement project was previously postponed due to conflicts with other major projects. Various work streams are now working parallel together (undertaken by B.T), and the data migration stage is currently in progress. It is anticipated that an additional £300k to £400k of works will be completed in this FY, and request to rephase £500k into 17/18
SharePoint Productivity Platform upgrade/replacement	Cr 470	470	0	0	0	The project is slowly progressing. The workshop has taken longer than anticipated. Officers are working closely with the contractors in resolving these issues. There were delays on the specification (carried out by AI - Artificial Intelligence). Once the tender exercise is completed, there will be a clear picture of the anticipated spend. However, it is unlikely that all the works will be completed in this FY, request to rephase £470k into 17/18
Biggin Hill Memorial Museum	Cr 113	113	0	0	0	Approved 02/12/15. We anticipate £350k of works to be completed in 16/17. This includes £44k salary costs which will be recharged at year end for Museum Development Manager post. Approval has recently been received from HLF and it is anticipated to be in stage 4 by Mar 17. Request to rephase £113k into 17/18

Crystal Palace Park Improvements	Cr	373	373	0	0	0	Approved by Exec 22/07/14 £2,160k (£2m GLA, £160k LBB) GLA funding can only be used for capital works - improving the park landscape. Turnstiles work completed, Iguanodon conservation works completed. Café works to be undertaken in 2017/18 due to legal constraints on start time. There is delays on skate park as the previous contractors is in administration and the works will need to be re-tender. Request to rephase £373k into 17/18
Crystal Palace park - Alternative Management Options	Cr	50	50	0	0	0	Approved by Exec 24/03/15 - to explore and develop a sustainable regeneration plan, and business plan, for the establishment of an alternative management option for the park. This is likely to be delays due to the pending GLA decision on sport centre. Request to rephase £50k into 17/18
Central Library/Churchill Theatre - chillers and controls		4	Cr 4	0	0	0	The scheme is completed
Civic Centre Development Strategy	Cr	13,340	3,980	9,150	210	0	Approved by Council 04/07/16. The project will be delivered through the TFM Contract which commences on 1 October 2016. LBB Client team and Amey Community Ltd are agreeing delivery team arrangements. Request to rephase £3,980k to 17/18, £9,150k to 18/19, £210k to 19/20
TOTAL REPHASING ADJUSTMENTS	Cr	26,655	17,175	9,270	210	0	

APPENDIX C - FINANCING										
CAPITAL FINANCING STATEMENT Executive 30/11/16 - ALL RECEIPTS										
(NB. Assumes all capital receipts - see below)										
	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Summary Financing Statement										
Capital Grants	29,416	28,510	11,586	34,768	266	266	266	266	266	266
Other external contributions	7,740	5,691	17,333	10,733	4,000	4,000	4,000	4,000	4,000	4,000
Usable Capital Receipts	4,417	3,128	19,460	8,329	13,740	4,650	2,634	2,634	2,634	2,634
Revenue Contributions	33,567	38,879	10,667	4,707	100	100	100	100	100	100
General Fund	0	0	0	0	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0	0	0	0	0
Total expenditure	75,140	76,208	59,046	58,537	18,106	9,016	7,000	7,000	7,000	7,000
Usable Capital Receipts										
Balance brought forward	28,851	28,851	29,583	18,571	21,412	8,752	22,682	21,048	19,414	19,780
New usable receipts	3,905	3,860	8,448	11,170	1,080	18,580	1,000	1,000	3,000	1,000
	32,756	32,711	38,031	29,741	22,492	27,332	23,682	22,048	22,414	20,780
Capital Financing	Cr 4,417	Cr 3,128	Cr 19,460	Cr 8,329	Cr 13,740	Cr 4,650	Cr 2,634	Cr 2,634	Cr 2,634	Cr 2,634
Balance carried forward	28,339	29,583	18,571	21,412	8,752	22,682	21,048	19,414	19,780	18,146
General Fund										
Balance brought forward	20,000	20,000	20,000	14,631	14,631	14,631	14,631	14,631	14,631	14,631
Less: Capital Financing	0	0	0	0	0	0	0	0	0	0
Less: Transfer to earmarked reserves 31/3/11	0	0	0	0	0	0				
Less: Use for Revenue Budget	382	0	Cr 5,369	0	0	0	0	0	0	0
Balance carried forward	20,382	20,000	14,631	14,631	14,631	14,631	14,631	14,631	14,631	14,631
TOTAL AVAILABLE RESERVES	48,721	49,583	33,202	36,043	23,383	37,313	35,679	34,045	34,411	32,777
Assumptions:										
General Fund contribution to support revenue budget - zero in 2012/13 and no further contributions thereafter.										
GF contribution to support capital programme not required in any year.										
New capital schemes - £2.5m p.a. from 2018/19 for future new schemes.										
Capital receipts - includes figures reported by Property Division as at 03/11/16 (including Tweedy Road & Town Hall) and £1m pa from 2017/18.										
Current approved programme - as recommended to Executive 30/11/16										

APPENDIX D - INVESTMENT FUND & GROWTH FUND

INVESTMENT FUND & GROWTH FUND - EXECUTIVE NOV 2016

	£'000
Revenue Funding:	
Approved by Executive 7th September 2011	10,000
Approved by Council 27th February 2013	16,320
Approved by Council 1st July 2013	20,978
Approved by Executive 10th June 2014	13,792
Approved by Executive 15th October 2014	90
Approved by Executive 26th November 2014 (Transfer to Growth Fund)	Cr 10,000
New Home Bonus (2014/15)	5,040
Approved by Executive 11th February 2015 (New Homes Bonus)	4,400
Approved by Executive 10th June 2015	10,165
Approved by Executive 2nd December 2015 (New Homes Bonus)	141
Approved by Executive 10th Feb 2016 (New Homes Bonus)	7,482
	<hr/> 78,408
Capital Funding*:	
Approved by Executive 11th February 2015 (general capital receipts)	15,000
Approved by Executive 10th February 2016 (sale of Egerton Lodge)	1,216
	<hr/> 16,216
Total Funding Approved:	<hr/> 94,624
Total spend to 31st October 2016	Cr 72,765
Schemes Approved, but not spent	
Approved by Executive 20th November 2013 (Queens's Garden)	Cr 990
Approved by Executive 15th January 2014 (Bromley BID Project)	Cr 110
Approved by Executive 26th November 2014 (BCT Development Strategy)	Cr 135
Approved by Executive 2nd December 2015 (Bromley Centre Town)	Cr 270
Approved by Executive 15th June 2016 (Glades Shopping Centre)	Cr 1,800
Valuation for 1 Westmoreland Rd	Cr 5
Valuation for Biggin Hill - West Camp	Cr 10
Growth Fund Study	Cr 170
Crystal Park Development work	Cr 200
Civic Centre for the future	Cr 50
Strategic Property cost	Cr 258
Total further spending approvals	Cr 3,998
Uncommitted Balance on Investment Fund	17,861
*Executive have approved the use of specific and general capital receipts to supplement the Investment Fund	
Growth Fund:	
	£'000
Funding:	
Approved by Executive 26th November 2014 (Transfer from Investment Fund)	10,000
Approved by Executive 2nd December 2015	6,500
Approved by Executive 23rd March 2016	6,000
Approved by Executive 15th June 2016	7,024
Total funding approved	<hr/> 29,524
Total spend to 31st October 2016	Cr 41
Schemes Approved, but not spent	
Approved by Executive 24th March 2015 (Housing Zone Bid (Site G))	Cr 2,700
Approved by Executive 24th March 2015 ((Site G) - Specialist)	Cr 200
Approved by Executive 18th May 2016 (Feasibility Studies and Strategic Employment Review)	Cr 180
Approved by Executive 18th May 2016 (Broadband Infrastructure Investment)	Cr 50
Approved by Executive 20th Jul 2016 (BID - Penge & Beckenham)	Cr 110
Approved by Executive 1st Nov 2016 (63 The Walnuts)	Cr 3,834
Approved by Executive 1st Nov 2016 (19-25 Market Square)	Cr 10,705
Renewal Team Cost	Cr 269
Total further spending approvals	Cr 18,048
Schemes Approved, but not committed	
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr 6,790
Uncommitted Balance on Growth Fund	4,645

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Decision Maker: Executive

For Pre-Decision Scrutiny by the Renewal & Recreation PDS Committee
on 12th October 2016

Date: 18 October 2016

Decision Type: Non-Urgent Executive Key

Title: **BECKENHAM PUBLIC REALM IMPROVEMENTS DESIGN AND BUDGET SIGN OFF**

Contact Officer: Kevin Munnely, Head of Renewal
Tel: 020 8313 4582 E-mail: kevin.munnely@bromley.gov.uk

Chief Officer: Executive Director of Environmental and Community Services

Ward: Copers Cope, Clock House, Kelsey & Eden Park

1. Reason for report

- 1.1 The Beckenham Town Centre Improvement scheme has undergone a number of design and budget reviews since its inception. This has been at the request of Transport for London (TfL) and stakeholders and has resulted in the scope and coverage of the scheme being extended. There has also been corresponding increases in costs, the impact of which were considered in a report to the Executive on 2 December 2015. At this time the Executive approved an additional £240k from Capital Receipts to cover the Borough's contribution to the overall increase in scheme costs. This sum was based on TfL providing additional funding to the scheme budget. The detailed design of the improvement scheme has now been completed by the Council's term contractor FM Conway and the budget finalised.
- 1.2 Executive approval is now sought to finalise the scheme design, costs and the Council's match funding. It is proposed that once approval is granted, the order for materials will be placed, enabling implementation to commence in October 2016, with a target completion of Spring 2018.

2. RECOMMENDATIONS

- 2.1 That R&R PDS Committee Members note the report and make comments available to the Executive.
- 2.2 That Executive Members:

- i Approve the scheme design for Beckenham Town Centre Public Realm improvements and the commencement of the implementation phase.**
 - ii Approve total Council capital funding of £1.145m, of which £995k is from capital receipts and £150k from the earmarked reserve, subject to full Council approval.**
 - iii Agree that the estimate for the Beckenham Town Centre Improvement scheme be reduced to £4.441m in the Council's capital programme, subject to full Council approval.**
 - iv Note that in the event that the £750k funding from TfL for 2017/18 is not approved, a further report will be brought back to Members setting out a revised budget and programme of works.**
 - v Agree that FM Conway be commissioned, under the terms of the existing term contract, to carry out the build contract for this project.**
-

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: £4.441m
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £4.441m (Incl £200k LIP funding 14/15 for Rectory Road/Albermarle Road Junction works)
 5. Source of funding: TfL funding, Capital Receipts and Earmarked Reserve for Members priorities
-

Staff

1. Number of staff (current and additional): 4 FTE
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Incorporated in the body of the report

3. COMMENTARY

- 3.1 The Council received notification on 16 December 2013 that Transport for London had approved the Beckenham Initial Scheme Design (Step 1) bid and the original estimated cost of the concept scheme was £3.257m. In support of the bid the Executive on 16th October 2013 approved the allocation of £912k (£762k Capital Receipts & £150k Members Initiative earmarked reserves) to match fund the TfL allocation of £2.345m towards the improvements.
- 3.2 A revised scheme was reported to the Executive of the 2nd December 2015 costed at £4.697m. The Executive agreed to increase the capital estimate of the scheme by £1.44m to £4.697m, subject to TfL increasing their additional contribution, making their potential maximum contribution to the improvement project £3.295m. The Executive approved an allocation of £240k from Capital Receipts thereby increasing the Council's total allocated match-funding allocation to £1.152m subject to the confirmation of TfL's award.

Scheme Design

- 3.3 The revised concept design was a more ambitious scheme to reflect the recommendations of TfL's Urban Design London, Design Surgery, public consultation and the Beckenham Town Centre Member Working Party. The principles and objectives of the concept have been designed to a construction level of detail and the General Arrangement is complete, (attached as Appendix 1).
- 3.4 The costs of the main elements of the improvements have been estimated:

New paving and carriageway resurfacing

The whole length of the High Street from the War Memorial to Beckenham Junction will be upgraded by replacing the existing footway surface with new high quality paving. Where appropriate, footways will be widened to improve pedestrian amenity and safety. At the main gateway junctions a pink granite (Cyllene) has been selected. In keeping with the concept of using a red colour pallet to compliment the architecture of the street a durable, easily maintainable modular paving has been selected. (Modular setts, Brindle colour). Kelsey Square will have a unique paving pattern in grey and red clay setts.

All existing lighting will be replaced. At the southern end of the High Street lanterns will be installed on buildings whilst for the remainder of the High Street new black columns will be introduced. A contemporary LED lantern head has been selected (Phillips CitySoul Gen 2 LED luminaires).

The entire road carriageway will be resurfaced with an asphalt treatment and the main traffic junctions will have widened crossings and pavement space.

Improvement to cycle facilities and bus stops

Cycle facilities will be improved throughout the scheme. In addition cycle repair facilities will be introduced on the Sainsbury's forecourt and at Beckenham Junction station. All bus stops will become DDA compliant and have new shelters.

Improvement of public and private spaces with amenity features

Important public and private spaces will be improved to create better formal and informal amenity spaces. Improvements to Beckenham Green include the introduction of market infrastructure and the rebuilding of the existing tree planters. There will be limited improvements to the forecourt of Beckenham Junction station. Improvements to Kelsey

Square including a David Bowie tribute art piece and improvements made to Sainsburys forecourt.

New street furniture, trees and signage

New benches, bespoke planters, trees and street furniture will be introduced where appropriate. Legible London signage will be introduced.

Maintenance and scheme monitoring

The scheme estimate includes a sum for additional maintenance up until 2019 when the existing current term contract expires.

3.5 The table below provides the detailed cost breakdown for the scheme: -

Scheme Costs	£'000
Design Fees	342
<u>Implementation costs</u>	
Site Clearance	13
Rectory Road/Albermarle Road junction works	200
Drainage	164
Earthworks	135
Carriageways	321
Footways	1,019
Traffic Signals	344
Street Furniture	514
Maintenance & monitoring	28
Street Lighting	369
	<hr/>
	3,107
Management & Supervision costs	250
Contingency	742
	<hr/>
Total Implementation costs	4,099
	<hr/>
Total scheme costs	4,441

3.6 £696k has been spent up to 2015/16 and it is estimated that £1.4m of the implementation costs will be spent in 2016/17 and £2.245m in 2017/18.

Scheme Assurance and Delivery

3.7 In addition to the work outlined above, the design team has worked closely with a number of other internal teams to ensure that the scheme is buildable, that the impacts (particularly on traffic) are understood and that the scheme meets local expectations. The Borough's Highway Engineering team have scrutinised the designs to ensure that they meet all the necessary engineering design standards and detailing. The team has advised on issues such as drainage, vehicle turning requirements at junctions and potential construction methodologies. The designs have also been subject to traffic modelling to investigate the impact on traffic and congestion, which shows that any journey time increases are within an acceptable limits and do not affect the heavily used A2015 Rectory Road.

3.8 As part of the further development of detailed design further public consultation was undertaken in early 2016. Material samples were also laid out in public areas and subject to review by the Beckenham Town Centre Working Group.

Revised Cost Plan

3.9 As part of the review the Council also undertook a further detailed scheme costings exercise. This exercise identified the significant cost savings between the budget estimations at concept design stage and the more detailed Work Stage D-E revised scheme drawings. The design team have worked with the engineering team to reconcile the main cost differences, eliminating any unnecessary costs items, and this has resulted in a reduction in the scheme costs. The main items impacting the cost decrease include:

- Changes in the final choice of materials and sub base selected for the footway and the roadway
- Redesign of the main road junctions.
- The concept scheme included proposed additional improvements to private land including the Sainsbury's forecourt, the Odeon Cinema and Lidl forecourt. Lidl have not expressed any interest in involvement in the scheme whilst the owners of the Sainsbury's land have requested changes that have led to cost savings to the scheme.
- Detail design has enabled the contingency to be reduced from 25% to 15%.

3.10 Following the completion of the detailed design and costs plan for the scheme by the Council's term contractor FM Conway, an increase in funding was sought from TfL and approved by the Directors of Finance and Surface Strategy and Planning at TfL on 10th August 2016. The scheme budget is now finalised at £4.441m. The Council's total match funding for the scheme is £1.145m, representing 25.8% of the overall scheme costs including the £200k for Rectory Road. Executive approval is now sought to finalise the Council match funding and scheme design.

Scheme Implementation

3.11 TfL confirmed Major Scheme funding on the 14th July 2016. Subject to agreement by the Executive, the implementation phase of the project is set to commence.

3.12 The Council's highway term contractor, FM Conway, working with East Architects has prepared the scheme's detailed drawings, costings and an implementation plan. The preferred choices of materials were presented to the Beckenham Town Centre Working Party on the 30th June 2016. These will again be presented to the Working Party on the 15th September 2016.

3.13 It is proposed that FM Conway, be commissioned, under the terms of the existing term contract, to carry out the build contract for this project. It is proposed that the main material orders will be placed in September 2016, and the main capital works commence in January 2017. It is anticipated that the build programme will take a maximum of 15 Months.

3.14 As part of the implementation programme, a phasing plan and a communications strategy will be produced and discussed with local stakeholders and businesses to minimise disruption. The detailed implementation programme is currently being drafted and this will be presented to the next Renewal & Recreation PDS Committee in November for review.

4. POLICY IMPLICATIONS

- 4.1 Work delivering the Town Centres Development Programme is entirely consistent with Policy Objectives set out in Building A Better Bromley and the Renewal & Recreation Portfolio Business Plan 2015/16. The work of the Renewal team links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

- 5.1 The estimated costs of the Beckenham Improvement scheme have been revised following the detailed design work and input from TfL. The costs are now estimated to be £4.441m as explained earlier in the report and the table below summarises the variances of both the costs and funding: -

Design, Development and Implementation costs	Last Reported Estimate	Latest Estimate	Variance
	£'000	£'000	£'000
Stage 1 Design and Development costs			
Transport model & survey work	45	45	0
Feasibility & outline design	70	70	0
Detailed design & consultation	227	227	0
	<u>342</u>	<u>342</u>	<u>0</u>
Implementation costs			
Capital works including contingency	4,155	3,849	-306
Scheme management costs	200	250	50
	<u>4,355</u>	<u>4,099</u>	<u>-256</u>
Total estimated scheme costs	<u>4,697</u>	<u>4,441</u>	<u>-256</u>
Funding			
TfL (subject to formal approval for £750k of funding)	3,295	2,846	-449
TfL LIP funding for Corridors	0	200	200
Earmarked reserve balance for Beckenham Improvements	150	150	0
Capital Receipts (subject to approval)	1,002	995	-7
Principal Road maintenance 2016/17 allocation from TfL	250	250	0
	<u>4,697</u>	<u>4,441</u>	<u>-256</u>

- 5.2 The Executive on 2nd December 2015 had agreed a match fund contribution of £1.152m; of which £1.002m was to be conditionally allocated from capital receipts and the earmarked reserve. It was also agreed that £250k would be allocated from the Principle Road Maintenance 2016/17 programme for road resurfacing.
- 5.3 TfL has confirmed that their Major Scheme award is finalised at £3.046m, although £750k of the TfL major scheme funding for 2017/18 is currently unbudgeted pending formal approval by the November 2016 Surface Board to the LIP Major Scheme programme. The Council is now expected to make a slightly lower contribution towards the scheme of £1.145m and the Executive is therefore requested to approve a final reduced match-fund contribution of £1.145k, £995k from capital receipts and £150k from the earmarked reserve, towards the total estimated scheme cost of £4.441m.
- 5.4 In the event that the £750k funding from TfL for 2017/18 is not approved, a further report will be brought back to Members setting out a revised budget and programme of works.

- 5.5 The project estimate includes £18k for additional maintenance costs up until 31 March 2019, however it should be noted that no revenue budget funding is identified for on-going maintenance costs beyond this date.
- 5.6 Within the project cost plan £250k has been allocated for Supervision and Management costs and there is a contingency sum of £742k included in the estimated costs.

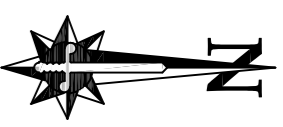
6. LEGAL IMPLICATIONS

- 6.1 None for the purposes of this report.

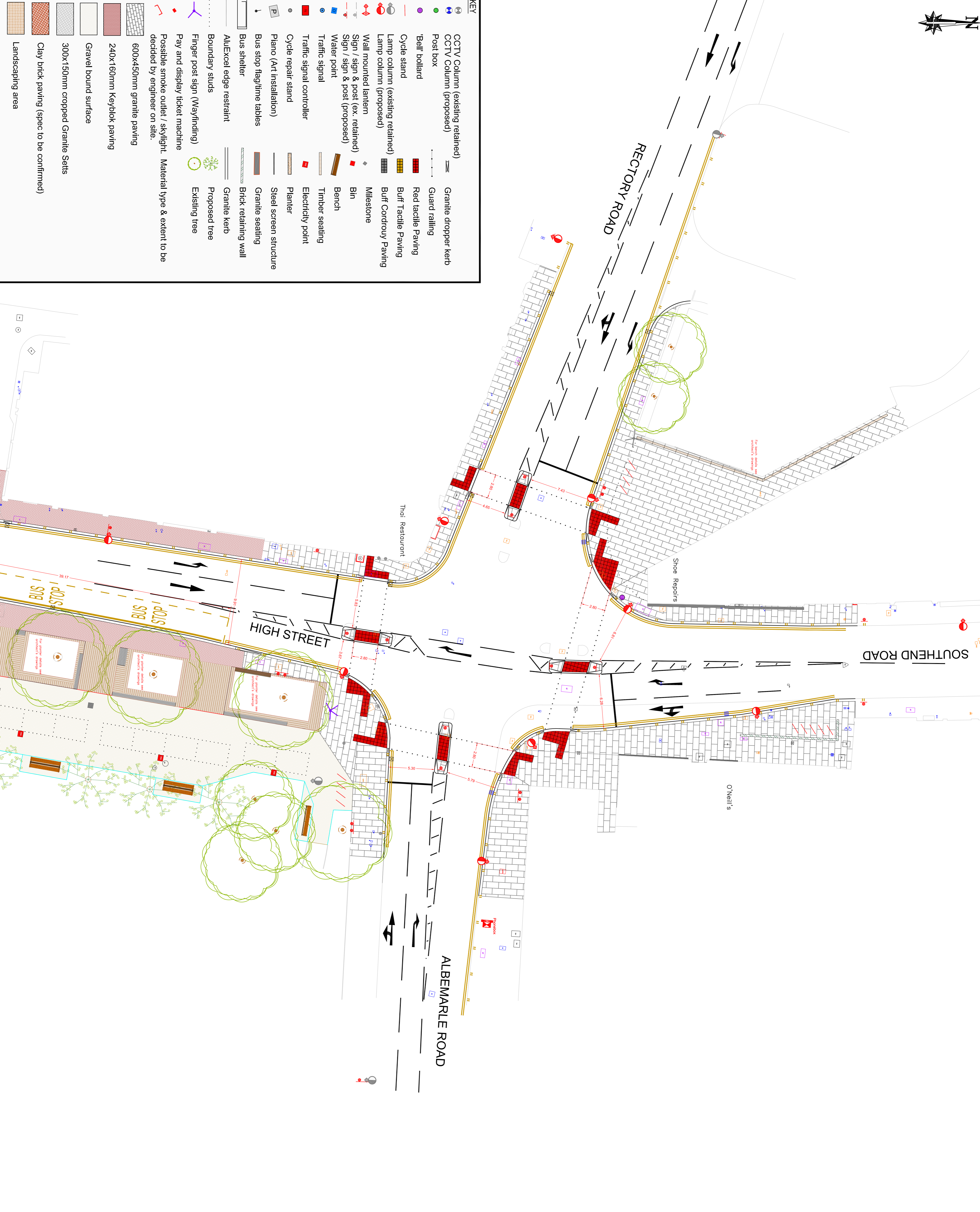
7. PERSONNEL IMPLICATIONS

- 7.1 None for the purposes of this report.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	Appendix 1 Scheme Design General Arrangement Drawings



Junction Railway Station

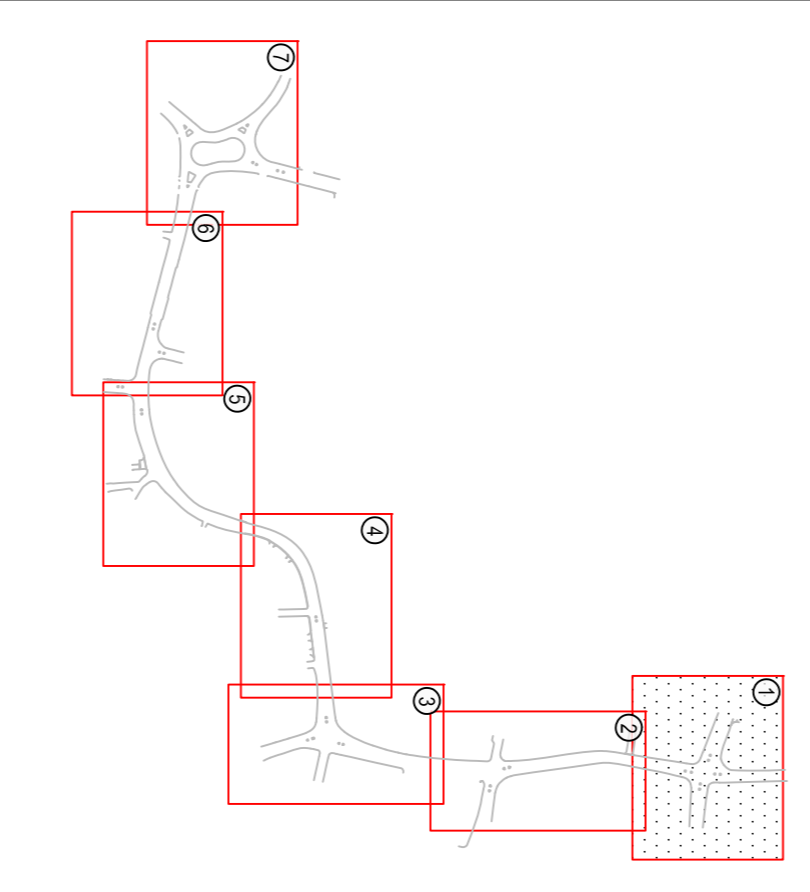


KEY

CCITV Column (existing retained)	Granite dropper kerb
CCITV Column (proposed)	Guard railing
Post box	Red tactile Paving
Bell bollard	Buff Tactile Paving
Cycle stand	Buff Cordroury Paving
Lamp column (existing retained)	Milestone
Lamp column (proposed)	Bin
Wall mounted lantern	Bench
Sign / sign & post (ex. retained)	Timber seating
Sign / sign & post (proposed)	Electricity point
Water point	Planter
Traffic signal	Steel screen structure
Traffic signal controller	Granite seating
Cycle repair stand	Brick retaining wall
Piano (Art installation)	Granite kerb
Bus stop flag/time tables	Proposed tree
Bus shelter	Existing tree
AUXExcel edge restraint	
Boundary studs	
Finger post sign (Wayfinding)	
Pay and display / ticket machine	
Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.	

Notes:

1. No information to be scaled from this drawing.
2. All road markings refer to the "Traffic Signs Regulations and General Directions 2016". Refer to drawing number BHS/RM/101.
3. This drawing is to be read in conjunction with all relevant drawings.
4. All levels and co-ordinates in Ordnance Survey Grid.
5. This drawing may not be used, modified, reproduced or relied upon by third parties, except as agreed or as required by law. Topocrew accepts no responsibility, and denies any liability whatsoever, to any party that uses or relies on this drawing without express written consent. Do not scale this document.
6. Paving orientation is only indicative. For exact paving orientation refer to East's drawing 102-BPR-SK-016-Proposed paving orientation.



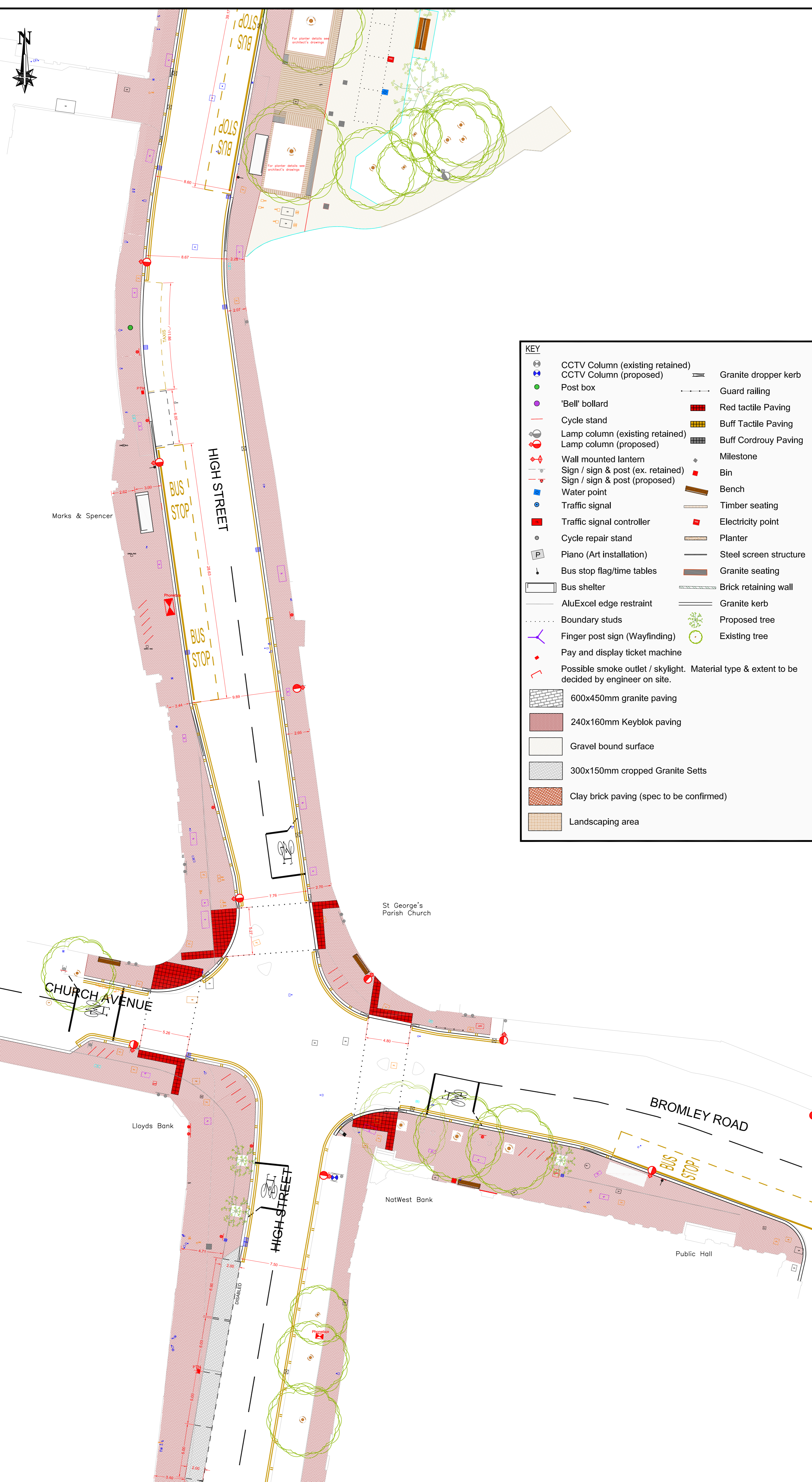
Rev No	Date	Description	By
A	25 May	Various revisions at a result of changes to the scheme	SR
B	27 June	First Issue	GK

**Beckenham High Street
General Arrangement**

CLIENT:
 THE LONDON BOROUGH OF Bromley
 CONWAY
 Topocrew SURVEY SURVEY

Sheet: Sheet 1 of 7
Date: July 2016
Scale & Drawing Size: 1:200 @ A1
Drawing No.: BHS/700/GA

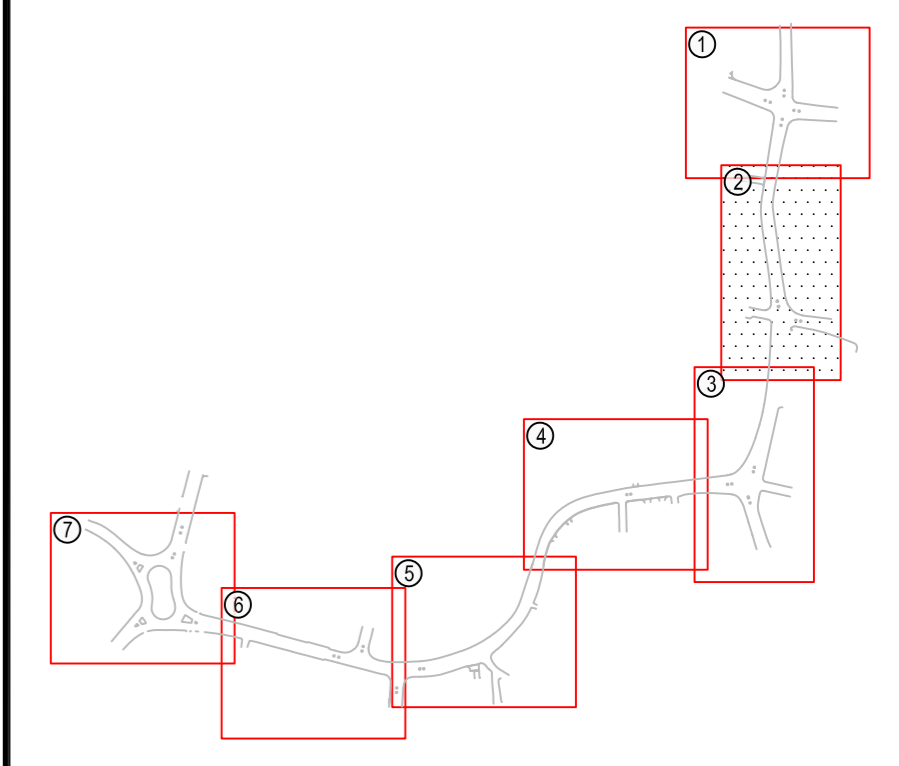
Drawn by: SR
Checked by: GK
Resident: B



- Notes:**
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KEY

	CCTV Column (existing retained)		Granite dropper kerb
	CCTV Column (proposed)		Guard railing
	Post box		Red tactile Paving
	'Bell' bollard		Buff Tactile Paving
	Cycle stand		Buff Cordrouy Paving
	Lamp column (existing retained)		Milestone
	Lamp column (proposed)		Bin
	Wall mounted lantern		Bench
	Sign / sign & post (ex. retained)		Timber seating
	Sign / sign & post (proposed)		Electricity point
	Water point		Planter
	Traffic signal		Steel screen structure
	Traffic signal controller		Granite seating
	Cycle repair stand		Brick retaining wall
	Piano (Art installation)		Granite kerb
	Bus stop flag/time tables		Proposed tree
	Bus shelter		Existing tree
	AluExcel edge restraint		
	Boundary studs		
	Finger post sign (Wayfinding)		
	Pay and display ticket machine		
	Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.		
	600x450mm granite paving		
	240x160mm Keyblok paving		
	Gravel bound surface		
	300x150mm cropped Granite Setts		
	Clay brick paving (spec to be confirmed)		
	Landscaping area		



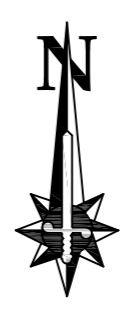
Rev No.	Date	Description	By
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B	27 June	First Issue	GK
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TITLE:
Beckenham High Street
General Arrangement

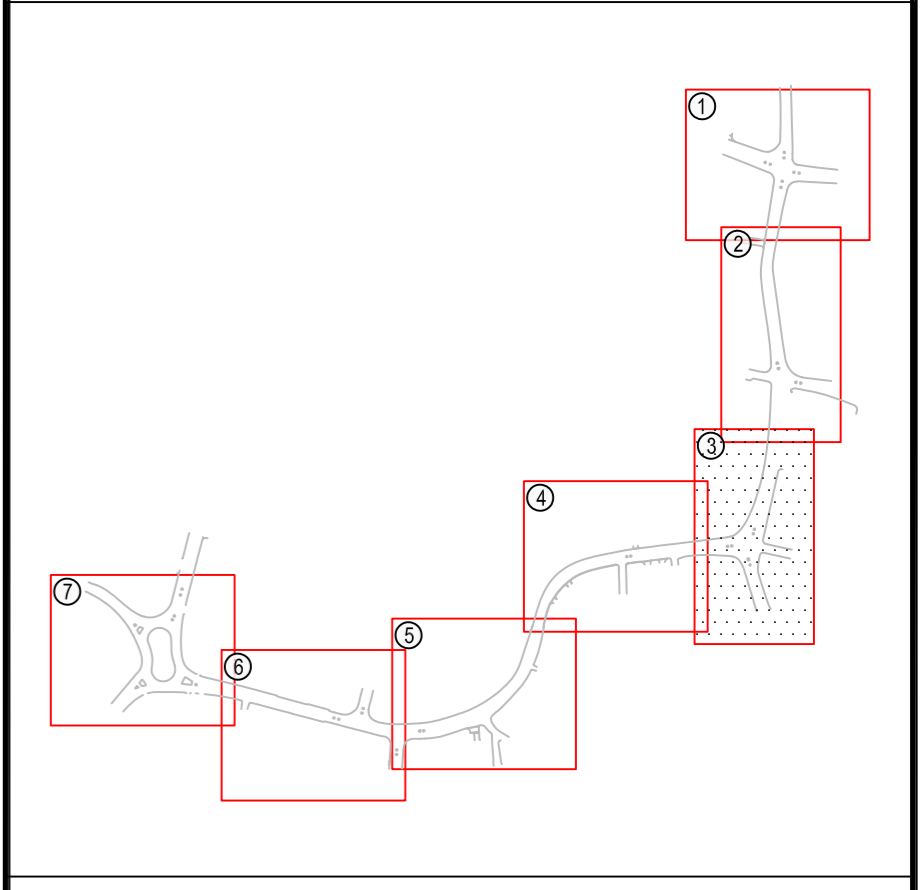
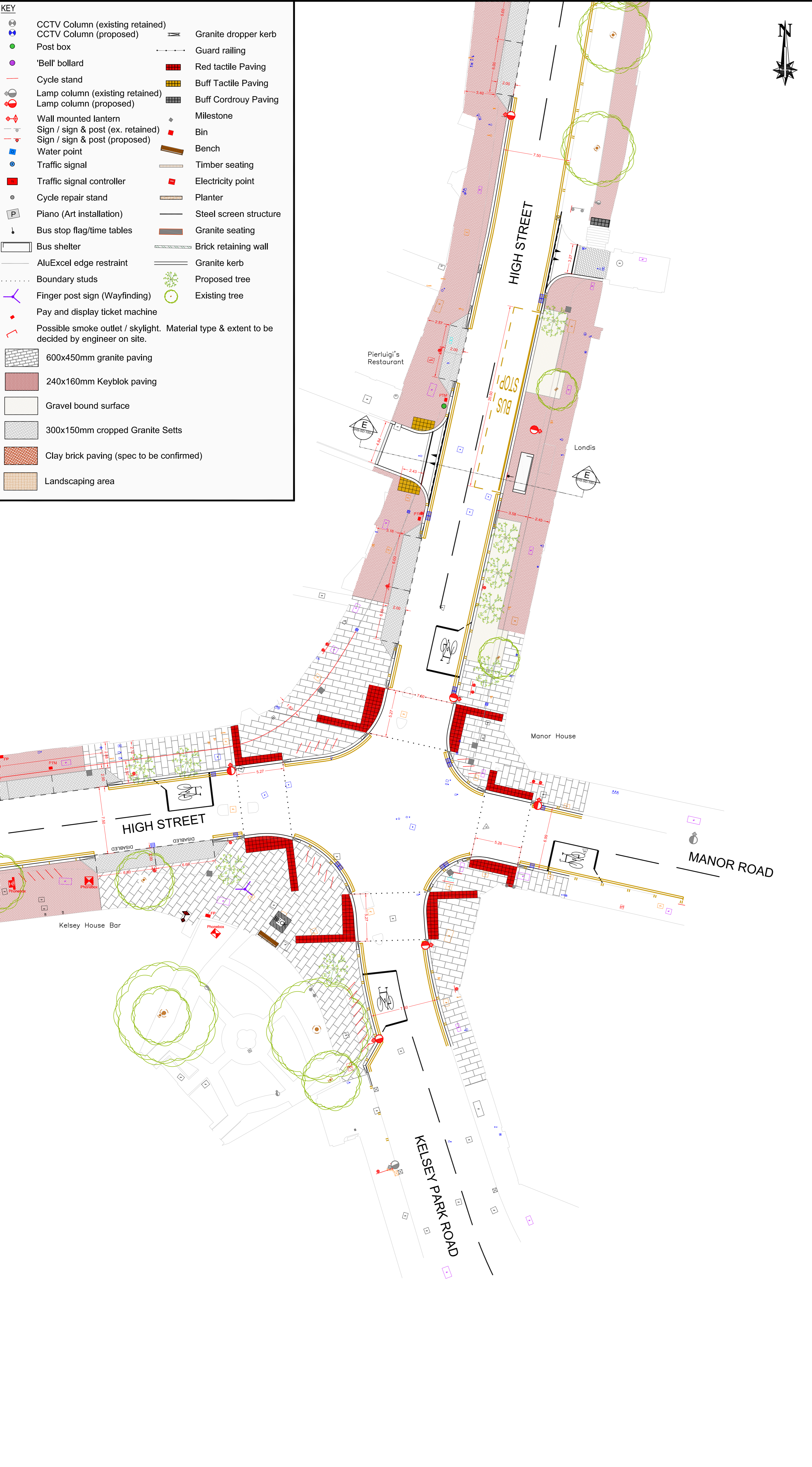


Sheet: Sheet 2 of 7	Designed by: Various
Date: July 2016	Drawn by: SR
Scale & Drawing Size: 1:200 @ A1	Checked by: GK
Drawing No: BHS/700/GA	Page 159
Revision: B	

KEY	
	CCTV Column (existing retained)
	CCTV Column (proposed)
	Post box
	'Bell' bollard
	Cycle stand
	Lamp column (existing retained)
	Lamp column (proposed)
	Wall mounted lantern
	Sign / sign & post (ex. retained)
	Sign / sign & post (proposed)
	Water point
	Traffic signal
	Traffic signal controller
	Cycle repair stand
	Piano (Art installation)
	Bus stop flag/time tables
	Bus shelter
	AluExcel edge restraint
	Boundary studs
	Finger post sign (Wayfinding)
	Pay and display ticket machine
	Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.
	Granite dropper kerb
	Guard railing
	Red tactile Paving
	Buff Tactile Paving
	Buff Cordrouy Paving
	Milestone
	Bin
	Bench
	Timber seating
	Electricity point
	Planter
	Steel screen structure
	Granite seating
	Brick retaining wall
	Granite kerb
	Proposed tree
	Existing tree
	600x450mm granite paving
	240x160mm Keyblok paving
	Gravel bound surface
	300x150mm cropped Granite Setts
	Clay brick paving (spec to be confirmed)
	Landscaping area



- Notes:**
- No information to be scaled from this drawing.
 - All road markings refer to the "Traffic Signs Regulations and General Directions 2016". Refer to drawing number BHS/RM/101.
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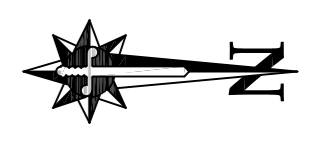
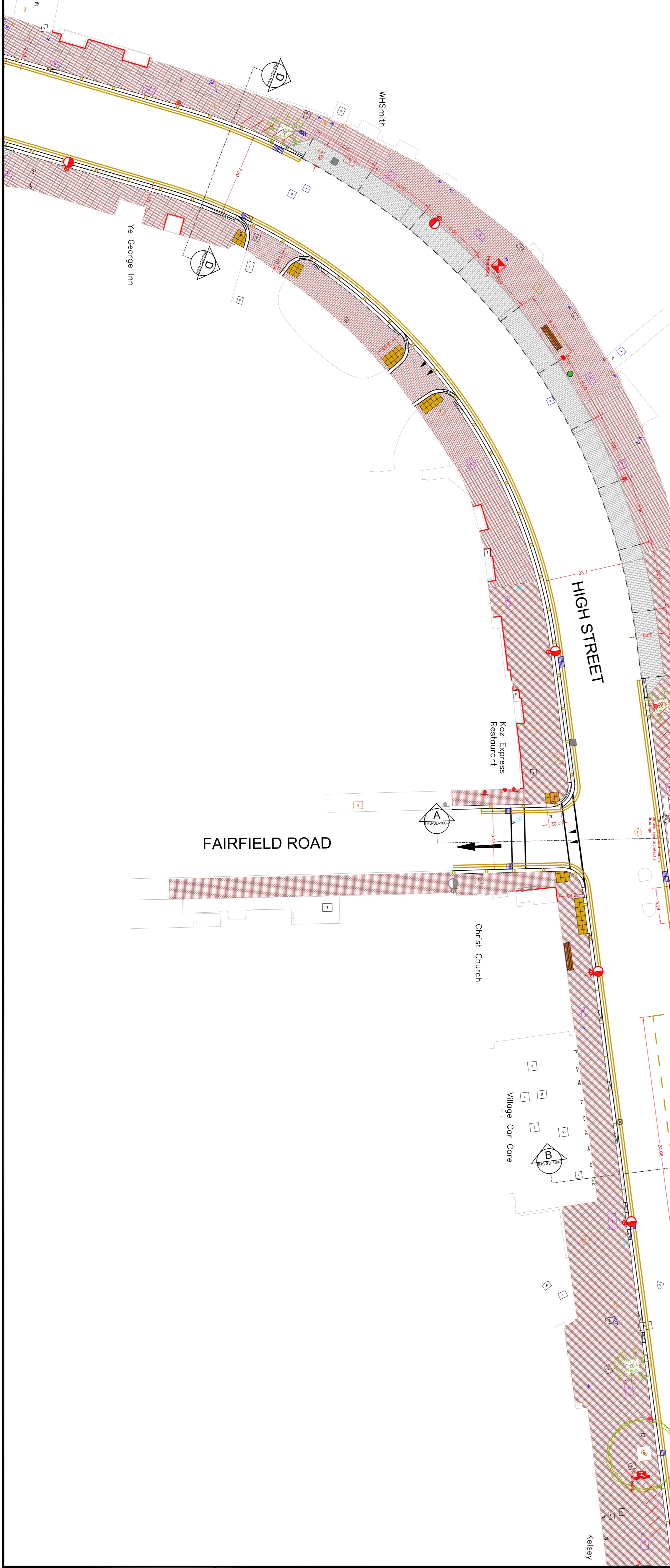
Rev No.	Date	Description	By
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B	27 June	First Issue	GK
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TITLE:
**Beckenham High Street
General Arrangement**

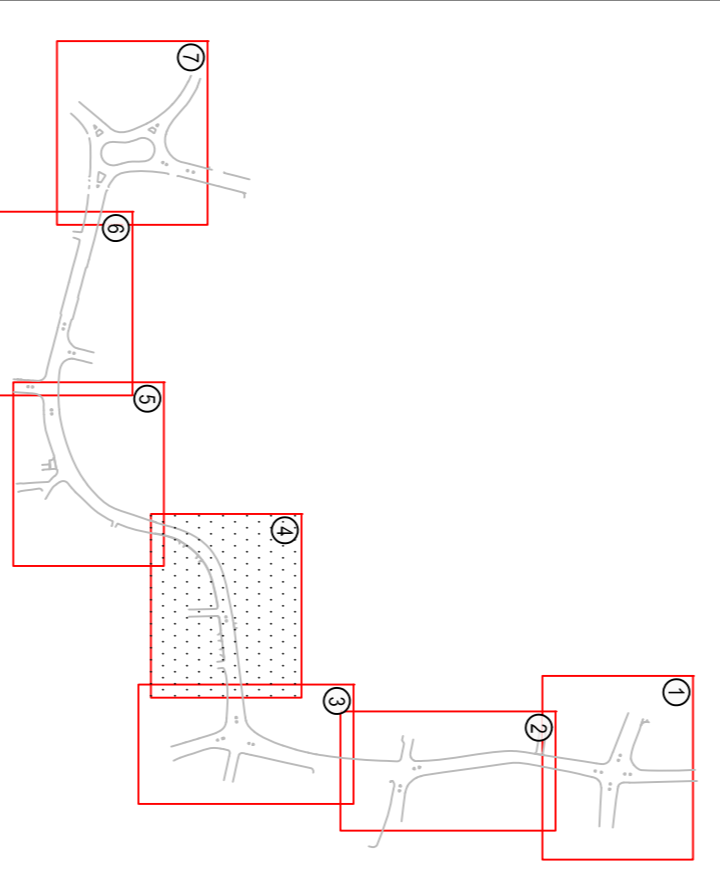


Sheet: Sheet 3 of 7	Designed by: Various
Date: July 2016	Drawn by: SR
Scale & Drawing Size: 1:200 @ A1	Checked by: GK
Drawing No: BHS/700/GA	Page 160
Revision: B	

KEY	
	CCTV Column (existing retained)
	CCTV Column (proposed)
	Post box
	Bell bollard
	Cycle stand
	Lamp column (existing retained)
	Lamp column (proposed)
	Wall mounted lantern
	Sign / sign & post (ex. retained)
	Sign / sign & post (proposed)
	Water point
	Traffic signal
	Traffic signal controller
	Cycle repair stand
	Piano (Art installation)
	Bus stop flag/lane tables
	Bus shelter
	AluExcel edge restraint
	Boundary studs
	Finger post sign (Wayfinding)
	Pay and display ticket machine
	Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.
	Granite dropper kerb
	Guard railing
	Red tactile paving
	Buff Tactile Paving
	Buff Cordroury Paving
	Milestone
	Bin
	Bench
	Timber seating
	Electricity point
	Planter
	Steel screen structure
	Granite seating
	Brick retaining wall
	Granite kerb
	Proposed tree
	Existing tree
	Gravel bound surface
	300x150mm cropped Granite Setts
	Clay brick paving (spec to be confirmed)
	Landscaping area



- Notes:
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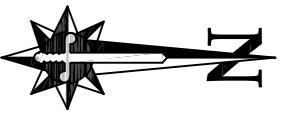
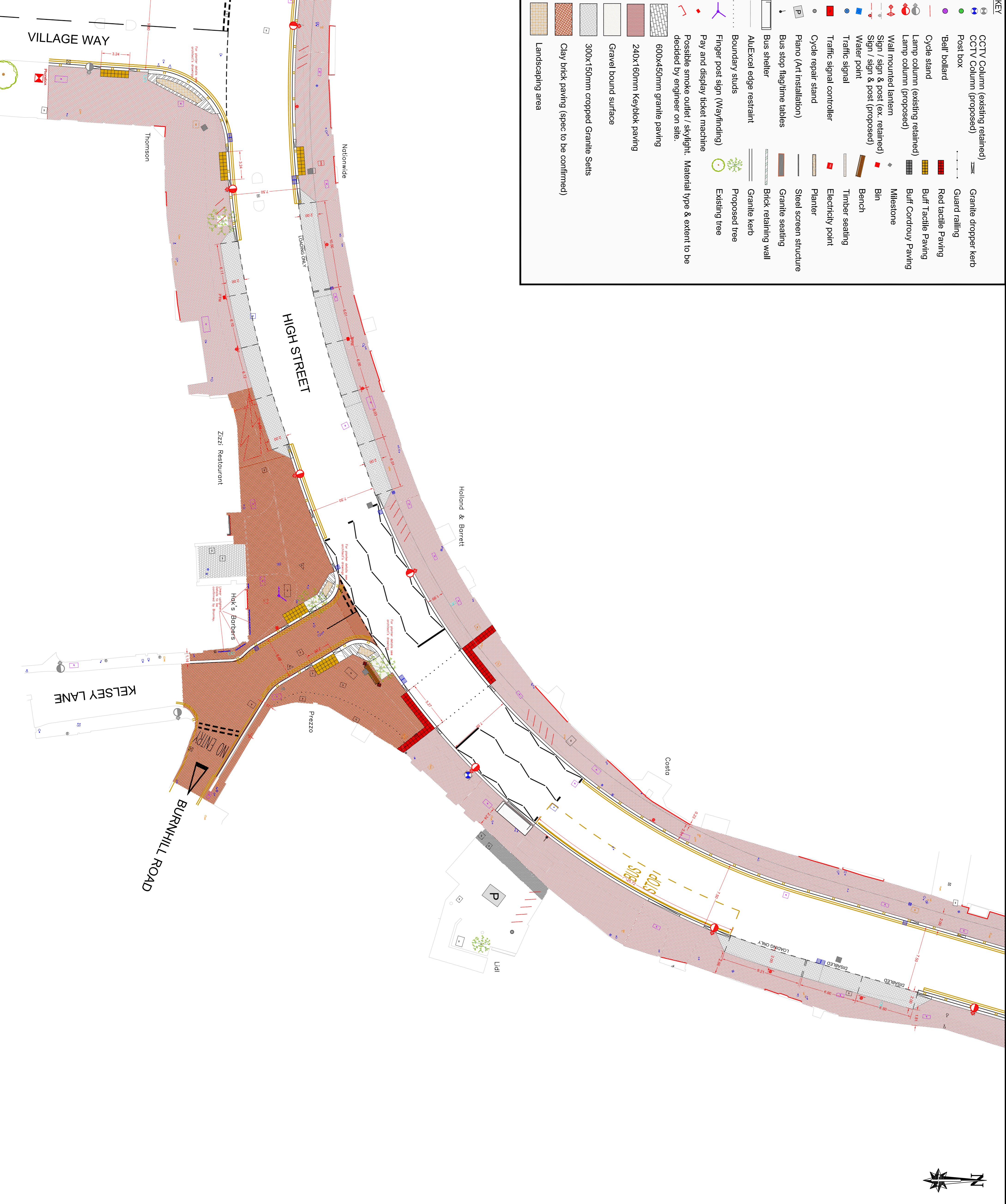
Rev No.	Date	Description	By
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B	27 June	First Issue	GK
A	25 May	Various revisions at a result of changes to the scheme	SR

TITLE:
**Beckenham High Street
 General Arrangement**

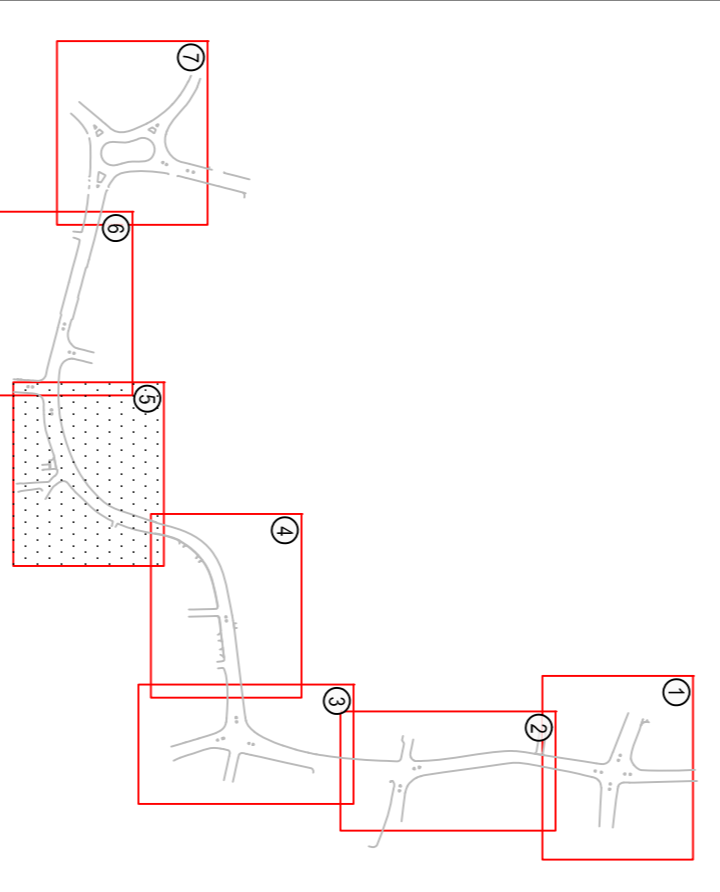


Client:	CONWAY
Sheet:	Sheet 4 of 7
Date:	July 2016
Scale & Drawing Size:	1:200 @ A1
Drawn by:	SR
Checked by:	GK
Resident:	BHS/700/GA

KEY	
	CCTV Column (existing retained)
	CCTV Column (proposed)
	Post box
	Bell bollard
	Cycle stand
	Lamp column (existing retained)
	Lamp column (proposed)
	Wall mounted lantern
	Sign / sign & post (ex. retained)
	Sign / sign & post (proposed)
	Water point
	Traffic signal
	Traffic signal controller
	Cycle repair stand
	Piano (Art installation)
	Bus stop flagline tables
	Bus shelter
	AluExcel edge restraint
	Boundary studs
	Finger post sign (Wayfinding)
	Pay and display / ticket machine
	Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.
	Granite dropper kerb
	Guard railing
	Red tactile Paving
	Buff Tactile Paving
	Buff Corduroy Paving
	Milestone
	Bin
	Bench
	Timber seating
	Electricity point
	Planter
	Steel screen structure
	Granite seating
	Brick retaining wall
	Granite kerb
	Proposed tree
	Existing tree
	240x160mm Keyblok paving
	600x450mm granite paving
	Gravel bound surface
	300x150mm cropped Granite Setts
	Clay brick paving (spec to be confirmed)
	Landscaping area



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Rev No.	Date	Description	By
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B	27 June	First Issue	GK

Revision

**Beckenham High Street
General Arrangement**

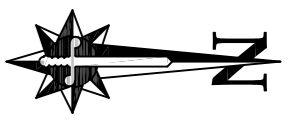
CLIENT: **Bromley**
THE LONDON BOROUGH

CONWAY
great people. great work

Topocrew
SURVEY SURVEY

Sheet: Sheet 5 of 7
Date: July 2016
Scale & Drawing Size: 1:200 @ A1
Drawing No: BHS/700/GA

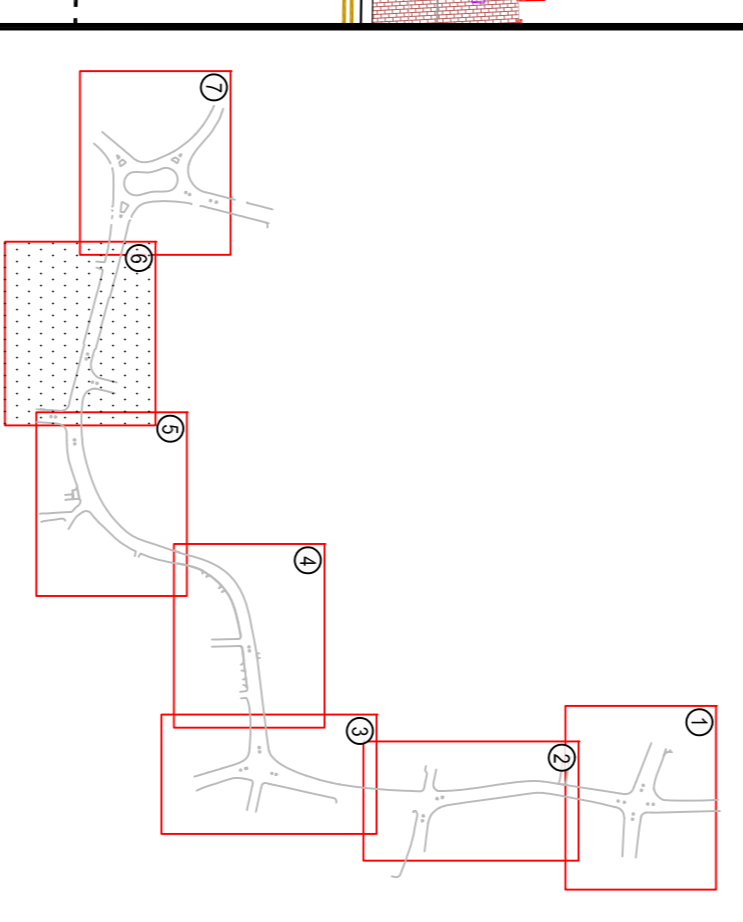
Designed by: Various
Drawn by: SR
Checked by: GK
Resident: B



KEY	
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	CCTV Column (proposed)
	Post box
	Bell bollard
	Cycle stand
	Lamp column (existing retained)
	Lamp column (proposed)
	Wall mounted lantern
	Sign / sign & post (ex. retained)
	Sign / sign & post (proposed)
	Water point
	Traffic signal
	Traffic signal controller
	Cycle repair stand
	Plano (Art installation)
	Bus stop flag/time tables
	Bus shelter
	A1/Excel edge restraint
	Boundary studs
	Finger post sign (Wayfinding)
	Pay and display / ticket machine
	Possible smoke outlet / skylight. Material type & extent to be decided by engineer on site.
	Granite dropper kerb
	Guard railing
	Red tactile Paving
	Buff Tactile Paving
	Buff Corduroy Paving
	Milestone
	Bin
	Bench
	Timber seating
	Electricity point
	Planter
	Steel screen structure
	Granite seating
	Brick retaining wall
	Granite kerb
	Proposed tree
	Existing tree
	600x450mm granite paving
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	Landscaping area

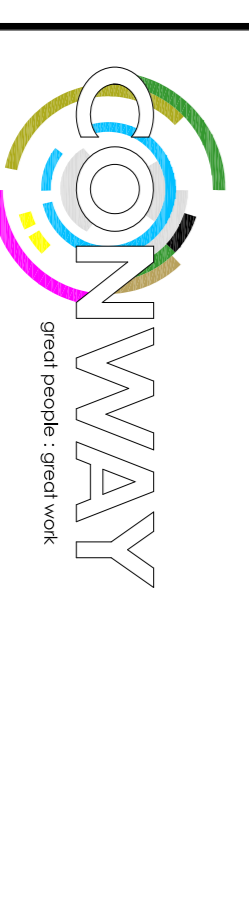
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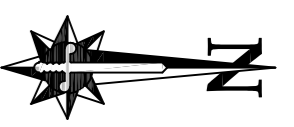


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A	25 May	Various revisions to the scheme	SR
B	27 June	First Issue	GK

TITLE:
**Beckenham High Street
General Arrangement**



Sheet:	Sheet 6 of 7	Designed by:	Various
Date:	July 2016	Drawn by:	SR
Scale & Drawing Size:	1:200 @ A1	Checked by:	GK
Drawing No.:	BHS/700/GA	Resident:	B

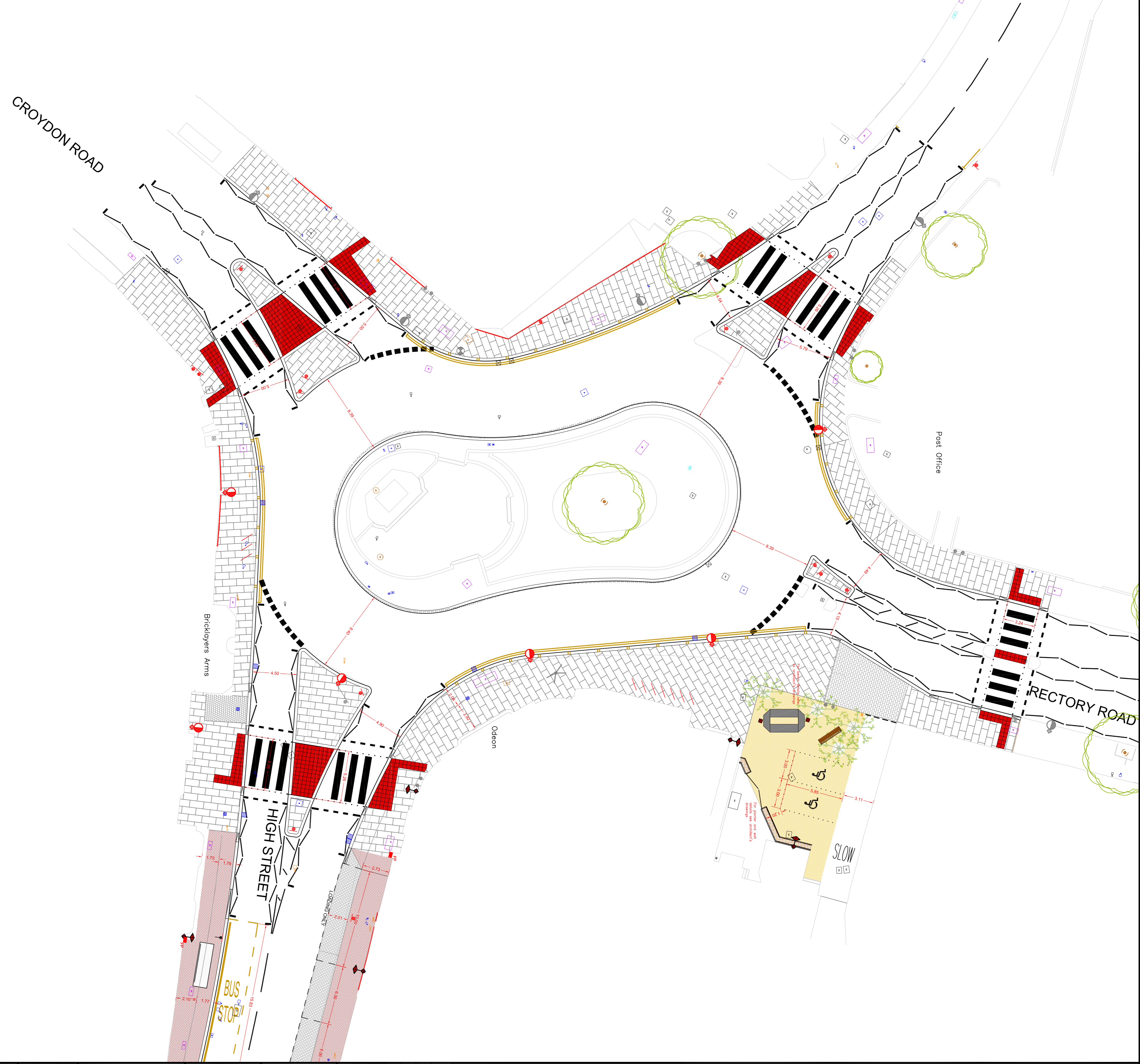


BECKENHAM ROAD

RECTORY ROAD

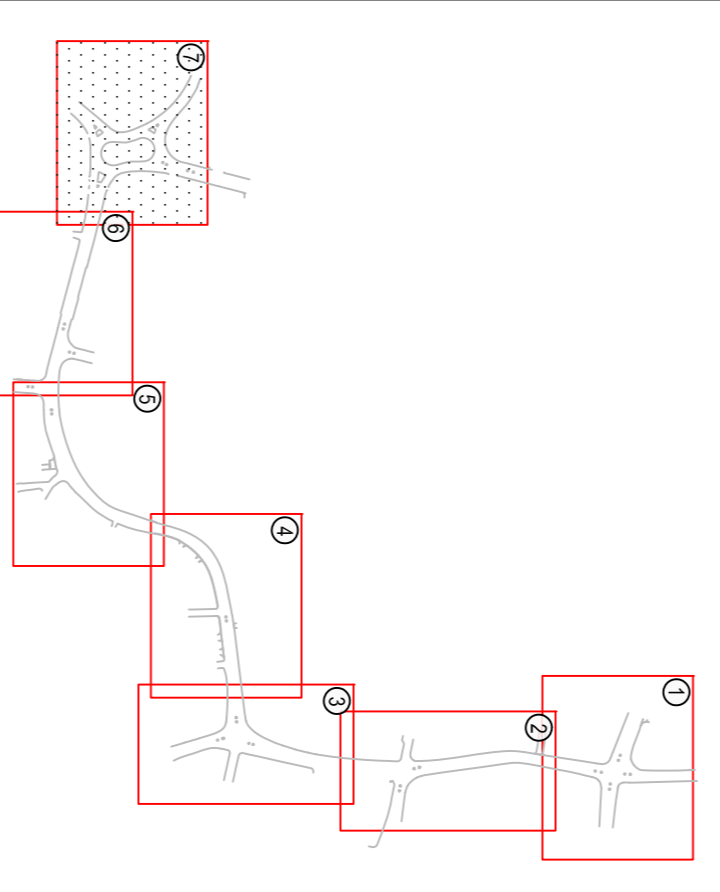
CROYDON ROAD

KEY	
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TITLE:
Beckenham High Street
General Arrangement



Sheet:	Sheet 7 of 7	Designed by:	Various
Date:	July 2016	Drawn by:	SR
Scale & Drawing Size:	1:200 @ A1	Checked by:	GK
Drawing No.:	BHS/700/GA	Revised:	B

Decision Maker: **Executive**

For Pre-Decision Scrutiny by the Environment PDS Committee on 29th September 2016

Date: **18th October 2016**

Decision Type: Non-Urgent Executive Key

Title: **HIGHWAYS INVESTMENT**

Contact Officer: Garry Warner, Head of Highways
Tel: 020 8313 4929 E-mail: garry.warner@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: (All Wards);

1. Reason for report

This report considers alternative funding arrangements for highways maintenance.

2. **RECOMMENDATION(S)**

2.1 **That the Executive approve capital funding of £11.8m for investment in planned highway maintenance, to be funded from capital receipts and adds the scheme to the Capital Programme, subject to approval of Full Council.**

2.2 **Subject to the approval of the alternative funding above, the revenue budget for highways works will reduce by £2.5m per annum for the period 2017/18 to 2021/22 which will be partly offset by an estimated reduction in treasury management income of £167k over the 5 year period.**

Corporate Policy

1. Policy Status: New Policy: Further Details
 2. BBB Priority: Excellent Council Quality Environment Safer Bromley Supporting Independence Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: Capital costs of £11.8m and annual revenue savings of £2.5m
 2. Ongoing costs: Annual saving of £2.5m per annum for 5 years and potential loss of treasury management income of £167k over the 5 year period
 3. Budget head/performance centre: Highways
 4. Total current budget for this head: £8.881m and Capital Programme
 5. Source of funding: Existing revenue budget 2016/17 & Capital Programme
-

Staff

1. Number of staff (current and additional): 3 fte
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Applicable:
-

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

Background

- 3.1 Bromley's highway network includes 547 miles (880Km) of carriageways and 885 miles (1,425 Km) of footways, with a gross replacement cost of approximately £1.5 bn. The highway network is a highly visible asset used by most residents and businesses on a daily basis. A well-maintained highway facilitates safe and reliable travel for pedestrians, cyclists and motorists, and contributes to the vitality of the borough and the local economy.
- 3.2 There is a very strong case for continued investment in planned maintenance of the highway asset. Planned maintenance reduces the amount of reactive maintenance associated with fixing pot holes, broken paving slabs etc. This improves value for money and customer satisfaction, reduces unplanned network disruption, and contributes to reducing claims for damages.

Road Condition

- 3.3 Borough-wide road condition is measured by analysing the results of the latest condition surveys to identify the percentage of roads (by class) which should be considered for maintenance. These estimates are not precise, as they are derived from identifying a wide range of highway defects. However they provide an appropriate source of trend data over time and in that respect are valuable.

Road condition indicators (2014/15) using latest qualifying road survey condition data are set out in the table below:

Network Classification	A (Principal)	B/C (Non-Principal)	Unclassified
Road Condition Value	1%	3%	17%

- 3.4 The principal (A) road network is 42 miles (67Km) in length. Sustained annual investment of between £0.75m and £1.0m p.a. received as part of the LIP settlement from TfL has helped to keep these roads in good condition. Likewise the non-principal (B/C) road network of 58 miles (93Km) have a condition indicator of 3%, as they have been a priority for revenue funding in recent years. The remaining 447 miles (720 Km) of carriageway form the unclassified road network with a road condition indicator of 17%.
- 3.5 As carriageways deteriorate through weathering and the acts of traffic, the requirement for protective or more structural maintenance can be predicted with some accuracy. Most of the footways in the borough are surfaced with paving slabs, and the main causes of their deterioration is root damage from street trees and over-running vehicles, both of which have been effectively managed through reactive and minor works. This was verified in the results of the new treatment survey undertaken of all footways and carriageways last year to identify the likely timescale of future planned maintenance works, which confirmed that as an asset, Bromley's footways are in a better structural condition than the carriageways.

Funding Proposals

- 3.6 Planned highway maintenance works are funded through annual revenue budgets. The 2016/17 budgets for planned maintenance include £1.25m for carriageways and £1.13m for footways, with an additional £1.42m for reactive maintenance and minor repairs. Although this level of funding has allowed the non-principal and unclassified road networks to be maintained at a stable condition, it has not been sufficient to allow conditions to be improved, which would also allow expenditure in reactive works to be reduced.

- 3.7 Carriageway and footways have been identified for planned work using a prioritisation system based on highway condition, but also taking account of factors such as use, location on the network and frequency of reactive maintenance. Those roads with the highest overall priority have been put forward for planned works programmes in accordance with expected budget provision.
- 3.8 Planned highway maintenance projects are completed by the Council's Major Works Contractor. This Contract was awarded in 2010 for an initial seven year period, and has recently been extended to June 2018. A recent benchmarking exercise with neighbouring boroughs identified that prices within our current Contract are at least 28% lower than similar recently awarded contracts, and it is anticipated that contract prices will increase further when the contract is re-tendered.
- 3.9 It is proposed that £11.8m is drawn down from capital receipts to fund improvement works during the next two years which will allow conditions to be improved significantly in the short term using existing contract prices. This upfront funding will result in a reduction in treasury management revenue of around £167k over the five year period. This alternative funding will then allow revenue expenditure to be reduced by £2.5m per annum for 5 years, a total of £12.5m (£11.9m from planned works and £0.6m from reactive maintenance). At the end of 5 years, a review can be undertaken to assess the benefits of upfront funding and future funding required and a decision made as to whether this would be funded from capital receipts (subject to availability of future capital receipts) or to reinstate the revenue budgets.
- 3.10 Based on results from the latest treatment survey any future investment should be focussed on carriageway maintenance to obtain long-term benefits, with footway maintenance continuing to rely on reactive and minor works to deal with the short term damaging factors.
- 3.11 Should Executive approve an investment programme for highways maintenance, it is proposed that a Member Working Group is established to agree levels of service and treatment options. Details of future works programmes funded by the investment will be considered by the Environment Portfolio Holder following scrutiny by the Environment PDS Committee.

4. POLICY IMPLICATIONS

- 4.1 The Environment Portfolio Plan 2015-2018 includes the key aim "To continue to invest in a timely and effective manner in our roads and pavements to maintain the value of our highway asset". The Plan (item 4.4) identifies the Council will "Improve the condition of the of the highway network by completing an approved major programme of road and pavement resurfacing".

5. FINANCIAL IMPLICATIONS

- 5.1 This report considers alternative upfront funding arrangements for highways maintenance from the Council's capital programme instead of the Council's revenue budget and identifies potential benefits of upfront funding given the future cost pressures on highway maintenance costs (see 3.8).
- 5.2 The Executive is therefore requested to agree funding of £11.8m from capital receipts for investment in planned highway maintenance. This will enable annual revenue savings of £2.5m to be made, a total of £12.5m over a period of 5 years from 2017/18, which will be partly offset by a total estimated reduction in treasury management income of £167k over the five year period.
- 5.3 Approval from Full Council will be required as the total expenditure is over £1m.

- 5.4 The utilisation of capital receipts will reduce monies available for future capital schemes. It remains essential that the Council continues to generate capital receipts to fund the future capital programme.
- 5.5 Any revenue costs in 2016/17 not utilised as a result of undertaking these works during 2016/17 will be set aside towards funding the capital costs identified in this report.

6. LEGAL IMPLICATIONS

- 6.1 Under the Highways Act 1980, the Council, as Highway Authority, has duties to ensure the safe passage of highway users and to maintain the highway.

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

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Report No.
CSD16178

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: **TREASURY MANAGEMENT - (A) ANNUAL REPORT 2015/16 AND (B) QUARTER 2 PERFORMANCE 2016/17 AND MID YEAR REVIEW**

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At its meeting on 7th July 2016, the Executive and Resources PDS committee considered the attached report summarising treasury management activity during the quarter to March 2016 and including the Treasury Management Annual Report 2015/16. This should have been reported to Council in September 2016, but was omitted from the agenda in error.
- 1.2 At its meeting on 23rd November 2016, the Executive and Resources PDS Committee considered the attached report on treasury management activity up to the second quarter of 2016/17, and including the Mid-Year Review of the Treasury Management Strategy Statement and Annual Investment Strategy (Annex a to the report.)
-

2. **RECOMMENDATION(S)**

- (1) That Council notes the Treasury Management Annual Report 2015/16 and approves the actual prudential indicators in the report.**
- (2) That Council notes the Quarter 2 Performance Report and Mid-Year Review, and approves changes to the prudential indicators, as set out in Annex B1 to the report.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Existing Policy: To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Interest on Balances
 4. Total current budget for this head: £3.491m (net in 2016/17; surplus currently projected)
 5. Source of funding: Net investment income
-

Personnel

1. Number of staff (current and additional): 0.25fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	Impact on vulnerable Adults and Children/Legal/Personnel/Policy/Finance/Procurement
Background Documents: (Access via Contact Officer)	See attached reports

PART 1 - PUBLIC

Decision Maker: Resources Portfolio Holder

Date: For pre-decision scrutiny by Executive and Resources PDS Committee
on 7th July 2016
Council 26th September 2016

Decision Type: Non-Urgent Executive Non-Key

Title: TREASURY MANAGEMENT - ANNUAL REPORT 2015/16

Contact Officer: James Mullender, Principal Accountant
Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

- 1.1 This report summarises treasury management activity during the March quarter and includes the Treasury Management Annual Report for 2015/16, which is required to be reported to full Council. The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. The report also includes an update on the Council's investment with Heritable Bank (paragraph 3.16). Investments as at 31st March 2016 totalled £285.5m (excluding the balance of the Heritable investment) and there was £24.4m of temporary external borrowing. For information and comparison, the balance of investments stood at £301.9m as at 31st December 2015 and £254.8m as at 31st March 2015 and, at the time of writing this report (24th June 2016) it stood at £287.6m.
-

RECOMMENDATION(S)

2.1 The PDS Committee, the Portfolio Holder and the Council are asked to:

- (a) note the Treasury Management Annual Report for 2015/16 and**
- (b) approve the actual prudential indicators within the report.**

Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Interest on balances
 4. Total current budget for this head: £2.741m budget (net interest earnings) in 2015/16; surplus of £1.53m achieved in 2015/16. Budget for 2016/17 £3.491m
 5. Source of funding: Net investment income
-

Staff

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

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): n/a
-

Ward Councillor Views

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

3. COMMENTARY

General

- 3.1 Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end. This report includes details of investment performance in the final quarter of 2015/16 and the annual report for the whole of the financial year 2015/16. The 2015/16 annual treasury strategy, including the MRP (Minimum Revenue Provision) Policy Statement and prudential indicators, was originally approved by Council in February 2015. The review and amendments to the strategy (comprising an increase in the total investment limit for pooled investment vehicles from £25m to £40m) were approved by Council in October 2015.
- 3.2 Recent changes in the regulatory environment place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.3 The Council has monies available for Treasury Management investment as a result of the following:
- (a) Positive cash flow;
 - (b) Monies owed to creditors exceed monies owed by debtors;
 - (c) Receipts (mainly from Government) received in advance of payments being made;
 - (d) Capital receipts not yet utilised to fund capital expenditure;
 - (e) Provisions made in the accounts for liabilities e.g. provision for outstanding legal cases which have not yet materialised;
 - (f) General and earmarked reserves retained by the Council.
- 3.4 Some of the monies identified above are short term and investment of these needs to be highly "liquid", particularly if it relates to a positive cash flow position, which can change in the future. Future monies available for Treasury Management investment will depend on the budget position of the Council and whether the Council will need to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding (which will require the Council to make revenue savings to balance the budget in future years), there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.
- 3.5 The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated £3m income in 2015/16, and full-year income of £4m. This is based on a longer term investment timeframe of at least 3 to 5 years. After allowing for foregone treasury management interest earnings (£0.5m), the financial forecast assumes net increased income of £4.5m from the acquisitions. This alternative investment ensures that the monies available can attract higher yields over the longer term.
- 3.6 A combination of lower risk investment relating to Treasury Management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any investment decisions will also need to consider the likelihood that interest rates will increase at some point. The available resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

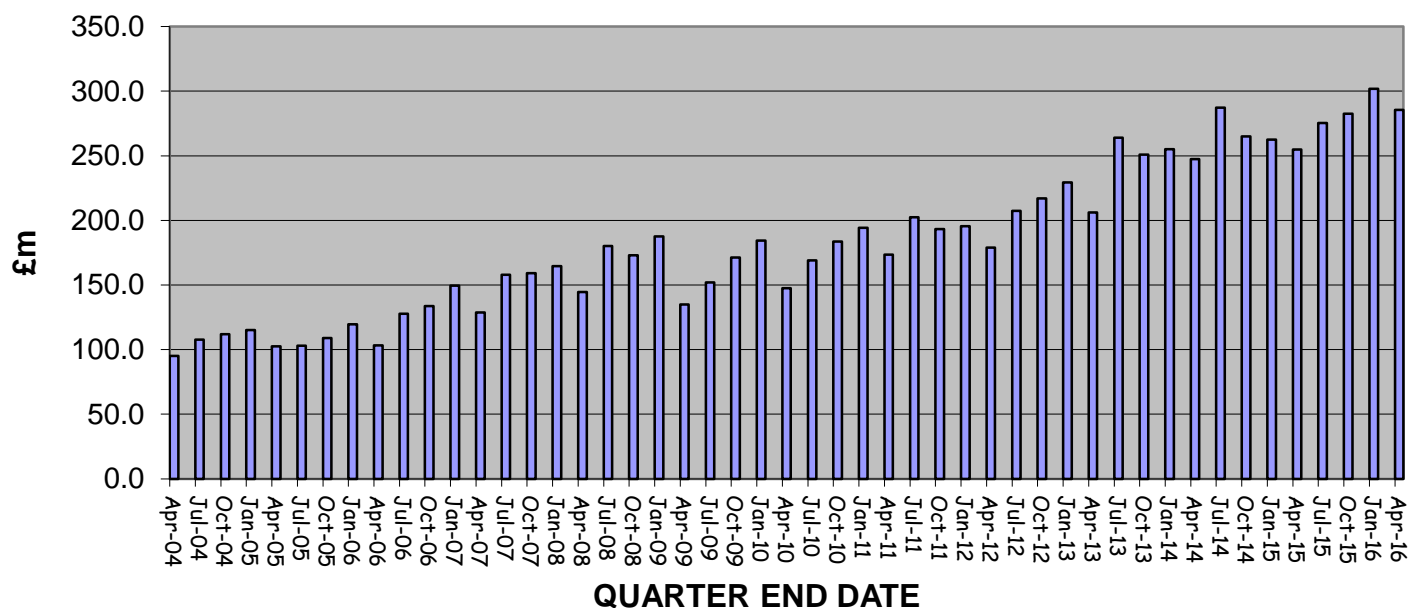
Treasury Performance in the quarter and year ended 31st March 2016

- 3.7 **Borrowing:** Between 29th February and 31st March 2016, some short-term temporary borrowing was required. This was primarily due to activity in quarter four, mainly relating to the purchase of three investment properties and an anticipated capital receipt not being realised. The borrowing, all from other Local Authorities, had an average principal over this period of £10.4m at an average rate of 0.42% (total interest cost £4k). As at 31st March, there was a total outstanding of £24.4m, which was fully repaid by 4th April 2016. No other borrowing was required for the earlier part of the year.
- 3.8 **Investments:** No investments were placed in the March quarter. The following table sets out details of investment activity during the March quarter and the whole of the financial year 2015/16:-

Main investment portfolio	Qtr ended 31/03/16		1/4/15 to 31/03/16	
	Deposits	Ave Rate	Deposits	Ave Rate
	£m	%	£m	%
Balance of "core" investments b/f	247.50	1.41	207.50	1.29
New investments made in period	0.00	0.00	70.00	1.33
Investments redeemed in period	-7.00	0.97	-37.00	0.84
"Core" investments at end of period	240.50	1.43	240.50	1.43
Money Market Funds	0.00	para 3.13	0.00	para 3.13
Santander 180 day notice account	10.00	para 3.14	10.00	para 3.14
CCLA Property Fund	25.00	para 3.15	25.00	para 3.15
Diversified Growth Funds	10.00	para 3.15	10.00	para 3.15
Total investments at end of period	285.50	n/a	285.50	n/a

- 3.9 Details of the outstanding investments at 31st March 2016 are shown in maturity date order in Appendix 1 and by individual counterparty in Appendix 2. An average return of 1% was prudently assumed for new investments in the 2015/16 budget in line with the estimates provided by the Council's external treasury advisers, Capita, and with officers' views. The average return on the new "core" investments placed during 2015/16 was 1.33%, compared to the average LIBID rates of 0.36% for 7 days, 0.46% for 3 months, 0.61% for 6 months and 0.90% for 1 year. The improved average rate earned on new investments placed in 2015/16 mainly reflects longer-term deposits placed with other local authorities and banks and compares favourably with the budget assumption.
- 3.10 Reports to previous meetings have highlighted the fact that options with regard to the reinvestment of maturing deposits have become seriously limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria, most recently in October 2014 (an increase of £40m (from £40m to £80m) in the lending limits of both Lloyds and RBS and an increase in the maximum period from 2 years to 3 years) have alleviated this to some extent, but there are still not many investment options available other than placing money with instant access accounts at relatively low interest rates. Active UK banks on the Council's list now comprise only Lloyds, RBS, HSBC, Barclays, Santander UK and Nationwide and all of these have reduced their interest rates significantly in recent years. The Director of Finance will continue to monitor rates and counterparty quality and take account of external advice prior to any investment decisions.
- 3.11 The chart below shows total investments at quarter-end dates back to 1st April 2004 and shows how available funds have increased steadily over the years. This has been a significant contributor to the over-achievement of investment income against budgeted income in recent years.

TOTAL INVESTMENT PORTFOLIO



Interest Rate Forecast

3.12 Base rate has now been 0.5% since March 2009 and the latest forecast by Capita Treasury Solutions (in May 2016) is for it to begin to slowly rise from early 2017 (a quarter later than the previous estimate given in January 2016). For comparison, Capita's latest two interest rate forecasts are shown below.

Date	LATEST FORECAST (May 16)				PREVIOUS FORECAST (Jan 16)			
	Base Rate	3 month Libid	6 month Libid	1 year Libid	Base Rate	3 month Libid	6 month Libid	1 year Libid
Jun-16	0.50%	0.50%	0.70%	1.00%	0.50%	0.50%	0.70%	1.00%
Sep-16	0.50%	0.50%	0.70%	1.00%	0.50%	0.60%	0.80%	1.10%
Dec-16	0.50%	0.60%	0.80%	1.10%	0.75%	0.80%	0.90%	1.20%
Mar-17	0.75%	0.80%	0.90%	1.20%	0.75%	0.90%	1.00%	1.30%
Jun-17	0.75%	0.80%	1.00%	1.30%	1.00%	1.00%	1.20%	1.50%
Sep-17	1.00%	1.00%	1.20%	1.50%	1.00%	1.10%	1.30%	1.60%
Dec-17	1.00%	1.10%	1.40%	1.70%	1.25%	1.30%	1.50%	1.80%
Mar-18	1.25%	1.30%	1.60%	1.90%	1.25%	1.40%	1.60%	1.90%
Jun-18	1.25%	1.30%	1.70%	2.00%	1.50%	1.50%	1.70%	2.00%
Sep-18	1.50%	1.60%	1.80%	2.10%	1.50%	1.60%	1.80%	2.10%
Dec-18	1.50%	1.80%	2.00%	2.30%	1.75%	1.80%	2.00%	2.30%
Mar-19	1.75%	1.90%	2.20%	2.40%	1.75%	1.90%	2.20%	2.40%

However, these projections do not reflect any potential impact of the referendum decision to leave the EU, and although due in July, an updated forecast may not be available until after the meeting of this committee.

Other accounts

3.13 Money Market Funds

The Council currently has 6 AAA-rated Money Market Fund accounts, with Prime Rate, Ignis, Insight, Blackrock, Fidelity and Legal & General, all of which have a maximum investment limit of

£15m. In common with market rates for fixed-term investments, interest rates on money market funds have fallen considerably in recent years. The Ignis and Legal & General funds currently offer the best rate (around 0.53%). The total balance held in Money Market Funds has fluctuated considerably during the year, moving from £22.3m as at 1st April 2015 to £17.8m as at 30th June 2015, £20.1m as at 30th September 2015, £9.4m as at 31st December 2015 and zero as at 31st March 2016. The total peaked at £57.2m in October 2015 and averaged £27.7m over the whole year. The Money Market Funds currently offer the lowest interest of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility (currently 0.25%). During the year, funds have been withdrawn to fund other, more attractive investments, most recently in the December quarter, when the Council invested £10m in Santander's 180 call account at 1.15%, £5m with Lloyds Bank at 1.82% for 3 years, and £10m with Lancashire County Council at 1.5% for 3 years.

Money Market Funds	Date Account Opened	Ave. Rate 2015/16	Ave. Daily balance 2015/16	Actual balance 31/03/16	Latest Balance 24/06/16	Latest Rate 24/06/16
		%	£m	£m	£m	%
Prime Rate	15/06/2009	0.48	8.2	0.0	8.0	0.53
Ignis	25/01/2010	0.048	11.3	0.0	13.5	0.52
Insight	03/07/2009	0.47	2.8	0.0	0.0	0.50
Legal & General	23/08/2012	0.46	5.4	0.0	15.0	0.54
Blackrock	16/09/2009	-	-	0.0	0.0	0.41
Fidelity	20/11/2002	-	-	0.0	0.0	0.42
TOTAL			27.7	0.0	36.5	

3.14 Santander 180 Day Notice Account

In November 2015, £10m was placed with Santander UK in their 180 day notice account at a rate of 1.15%. This is a very good rate for (potentially) 6 month money, but notice was given in May 2016 to ensure that this did not breach the one year maximum permitted with Santander.

3.15 Pooled Investment Schemes

In September 2013, the Portfolio Holder and Full Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.

CCLA Property Fund

Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015 and £10m in October 2015. The investment in the CCLA Fund is viewed as a medium to long-term investment and dividends are paid quarterly. The investment returned 5.25% net of fees in 2014/15 and 5.02% (net) in 2015/16.

Diversified Growth Funds

In October 2014, the Council approved the inclusion of investment in diversified growth funds in the investment strategy and, in December, £5m was invested with both Newton and Standard Life. The Funds both performed very well in just over three months to 31st March 2015; the Newton Fund returning 21.5% and the Standard Life Fund returning 21.9%. In accordance with the Council decision, interest equivalent to 27% of the total dividend was transferred to the Parallel Fund, set up in 2014/15 with an opening balance of £2.7m to mitigate the potential

revenue impact of future actuarial Pension Fund valuations. However, performance has not been so impressive in 2015/16, with the Newton Fund returning 0.85% (net – an overall gain of £43k) and the Standard Life Fund returning -5.05% (net – an overall loss of £253k). The overall net gains since inception have been 5.3% (£337k) and 0.7% (£47k) for the Newton and Standard Life funds respectively. This downturn in performance echoes that seen in the Pension Fund’s Diversified Growth Funds (and Global Equities Funds) during 2015/16. It should be noted that these types of investments should be considered as longer term investments over a three to five year period.

3.16 Investment with Heritable Bank

Members will be aware from regular updates to the Resources Portfolio Holder and the Executive that the Council had £5m invested with the Heritable Bank, a UK subsidiary of the Icelandic bank, Landsbanki. In October 2008, the bank was placed in administration and the investment was frozen. An initial dividend was paid to the Council in July 2009 and, since then, a further 14 dividends have been received. To date, a total of £4,985k has been received (98% of the total claim of £5,087k), leaving a balance of £102k (2%). Council officers and its external advisers remain hopeful of a full recovery.

3.17 External Cash Management

Since 2003, external cash managers, Tradition UK Ltd, have managed a proportion of the Council’s cash portfolio (£10m up to 2010 and £20m from then) and have provided advice and information on treasury management matters. In 2014/15, Tradition UK achieved a return of 1.28%, which compared with the in-house team rate of 1.06% for “core” investments (1.55% including investments with the pooled vehicles). During 2015/16, Tradition UK returned 1.42% against the in-house team return of 1.43% for “core” investments (1.25% including pooled vehicles). As reported to the Executive and Resources Committee on 3rd February 2016, the contract with Tradition was terminated in December 2015, resulting in a fee saving of £12,500 per annum. The table below shows details of their current deposits, all of which have been placed for periods of two or three years.

Bank	Sum	Start Date	Maturity	Period	Rate
Lloyds	£7.5m	18/08/14	18/08/16	2 years	1.28%
RBS	£5.0m	26/08/14	26/08/16	2 years	Min 1.52%; max 2.00% (linked to 3 month Libor)
West Dumbartonshire Council	£2.5m	26/03/14	24/03/17	3 years	1.60%
Perth & Kinross Council	£5m	23/03/14	24/03/17	3 years	1.45%

Actual prudential indicators for 2015/16

3.18 The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2015/16 were approved by the Executive and the Council in February 2015 and were revised and updated in December 2015. Appendix 3 sets out the actual performance in 2015/16 against those indicators.

Economic Background during 2015/16 (provided by Capita Treasury Solutions)

- 3.19 Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.
- 3.20 These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in the UK surged strongly during both 2013/14 and 2014/15 to make the UK the top performing advanced economy in 2014. However, 2015 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.
- 3.21 The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling materially. These rates continued at very low levels during 2015/16.
- 3.22 The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.
- 3.23 The ECB had announced in January 2015 that it would undertake a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015. The anti-austerity government in Greece, elected in January 2015 eventually agreed to implement an acceptable programme of cuts to meet EU demands after causing major fears of a breakup of the Eurozone. Nevertheless, there are continuing concerns that a Greek exit has only been delayed.
- 3.24 As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.
- 3.25 On the international scene, concerns have increased about the slowing of the Chinese economy and also its potential vulnerability to both the bursting of a property bubble and major exposure of its banking system to bad debts. The Japanese economy has also suffered disappointing growth in this financial year despite a huge programme of quantitative easing, while two of the major emerging market economies, Russia and Brazil, are in recession. The situations in Ukraine, and in the Middle East with ISIS, have also contributed to volatility.

Regulatory Framework, Risk and Performance

- 3.26 The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;

- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken (although no restrictions have been made to date);
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act, the CLG has issued Investment Guidance to structure and regulate the Council's investment activities;
- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

3.27 The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low risk approach.

4. POLICY IMPLICATIONS

4.1 In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

5. FINANCIAL IMPLICATIONS

5.1 An average rate of interest of 1.39% was achieved in 2015/16, including 1.33% on all new "core" investments placed during the year (compared to the budget assumption of 1%), money market funds and pooled investment schemes. The final outturn for net interest on investments and borrowing in 2015/16 was £4,269k compared to the budget of £2,741k. This was in no small part due to returns on the CCLA Property Fund. The other main contributory factor, apart from the higher interest rate earned on new investments, was the fact that average investment balances during the year (£267m) were higher than expected.

5.2 With regard to 2016/17, there is still no sign of interest rates improving and an average rate of 1% has again been prudently assumed for interest on new fixed term deposits in the 2016/17 revenue budget, in line with the estimates provided by the Council's external treasury advisers, Capita, earlier in the year and with officers' views. The Bank of England base rate is still expected to rise, but the expected start of the rise has been put back to early 2017 and could be even later. There have been no improvements to counterparty credit ratings, as a result of which the restrictions to investment opportunities that followed ratings downgrades in recent years have still been in place. However, the increases in the limits for the two part-nationalised banks (Lloyds and RBS) approved by the Council in October, together with higher rates from longer-term deals placed with other local authorities, higher average balances than anticipated and the strong performance of the CCLA Property Fund have enabled the 2016/17 budget to be

increased to £3,491k, after allowing for foregone interest earnings as a result of further property acquisitions.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Capita Treasury Solutions

INVESTMENTS HELD AS AT 31ST MARCH 2016

Counterparty	Start Date	Maturity Date	Rate of Interest %	Amount £m
FIXED DEPOSITS	01/04/2015	31/03/2016		
GREATER LONDON AUTHORITY	01/04/2014	01/04/2016	1.14000	15.0
LLOYDS BANK	13/04/2015	13/04/2016	1.00000	5.0
RBS (collar deposit - floor 1.15%; ceiling 1.37%)	21/05/2014	23/05/2016	1.15000	15.0
LLOYDS BANK	07/07/2014	07/07/2016	1.25000	2.5
BARCLAYS BANK	29/07/2015	29/07/2016	1.02000	10.0
SANTANDER	06/08/2015	08/08/2016	1.00000	10.0
LLOYDS BANK	18/08/2014	18/08/2016	1.28000	7.5
RBS (collar deposit - floor 1.52%; ceiling 2.00%)	26/08/2014	26/08/2016	1.52000	15.0
WARRINGTON BOROUGH COUNCIL	31/10/2013	31/10/2016	1.45000	5.0
LONDON FIRE & EMERGENCY PLANNING AUTHORITY	28/11/2013	28/11/2016	1.50000	5.0
LLOYDS BANK	04/12/2014	05/12/2016	1.09000	25.0
RBS (Certificate of Deposit)	13/02/2015	13/02/2017	1.34000	10.0
WEST DUMBARTONSHIRE COUNCIL	26/03/2014	24/03/2017	1.60000	2.5
PERTH & KINROSS COUNCIL	26/03/2014	24/03/2017	1.45000	5.0
NORTHUMBERLAND COUNTY COUNCIL	15/08/2014	15/08/2017	1.50000	5.0
DONCASTER MBC	15/08/2014	15/08/2017	1.88000	5.0
LB CROYDON	22/08/2014	22/08/2017	1.50000	10.0
RBS (Certificate of Deposit)	30/10/2014	30/10/2017	1.85000	40.0
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90000	3.0
LLOYDS BANK	16/04/2015	16/04/2018	1.49000	30.0
LLOYDS BANK	19/11/2015	19/11/2018	1.82000	5.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50000	10.0
TOTAL FIXED INVESTMENTS				240.5
OTHER FUNDS				
SANTANDER 180 DAYS CALL ACCOUNT	22/11/2015			10.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			25.0
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
TOTAL INVESTMENTS				285.5
ICELANDIC BANK DEPOSIT				
HERITABLE BANK	28/06/2007	29/06/2009	6.42000	5.0

INVESTMENTS HELD AS AT 31ST MARCH 2016

	FROM	TO	RATE	£m	TOTAL £m	LIMIT	EMAINING
<u>UK BANKS</u>							
BARCLAYS BANK	29/07/2015	29/07/2016	1.02000	10.0	10.0	20.0	10.0
SANTANDER	06/08/2015	08/08/2016	1.00000	10.0	10.0	20.0	0.0
LLOYDS BANK	13/04/2015	13/04/2016	1.00000	5.0			
LLOYDS BANK	07/07/2014	07/07/2016	1.25000	2.5			
LLOYDS BANK	18/08/2014	18/08/2016	1.28000	7.5			
LLOYDS BANK	04/12/2014	05/12/2016	1.09000	25.0			
LLOYDS BANK	16/04/2015	16/04/2018	1.49000	30.0			
LLOYDS BANK	19/11/2015	19/11/2018	1.82000	5.0	75.0	80.0	5.0
RBS (collar deposit - floor 1.15%; ceiling 1.37%)	21/05/2014	23/05/2016	1.15000	15.0			
ROYAL BANK OF SCOTLAND	26/08/2014	26/08/2016	1.52000	15.0			
ROYAL BANK OF SCOTLAND - CD	13/02/2015	13/02/2017	1.34000	10.0			
ROYAL BANK OF SCOTLAND - CD	30/10/2014	30/10/2017	1.85000	40.0	80.0	80.0	0.0
<u>UK BUILDING SOCIETIES</u>							
<u>LOCAL AUTHORITIES</u>							
GREATER LONDON AUTHORITY	01/04/2014	01/04/2016	1.14000	15.0	15.0	15.0	0.0
NORTHUMBERLAND COUNTY COUNCIL	15/08/2014	15/08/2017	1.50000	5.0	5.0	15.0	10.0
WARRINGTON BOROUGH COUNCIL	31/10/2013	31/10/2016	1.45000	5.0	5.0	15.0	10.0
WEST DUMBARTONSHIRE COUNCIL	26/03/2014	24/03/2017	1.60000	2.5	2.5	15.0	12.5
PERTH & KINROSS COUNCIL	26/03/2014	24/03/2017	1.45000	5.0	5.0	15.0	10.0
LB CROYDON	22/08/2014	22/08/2017	1.50000	10.0	10.0	15.0	5.0
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90000	3.0	3.0	15.0	12.0
DONCASTER MBC	15/08/2014	15/08/2017	1.88000	5.0	5.0	15.0	10.0
LONDON FIRE & EMERGENCY PLANNING AUTHORITY	28/11/2013	28/11/2016	1.50000	5.0	5.0	15.0	10.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50000	10.0	10.0	15.0	5.0
<u>OTHER INVESTMENTS</u>							
SANTANDER (180 DAYS CALL ACCOUNT)	23/11/2015		1.15000	10.0	10.0	20.0	0.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014		0.00000	25.0			
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014		0.00000	5.0			
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014		0.00000	5.0	35.0	40.0	5.0
LESS: FORWARD DEALS					0.0		
TOTAL INVESTMENTS				285.5	285.5		
HERITABLE BANK	28/06/2007	29/06/2009	6.42000	5.0	5.0	0.0	-5.0

Prudential and Treasury Indicators – Actual 2015/16

Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy and require the approval of the Council. The table below shows the actual performance in relation to the indicators in 2014/15 and compares the actual in 2015/16 with the original estimates approved in February 2015 and with the revised estimates (“probable”) reported in the mid-year review in December 2015. Further details on capital expenditure outturn were reported to the Executive on 15th June 2016.

The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. The revised Code (published in 2009) was adopted by full Council on 15th February 2010.

PRUDENTIAL INDICATORS	2014/15	2015/16	2015/16	2015/16
	actual	estimate	probable	actual
Total Capital Expenditure	£50.5m	£59.2m	£80.4m	£76.2m
Ratio of financing costs to net revenue stream	-1.3%	-1.3%	0%	0%
Net borrowing requirement (net investments for Bromley)				
brought forward 1 April	£244.8m	£230.0m	£254.8m	£254.8m
carried forward 31 March	£254.8m	£205.3m	£260.0m	£261.1m
in year borrowing requirement /movement in net investments	£10.0m	£-24.7m	£5.2m	£1.1m
Capital Financing Requirement as at 31 March	£4.3m	£2.0m	£4.0m	£3.8m
Incremental impact of capital investment decisions	£ p	£ p	£ p	£ p
Increase in council tax (band D) per annum	-	-	-	-

TREASURY MANAGEMENT INDICATORS	2014/15	2015/16	2015/16	2015/16
	actual	estimate	probable	actual
Authorised Limit for external debt -				
borrowing	£30.0m	£30.0m	£30.0m	£30.0m
other long term liabilities	£30.0m	£30.0m	£30.0m	£30.0m
TOTAL	£60.0m	£60.0m	£60.0m	£60.0m
Operational Boundary for external debt -				
borrowing	£10.0m	£10.0m	£10.0m	£10.0m
other long term liabilities	£10.0m	£20.0m	£20.0m	£20.0m
TOTAL	£20.0m	£30.0m	£30.0m	£30.0m
Actual external debt	£4.3m	£2.0m	£4.0m	£28.2m
Upper limit for fixed interest rate exposure	100%	100%	100%	100%
Upper limit for variable rate exposure	20%	20%	20%	20%
Upper limit for total principal sums invested for more than 364 days beyond year-end dates	£200.0m	£170.0m	£170.0m	£170.0m

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Decision Maker: Resources Portfolio Holder
Council

Date: For pre-decision scrutiny by Executive and Resources PDS Committee
on 23rd November 2016
Council 12th December 2016

Decision Type: Non-Urgent Executive Non-Key

Title: TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE
2016/17 & MID-YEAR REVIEW

Contact Officer: James Mullender, Principal Accountant
Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

- 1.1. This report summarises treasury management activity during the second quarter of 2016/17. The report also includes a Mid-Year Review of the Treasury Management Strategy Statement and Annual Investment Strategy (Annex A). The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 30th September 2016 totalled £290.3m (excluding the balance of the Heritable investment) and there is no outstanding external borrowing. For information and comparison, the balance of investments stood at £285.2m as at 30th June 2016 and £282.6m as at 30th September 2015, and, at the time of writing this report (10th November 2016) it stood at £325.4m.
-

2. RECOMMENDATION(S)

- 2.1. The Executive and Resources PDS Committee and the Resources Portfolio Holder are requested to:
- (a) note the Treasury Management performance for the second quarter of 2016/17, and
 - (b) recommend that Council approve the 2016/17 prudential indicators as set out in Annex B1.
- 2.2. Council is requested to note the report and approve changes to the 2016/17 prudential indicators, as set out in Annex B1.

Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Interest on balances
 4. Total current budget for this head: £3.491m (net) in 2016/17; £250k surplus currently projected
 5. Source of funding: Net investment income
-

Staff

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

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): n/a
-

Ward Councillor Views

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

3. COMMENTARY

3.1. General

- 3.1.1. Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end.
- 3.1.2. This report includes details of investment performance in the second quarter of 2016/17. The 2016/17 annual treasury strategy, including the MRP (Minimum Revenue Provision) Policy Statement and prudential indicators, was originally approved by Council in February 2016. The annual report for financial year 2015/16 was submitted to the Executive and Resources PDS Committee on 7th July 2016 and Council on 26th September 2016.
- 3.1.3. Recent changes in the regulatory environment place a much greater onus on Members to undertake the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.1.4. The Council has monies available for Treasury Management investment as a result of the following:
- (a) Positive cash flow;
 - (b) Monies owed to creditors exceed monies owed by debtors;
 - (c) Receipts (mainly from Government) received in advance of payments being made;
 - (d) Capital receipts not yet utilised to fund capital expenditure;
 - (e) Provisions made in the accounts for liabilities e.g. provision for outstanding legal cases which have not yet materialised;
 - (f) General and earmarked reserves retained by the Council.
- 3.1.5. Some of the monies identified above are short term and investment of these needs to be highly "liquid", particularly if it relates to a positive cash flow position, which can change in the future. Future monies available for Treasury Management investment will depend on the budget position of the Council and whether the Council will need to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding (which will require the Council to make revenue savings to balance the budget in future years), there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.
- 3.1.6. The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated £3m income in 2015/16, and is projected to achieve £4.3m in 2016/17 with full-year income of £4.4m. This is based on a longer term investment timeframe of at least 3 to 5 years and ensures that the monies available can attract higher yields over the longer term. A further two properties were approved for purchase by Executive on 1st November 2016 which will generate a further £897k full-year income.
- 3.1.7. A combination of lower risk investment relating to Treasury Management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any investment decisions will also need to consider the likelihood that interest rates will increase at some point. The available

resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

3.2. Treasury Performance in the quarter ended 30th September 2016

3.2.1. **Borrowing:** The Council's healthy cashflow position continues and, other than some short-term borrowing at the end of 2015/16, no borrowing has been required for a number of years.

3.2.2. **Investments:** The following table sets out details of investment activity during the second quarter of 2016/17 and 2016/17 year to date:-

	Qtr ended 30/09/16		2016/17 year to date	
	Deposits £m	Ave Rate %	Deposits £m	Ave Rate %
Balance of "core" investments b/f	215.50	1.47	240.50	1.42
New investments made in period	30.00	0.89	40.00	1.04
Investments redeemed in period	-45.00	1.24	-80.00	1.19
"Core" investments at end of period	200.50	1.44	200.50	1.47
Money Market Funds	24.80	para 3.13	24.80	para 3.13
Santander 180 day notice account	30.00	para 3.14	30.00	para 3.14
CCLA Property Fund	25.00	para 3.15	25.00	para 3.15
Diversified Growth Funds	10.00	para 3.15	10.00	para 3.15
Total investments at end of period	290.30	n/a	290.30	n/a

3.2.3. Details of the outstanding investments at 30th September 2016 are shown in maturity date order in Appendix 3 and by individual counterparty in Appendix 4. An average return of 1% was assumed for new investments in the 2016/17 budget in line with the estimates provided by the Council's external treasury advisers, Capita, and with officers' views. The return on the four new "core" investment placed during the second quarter of 2016/17 was 0.89%, compared to the average LIBID rates of 0.20% for 7 days, 0.31% for 3 months, 0.43% for 6 months and 0.65% for 1 year. The improved rate (compared to 1 year LIBID) earned on the new investments is due to the longer (3 year) period on the £10m invested with Lloyds Bank at a rate of 1.34%, and a rate of 0.75% for the £20m with Goldman Sachs International Bank.

3.2.4. Reports to previous meetings have highlighted the fact that options with regard to the reinvestment of maturing deposits have become seriously limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria agreed in October 2014 (an increase in the lending limits of both Lloyds and RBS from £40m to £80m and an increase in the maximum period from 2 years to 3 years) have alleviated this to some extent, but there are still not many investment options available other than placing money with instant access accounts at relatively low interest rates.

3.2.5. At its meeting on 26th September 2016, Council approved the following changes to the treasury management strategy:

- A reduction to the sovereign rating criteria to AA-;
- A reduction to the individual counterparty rating criteria to BBB+;
- An increase to the maximum investment period with Banks 1C category from 6 months to 1 year;
- The inclusion of investments with Housing Associations; and
- The inclusion of Variable Net Asset (VNAV) Money Market Funds.

No investments have been made to date in these categories (other than continued investments with UK banks following the UK's sovereign rating downgrade to AA), and officers are continuing to explore investment opportunities in these areas.

- 3.2.6. As a result of these changes to the criteria, and the addition of the pooled funds described in section 3.4.3, the Council's treasury management performance compares very well with that of other authorities; the Council is in the top quartile of Capita's benchmarking group as at September 2016 (although this excludes pooled fund investments, so total portfolio performance could be higher), and in the top decile nationally for 2014/15 (the most recent CIPFA treasury management statistics available).
- 3.2.7. Active UK banks and building societies on the Council's list now comprise Lloyds, RBS, HSBC, Barclays, Santander UK, Goldman Sachs International Bank, Standard Chartered and Nationwide and Skipton Building Societies, and all of these have reduced their interest rates significantly in recent years. The Director of Finance will continue to monitor rates and counterparty quality and take account of external advice prior to any investment decisions.
- 3.2.8. The chart in Appendix 1 shows total investments at quarter-end dates back to 1st April 2004 and shows how available funds have increased steadily over the years. This has been a significant contributor to the over-achievement of investment income against budgeted income in recent years.

3.3. Interest Rate Forecast

- 3.3.1. On 4th August 2016, the Monetary Policy Committee of the Bank of England voted unanimously to reduce the Base Rate to 0.25% from 0.5% (the rate it has been since March 2009). Previous indications from markets were that a further cut wasn't ruled out, and the latest forecast by Capita Treasury Solutions still reflects this with a reduction to 0.1% before the end of the year. However, with the further inflation increases now being forecast, it seems likely that interest rates will now increase, and possibly sooner than previously projected. For comparison, Capita's latest two interest rate forecasts are shown below (the next forecast is due on 14th November, which should reflect the impact of inflation increases, and a verbal update can be provided at the meeting).

Date	LATEST FORECAST (Aug 16)				PREVIOUS FORECAST (May 16)			
		3 month	6 month	1 year		3 month	6 month	1 year
	Base Rate	Libid	Libid	Libid	Base Rate	Libid	Libid	Libid
Dec-16	0.10%	0.20%	0.30%	0.50%	0.75%	0.80%	0.90%	1.20%
Jun-17	0.10%	0.20%	0.30%	0.60%	1.00%	1.00%	1.20%	1.50%
Dec-17	0.10%	0.20%	0.40%	0.70%	1.25%	1.30%	1.50%	1.80%
Jun-18	0.25%	0.30%	0.50%	0.70%	1.50%	1.50%	1.70%	2.00%
Dec-18	0.25%	0.40%	0.60%	0.80%	1.75%	1.80%	2.00%	2.30%
Jun-19	0.50%	0.60%	0.70%	0.90%	n/a	n/a	n/a	n/a

3.4. Other accounts

3.4.1. Money Market Funds

- 3.4.1.1. The Council currently has 6 AAA-rated Money Market Fund accounts, with Prime Rate, Ignis, Insight, Blackrock, Fidelity and Legal & General, all of which have a maximum investment limit of £15m. In common with market rates for fixed-term investments, interest rates on money market funds have fallen considerably in recent years, and, as their longer dated investments mature and are reinvested, are continuing to drop following the Bank of England Base rate cut in August 2016. The Ignis, Prime Rate and Legal & General funds currently offer the best rate at around 0.32%, compared to 0.43% in September, and 0.53% in June. The total balance held in Money Market Funds has varied during the quarter, moving from zero as at 1st April 2016 to £24.8m as at 30th September 2016, and currently stands at £39.9m (as at 9th October 2016). The Money Market Funds currently offer the lowest interest

of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility (currently 0.10%), however they are the most liquid, with funds able to be redeemed up until midday for same day settlement.

Money Market Funds	Date Account Opened	Actual balance 31/03/16 £m	Actual balance 30/09/16 £m	Ave. Rate H1 2016/17 %	Latest Balance 09/11/16 £m	Ave. Daily balance to 09/11/16 £m	Latest Rate 09/11/16 %
Prime Rate	15/06/2009	0.0	7.1	0.48	14.4	8.0	0.46
Ignis	25/01/2010	0.0	15.0	0.48	15.0	3.7	0.46
Insight	03/07/2009	0.0	0.0	0.47	0.0	3.8	0.45
Legal & General	23/08/2012	0.0	2.7	0.47	10.5	1.9	0.44
Blackrock	16/09/2009	0.0	0.0	0.37	0.0	-	0.35
Fidelity	20/11/2002	0.0	0.0	0.39	0.0	-	0.37
TOTAL		0.0	24.8		39.9	17.4	

3.4.1.2. A chart showing money market fund interest rates is provided in Appendix 2, which highlights how the rates have fallen during 2016/17, and are continuing to fall.

3.4.2. Santander 180 Day Notice Account

3.4.2.1. In November 2015, £10m was placed with Santander UK in their 180 day notice account at a rate of 1.15%. This is a very good rate for (potentially) 6 month money, but notice was given in May 2016 to ensure that this did not breach the one year maximum permitted with Santander. Although Santander had notified the Council that the rate would reduce to 0.90% from September 2016 (a reduction of 0.25% matching the Bank of England base rate reduction), the rate was still very good comparatively, so the Council deposited a further £20m in the notice account during August 2016.

3.4.3. Pooled Investment Schemes

3.4.3.1. In September 2013, the Portfolio Holder and subsequently Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.

CCLA Property Fund

3.4.3.2. Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015 and £10m in October 2015. The investment in the CCLA Fund is viewed as a medium to long-term investment and dividends are paid quarterly. The investment returned 5.25% net of fees in 2014/15, 5.02% in 2015/16, and 4.88% and 4.59% in the first two quarters of 2016/17 (4.73% for 2016/17 to date).

Diversified Growth Funds

3.4.3.3. In October 2014, the Council approved the inclusion of investment in diversified growth funds in the investment strategy and, in December 2014, £5m was invested with both Newton and Standard Life. The Funds both performed very well in just over three months to 31st March 2015, however performance was not so impressive in 2015/16. Performance has picked up again for the first half of 2016/17, resulting in cumulative returns of 7.12% and 0.08% for Newton and Standard Life funds respectively, as shown in the table below.

Annualised return	Newton %	Standard Life %
22/12/14 - 31/03/15	21.46	21.85
01/04/15 - 31/03/16	0.85	-5.04
01/04/16 - 30/06/16	17.81	-5.24
01/07/16 - 30/09/16	5.91	2.07
Cumulative return	7.12	0.08

3.4.3.4. The downturn in performance during 2015/16 echoes that seen in the Pension Fund's Diversified Growth Funds (and Global Equities Funds). It should be noted that these types of investments should be considered as longer term investments over a three to five year period.

3.4.3.5. Officers are currently liaising with the Fund managers to obtain a breakdown of the performance of the funds by asset class and counterparty ratings and this will be included in the next report.

3.4.3.6. In accordance with the Council decision, interest equivalent to 27% of the total dividend is transferred to the Parallel Fund, set up in 2014/15 with an opening balance of £2.7m to mitigate the potential revenue impact of future actuarial Pension Fund valuations.

3.4.4. Investment with Heritable Bank

3.4.4.1. Members will be aware from regular updates to the Resources Portfolio Holder and the Executive that the Council had £5m invested with the Heritable Bank, a UK subsidiary of the Icelandic bank, Landsbanki. In October 2008, the bank was placed in administration and the investment was frozen. To date, a total of £4,985k has been received (98% of the total claim of £5,087k), leaving a balance of £102k (2%). Officers and the Council's external advisers remain hopeful of a full recovery.

3.4.5. External Cash Management

3.4.5.1. As reported to the Executive and Resources PDS Committee on 3rd February 2016, the contract with Tradition UK Ltd was terminated in December 2015, and the two remaining investments are due to mature in March 2017.

3.5. **Mid-Year Review of Treasury Management Strategy Statement and Annual Investment Strategy for 2016/17**

3.5.1. The CIPFA Code of Practice on Treasury Management requires the Council to receive a mid-year review report on performance against the approved strategy. The Annual Investment Strategy was originally approved by Council in February 2016 and was updated in September 2016. A mid-year review, including comments on the economic background during the first half of 2016/17 and on the outlook, is included at Annex A.

3.6. **Regulatory Framework, Risk and Performance**

3.6.1. The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken (although no restrictions have been made to date);

- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act, the CLG has issued Investment Guidance to structure and regulate the Council's investment activities;
- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

3.6.2. The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low risk approach.

4. POLICY IMPLICATIONS

4.1 In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

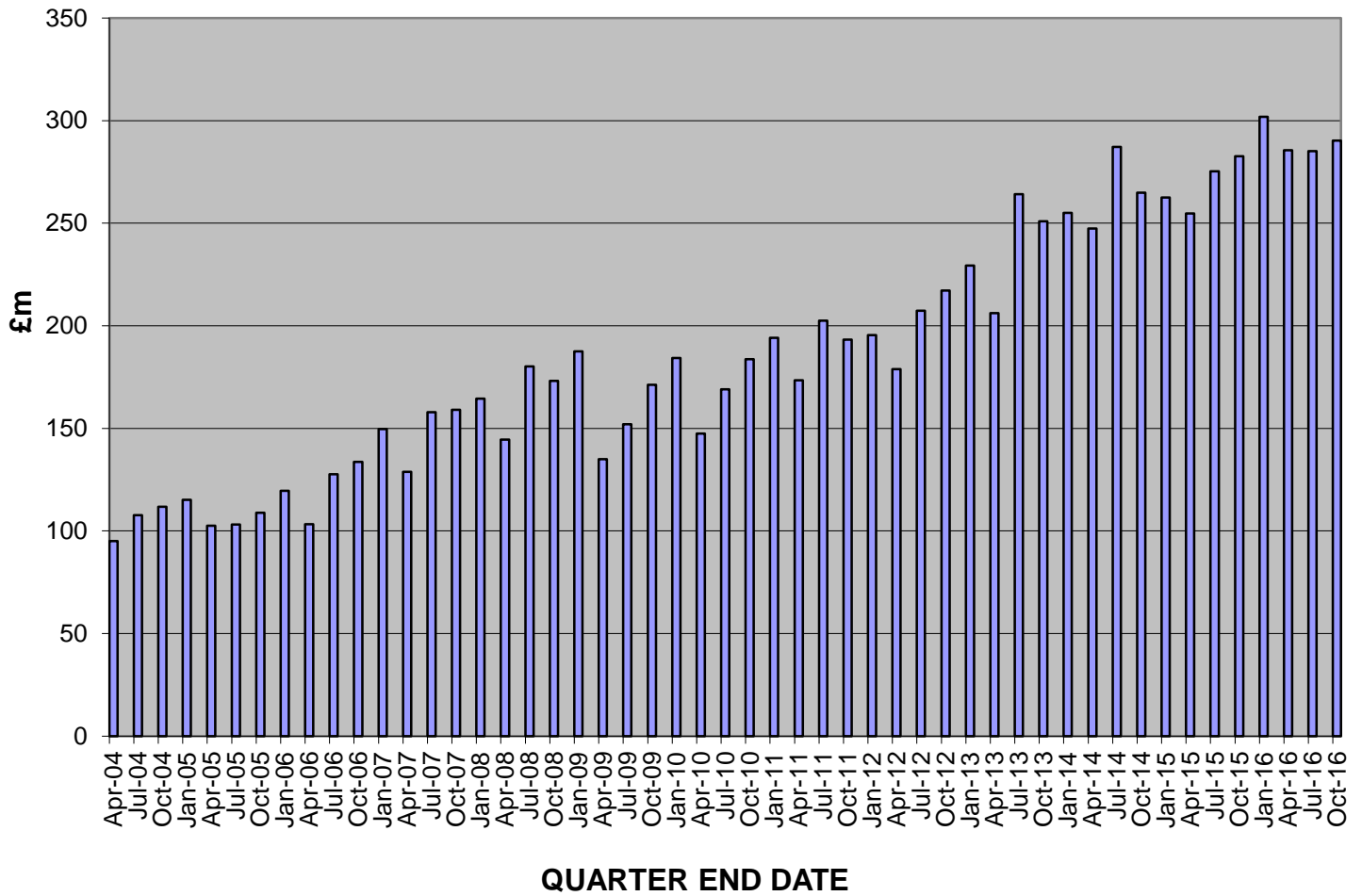
5. FINANCIAL IMPLICATIONS

5.1 At the time of setting the 2016/17 budget, there was still no sign of interest rates improving, so an average rate of 1% was again been prudently assumed for interest on new fixed term deposits, in line with the estimates provided by the Council's external treasury advisers, Capita, earlier in the year and with officers' views. There have been no improvements to counterparty credit ratings, as a result of which the restrictions to investment opportunities that followed ratings downgrades in recent years have still been in place. However, the increases in the limits for the two part-nationalised banks (Lloyds and RBS) approved by the Council in October 2014, together with higher rates from longer-term deals placed with other local authorities, higher average balances than anticipated and the strong performance of the CCLA Property Fund enabled the 2016/17 budget to be increased to £3.49m, after allowing for foregone interest earnings as a result of further property acquisitions.

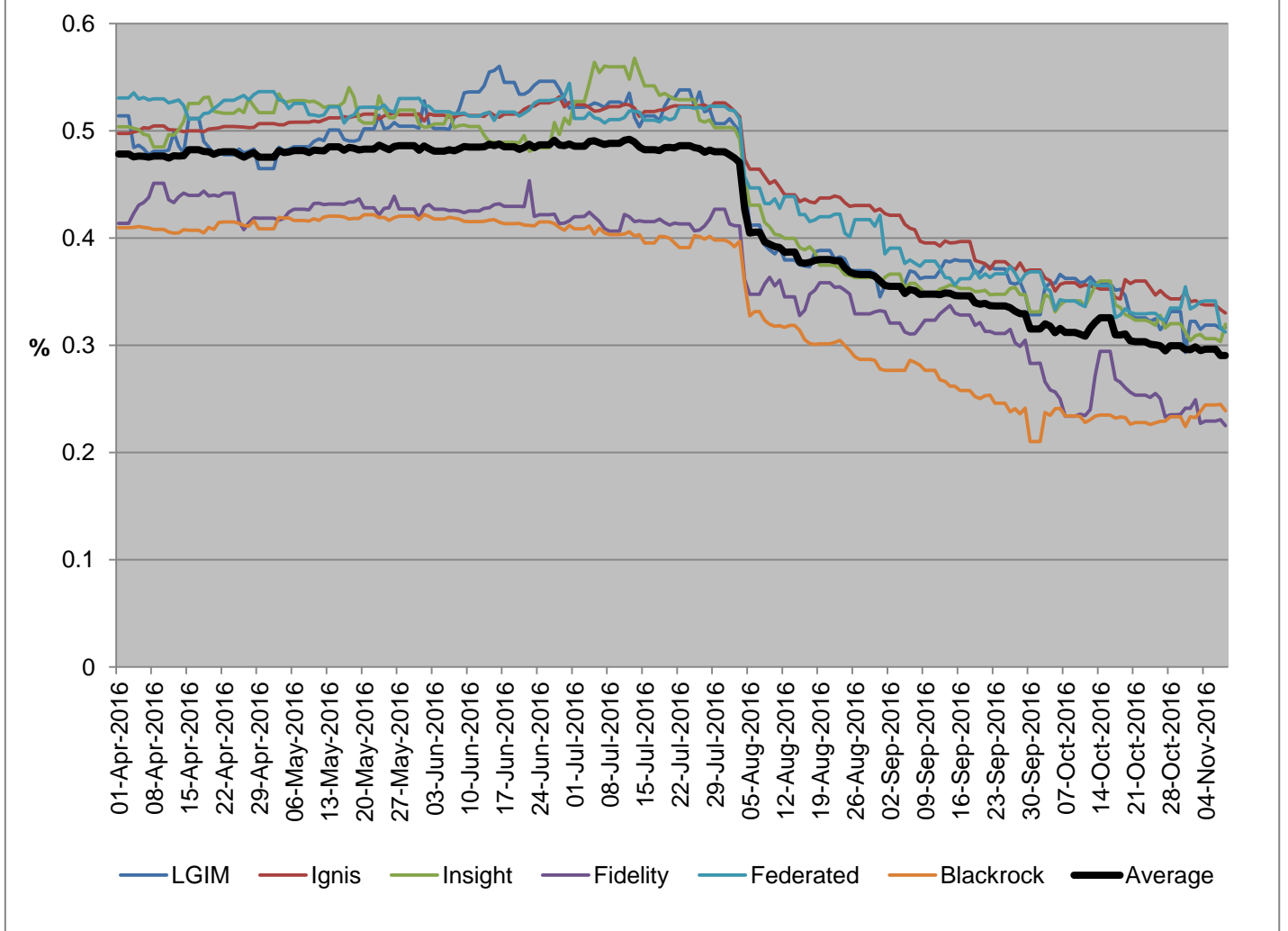
5.2 Following the Bank of England base rate cut in August 2016, the Council has seen a significant reduction in the rates offered for new fixed-term deposits as well as overnight money market funds. Despite this, a surplus of £250k is currently projected for the year, mainly due to the increased balances available for investment.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Capita Treasury Solutions

TOTAL INVESTMENT PORTFOLIO



2016/17 MONEY MARKET FUND INTEREST RATES



INVESTMENTS HELD AS AT 30TH SEPTEMBER 2016

Counterparty	Start Date	Maturity Date	Rate of Interest %	Amount £m
FIXED DEPOSITS				
WARRINGTON BOROUGH COUNCIL	31/10/2013	31/10/2016	1.45000	5.0
LONDON FIRE & EMERGENCY PLANNING AUTHORITY	28/11/2013	28/11/2016	1.50000	5.0
LLOYDS BANK	04/12/2014	05/12/2016	1.09000	25.0
RBS (Certificate of Deposit)	13/02/2015	13/02/2017	1.34000	10.0
WEST DUMBARTONSHIRE COUNCIL	26/03/2014	24/03/2017	1.60000	2.5
PERTH & KINROSS COUNCIL	26/03/2014	24/03/2017	1.45000	5.0
GOLDMAN SACHS	03/08/2015	02/08/2017	0.75000	10.0
NORTHUMBERLAND COUNTY COUNCIL	15/08/2014	15/08/2017	1.50000	5.0
DONCASTER MBC	15/08/2014	15/08/2017	1.88000	5.0
GOLDMAN SACHS	18/08/2016	18/08/2017	0.74000	10.0
LB CROYDON	22/08/2014	22/08/2017	1.50000	10.0
RBS (Certificate of Deposit)	30/10/2014	30/10/2017	1.85000	40.0
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90000	3.0
LLOYDS BANK	16/04/2015	16/04/2018	1.49000	30.0
LLOYDS BANK	26/05/2016	25/05/2018	1.48000	10.0
LLOYDS BANK	19/11/2015	19/11/2018	1.82000	5.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50000	10.0
LLOYDS BANK	29/07/2016	31/07/2019	1.34000	2.5
LLOYDS BANK	18/08/2016	19/08/2019	1.14000	7.5
TOTAL FIXED INVESTMENTS				200.5
OTHER FUNDS				
STANDARD LIFE (IGNIS) LIQUIDITY FUND				15.0
LGIM STERLING LIQUIDITY FUND				2.7
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND				7.1
SANTANDER 180 DAYS CALL ACCOUNT	23/11/2015			10.0
SANTANDER 180 DAYS CALL ACCOUNT	03/08/2016			10.0
SANTANDER 180 DAYS CALL ACCOUNT	09/08/2016			10.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			25.0
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
TOTAL INVESTMENTS				290.3
ICELANDIC BANK DEPOSIT				
HERITABLE BANK	28/06/2007	29/06/2009	6.42000	5.0

INVESTMENTS HELD AS AT 30TH SEPTEMBER 2016

	FROM	TO	RATE	£m	TOTAL £m	LIMIT	REMAINING
<u>UK BANKS</u>							
LLOYDS BANK	04/12/2014	05/12/2016	1.09000	25.0			
LLOYDS BANK	16/04/2015	16/04/2018	1.49000	30.0			
LLOYDS BANK	26/05/2016	25/05/2018	1.48000	10.0			
LLOYDS BANK	19/11/2015	19/11/2018	1.82000	5.0			
LLOYDS BANK	29/07/2016	31/07/2019	1.34000	2.5			
LLOYDS BANK	18/08/2016	19/08/2019	1.18000	7.5	80.0	80.0	0.0
ROYAL BANK OF SCOTLAND - CD	13/02/2015	13/02/2017	1.34000	10.0			
ROYAL BANK OF SCOTLAND - CD	30/10/2014	30/10/2017	1.85000	40.0	50.0	80.0	30.0
GOLDMAN SACHS INTERNATIONAL BANK	03/08/2016	02/08/2017	0.75000	10.0			
GOLDMAN SACHS INTERNATIONAL BANK	18/08/2016	18/08/2017	0.74000	10.0	20.0	20.0	0.0
<u>LOCAL AUTHORITIES</u>							
WARRINGTON BOROUGH COUNCIL	31/10/2013	31/10/2016	1.45000	5.0	5.0	15.0	10.0
NORTHUMBERLAND COUNTY COUNCIL	15/08/2014	15/08/2017	1.50000	5.0	5.0	15.0	10.0
WEST DUMBARTONSHIRE COUNCIL	26/03/2014	24/03/2017	1.60000	2.5	2.5	15.0	12.5
PERTH & KINROSS COUNCIL	26/03/2014	24/03/2017	1.45000	5.0	5.0	15.0	10.0
LB CROYDON	22/08/2014	22/08/2017	1.50000	10.0	10.0	15.0	5.0
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90000	3.0	3.0	15.0	12.0
DONCASTER MBC	15/08/2014	15/08/2017	1.88000	5.0	5.0	15.0	10.0
LONDON FIRE & EMERGENCY PLANNING AUTHORITY	28/11/2013	28/11/2016	1.50000	5.0	5.0	15.0	10.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50000	10.0	10.0	15.0	5.0
<u>OTHER INVESTMENTS</u>							
STANDARD LIFE (IGNIS) LIQUIDITY FUND	25/01/2010			15.0	15.0	15.0	0.0
LGIM STERLING LIQUIDITY FUND	23/08/2012			2.7	2.7	15.0	12.3
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND	15/06/2009			7.1	7.1	15.0	7.9
SANTANDER (180 DAYS CALL ACCOUNT)	23/11/2015		0.90000	10.0			
SANTANDER (180 DAYS CALL ACCOUNT)	03/08/2016		0.90000	10.0			
SANTANDER (180 DAYS CALL ACCOUNT)	09/08/2016		0.90000	10.0	30.0	30.0	0.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			25.0			
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0			
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0	35.0	40.0	5.0
TOTAL INVESTMENTS					290.3	290.3	
HERITABLE BANK	28/06/2007	29/06/2009	6.42000	5.0	5.0	0.0	-5.0

Treasury Management Strategy Statement and Annual Investment Strategy

Mid-year Review Report 2016/17

1 Background

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council on (*insert date*).

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Executive and Resources PDS Committee:

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2016/17 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2016/17;
- A review of the Council's borrowing strategy for 2016/17;
- A review of any debt rescheduling undertaken during 2016/17;
- A review of compliance with Treasury and Prudential Limits for 2016/17.

3 Economic update

UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth improved in quarter 4 of 2015 from +0.4% to 0.7% but fell back to +0.4% (2.0% y/y) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% y/y) in quarter 2. During most of 2015, the economy had faced headwinds for exporters from the appreciation during the year of sterling against the Euro, and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.

The Bank of England meeting on August 4th addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on November 23.

The Inflation Report also included a sharp rise in the forecast for inflation to around 2.4% in 2018 and 2019. CPI has started rising during 2016 as the falls in the price of oil and food twelve months ago fall out of the calculation during the year and, in addition, the post referendum 10% fall in the value of sterling on a trade weighted basis is likely to result in a 3% increase in CPI over a time period of 3-4 years. However, the MPC is expected to look thorough a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.

The American economy had a patchy 2015 with sharp swings in the growth rate leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 disappointed at +0.8% on an annualised basis while quarter 2 improved, but only to a lacklustre +1.4%. However, forward indicators are pointing towards a pickup in growth in the rest of 2016. The Fed. embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December this year.

In the Eurozone, the ECB commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping

inflation to rise from around zero towards the target of 2%. GDP growth rose by 0.6% in quarter 1 2016 (1.7% y/y) but slowed to +0.3% (+1.6% y/y) in quarter 2. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in their economies and economic growth.

Japan is still bogged down in anaemic growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

4 Treasury Management Strategy Statement and Annual Investment Strategy update

The Treasury Management Strategy Statement (TMSS) for 2016/17 was approved by this Council on 22nd February 2016. A subsequent revision was approved by Council on 26th September 2016, which included the following:

- a reduction to the sovereign rating criteria to AA-;
- a reduction to the individual counterparty rating criteria to BBB+;
- an increase to the maximum investment period for UK banks in Banks 1C;
- the inclusion of investments with Housing Associations; and
- the inclusion of Variable Net Asset Value Money Market Funds.

5 Investment Portfolio

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.25% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis together with other risks which could impact on the creditworthiness of banks, prompts a low risk strategy. Given this risk environment, investment returns are likely to remain low.

Details of the Council's investment activity during the first six months of 2016/17 are provided in paragraphs 3.2.2 to 3.4.2 of the covering report and lists of current investments are provided in Appendices 3 (in maturity date order) and 4 (by counterparty). Excluding the frozen Heritable investment of £5m (98% of which has now been recovered), the Council held £290.3m of investments as at 30th September 2016 (£285.2m as at 30th June 2016).

The Director of Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2016/17.

The Council's budget for interest on investments in 2016/17 is £3.491m, which is based on an assumed interest rate of 1.00% for new investments. Despite the reduced interest rates being earned on new investments made on recent investments, higher levels of balances available for investment mean that a surplus of £250k is currently projected for the 2016/17 financial year.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

6 Borrowing

The Council's capital financing requirement (CFR) for 2016/17 is £3.8m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council does not borrow to finance its capital expenditure and has, in recent years, only had to borrow short-term (for cashflow purposes) on a very few occasions.

No borrowing is currently anticipated during this financial year or in any later financial year.

Prudential and Treasury Indicators – Mid-Year Review 2016/17

The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2016/17 were approved by the Executive and the Council in February 2016 and this Annex sets out the actual performance against those indicators in the first six months, updating them where necessary. Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy.

The Council is required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This original 2001 Code was adopted by the full Council in February 2002 and the revised 2011 Code was initially adopted by full Council in February 2012.

Prudential Indicators for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the Capital Programme for 2016/17 was agreed in February 2016. The decrease in the latest estimate for 2016/17 is mainly the result of slippage in expenditure originally planned for 2016/17 into future years, as highlighted in previous reports to the Executive and to PDS Committees.

Capital Expenditure by Portfolio	2016/17 Original Estimate £m	2016/17 Revised Estimate £m
Education	36.3	18.7
Renewal & Recreation	5.2	3.4
Environment	8.2	10.4
Care Services	13.6	5.6
Resources	19.3	25.8
Public Protection & Safety	-	0.1
Less: estimated slippage	-5.0	-5.0
Total	77.6	59.0

Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure.

Capital Expenditure	2016/17 Original Estimate £m	2015/16 Revised Estimate £m
Supported	77.6	59.0
Unsupported	-	-
Total spend	77.6	59.0
Financed by:		
Capital receipts	18.7	4.4
Capital grants/contributions	51.0	28.9

General Fund	-	-
Revenue contributions	7.9	25.7
Total financing	77.6	59.0
Borrowing need	-	-

Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”, which comprise external / internal borrowing and other long-term liabilities, mainly finance leases. The Council’s approved Treasury and Capital Prudential Indicators (affordability limits) are outlined in the approved TMSS. The table below shows the expected “worst case” debt position over the period. This is termed the Operational Boundary. Bromley has an operational “borrowing” limit (Operational Boundary) of £30m, although in practice, this limit is never in danger of being breached.

The Authorised Limit, which represents the limit beyond which borrowing is prohibited, is another of the prudential indicators and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003 and, for Bromley, this figure has been set at £60m.

The table also shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. The Council’s capital financing requirement (CFR) as at 1st April 2016 was £3.8m. If the CFR is positive, the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council’s CFR relates to liabilities arising from finance leases entered into in recent years in respect of various items of plant and equipment. The Council currently has no external borrowing as such.

Prudential Indicators	2016/17 Original Estimate £m	2016/17 Revised Estimate £m
CFR	2.6	3.8
Debt – Operational Boundary		
Borrowing	10.0	10.0
Other long-term liabilities	20.0	20.0
Total Operational Boundary	30.0	30.0
Debt – Authorised Boundary		
Borrowing	30.0	30.0
Other long-term liabilities	30.0	30.0
Total Operational Boundary	60.0	60.0

Other Prudential Indicators

Other indicators designed to control overall borrowing and exposures to interest rate movements are included in the summary table below, which will require the approval of full Council.

Prudential and Treasury Indicators - Summary

	2016/17	2016/17
	Original Estimate	Revised Estimate
Total Capital Expenditure	£77.6m	£59.0m
Ratio of financing costs to net revenue stream	0.0%	0.0%
Net borrowing requirement (net investments for Bromley)		
brought forward 1 April	£282.3m	£261.1m
carried forward 31 March	£245.3m	£244.4m
in year borrowing requirement (reduction in net investments for Bromley)	-£37.0m	-£16.7m
Estimated CFR as at 31 March (finance lease liability)	£2.6m	£3.8m
(NB. Actual CFR as at 31 March 2015 (finance lease liability) = £4.3m)		
Annual change in Cap. Financing Requirement	-£0.6m	+£0.6m
Incremental impact of capital investment decisions	£ p	£ p
Increase in council tax (band D) per annum	-	-

TREASURY MANAGEMENT INDICATORS	2016/17	2016/17
	Original Estimate	Revised Estimate
Authorised Limit for external debt -		
borrowing	£30.0m	£30.0m
other long term liabilities	£30.0m	£30.0m
TOTAL	£60.0m	£60.0m
Operational Boundary for external debt -		
borrowing	£10.0m	£10.0m
other long term liabilities	£20.0m	£20.0m
TOTAL	£30.0m	£30.0m
Upper limit for fixed interest rate exposure	100%	100%
Upper limit for variable rate exposure	20%	20%
Upper limit for total principal sums invested beyond year-end dates	£170.0m	£170.0m

Report No.
CSD16179

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: LOCAL PENSION BOARD - ANNUAL REPORT 2015/16

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: (All Wards);

1. Reason for report

- 1.1 At its meeting on 16th November 2016 the Pensions Investment Sub-Committee received the first annual report of the Local Pensions Board, covering 2015/16 - attached. The Sub-Committee referred the report to full Council by way of the General Purposes and Licensing Committee, which will be considering the report at its meeting on 7th December 2016. Any additional matters raised by the General Purposes and Licensing Committee will be reported before the full Council meeting.
-

2. **RECOMMENDATION**

That, subject to consideration by the General Purposes and Licensing Committee on 7th December 2016, Council receives and notes the Annual Report of the Local Pension Board 2015/16.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Existing Policy: The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £36.4m expenditure/342.6m Income/3863.3 total fund market value as at 30th September 2016.
 5. Source of funding: Pension Fund
-

Personnel

1. Number of staff (current and additional): The Board comprises 2 employer representatives and two member representatives supported by the Pensions Manager
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement: LGPS Regulations 2013 (as amended)
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,238 current employees, 5,175 pensioners, 5,406 deferred pensioners as at 30th September 2016
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	See attached report

Decision Maker: Pensions Investment Sub Committee
General Purposes & Licensing Committee
Council

Date: 16th November 2016
7th December 2016
12th December 2016

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

Title: **LOCAL PENSION BOARD – ANNUAL REPORT**

Contact Officer: David Kellond, Pensions Manager
Tel: 020 8461 7503 E-mail: david.kellond@bromley.gov.uk

Chief Officer: Director of Finance

Ward: Borough Wide

1. Reason for report

1.1 The Local Pension Board Terms of Reference require that an Annual Report is produced and provided to the Pensions Manager each year. In a report to the Pensions Investment Sub Committee, General Purposes and Licensing Committee and Council in February 2015, it was also confirmed that the Local Pension Board's Annual Report, would be provided to Council via the Pensions Investment Sub-Committee and the General Purposes and Licensing Committee.

2. **RECOMMENDATION(S)**

2.1 **Members of the Pensions Investment Sub Committee, General Purposes and Licensing Committee and Council are asked to:**

(i) **Note the contents of the report**

Corporate Policy

1. Policy Status: Existing Policy: The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
 2. BBB Priority Excellent Council
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Any costs associated with the reimbursement to Board Members of directly incurred expenses are chargeable to the Pension Fund
 4. Total current budget for this head: £36.4m expenditure (pensions, lump sums, etc); £42.6m income (contributions, investment income, etc); £863.3m total fund market value at 30th September 2016)
 5. Source of funding: Contributions to Pension Fund
-

Staff

1. Number of staff (current and additional): The Local Pension Board comprises of 2 Employer Representatives and two Member Representatives. The Board is supported by the Pensions Manager.
 2. If from existing staff resources, number of staff hours: n/a
-

Legal

1. Legal Requirement: Statutory Requirement The Local Government Pension Scheme Regulations 2013 (as amended)
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,238 current employees; 5,175 pensioners; 5,406 deferred pensioners as at 30th September 2016
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Council Wide

3. COMMENTARY

- 3.1 The London Borough of Bromley Local Pension Board was established by Council on 23rd February 2015. The Board held an introductory meeting on 27th July 2015 and it's first formal annual meeting on 26th October 2015.
- 3.2 In accordance with the Terms of Reference the Board are required to produce a single annual report to the Pensions Manager. This report should include
- A summary of the work of the Local Pension Board and a work plan for the coming year
 - Details of areas of concern reported to or raised by the Board and recommendations made
 - Details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed
 - Any areas of risk or concern the Board wish to raise with the Scheme Manager
 - Details of training received and identified training needs
 - Details of any expenses and costs incurred by the Local Pension Board and any anticipated expenses for the forthcoming year.
- 3.3 Members are asked to note the contents of the Local Pension Board Annual Report 2015/2016.

4. POLICY IMPLICATIONS

- 4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

5. FINANCIAL IMPLICATIONS

- 5.1 Although permitted under Regulations, Local Pension Board members are not paid an allowance. As set out in the terms of reference, remuneration for Board members is limited to a refund of actual expenses incurred in attending meetings and training.
- 5.2 As the administering authority the Council is required to facilitate the operation of the Local Pension Board including providing suitable accommodation for Board meetings as well as administrative support, advice and guidance. This is currently done within existing in-house resources.
- 5.3 Any costs arising from the establishment and operation of the Local Pension Board are treated as appropriate administration costs of the scheme and, as such, are chargeable to the Pension Fund.
- 5.4 There has been no expenditure or claims for reimbursement of costs within the relevant period for the administration of the Board.

6. LEGAL IMPLICATIONS

- 6.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014. A requirement is the establishment of Local Pension Boards.

7. PERSONNEL IMPLICATIONS

- 7.1 All Local Government Pension Scheme employers and members must have an equal opportunity to be nominated to become Board members through an open and transparent process.

Non-Applicable Sections:	Procurement Implications Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Public Service Pensions Act 2013; Local Government Pension Scheme (Amendment) (Governance) Regulations 2015; Local Government Pension Scheme Regulations 2013; Local Pension Board Report, Supplementary Report and Appendices to Pensions Investment Sub-Committee, General Purposes & Licensing Committee and Council 3rd, 10th and 23rd February 2015; Local Pension Board – Appointment of Board Members, General Purposes and Licensing Committee and Council 27 th May and 29 th June 2015. Local Pension Board – Appointment of Board Members to General Purposes & Licensing Committee 14 th September 2016



**LONDON
BOROUGH OF
BROMLEY –
LOCAL PENSION
BOARD**

**ANNUAL REPORT
2015/2016**

**LONDON BOROUGH OF BROMLEY - LOCAL PENSION BOARD
ANNUAL REPORT 2015/16
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1. Foreword

- 1.1 The purpose of this London Borough of Bromley Local Pension Board Annual report is to provide information regarding the activities and role of the Board for Scheme Members, Scheme Employers and the Scheme Manager (Administering Authority).
- 1.2 The Local Pension Board was established by the London Borough of Bromley Pension Fund in response to new regulatory requirements introduced into the Local Government Pension Scheme Regulations 2013
- 1.3 The role of the Local Pension Board is to provide assistance to the London Borough of Bromley in its role as an Administering Authority within the Local Government Pension Scheme in ensuring it remains compliant with the relevant legislation and requirements of the Pensions Regulator.

2. Membership and meetings of the Board

- 2.1 The Local Government Pension Scheme Regulations 2013 (as amended) required that the Local Pension Board be established by 1st April 2015, in so far as the composition and terms of reference be approved. This took place at a meeting of Council on 23rd February 2015.
- 2.2 The London Borough of Bromley Local Pension Board requires a total of four members. The membership is constituted as follows:
- 2 members representing the interests of the Fund's employers – Employer Representatives.
 - 2 members representing the interests of the Fund's scheme members – Member Representatives.
- 2.3 In line with the requirements of the Local Pension Board Terms of Reference. Member Representatives were appointed to the Board by the General Purposes and Licensing Committee on 27th May 2015. The Member Representatives appointed were:
- Mrs Lesley Rickards
 - Mr Glenn Kelly
- 2.4 At their meeting on 27th May 2015 the General Purposes and Licensing Committee also nominated two potential Employer Representatives to be recommended to Council for appointment to the Board. Council then duly appointed the two Employer Representatives at its meeting on 29th June 2015. The Employer Representatives were:
- Mr Brian Toms
 - Ms Jane Harding
- 2.5 On 13th June 2016, Glenn Kelly, in accordance with paragraph 19 of the Local Pension Board Terms of Reference gave notice of his wish to resign as a Board member.
- 2.6 Following the resignation of Glenn Kelly, the Scheme Manager began the process of seeking a replacement, resulting in the appointment of Mr Tony Conboy by the General Purposes and Licensing Committee on 14th September 2016.
- 2.7 The General Purposes and Licensing Committee approved some minor amendments to the Terms of Reference at its meeting on 14th September 2016.

- 2.8 Following an introductory meeting of the Local Pension Board Members which took place on Monday 27th July 2015, the first formal meeting of the Board took place on Monday 26th October 2015. The table below shows the attendance of those meetings:

	Employer Representatives		Member Representatives	
	Mr B Toms	Ms J Harding	Mr G Kelly	Mrs L Rickards
Introductory Meeting 27/07/2015	✓	✓	✓	✓
Formal Meeting 26/10/2015	✓	✓	X	✓

- 2.9 At the first formal meeting, the Local Pension Board approved its Terms of Reference. Mr Brian Toms was elected by the members of the Board to act as its Chair for a period of 12 months, in line with the requirements of the Terms of Reference.
- 2.10 Information regarding the Board, its Terms of Reference and its membership are publicly available on the London Borough of Bromley Website.

3. Board Activity

- 3.1 In accordance with the requirement of the Terms of Reference, the Local Pension Board met on 26th October 2015 for its annual meeting.
- 3.2 Members of the Board are also encouraged to attend meetings of the Pensions Investment Sub-Committee and where appropriate meeting of the General Purposes and Licensing Committee. The table below shows Board members attendance at meetings of the Pensions Investment Sub-Committee:

	Employer Representatives		Member Representatives	
	Mr B Toms	Ms J Harding	Mr G Kelly	Mrs L Rickards
23/09/2015	✓	✓	X	X
18/11/2015	✓	✓	X	X
11/02/2016	✓	X	X	X
19/05/2016	✓	✓	X	X
21/09/2016	✓	✓	N/A	X

- 3.3 In accordance with the workplan issued to Local Pension Board members, members have been provided throughout the year with monthly Pensions Administration Reports for review. These reports are produced by Liberata UK Ltd, and include a monthly summary of activity, and details of key Performance Indicators (KPI's). To date no issues have been raised by Board members in connection with such reports.

- 3.4 Board Members were provided with a Department for Communities and Local Government Consultation Document on amendments to the Local Government Pension Scheme Regulations.
- 3.5 Board Members were invited to consider and comment on the London Borough of Bromley 2014/2015 Pension Fund Annual Report. They have also been provided with a copy of the 2015/2016 report which will be considered at the next formal meeting.
- 3.6 The next meeting of the Local Pension Board is due to take place on Thursday 10th November 2016. At this meeting the Board will be required to elect a new Chair for 2016/2017 in line with the terms of reference, accept recent minor amendments to the terms of reference and agree work-plan and training arrangements for 2016/2017.

4. Training

- 4.1 It is a requirement of the Public Service Pensions Act that Board members have the capacity to become conversant with the rules governing the Local Government Pension Scheme and the policy documents of the Administering Authority.
- 4.2 The following training has been provided during the course of the year to the Local Pension Board members:
- London Borough of Bromley Pensions Seminar Event held on 11th January 2016.
 - The Pensions Regulator e-learning package, covering Conflicts of Interest, Managing risk and internal controls, Maintaining accurate member data, Maintaining member contributions, Providing Information to members and others, Resolving internal disputes and Reporting breaches of the law.
- 4.3 Members have also been provided with the following documentation;
- The Local Government Pension Scheme Regulations
 - Administration, HR, Payroll and Member Guides to the Local Government Pension Scheme
 - Guidance on the creation and operation of Local Pension Boards
 - Mercer Newsletters 'Local Government Pension Scheme – Current Issues'
 - Department for Communities and Local Government Consultation Documents
 - Agendas and reports for the Pensions Investment Sub-Committee meetings

5. Board Observations and Comments

- 5.1 The Local Pension Board terms of reference set out that the Board should raise any areas of risk or concern with the Scheme Manager in the first instance. During 2015/2016, no such matters have been raised.

6. Conflicts of Interest

- 6.1 At the introductory meeting on 27th July 2015, it was explained to each Board member that they were required to observe both the Code of Conduct for Councillors/Co-opted Members and Data Protection policies of the London Borough of Bromley. Members were also required to complete 'The Notification of Disclosable Pecuniary Interests Form', 'The Notification of Non-Pecuniary Interests Form' and a 'Declaration of Acceptance of Office Form'.
- 6.2 No declarations of interests were made at the formal meeting of the Board on 26th October 2015.
- 6.3 The newest member of the Board, Mr Tony Conboy, will be provided with the relevant forms for signing at the forthcoming meeting of the Local Pension Board.

7. Expenses and Costs

- 7.1 All costs regarding the administration of the Local Pension Board have been contained within existing resources. There has been no expenditure or claims for reimbursement of costs within the relevant period for the administration of the Board.

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Report No.
CSD16185

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE
COUNCIL

Date: 7 December 2016
12 December 2016

Decision Type: Urgent Non-Executive Non-Key

Title: APPOINTMENT OF EXTERNAL AUDITORS

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At its meeting on 29th November 2016 the Audit Sub-Committee was advised of the options for procuring External Auditors for the Council for the financial year 2018/19 onwards.
-

2. **RECOMMENDATION**

That Council be recommended to approve the proposal to become an 'opted in' authority with Public Sector Audit Appointments Ltd for the appointment of External Auditors.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Internal audit
 4. Total current budget for this head: £469k including £164k Fraud Partnership costs
 5. Source of funding: General Fund, Admin Subsidy, Admin Penalties, Legal cost recoveries.
-

Personnel

1. Number of staff (current and additional): 5.5fte
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable: This report does not involve an executive decision.
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

3.1 The following update was included in the Internal Audit Progress Report considered by the Audit Sub-Committee on 29th November 2016 -

3.86 Appointment of External Auditors

3.87 We had previously reported that there is currently a requirement that from the financial year 2018/19 the appointment process under the Local Audit and Accountability Act 2014 will be operational. The Act provides for two principal routes:

- The Authority leads the appointment process, either independently or in collaboration with other authorities. For this they need to appoint an auditor panel to advise on the process.
- The Act provides for the approval of a sector-led body to act as 'appointing person' and to undertake a procurement exercise and appointment on behalf of the authority. Public Sector Audit Appointments Ltd (PSAA) have attained accreditation to be an appointing person under the requirements of the Local Audit (Appointing Person) Regulations 2015 (the Regulations) from the Secretary of State. PSAA is the company managing the current external audit contracts since the Audit Commission closed. PSAA have offered local authorities including LB Bromley to become an opted in authority by 9th March 2017. It is believed that the majority of London Boroughs including Bromley will sign up although this is subject to an ongoing survey. The decision to go through PSAA requires full council approval by January 2017. Members of this Committee are asked to approve this course of action.

3.2 The Sub-Committee decided to recommend that the Council should opt in to the procurement service offered by PSAA.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Financial/Legal/Personnel/Procurement
Background Documents: (Access via Contact Officer)	None

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Report No.
CSD16183

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **COUNCIL**

Date: **Monday 12 December 2016**

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

Title: **PUBLIC PROTECTION AND SAFETY PDS COMMITTEE -
MEMBERSHIP**

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 The standing membership of committees can only be changed by full Council. The Conservative group has requested that Councillor Mary Cooke should replace Councillor Tim Stevens as a member of the Public Protection and Safety PDS Committee. The Committee has nine seats: eight Conservative and one Labour.

2. **RECOMMENDATION**

That Councillor Mary Cooke is appointed to the membership of the Public Protection and Safety PDS Committee, replacing Councillor Tim Stevens.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Safer Bromley:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: Not Applicable
 5. Source of funding: Not Applicable
-

Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	Impact on Vulnerable Children and Adults/Policy/ Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	None

Report No.
CSD16180

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: MINOR AMENDMENT TO THE CONSTITUTION - QUESTIONS

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At its meeting on 24th February 2016 the Constitution Improvement Working Group approved a number of amendments to the Constitution for recommendation to Council. However, it was decided that an amendment concerning questions should be given further consideration. At their latest meeting on 22nd November 2016 the Working Group requested that this amendment now be referred to Council for consideration.
-

2. **RECOMMENDATION**

That paragraph 10.2 Questions of Notice at full Council in the Council Procedure Rules in Part 4 of the Constitution be amended to include the following provisions –

“10.2.5 Members of the Executive may not submit questions on notice at full Council on executive functions.

10.2.6 Executive Assistants may not submit questions to the Portfolio Holder that they assist.”

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Existing Policy: The proposal reinforces existing rules in the Council Constitution
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: Not Applicable
 5. Source of funding: Not Applicable
-

Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 At its meeting on 24th February 2016 the Constitution Improvement Working Group considered a proposal that the rules concerning questions on notice in the Constitution should be amended to prevent Executive Members from submitting questions at full Council, and also that Executive Assistants should be prohibited from asking questions of their own Portfolio Holder. At the time, it was suggested that further consideration should be given to these proposals.
- 3.2 At the Working Group's next meeting on 22nd November 2016 the matter was re-considered, and the Working Group requested that these proposals now be referred to Council for approval.
- 3.3 The proposed wording is set out below in context (new wording in bold italic text.) The proposed wording would allow Executive Members to submit questions on non-executive matters, but not to fellow members of the Executive.

Constitution – Part 4: Council Procedure Rules

10.2 Questions on notice at full Council

Subject to Rule 9.4, a Member of the Council may ask:

- the Mayor
- a Member of the Executive
- the Leader or
- the Chairman of any Committee or Policy Development and Scrutiny Committee

a question on any matter in relation to which the Council has powers or duties or which affects the area of the Council

General

10.2.1 The number of questions a Member asks at any meeting be limited to no more than three written questions and three oral questions. For the purposes of calculating the number of questions, a request for information or action shall be regarded as a question, even when asked as a subsidiary part of the main question;

10.2.2 A Member may ask another Member to submit a question on their behalf having notified the Director Corporate Services of the situation beforehand;

10.2.3 A Member may send questions in via either their personal LBB email account, their personal home email account, or in writing;

10.2.4 Questions will be asked in the order notice of them was received, with all first questions heard first, then all second questions and then all third questions. The Mayor may group together similar questions or vary the order as he or she sees fit.

10.2.5 Members of the Executive may not submit questions on notice at full Council on executive functions.

10.2.6 Executive Assistants may not submit questions to the Portfolio Holder that they assist.

Non-Applicable Sections:	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Council Constitution

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Report No.
CSD16173

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 December 2016

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

Title: UPDATES TO THE SCHEME OF DELEGATION TO OFFICERS

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 At the annual Council meeting in May each year a Scheme of Delegation to Officers is approved by Council in respect of non-executive functions, and by the Leader in respect of executive functions. This reflects the requirement under the Local Government and Public Involvement in Health Act 2007 that any executive powers delegated to officers have to be delegated not by Council, but by the Leader of the Council. The executive or non-executive origin of each delegation is reflected in the Scheme in a column which indicates whether the delegation is executive, non-executive, or both.
- 1.2 The Scheme is currently being updated so that it matches current officer structures, and to ensure that it remains up to date. No additional delegations are proposed, other than to add a paragraph in Part 1 of the Scheme confirming that where legislation or officer titles change the scheme is presumed to remain in effect until it can be formally updated.
- 1.3 A full copy of the Scheme will be circulated before the Council meeting.

2. RECOMMENDATIONS

- (1) That the updated Scheme of Delegation to Officers in respect of non-executive functions be approved.
- (2) That the updated Scheme of Delegation to Officers in respect of Executive functions be received from the Leader of the Council.

Impact on Vulnerable Adults and Children

1. Summary of Impact:
-

Corporate Policy 1. Policy Status: Existing Policy:

2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: Not Applicable
 5. Source of funding: Not Applicable
-

Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: Statutory Requirement: Local Government Act 1972 and successive legislation.
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Scheme of Delegation approved May 2016