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DATE: 18 November 2016

To: Members of the  
**EXECUTIVE**

Councillor Stephen Carr (Chairman)

Councillors Graham Arthur, Robert Evans, Peter Fortune, Kate Lymer, Peter Morgan and Colin Smith

A meeting of the Executive will be held at Bromley Civic Centre on **WEDNESDAY 30 NOVEMBER 2016 AT 7.00 PM**

MARK BOWEN  
Director of Corporate Services

*Copies of the documents referred to below can be obtained from  
<http://cde.bromley.gov.uk/>*

## A G E N D A

- 1 **APOLOGIES FOR ABSENCE**
- 2 **DECLARATIONS OF INTEREST**
- 3 **TO CONFIRM THE MINUTES OF THE MEETINGS HELD ON 18TH OCTOBER 2016 AND 1ST NOVEMBER 2016 (Pages 5 - 18)**
- 4 **QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**  
In accordance with the Council's Constitution, questions must be received in writing four working days before the date of the meeting. Therefore please ensure that questions are received by the Democratic Services Team by 5pm on Thursday 24<sup>th</sup> November 2016.
- 5 **BUDGET MONITORING 2016/17**  
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- 6 **CAPITAL PROGRAMME MONITORING – 2ND QUARTER 2016/17**  
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(To follow)
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- 17 FORMAL CONSULTATION ON OUTLINE SERVICE PROPOSALS AND PROCUREMENT STRATEGY - CONEY HILL, OXTED, SURREY CLOSED LANDFILL MONITORING AND LEACHATE REMOVAL CONTRACT**  
(Pages 229 - 236)
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Part 1 Summary
- 19 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

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

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

<u>Items of Business</u>	<u>Schedule 12A Description</u>
<b>21 EXEMPT MINUTES OF THE MEETINGS HELD ON 18TH OCTOBER 2016 AND 1ST NOVEMBER 2016</b> (Pages 247 - 252)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>22 REPORT ON THE OUTCOME OF TENDERS FOR THE PROVISION OF SERVICES TO SUPPORT THE DEPRIVATION OF LIBERTY SAFEGUARDS</b> (Pages 253 - 260)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>23 CARELINK (INCLUDING TELECARE) SERVICE - UPDATE</b> (Pages 261 - 268)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>24 AWARD OF THE PARKING SERVICE CONTRACT</b> (Pages 269 - 284)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>25 CHISLEHURST LIBRARY RE-DEVELOPMENT</b>  Chislehurst Ward  (To follow)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>26 AWARD OF CONTRACT FOR CONSTRUCTION WORKS AT ST GEORGE'S C.E. PRIMARY SCHOOL BICKLEY</b> (Pages 285 - 294)  Bickley Ward	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
<b>27 CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2016/17 - APPENDIX E</b> (Pages 295 - 296)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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## EXECUTIVE

Minutes of the meeting held on 18 October 2016 starting at 7.00 pm

### Present:

Councillor Stephen Carr (Chairman)  
Councillors Graham Arthur, Robert Evans, Peter Fortune,  
Kate Lymer and Colin Smith

### Also Present:

Councillor Nicholas Bennett J.P., Councillor Michael  
Tickner and Councillor Angela Wilkins

## 93 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Peter Morgan and from the Chief Executive.

## 94 DECLARATIONS OF INTEREST

Councillor Kate Lymer declared an interest as her mother worked for the Public Health Division.

During consideration of the report on the Provision of the Genito-urinary Medicine Service (minute 98) Councillor Peter Fortune declared an interest as his mother worked at Guys Hospital.

## 95 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 2ND SEPTEMBER 2016, THE ADJOURNED MEETING HELD ON 14TH SEPTEMBER 2016 AND THE RECONVENED MEETING HELD ON 30TH SEPTEMBER 2016 Report CSD16086

The Executive received a report on matters arising from previous meetings.

**RESOLVED** that the minutes of (i) the special meeting held on 2<sup>nd</sup> September 2016, (ii) the adjourned meeting held on 14<sup>th</sup> September 2016 and (iii) the re-convened meeting held on 30<sup>th</sup> September 2016, excluding exempt information, be confirmed.

## 96 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

Three questions had been received from Sue Sulis, Secretary of the Community Care Protection Group – these are attached as Appendix A to these minutes.

**97 PUBLIC HEALTH COMMISSIONING INTENTIONS 2017/18**  
Report CS17046

The Executive received a report outlining Public Health commissioning intentions for 2017/18. The proposed contractual arrangements depended on corporate savings decisions, but approval at this stage would enable public health commissioners to respond flexibly to those savings decisions. It was noted that a correction was needed to the final table in appendix 1 to the report – the extension sought for the NHS Health Checks and Sexual Health SLAs were for 12 months, not 36 months.

The proposals had been supported by the Care Services PDS Committee at their meeting on 13<sup>th</sup> October 2016.

**RESOLVED that, subject to corporate saving decisions,**

**(1) The intention to extend the current contract for Adults and Young People Substance Misuse Services for one year to 30 November 2018 and that approval for this extension has been delegated to, and is to be agreed by, the Director of Public Health in consultation with the Portfolio Holder, be noted.**

**(2) One-year call-off contracts (1/4/17 to 31/3/18) currently under the Public Health Framework Agreement for Community Pharmacy Services for (i) Substance Misuse and (ii) Alere (Point of Care Testing) for NHS Health Checks be approved.**

**(3) Six month call-off contracts (1/4/17 to 30/9/17) currently under the Public Health Framework Agreement for (i) Community Pharmacy for Sexual Health Service and (ii) TDL (The Doctor Laboratory) for Sexual Health testing and diagnostic service be approved so that they align with the new Services currently tendered to start on 1 October 2017.**

**(4) The continued use of Service Level Agreements for NHS Health Checks and Sexual Health Services offered by General Practitioners for a further year by granting an exemption as per sections 3 and 13 of the Council's contractual procedure rules be approved.**

**(5) The intention to continue to use the commissioning arrangements with Bromley Clinical Commissioning Group (CCG) through section 75 for provision of community services by Bromley Healthcare until 30 September 2017 when the contract will expire be noted.**

**98 2017/18 INTENTIONS FOR PROVISION OF GENITO-URINARY MEDICINE (GUM) SERVICE**  
Report CS17051

Members received a report setting out intentions for the provision of Genito-urinary Medicine (GUM) Services for 2017/18. The Council had a duty to

provide open access health services, and this was secured using a collaborative commissioning approach with other London boroughs in contract negotiations with GUM providers to achieve lower unit prices for first and follow up attendances. This was supported by a Collaboration Agreement, with LB Lambeth acting as lead borough for South East London. The proposals had been supported by the Care Services PDS Committee at their meeting on 13<sup>th</sup> October 2016.

(During consideration of this report Councillor Peter Fortune declared an interest as his mother worked at Guys Hospital.)

**RESOLVED that**

**(1) The benefits of the London wide Collaborative arrangement be noted and the continuation of this arrangement to provide open access GUM service in London for Bromley residents, at an estimated cost of £1,609k per year, be approved.**

**(2) The phased approach to implement the London Sexual Health Integrated Tariffs be approved, starting from 2017/18.**

**(3) The South East London (SEL) arrangement to secure the provision of new GUM services from Kings College Hospital NHS Foundation Trust (KCH) and Guys and St. Thomas NHS Foundation Trust (GSST) for Bromley residents from April 2017 be approved and the sexual health commissioner be authorised to enter into a Memorandum of Understanding (MoU) with the London Borough of Lambeth to enable the London Borough of Bromley to access the arrangement.**

**99 BROMLEY CCG AND OXLEAS RELOCATION OF LD SERVICES**

Report withdrawn.

**100 ADVOCACY GATEWAY REVIEW**  
Report CS17040

The Executive reviewed the current provision of Advocacy services and considered the future procurement strategy. The report recommended that current contracts be extended and re-aligned to facilitate provision through one provider from April 2018.

The proposals had been supported by the Care Services PDS Committee at their meeting on 13<sup>th</sup> October 2016; Members had also commented that it was important to ensure that the full range of skills was covered in the contract.

Councillor Kate Lymer asked whether support in cases of domestic abuse was covered under this contract; it was understood that this was covered under a separate contract, but officers would clarify the situation.

(Note: Officers subsequently confirmed that a separate Advocacy contract was not required, as this support was provided by the Independent Domestic Violence Advisors (IDVA) as part of the Council's current contract with the IDVA. This support was considered particularly specialist and therefore not appropriate to be part of a broader advocacy service.)

**RESOLVED that**

**(1) The extension of the existing Advocacy contracts to 31st March 2018 be agreed - this includes Mental Health, Children's, Learning Disability and NHS Complaints Advocacy as set out in paragraph 3.8 of the report.**

**(2) Commissioners undertake a procurement exercise to commission all Advocacy provision through one provider with a contract term of 3 years starting 1st April 2018 with the option of 1 year + 1 year extensions.**

**101 GATE REPORT FOR THE PROVISION OF STATUTORY HOMELESSNESS REVIEWS**  
Report CS17045

Homeless households had a statutory right to a review of decisions made by the Council in respect of applications for accommodation and accommodation offered under the provisions of part VII of the Housing Act 1996 (as amended by the Homelessness Act 2002). The process for conducting such reviews was set out in the legislation under s202, part VII of the Housing Act 1996 and required that reviews were conducted by someone independent of the original decision and sufficiently senior to the person making the original decision.

Legal advice had confirmed that the decision to contract out the statutory homelessness reviews function must be agreed by Executive in order to comply with the Homelessness legislation and the accompanying statutory order in relation to the reviews function. This authority could be given retrospectively, and the Executive authorised this accordingly.

Councillor Colin Smith asked to be supplied with a chart showing homelessness numbers in the borough.

The proposals had been supported by the Care Services PDS Committee at their meeting on 13<sup>th</sup> October 2016.

**RESOLVED that**

**(1) The current arrangements for contracting out homelessness reviews be confirmed until the new contract begins, including, retrospectively, the arrangements previously entered into.**

**(2) The statutory reviews function be contracted out under the terms set out in the report.**

**(3) The external homelessness reviews contract be tendered for a period of 3 years with an option to extend for a further 2 year period.**



**(4) Agreement to extend the current contract, if required, be delegated to the Care Services Portfolio holder for a period of up 3 months until the new contract begins to enable handover and completion of any existing reviews under the current contract.**

**102 DRAWDOWN OF GOVERNMENT GRANT FUNDING TO SUPPORT THE LOCAL AUTHORITY IN THEIR CONTINUED ROLE AS A LONDON REGIONAL LEAD OF THE SPECIAL EDUCATIONAL NEEDS & DISABILITY (SEND) REFORMS FROM APRIL 2016 TO MARCH 17**  
Report ED17018

The Executive considered a report seeking approval for the release of grant funds, held in the 2016/17 central contingency, of £27,521.93 allocated by the DfE for the London Regional SEND programme. The funding was allocated to the London Borough of Bromley to continue work in partnership with the London Borough of Enfield to coordinate the programme across 33 London boroughs. This was made up of £16,666.67 base funding with a top-up amount based on the number of authorities in the London region of £10,855.26, making £27,521.93.

Bromley, in partnership with Enfield, had been a Regional Lead since April 2015. This had facilitated a peer SEND learning approach, to share best practice to support statutory compliance and the London-wide implementation of the Special Educational Needs & Disability reforms 2015/16. At the end of March 2016, further funding was granted by the DfE to continue the London Regional Lead work. This was a reduced rate to last year in order to build sustainability of the programme and workforce development on key issues.

The proposal had been supported by the Executive and Resources PDS Committee at their meeting on 12<sup>th</sup> October 2016, subject to removal of the reference to “non-ring fenced” in the recommendation as set out in the report.

**RESOLVED that the release of £27,521.93 of funding for the continued role of the London Borough of Bromley as SEN and Disability (SEND) Regional Lead for London in partnership with the London Borough of Enfield in 2016/17 be authorised.**

**103 COMMUNITY MANAGEMENT AT COMMUNITY LIBRARIES: OUTCOME OF TENDER**  
Report DRR16/069

Following pre-decision scrutiny at the meeting of the Renewal & Recreation Policy Development & Scrutiny Committee on 18<sup>th</sup> March 2015, the Renewal & Recreation Portfolio Holder had decided to implement a new approach to the delivery of library services in view of the difficult financial circumstances. This included agreeing to start a procurement process to identify suitable community management options for the borough’s six community libraries.

In January 2016, following the evaluation of initial business plans and negotiations with tenderers, the Portfolio Holder awarded preferred bidder status to Community Links Bromley to enable them to work up the detail needed to finalise its business plan for community management at all six community libraries. Final business plans were submitted, clarified and evaluated, but following this process Community Links Bromley had decided to withdraw their tender. As a result, there were no proposals for community management at community libraries to be considered.

In light of this, the report recommended that the Council pursue the alternative option presented in the update report in November 2015 which recommended that, should no suitable community management arrangements be found, community libraries should be included in the commissioning of the core Library Service. The Council had begun a joint tender process for core library services with the London Borough of Bexley, but since the report had been prepared Bexley had notified the Council that it was formally withdrawing as it wished to pursue other opportunities for making savings. The tender process was set up so that it could continue if either authority withdrew.

A Member was disappointed that a 50:50 split on price/quality had been used for community libraries, rather than the normal guideline of 60:40. It was confirmed that the main tender for library services would be assessed on the 60:40 basis, but that the nature of the tender for community management at community libraries was not considered to be commercial in the usual sense, and that the quality of the voluntary or other management, and riskiness of the financial model was more crucial. Therefore, the tendered price needed to be balanced with these requirements.

The proposals had been supported by the Renewal and Recreation PDS Committee at their meeting on 20<sup>th</sup> September 2016. The Executive considered that the proposals represented positive continued investment in the Library Service, achieving savings but without any intention to close libraries or reduce jobs.

**RESOLVED that**

- (1) The outcome of the tender seeking community management at community libraries, and that no tenders remain, be noted.**
- (2) The £250k saving built into the budget for 2016/17 be drawn down from the Central Contingency as the assumed savings will not be achieved this financial year.**
- (3) Community libraries for direct management be included as part of the tender for core library services.**

**104 BECKENHAM PUBLIC REALM IMPROVEMENTS DESIGN AND BUDGET SIGN OFF**  
Report DRR16/076

The Beckenham Town Centre Improvement scheme had undergone a number of design and budget reviews since its inception resulting in the scope and coverage of the scheme being extended. There had also been corresponding increases in costs, the impact of which had been considered in a report to the Executive on 2 December 2015. The Executive had 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 had now been completed by the Council's term contractor FM Conway and the budget finalised. Executive approval was now sought to finalise the scheme design, costs and the Council's match funding. The target for completion was Spring 2018.

Following a safety audit additional controlled pedestrian crossings had been added to the scheme, including a pelican crossing. The revenue costs of approximately £2k per annum had been offset against the removal of a pelican crossing in Bromley – a Member objected that the savings made in Bromley should have gone back to central funds.

A Member queried the amount of contingency included in the scheme costs, which appeared to be 23% of the total cost of the scheme. Officers confirmed that the contingency was 15%, but the higher figure included inflation increases to the term contract. Members concluded that this should have been presented more clearly.

The scheme included proposals to reflect the links between David Bowie and Beckenham, including a paving motif outside the former Three Tuns pub and a possible mural near Beckenham Junction. Members commented that it was important that the different projects relating to David Bowie were coordinated and that duplication was avoided and that no expenditure would be incurred until a decision had been concluded.

Councillor Michael Tickner attended the meeting as chairman of the Beckenham Town Centre Working Group, which brought together local ward councillors, residents and business owners to assist in developing the proposals. Councillor Tickner urged the Executive to approve the scheme, which had widespread local support and would assist the Council's aim of supporting retail businesses. He also commented that lessons learnt in implementing the schemes in Orpington and Bromley North needed to be remembered in Beckenham.

The proposals had been supported by the Renewal and Recreation PDS Committee at their meeting on 20<sup>th</sup> September 2016. The Executive also noted a letter received from a local resident outlining detailed objections to the scheme.

**RESOLVED that**

**(1) The scheme design for Beckenham Town Centre Public Realm improvements and the commencement of the implementation phase be approved.**

**(2) Total Council capital funding of £1.145m, of which £995k is from capital receipts and £150k from the earmarked reserve, be approved subject to full Council approval.**

**(3) 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.**

**(4) It is noted 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.**

**(5) FM Conway be commissioned, under the terms of the existing term contract, to carry out the build contract for this project.**

**105          CHIPPERFIELD ROAD ST PAUL'S CRAY - DEVELOPMENT PROPOSALS**

Report DRR16/075

The Executive considered options for the future development of land to the east and west of Chipperfield Road, St Paul's Cray, to provide around 65 residential units, releasing funds for a new linear park, a new gymnastics facility and a new library and community resource centre. Approval was sought to clarify and market the scheme at a cost of £105k, and add it to the capital programme.

The proposals had been supported by the Renewal and Recreation PDS Committee at their meeting on 20<sup>th</sup> September 2016.

**RESOLVED that**

**(1) Officers instruct Cushman and Wakefield to ascertain an optimal residential Scheme, as detailed in paragraph 3.32 of the report, which will include an element of social housing and, subject to the agreement of the Renewal and Recreation Portfolio Holder, to prepare and submit an Outline Planning Application.**

**(2) Officers instruct Cushman & Wakefield to market the scheme in accordance with the Programme detailed at paragraph 3.34 in the report and to report to the Executive on the outcome of the selection of a development partner.**

**(3) The cost of £105k be funded from capital receipts and that the scheme be added to the capital programme.**

**106 HIGHWAYS INVESTMENT**  
Report ES16048

The Executive considered a proposal for alternative funding arrangements for highways maintenance. There was a very strong case for continued investment in planned maintenance, which would reduce the amount of reactive maintenance associated with mending pot-holes and broken paving slabs. This would improve value for money and customer satisfaction, reduce unplanned network disruption and contribute to reducing claims for damages. The proposal had been supported by the Environment PDS Committee at their meeting on 29<sup>th</sup> September 2016.

**RESOLVED that**

**(1) Capital funding of £11.8m be approved for investment in planned highway maintenance, to be funded from capital receipts, and, subject to the approval of full Council, the scheme be added to the Capital Programme.**

**(2) Subject to the approval of the alternative funding set out above, the revenue budget for highways works will be reduced by £2.5m per annum for the period 2017/18 to 2012/22, which will be partly offset by an estimated reduction in treasury management income of £167k over the five year period.**

**107 ARTICLE 4 DIRECTION - PETTS WOOD AREA OF SPECIAL RESIDENTIAL CHARACTER**

At its meeting on 6<sup>th</sup> September 2016 the Development Control Committee had considered whether the Council should seek, with the use of an Article 4 Direction, to withdraw permitted development rights for alterations to the front slopes of roofs of properties in the Petts Wood Area of Special Residential Character.

**RESOLVED that the issue of a non-immediate Article 4 direction withdrawing permitted development rights for front roof alterations in the Petts Wood Area of Special Residential Character with a twelve month delay be confirmed.**

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

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

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

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

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

**110 EXEMPT MINUTES OF THE ADJOURNED MEETING HELD ON 14TH SEPTEMBER 2016**

The exempt minutes from the meeting held on 14<sup>th</sup> September 2016 were confirmed.

**111 UPDATE ON PROCUREMENT STRATEGY FOR DOMICILIARY CARE SERVICES**

The Executive noted the outcome of negotiations with providers, agreed ceiling rates and agreed that consultation on revised domiciliary charges for 2017/18 should commence in December 2016.

**112 PROCUREMENT STRATEGY - ARBORICULTURAL SERVICES 2017-2019**

The Executive agreed to extend the existing contract from 18 July 2017 to 31 March 2019 to align with the repackaging and tendering of all SS&GS Environmental Services contracts due to be let from Spring 2019.

The Meeting ended at 7.58 pm

Chairman

### EXECUTIVE

18<sup>TH</sup> OCTOBER 2016

#### QUESTIONS FROM MEMBERS OF THE PUBLIC FOR WRITTEN REPLY

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

2012 MERGER OF CHILDREN AND YOUNG PEOPLE'S DEPARTMENT WITH ADULT AND COMMUNITY SERVICES DEPARTMENT.

(a) On which dates, and Council Committees was the proposal to merge Children, Young People and Education Services with Adult and Community Services reported?

(b) Were these reports on the public agenda, and if so, how were they publicised?

(c) What Public Consultation took place, and when?

**Reply:**

The proposal did not require committee approval, but the issue was referred to at the following meetings -

Urgency Committee on 23 January 2012

Council on 20<sup>th</sup> February 2012

Council on 26<sup>th</sup> March 2012

These reports were all on the public agenda, and were available on the Council's website in the normal way. There was no additional public consultation.

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

ASSURANCE OF THE ARRANGEMENTS FOR THE SAFETY OF THE DISCHARGE OF THE STATUTORY ROLE OF THE DIRECTOR OF CHILDREN'S SERVICES.

The Council decided to disregard Government Guidance against expanding/merging the role of the Director of Children's Services, and agreed to institute an "Assurance Test" to safeguard the Statutory Role, which would be repeated and reported bi-annually.

Please list the dates and committees when these tests were reported.

**Reply:**

The reports were considered at joint meetings of the Care Services and Education PDS Committees on 7<sup>th</sup> May 2013 and 25<sup>th</sup> February 2015. Please note that these reports were intended to be biennial (every two years) not biannual (twice a year).

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

**COUNCIL COMMITMENT TO OPENNESS AND TRANSPARENCY**

- (a) What is the Council's Policy on officers providing the list of Background Documents when writing Committee Reports?
- (b) What is the Council's Policy on answering Written Questions from the public – can it ignore these without giving reasons?
- (c) What remedies are available when this happens?

**Reply:**

The Council's report template includes a box for officers to list background documents.

Where a question is rejected the reason will be explained. Under the Council's Constitution, the proper officer may reject a question from the public if it –

- is not about a matter for which the Local Authority has a responsibility or which affects the borough;
- is defamatory, frivolous or offensive;
- is substantially the same as a question which has been put at a meeting of the Council in the past six months; or
- requires the disclosure of confidential or exempt information.

The Council has a three stage complaints procedure; if a complainant is still not satisfied they can ask the Local Government Ombudsman to investigate.



## **EXECUTIVE**

Minutes of the special meeting held on 1 November 2016 starting at 5.30 pm

### **Present:**

Councillor Stephen Carr (Chairman)  
Councillors Graham Arthur, Robert Evans, Peter Fortune,  
Kate Lymer and Peter Morgan

### **Also Present:**

Councillor Julian Benington, Councillor Michael Rutherford  
and Councillor Michael Turner

### **113 APOLOGIES FOR ABSENCE**

Apologies were received from Cllr Colin Smith.

### **114 DECLARATIONS OF INTEREST**

There were no declarations.

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

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

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

### **116 GROWTH FUND ACQUISITION OF PROPERTY IN ORPINGTON** Report DRR16/081

Members considered an investment opportunity to purchase a property in Orpington utilising funds from the Growth Fund.

The vendor required an urgent decision without which it was possible the vendor could withdraw and sell to another party. As such, and with the prior agreement of the Chairman of the Executive and Resources PDS Committee, the decision type was marked "Urgent" and not subject to call-in.

**117        GROWTH FUND ACQUISITION OF PROPERTY IN BROMLEY**  
**DRR16/080**

Members considered a further investment opportunity in Bromley utilising funds from the Growth Fund.

The vendor required an urgent decision without which the vendor could withdraw and sell to another party. As such, and with the prior agreement of the Chairman of the Executive and Resources PDS Committee, the decision type was marked “Urgent” and not subject to call-in.

The Meeting ended at 5.52 pm

Chairman

Report No.  
FSD16069

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** EXECUTIVE

**Date:** 30th November 2016

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

**Title:** BUDGET MONITORING 2016/17

**Contact Officer:** Tracey Pearson, Chief Accountant  
Tel: 0208 313 4323 E-mail: Tracey.Pearson@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** (All Wards);

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1. Reason for report

1.1 This report provides the second budget monitoring position for 2016/17 based on expenditure and activity levels up to the end of September 2016. The report also highlights any significant variations which will impact on future years as well as any early warnings that could impact on the final year end position.

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2. RECOMMENDATION(S)

2.1 Executive are requested to:

- (a) consider the latest financial position;
- (b) note that a projected net overspend on services of £7,377k is forecast based on information as at September 2016;
- (c) consider the comments from the Education, Care and Health Services Department, the Director of Education and the Executive Director of Environment and Community Services as detailed in sections 3.2 and 3.3;
- (d) note a projected variation of Cr £3.4m in the Central Contingency as detailed in section 3.4;
- (e) note a projected reduction to the General Fund balance of £5.4m as detailed in section 3.7;
- (f) agree the release of £33k from the Central contingency to cover the recent increase in employment tribunal work as detailed in para 3.4.3;

- (g) agree the release of £97k for the Youth Offending Service from the Central Contingency as detailed in para 3.4.4;**
- (h) note that reports elsewhere on the agenda request the drawdown of a total of £1,574k from the Central Contingency as set out in para 3.4.2;**
- (i) note the carry forwards being requested for drawdown from the Central Contingency totalling £97k (net) as detailed in section 3.5;**
- (j) note the Prior Year Adjustment of £69k as detailed in section 3.6;**
- (k) note the full year costs pressures of £4.8m as detailed in section 3.8;**
- (l) note that additional £80k funding relating to the New Homes Bonus has been transferred to the Investment Fund earmarked reserve as detailed in para 3.12.1;**
- (m) identify any issues that should be referred to individual Portfolio Holders for further action.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: None arising directly from this report.
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: N/A:
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Council wide
  4. Total current budget for this head: £209.7m
  5. Source of funding: See Appendix 1 for overall funding of Council's budget
- 

## Personnel

1. Number of staff (current and additional): 2,555 (per 2016/17 Budget), which includes 911 for delegated budgets to schools.
  2. If from existing staff resources, number of staff hours: N/A
- 

## Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972, the Local Government Finance Act 1998, the Accounts and Audit Regulations 2015, the Local Government Act 2000, and the Local Government Act 2002.
  2. Call-in: Call-in is Applicable:
- 

## Procurement

1. Summary of Procurement Implications: None arising directly from this report
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2016/17 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
- 

## 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 Summary of Projected Variations

3.1.1 The Resources Portfolio Plan included the target that each service department will spend within its own budget. Current projections show an overall net overspend of £7,377k on portfolio budgets and Cr £3,710k variation on central items.

3.1.2 A summary of the 2016/17 budget and the projected outturn is shown in the table below:

Portfolio	2016/17	2016/17	2016/17	2016/17
	Original Budget £'000	Latest Budget £'000	Projected Outturn £'000	Variation £'000
Care Services	92,548	92,591	98,468	5,877
Education	5,245	5,591	6,678	1,087
Environment	31,203	31,702	31,474	Cr 228
Public Protection & Safety	1,948	1,928	1,908	Cr 20
Renewal & Recreation	8,953	9,237	9,208	Cr 29
Resources	39,399	42,131	42,821	690
<b>Total Controllable Budgets</b>	<b>179,296</b>	<b>183,180</b>	<b>190,557</b>	<b>7,377</b>
Capital Charges and Insurance	11,521	11,521	11,521	0
Non General Fund Recharges	Cr 772	Cr 772	Cr 772	0
<b>Total Portfolio Budgets</b>	<b>190,045</b>	<b>193,929</b>	<b>201,306</b>	<b>7,377</b>
Contingency Provision	15,629	13,655	10,264	Cr 3,391
Interest on General Fund Balances	Cr 3,491	Cr 3,491	Cr 3,741	Cr 250
Other Central Items	5,563	5,563	5,643	80
Prior Year Adjustments	0	0	Cr 69	Cr 69
General Government Grants & Retained Business Rates	Cr 67,151	Cr 67,359	Cr 67,439	Cr 80
Collection Fund Surplus	Cr 4,912	Cr 4,912	Cr 4,912	0
<b>Total Central Items</b>	<b>Cr 54,362</b>	<b>Cr 56,544</b>	<b>Cr 60,254</b>	<b>Cr 3,710</b>
<b>Total Variation</b>	<b>135,683</b>	<b>137,385</b>	<b>141,052</b>	<b>3,667</b>

3.1.3 A detailed breakdown of the latest approved budgets and projected outturn for each Portfolio, together with an analysis of variations, is shown in Appendix 2.

#### 3.2 Comments from the Education, Care and Health Services Department

##### Care Services Portfolio

3.2.1 The Care Services Portfolio is currently estimated to overspend by £5,877k in 2016/17 with a full year effect of £4,682k.

3.2.2 There continues to be pressures in Adult Social Care mainly due to placements, domiciliary care and direct payments. Management action is addressing savings targets although these continue to be a challenge in some areas where demand for services is increasing.

3.2.3 Domiciliary Care Packages are continuing to be reviewed. High levels of scrutiny are in place in all cases where there is a request for an increase.

3.2.4 Additional posts are being recruited to in the Reablement Service. Once these are in place the service will have the capacity to manage around 50/55 Service Users per month which should result in some efficiencies working their way through the system.

- 3.2.5 In addition, we are seeing much more complexity in users' needs as they come through to us later in their journeys. We have much more work to do in reviewing high cost placements, ceiling rates and assessments whilst working to manage parental expectations within Learning Disabilities. The department will be working to look at other efficiency plans that may require policy change.
- 3.2.6 Commissioning activity continues to secure value for money through contract negotiations making a significant contribution to the savings targets.
- 3.2.7 Children's social care continues to see pressures in placements, fostering and care proceedings costs with an increase of children coming through the system. A range of urgent management actions have been put in place to reduce expenditure without compromising child safety including recruitment having to be agreed by the Chief Executive and the Leader. All placements have to be signed off by the Assistant Director, Children's Social Care.
- 3.2.8 The department will be closely monitoring expenditure and the figures will be updated as the year progresses. Further detail is provided in the 2016/17 Budget Monitoring report to the Care Services Policy Development and Scrutiny Committee on 15<sup>th</sup> November 2016.

### **Comments from the Director of Education**

- 3.2.9 SEN transport is the main cost pressure area. A thorough review of the budget and reasons for the increase in the anticipated overspend is currently underway. This will identify:
- (i) the degree to which the change in contract has affected costs;
  - (ii) the degree to which the increase of the age range (0-25 years) for children and young people with SEN to receive support has impacted on transport costs.

The department will also revisit cost saving measures that include:

- (i) reviewing route planning methodology;
  - (ii) reviewing the provider framework in order to encourage more companies to offer their services and so create a more competitive environment;
  - (iii) reviewing the SEN strategy to increase in-borough provision and so reduce costly out of borough placements that also impact significantly on the transport budget - this will take some years to have a measurable impact;
  - (iv) reassessing whether the introduction of muster points would significantly impact on the transport budget. This may require an 'invest to save' proposal to Members.
- 3.2.10 A review of SEN services delivered directly by the Council is currently underway with the ambition of reducing costs within the DSG budget area. The high cost of out of borough placements needs to be brought down significantly and currently a comprehensive SEN place planning exercise is underway, forecasting need over time and looking at whether in-borough provision can be increased.

### **3.3 Comments from the Executive Director of Environment and Community Services (Resources Portfolio)**

- 3.3.1 Total Facilities Management has a net overspend of £558k for 2016/17 mainly due to a shortfall of Investment income. The income budget for properties purchased from the Investment fund was increased by £2.185m. £1.249m has been generated to date and a shortfall of £936k is projected for 2016/17. This deficit is partly offset by additional income generated from rent reviews, new tenancies and other investment properties totalling £370k.

Other variations across the service total Cr £8k. On 1<sup>st</sup> November 2016, Executive agreed to purchase further properties that could provide annual net income of £897k if the purchases are completed which would more than meet the target of £2.185m in a full year.

### **3.4 Central Contingency Sum**

- 3.4.1 Details of the allocations from and variations in the 2016/17 Central Contingency are included in Appendix 3.
- 3.4.2 There are reports elsewhere on the agenda requesting the drawdown of the following items from the central contingency:
- (i) Deprivation of Liberty Safeguards - £66k
  - (ii) Increased Cost of Homelessness - £760k
  - (iii) Tackling Troubled Families Grant - £748k

The figures contained in this report assume that these requests will be agreed.

- 3.4.3 There has been a recent increase in employment tribunal work, including two high profile cases, which require additional legal resources and Members are requested to agree a one-off drawdown of £33k from the Central Contingency to cover this cost.
- 3.4.4 The Youth Offending Service (YOS) is being restructured in order to meet budget requirements and to cover a reduction in government grant. Although balanced in 2017/18, the proposed establishment cannot be achieved in 2016/17 due to additional costs of employing an Interim Head of Service, the additional half year costs of seconding a manager from the YJB and two additional unqualified posts necessary for this interim period. £97k was carried forward from 2015/16 to meet these costs and is currently held in the Central Contingency. Members are asked to agree the release of the £97k to the Education Portfolio.
- 3.4.5 A prudent approach was adopted in considering the 2016/17 Central Contingency sum to reflect any inherent risks, the potential impact of new burdens, population increases or actions taken by other public bodies which could affect the Council. If the monies are not required then the general policy has been to use these for growth, investment and economic development to generate additional income and provide a more sustainable financial position.
- 3.4.6 Based on the latest financial position, there is a forecast net variation of Cr £3.4m following a review of the remaining contingency provisions and an estimate of likely further drawdown requirements for the remainder of the year. At this stage, no allowance has been made for this funding to be set aside for growth and investment due to the overall financial position, as set in in para. 3.1. The position will continue to be closely monitored and the utilisation of variations in the central contingency will be considered in future monitoring reports and as part of the final outturn report.

### **3.5 Carry Forwards from 2015/16 to 2016/17**

- 3.5.1 On 15<sup>th</sup> June 2016 Executive approved the carry forward of 2015/16 underspends totalling £1,401k (net) subject to the funding being allocated to the Central Contingency to be drawn down on the approval of the relevant Portfolio Holder. To date £1,007k has been approved for draw down with a further £97k (net) requested this cycle. In addition, £301k relating to the Council's repairs and maintenance budgets was carried forward under delegated authority.
- 3.5.2 The carry forwards being requested to be drawn down this cycle are summarised in the table below. The figures contained in this report assume that these requests will be agreed.



Care Services PDS Committee 15 <sup>th</sup> November 2016	£'000
Preventing Homelessness	200
Implementing Welfare Reform Changes	57
Tackling Troubled Families (para 3.4.2)	138
Total Expenditure	395
Grant Income	(395)
Net Expenditure	0
Subject to Executive Approval 30 <sup>th</sup> November 2016	
YOS Strategy Review (para 3.4.4)	97
Tackling Troubled Families (para 3.4.2)	610
Total Expenditure	707
Grant Income	610
Net Expenditure	97

### 3.6 Prior Year Adjustments

3.6.1 A provision previously set aside to meet costs related to the localisation of terms and conditions is no longer required and the balance of £69k has therefore been returned to the General fund.

### 3.7 General Fund Balances

3.7.1 The level of general reserves is currently projected to reduce by £5.4m to £14.6m at 31<sup>st</sup> March 2017 as detailed below:

	2016/17 Projected Outturn £'000
<b>General Fund Balance as at 1st April 2016</b>	<b>Cr 20,000</b>
Net Variations on Services & Central Items (para 3.1)	3,667
Adjustments to Balances:	
Carry Forwards (funded from underspends in 2015/16)	1,702
<b>General Fund Balance as at 31st March 2017</b>	<b>Cr 14,631</b>

### 3.8 Impact on Future Years

3.8.1 The report identifies expenditure pressures which could have an impact on future years. The main areas to be considered at this stage are summarised in the following table:

	2016/17 Budget £'000	2017/18 Impact £'000
<b>Care Services Portfolio</b>		
Assessment & Care Management - Care Placements	18,716	904
Learning Disabilities - Care Placements and Care Management	30,400	813
Mental Health - Care Placements	5,881	444
Children's Social Care	27,444	2,593
		<b>4,754</b>

3.8.2 Given the significant financial savings that the Council will need to make over the next four years, it is important that all future cost pressures are contained and that savings are identified early to mitigate these pressures.

3.8.3 There remain risks arising from the scale of budget savings required to address the budget gap as well as the cost pressures arising from new burdens and the impact of Government policy changes including welfare reforms and the new Living Wage. Action will need to be taken to contain, where possible, these cost pressures managing the implementation of savings or seeking alternative savings where required.

3.8.4 Further details, including action to be taken to contain future cost pressures, are included in Appendix 4.

### **3.9 Interest on Balances**

3.9.1 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 resulted in a considerable improvement in interest earnings in 2015/16. As a result, an additional £1,250k was included in the 2016/17 budget to reflect the increased interest earnings being achieved (with 1% assumed for new investments). This was partly offset by £500k reduced income to reflect a reduction in balances as a result of further property acquisitions providing a net increase of £750k in 2016/17 (£3,491k 2016/17 budget compared to £2,741k in 2015/16). Based on most recent projections, surplus income of £250k is currently projected although it should be noted that, due to the volatility of the Diversified Growth Funds, this position may vary (potentially significantly) by the end of the financial year.

### **3.10 Section 106**

3.10.1 An update on Section 106 balances as at 31<sup>st</sup> August 2016 is included in Appendix 5. Further details on the arrangements for utilising Section 106 monies are provided in the "Capital Programme Monitoring – 2<sup>nd</sup> Quarter 2016/17" report elsewhere on the agenda.

### **3.11 The Schools Budget**

3.11.1 Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided for by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the schools budget. Any overspend or underspend must be carried forward to the following years Schools Budget.

3.11.2 There is a total projected underspend of £104k on DSG funded services which will be added to the £3.7m carried forward from 2015/16. This will fund one off capital projects for the Beacon House refurbishment and agreed growth in 2016/17 for bulge classes so the brought forward balance has now been fully allocated. Details of the 2016/17 monitoring of the School's Budget will be reported to the Education Portfolio Holder.

### **3.12 Investment Fund and Growth Fund**

3.12.1 As it's meeting on 13<sup>th</sup> January 2016, Executive agreed that the New Homes Bonus be set aside to provide additional funding for the Council's Investment Fund (£7,402k). Confirmation has since been received that total funding in 2016/17 is £7,482k and Members are requested to note that the additional £80k has also been added to the Investment Fund.

3.12.2 Full details of the current position on the Investment Fund and the Growth Fund are included in the Capital Programme Monitoring report elsewhere on the agenda. The uncommitted balances currently stand at £17.9m on the Investment Fund and £4.6m on the Growth Fund.

#### 4 IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The 2016/17 budget reflects the financial impact of the Council's strategies and service plans which impact on all of the Council's customers and users of our services.

#### 5 POLICY IMPLICATIONS

5.1 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to ensure good strategic financial management and robust discipline to deliver within our budgets.

5.2 The "2016/17 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2016/17 to minimise the risk of compounding financial pressures in future years.

5.3 Chief Officer's comments are included in sections 3.2 and 3.3.

#### 6 FINANCIAL IMPLICATIONS

6.1 These are contained within the body of the report with additional information provided in the appendices.

<b>Non-Applicable Sections:</b>	Personnel, Legal, Procurement
Background Documents: (Access via Contact Officer)	Provisional final Accounts - Executive 15 <sup>th</sup> June 2016; 2016/17 Council Tax – Executive 10 <sup>th</sup> February 2016; Draft 2016/17 Budget and Update on Council's Financial strategy 2017/18 to 2019/20 - Executive 13 <sup>th</sup> January 2016; Capital Programme Monitoring Report – elsewhere on agenda; Treasury Management Annual Report 2015/16 – Executive & Resources PDS 7 <sup>th</sup> July 2016; Financial Management Budget Monitoring files across all Portfolios.

## GENERAL FUND - PROJECTED OUTTURN FOR 2016/17

Portfolio	2016/17 Original Budget £'000	Budget Variations allocated in year # £'000	2016/17 Latest Approved Budget £'000	2016/17 Projected Outturn £'000	Variation £'000	Variation previously reported to Exec 20/07/16 £'000
Care Services	92,548	43	92,591	98,468	5,877	3,333
Education (incl. Schools' Budget)	5,245	346	5,591	6,678	1,087	684
Environment	31,203	499	31,702	31,474	Cr 228	0
Public Protection & Safety	1,948	Cr 20	1,928	1,908	Cr 20	0
Renewal and Recreation	8,953	284	9,237	9,208	Cr 29	200
Resources	39,399	2,732	42,131	42,821	690	Cr 112
<b>Total Controllable Budgets</b>	<b>179,296</b>	<b>3,884</b>	<b>183,180</b>	<b>190,557</b>	<b>7,377</b>	<b>4,105</b>
Capital and Insurances (see note 2)	11,521	0	11,521	11,521	0	0
Non General Fund Recharges	Cr 772	0	Cr 772	Cr 772	Cr 0	0
<b>Total Portfolios (see note 1)</b>	<b>190,045</b>	<b>3,884</b>	<b>193,929</b>	<b>201,306</b>	<b>7,377</b>	<b>4,105</b>
<b>Central Items:</b>						
<b>Interest on General Fund Balances</b>	Cr 3,491	0	Cr 3,491	Cr 3,741	Cr 250	0
<b>Contingency Provision (see Appendix 3)</b>	15,629	Cr 1,974	13,655	10,264	Cr 3,391	0
<b>Other central items</b>						
Reversal of Net Capital Charges	Cr 10,203	0	Cr 10,203	Cr 10,203	0	0
Contribution to Investment and Other Funds	9,470	0	9,470	9,550	80	0
Set Aside Prior Year Collection Fund Surplus	4,912	0	4,912	4,912	0	0
Levies	1,384	0	1,384	1,384	0	0
	5,563	0	5,563	5,643	80	0
<b>Prior Year Adjustments</b>						
Localised Pay Contracts	0	0	0	Cr 69	Cr 69	0
<b>Bromley's Requirement before balances</b>	<b>207,746</b>	<b>1,910</b>	<b>209,656</b>	<b>213,403</b>	<b>3,747</b>	<b>4,105</b>
Carry Forwards from 2015/16 (see note 3)	0	Cr 1,401	Cr 1,401	0	1,401	1,401
Carry Forward from 2015/16 Delegated Authority - R&M	0	Cr 301	Cr 301	0	301	301
<b>Adjustment to Balances</b>	Cr 0	0	Cr 0	Cr 5,369	Cr 5,369	Cr 5,807
Revenue Support Grant	207,746	208	207,954	208,034	80	0
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 21,293	0	Cr 21,293	Cr 21,293	0	0
New Homes Bonus	Cr 35,387	0	Cr 35,387	Cr 35,387	0	0
New Homes Bonus	Cr 7,402	0	Cr 7,402	Cr 7,482	Cr 80	0
New Homes Bonus Top Slice	Cr 986	Cr 223	Cr 1,209	Cr 1,209	0	0
Transition Grant	Cr 2,068	0	Cr 2,068	Cr 2,068	0	0
Local Services Support Grant	Cr 15	15	0	0	0	0
Collection Fund Surplus	Cr 4,912	0	Cr 4,912	Cr 4,912	0	0
<b>Bromley's Requirement</b>	<b>135,683</b>	<b>0</b>	<b>135,683</b>	<b>135,683</b>	<b>0</b>	<b>0</b>
GLA Precept	34,957	0	34,957	34,957	0	0
<b>Council Tax Requirement</b>	<b>170,640</b>	<b>0</b>	<b>170,640</b>	<b>170,640</b>	<b>0</b>	<b>0</b>

# Budget Variations allocated to portfolios in year consists of:	£'000
1) Carry forwards from 2015/16 (see note 3)	1,702
2) Allocations from the central contingency provision (see Appendix 3)	2,197
3) Local Services Support grant allocated to Education	Cr 15
	<u>3,884</u>

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2016/17 Original Budget £'000	Budget Variations allocated in year # £'000	2016/17 Latest Approved Budget £'000	2016/17 Projected Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	116,280	1,631	117,911	124,927	7,016	4,106
Environmental & Community Services	50,044	896	50,940	50,661	Cr 279	250
Chief Executive's Department	23,721	1,357	25,078	25,718	640	Cr 251
	<u>190,045</u>	<u>3,884</u>	<u>193,929</u>	<u>201,306</u>	<u>7,377</u>	<u>4,105</u>

2) **Reversal of Net Capital Charges**

This is to reflect the technical accounting requirements contained in CIPFA's Code of Practice for Local Authority Accounting and has no impact on the Council's General Fund.

3) **Carry Forwards from 2015/16**

Carry forwards from 2015/16 into 2016/17 totalling £1,702k were approved by the Executive and under the delegated authority of the Director of Finance. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2015/16" report.

## Care Services Portfolio Budget Monitoring Summary

2015/16 Actuals £'000	Division Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000	
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>									
<b>Adult Social Care</b>									
22,652	Assessment and Care Management	20,334	20,597	21,424	827	1	703	904	
2,516	Direct Services	1,241	844	770	Cr 74	2	0	0	
774	Commissioning & Service Delivery	2,700	1,168	1,187	19		0	0	
28,980	Learning Disabilities	30,685	30,400	31,344	944	3	864	813	
6,092	Mental Health	5,947	5,881	6,186	305	4	40	444	
Cr 312	Better Care Funding - Protection of Social Care	0	0	Cr 207	Cr 207	5	0	0	
<b>60,702</b>		<b>60,907</b>	<b>58,890</b>	<b>60,704</b>	<b>1,814</b>		<b>1,607</b>	<b>2,161</b>	
<b>Operational Housing</b>									
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0	
Cr 2,350	Housing Benefits	Cr 1,907	Cr 1,907	Cr 1,907	0		0	0	
6,364	Housing Needs	6,354	7,114	7,189	75	6	0	0	
1,413	Supporting People	1,051	1,051	1,127	76	7	0	Cr 72	
<b>5,426</b>		<b>5,497</b>	<b>6,257</b>	<b>6,408</b>	<b>151</b>		<b>0</b>	<b>Cr 72</b>	
<b>Children's Social Care</b>									
16,768	Care and Resources	15,978	15,985	18,346	2,361	8	1,479	1,704	
1,853	Safeguarding and Quality Assurance	1,494	2,457	2,542	85		0	0	
5,682	Safeguarding and Care Planning	5,662	5,662	7,121	1,459		247	889	
1,113	Early Intervention and Family Support	998	998	1,008	10		0	0	
2,343	Children's Disability Service	2,342	2,342	2,342	0		0	0	
<b>27,759</b>		<b>26,474</b>	<b>27,444</b>	<b>31,359</b>	<b>3,915</b>		<b>1,726</b>	<b>2,593</b>	
<b>Health Integration</b>									
330	Health Integration Programme	0	330	293	Cr 37	9	0	0	
Carers									
1,301	- Net Expenditure	1,434	1,434	1,299	Cr 135		0	0	
Cr 1,301	- Recharge to Better Care Fund	Cr 1,434	Cr 1,434	Cr 1,299	135		0	0	
Information & Early Intervention									
1,187	- Net Expenditure	1,163	1,163	1,091	Cr 72		0	0	
Cr 1,187	- Recharge to Better Care Fund	Cr 1,163	Cr 1,163	Cr 1,091	72		0	0	
Better Care Fund									
18,692	- Expenditure	19,027	20,158	20,158	0		0	0	
Cr 18,851	- Income	Cr 19,180	Cr 20,311	Cr 20,311	0	0	0		
NHS Support for Social Care									
266	- Expenditure	0	348	348	0	0	0		
Cr 266	- Income	0	Cr 348	Cr 348	0	0	0		
<b>171</b>		<b>Cr 153</b>	<b>177</b>	<b>140</b>	<b>Cr 37</b>		<b>0</b>	<b>0</b>	
<b>Public Health</b>									
13,578	Public Health	15,106	15,106	15,106	0		0	0	
Cr 13,936	Public Health - Grant Income	Cr 15,478	Cr 15,478	Cr 15,478	0		0	0	
<b>Cr 358</b>		<b>Cr 372</b>	<b>Cr 372</b>	<b>Cr 372</b>	<b>0</b>		<b>0</b>	<b>0</b>	
Cr 1,079	Savings achieved early in 2015/16 for 2016/17	0	0	0	0		0	0	
<b>92,621</b>	<b>TOTAL CONTROLLABLE ECHS DEPT</b>	<b>92,353</b>	<b>92,396</b>	<b>98,239</b>	<b>5,843</b>		<b>3,333</b>	<b>4,682</b>	
2,594	<b>TOTAL NON CONTROLLABLE</b>	363	363	449	86		89	0	
10,424	<b>TOTAL EXCLUDED RECHARGES</b>	10,881	12,355	12,355	0		0	0	
<b>105,639</b>	<b>TOTAL ECHS DEPARTMENT</b>	<b>103,597</b>	<b>105,114</b>	<b>111,043</b>	<b>5,929</b>		<b>3,422</b>	<b>4,682</b>	
<b>Environmental Services Dept - Housing</b>									
189	Housing Improvement	195	195	229	34	10	0	0	
<b>189</b>	<b>TOTAL CONTROLLABLE FOR ENV SVCES DEPT</b>	<b>195</b>	<b>195</b>	<b>229</b>	<b>34</b>		<b>0</b>	<b>0</b>	
407	<b>TOTAL NON CONTROLLABLE</b>	Cr 942	Cr 942	Cr 942	0		0	0	
327	<b>TOTAL EXCLUDED RECHARGES</b>	320	320	320	0		0	0	
<b>923</b>	<b>TOTAL FOR ENVIRONMENTAL SVCES DEPT</b>	<b>Cr 427</b>	<b>Cr 427</b>	<b>Cr 393</b>	<b>34</b>		<b>0</b>	<b>0</b>	
<b>106,562</b>	<b>TOTAL CARE SERVICES PORTFOLIO</b>	<b>103,170</b>	<b>104,687</b>	<b>110,650</b>	<b>5,963</b>		<b>3,422</b>	<b>4,682</b>	

<b>Reconciliation of Latest Approved Budget</b>		<b>£'000</b>
<b>2016/17 Original Budget</b>		<b>103,170</b>
<b>Carry forwards:</b>		
<i>Social Care Funding via the CCG under S256 agreements</i>		
Adult Social Care Invest to Save Schemes		
- expenditure		48
- income	Cr	48
Integration Funding - Better Care Fund		
- expenditure		300
- income	Cr	300
<i>Better Care Fund</i>		
- expenditure		381
- income	Cr	381
<i>Adoption Reform Grant</i>		
- expenditure		132
- income	Cr	132
<i>DCLG Preventing Homelessness Grant</i>		
- expenditure		200
- income	Cr	200
<i>Implementing Welfare Reforms Changes</i>		
- expenditure		56
- income	Cr	56
<i>Tackling Troubled Families</i>		
- expenditure		760
- income	Cr	760
<b>Other:</b>		
Better Care Fund allocation from contingency	Cr	750
Additional income linked to National Living Wage - return to contingency		503
Commissioning restructure	Cr	12
Children's Social Care OFSTED report		950
<b>Items requested this cycle:</b>		
Deprivation of Liberty Safeguards		66
Homelessness		760
		<u>1,517</u>
<b>Latest Approved Budget for 2016/17</b>		<u><u>104,687</u></u>

## **REASONS FOR VARIATIONS**

### **1. Assessment and Care Management - Dr £827k**

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Current</u> <u>Variation</u> £'000
<u>Physical Support / Sensory Support / Memory &amp; Cognition</u>	
Services for 65 +	
- Placements	216
<i>less management action</i>	-210
- Domiciliary Care / Direct Payments	1,419
<i>less management action</i>	-540
Services for 18 - 64	
- Placements	-61
- Domiciliary Care / Direct Payments	73
Extra Care Housing	-32
Staffing	-38
	<hr/> <hr/> 827

The budget for 2016/17 included savings of £2.15m in relation to the Assessment & Care Management budgets. The current projected overspend of £827k assumes that management action of £750k continues for the remainder of the year to bring down costs. If this does not materialise, the overspend will increase.

#### Services for 65+ - Dr £885k

Services for the 65's and over age group are currently showing a projected overspend of £885k, taking account of management action in relation to savings still to be achieved of £750k.

Residential care placements are currently showing a projected overspend of £288k, whilst Nursing care is projected to underspend by £72k. The savings in this area relate to better management of both internal and external void apartments in extra care housing to reduce numbers placed in residential care, as well as ensuring no placements are made above the council's financial ceiling rates. The combined client numbers are currently 425 which is 27 above the budgeted number. Management action to reduce spend in this area is £210k.

Domiciliary care and direct payments are currently projected to overspend by £1.419m. This area of the budget has the highest savings target to achieve at £1.26m. The savings in this area relate to reviewing packages of care, increasing the capacity of the reablement service so that more clients can be reabled and reduce the reliance on care packages, and additional charging for day and transport services. Management action to reduce spend in this area is £540k.

#### Extra Care Housing - Cr £32k

The 3 externally run extra care housing schemes are projected to underspend by £32k based on the latest client data. Although average care packages continue to be above the level budgeted for, additional income from client contributions is offsetting some of this additional cost. As mentioned above, avoidance of voids in these schemes is a key element of the 2016/17 budget savings, and there is also a financial cost to the council where a property remains vacant for more than 28 days.

#### Services for 18 - 64 year olds - Dr £12k

Placements for the 18 - 64 age group are currently showing a projected underspend of £61k, with client numbers slightly below budget. Domiciliary care and direct payments are projected to overspend by £73k

### **2. Direct Care - Cr £74k**

#### Reablement Service

The reablement service continues to achieve good results in the service it provides, however staff resignations over the past year and the difficulty in recruiting to the subsequent vacant posts is having an impact on the savings that can be achieved. As a result of these vacancies the service is currently predicting an underspend of £74k.

### **3. Learning Disabilities - Dr £944k**

Since the last report the Commissioning restructure has been reflected in budget structures and now all LD services are reported within this line, including LD Care Management, former Commissioning-managed budgets and former LD direct services.

The original 2016/17 LD budget included £1.6m savings for the year. This target has increased during the year to a) include a share of departmental savings that had previously not been identified from a specific area (£160k) and b) to fund the net cost of the temporary team of staff working on delivering the savings (£145k net). Progress on achieving the savings is being closely monitored and the projections take into account both savings achieved to date and planned savings for the remainder of the year. If action to deliver the planned savings doesn't materialise, or materialises to a lesser extent, then the projected overspend may increase.

Cost pressures relating to transition clients, increased client needs and Ordinary Residence cases have been partly mitigated by the overachievement of savings on supported living contracts.

At this stage in the financial year the projections continue to include a level of assumption relating to uncertainties e.g. increased care needs, carer breakdowns, attrition, health funding, start dates for new packages etc. Based on the information currently available a net overspend of £944k is anticipated but this could still vary significantly as the year progresses.

#### **4. Mental Health - Dr £305k**

The original 2016/17 MH placements budgets included £254k savings which, at the end of 2015/16, had been fully achieved in advance. Since then, however, some pressures have emerged with additional demand for services. It is also thought that there has been a degree of mis-classification of new clients' Primary Support Reasons (PSRs) which could be distorting the projections. This may be overstating spend on Mental Health but not the overall Care Services position as, if the clients are not MH, they will move to another PSR budget but still within Care Services.

Work is currently underway to investigate this and adjust accordingly.

A further £40k has been added to the savings target for MH to include a share of departmental savings that had previously not been identified from a specific area.

#### **5. Better Care Fund - Protection of Social Care - Cr £207k**

A number of local authority adult social care services are funded by the element of the Better Care Fund set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services are currently projected to underspend by £207k in 2016/17 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

#### **6. Housing Needs - £75k**

A variation of £613k is currently projected for Temporary Accommodation budgets. This pressure is expected to be covered via a request to draw down funds held in contingency. The increase is due to higher client numbers and rising unit costs, and the projections assume the trend continues for the rest of the financial year.

Due to the recent increase in the number of new Homelessness clients being recorded by the Council (including 30 in one week), the projected number of new clients we are expecting each month in the forecast has increased from 15 to 17 per month. This has had the effect of increase the forecast in this period by £89k for the year.

In addition, by necessity there has been increasing use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the housing benefit subsidy is capped at the Jan 2011 LHA rates (without the 90% + £40 admin formula that self contained accommodation attracts), thus often making these placements more costly than those in London, especially when the monitoring and furniture storage costs are factored in.

The full year effect of the projected overspend is currently anticipated to be a pressure of £841k in 2017/18.

However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point.

Currently there is a £125k pressure relating to the storage of furniture for client's who have had to go into Temporary Accommodation.

One of the Traveller sites is experiencing a high use of utilities (overspend of £75k) due to the site not having meters. This has been a pressure for some time and has previously been covered by underspends in other areas of the budget which is unlikely to happen in the current financial year. There is a Capital Project to install meters on the site in question that has been delayed.

#### **7. Supporting People - Dr £76k**

Savings totalling £370k were built in to the 2016/17 Supporting People budget and it is currently estimated that only £294k will be delivered in 2016/17. However 2016/17 tendering activity should deliver the savings required in a full year and this is assumed in the modelling.



## **8. Children's Social Care - Dr £3,915k**

The current projected overspend in Children's Social Care is £3,915k, with the main areas of under / overspending shown below. The budget includes savings assumptions from management action for the remainder of the year as per the budgeted savings targets. If this does not materialise then the overspend will increase.

### Care and Resources - Dr £2,361k

#### Placements - Dr £1,541k

The budget for 2016/17 for children's placements included savings of £1,119k. Projections indicate a projected overspend in the region of £1,791k, however there is a savings target to reduce this in year. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult.

#### Leaving Care - Dr £493k

The cost's in relation to clients leaving care at the age of 16 or 17 has risen drastically from the figure reported in May, with an overspend of £302k being projected compared to an underspend of £19k in May.

For the 18 plus client group there continues to be differences between the amount being paid in rent and the amount reclaimable as housing benefit, mainly due to lack of supply of suitable accommodation and the rental price. The current overspend is £190k based on the current numbers of client's in the service, although this is a reduction of £76k on the last reported figure. This amount could rise if net client numbers increase.

#### Staffing - Dr £327k

See note below relating to staffing budgets across the Division.

### Safeguarding & Care Planning - Dr 1,459k

#### No Recourse to Public Funds - Cr £45k

The projected cost to Bromley for people with no recourse to public funding continues to underspend, with a current projection of Cr £45k reported. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget. Currently there are 28 children with families receiving funding, compared to 48 at the end of 2015-16. This budget does however remain volatile.

#### Public Law Outline - Court Ordered Care Proceedings - Dr £988k

Cost's in relation to care proceedings are currently expected to be £988k above the budget provision of £542k. This is an increase of £704k from the figure reported for May. The main area of overspend is in community based and residential based parenting assessments which are largely outside the control of the council.

#### Staffing - Dr £516k

See note below relating to staffing budgets across the Division.

### Safeguarding and Quality Assurance / Early Intervention and Family Support - Dr £95k

#### Staffing - Dr £95k

See note below relating to staffing budgets across the Division.

### Children's Social Care Staffing

Analysis of the staffing budgets across the whole of Children's Social Care has identified possible overspend's across most of the teams. Officers are currently working to understand the reason for this large overspend and appropriate action will need to be taken to bring this projection down. The main reason appears to be the use of more costly locum staff.

## **9. Health Integration Division - Cr £37k**

The Health Integration Division is newly formed as a result of the Commissioning restructure and includes the budgets for: Information and Early Intervention; Carers; Better Care Fund; NHS Support for Social Care and the Health Integration Programme Team.

The total projected underspend for the Division is currently £244k. Of this, £207k relates to services funded by the Better Care Fund and referred to at ref 5 above. The remaining underspend of £37k relates to vacancies in the Programme Team.

## **10. Environmental Services Department - Housing Improvement - Dr £34k**

There is a projected shortfall within renovation grant agency fee income of £34k, due to a delay in assessments and referrals for work to be carried out which has a corresponding effect on the fees earned by the Housing Improvement Team. A review of OT referral times is underway.

### **Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

Since the last report to the Executive, waivers were approved as follows:

- (a) There were 12 contract waivers agreed for a contracts valued over £50k.
- (b) There were 17 waivers agreed for care placements in both adults and children's social care services over £50k but less than £100k and 20 waivers agreed for over £100k.

### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, the following virement has been actioned.

There has been one virement of £145k (net) approved by the Portfolio Holder for a non-recurrent investment in LD resources to support the efficiency project to deliver the required budget savings.

2015/16 Actuals £'000	Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Education Division</b>								
Cr 233	Adult Education Centres	Cr 288	Cr 288	Cr 288	0		0	0
231	Alternative Education and Welfare Service	250	250	250	0		0	0
264	Schools and Early Years Commissioning & QA	391	391	379	Cr 12	1	0	0
5,141	SEN and Inclusion	4,869	5,037	6,270	1,233	2	600	0
207	Strategic Place Planning	205	205	205	0		0	0
Cr 15	Workforce Development & Governor Services	18	18	18	0		1	0
Cr 1,650	Education Services Grant	Cr 1,728	Cr 1,728	Cr 1,257	471	3	480	552
	Education Funds Held in Contingency			Cr 471	Cr 471	3	Cr 480	Cr 552
Cr 1,395	Schools Budgets	Cr 1,219	Cr 1,219	Cr 1,219	0	4	0	0
175	Other Strategic Functions	179	260	260	0		0	0
<b>2,725</b>		<b>2,677</b>	<b>2,926</b>	<b>4,147</b>	<b>1,221</b>		<b>601</b>	<b>0</b>
<b>Children's Social Care</b>								
1,757	Bromley Youth Support Programme	1,438	1,535	1,547	12	5	83	0
1,872	Early Intervention Services	1,130	1,130	984	Cr 146	6	0	0
<b>3,629</b>		<b>2,568</b>	<b>2,665</b>	<b>2,531</b>	<b>Cr 134</b>		<b>83</b>	<b>0</b>
<b>6,354</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION - ECHS</b>	<b>5,245</b>	<b>5,591</b>	<b>6,678</b>	<b>1,087</b>		<b>684</b>	<b>0</b>
11,061	<b>Total Non-Controllable</b>	4,198	4,198	4,198	0		0	0
3,396	<b>Total Excluded Recharges</b>	3,240	3,008	3,008	0		0	0
<b>20,811</b>	<b>TOTAL EDUCATION PORTFOLIO - ECHS</b>	<b>12,683</b>	<b>12,797</b>	<b>13,884</b>	<b>1,087</b>		<b>684</b>	<b>0</b>
<b>Memorandum Item</b>								
<b>Sold Services</b>								
Cr 62	Education Psychology Service (RSG Funded)	Cr 18	Cr 18	Cr 18	0	}	0	0
Cr 43	Education Welfare Service (RSG Funded)	Cr 33	Cr 33	Cr 33	0		0	0
Cr 33	Workforce Development (DSG/RSG Funded)	Cr 11	Cr 11	Cr 11	0		0	0
0	Governor Services (DSG/RSG Funded)	Cr 6	Cr 6	Cr 6	0		0	0
Cr 66	Community Vision Nursery (RSG Funded)	0	0	0	0		0	0
Cr 23	Blenheim Nursery (RSG Funded)	0	0	0	0		0	0
0	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	<b>Total Sold Services</b>	<b>Cr 68</b>	<b>Cr 68</b>	<b>Cr 68</b>	<b>0</b>		<b>Cr 22</b>	<b>0</b>

**Reconciliation of Latest Approved Budget****£'000****Original Budget 2016/17****12,683****Carry forwards:**

SEN Implementation Grant 2015/16

- expenditure

28

- income

Cr 28

**Contingency:**

SEN Implementation Grant 2016/17

- expenditure

180

- income

Cr 180

SEN Regional Lead Grant 2016/17

- expenditure

28

- income

Cr 28

**Other:**

Transfer of SEN Transport staffing post

20

Transfer of staff as part of the Commissioning

12

Restructure

LSSG - Extended Rights to Free Travel Grant

Cr 15

**Items Requested this Cycle:**

YOS Service Strategy Review

97

**Latest Approved Budget for 2016/17****12,797**

## **REASONS FOR VARIATIONS**

### **1. Schools and Early Years Commissioning & QA - Cr £12k**

There is a £12k underspend due to staffing changes within one cost centre.

A report recently went to the Commissioning Board relating to the two in-house nurseries within this area. The Commissioning Board has requested a management action plan be drawn up to put the nurseries on a break even position going forward. As the management action is likely to include some sort of staffing reorganisation it is likely that the management action plan will not be fully implemented until the start of the new Financial Year.

### **2. SEN and Inclusion - Dr £1,233k**

To help authorities with the amount of work required to convert existing Statements of SEN to the new Education Health and Care (EHC) plans, and to implement the changes to working practices required, the Department for Education has created the SEN Implementation (New Burdens) Grant. LBB's allocation of this grant for 2016/17 is £201k, of which £180k was approved for drawdown by Executive in March 2016, in addition to the carry forward of £108k of the 2015/16 grant that was not used.

Additionally the Department for Education has provided us with a SEND Regional Lead Grant in 2016/17 that is used in partnership with Enfield to support the role of regional lead for the implementation of the Special Educational Needs reforms. LBB's allocation of this grant for 2016/17 is £28k, along with a carry forward of £15k of the 2015/16 grant that was not used.

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport is currently projected to overspend by £1.2m. A significant part of this relates to the cost of the new contracts which commenced on 01/09/2015 with a revised pricing framework, which, with no provision for inflation over the life of the contracts, are assumed to have front-loaded inflationary increases. The remainder of the overspend is due to the increased number of routes required during the year and the complexity of the clients using them (i.e. the need to have assistants on the transport route due to the young age of the client).

Central Government pay Councils the Extended Rights to Free Travel grant (funding for children to get to school) directly to us instead of as part of a number of grants. Due to this change the grant now sits in the Education portfolio instead of within Corporate. This has resulted in a £4k underspend as the budget was less than the actual income we are now receiving.

### **3. Education Services Grant - Dr £471k**

Current projections for the Education Services Grant (ESG) allocation is £471k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The current projection is based on the 8 conversions that have already happened this year, and a further school that will be converting during the remainder of the year. The full year effect of these conversions is £552k. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

### **4. Schools Budgets (no impact on General Fund)**

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget. Any overspend or underspend must be carried forward to the following years Schools Budget.

The total projected net underspend of £104k will therefore add to the £3.7m carried forward from 2015/16. The carry forward is being used to fund the refurbishment of Beacon House and to fund growth in bulge classes.

Bulge classes are currently expected to overspend by £100k for this financial year. Additionally we are currently expecting to spend £192k on modular classroom rentals during the year. Both of these figures may increase once the requirements for the new academic year have been established from the October school census.

The underspends above are offset by a continued increase in the requirement for bulge classes at both primary and secondary schools. The current budget for bulge classes is £2.5m (an increase of £1m from 2015/16) that was agreed by the School Forum, and funded from the DSG carry forward. Schools Forum reviewed the future funding of bulge classes and decided not to make any changes for 2016/17, however this will be reviewed again for 2017/18, especially in light of the projected pressures across DSG as a whole.

There is currently an expected overspend of £55k on Special Schools. This relates to a payment that needed to be made this year relating to 2015/16.

Phoenix Pre School Services are currently in negotiation with their landlord over a new rental agreement for the centre they currently occupy. The new agreement is expected to lead to an above inflation increase in their rent. Ways of covering this rental income with additional income elsewhere are currently being finalised. The additional income is expected to cover the whole of the rental increase and not lead to a pressure on this budget.

SEN placements are projected to overspend by a total of £434k. This overspend is mainly due to a higher than expected number of children attending Independent Day Schools (£809k) and Maintained Day Schools (£320k). There is also an increased use of Alternative support (£205k). These overspends are then offset with underspends on children being placed in Independent Boarding schools (£822k) and higher than expected income to be collected (£82k).

SEN Support for clients in Further Education Colleges is expected to overspend by £68k this year. The reason for this is due to the overspend in the cost of placing clients in colleges (mainly Bromley). This is being offset by the cost of placements at Independent providers.

Free Early Years Education is forecast to underspend by £58k this year. This is down to the £158k underspend in the summer term for the 2 year old age range. This is being off set by an overspend in the first half of the Autumn Term (£47k) and an £53k overspend for the year in the 3 & 4 years age range.

The DSG funded element of SEN Transport is projected to underspend by £144k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of further increased take up of lower cost in-borough placements in future years. This figure is likely to change once the routes for the new academic year have been finalised.

	Variations £'000
Bulge Classes	100
Modular classroom rentals	192
Special Schools/units	55
Free Early Education - 2 year olds	Cr 111
Free Early Education - 3 & 4 year olds	53
Standards Fund Grant	Cr 745
SEN:	
- Placements	434
- Support in FE colleges	68
- Transport	Cr 144
- Other Small Balances	Cr 6
	<u>Cr 104</u>

#### **5. Bromley Youth Support Programme - Dr £12k**

The Youth Service has a projected overspend in year on salaries and some running costs whilst the restructure required to reconfigure the service to achieve the 2015-16 saving is completed with the service continuing to provide both universal and targeted youth support.

The pressure in the Youth Offending Team is due to the funding they receive from the Youth Justice Board being further reduced in April by £22k. A review of their existing services will be carried out to address this shortfall in future years.

The Bromley Education Business Partnership has seen an in-year underspend (£71k) relating to salary costs during a period of recruitment which has occurred whilst the service has been waiting for final confirmation of funding from Members and external bodies.

	Variations £'000
Youth Services	61
Youth Offending Team	22
Bromley Education Business Partnership	Cr 71
	<u>12</u>

#### **6. Early Intervention Services - Cr £146k**

Two services within the area have in year salary savings during a period of recruitment which has now been completed.

	Variations £'000
Bromley Children's Project	Cr 108
Parent Partnership	Cr 38
	<u>Cr 146</u>

#### **7. Sold Services (net budgets)**

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

#### **Waiver of Financial Regulations**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100k) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, eight waivers have been actioned.

Annual Value	Number of Waivers
Under £50k	6
£50k to £250k	1
£250k to £500k	1
Total	<u>8</u>

#### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, three virements have been actioned all in the range of £10k to £15k. These relate to adjustments to realign the SEN Reform Grant and to move budgets to allow a post to be increased.

2015/16 Actuals £'000	Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>ENVIRONMENT PORTFOLIO</b>							
	<b>Street Scene &amp; Green Spaces</b>							
5,445	Parks and Green Spaces	5,109	5,091	5,161	70	1	0	0
417	Street Regulation and Enforcement incl markets	386	364	329	Cr 35	2	0	0
17,599	Waste Services	17,206	17,206	17,213	7	3	Cr 140	0
3,891	Street Environment	4,181	4,181	4,181	0		0	0
808	Management and Contract Support	781	781	781	0		0	0
629	Transport Operations and Depot Management	811	791	758	Cr 33	4	0	0
280	Trees	683	723	723			0	0
<b>29,069</b>		<b>29,157</b>	<b>29,137</b>	<b>29,146</b>	<b>9</b>		<b>Cr 140</b>	
	<b>Parking Services</b>							
Cr 7,455	Parking	Cr 7,041	Cr 6,775	Cr 7,046	Cr 271	5-9	140	0
<b>Cr 7,455</b>		<b>Cr 7,041</b>	<b>Cr 6,775</b>	<b>Cr 7,046</b>	<b>Cr 271</b>		<b>140</b>	<b>0</b>
	<b>Transport &amp; Highways</b>							
112	Traffic & Road Safety	206	206	206	0	10	0	0
10,035	Highways (including London Permit Scheme)	8,881	9,134	9,168	34	11	0	0
<b>10,147</b>		<b>9,087</b>	<b>9,340</b>	<b>9,374</b>	<b>34</b>		<b>0</b>	<b>0</b>
<b>31,761</b>	<b>TOTAL CONTROLLABLE</b>	<b>31,203</b>	<b>31,702</b>	<b>31,474</b>	<b>Cr 228</b>		<b>0</b>	<b>0</b>
8,075	<b>TOTAL NON-CONTROLLABLE</b>	5,299	5,434	5,368	Cr 66	12	0	0
2,429	<b>TOTAL EXCLUDED RECHARGES</b>	2,041	2,041	2,041	0		0	0
<b>42,265</b>	<b>PORTFOLIO TOTAL</b>	<b>38,543</b>	<b>39,177</b>	<b>38,883</b>	<b>Cr 294</b>		<b>0</b>	<b>0</b>

Reconciliation of Latest Approved Budget

£'000

Original Budget 2016/17

38,543

Transfer of budget for staffing back to SEN - Education S/E 884.

Cr 20

Parking carry forward re automated bus lane and non- bus lane cameras

306

WEEE Grant Income

Cr 13

WEEE Grant Expenditure

13

Drainage Water Grant Income

Cr 69

Drainage Water Grant Expenditure

69

Lead Local Flood grant

213

Repairs and Maintenance

135

Latest Approved Budget for 2016/17

39,177

## **REASONS FOR VARIATIONS**

### **1. Parks and Green Spaces Dr £70k**

There is currently a projected overspend of £70k for water charges at Crystal Palace, due to the receipt of several amended backdated bills based on actual meter readings. To date, bills have only been received up to mid- December 2015 and officers are working closely with Thames Water to investigate the reason for the large variation between estimated and actual readings as well as to obtain the most up to date bills.

### **2. Street Regulation and Enforcement incl markets Cr £35k**

Surplus income of £25k is projected for Market Charges and Street Trading Licences due to additional street traders being taken on and specialist markets being run. In addition income from Skip Licences is expected to be £10k higher than budget due to increased activity.

### **3. Waste Services Dr £7k**

Disposal tonnages from increased trade waste delivered activity are projected to be around 1,400 tonnes above budget resulting in an overspend of £200k. For information, there has been an additional 590 tonnes at the weighbridges for the first five months of the year compared to the same period in 2015-16.

As a direct consequence of the extra tonnage described above, the projected additional income generated from trade waste delivered is £200k which offsets the disposal overspend from weighbridge tonnage.

Green Garden Waste disposal tonnage is projected to generate an overspend of around £90k. Tonnage is above the 2015/16 levels by 1,630 tonnes for the same period. The annual figure is expected to be 17,170 tonnes, which is 2,500 above the 2015/16 tonnage.

For other residual tonnage, there is a projected overspend of £30k.

Within paper recycling income, there is a projected surplus of £70k as tonnage is expected to be 1,040 tonnes above budget.

The projected reduction in detritus tonnage has resulted in a potential underspend of £38k for disposal costs.

Other minor variations across the waste services total £5k.

<b>Summary of overall variations within Waste Services</b>	<b>£'000</b>
Waste disposal tonnages - other residual tonnage	30
Waste disposal tonnages - Trade Waste Delivered	200
Waste disposal tonnages - Green Garden Waste	90
Surplus trade waste delivered income	Cr 200
Paper recycling income	Cr 70
Disposal of detritus tonnage	Cr 38
Other minor variations across waste services	Cr 5
<b>Total variation for Waste Services</b>	<b><u><u>7</u></u></b>

### **4. Transport Operations and Depot Management Cr £33k**

Due to a part year savings achieved on the Mail Delivery Service as reported to the Executive on 20th July 2016, there is a projected underspend of £33k.

### **5. Income from Bus Lane Contraventions Cr £570k**

The introduction of the automated cameras had been delayed, however they have now gone live except for one which should be fully operational from October 2016. Based on the number of contraventions that occurred up until 30th September, additional income of £570k is projected for the year. This figure should increase if compliance is slower than anticipated.

### **6. Off Street Car Parking £0k**

From actual income to September 2016, there is no overall variation projected for Off Street Parking income. There is an expected deficit of £40k for the Hill MSCP and an estimated deficit of £20k from the Civic which is offset by additional projected income of £60k from surface car parks.

<b>Summary of variations within Off Street Car Parking</b>	<b>£'000</b>
Off Street Car Parking income - multi-storey car parks	60
Off Street Car Parking income - other surface car parks	Cr 60
<b>Total variations within Off Street Parking</b>	<b><u><u>0</u></u></b>

## **7. On Street Car Parking Dr £246k**

Based on actual income to 30th September there is a projected net deficit of around £220k for On Street Parking. A number of sites have been identified where additional Pay and Display parking bays can be installed borough wide. This includes shopping parades to assist the turnover of parking on street and roads in close proximity to railway stations, where unrestricted parking is currently creating parking issues and displacement. As agreed, if all sites were progressed as proposed, it is likely to generate an approximate £350k per annum. Each proposal has been and will be subject to consultation with Ward Members and the directly affected residents/traders, so full implementation has not been possible by 1st April 2016. Taking into account the income to September 2016, the new spaces operational to date, it is projected that there will be a shortfall of income from in On Street Parking of £220k in 2016/17 with no full year variation from 2017/18 onwards.

Due to the introduction of new £1 coins and £5 polymer notes, all the parking income machines will need to be upgraded at an estimated cost of Dr £78k. This is to be funded from the Equipment replacement budget of £52k. The remaining £26k will be funded by a saving on the Enforcement Equipment budget of £26k shown below. These machines are for both On Street and Off Street parking.

## **8. Car Parking Enforcement Dr £63k**

Based on the activity levels up to September 2016, there is a projected net deficit of £50k from PCNs issued by Indigo Park due to a reduction in contraventions because of staff sickness, leave and training in April 2016. There has been a delay in employing the 4 additional CEOs on street due to difficulties in staff recruitment however these staff are now in post with a part year underspend of £40k. The number will be closely monitored over the next few months.

Due to delays in introducing the automated cameras which were not fully operational until July 2016, a net surplus £16k is projected based on the number of contraventions to 30th September 2016. Automatic cameras have been set up outside schools and since compliance has increased at these locations there is a projected deficit in income £32k. CCTV staff were given notice mid-June 2016 and the projected additional cost of their salaries is £53k. It should be noted that the CCTV staff are also responsible for monitoring the bus lanes prior to the introduction of the re-deployable bus lane cameras. The additional staffing cost of the Mobile car driver is £10k for 2016/17.

In order to meet the costs of upgrading the parking income machines, a saving of £26k from the enforcement equipment budget will be used.

<b>Summary of variations within Car Parking Enforcement</b>	<b>£'000</b>
PCNs issued by wardens	50
CCTV Salaries	53
Mobile driver salary	10
PCNs issued by Static cameras	Cr 16
PCNs issued by automatic cameras at schools	32
Enforcement equipment replacement budget	Cr 26
Budgets not required for additional CEOs etc	Cr 40
<b>Total variations within Car Parking Enforcement</b>	<b><u>63</u></b>

## **9. Permit Parking Cr £10k**

Based on income and expenditure to the end of September 2016, it is projected that there will be a net additional income of £10k.

<b>Summary of overall variations within Parking:</b>	<b>£'000</b>
Bus Routes Enforcement	Cr 570
Off Street Car Parking	0
On Street Car Parking	220
On/Off Street Car Parking - upgrade machines for changes in currency	26
Enforcement - Equipment budget	Cr 26
Car Parking Enforcement	89
Permit Parking	Cr 10
<b>Total variation for Parking</b>	<b><u>Cr 271</u></b>

## **10. Traffic and Road Safety £0k**

There is a projected underspend of £34k on TfL funded salaries due to vacancies which is offset by a corresponding reduction in capital salary recharges of £34k. Although there is no overall effect on revenue, it will increase the capital funding available for implementation of TfL funded schemes.

## **11. Highways (Including London Permit Scheme) Dr £34k**

Within NRSWA income, there is a projected income deficit of £25k. This is partly the result of improving performance by utility companies in the area of defect notices, which has resulted in lower charges raised by the Council.

There is a projected underachievement of advertising income in 2016/17 of £9k should the contract for the advertising on street columns is not let in early 2017 when the current contract extension comes to an end.



From activity to date there is a projected overspend of £100k on Highways Maintenance which is offset by £20k from an underspend on Salaries due to vacancies.

<b>Summary of Variations - Highways (Including London Permit Scheme)</b>	<b>£'000</b>
NRSWA Income	25
Street Lighting - advertising income	9
Highways Maintenance	20
Street Lighting - salaries	Cr 20
<b>Total Projected variations for NRSWA Income</b>	<b><u>34</u></b>

## **12. Non-controllable Cr £66k**

Within property rental income budgets, there is projected surplus income of £66k. Property division are accountable for these variations.

### **Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waiver for contract values over £50k has been actioned:

1) £30k continue using framework to provide Highways consultancy, extension of one year; cumulative value £194k.

### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, the following virements have been actioned:

1) Virement of £40k from Parking Off Street income to Highways Maintenance.

2) Virement of £15k from Market charges income and £10k from Street Traders licences income to Tree Maintenance.

## Public Protection &amp; Safety Budget Monitoring Summary

2015/16 Actuals £'000	Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>Public Protection</b>							
172	Community Safety	126	126	126	0		0	0
70	Emergency Planning	78	78	78	0		0	0
333	Mortuary & Coroners Service	355	395	395	0	1	0	0
1,464	Public Protection	1,389	1,329	1,309	Cr 20	2	0	0
<b>2,039</b>	<b>TOTAL CONTROLLABLE</b>	<b>1,948</b>	<b>1,928</b>	<b>1,908</b>	<b>Cr 20</b>		<b>0</b>	<b>0</b>
426	<b>TOTAL NON CONTROLLABLE</b>	6	6	6	0		0	0
29	<b>TOTAL EXCLUDED RECHARGES</b>	159	159	159	Cr 0		0	0
<b>2,494</b>	<b>PORTFOLIO TOTAL</b>	<b>2,113</b>	<b>2,093</b>	<b>2,073</b>	<b>Cr 20</b>		<b>0</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2016/17

2,113

Community Safety DCLG Grant year 2

Cr 61

Community Safety DCLG Grant year 2 expenditure

61

Contribution towards monitoring of the Domestic Abuse contracts

Cr 20

## Latest Approved Budget for 2016/17

2,093

## **REASONS FOR VARIATIONS**

### **1. Mortuary and Coroners Service £0k**

There is a projected overspend for the Coroners service due to a one-off contribution towards the cost of building works for new offices in Croydon. This is offset by an underspend on the Mortuary contract as the projected annual cost is below the original budget.

### **2. Public Protection Cr £20k**

Salaries are projected to be underspent by £10k due to vacancies.

The number of dogs being kept in kennels and associated medical costs have been lower than in previous years. As a result of this and also the changes to the kennelling charges through the award of a new contract, there is a projected underspend of £20k for 2016/17, partly offset by other variations £10k.

### **Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waivers have been actioned:

### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, the following virements have been actioned:

- 1) A virement of £40k from Stray Dogs to Coroners Service.
- 2) A virement of £20k as a contribution towards the monitoring of the Domestic Abuse contract within the Resources Portfolio funded from car allowances £10k and stray dogs £10k.

## Renewal and Recreation Budget Monitoring Summary

2015/16 Actuals £'000	Division Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>R&amp;R PORTFOLIO</b>							
	<b>Planning</b>							
Cr 19	Building Control	69	69	19	Cr 50	1	Cr 50	0
Cr 168	Land Charges	Cr 131	Cr 131	Cr 140	Cr 9	2	0	0
589	Planning	671	636	666	30	3	0	0
1,568	Renewal	1,888	1,927	1,927	0		0	0
<b>1,970</b>		<b>2,497</b>	<b>2,501</b>	<b>2,472</b>	<b>Cr 29</b>		<b>Cr 50</b>	<b>0</b>
	<b>Recreation</b>							
2,192	Culture	1,710	1,698	1,698	0		0	0
4,610	Libraries	4,495	4,745	4,745	0	4	250	0
263	Town Centre Management & Business Support	251	293	293	0		0	0
<b>7,065</b>		<b>6,456</b>	<b>6,736</b>	<b>6,736</b>	<b>0</b>		<b>250</b>	<b>0</b>
<b>9,035</b>	<b>Total Controllable R&amp;R Portfolio</b>	<b>8,953</b>	<b>9,237</b>	<b>9,208</b>	<b>Cr 29</b>		<b>200</b>	<b>0</b>
Cr 13,572	<b>TOTAL NON CONTROLLABLE</b>	2,353	2,353	2,354	1		0	0
2,281	<b>TOTAL EXCLUDED RECHARGES</b>	1,958	2,177	2,177	0		0	0
<b>Cr 2,256</b>	<b>PORTFOLIO TOTAL</b>	<b>13,264</b>	<b>13,767</b>	<b>13,739</b>	<b>Cr 28</b>		<b>200</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2016/17

13,264

Local Implementation Plan	47
Biggin Hill Memorial Museum	47
Biggin Hill Noise Action Plan	55
New Home Bonus expenditure for Regeneration	182
New Home Bonus expenditure for TCM	42
Transfer Renewal budget to Commissioning	Cr 62
Salary from Culture to Commissioning	Cr 58
Drawdown from Central Contingency (Libraries saving)	250
<b>Latest Approved Budget for 2016/17</b>	<b>13,767</b>

## **REASONS FOR VARIATIONS**

### **1. Building Control Cr £50k**

For the chargeable service, an income deficit of £175k is anticipated based on information to date. This is being offset by a projected underspend within salaries of £150k arising from reduced hours and vacancies, as well as running costs. The projected deficit of £25k will reduce the cumulative surplus on the Building Control Charging Account to £105k.

Within the non-chargeable service, as a result of delays in appointing to vacant posts, there is a projected underspend of £50k.

### **2. Land Charges Cr £9k**

A projected deficit of £50k for income, is mostly offset by underspends on the Charging Account £35k due to vacancies and underspends on Supplies and Services £10k. The net deficit of £5k will be carried forward as the cumulative balance in the Charging Account.

There is a projected underspend of £9k on the Non-Chargeable budget due to vacant posts.

### **3. Planning Dr £30k**

Income from non-major planning applications is above budget for the first six months of the year, and a surplus of £130k is projected for 2016/17. For information, actual income received for April to September is £50k higher than that received for the same period last year.

For major applications, £165k has been received as at 30th September, which is £21k lower than compared with the same period in 2015/16. Planning officers within the majors team have provided a schedule of additional potential income that may be received in the coming months of approximately £537k. A surplus of £20k is projected from major applications at this stage of the year, allowing for delays and other items not being received.

Currently there is projected surplus income of £50k from pre-application meetings due to higher than budgeted activity levels. For information, £97k has been received for the first six months of the year, which is similar to the same period in 2015/16.

There is a projected overspend within employee-related costs of £120k for planning officer and £30k for planning enforcement staff. This is due to the recruitment of additional temporary staff in order to assist with the current increase in volumes of planning applications and enforcement.

Additional costs have been incurred for specialist consultancy advice on planning applications for agriculture and ecology matters, as well as for planning appeals. This is projected to be approximately £110k for the year due to major appeals for Conquest House and Flamingo Park of which most of the work will be carried out by March 2017. This is partly offset by a surplus of £25k projected for other miscellaneous income within Planning.

#### **Summary of variations within Planning:**

	<b>£'000</b>
Surplus income from non-major applications	Cr 130
Surplus income from major applications	Cr 20
Surplus pre-application income	Cr 50
Surplus from miscellaneous income	Cr 25
Additional temporary planning staff	115
Additional temporary planning enforcement staff	30
Consultants costs	110
<b>Total variation for planning</b>	<b><u><u>30</u></u></b>

### **4. Libraries £0k**

In January 2016, officers reported that the savings previously projected for 2016/17 were unlikely to be achieved in this financial year as a result of the business model submitted by the tenderer, and the timetable and potential lead in time requested by the tenderer for contract mobilisation. On 18th October 2016, Executive agreed a drawdown of £250k from Central Contingency as the assumed savings will not be achieved in 2016/17.

#### **Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waivers with a contract value over £50k have been actioned:

- 1) £20,050 consultancy cost for the Exhibition capital scheme; cumulative value £58,960.
- 2) £42,000 for supplying and maintaining data connections to libraries; cumulative value £168,000.
- 3) £14,760 for Cleaning services for libraries; cumulative value £220,520.
- 4) £23,100 Guard cover to maintain security and out of hours alarms at all libraries; cumulative value £127,050.
- 5) £8,250 for support and maintenance of RFID automated sorters at 3 libraries; cumulative value £68,240.

#### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virements have been actioned.

## Resources Portfolio Budget Monitoring Summary

2015/16 Actual £'000		2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>							
	<b>FINANCIAL SERVICES DIVISION</b>							
	<b>Financial Services &amp; Procurement</b>							
200	Director of Finance & Other	207	457	456	Cr 1		0	0
6,339	Exchequer - Revenue & Benefits	6,729	6,729	6,811	82	1	Cr 40	0
1,500	Exchequer - Payments & Income	1,560	1,560	1,543	Cr 17	2	Cr 11	0
602	Financial Accounting	588	640	632	Cr 8	3	0	0
1,387	Management Accounting	1,520	1,508	1,468	Cr 40	4	Cr 30	0
733	Audit	664	664	626	Cr 38	5	0	0
<b>10,761</b>	<b>Total Financial Services Division</b>	<b>11,268</b>	<b>11,558</b>	<b>11,536</b>	<b>Cr 22</b>		<b>Cr 81</b>	<b>0</b>
	<b>CORPORATE SERVICES DIVISION</b>							
4,453	<b>Information Systems &amp; Telephony</b>	4,369	4,409	4,385	Cr 24	6	Cr 20	0
1,027	<b>Customer Services (inc. Bromley Knowledge)</b>	1,007	1,078	1,094	16	7	36	16
	<b>Legal Services &amp; Democracy</b>							
323	Electoral	319	319	330	11	8	0	0
1,371	Democratic Services	1,397	1,397	1,381	Cr 16	9	0	0
Cr 104	Registration of Births, Deaths & Marriages	Cr 95	Cr 95	Cr 96	Cr 1		0	0
1,564	Legal Services	1,602	1,672	1,687	15	10	Cr 27	0
242	Learning and Development	308	308	308	0		0	0
1,972	Strategic and Business Support Service	2,279	2,030	2,030	0		0	0
168	<b>Management and Other (Corporate Services)</b>	152	152	171	19	11	20	0
<b>11,016</b>	<b>Total Corporate Services Division</b>	<b>11,338</b>	<b>11,270</b>	<b>11,290</b>	<b>20</b>		<b>9</b>	<b>16</b>
	<b>HR DIVISION</b>							
1,501	Human Resources	1,550	1,639	1,639	0		0	0
<b>1,501</b>	<b>Total HR Division</b>	<b>1,550</b>	<b>1,639</b>	<b>1,639</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>COMMISSIONING AND PROCUREMENT DIVISION</b>							
616	Procurement and Data Management	462	996	1,002	6		0	0
	Commissioning	0	1,245	1,239	Cr 6		0	0
0	Debt Management System	0	0	0	0		0	0
<b>616</b>	<b>Total Commissioning and Procurement Division</b>	<b>462</b>	<b>2,241</b>	<b>2,241</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>CHIEF EXECUTIVE'S DIVISION</b>							
205	Comms	177	124	141	17	12	0	0
710	Management and Other (C. Exec)	538	713	798	85	13	0	44
122	Mayoral	131	131	163	32	14	0	15
<b>1,037</b>	<b>Total Chief Executive's Division</b>	<b>846</b>	<b>968</b>	<b>1,102</b>	<b>134</b>		<b>0</b>	<b>59</b>
	<b>ENVIRONMENT &amp; COMMUNITY SERVICES DEPARTMENT</b>							
	<b>Total Facilities Management</b>							
203	Investment & Non-Operational Property	181	211	191	Cr 20	15	Cr 11	0
1,001	Strategic & Operational Property Services	1,032	1,262	1,203	Cr 59	16	0	Cr 210
Cr 7,456	Investment Income	Cr 9,542	Cr 9,542	Cr 8,976	566	17	Cr 118	0
Cr 824	Other Rental Income - Other Portfolios	Cr 811	Cr 811	Cr 790	21	18	89	0
2,018	Repairs & Maintenance (All LBB)	1,929	2,230	2,230	0		0	0
1,554	Admin. Buildings	1,584	1,543	1,563	20	19	0	0
448	Facilities & Support	365	365	395	30	20	0	0
<b>Cr 3,056</b>	<b>Total Environment &amp; Community Services Dept</b>	<b>Cr 5,262</b>	<b>Cr 4,742</b>	<b>Cr 4,184</b>	<b>558</b>		<b>Cr 40</b>	<b>Cr 210</b>
<b>21,875</b>	<b>Total Controllable Departmental Budgets</b>	<b>20,202</b>	<b>22,934</b>	<b>23,624</b>	<b>690</b>		<b>Cr 112</b>	<b>Cr 135</b>
	<b>CENTRAL ITEMS</b>							
7,526	<b>CDC &amp; Non Distributed Costs (Past Deficit etc.)</b>	7,579	7,579	7,579	0		0	0
10,994	<b>Concessionary Fares</b>	11,618	11,618	11,618	0		0	0
<b>40,395</b>	<b>Total Controllable</b>	<b>39,399</b>	<b>42,131</b>	<b>42,821</b>	<b>690</b>		<b>Cr 112</b>	<b>Cr 135</b>

2015/16 Actual £'000	Financial Summary	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
Cr 781	<b>Total Non Controllable</b>	962	962	962	0		0	0
Cr 18,472	<b>Total Excluded Recharges</b>	Cr 19,371	Cr 20,832	Cr 20,832	0		0	0
Cr 1,439	<b>Less: R&amp;M allocated across other Portfolios</b>	Cr 1,529	Cr 1,664	Cr 1,664	0		0	0
824	<b>Less: Rent allocated across other Portfolios</b>	811	811	790	Cr 21		Cr 89	0
<b>20,527</b>	<b>TOTAL CHIEF EXECUTIVE'S DEPARTMENT</b>	<b>20,272</b>	<b>21,408</b>	<b>22,077</b>	<b>669</b>		<b>Cr 201</b>	<b>Cr 135</b>
<b>20,527</b>	<b>TOTAL RESOURCES PORTFOLIO</b>	<b>20,272</b>	<b>21,408</b>	<b>22,077</b>	<b>669</b>		<b>Cr 201</b>	<b>Cr 135</b>
	<b>Memorandum Item</b>							
	<b>Sold Services</b>							
42	Facilities (Caretaking) Schools Trading Account	6	24	45	21		0	0
Cr 9	Reactive Maintenance Schools Trading Account	Cr 12	5	Cr 2	Cr 7		0	0
<b>33</b>	<b>Total Sold Services</b>	<b>Cr 6</b>	<b>29</b>	<b>43</b>	<b>14</b>		<b>0</b>	<b>0</b>

Reconciliation of Final Budget	£'000
<b>Original budget 2016/17</b>	<b>20,272</b>
Carry forward requests:	
IT BT Transition Costs	77
IT upgrade at Anerley Business Centre	30
Transparency Agenda	14
Residential Property Acquisitions (SPV) - Advice	291
Repairs and Maintenance	166
Debt Management System - grant related expenditure	177
Debt Management System - grant related income	Cr 177
Electoral IER - grant related expenditure	73
Electoral IER - grant related income	Cr 73
Contract Register/Summaries Database	50
Staff Merit Awards	89
Inflation adjustment	30
Transfer of Renewal budget from R&R	62
Transfer of Salary budget from Culture	58
Transfer of salary budget from PPS	20
Adjustment for loss of income from Academy transfers	216
Adjustment for legal employment work	33
<b>Latest Approved Budget for 2016/17</b>	<b>21,408</b>

## **REASONS FOR VARIATIONS**

### **FINANCIAL SERVICES DIVISION**

#### **1. Exchequer - Revenues and Benefits Dr £82k**

There has been a one-off purchase of Capital Connect software costing £230k. This has been partly offset by an underspend on IT licences of £40k

There is a projected underspend of £80k within salaries and running costs mainly due to a number of vacant posts.

Contract payments to be made to Liberata are expected to be below budget by Cr £28k.

<b>Summary of variations within Exchequer - Revenues &amp; Benefits</b>	<b>£000</b>
Capital Connect software	230
IT Licences	Cr 40
Staffing vacancies & running costs	Cr 80
Liberata contract payments	Cr 28
<b>Total Variation</b>	<b>82</b>

#### **2. Exchequer - Payments & Income Cr £17k**

Staff vacancies have resulted in a projected underspend of £26k offset by an overspend of £9k across miscellaneous budgets.

#### **3. Financial Accounting Cr £8k**

This variance is mainly due to vacancies arising during the year.

#### **4. Management Accounting Cr £40k**

Vacancies within the Management Accounting teams have resulted in a forecast underspend of £33k. Additional underspends of £7k are forecast within supplies and services budgets.

#### **5. Audit Cr £38k**

A reduction in the external audit fee for 2015/16 has resulted in an underspend of £38k.

### **CORPORATE SERVICES DIVISION**

#### **6. ISD Cr £24k**

An underspend of £24k is forecast due to a vacancies within the ISD team.

#### **7. Customer Services Dr £16k**

There is a projected overspend of £16k as a result of the annual portal maintenance costs. Managers are working to identify alternative savings to balance the budget.

#### **8. Electoral Services Dr £11k**

Additional overtime costs incurred for the EU referendum have resulted in a forecast overspend of £11k

#### **9. Democratic Services Cr £16k**

An underspend of £16k is projected for members allowances.

#### **10. Legal Services Dr £15k**

This variation is due to a combination of lower than anticipated charges to capital schemes of £9k and additional agency costs to cover for maternity leave of £6k.

### **EARLY WARNING**

The number of child care cases issued this financial year has already exceeded the number issued for the whole of the previous two years and whilst every effort is being made to contain the additional work within budget, given the additional court days required if work continues at the present level this will create a pressure on the budget for Counsel's fees.

#### **11. Management and Other (Corporate Services) Dr £19k**

This variation relates to a saving built into the 2015-16 budget that has still be to identified. Officers are currently reviewing budgets across Corporate Services in order to identify alternative savings to ensure a balanced budget in future years.



## CHIEF EXECUTIVES DIVISION

### 12. Comms Dr £17k

Severance payments arising from the deletion of a post have resulted in an overspend of £17k.

### 13. Management and other (Chief Executive) Dr £85k

Management savings of £304k were built into the budget. To date savings of £219k have been achieved leaving a balance of £85k. The full year effect savings total £260k. Alternative savings will be identified in order to balance the budget in the current and future years.

### 14. Mayoral Dr £32k

Overspends on overtime and running expenses of £17k are projected due to an increase in the number of engagements and events. The savings target of £15k has also not been achieved, resulting in a projected overspend of £32k.

## ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT

### 15. Investment and Non-Operational Property Cr £20k

A delay to the transfer of Anerley Business Centre to the Crystal Palace Community Development Trust (CPCDT) has resulted in additional costs of £51k being incurred. This is more than offset by additional income from tenancies in the building- see below.

The Surplus Property budget is projected to overspend by £31k as costs are being incurred for a number of properties waiting to be sold. This is more than offset by a saving on premises costs for Exchequer House of £78k, mainly from business rates. The sale of this building is expected to complete this financial year.

Other minor variations total £24k.

<b>Summary of variations within Investment &amp; Non- Operational Property</b>	<b>£000</b>
Delay in transfer of Anerley Business Centre	51
Surplus Properties	31
Exchequer House	Cr 78
Other net variations	Cr 24
<b>Total Variation</b>	<b>Cr 20</b>

### 16. Strategic & Operational Property Cr £59k

There are estimated part year savings of £95k as a result of the Total Facilities Management contract and a net underspend of £22k within staffing due to part year vacancies. This is offset by a projected shortfall of income from the Walnuts Boiler Plant of £37k and other minor variations across the service totalling £21k.

<b>Summary of variations within Strategic &amp; Operational Property</b>	<b>£000</b>
Part years savings of the TFM contract	Cr 95
Staffing	Cr 22
Walnuts Boiler Plant	37
Other net variations	21
<b>Total Variation</b>	<b>Cr 59</b>

### 17. Investment Income Dr £566k

A shortfall of £566k is projected for investment income which takes into consideration the following issues:

- A shortfall of income on Investment Fund properties of £936k.
- A deficit of £50k is projected for the rent share from INTU (The Glades Shopping Centre). Accounts are supplied by INTU quarterly in arrears and this projection is based on information to 14th July. It is difficult to provide a precise forecast as LBB income is determined by the rental income from the shops and the level of contribution to any minor works. The budget for the Glades is £2.03m
- Additional income of £68k is expected for Yeoman House from the NHS CCG with regards to the Section 75 agreement and £69k for Anerley Business Centre for the remaining tenancies due to the delay in transferring the lease to CPCDT. It should be noted that the income for Yeoman House is not expected to continue beyond 2016/17.
- Extra income on Investment properties of £159k is projected due to a higher level of occupancy this financial year and there are further variations of £124k due to rent reviews and new tenancies.

<b>Summary of variations within Investment Income</b>	<b>£000</b>
Income from Investment property	936
Rent share from Intu	50
Yeoman House	Cr 68
Income from tenancies at Anerley Business Centre	Cr 69
Income from other investment properties	Cr 159
Variations in income due to rent reviews and new tenancies	Cr 124
<b>Total Variation</b>	<b><u>566</u></b>

#### **18. Other Rental Income - Other Portfolios Dr £21k**

There is a shortfall of income of £89k relating to Banbury House as it is currently vacant, pending a sale going through. This is partly offset by additional income from the Depots of £39k and other miscellaneous variations that total £29k.

#### **19. Admin Buildings Dr £20k**

A reduction in the income of £20k from staff car parking is projected due to a reduction in the number of staff paying for parking spaces at the Civic Centre.

#### **20. Facilities and Support Dr £30k**

Only part year savings of £46k were achieved from a reduction in staffing, as consultation began in March/April and costs were incurred in 2016/17 for pay in lieu of notice. The full year savings of £76k will be achieved in 2017/18.

#### **Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waivers have been actioned:

Delivery of Signs and Safety Training - contract value £76,450.

#### **Virements Approved to date under Director's Delegated Powers**

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive the following virement has been actioned.

£37k virement from ISD to Legal to meet the extra costs for contract advice related to recent commissioning work.

## Allocation of Contingency Provision for 2016/17

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year	
	£	£	£	£	£	£
<b>Renewal and Recreation</b>						
Planning Appeals - change in legislation	60,000			60,000	60,000	0
<b>General</b>						
Provision for unallocated inflation	1,668,000	30,000	33,000	1,605,000	1,668,000	0
Impact of Chancellor's Summer Budget 2015 on future costs	4,250,000	503,000		3,747,000	4,250,000	(1) 0
Increase in Cost of Homelessness/Impact of Welfare Reforms	2,983,000		760,000	223,000	983,000	Cr 2,000,000
General provision for risk/uncertainty	2,193,000	950,000		693,000	1,643,000	(4) Cr 550,000
Provision for risk/uncertainty relating to volume and cost pressures	2,182,000			1,091,000	1,091,000	Cr 1,091,000
Impact of conversion of schools to academies	1,137,000	216,000		921,000	1,137,000	(2) 0
Retained Welfare Fund	450,000			450,000	450,000	0
Deprivation of Liberty	184,000		66,000	118,000	184,000	0
Growth for Waste Services	267,000			267,000	267,000	0
Grants to Voluntary Organisations - pump priming funding	275,000			275,000	275,000	0
Other Provisions	293,000			293,000	293,000	0
Acquisition of residential properties	Cr 457,000			Cr 457,000	Cr 457,000	0
HR/Finance impact of academy conversions	Cr 69,000			Cr 69,000	Cr 69,000	0
Care Act provision for additional costs	750,000			750,000	750,000	0
Care Act Funding	Cr 750,000	Cr 750,000		0	Cr 750,000	(1) 0
Community Libraries savings 2016/17 not achieved		250,000		0	250,000	(5) 250,000
	<b>15,416,000</b>	<b>1,199,000</b>	<b>859,000</b>	<b>9,967,000</b>	<b>12,025,000</b>	<b>Cr 3,391,000</b>
<b>Grants included within Central Contingency Sum</b>						
SEND Implementation Grant (New Burdens)						
Grant related expenditure	201,000	180,000		21,000	201,000	(2) 0
Grant related income	Cr 201,000	Cr 180,000		Cr 21,000	Cr 201,000	0
Tackling Troubled Families Grant						
Grant related expenditure	426,000			426,000	426,000	0
Grant related income	Cr 426,000			Cr 426,000	Cr 426,000	0
Lead Local Flood Authorities						
Grant related expenditure	213,000	213,000		0	213,000	(3) 0
London SEND Regional Lead Grant						
- expenditure		27,522		0	27,522	(5) 27,522
- income		Cr 27,522		0	Cr 27,522	Cr 27,522
<b>Total Grants</b>	<b>213,000</b>	<b>213,000</b>	<b>0</b>	<b>0</b>	<b>213,000</b>	<b>0</b>
<b>TOTAL CARRIED FORWARD</b>	<b>15,629,000</b>	<b>1,412,000</b>	<b>859,000</b>	<b>9,967,000</b>	<b>12,238,000</b>	<b>Cr 3,391,000</b>

## Notes:

- (1) Executive 13th January 2016
- (2) Executive 23rd March 2016
- (3) Executive 15th June 2016
- (4) Executive 20th July 2016
- (5) Executive 18th October 2016

Allocation of Contingency Provision for 2016/17 (continued)

Item	Carried Forward from 2015/16	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year	
	£	£	£	£	£	£
<b>TOTAL BROUGHT FORWARD</b>	<b>15,629,000</b>	<b>1,412,000</b>	<b>859,000</b>	<b>9,967,000</b>	<b>12,238,000</b>	<b>Cr 3,391,000</b>
<b>Items Carried Forward from 2015/16</b>						
<b>Care Services</b>						
Social Care Funding via the CCG under S256 agreements						
Adult Social Care Invest to Save Schemes						
- expenditure	48,170	48,170		0	48,170	(2) 0
- income	Cr 48,170	Cr 48,170		0	Cr 48,170	0
Integration Funding - Better Care Fund						
- expenditure	300,000	300,000		0	300,000	(2) 0
- income	Cr 300,000	Cr 300,000		0	Cr 300,000	0
Better Care Fund						
- expenditure	381,360	381,360		0	381,360	(2) 0
- income	Cr 381,360	Cr 381,360		0	Cr 381,360	0
Winter Resilience Funding 2014/15 (Bromley CCG)						
- expenditure	351,480			351,480	351,480	0
- income	Cr 351,480			Cr 351,480	Cr 351,480	0
Winter Resilience Funding 2015/16 (Bromley CCG)						
- expenditure	116,750			116,750	116,750	0
- income	Cr 116,750			Cr 116,750	Cr 116,750	0
Helping People Home						
- expenditure	40,000			40,000	40,000	0
- income	Cr 40,000			Cr 40,000	Cr 40,000	0
DCLG Preventing Homelessness Grant						
- expenditure	200,000		200,000	0	200,000	(7) 0
- income	Cr 200,000		Cr 200,000	0	Cr 200,000	0
Adoption Reform						
- expenditure	132,323	132,323			132,323	(2) 0
- income	Cr 132,323	Cr 132,323			Cr 132,323	0
Tackling Troubled Families						
- expenditure	1,172,184		748,000	424,184	1,172,184	(8) 0
- income	Cr 1,172,184		Cr 748,000	Cr 424,184	Cr 1,172,184	0
Step Up to Social Work						
- expenditure	72,159			72,159	72,159	0
- income	Cr 72,159			Cr 72,159	Cr 72,159	0
Public Health						
- expenditure	292,700			292,700	292,700	0
- income	Cr 292,700			Cr 292,700	Cr 292,700	0
Implementing Welfare Reform Changes						
- expenditure	56,640		56,640	0	56,640	(7) 0
- income	Cr 56,640		Cr 56,640	0	Cr 56,640	0
<b>Renewal &amp; Recreation Portfolio</b>						
New Homes Bonus - Town Centre Management						
- expenditure	41,687	41,687		0	41,687	(3) 0
- income	Cr 41,687	Cr 41,687		0	Cr 41,687	0
New Homes Bonus - Regeneration						
- expenditure	181,571	181,571			181,571	(3) 0
- income	Cr 181,571	Cr 181,571			Cr 181,571	0
<b>Resources Portfolio</b>						
Individual Electoral Registration						
- expenditure	72,609	72,609		0	72,609	(6) 0
- income	Cr 72,609	Cr 72,609		0	Cr 72,609	0
New Debt Management System						
- expenditure	177,000	177,000		0	177,000	(6) 0
- income	Cr 177,000	Cr 177,000		0	Cr 177,000	0
<b>Education</b>						
SEN Reform/Implementation Grant						
- expenditure	28,476	28,476		0	28,476	(1) 0
- income	Cr 28,476	Cr 28,476		0	Cr 28,476	0
SEN Reform/Implementation Grant						
- expenditure	80,000			80,000	80,000	0
- income	Cr 80,000			Cr 80,000	Cr 80,000	0

Item	Carried Forward from 2015/16	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year	
	£	£	£	£	£	£
London SEND Regional Lead Grant						
- expenditure	15,000			15,000	15,000	0
- income	Cr 15,000			Cr 15,000	Cr 15,000	0
Early Years Grant						
- expenditure	14,800			14,800	14,800	0
- income	Cr 14,800			Cr 14,800	Cr 14,800	0
<b>Public Protection &amp; Safety</b>						
Domestic Abuse						
- expenditure	60,610			0	60,610	(4)
- income	Cr 60,610	Cr 60,610		0	Cr 60,610	0
<b>Environment Portfolio</b>						
Drainage/Lead Flood Grant						
- expenditure	69,482			0	69,482	(5)
- income	Cr 69,482	Cr 69,482		0	Cr 69,482	0
WEEE Grant						
- expenditure	13,090			0	13,090	(5)
- income	Cr 13,090	Cr 13,090		0	Cr 13,090	0
<b>General</b>						
YOS Service Strategy Review	97,000		97,000	0	97,000	0
Consultancy Support (Place Planning & Schools)	40,000			40,000	40,000	0
Parking - Automated Cameras - Bus Lanes	180,000	180,000		0	180,000	(5)
Parking - Automated Cameras - Non Bus Lanes	126,000	126,000		0	126,000	(5)
Local Plan Implementation	47,322	47,322		0	47,322	(3)
Biggin Hill Airport - Noise Action Plan	54,870	54,870		0	54,870	(3)
Biggin Hill Memorial Museum	47,400	47,400		0	47,400	(3)
IT - BT Transition Costs	77,000	77,000		0	77,000	(6)
IT upgrade at Anerley Business Centre	30,000	30,000		0	30,000	(6)
Transparency Agenda	14,000	14,000		0	14,000	(6)
Staff Merit Awards	89,170	89,170		0	89,170	(6)
Residential Property Acquisitions (SPV) - Advice	291,000	291,000		0	291,000	(6)
Civic Centre Development Strategy	257,500			257,500	257,500	0
Contracts Register/Summaries Database	50,000	50,000		0	50,000	(6)
	<b>1,401,262</b>	<b>1,006,762</b>	<b>97,000</b>	<b>297,500</b>	<b>1,401,262</b>	<b>0</b>
<b>Total Carried Forward from 2015/16</b>	<b>1,401,262</b>	<b>1,006,762</b>	<b>97,000</b>	<b>297,500</b>	<b>1,401,262</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>17,030,262</b>	<b>2,418,762</b>	<b>956,000</b>	<b>10,264,500</b>	<b>13,639,262</b>	<b>Cr 3,391,000</b>

**Notes:**

- (1) Executive 23rd March 2016
- (2) Care Services PDS Committee 28th June 2016
- (3) Renewal & Recreation PDS 5th July 2016
- (4) Public Protection & Safety PDS 29th June 2016
- (5) Environment PDS 7th June 2016
- (6) Executive & Resources PDS 7th July 2016
- (7) Care Services PDS Committee 15th November 2016
- (8) Care Services PDS Committee 15th November 2016 (£138k) / £610k subject to Executive Approval

Description	2016/17 Latest Approved Budget £'000	Variation To 2016/17 Budget £'000	Potential Impact in 2017/18
Education Services Grant	Cr 1,728	471	The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and the grant reduces in-year as schools convert to academies. The full year effect of the 10 conversions estimated to occur during 2016/17 is £552k, and will be included in the financial forecast for the 2017/18 budget. It is assumed this will be drawn down from contingency in due course.
Housing Needs - Temporary Accommodation	7,114	75	The full year effect of the projected overspend is currently anticipated to be a pressure of £81k in 2017/18. However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point. This cost expected to be covered by a contingency bid during 2017/18.
Assessment and Care Management - Care Placements	18,716	865	The full year impact of the current overspend is estimated at Dr £904k, mainly in relation to domiciliary care packages.
Learning Disabilities - Care Placements and Care Management	30,400	944	The full year effect is estimated at an overspend of £813k which is slightly lower than the current year's overspend. This is because savings achieved during 2016/17 will have only a part year effect in the current financial year, with the full benefit not being realised until 2017/18. This figure is likely to vary as the year progresses and assumptions are replaced with actual activity.
Mental Health - Care Placements	5,881	305	The current full year overspend on Mental Health is estimated to be £444k. Currently we are seeing an increased demand for services which will have a full year impact in 2017/18.
Supporting People	1,051	76	There is anticipated to be an underspend of £72k in a full year. This is a result of estimated savings arising from tendering activity in 2016/17.
Children's Social Care	27,444	3,915	The current full year effect impact for CSC is estimated at £2,593k. This can be analysed as Dr £1,441k on placements, Cr £38k for no recourse to public funds clients, Dr £263k on leaving care clients and Dr £927k on Care Proceedings (Public Law Outline).
Customer Services	1,078	16	There is a projected overspend of Dr £16k as a result of unachieved savings targets. Managers are working to identify alternative budgets to mitigate this.
Chief Executive - Management and Other	713	85	The staff savings identified as part of the Chief Executive's savings target will in part not be achieved as a direct consequence of the outgoing postholder remaining in the Council's employ in the early part of this financial year. The ongoing savings target of £44k will be addressed over the next month in preparation for the 17/18 budget.
Investment income	Cr 9,542	566	Although a deficit of £566k is projected for rental income from Investment properties funded by the Investment fund, there are a number of potential acquisitions that are currently being considered and it is anticipated that this budget will be balanced in future years.

**SECTION 106 RECEIPTS**

Section 106 receipts are monies paid to the Council by developers as a result of the grant of planning permission where works are required to be carried out or new facilities provided as a result of that permission (e.g. provision of affordable housing, healthcare facilities & secondary school places). The sums are restricted to being spent only in accordance with the agreement concluded with the developer.

The major balances of Section 106 receipts held by the Council are as follows:

<b>31 March 2016 £000 Restated Revenue</b>	<b>Service</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers to/(from) Capital £000</b>	<b>Actual as at 31 Aug 2016 £000</b>
					<b>Revenue</b>
374	Highway Improvement Works	127	-	-	501
45	Road Safety Schemes	-	-	-	45
151	Local Economy & Town Centres	-	-	Cr 106	45
76	Parking	3	3	-	76
1,143	Healthcare Services	73	128	-	1,088
10	Community Facilities (to be transferred to capital)	-	-	-	10
310	Other	-	-	-	310
<b>2,109</b>		<b>203</b>	<b>131</b>	<b>Cr 106</b>	<b>2,075</b>
	<b>Capital</b>				<b>Capital</b>
2,801	Education	259	-	-	3,060
5,181	Housing	233	317	-	5,097
-	Local Economy & Town Centres	-	-	106	106
81	Highway Improvement Works	1	-	-	82
<b>8,063</b>		<b>493</b>	<b>317</b>	<b>106</b>	<b>8,345</b>
<b>10,172</b>		<b>696</b>	<b>448</b>	<b>-</b>	<b>10,420</b>

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Report No.  
FSD16080

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** Executive Council

**Date:** Executive 30<sup>th</sup> November 2016  
Council 12<sup>th</sup> December 2016

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

**Title:** CAPITAL PROGRAMME MONITORING – 2<sup>ND</sup> 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

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## 1. Reason for report

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

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## 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 2<sup>nd</sup> quarter of 2016/17. The base position is the revised programme approved by the Executive on 20<sup>th</sup> 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
<b>Total Revised Capital Programme</b>	<b>64,046</b>	<b>56,537</b>	<b>13,606</b>	<b>4,516</b>	<b>138,705</b>
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 2<sup>nd</sup> 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.

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

### 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 30<sup>th</sup> 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
<b>Total</b>	<b>8,063</b>	<b>599</b>	<b>317</b>	<b>8,345</b>

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.

<b>Non-Applicable Sections:</b>	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 <sup>nd</sup> February 2016 Capital Programme Monitoring - 1 <sup>st</sup> Quarter 2016/17, Executive 20 <sup>th</sup> July 2016 Land Acquisition - Cornwall Drive, St Paul's Cray, Executive 2 <sup>nd</sup> 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
<b>Current Approved Capital Programme</b>							
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 Stabilisation 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		<b>89,463</b>	<b>39,390</b>	<b>4,336</b>	<b>4,306</b>	<b>137,495</b>	
<b>Variations in the estimated cost of approved schemes</b>							
<b>(i) Variations requiring the approval of the Executive</b>							
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	
<b>(ii) Variations not requiring approval</b>							
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	
<b>TOTAL AMENDMENT TO CAPITAL PROGRAMME</b>		<b>Cr 25,417</b>	<b>17,147</b>	<b>9,270</b>	<b>210</b>	<b>1,210</b>	
<b>TOTAL REVISED CAPITAL PROGRAMME</b>		<b>64,046</b>	<b>56,537</b>	<b>13,606</b>	<b>4,516</b>	<b>138,705</b>	
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	
<b>TOTAL TO BE FINANCED</b>		<b>59,046</b>	<b>58,537</b>	<b>18,106</b>	<b>9,016</b>	<b>144,705</b>	

## 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
<b>Rephasing of schemes</b>						
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
<b>TOTAL REPHASING ADJUSTMENTS</b>	<b>Cr</b>	<b>26,655</b>	<b>17,175</b>	<b>9,270</b>	<b>210</b>	<b>0</b>	

APPENDIX C - FINANCING										
<b>CAPITAL FINANCING STATEMENT Executive 30/11/16 - ALL RECEIPTS</b>										
<b>(NB. Assumes all capital receipts - see below)</b>										
	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
<b>Summary Financing Statement</b>										
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
<b>Total expenditure</b>	<b>75,140</b>	<b>76,208</b>	<b>59,046</b>	<b>58,537</b>	<b>18,106</b>	<b>9,016</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>Usable Capital Receipts</b>										
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
<b>Balance carried forward</b>	<b>28,339</b>	<b>29,583</b>	<b>18,571</b>	<b>21,412</b>	<b>8,752</b>	<b>22,682</b>	<b>21,048</b>	<b>19,414</b>	<b>19,780</b>	<b>18,146</b>
<b>General Fund</b>										
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
<b>Balance carried forward</b>	<b>20,382</b>	<b>20,000</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>	<b>14,631</b>
<b>TOTAL AVAILABLE RESERVES</b>	<b>48,721</b>	<b>49,583</b>	<b>33,202</b>	<b>36,043</b>	<b>23,383</b>	<b>37,313</b>	<b>35,679</b>	<b>34,045</b>	<b>34,411</b>	<b>32,777</b>
<b>Assumptions:</b>										
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
<b>Revenue Funding:</b>	
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
<b>Capital Funding*:</b>	
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
<b>Schemes Approved, but not spent</b>	
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
<b>Uncommitted Balance on Investment Fund</b>	<b>17,861</b>
*Executive have approved the use of specific and general capital receipts to supplement the Investment Fund	
<b>Growth Fund:</b>	
	£'000
<b>Funding:</b>	
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
<b>Schemes Approved, but not spent</b>	
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
<b>Schemes Approved, but not committed</b>	
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr 6,790
<b>Uncommitted Balance on Growth Fund</b>	<b>4,645</b>

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Report No.  
FSD16070

London Borough of Bromley

PART ONE - PUBLIC

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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)

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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.

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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 12<sup>th</sup> 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 7<sup>th</sup> 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 31<sup>st</sup> 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](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 7<sup>th</sup> 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.

<b>Non-Applicable Sections:</b>	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

6<sup>th</sup> 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.**

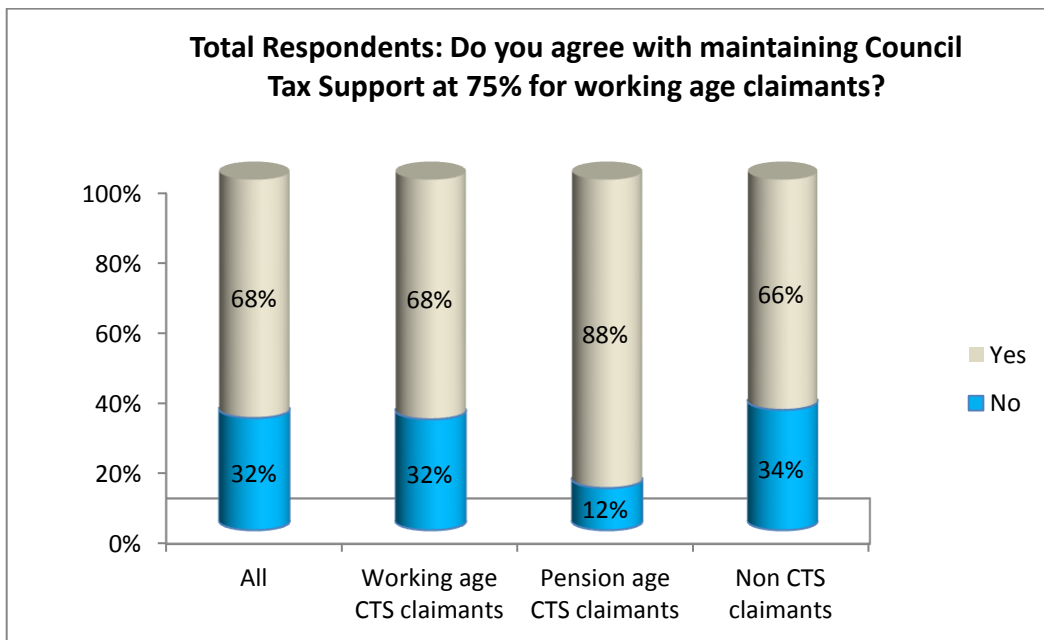
	Yes	No
<b>Please confirm whether you:</b>		
<b>a. Agree with maintaining the assistance at 75%</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b. If <i>NO</i> do you think Council Tax Support claimants should;</b>		
<b><i>Pay more Council Tax</i> e.g. receive less support</b>	<input type="checkbox"/>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

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

.....

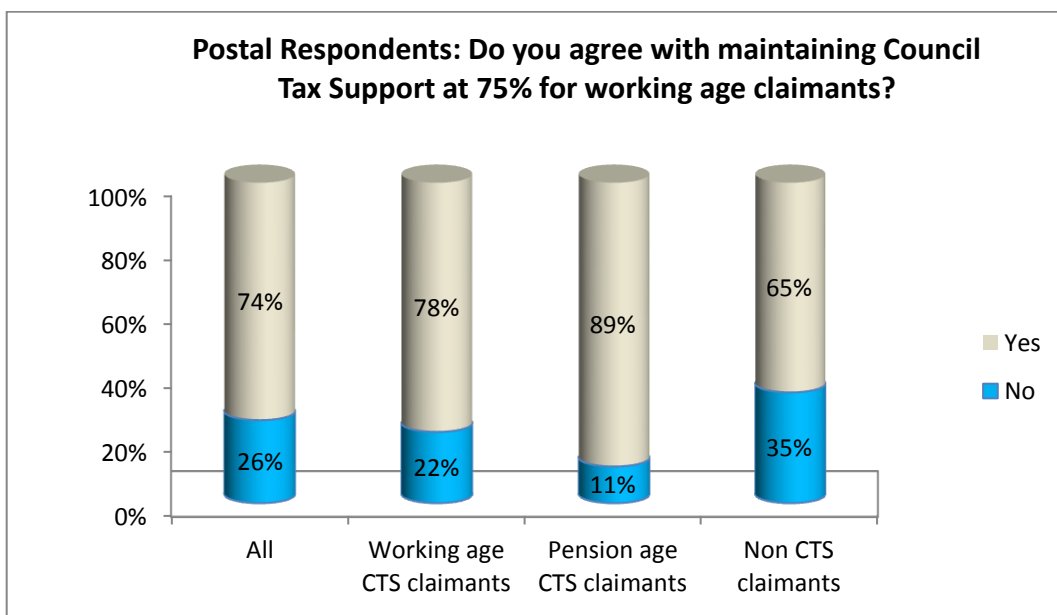
### Overall response.

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.

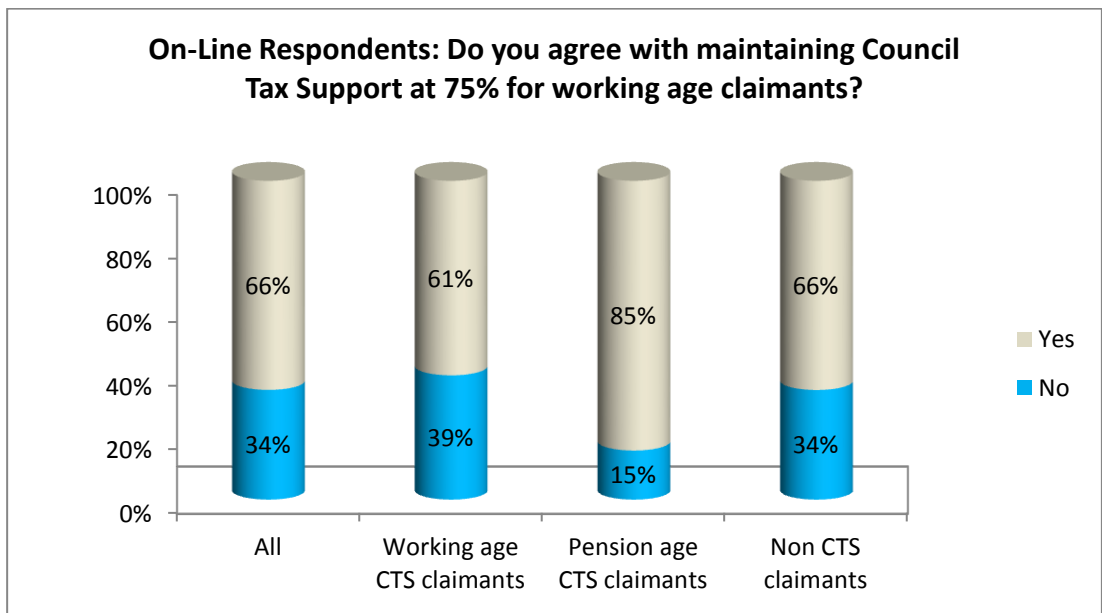


**Analysis of Respondents by Survey Type.**

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.



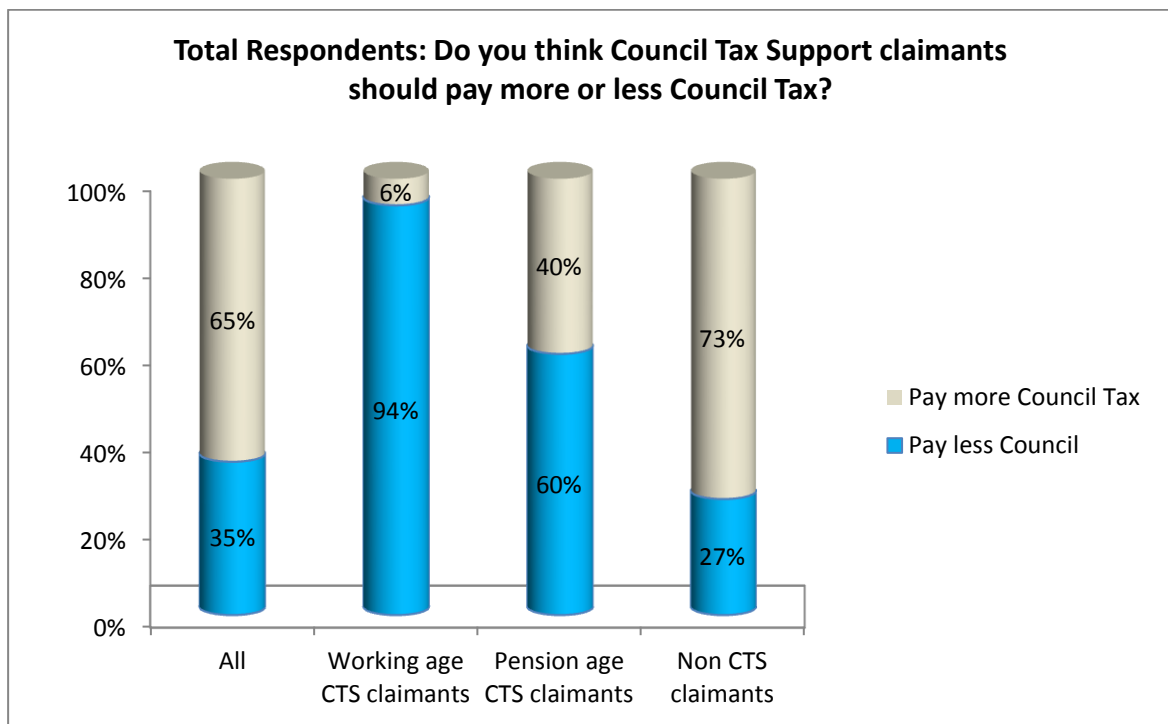
A similar situation was recorded with those who completed the survey on-line despite significantly higher numbers of respondents confirming that they were not in fact in receipt of Council Tax Reduction.



**Question 1b.**

**Overall response.**

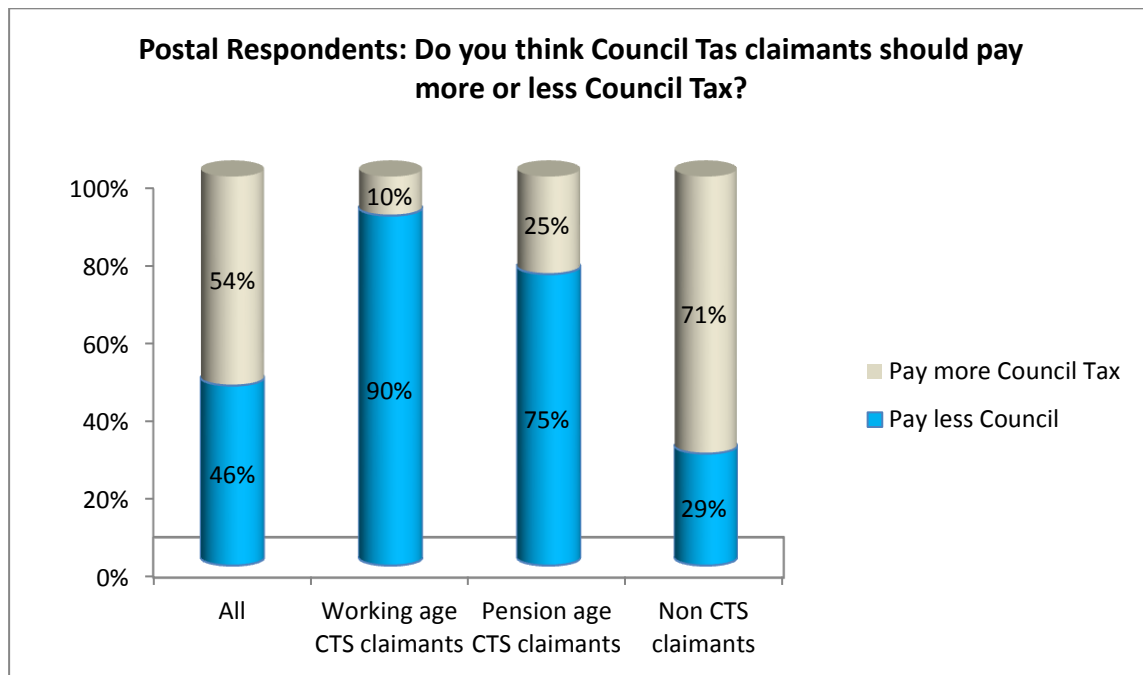
Of those who responded to state that they believe assistance should not be maintained at 75%, the *overall* outcome was that they wished to reduce the level of support thereby increasing the levels of Council Tax which recipients would need to pay. However, it should be noted that of the 65% of respondents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



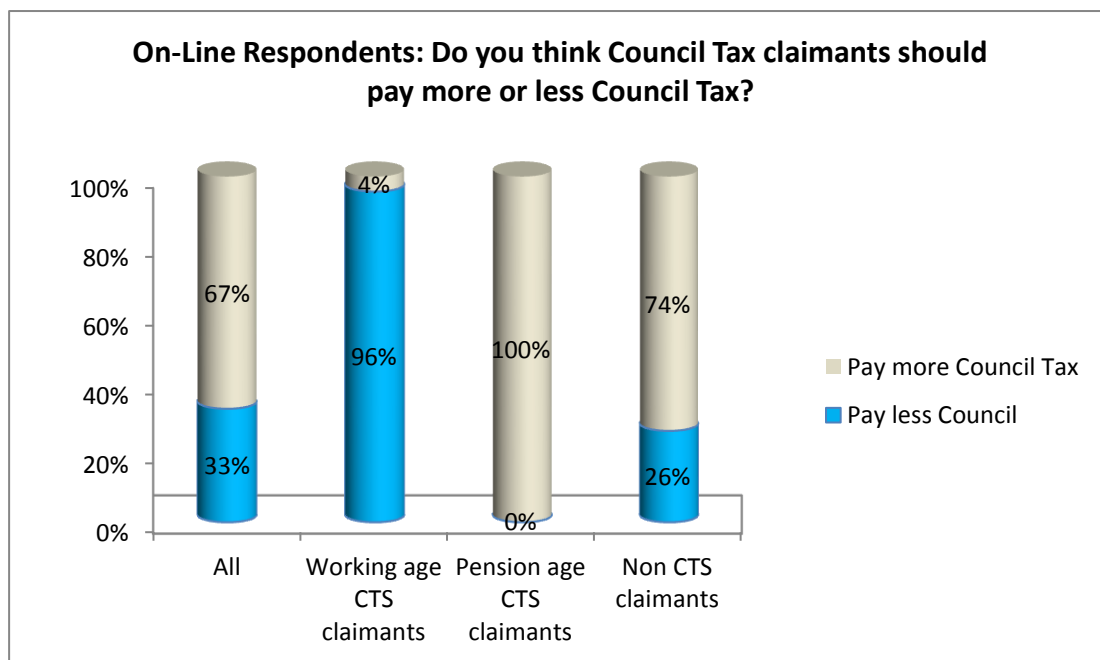


### Analysis of Respondents by Survey Type.

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?**

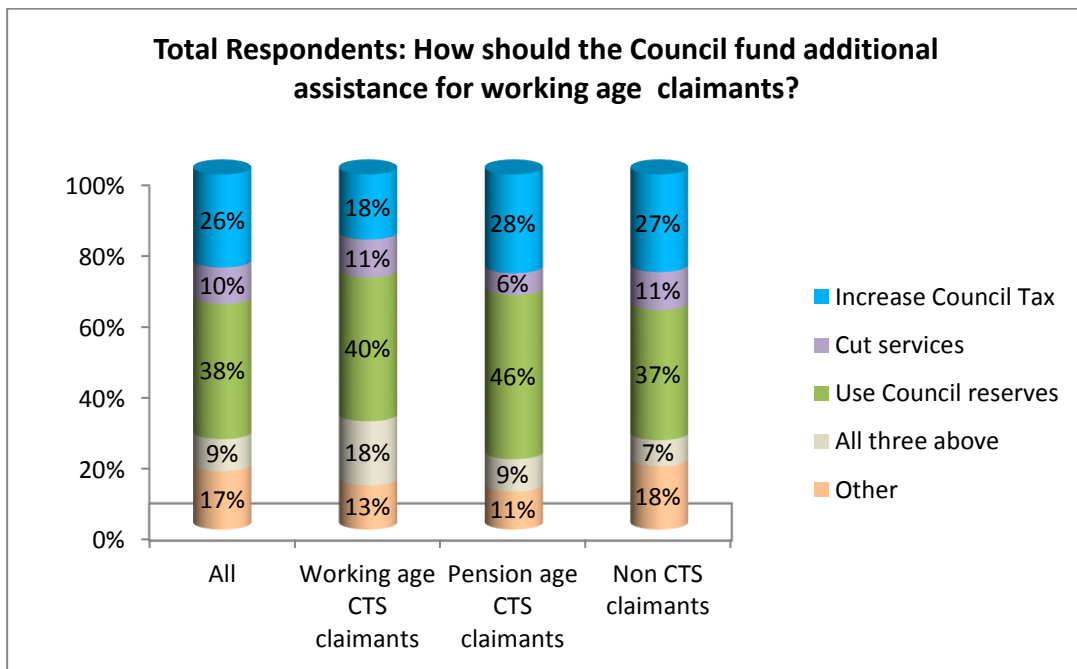
Please choose any of these that apply:

- 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: .....

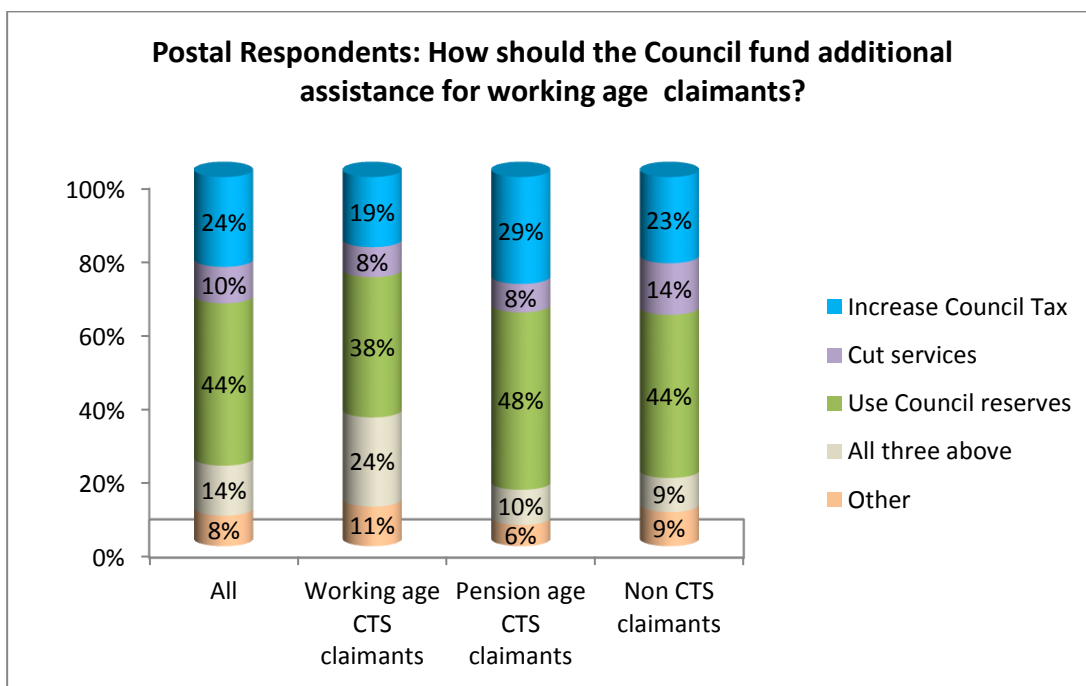
**Overall response.**

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%.

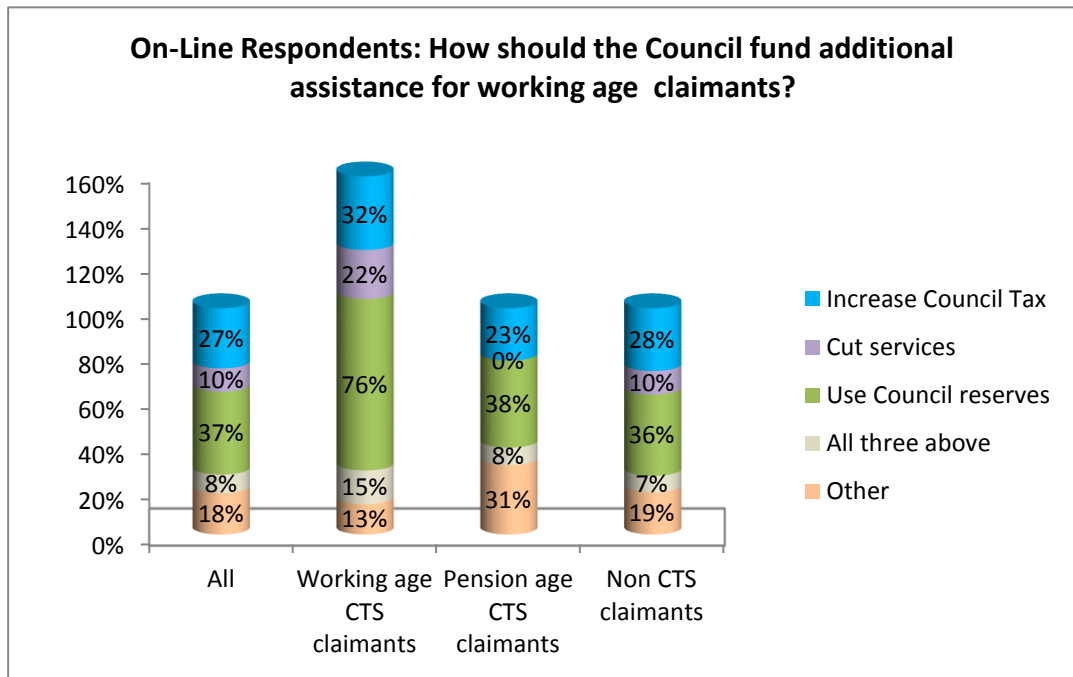


### Analysis of Respondents by Survey Type.

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

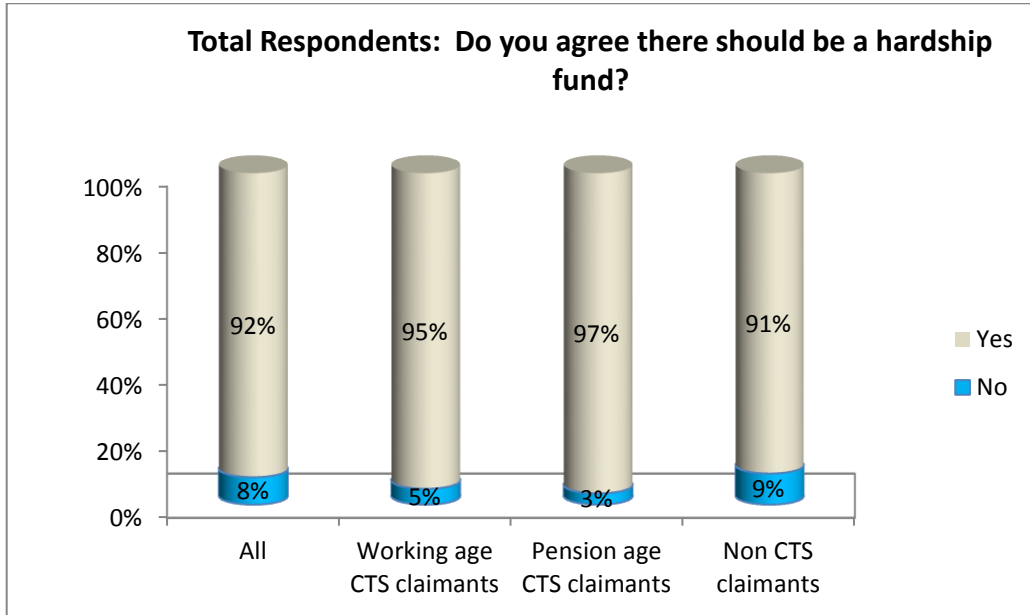
b. Do you agree the level of funding at £100,000 is correct?  Yes  No

If you disagree please write your answer here:

.....

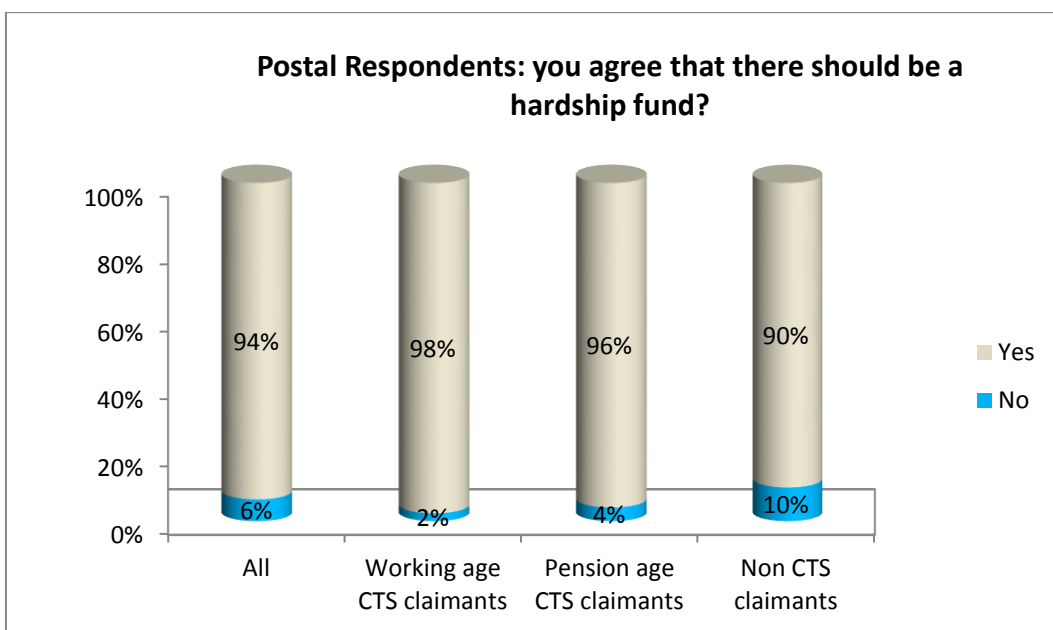
### Overall response – part a.

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.

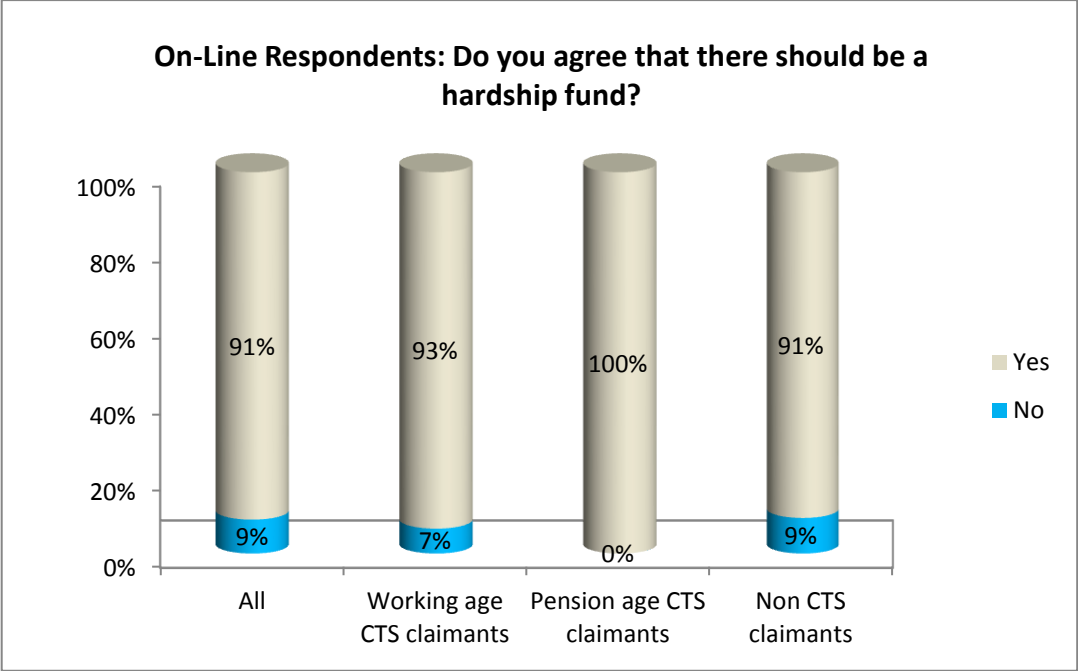


### Analysis of Respondents by Survey Type.

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.



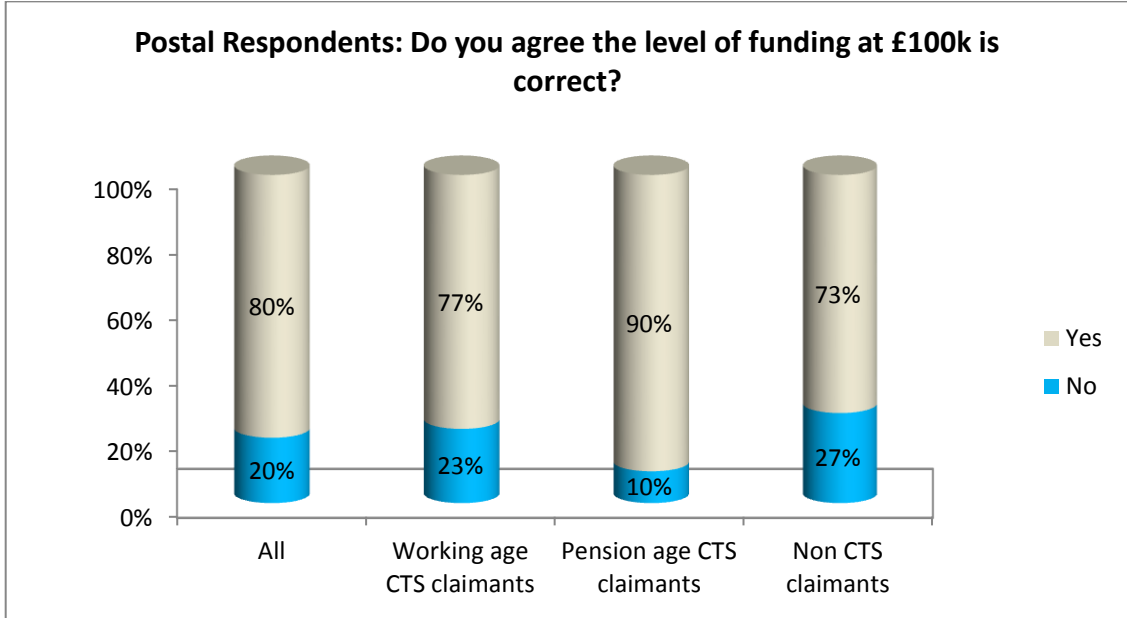
**Overall response – part b.**

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.

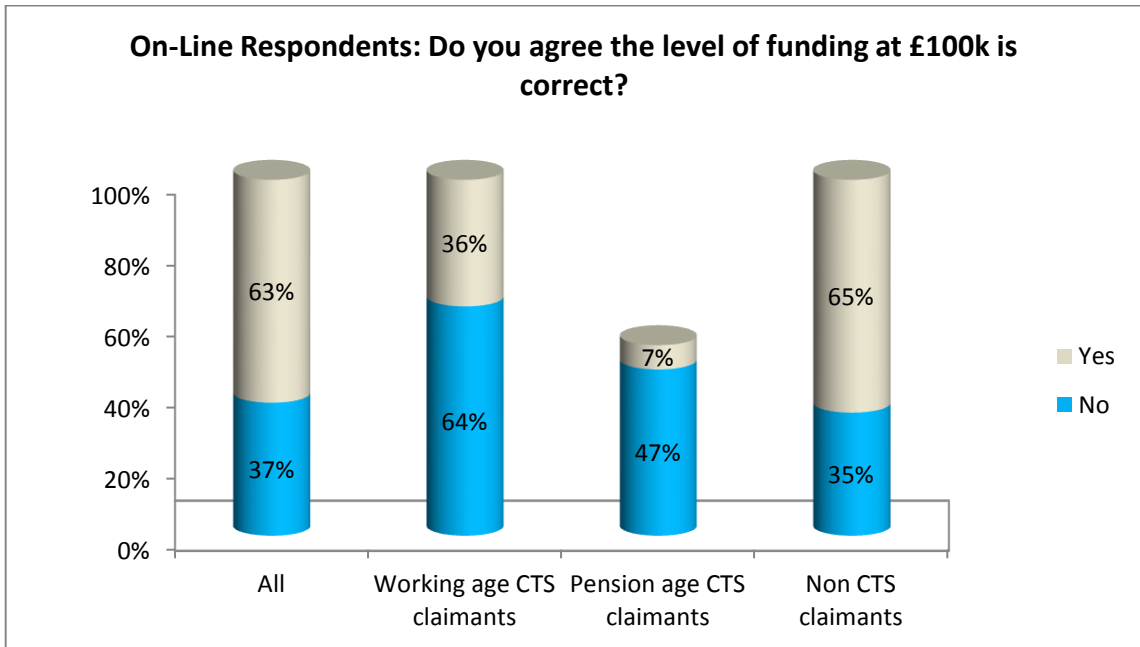
Of those who provided further commentary 39% believed that the sum should be increased and 12% that it should be decreased. Many of the other respondents felt that they were unable to comment without any further facts and figures being provided regarding the potential spend, numbers affected etc.

### 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

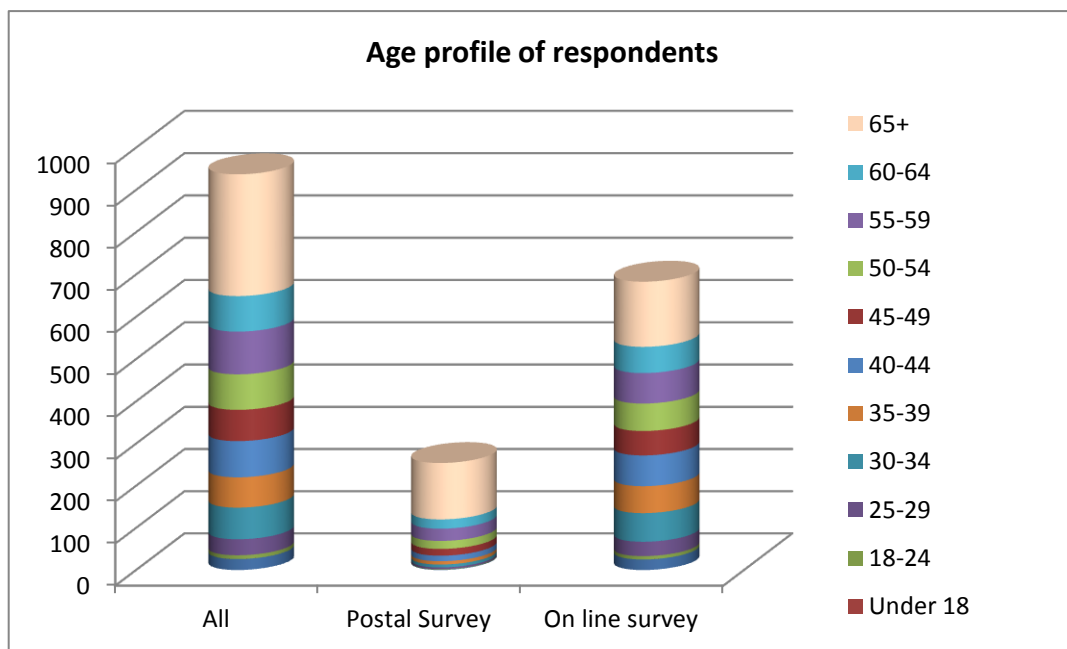
#### Equality and Diversity.

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.

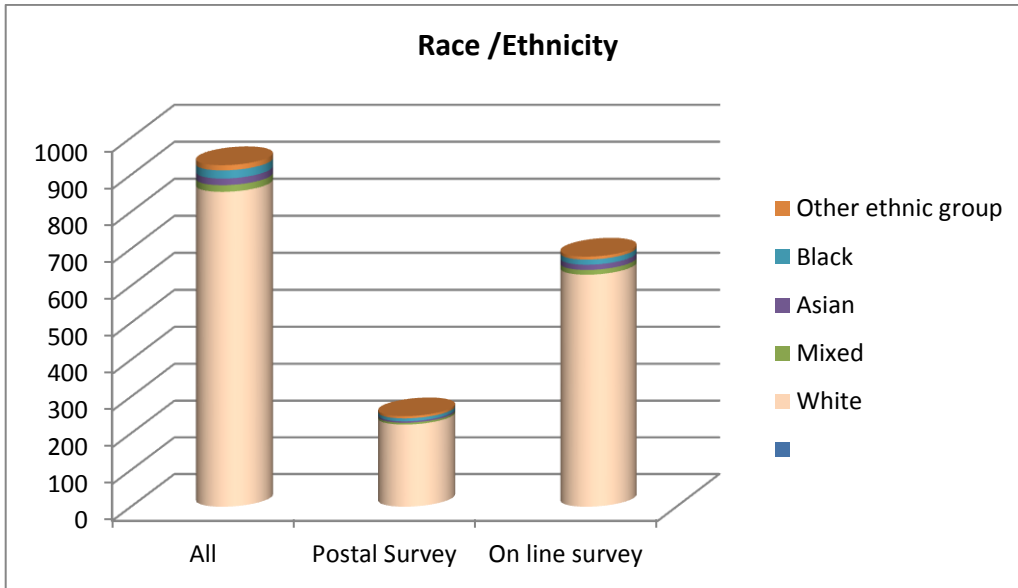
Overall, 911 people confirmed their age with the highest volumes of respondents being from those aged over 65 years of age, irrespective of whether the survey was completed on-line or by post. The split between those in receipt of CTR and those not in receipt was almost even, being 440 and 520 respectively.





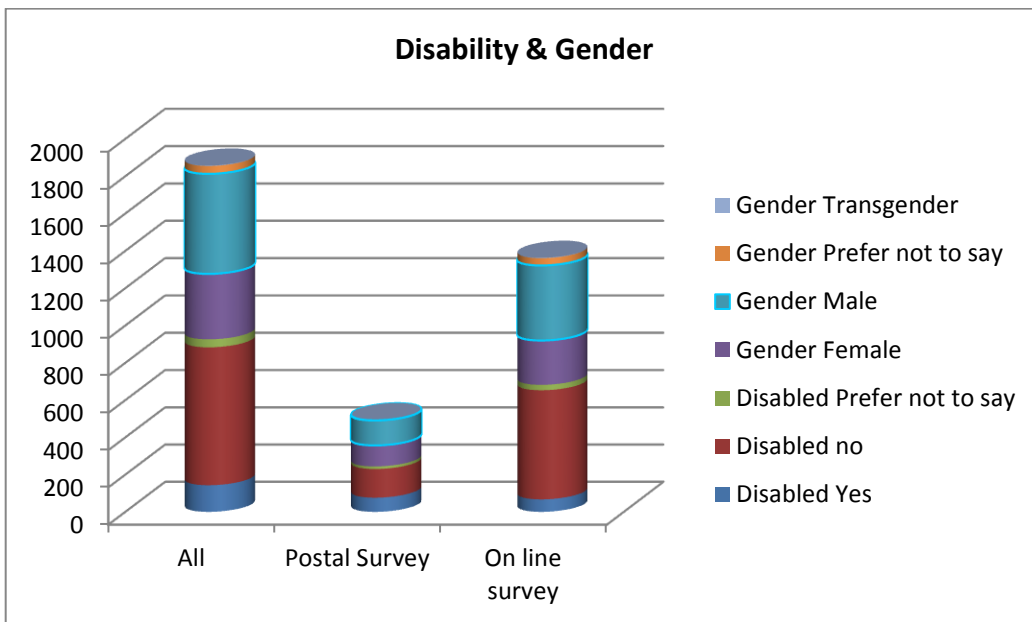
### Ethnic Background.

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](http://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/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](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

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

## 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
<b>Working age - Passported (equalisation definition)</b>							
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
<b>Working age - Non Passported</b>							
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
<b>Total Working age</b>	<b>9649</b>	<b>6634</b>	<b>3015</b>	<b>2012</b>	<b>1093</b>	<b>919</b>	<b>3143</b>
Pensioner- Passported	4475	2949	1526	1212	882	330	825
Pensioner- Non Passported	2207	1263	944	527	304	223	264
<b>Total Pensioner</b>	<b>6682</b>	<b>4212</b>	<b>2470</b>	<b>1739</b>	<b>1186</b>	<b>553</b>	<b>1089</b>
<b>Overall Total</b>	<b>16331</b>	<b>10846</b>	<b>5485</b>	<b>3751</b>	<b>2279</b>	<b>1472</b>	<b>4232</b>

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;"><b>Bromley's population</b></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;"><b>By statistical group</b></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 <b>Definitions and Explanations</b> 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;"><b>Breakdown of current claimants</b></p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"> <li>• 2012 (20.85%) of current claimants below pension credit age have declared a disability</li> <li>• 3143 (32.57%) are receiving DLA/PIP</li> </ul>		Bromley (numbers)	Bromley (%)	London (%)	Great Britain (%)	Total claimants	17,080	8.5	10.3	11.8	<b>By statistical group</b>					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;"><b>Bromley population</b></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;"><b>Breakdown of current claimants</b></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;"><b>Bromley population - Current claimants</b></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;"><b>Borough wide information</b></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 (include name of lead and estimated date of completion)
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><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; 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><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; 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><b>Responsible Officer(s)</b> Head of Revenues &amp; 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><b>Responsible Officer(s)</b>  Head of Revenues &amp; 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 <sup>2</sup>	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

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



Report No.  
CS17056

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** EXECUTIVE

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 15<sup>th</sup> November 2016

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

**Title:** UPDATE ON TACKLING TROUBLED FAMILIES  
(OUTCOMES/DRAWDOWN)

**Contact Officer:** Kay Weiss, Interim Director: Children's Social Care  
Tel: 020 8313 4062 E-mail: [kay.weiss@bromley.gov.uk](mailto:kay.weiss@bromley.gov.uk)

Rachel Dunley, Head of Early Interventions and Family Support  
Tel: 020 8461 7261 E-mail: [rachel.dunley@bromley.gov.uk](mailto:rachel.dunley@bromley.gov.uk)

**Chief Officer:** Interim Director: Children's Social Care (ECHS)

**Ward:** Borough-wide

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1. Reason for report

- 1.1 This report sets out expenditure on the Tackling Troubled Families Programme being delivered in Bromley and requests agreement to drawdown additional grant funding from central contingency.
- 

2. RECOMMENDATIONS

- 1) The Care Services Policy Development and Scrutiny Committee is asked to consider and comment on the content of the report;
- 2) The Portfolio Holder for Care Services is asked to agree to release the carry forward amount of £138k held in contingency referred to in Paragraph 5.
- 3) The Council's Executive is asked to agree to drawdown from contingency a further sum of £610k for Tackling Troubled Families for 2016/17

### Impact on Vulnerable Adults and Children

1. Summary of Impact: See commentary.
- 

### Corporate Policy

1. Policy Status: Not Applicable:
  2. BBB Priority: Children and Young People
- 

### Financial

1. Cost of proposal: within existing resources
  2. Ongoing costs: to be determined
  3. Budget head/performance centre: Not Applicable
  4. Total current budget for this head: Not Applicable
  5. Source of funding: Funding over 5 years from the Department of Communities and Local Government (DCLG) on a part-payment by results basis
- 

### Personnel

1. Number of staff (current and additional): 11 FTE
  2. If from existing staff resources, number of staff hours: Contribution for the hours spent by the Assistant Director for Children's Safeguarding & Social Care, the Head of Service for Early Interventions and Family Support, the Senior Family Support and Parenting Practitioner team within the Bromley Children Project and the Bromley Children Project Intelligence and Operations Lead
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications: Not applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Estimated number of users/beneficiaries (current and projected): 1949 families across 5 years (made up of 1700 for Phase 2 plus 249 early adopter families)
- 

### Ward Councillor Views

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

### 3. COMMENTARY

#### 3.1 Tackling Troubled Families Programme

- 3.1.1 The reports to CYP PDS (latterly ECHS Care PDS) in March 2012, June 2012, October 2013, May 2014 and November 2015 described the Government programme “Tackling Troubled Families” (TTF) and how this would be implemented in Bromley. The most recent paper in November 2015 provided a detailed update explaining the changes and the new model for Phase 2 of the national TTF Programme.
- 3.1.2 The TTF Programme in Bromley is currently in Phase 2 of the national programme; 2016/17 is Year 2 of the 5 year Phase 2 programme.
- 3.1.3 TTF Phase 2 remains a payment by results (PbR) initiative. The national criteria was expanded under Phase 2; the focus is now more holistic and has been broadened to allow for earlier intervention. To be eligible for the expanded programme, each family must have at least **two** of the six problems listed below:
- Parents or children involved in crime or antisocial behaviour
  - Children who have not been attending school regularly
  - Children who need help
  - Adults out of work or at risk of financial exclusion
  - Families affected by domestic violence and abuse
  - Parents and children with a range of health problems
- 3.1.4 The Department for Communities and Local Government (DCLG) have increased the data collection requirements for TTF in order to evidence the new criteria. There is a requirement to submit to DCLG data for the National Impact Study, the Family Progress Data, the national Cost Savings Calculator, and Qualitative in-depth interviews with staff and Qualitative in-depth interviews with families. This is alongside the ongoing audit requirements both locally and nationally. In recognition of this DCLG have increased the central coordination element of the grant funding so that this additional information is provided.
- 3.1.5 DCLG has changed the framework for rewards. In order to achieve PbR outcomes it is now a requirement to evidence that there has been a *holistic family assessment*, there is an allocated *lead professional*, the family are working towards change through an agreed *plan with SMART goals*, and that the family has achieved *‘significant and sustained improvement compared with all their problems at the point of engagement’*. Bromley has developed a comprehensive Outcomes Plan to support this.

#### 3.2 The Bromley Approach to Tackling Troubled Families

- 3.2.1 The Tackling Troubled Families programme remains coordinated through the Bromley Children Project within Early Intervention and Family Support Services (EIFS) sitting under the Care Division of Education Care and Health Services Directorate. The intervention and support is delivered through a number of work streams, primarily within EIFS but also key partners. These key partners are cross cutting across council departments and agencies which requires an integrated approach to working with partners; some examples of these include the Anti-social Behaviour Unit, Youth Offending Service, education support to children not attending school through the Education Welfare Service and services that support families not in work.
- 3.2.2 Two staff continue to be seconded from Job Centre Plus into the Bromley Children Project on a part-time basis to support the efforts to decrease the number of adults out of work in a more targeted and structured way.

- 3.2.3 Bromley’s model was developed to ensure a multi-agency approach to supporting families with multi-faceted problems, to build on systems and structures already in place and further develop innovative interventions with troubled families with the ability to respond to changing need without creating additional management structures.
- 3.2.4 Information recorded against families is used as evidence of change, including the requirement for change to be deemed ‘significant and sustained’. This evidence is robustly audited by Internal Audit who are required to sign off all claims for PbR as well as the effectiveness of our processes, in order to satisfy the DCLG terms for PbR payment to be made. To date Internal Audit have completed two Audits in Phase 2, both showing ‘substantial assurance’, the most recent in October 2016.
- 3.2.5 The Outcome Plan will be revised during 2016/7 to reflect changes to the national and local drive to identify and support families where there is risk of child sexual exploitation, children missing from home, children missing education, children and or adults involvement in gangs and related activity, the risk of radicalisation, female genital mutilation, and the risk of trafficking. This will enable early intervention to feed into the Single Central List of all children at risk as soon as those risks become apparent.

### 3.3 OFSTED

- 3.3.1 Ofsted undertook an ‘Inspection of services for children in need of help and protection, children looked after and care leavers’ during April and May 2016 and the report was published on 27 June 2016. This inspection included ‘early help’ and the work of Tackling Troubled Families through the Bromley Children Project within Early Intervention and Family Support Services.
- 3.3.2 In their Report, Ofsted identified ‘early help’, the Bromley Children Project as ‘effective’, ‘well embedded’, and commented that assessments on the families were ‘timely’ and ‘lead to a good range of services’ with staff recognised as ‘knowledgeable’ and ‘assist(ing) parents to focus on practical skills and solutions’. Ofsted also stated that ‘the integrated troubled families project (Bromley Children Project) is helping many families with entrenched difficulties to improve their care and parenting’.

### 3.4 Grant Funding

- 3.4.1 During Phase 1 of the TTF programme, Bromley achieved maximum attachment and maximum payment by results (PbR) reward payments. The service ran an effective and lean model which resulted in £1,007,252 remaining in Central Contingency at the end of Phase 1 (three year programme).

<b>SUMMARY OF PHASE 1 FINANCIALS</b>	<b>£</b>
Coordination income	220,000
Attachment income	1,133,600
PbR income	528,200
Expenditure	-874,548
Balance un-spent and held in Central Contingency at the end of Phase 1	1,007,252

- 3.4.2 The financial model for Phase 2 is operating at a reduced grant income level per family. During Phase 1 the maximum possible income including PbR equated to £4,000 per family. For Phase 2, this has reduced to a maximum, including PbR, of £1,800 per family.

- 3.4.3 The guaranteed grant funding model for this programme remains directly related to the proportion of families that are to be 'attached' during each year of the current phase at £1,000 per family. The PbR top-up available is capped at £800 per family.
- 3.4.4 In Phase 2, Bromley's target number of families was 1,660, but this was revised by the DCLG in September 2016, and is now confirmed as 1,700. The attachment of families is spread across five years. In addition to the 1,700, as an Early Adopter, Bromley were required to attach a further 249 families during the early adopter period (Sept 2014-March 2015). This is a total of 1,949 families for Phase two.
- 3.4.5 In Phase 2, Year 1 we committed to attaching 249 families during the Early Adopter period and a further 282 families in Year 1; both of these targets were achieved. In Phase 2 Year 2 we were allocated a target of 388 families to attach by the DCLG. To date we have attached 172 families and are on schedule to achieve the target for Year 2 of Phase 2.
- 3.4.6 Bromley will continue to receive ring fenced grant allocation for each year of Phase 2 which includes the contribution to cover:
- the coordination of the programme,
  - the % agreed upfront "attachment fee"
- 3.4.7 Bromley will continue to work towards claiming PbR for families turned around throughout Phase 2 of the TTF programme. Those claims will be received through the same grant allocation process described in 3.4.6.

### **3.5 Staffing**

- 3.5.1 The TTF staff team is made up of the Coordinator, Data Analyst, two Administrators and fourteen Family Support and Parenting Practitioners who are located within and managed by the Bromley Children Project. Additional support, not funded by the TTF grant, is provided by the Head of Service for Early Interventions and Family Support, the Intelligence and Operations Team, and seven other key Family Support and Parenting Practitioners within that team.
- 3.5.2 As Phase 2 progresses consideration will be given to reviewing caseloads and staffing. During Phase 2, where staff leave the service, recruitment will not be automatic. Each position will be reviewed to see whether it is necessary to recruit at that time or if the service can continue to achieve the required outcomes to attract PbR with fewer staff. Using natural wastage will help to ensure that the staffing budget is effectively managed and reduce the pressure on the budget towards the end of Phase 2.
- 3.5.3 During 2016/7 the Service has held a vacancy in order to increase the contribution made to the cost of the Barnardo's Children at Risk of Sexual Exploitation (CSE) contract to the value of £35K whilst a permanent funding solution is identified.

### **3.6 Progress**

- 3.6.1 The Governance Board continues to be chaired by the Interim Director for Children's Safeguarding and Social Care, and has representation from key partners both internal and external to the local authority such as Public Health, Community Safety and Probation Services.
- 3.6.2 The identification and attachment of families to the TTF Programme continues. To date Bromley remains on schedule to achieve the target imposed by the DCLG.

Year	DCLG Target	Achieved	% of Target for Year
2014/15 ('Early Adopter' period)	249	249	100%
2015/16	282	282	100%
2016/17	388	172	44%

3.6.3 The target of 388 for 2016/17 is achievable. There was a delay attaching families in the early part of 2016/17 due to a change of database and the related reporting software. This was installed in June and the forecast is to achieve the target by March 2017.

3.6.4 To date, throughout Phase 2 of the TTF programme, Bromley has claimed for 158 families equating to a reward payment of £126,400.

Year 1 of Phase 2 ... 84 families = £67,200  
Year 2 of Phase 2 (to date) ... 74 families = £59,200 (we are at month 7 of 12 in 2016/7)

3.6.5 In addition to the 158 families already claimed against in Phase 2, a further 244 are being monitored under the 'sustained' change element of Phase 2 and have the potential to become claims. Conversely, those families also have the potential to require additional support if the change is not sustained in which event they would not attract 'attachment fees' as they were previously supported, but would be still be supported and challenged to make the changes required for their family to flourish.

3.6.6 In addition to the cases being worked by the Family Support and Parenting Practitioners within the Bromley Children Project section of the Early Intervention and Family Support Service, all CAFs logged with the CAF Team are being reviewed to see if the work undertaken meets the attachment criteria for TTF and a further piece of work to follow up all those cases to identify any where the challenging 'significant and sustained change' payment by results criteria has also been achieved.

### 3.7 Commissioning

3.7.1 The Commissioning element of this grant funded several key services during the three years of Phase 1, e.g. The Children at Risk of Sexual Exploitation (CSE) project. It is proposed that the commissioning process will be repeated in 2016/7 and reviewed to see whether it remains a requirement moving forward. Eligible bids will be considered and bids submitted to the Chair of the Governance Board for final approval. To date the only bid is that for the CSE Barnardo's project at £35,000.

### 3.8 Audit

3.8.1 Internal Audit have been integrated into the TTF programme in Bromley from the outset and continue in Phase 2 to fulfil the required critical friend and challenge role.

3.8.2 Colleagues in Internal Audit have confirmed that they believe Bromley's TTF Phase 2 Outcome Plan and Claims Approach Documentation is robust and clear, and will enable them to effectively complete their audits for PbR claims under this second phase.

3.8.3 Internal Audit have completed two audits this year, both audits graded the Bromley Children Project's management of the TTF Programme and the appropriateness of the 'claims' as 'substantial assurance'.

### 3.9 Evaluation of Phase 1

3.9.1 An internal evaluation of Phase 1 was tabled in the Report submitted to this Committee in November 2015.

3.9.2 The national evaluation of the TTF Programme commissioned by the DCLG has now been published (October 2015). The Overview Report is attached as Appendix 1. The summary of the overview Report states;

*“Families who participated in the programme have seen significant improvements in their lives. ...the independent evaluation of the programme found widespread evidence of this service transformation... The survey results did find that the programme had already had an impact on family attitudes and confidence but not on other outcomes although it also found most families were still receiving interventions when interviewed so it may have been too soon to detect an impact on outcomes”*

3.9.3 The national press have recently run several stories which claim that the TTF Programme failed to help families effect change. This claim is strongly disputed by the DCLG and we too would challenge this presentation of the programme.

3.9.4 The official response from the DCLG to the claims made in the national press that the evaluation report was suppressed was

*“It is wrong to say that any report on Troubled Families has been suppressed. There were several strands to the evaluation work commissioned by the last Government and there is not yet a final report”*

3.9.5 The official response from the DCLG to the claims made in the national press that it is highly improbable that all local authorities turned around 100% of their troubled families was

*“To be aware: Newsnight suggested that it was unrealistic that an area could have achieved a 100% success rate. This is a misunderstanding of the programme. Such a council would have received 100% of government funding available to them, e.g. 100% of the total number of families they could claim for. However, most if not all areas will have worked with more families than their local target in order to achieve success”*

3.9.6 The scenario described by DCLG is exactly what happened in Bromley during Phase 1 of the TTF Programme.

- The ‘490 families’ target set by DCLG was been achieved and the maximum attachment funding was drawn down, in the sum of **£1,375,800** however;
  - in order to enable Bromley to achieve the ‘turn around’ target of 490 families, an additional 85 families were ‘attached’ for which no additional attachment payment was received.
  - In total **575** families were attached to the project in Phase 1, exceeding the three year stretch by 17%
- 100% of families targeted for attachment in the programme in Phase 1 (490) were been ‘turned around’ and the maximum ‘PbR’ was received, in the sum of **£525,380**
  - However, the additional 85 families attached were also supported, and continue to be support to effect change.
  - Any families beyond the target of 490 attachments that achieved ‘turn around’ criteria did not attract a reward payment
  - Any families that ‘bounced back’ into the service were supported but could not be re-attached and counted as attachments
  - Other families were supported who did not meet the criteria for TTF Phase 1

3.9.7 Phase 2 of the TTF Programme is different to Phase 1. It is easier to attach a family but more difficult to evidence 'turn around' in light of the 'significant and sustained' change requirements and the extension of the 'in education' element of the programme to all school aged children in the household. Despite this, Bromley has already evidenced 'turn around' for 158 families and this has been audited and verified by Internal Audit achieving a grading of 'substantial assurance'.

3.9.8 The change to the Phase 2 programme means that the attachment funding is most likely to be achieved earlier in the five year programme and PbR payments which require tracking for up to 12 months will be weighed towards the end of the five year programme.

#### 4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The TTF programme is designed to support vulnerable families and effect significant and sustained change against an agreed outcome plan. Evidence of change is required in order for the local authority to attract the PbR claim payments and this is robustly checked by Internal Audit, as well as being 'spot-checked' by the DCLG. Every PbR claim made is evidence of impact.

#### 5. POLICY IMPLICATIONS

5.1 The development of the Tackling Troubled Families programme continues to contribute to many of the Building a Better Bromley priorities.

#### 6. FINANCIAL IMPLICATIONS

6.1 The current grant received in phase two is as follows:-

<u>Income Stream</u>	<u>£000</u>	<u>£000</u>
Early Adopter income	308	
Coordination/Service Transformation income	450	
Attachment income	670	
Payment by results income	67	
Total income received for phase 2		<u>1,495</u>
Phase 1 funding held in contingency		1,007
Total Income		<b>2,502</b>
Expenditure in 2016/17		-748
Available funding remaining		<u><u>1,754</u></u>

6.2 The £1,754k consists of £1,172k held as contingency and carry forward sums from 2015/16 together with £582k of funding received in 2016/17 so far this year.

Future guaranteed TTF grant income under Phase 2, assuming the programme continues and families are attached is as follows:-



**Future Grant Income for Phase 2**

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Total</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Coordination/Service Transformation income	-	200	200	200	600
Attachment income	-	TBC	TBC	TBC	1,030**
Payment by results income	-	TBC	TBC	TBC	1,492**
					<u><u>3,122</u></u>

\*\* Current estimates of future income although phasing is not known

The maximum TTF Grant income under Phase 2 has increased since the previous report to Members (November 2015) as a result of the increase of 40 families, bringing Bromley's target attachments to 1949 during Phase 2.

6.3 The costs associated with this expenditure are as follows:-

<u>Expenditure for 2016/17</u>	<u>2016/17</u>
	<u>£000</u>
Employees - salaries	692
Training	5
Transport	8
Commissioning	35
Running costs	8
	<u><u>748</u></u>

6.4 In order to cover the operational costs for the TTF service for 2016/7 including the sum of £35K as the contribution towards the Barnardo's CSE contract, it is requested that a total sum of **£748k** be drawn down from Central Contingency. £138k is a carry forward balance held in contingency and needs the approval of the Portfolio Holder to draw down. The remaining £610k will need Portfolio Holder and Executive approval. This is held in central Contingency.

<b>Non-Applicable Sections:</b>	Personnel Implications Legal Implications Procurement Implications
Background Documents: (Access via Contact Officer)	<ul style="list-style-type: none"> <li>• CYP PDS 20 March 2012. Department for Communities and Local Government Initiative – Tackling Troubled Families</li> <li>• CYP PDS 12 June 2012. Review of the Tackling Troubled Families Initiative for Bromley.</li> <li>• CYP PDS October 2013. Update on Tackling Troubled Families Initiative for Bromley</li> <li>• CYP PDS May 2014. Update on Tackling Troubled Families Initiative for Bromley</li> <li>• CYP PDS November 2015. Update on Tackling Troubled Families Initiative for Bromley</li> </ul>

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Department for  
Communities and  
Local Government

# The first Troubled Families Programme 2012 to 2015

An overview



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# Introduction

The original Troubled Families Programme was the first national, systematic approach to driving real change in outcomes for families with multiple problems and to change the services that worked with them. Families who participated in the first Troubled Families Programme have seen significant improvements in their lives, with children back in school, reduced youth crime and anti-social behaviour, and for thousands of those families, adults into work.

The independent evaluation of the programme found widespread evidence of service transformation: the programme had scaled up family intervention provision, had begun to mainstream a 'whole-family working' approach (so that practitioners considered all the problems experienced by a whole family rather than focussing on individuals) and stimulated multi-agency working<sup>1</sup>. Families were hugely positive about the service with a large majority (76%) saying the help they received through the programme had made more difference to their lives than previous help they had received<sup>2</sup>. They also said they valued the trust, honesty and persistence of keyworkers<sup>3</sup>. However, the short-term nature and methodological challenges of the evaluation mean it has been unable to attribute improvements in families' lives to the programme.

The new programme and its evaluation has learnt lessons and built on the strong delivery and data infrastructure created by the original programme. For example:

- Family intervention remains at heart of the new programme with a whole family approach being central to the way work is done with complex families.
- Local authorities are working with a broader range of families than before and outcomes are measured by the progress families make against all their problems rather than prescribed outcomes.
- The new evaluation has been designed to address the limitations of the first project and is able to track outcomes systematically over the course of programme until its completion. The evaluation will report match data at six month intervals during the lifetime of the programme and will follow families for five years to track their progress.

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<sup>1</sup> Day, L. *et al* (2016) *National Evaluation of the Troubled Families Programme; Final Synthesis Report*. London: Department for Communities and Local Government

<sup>2</sup> Purdon, S., and Bryson, C. (2016) *National Evaluation of the Troubled Families Programme. Technical report: impact evaluation using survey data*. London: Department for Communities and Local Government.

<sup>3</sup> Blades, R., Erskine, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Families' Experiences and Outcomes*. London: Department for Communities and Local Government.

# Aims of the first Troubled Families Programme

Public services have previously failed families who have multiple problems because they operate in a siloed and mostly reactive fashion. Services have tended to respond to a problem that individual family members exhibit without either understanding or tackling underlying root problems or the inter-connectedness of other family members' problems.

For example, in a case from Leicestershire, efforts by education welfare services to tackle the poor school attendance, disruptive and violent behaviour of four boys in a family were not working because they were not coordinated with support their mother needed for her mental and physical health problems and her spiralling debts. The mother was reluctant to leave the home and this compounded her struggle to find work and to make sure her children attended school.

The Troubled Families Programme family intervention worker established a productive working relationship with the mother and the whole family. The family worker navigated all of these inter related issues, provided one to one support and brought in specialists, such as mental health services, where necessary, In this case, the family worker accompanied mum to a meeting with a Job Centre Plus worker who showed her how much better off she would be financially if she went back to work and encouraged her to attend courses that would help. This helped with her confidence and made her determined to find a job. The family worker helped her to create a payment plan so that she could get her debts under control. The family worker was also able to help her with other small practical tasks to help get control of her life – for example giving her a calendar so she could keep track of all her appointments and begin to start attending school meetings and health appointments. The family worker also worked with the children, to get to grips with why they were struggling with school and explained the consequences of them not attending. She also got medical assessments for the younger son who was displaying really difficult behaviour.

As a result, the mother was offered a job in a care home and her eldest son's school attendance has improved so much that he is on course to receive 10 GCSE grades A-C and plans to go to college to do a sports course. Her youngest son, who has been diagnosed with a mental health problem and is now on medication, has also improved his attendance. He has also attended a number of football trials with various clubs and there are no longer any violent incidents.

The original Troubled Families programme was launched in 2012 and aimed to “turn around” the lives of 120,000 families with multiple problems across England by May 2015. Its premise was that there was a better way to work with families with multiple problems by identifying the underlying and interlinked problems that a family faced and dealing with them as a whole in order to initiate change in that family.

The failure to operate in this way was not only damaging for families but came at a huge cost to public services with an estimated £9 billion a year spent on largely reacting to their

problems rather than intervening early<sup>4</sup>. A sum equivalent to 2% of that estimated annual cost was allocated to the Troubled Families Programme by five Government departments - a total of £448 million over three financial years (2012/13 to 2014/15) to be made available to 152 upper tier local authorities.

The headline problems being tackled through the programme were: children not attending or being excluded from school; children involved in crime and children and adults involved in anti-social behaviour; and adults out of work. A further 'high cost' criteria was included to allow local authorities to address other problems such as domestic violence, relationship breakdown, mental and physical health problems.

Every upper tier local authority agreed their share of the national estimated total of 120,000 families with the Department of Communities and Local Government (DCLG) and then worked with Job Centres, the police, schools, and other services to identify families with multiple problems in their area who would be targeted by their local programme.

The programme encouraged a 'family intervention' approach that had a positive evidence base from earlier intensive family intervention projects<sup>5</sup>. The family intervention model is of a nominated key worker being assigned to each family who gets an understanding of the whole family's inter-connected issues and of the family dynamics. S/he adopts a persistent and assertive approach, establishing a relationship with the family and working closely with them to 'grip' the family and their problems as well as the agencies that will typically have been dipping in and out of the family's lives. The key worker agrees a plan of action, with clear outcomes, with the family and with relevant services. S/he will offer both practical assistance in the home (routines, domestic tasks) and help the family address issues such as ill health, debt and addiction, bringing in specialist services where necessary.

Outcomes were prescribed by DCLG as a reduction in youth crime or anti-social behaviour, improvements in attendance at school over a three term period or an adult in the family back in work.

Government funding was primarily made available via a combination of per-family 'attachment fees' and payment by results designed to incentivise an outcomes-based approach<sup>6</sup>. Areas were able to claim an attachment fee for families they started working with and to claim a results payment when prescribed outcomes were met. It was expected that areas would work with some families for whom they would not be able to claim a result within the timeframe of the programme and so local authorities would need to work with more than their target number of families.

The maximum amount of funding per family that could be claimed via payment by results (PBR) was £4,000. It is important to recognise that, unlike traditional PBR schemes, this payment did not represent the full estimated costs of the intervention necessary to achieve the desired results. Rather it was a contribution (estimated to be 40%) towards that total cost designed to provide sufficient incentive for local authorities and their partners to

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<sup>4</sup> DCLG (2013) *The Fiscal Case for Working with Troubled Families: analysis and evidence on the cost of Troubled Families to Government*

<sup>5</sup> See for example White, C. *et al* (2008) *Family Intervention Projects – An evaluation of their design, set up and early outcomes*. London: Department for Education

<sup>6</sup> DCLG (2012) [\*The Troubled Families programme: Financial framework for the Troubled Families programme's payment-by-results scheme for local authorities\*](#)



contribute matching investment into interventions that were evidenced as likely to be successful with this client group.

Providing a reduced level of results funding in this way provided the government with more than adequate cover against the possibility of paying overall for what is termed 'deadweight' i.e. paying for outcomes that would have occurred naturally without the need for this programme. Further assurance against this prospect was provided by agreement with local authorities that payments would only be made for five-sixths of all families claimed for.

A coordination grant was also paid which would allow a Troubled Families Co-ordinator in each area to co-ordinate local services and manage the local programme – the amount of grant funding depending on the number of families to be worked with in each area.

A national independent evaluation was carried out try to understand how the programme had affected services for families, how families themselves had experienced the programme, and to attempt to estimate the net impact of the programme on family outcomes using comparison groups. The research was conducted by a consortium led by Ecorys UK Ltd.

The programme was developed at pace and aimed to generate a culture shift in how complex families were worked with; a central DCLG team was put in place to work closely with areas, and support and challenge local authorities as they undertook delivery of the programme with their partners.

# What has the first Troubled Families Programme achieved?

The Troubled Families Programme was the first national, systematic approach to driving real change in outcomes for families with multiple problems and to change the services that worked with them. More than 116,000 families who participated in the programme have seen significant improvements in their lives.

The programme has made other significant achievements which underpin this progress made with families. The programme has been a catalyst for service transformation in family support services; driven greater understanding and resourcing of whole family working and created a strong cross-service local delivery and data infrastructure which creates a solid platform for the future.

The independent evaluation of the programme<sup>7</sup> found widespread evidence of this service transformation and concluded that the programme had:

- enabled local authorities to scale-up their family intervention provision,
- driven innovation in working with families,
- stimulated multi-agency working, and
- begun to mainstream a 'whole-family working' approach.

The independent evaluation found that families supported by the programme valued the support provided by their keyworker and the advocacy they provided in accessing services. In particular families appreciated the trust, honesty and persistence of keyworkers<sup>8</sup>.

However, for family outcomes the analysis was unable to detect a direct, attributable impact to the programme when measured by certain national administrative datasets or by survey data within the limited period in which it was possible to observe progress (predominantly 12 months from the start of intervention)<sup>9</sup>. The survey results did, however, find that the programme had already had an impact on family attitudes and confidence though not on other outcomes (although it also found that most families were still receiving interventions when interviewed so it may have been too soon to detect an impact on outcomes).

The evaluation findings do not mean that there were not positive changes in the families' circumstances, but that changes achieved could not be isolated solely as being the

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<sup>7</sup> White, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Process Evaluation*. London: Department for Communities and Local Government.

<sup>8</sup> Blades, R., Erskine, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Families' Experiences and Outcomes*. London: Department for Communities and Local Government.

<sup>9</sup> Day, L. *et al* (2016) *National Evaluation of the Troubled Families Programme; Final Synthesis Report*. London: Department for Communities and Local Government

product of the programme itself. While this is disappointing given the wider findings of the evaluation, we accept that as with other areas of social policy the impact study found it difficult to attribute change in families directly to the programme. It is important, however, to take note of both the experimental nature of this part of the evaluation, the major limitations around data quality and other caveats as acknowledged by the independent contractors, and indeed of those caveats that we believe deserved greater prominence in their report. We discuss this in more detail below.

## Improvements for 116,000 families

More than 116,000 families on the first Troubled Families Programme saw improvements against a set of outcomes related to employment, youth crime and school attendance. Getting children back into school to achieve 85% and higher attendance sustained over three terms, sustained employment and reduced youth crime are outcomes that are unlikely to have been achieved if other family problems (such as health problems, debt or domestic abuse ) were not also successfully tackled. Schooling and employment are recognised as vital outcomes in terms of future life chances.

These changes are significant when set against the complexity of the families. A study of the characteristics of over 16,000 families entering the programme found that they had many problems in addition to those determining programme eligibility<sup>10</sup>. Families in this representative sample had an average of seven different problems including physical and mental health, domestic abuse and debt which confirms the underlying premise of the programme that problems around school attendance, crime or being out of work rarely exist in isolation

While this is a significant achievement, it is important to emphasise that this does not mean there was a 100% 'success rate' for the programme. Most areas will, of course, have worked with more families than their local target in order to achieve that number of successful family outcomes (as set out in the programme's Financial Framework<sup>11</sup> which described how the programme should operate).

It's likely that some families could not be helped by the programme; others families may have seen improved outcomes but not have met the 'turned around' criteria for a claim to be made within the time frame for the programme. In other cases an area may have already reached its maximum agreed number of claims for payment. Though it is likely that some families initially engaged with under a local programme will not, for a variety of reasons, have achieved successful outcomes, there is no evidence to suggest that such families will have been given up on. Services will, of necessity, still be in contact with such families and the incentives for them to maintain whole family interventions remain high in order to seek to reduce ongoing costly demand pressures. For example, Newcastle has developed a network of Family Support Volunteers that receive over 50 hours of intensive training provided by voluntary sector partners (Barnardos, Action for Children and Children North East). Volunteers are based within the same communities as the families and work alongside the key worker to deliver the outcomes for the family and continue to do so after

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<sup>10</sup> Whitley, J. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Family Monitoring Data*. London: Department for Communities and Local Government.

<sup>11</sup> DCLG (2012) [The Troubled Families programme: Financial framework for the Troubled Families programme's payment-by-results scheme for local authorities](#)

families have been stepped down from the programme. This both enhances their offer of support to vulnerable families and provides a route towards achieving and sustaining employment for local people.

## Families' experience of the programme

Families interviewed through the evaluation were hugely positive about the services they received. Almost nine in ten (86 per cent) reported that the key worker's involvement had been very (66 per cent) or fairly (20 per cent) helpful. Overall, seven in ten (72 per cent) main carer respondents reported feeling better about their future than they had before the involvement of the key worker<sup>12</sup>.

For a programme that set out to improve the way services worked with families, it is notable that three quarters (76 per cent) felt that the difference the key worker had made to their families' lives was 'much more' (58 per cent) or 'slightly more' (18 per cent) than that made by previous support.

## A catalyst for change in local authorities

The evaluation identified the programme as a lever or catalyst for change, helping local authorities to integrate local public services and drive workforce reform. The programme was described by a local authority as hitting the 'zeitgeist', both reflecting and driving changes in the way that services for complex families are delivered. For local areas already on this path the programme has helped to 'accelerate, reinforce and embed existing activities, through additional resources and developing an infrastructure'<sup>13</sup>.

The evaluation reports evidence of whole family working, a central feature of the programme, becoming 'business as usual' in many local areas with evidence of it also starting to influence service delivery with families at lower levels of need. The evaluation also reports that the quality of whole family working seemed to improve although there remain challenges for example in cases of domestic abuse or violence and in the practicalities of working with many different family members.

*"In the Youth Offending Team [change] is probably the greatest, because if you'd of come here two years ago and asked Youth Offending Team workers to talk about their work, in half the cases they wouldn't even know what the family make up was or they would have never of met with the parents. Now they're adopting a whole family approach with all of the cases that are within [Troubled Families service]."*<sup>14</sup>

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<sup>12</sup> Purdon, S., and Bryson, C. (2016) *National Evaluation of the Troubled Families Programme. Technical report: impact evaluation using survey data*. London: Department for Communities and Local Government.

<sup>13</sup> Day, L. et al (2016) *National Evaluation of the Troubled Families Programme; Final Synthesis Report*. London: Department for Communities and Local Government

<sup>14</sup> White, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Process Evaluation*. London: Department for Communities and Local Government.

## Scaling up family intervention services

The programme has also increased the scale and use of family intervention services across England<sup>15</sup>. Prior to the programme there was no national approach to improving outcomes for complex families, instead there were a few small scale projects. The factors which characterised family intervention are in widespread use. These are a worker who is: dedicated to the family; provides practical, 'hands on' support; takes a persistent, assertive and challenging approach; who considers the family as a whole and who agrees with other services a common purpose and agreed action for that family. These factors were generally accepted as vital components of the approach whether or not services described them as family intervention.

Overall, the programme has provided a huge boost to family intervention practice, 'enabling key workers to work intensively with all family members, to dig deeper than other professionals and to get to the roots of deeply entrenched problems, understand the whole family more effectively, being more closely aligned with partners, taking a more assertive and challenging approach and incorporating training and employment as part of the intervention'<sup>16</sup>.

The scaling up of family intervention practice has led to some concerns about the fidelity to the family intervention model particularly where families have less intense needs or where support was delivered by a 'lead' worker (who typically took on case responsibility in addition to other responsibilities) rather than a key worker (where working with families is a core responsibility). There were wide variations in practice across local authorities. This may have been a product of the pace of expansion in service capacity.

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<sup>15</sup> *Ibid.*

<sup>16</sup> *Ibid.*

# What lessons have we learned from the first Troubled Families Programme?

## Was a target of 120,000 the right approach?

The Programme has been subject to criticism for using the estimate of 120,000 families which was used as the 'target' figure for the programme. The data was based on the best estimate available at the time of the number of families with multiple problems. There could be no more accurate estimate of families with multiple problems because of the extremely limited data available at family level, precisely because services did not address problems from a whole family perspective.

Those who have sustained a critical focus on the derivation of the 120,000 figure, however, risk missing the wider and more important point. The figure served as a realistic estimate which could be used as a basis for agreements with local areas on their local targets. Those local services then identified the real families, their names, addresses and real problems - not notional numbers from surveys. It provided a launch-pad for the programme and provided focus, drive and structure for the programme.

### **Lessons learned for the new Troubled Families Programme**

With the benefit of a greater understanding of the range and types of problems likely to be faced by families with complex needs as the first programme has developed, it has been possible to draw on various data sources to form a more comprehensive estimate of the overall numbers who could fall within the criteria for the new Troubled Families Programme. The new Programme aims to support 400,000 families by 2020.

It is still the case, however, that the overall national estimate and the individual local targets are just the starting points for local services identifying and working with the real families and their real problems

## Payment by results

The evaluation found that the centrally prescribed criteria for entry onto the programme - work, crime/anti-social behaviour and truancy had made partners more 'outcome focused' and provided a structure for the programme<sup>17</sup>. The simplicity of the criteria was useful in helping to engage partners locally and it had helped drive the objective of working with families at scale. This is hugely important given the intention to take a much more systematic approach to working with complex families.

However as the programme evolved, some local authorities became frustrated that they could not bring all of the families they wanted to into this programme. For example, the

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<sup>17</sup> *Ibid.*

programme's inbuilt bias towards helping families with school age children meant those with younger children were not a priority. Families suffering from domestic abuse, which often drove multiple responses from agencies did not fit neatly into the programme structure, though we know from the independent evaluation's family monitoring data that nearly a third of families were reported to be experiencing issues of domestic/familial violence<sup>18</sup>.

There have been criticisms that payment by results would incentivise authorities to stop working with families once they had claimed a results payment. No requirement was placed on areas to report on progress post claim, however the independent evaluation highlights how local authorities developed 'exit plans' and step down processes for families once their cases were closed<sup>19</sup>. The intention of the programme was to find ways to work with families that would reduce dependency on public services. Given the complexity of the families, closing cases precipitously at the point of the claim would be counter-productive. The strongest financial incentives (outweighing the PBR payments per family) were for local agencies to achieve reductions in demand for costly reactive services in the short, medium and long terms and hence alleviate budget pressures.

The contractors for the independent evaluation have suggested that the programme's PBR scheme risked paying for 'deadweight' i.e. made payments for successful outcomes that would have been achieved anyway without the programme's support<sup>20</sup>. They suggest that the PBR scheme provided an incentive for local authorities to make claims for families where no specific new intervention had been necessary to achieve the required outcomes and suggest this may account for why their impact study failed to detect attributable impact. This suggestion does not stand up to scrutiny. Firstly, as explained earlier in this report, ample provision for deadweight was made in the PBR funding arrangements – meeting 40% of estimated cost for 5/6ths of claims made and not paying anything for 1/6th of claims. The strongest incentive for local agencies was the anticipated reduction in the demand for their services that achieving successful outcomes with their families would bring.

Secondly, the evaluation has amply demonstrated the significant multiple problems and challenges that families engaged on the programme faced – in no way confined to simply those of the eligibility criteria. That truanting children, for example, in families where truancy was but a symptom of wider family problems that might include mental ill health, familial violence and criminality would return to, high levels of school attendance sustained for three terms without any specific additional support being offered, seems unlikely. These families had often been the recipients of years of interventions, often resulting in very little change, and with a high cost to the taxpayer. We know from the evaluation that the programme drove service transformation, helped identify families who would otherwise have slipped through the net, and enabled local authorities to scale up the way they worked with families through new or expanded services or teams. Almost nine in ten families (86 per cent) reported that the Troubled Families keyworker's involvement had

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<sup>18</sup> Whitley, J. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Family Monitoring Data*. London: Department for Communities and Local Government.

<sup>19</sup> White, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Process Evaluation*. London: Department for Communities and Local Government

<sup>20</sup> Day, L. et al (2016) *National Evaluation of the Troubled Families Programme; Final Synthesis Report*. London: Department for Communities and Local Government

been very (66 per cent) or fairly (20 per cent) helpful. The difficulties faced by the evaluation of attributable impact and the likely reasons for its findings are discussed below.

### **Lessons learned for the new Troubled Families Programme**

The new programme includes more local discretion and flexibility in the eligibility criteria beyond anti-social behaviour, crime and school attendance so that local authorities can work with a broader range of families and prioritise families based on local need.

The programme retains a focus on outcomes across a wider range of problems. However, rather than prescribed national outcomes of work, school attendance and crime/anti-social behaviour, outcomes are set locally in local Troubled Families Outcomes Plans and reflect local priorities, such as improving school readiness or reducing domestic violence. Local authorities working across a range of headline problems must make significant and sustained progress against all the problems that a family is experiencing.

## **Data**

The independent evaluation found that the programme has driven significant improvements in data sharing<sup>21</sup>. Regulations created a new legal gateway enabling Job Centres to share data with local authorities about the employment status of families. Police and youth offending teams and schools were encouraged to bring their data together to build a clearer picture of a family, their problems and the services they were working with. There were also improvements in the quality of data collection and information sharing locally. Pooling data from different services about families revealed service duplication in some cases.

However there remain significant problems and complexities involved in data sharing. The evaluation highlights the challenges that existed around the quality and collection of data both at the outset and throughout the programme and the quality of locally available data in particular has also had an impact on the overall evaluation as described below.

### **Lessons learned for the new Troubled Families Programme**

Accurate and relevant data is vital to the delivery of the programme, to understand families better, to measure progress and outcomes as well as to aid understanding of costs and benefits. The independent evaluation revealed weaknesses in local data quality. The new payment structure for local authorities in the new Troubled Families Programme makes more grant funding available to improve both the quality and the analysis of data. The new programme also provides local areas with greater support around data and outcome measurements.

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<sup>21</sup> White, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Process Evaluation*. London: Department for Communities and Local Government



## Driving partnership working

The structure and objectives of the programme have driven partnership working and started to break down silos between professionals, for example through the creation of multi-disciplinary area-based teams. Information sharing had helped also to bring partners to the table. However the evaluation found variable levels of engagement depending on the area and also depending on the services. For example, working with health services was found to be a very significant problem and remains of concern given the levels of health problems in families.

### **Lessons Learned for the new Troubled Families Programme**

The inclusion of physical and mental health problems of children and adults as a headline problem for the new programme is designed to drive better partnerships locally. Service reform and further integration of services is a more explicit component of the new programme. Areas will not be able to work to improve the lives of 400,000 families without changing their services. Grant funding for each area (Service Transformation Grant) has been doubled to reflect the importance of service reform.

## Employment

The programme has created a greater understanding of the importance of employment and how it can help to resolve other problems a family has. The introduction of Troubled Families Employment Advisers (TFEAs: Job Centre employees effectively seconded into local authority teams) provided a new and important dimension to family intervention. TFEAs helped to break down cultural barriers faced by local authority key workers who were initially reluctant to discussing employment issues with families.

### **Lessons Learned for the new Troubled Families Programme**

Work is a clear objective of the new Troubled Families Programme and should be an aspiration for all families. This is a significant culture change for local authorities. There are now 307 TFEAs working across the country to work with the most challenging families and to help improve the skills and confidence of local authority key workers to help ensure that work is a core part of their work with families.

## Evaluation design

The complex nature of the delivery of the Troubled Families programme, including a focus on multiple problems, variation in delivery model and intervention types, and a changing external public service landscape, present a number of challenges for evaluating its achievements.

Whilst the Troubled Families Programme was underpinned by a national framework and outcomes, it was managed and delivered by 152 upper-tier local authorities, with considerable discretion afforded to local authorities in how they identified, prioritised and worked with their families. Attributing improvements in families to the programme specifically poses a particular challenge. Isolating the net impact of the programme in this way requires as a minimum a robust comparison with similar families who did not participate in the programme. Given that local authorities expected to work with all families that met the eligibility criteria, leaving no obvious control group of like-for-like families, near-eligible families had to be identified and statistical techniques used to adjust for observable differences.

The main approach to estimating impact was to use information supplied by local authorities and match that to national datasets and compare the outcomes for families receiving intervention under the programme and similar families not identified as receiving intervention. The design was ambitious and innovative and challenging. Previous family intervention evidence was based on locally-reported monitoring evidence or qualitative studies so this new method was an attempt to identify net impact using datasets held by central government departments.

A complex set of issues had to be negotiated, including data-protection considerations with key partners. By seeking to link data from multiple national administrative datasets with personal data provided by local authorities, the project was reliant on the quality of the local authority data. At the time, we were unaware of other projects that had attempted data linking on this scale, at the family level..

In addition to the major limitations imposed on the evaluation's impact study by the quality of data supplied and by the restricted time period within which changes in outcomes as measured by certain national administrative datasets might be seen, there are also significant caveats to the findings of that study arising from the nature of the comparison group. This comparison group was used to ascertain whether changes could be attributed to the Troubled Families Programme. However there is some likelihood of 'contamination' of the comparison group arising from improvements made to the services that families in that group received as a result of a 'mainstreaming' of the troubled families approach i.e. families in the comparison group and not in the troubled families programme may still have, for example, benefited from a keyworker led family intervention service striving to achieve the same outcomes. There is evidence within the process evaluation undertaken by the independent contractors to suggest the likelihood of this<sup>22</sup>.

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<sup>22</sup> White, C., and Day, L. (2016) *National Evaluation of the Troubled Families Programme. Final Report on the Process Evaluation*. London: Department for Communities and Local Government

Not being able to provide conclusive evidence of net impact is somewhat unsurprising given the experience of other social policy impact studies. Even highly manualised programmes that have been proven in other settings have often failed to attribute positive outcomes to a programme effect.<sup>23</sup> The fact that the Troubled Families programme addresses a variety of different multiple problems using flexible approaches delivered by 150 local authorities poses significant challenges to isolating the programme effect specifically.

### **Lessons Learned for the new Troubled Families Programme**

A new national evaluation of the new Troubled Families programme has been designed to address the limitations of the first evaluation and form a core part of delivery. A new National Impact Study is in place to track outcomes every six months over the course of the programme at both a national and local level. Being able to track outcomes in place from the outset of the programme and conducting analysis every six months until 2022 affords a fuller and longer appraisal of impact. Impact analysis will assess family outcomes relative to a comparison group and be based on advice from an independent external group of academics with expertise in this area. In addition, unit-costs will be applied to the changes in outcomes allowing for a consistent national and local cost-benefit analysis

Local outcomes for families will be fed back to councils through an online information system, allowing authorities to review family progress, estimate cost-savings, and make comparisons with similar authorities. In addition a new family survey interviews the same families before and after intervention to understand change in individual families as well as enabling comparison with responses to identical questions in other national surveys. The increased scale and breadth of the new national evaluation allows for a thorough, wide-ranging, and ongoing analysis that is subject to fewer constraints than the previous evaluation and forms a solid basis for assessing the impact of the programme through its course. The new evaluation also includes an extensive programme of qualitative work with local authorities, their partners, and families themselves.

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<sup>23</sup> See for example the impact study of Family Nurse Partnerships: <http://fnp.nhs.uk/randomised-control-trial>

# What does the new Troubled Families Programme look like?

The first programme created strong foundations on which to build the new programme, which was co-designed with local authorities and rolled out nationally in April 2015.

While it shares many of the features of the first programme, this is a distinct programme with a distinct set of programme aims, an evaluation that is able to inform the programme and contribute to its delivery; and a much greater level of discretion and flexibility<sup>24</sup>. However at its heart it remains about improving outcomes for families with multiple problems based on a family approach.

The new programme has three objectives:

- For families: to achieve significant and sustained progress with 400,000 families with multiple, high-cost problems.
- For local services: to reduce demand for reactive services by using a whole family approach to transform the way services work with these families; and,
- For the taxpayer: to demonstrate this way of working results in cost savings.

Every family has to have at least two of the following problems to be eligible:

- Worklessness and financial exclusion
- Poor school attendance
- Crime and anti-social behaviour
- Children who need help (including Children In Need, children with special educational needs)
- Physical and mental health problems
- Domestic violence

## Delivery

Local Authorities committed to work with an agreed total number of families over a five year period from 2015/16. They have committed to prioritise working with those families with multiple problems who are of most concern and who drive the highest reactive costs. Local Authorities must also commit to engage in ongoing service reform, evidenced through participation in the programme's national evaluation.

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<sup>24</sup> Further information provided in the Financial Framework:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/409682/Financial\\_Framework\\_for\\_the\\_Expanded\\_Troubled\\_Families\\_Programme\\_april\\_2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/409682/Financial_Framework_for_the_Expanded_Troubled_Families_Programme_april_2015.pdf)

Local Authorities and/or their partner agencies must appoint a keyworker/lead worker for each family who will manage the family and their problems. They must work towards agreed goals for every family for all of their problems. These goals are shared and jointly owned across local partners, such as the police, schools and health professionals.

The new programme allows a high level of local discretion and national flexibility. Local areas have the flexibility to identify and prioritise families of greatest local concern and cost and to commission services locally to meet families' needs. All local areas have their own local results framework (a Troubled Families Outcomes Plan) which describes the outcomes they are seeking to achieve and the measures they will use to substantiate those outcomes.

## Funding

The new programme retains a payment by results element. This is a more modest reward than that offered by the first programme in recognition of there being a broader range of needs likely to be captured through the eligibility criteria for this larger cohort. Local authorities receive an upfront £1,000 attachment fee for each family with whom they agree to work and an £800 results payment for each family with whom they achieved an outcome. Each authority receives an annual Service Transformation Grant (most local authorities receive £200,000 each year) to support local delivery of the programme.

In order to claim a results payment for a family there must have been sustained and significant progress against all of the family's problems as set out in the locally defined Troubled Families Outcomes Plan. Alternatively an adult in the family must have moved into continuous employment.

## Evaluation

The evaluation of the new programme is designed to address the limitations of the first and build on the local data infrastructure that was created by the first programme. The evaluation design has been led by DCLG, working with Ipsos MORI, the Office of National Statistics and other Government departments. An independent advisory group of leading academics provides external support and scrutiny of the evaluation.

The evaluation will measure the progress of families on over sixty outcome measures across crime, health, education, domestic abuse, employment and child-safeguarding. As part of the evaluation we are also collecting qualitative information from LAs and families about how the programme is being delivered. Ipsos MORI have conducted a survey of over 1,000 families who will be re-interviewed two years later, and which will capture improvements in families such as self-reported domestic abuse using the same measure as the Crime Survey for England and Wales.

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Report No.  
CS17065

London Borough of Bromley

PART 1 - PUBLIC

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**Decision Maker:** EXECUTIVE

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 15<sup>th</sup> November 2016

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

**Title:** HEALTH SUPPORT TO SCHOOL AGE CHILDREN

**Contact Officer:** Dr Jenny Selway, Consultant in Public Health Medicine  
Tel: 020 8313 4769 E-mail: jenny.selway@bromley.gov.uk

**Chief Officer:** Dr Nada Lemic, Director of Public Health

**Ward:** Borough Wide

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## 1. Reason for report

- 1.1 A detailed assessment of the needs of school age children in Bromley has identified some areas of risk. This paper proposes that two new services be commissioned: a health safeguarding function for school age children (including targeted safeguarding of vulnerable groups); and a new nurse led team to provide strategic health support and training to schools.
- 1.2 The new services will start from 1<sup>st</sup> April 2017.
- 

## 2. RECOMMENDATIONS

- 2.1 The Council's Executive is asked to agree:
- i) That the services be funded for a period of up to two years from the Better Care Fund up to a maximum of £606k; and
  - ii) The draw down of the funding for 2017/18 from the Better Care Fund with any funding required for 2018/19 being subject to a further report to the Executive.

### Corporate Policy

1. Policy Status: Existing policy. Existing Policy Context/Statements
  2. BBB Priority: Children and Young People.
- 

### Financial

1. Cost of proposal: Estimated cost maximum £606k over 2 years
  2. Ongoing costs: N/A. £
  3. Budget head/performance centre: Better Care Fund
  4. Total current budget for this head: £21,611k
  5. Source of funding: Better Care Fund
- 

### Staff

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

### Legal

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

1. Estimated number of users/beneficiaries (current and projected): 60,000 (population of 5-19 year olds living in or attending school in Bromley)
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: None



### 3. Estimated Contract Value

3.1 £606k FYE (£303 k in 2017/18; £303k in 2018/19)

### 4. Current commissioning arrangements

4.1 The current arrangements are detailed in Table 1 below:

**Table 1. Current commissioning arrangements 2016-17**

<b>Contract</b>	<b>Annual Value £000 p.a.</b>	<b>Contract period</b>
School Nursing	957	April 2013 to March 2017
<b>Total</b>	<b>957</b>	

### 5. COMMENTARY

5.1 Since the decision in February 2016 not to reprocore the current School Nursing service from April 2017, work has been ongoing to identify and prioritise the ongoing health needs of school age children and to determine appropriate services to meet those needs. Officers were asked to conduct a Risk Assessment and a Child Wellbeing Needs Assessment. This work was led by Public Health and involved key partners within the Council (Directors of Education, Children's Social Care and Commissioning) and Bromley CCG. Schools were able to contribute to the work through the Emotional Health Forum, a subgroup of the Secondary Head Teachers group.

5.2 The full key findings of the needs assessment are the subject of a separate report; the executive summary is attached to this report at Appendix 1. In terms of the risk assessment around the health needs of school age children the following key issues were identified:

- Community and hospital services indicate that young people in Bromley have a high level of need for support around self harming behaviour. A brief survey of emotional health concerns in secondary schools in Bromley in 2015 confirms this.
- A quarter of young people in contact with the Youth Offending Service (YOS) have health needs.
- Vulnerability and safeguarding concerns in Electively Home Educated (EHE) children and young people may not be identified. This is of particular concern for young people who may be EHE for longer periods of time.
- There appears to be significant under-reporting or lack of identification of Child Sexual Abuse (CSA) and Child Sexual Exploitation (CSE) in Bromley, particularly by health services.
- At least 200 children and young people with complex health needs but no EHC Plan or Statement require support to attend school, and this number is increasing.
- The predicted increase in the number of Unaccompanied Asylum Seeking Children (UASC) will require support from health as well as social care agencies.

5.3 Officers consider that an on-going Safeguarding Nursing Support function is critical to address these issues which if not addressed, may impact on the Council's response to Ofsted inspection.

5.4 A recently published report by Ofsted, HM Inspectorate of Probation, HMIC and CQC, "Time to listen – a joined up response to child sexual exploitation and missing children", September 2016, outlined findings from five joint targeted area inspections. This document gives an indication of the expectations of Ofsted and the other agencies:

- Some of the issues identified, such as the inability of school nurses to provide safeguarding services, were a consequence of professionals not having the time to engage effectively with children. School nurses are one of the key frontline professionals who can make a difference to children's lives. When well trained and resourced, school nurses are ideally placed to identify risks of child sexual exploitation. Ofsted has already made clear public statements about the impact of social worker caseloads on their ability to do the job. These joint inspections have found similar challenges for health professionals. Where staff do not have the time to work with children and young people, we cannot expect risks to be mitigated effectively.
- The 'Ofsted social care annual report 2016' set out the following year's priorities, which included children who go missing, care leavers and children who have disabilities. Between now and December 2017, Ofsted will complete its single inspection of all local authority children's services. These inspections will continue to place a key focus on child sexual exploitation and children missing from home, care and school. Ofsted is currently consulting on the future of children's social care inspection. We are clear that whatever the future model of inspection, the vulnerability of these children will continue to have a clear and unrelenting focus.

5.5 In view of this the Council has two options:

**Option 1** Do Nothing - acknowledging the risks identified by officers around having no health safeguarding support for children aged 5-19 years.

**Option 2.** To support the development of a Strategic Health Team and Safeguarding Nursing Support team during 2017/18 and 2018/19 providing:

- Safeguarding Nursing to ensure that specific vulnerable groups are appropriately safeguarded
- Strategic Health Support Team which would provide strategic health support to schools to minimise the risks of children with health conditions in schools not being adequately supported

5.6 This paper proposes that Option 2 be progressed which provides a new delivery model to address the specific needs set out in para 5.2. If these needs are not met there may be an increased risk of harm to the children and young people in these groups. During the first year both functions will be fully evaluated and discussions will be held with schools to establish how they can become self sustaining in respect of health input and how these services can be funded beyond the initial period.

### **Safeguarding Nursing support**

5.7 This team will include specialist nursing support to some of the most vulnerable groups in Bromley as identified by the Needs Assessment.

It is proposed that a specialist Safeguarding Nursing Team is commissioned to provide support to young people accessing the Youth Offending Service (YOS) or children who are electively home educated (EHE), and that this team develops expertise in the needs of Gypsy Traveller children and young people. The Safeguarding Nursing Team will work closely with the Children Looked After (CLA) nursing team commissioned by Bromley CCG (BCCG). The CLA nursing team has a nurse allocated to the over 16 years CLA, and this role would be most suitable to support the unaccompanied asylum seeking children (UASC).

A key role of the Safeguarding Nursing Team will be to increase identification, assessment and appropriate support to young people who have suffered sexual abuse or exploitation (CSA/CSE).

This team will also provide health input to all safeguarding processes for children aged 5-19 in Bromley. This will include supporting schools and other setting in assessing concerns, and attending case conferences, core group meetings and Child in Need meetings.

The Safeguarding Nursing Team will work closely with existing teams commissioned by or provided by the Council, including the Children Looked After and Care Leavers team, Youth Offending Service, the Early Intervention and Family Support team, and the Education Welfare Officer team (for Electively Home Educated children).

An indicative structure for the Safeguarding Nursing Team would be 1.0 WTE Band 7 nurse to provide support to vulnerable groups (including YOS, EHE and GT) and 2.3 WTE Band 6 nurses to provide general safeguarding support.

### Strategic Health Support to Schools

- 5.8 This new team will work at a strategic level, providing senior nursing support to the Assistant or Deputy Head Teacher (secondary schools) or Head Teacher (primary schools) in order to reduce the risks to schools of looking after pupils with medical conditions, including emotional health conditions.

The senior nurse will jointly review with the Assistant Head/Head Teacher the health needs in each school (including pastoral needs, SEN, and safeguarding needs). This overview will inform training and support needs in the school and provide an opportunity for strategic nursing advice to each school, and also identify health needs in the borough which can be used to improve commissioning of child health services (in conjunction with the CCG). This model of working involves each school clearly leading on this agenda but with appropriate strategic nursing support to minimise risks to the school and the young people.

An indicative structure for the Strategic Health Support team would be:

- 1 WTE Band 8a: Strategic support to secondary schools + support to School Partnership Board
- 1 WTE Band 7: Strategic support to primary schools
- 1.4WTE Band 5: 0.4WTE role to advise schools on PSHE/SRE
- 1.0WTE role to deliver training to schools for Epipen etc

### 5.9 Outcomes

Function	Quality indicator	Metric	Monitoring
Strategic support to schools	The Strategic nurse to meet with senior school lead at least fortnightly: 1. Secondary school – single school 2. Primary school – groups of up to 5 schools	Senior Nurse to attend all meetings	Quarterly monitoring
Healthcare Plans in place	Strategic Health Team (SHT) to ensure all CYP with medical needs have an up to date Healthcare Plan in place. Database of all Healthcare Plans to be maintained by SHT, with appropriate timescales, and specialist input as necessary.	Database audited every quarter. 95% of Healthcare Plans to be up to date	Quarterly monitoring
School training	Training needs identified and delivered in timely fashion.	Database to include training needs identified and training delivered	Quarterly monitoring

SHT input to YOS, GT, & EHE	To be developed with each team.		
PSHE/SRE	SHT to audit PSHE/SRE in all schools at least once a year.	Schools audited for PSHE/SRE	Annual monitoring
Safeguarding – pro-active support of vulnerable groups	1. Identification of vulnerable children in schools, A&E, youth services, third sector 2. Termly meeting with vulnerable school age pupils in school	1. Number of children identified and assessed 2. Quarterly report by school	Quarterly monitoring

## 6. POLICY IMPLICATIONS

- 6.1 The proposal set out in this report is consistent with current policy and is in line with the proposal for the Council's Public Health budget for 2017/18.

## 7. FINANCIAL IMPLICATIONS

- 7.1 Current expenditure on School Nursing is £957k annually. The financial implications of the proposals in this report are shown below. The cost would be a maximum of £606k (£303 in 2017/18 and £303K in 2018/19).

As set out in section 5 officers consider that a Do Nothing option would leave the Council exposed to risks around safeguarding of children. The cost of establishing a Strategic Health Team and Safeguarding Nursing Support is detailed in the table below. These costs are based on the indicative team structures suggested above and in accordance with national NHS pay scales.

Service	2017/18	2018/19	2019/20
	£000s	£000s	£000s
Safeguarding Nursing Support	148	148	Subject to business case
Strategic Health Team	155	155	0
<b>Total</b>	<b>303</b>	<b>303</b>	<b>TBA</b>

- 7.2 As these proposals are designed to address the health needs of school age children for whom both the Council and BCCG have a joint responsibility it is proposed that the development of the Strategic Health Team and Safeguarding Nursing Support is funded from Better Care Fund for a period of up to two years. The new model will be fully evaluated in year one to assess its effectiveness and value to schools. Discussions will take place with schools during 2017/18 to establish a sustainable funding model.
- 7.3 Pending the evaluation and proposals for future service and funding, at this point the Executive is asked to agree the draw down of the first year of funding (£303k) from the Better Care Fund. Any funding required for 2018/19 will be subject to a further report to Executive based on the first year evaluation.
- 7.4 BCCG have expressed their support for the proposal.

## 8. LEGAL IMPLICATIONS

- 8.1 **Section 17 of the Children Act 1989** gives local authorities a general duty to safeguard and promote the welfare of children in need in their area.
- 8.2 **Section 10 of the Children Act 2004** provides that the local authority must make arrangements to promote co-operation between the authority and relevant partners (including the governing body of a maintained school, the proprietor of an academy, clinical commissioning groups and the NHS Commissioning Board) with a view to improving the wellbeing of children, including

their physical and mental health, protection from harm and neglect, and education. Relevant partners are under a duty to co-operate in the making of these arrangements. Local authorities should work with schools to support pupils with medical conditions to attend full-time.

**9. PERSONNEL IMPLICATIONS**

9.1 There are no personnel implications for LBB.

**10. PROCUREMENT IMPLICATIONS**

10.1 In order to ensure that there is no gap in the provision of the safeguarding function it is intended that the new services be in place from 1<sup>st</sup> April. Officers are working with the Council’s Legal and Procurement teams to ensure that this can be achieved.

**11. CUSTOMER PROFILE**

11.1 A detailed Needs Assessment of the child population of Bromley is set out in the full Needs Assessment, the executive summary of which is attached at Appendix 1.

**12. STAKEHOLDER CONSULTATION**

12.1 The proposal for Strategic Nurse support to senior staff in secondary schools has been developed in response to discussions in the Emotional Health Forum over the last two years. It is recognised that schools have responsibility for the care of children with medical needs in their school as well as those with safeguarding, pastoral and mental health needs. For some children they will have needs in more than one of these domains. The schools already have information about all of these groups in their school but lack strategic health input into the pro-active management of their needs and minimisation of risks. The strategic nurse role will also bring to the school information about attendance at A&E of any children in their school, and this information will also be considered together with information the school has for those children in order to optimise the assessment of need and ongoing support these children may need.

12.2 The joint safeguarding team has been discussed with the Chief Officer, the Director of Quality and the Designated Nurse for Safeguarding in Bromley CCG.

**13. SERVICE PROFILE / DATA ANALYSIS**

13.1 See Appendix 1

**14. MARKET CONSIDERATIONS**

14.1 See Section 10

**15. OUTLINE CONTRACTING PROPOSALS & PROCUREMENT STRATEGY**

15.1 In order to ensure that there is no gap in the provision of the safeguarding function it is intended that the new services be in place from 1<sup>st</sup> April 2017. Officers are working with the Council’s Legal and Procurement teams to ensure that this can be achieved.

<b>Non-Applicable Sections:</b>	N/A
Background Documents: (Access via Contact Officer)	

## CHILD WELL-BEING NEEDS ASSESSMENT: EXECUTIVE SUMMARY

This report describes the population of children and young people aged 0-18 in Bromley in terms of size of population and the ethnic make-up of that population, together with estimates of projected changes to that population.

The report then describes how prevention could affect the health and wellbeing of the children and young people of Bromley. Prevention can be primary, secondary or tertiary.

Primary prevention aims to prevent a problem before it occurs by identifying families within the population who are more likely to suffer poor outcomes for their children. Section A uses evidence to identify risk factors in families in Bromley.

Secondary prevention aims to identify a potential or emerging problem in a child or young person at an early stage in order to minimise the impact of that problem. Section B reviews what we know about emerging health, education and social care needs of children and young people in Bromley. This section will focus on children with identified low level needs, for example those known to Children's Social Care from Early Intervention Family Support or those identified as having Special Educational Needs but who do not have a statement or EHC Plan.

Tertiary prevention aims to minimise the impact of a known need.. Some information about tertiary prevention will be set out in Section C. Information in this section will include those CYP known to the school nursing service as needing an individualised Healthcare Plan in school, those children with EHC Plans or statement of SEN, Looked After Children and young people known to the Youth Offending Service, and those on a Child Protection Plan.

### Key findings on demography

- The greatest population growth 2015 to 2025 will be in secondary school age children.
- Certain wards have a higher concentration of ethnic minorities than others. The North-West of Bromley has the highest proportion of ethnic minority population and the North-East of the borough has the highest proportion of Gypsy Travellers, in particular the wards of Cray Valley East and West.
- There may be a higher disease burden due to the increased risk amongst certain BME groups, and evidence suggests a lower life expectancy amongst Gypsy Travellers as well as higher prevalence of long term illness.

### Key findings from Section A: Risk factors in families in Bromley

- Mental health issues in parents in Bromley is at least as common as national rates
- Illness and disability of parents is of concern, especially in areas of higher deprivation
- Smoking in pregnancy is more common in Bromley than in London, and is particularly high in pregnant young people under the age of 20 and pregnant women in routine and manual occupations.
- Recorded drug and alcohol misuse in Bromley is below the national average. However the proportion of pregnant women in substance misuse services and hospital admissions for substance misuse are both higher than national and London averages. These should be reviewed after an update of the data in 2016.
- Domestic violence is recorded more frequently in Cray Valley wards and Mottingham and Chislehurst North
- Homelessness of families with children is higher than national rates. There are increasing numbers of households with children residing in temporary accommodation and outside Bromley
- Families affected by unemployment, housing and financial difficulties and require support are more likely to live in the Crays, Mottingham or Penge
- Teenage pregnancy rates are reducing significantly, although still more frequent in areas of higher deprivation. Late booking for antenatal care in pregnant teenagers is of concern.

### **Key findings from Section B: Emerging health, educational and social care needs**

- The distribution of children with Special Educational Needs across the borough is higher in some wards, notably the Cray Valley wards, Bromley Common and Keston, Orpington, and Plaistow and Sundridge.
- Smoking rates in young people in Bromley are higher than London and national rates.
- Young people between 15 and 24 years old continue to have the highest rates of new STIs. Males of all ages are more affected by new STIs than females
- Of the 90 young people in treatment in Bromley in 2014-15, 70% were using two or more substances (this may include alcohol) and 97% began using their main problem substance before the age of 15 years.
- Nearly a third of children in Year 6 in Bromley are either overweight or obese. Pupils obese in reception year were more likely to remain obese at year 6 in Crystal Palace, Mottingham and Chislehurst North, Cray Valley East and Cray Valley West
- Some wards have a higher proportion of children living in families who are receiving support: Biggin Hill, Cray Valley West, Plaistow and Sundridge, and Mottingham and Chislehurst North
- Community and hospital services indicate that young people in Bromley have a high level of need for support around self harming behaviour. A brief survey of emotional health concerns in secondary schools in Bromley in 2015 confirms this.
- A quarter of young people in contact with the YOS have health needs.
- The number of exclusions of primary school pupils is very high.
- There is no data on LGBT in young people in Bromley, although this is a known risk factor for several adverse outcomes in this age group.
- Vulnerability and safeguarding concerns in EHE children and young people may not be identified. This is of particular concern for young people who may be EHE for longer periods of time.
- There appears to be significant under-reporting or lack of identification of CSE in Bromley, particularly by health services

### **Key findings from Section C: minimising the impact of a known need**

- At least 200 children and young people with complex health needs but no EHC Plan or Statement require support to attend school, and this number is increasing.
- Compared to similar areas there are higher rates in Bromley of children with speech, language and communication needs, children with severe, profound and multiple learning difficulties, and pupils on the autistic spectrum. Pupils with behavioural, emotional or mental health needs are more likely to attend independent schools
- Some indicators, for example on substance use in Bromley Looked After Children, are reassuring. Others raise concerns:
  - Exclusions from school and persistent absence of Bromley LAC are higher than statistical neighbours, London and national data.
  - The proportion of LAC who are Not in Education, Employment or Training is also higher than comparators. This may be due in part to the relatively high rates of LAC with Special Educational Needs in Bromley.
  - The proportion of LAC who have been convicted or subject to a final warning or reprimand during 2014 was also higher than comparators, although the numbers are small.
  - The predicted increase in the number of UASC will require support from health as well as social care agencies.
- Initial contacts to assessments by children's social care services have begun to level off and in the case of referrals decrease significantly based on levels prior to 2011. This is likely to be due to the success of the targeted approach of the MASH service

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Report No.  
CS17066a

## London Borough of Bromley

### PART 1

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**Decision Maker:** EXECUTIVE

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 15<sup>th</sup> November 2016

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

**Title:** CARELINK (INCLUDING TELECARE) SERVICE - UPDATE

**Contact Officer:** Alicia Munday , Programme Manager - Commissioning  
Tel: 020 8313 4559 E-mail: [alicia.munday@bromley.gov.uk](mailto:alicia.munday@bromley.gov.uk)

**Chief Officer:** Lorna Blackwood, Director of Health Integration Programme

**Ward:** Borough-wide

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#### 1. Reason for report

1.1 This report updates Members on the tendering of the CareLink (including Telecare) service. As the tender did not result in a recommendation for award this report recommends that the Council competitively tenders the contracted elements of the existing service and retains the response service in-house.

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#### 2. RECOMMENDATIONS

2.1 The Care Services PDS Committee is asked to note and comment on the contents of this report prior to the Council's Executive being requested to:

- i) Approve option 3, that the supply, installation and maintenance of equipment are competitively tendered for a 3 year contract with an option to extend at the Portfolio Holder's and Chief officer's discretion for a further 2 years, and the response service is retained in house on a formal trading account;
- ii) Agree to continue the spot purchasing arrangements with Red Alert Telecare Ltd for equipment installation services, pending the result of competitive tendering; and,
- iii) Agree to extend the current contract with Tunstall Healthcare (UK) Ltd for the supply of equipment, for up to 1 year, pending the result of competitive tendering.

### Corporate Policy

1. Policy Status: Existing Policy: Commissioning Programme
  2. BBB Priority: Excellent Council Supporting Independence:
- 

### Financial

1. Cost of proposal: n/a
  2. Ongoing costs: n/a
  3. Budget head/performance centre: 832700/701/900
  4. Total current budget for this head: £86k
  5. Source of funding: Core
- 

### Staff

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

### Legal

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

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected):  
500 per year current; 800 per year projected
- 

### Ward Councillor Views

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

### 3. BACKGROUND

- 3.1 CareLink is a community alarm and response service across the Borough. The service employs 29 staff (8.71FTE) and supports an average of 1,700 service users at any time. The service provides a response for older and vulnerable residents via an alert activation 24/7 hours per day. Whilst the service is not a statutory service, it supports the Council in delivering its statutory duty under the The Care Act 2014 to support and promote wellbeing as well as to help support people to remain as independent as possible in their home.
- 3.2 The service is available to social care clients as part of a financially assessed service, as well as self-funding clients who meet the eligibility thresholds within the Social Care Act .
- 3.3 The service is currently delivered via a mix of in-house staff (response and installation of equipment) and contracted services for the supply of equipment and call monitoring functions. The full breakdown of contracted services is included in para 4.6.
- 3.4 In July 2013 (report No. Report CS13017), Executive approved the recommendation to commence market testing the last remaining in house Direct Care Services. This tender included a range of adult services, including Extra Care Housing, the Community Alarm service and the Reablement Service as one “lot” of services. Following the tender, which did not result in an award of contract, Members agreed to the three services being tendered separately (Report No. CS14122).
- 3.5 The Part 2 report details the result of the tender process.
- 3.6 As a result of this there are three options going forward, outlined in Section 5 of this report.

### 4. CURRENT SERVICE INFORMATION

- 4.1 The current service supports circa 1,700 residents per year, this is split between 713 social care clients (those receiving the service as part of an assessed package and potentially financially supported by the adults social care budget) and circa 1,000 self-funding clients.
- 4.2 There are approximately 5,308 alarm activations per month, with approximately 300 requiring a mobile response, i.e. an attendance of staff to support the service user.
- 4.3 The service also supports more sophisticated telecare equipment in addition to the basic alarm such as bed sensors, fall detectors etc. to trigger support.
- 4.4 The Council staff deliver the response function of this service, as well as organise installations/removals of the alarm devices, battery checks/replacements and service user information updates. Other elements of the service are provided by external contractors,
- 4.5 The Part 2 Report details the current commissioned elements of the service, including suppliers and costs. It is recommended that these contracted elements of the service are competitively tendered, with appropriate contract monitoring put in place.

### 5. DELIVERY OPTIONS

- 5.1 The Part 2 report details the 3 options, including why Option 3 is recommended.
- 5.2 **Option 1** – Re-tender the whole service
- 5.3 **Option 2** – Withdraw from the service
- 5.4 **Option 3** – Competitively tender the existing contracted elements of the service, and continue to deliver the response service in-house.

## **6. MARKET CONSIDERATIONS**

- 6.1 There is a competitive market for community alarm and telecare services, and many local authorities have secured organisations to deliver these services on their behalf. The Part 2 report details why the market has not responded on this occasion.

## **7. CUSTOMER PROFILE**

- 7.1 The service is split between social care assessed clients and those clients that self-fund. Typically clients using the services are elderly frail. Clients must meet the VAT exemption criteria under the Chronically Sick and Disabled Act (1970).

## **8. SUSTAINABILITY/IMPACT ASSESSMENTS**

- 8.1 The recommendation has been judged to have no negative impact on local people and communities.

## **9. PROCUREMENT STRATEGY & CONTRACTING PROPOSALS**

- 9.1 Please see section 5 of this report.

## **10. POLICY IMPLICATIONS**

- 10.1 CareLink contributes to the Council's policy to support people to maximise their independence and be able to live as independently as possible in the community. The market testing continues to be in accordance with the Council's Corporate Operating Principles to determine who is best placed to deliver services.

## **11. FINANCIAL IMPLICATIONS**

- 11.1 This is included in the Part 2 report.

## **12. IMPACT ON VULNERABLE PEOPLE AND CHILDREN**

- 12.1 The CareLink service support vulnerable adults. The recommendation assumes that there will be no change to the service being available.

## **13. LEGAL IMPLICATIONS**

- 13.1 This report seeks to update Members on the tendering of the CareLink (including Telecare) service, and recommends that the Council competitively tender the contracted elements of the existing service and retain an in-house response service.
- 13.2 The Council have complied with the Council's Contract Procedure Rules and Public Contracts Regulations 2015. The total value of the contracted element of the existing service is circa £95k per annum and will need to comply with the above as appropriate.
- 13.3 Section 38 Local Government(Miscellaneous Provisions) Act 1976 allows sale of spare computer capacity on terms on which the authority considers that a person other than a local authority could reasonably be expected to provide the facilities or services in question.

## **14. PERSONNEL IMPLICATIONS**

- 14.1 The current service employs 29 staff (8.71 FTE). As indicated in previous reports staff and representatives have been updated throughout the process. The market testing of these

services has been ongoing since 2011 following the publication of the Departmental Business Plan which outlined the services identified for market testing. It is noted that staff and trade union representatives continue to raise the uncertain climate that staff operate in.

14.2 If Members agree to the recommendations in this report, i.e. to competitively tender the existing contracted elements of the service, and continue to deliver the response service in-house, staff and their representatives will be updated as appropriate.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	Adults Social Care Report CS13017 Adult Social Care Update Report No. CS14122)

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Report No.  
CS17055

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** EXECUTIVE

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 15<sup>th</sup> November 2016

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

**Title:** DRAWDOWN OF HOMELESS CONTINGENCY NEEDS GRANT

**Contact Officer:** Sara Bowrey, Assistant Director: Housing  
Tel: 020 8313 4013 E-mail: sara.bowrey@bromley.gov.uk

**Chief Officer:** Assistant Director: Housing (ECHS)

**Ward:** Borough-wide

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1. Reason for report

- 1.1 To update Members on homelessness pressures during 2016 and the range of initiatives being undertaken to try and reduce the rising budget pressures wherever possible.
- 1.2 To request drawdown of £760k from the central contingency for homelessness and welfare reform pressures.

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2. **RECOMMENDATIONS**

- 2.1 The Care Services PDS Committee is asked to consider the content of this report and recommend that the Council's Executive release £760k of the contingency set aside to offset the current homelessness and temporary accommodation budget pressures.
- 2.2 The Council's Executive is asked to:
  - i) Release £760k set aside in the central contingency for homelessness and welfare reform pressures;
  - ii) Note the current pressures being faced, mitigating actions underway and the likely budget impact going forward;
  - iii) Support submission of a bid to assist in preventing homelessness under the recently announced homelessness prevention trailblazer funding; and,
  - iv) To note and agree the procurement considerations set out in Section 8 to Report CS17055.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Statutory duties under homeless legislation mean providing accommodation to some of the most vulnerable members. Current policy seeks to ensure the provision of support to vulnerable adults and young people to prevent homelessness wherever possible or assist in securing alternative accommodation suitable to their needs.
- 

### Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Children and Young People Supporting Independence:
- 

### Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs::
  3. Budget head/performance centre: Temporary Accommodation
  4. Total current budget for this head: £4,090,070
  5. Source of funding: EC&HS approved 2016/17 revenue budget
- 

### Personnel

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

### Legal

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

### Procurement

1. Summary of Procurement Implications:
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): More than 5,500 households approach each year facing housing difficulties which threaten to render them homeless. There are currently 1,348 homeless households in temporary accommodation to whom the Council owes a statutory duty, of which 749 are in costly forms of nightly paid accommodation.
- 

### Ward Councillor Views

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

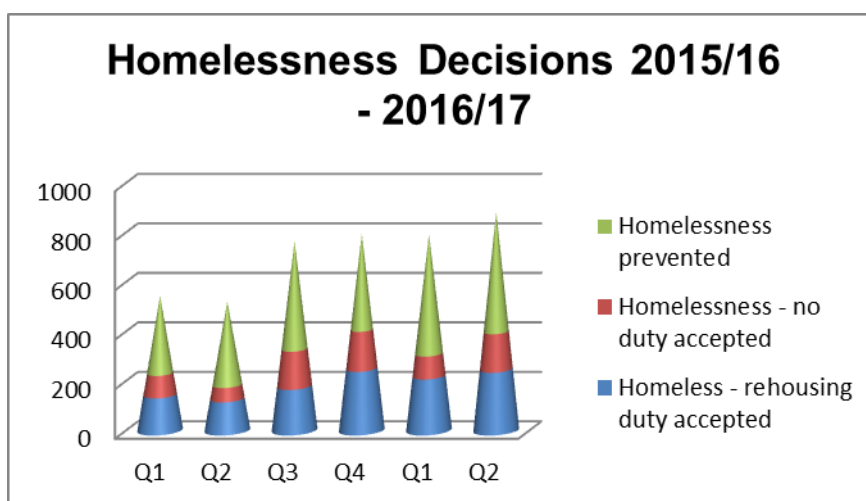


### 3. COMMENTARY

3.1 The significant gap between the need for housing that is affordable and the available supply of both social housing and affordable rented accommodation continues to increase.

#### Homeless levels

3.2 The number of approaches is now increasing in the main due to such things as the rising costs of accommodation and the latest welfare reform changes. The majority of homelessness approaches are now from households who are facing eviction from the private rented sector, as they are unable to afford current market rental prices. For low-income families with a level of dependency on housing benefit they are unable to bridge the gap between local housing allowance payable and market rents.



#### Housing market and accommodation supply

3.3 Over the past 6 years the maximum temporary accommodation rent that Bromley has been able to pay per property has been effectively been frozen and the local housing allowance has been reduced. Meanwhile rents have increased dramatically, averaging around 4% per year in Bromley.

3.4 As such there is now such a significant gap between the rental income that a landlord can achieve on the private rented market and the amount that can be paid through local housing allowance or temporary accommodation subsidy, landlords are reluctant to rent to low-income families as temporary leased accommodation or direct.

	Average Rent**	LHA (Outer SE)	Difference
<b>One Bedroom</b>	£956 pcm	£697 pcm	<b>-£259 pcm</b>
<b>Two Bedroom</b>	£1339 pcm	£858 pcm	<b>-£481 pcm</b>
<b>Three Bedroom</b>	£1626 pcm	£1050 pcm	<b>-£576 pcm</b>
<b>Four Bedroom</b>	£1924 pcm	£1394 pcm	<b>-£530 pcm</b>
<b>Five Bedroom.</b>	£3295 pcm	£1394 pcm	<b>-£1901 pcm</b>

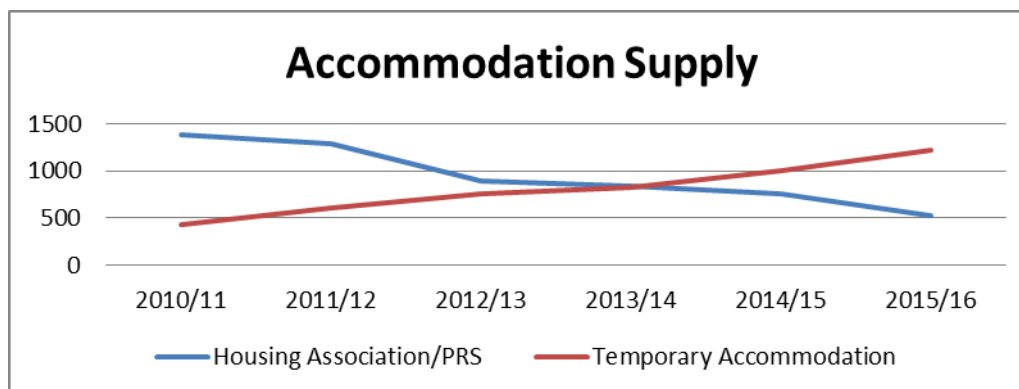
\*\*stats taken from [www.home.co.uk](http://www.home.co.uk) 28/7/16

3.5 A similar picture of affordability gap can be seen in neighbouring boroughs and many parts of the country and particularly in the South East such as Dartford and Chatham.

- 3.6 Social housing lettings have reduced both through re-lets and new build accommodation, with developing housing associations highlighting increasing difficulty in gaining sites and anticipated lower levels of new build developments going forward as a result of recent changes in development and housing association finance frameworks.
- 3.7 It is predominately this affordability gap and reduced supply of lettings that has impacted upon the level of homelessness and temporary accommodation use in Bromley. With many families effectively priced out of the market, they have little option other than approaching the local authority for assistance. As the private rented market is increasingly unaffordable, prevention or relief of homelessness via the private rented market is limited meaning that the Council is faced with more households entering temporary accommodation. Move-on options from temporary accommodation are also more limited resulting in higher use and longer length of time in temporary accommodation for statutory homeless households. This is also impacting on the ability to move care leavers and adults on from supported housing schemes once they have achieved the ability to live independently.

#### Number of households in Temporary Accommodation

2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Sept 2016
427	612	764	824	1,010	1219	1,348

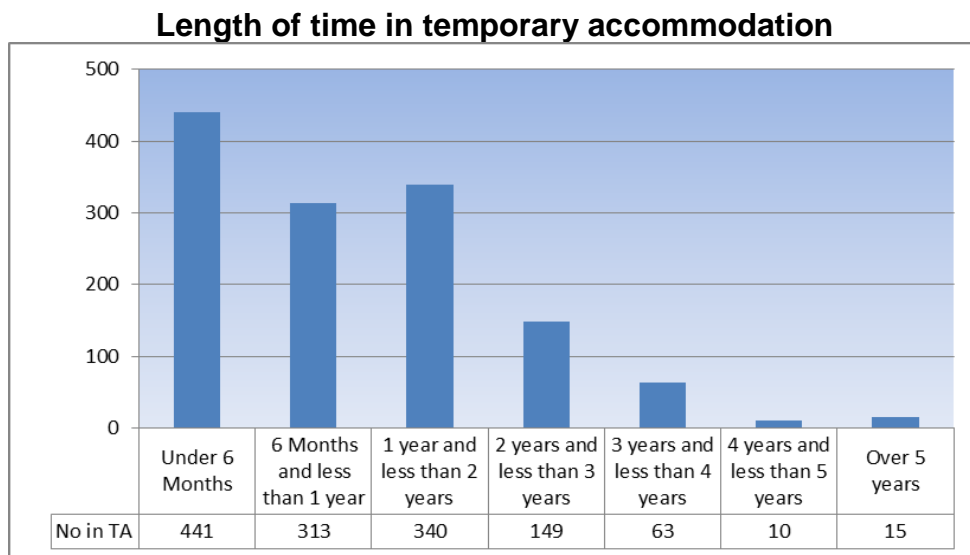
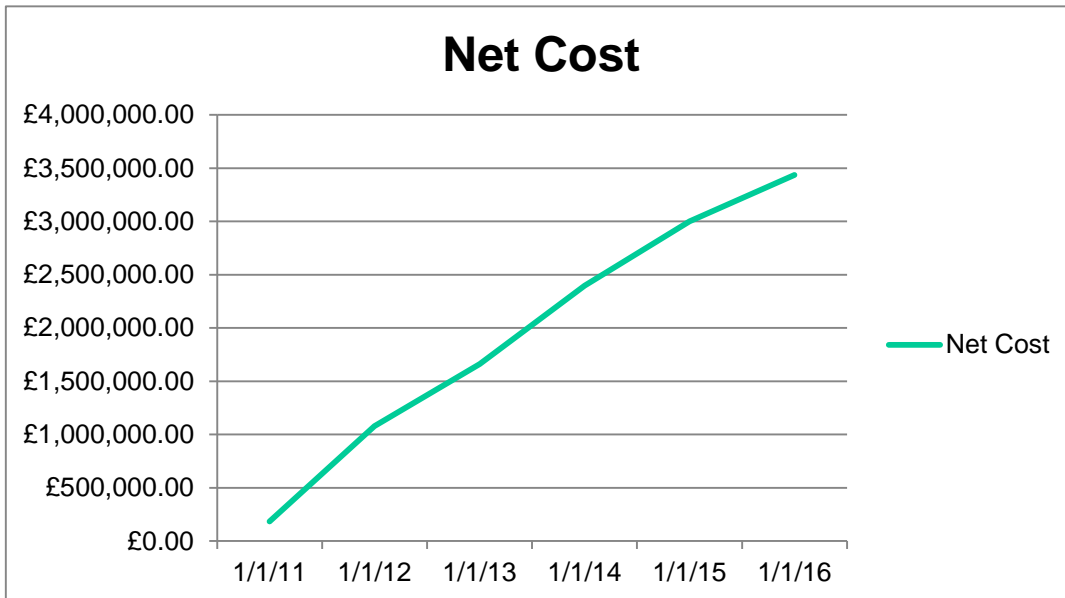


- 3.8 Many landlords are choosing to offer accommodation, that was previously let on the private rented market or as temporary accommodation as more costly nightly paid basis, effectively leaving the Council to top up the difference between benefit levels and the rates that the housing market can command.

#### Breakdown of Temporary Accommodation

Breakdown by TA Type	
Housing Association	278
Housing Association managed/leased	256
Nightly paid private sector - self contained	720
Nightly paid private sector - Not self-contained	79
Commercial hotel/B&B - not self-contained	15
<b>Total</b>	<b>1,348</b>

**Impact on the net cost of temporary accommodation:**



## Mitigating Actions

- 3.9 The Housing Division's success in delivering housing advice and homelessness prevention has helped 964 households to remain in their home or secure alternative accommodation during the first half of 2016/17. The comparative cost of placing these families in temporary accommodation would have been £558,319 per month.
- 3.10 Temporary accommodation is kept under continuous review in order to try and increase the supply of accommodation to meet the level of statutory need whilst achieving best value. During the first half of 2016/17 this has included:
- On-going work with nightly paid providers on a local and pan-London basis to try and keep rates as static as possible.
  - Securing 4 block booking arrangements with an annual saving of £207,000 against the current average costs of nightly paid provision. Work continues to secure block booking arrangements where these offer surety of supply, quality of accommodation and lower rates than individually booked units. As such arrangements require speedy responses on a 'use it' or 'lose it' basis, it is requested that delegated authority is given to the Portfolio Holder to approve such arrangements where the opportunity arises.
  - Completion of the refurbishment of Manorfields, a former residential home to create 45 units of temporary accommodation. Manorfields is now fully occupied and is on track to

produce annual savings of approximately £264K based on the comparative current average nightly paid accommodation costs for this number of households.

- Close work with private landlords and a variety of incentives has secured access to 40 privately rented units for low-income households.
- More Homeless Bromley, property purchase scheme is now operational, with the first letting due to be completed during November 2016. The scheme is expected to bring forward approximately 10 new units per month up to a maximum of 400 units over the next 3 years.
- The development of a new early intervention prevention team secured through one-off government tackling temporary accommodation grant to pilot innovative approaches to homelessness prevention at an earlier stage.
- Work across the sub-region to explore options of a dynamic purchasing system to better manage the provision of temporary accommodation. Market research and learning from existing models has informed this work with further analysis now underway to consider the options to also commission a procurement agency within the South East to increase private sector and leasing accommodation alongside the DPS framework.
- Working with developers and housing association to increase the provision of affordable new build accommodation and explore all opportunities to use any vacant units for temporary accommodation, even if on a short life basis.

3.11 In addition the government has just announced £40m additional funding to support trailblazing innovative approaches to tackle and prevent homelessness and reduce rough sleeping. Bids for a proportion of the funding need to be submitted by 28<sup>th</sup> November. Members are therefore requested to support the development of a bid in partnership with South East Boroughs to expend upon the early intervention pilot, to increase access to private sector accommodation and build resilience amongst those threatened with homelessness to prevent repeat homelessness.

### **Current Budget Position and Contingency drawdown**

3.12 The above factors mean that the total number of households in temporary accommodation is now 1,348 (excluding those placed in supported accommodation as part of a rehousing pathway).

3.13 Although pan-London arrangements have been made to try and control nightly paid rates, demand is still outstripping supply, which is forcing up prices, particularly outside of London. Even with the growth in the sector we still often struggle to find places and are increasingly forced to rely on expensive commercial hotels to meet our legal duty.

3.14 The current average cost of nightly let accommodation is as follows:

	<b>Average Annual Cost</b>			
	Landlord Charge	HB Subsidy	Personal Charge	<b>Cost to LBB</b>
Room	11,038.59	8,697.23	839.50	<b>1,501.86</b>
Rooms	22,995.00	8,121.25	1,606.00	<b>13,267.75</b>
Studio	12,040.52	9,980.88	0.00	<b>2,059.65</b>
1 Bed	14,782.74	9,619.39	0.00	<b>5,163.35</b>
2 Bed	18,006.05	11,055.91	0.00	<b>6,950.14</b>
3 Bed	20,916.10	12,152.01	0.00	<b>8,764.09</b>
4 Bed	24,486.74	16,647.81	0.00	<b>7,838.93</b>

- 3.15 Overall this brings the anticipated full year spend on temporary accommodation for 2016/17 to £14,559,39. Taking account of the maximum amount able to be charged to those households placed to offset against the cost of this provision this still leaves the Council with a net cost of £4,931,323.
- 3.16 It must also be noted that there are additional resource pressures for both the Council (Housing and Legal Services) and Liberata (for accommodation charge collection) arising from increased casework for homeless approaches, volume of temporary accommodation use and increased complaints and legal challenges that have to be dealt with. As can be noted from the table below, there has been a significant increase in Judicial Reviews, section 202 reviews and section 204 appeals placing pressure on legal resources. Increase in litigation in this area means more and more in-house legal time is used to deal with the cases as well incurring the cost of counsel and paying the other sides legal costs.

Table : Homelessness Judicial Reviews, Section 202 reviews and section 204 appeals

	2013	2014	2015	2016 (part year)
Total	2	19	26	32

- 3.17 The quality of accommodation also needs to be monitored as an increasing number of landlords appear to be trying to cash in with sub-standard and shared facility accommodation leaving the Council at increased risk of legal challenge and financial claims.
- 3.18 Shared facility accommodation has also increased the cost of removals and storage of belongings with an additional £125K budget pressure for the current financial year.
- 3.19 Members are therefore now asked to approve release of £760K from the central contingency and also to note the projected pressures for 2016 and beyond. The drawdown has been assumed on the budget monitoring report.

### Future Pressures

- 3.20 All of the above, together with research undertaken at both regional and national level reinforces the certainty that current rises in the use and cost of temporary accommodation are set to continue.
- 3.21 The following trends appear set to continue into the foreseeable futures:
- Continuing property and rental price increases against frozen benefit and temporary accommodation subsidy levels reducing access/supply of private rented and temporary accommodation unit thus increasing the number of households accommodated by the Council and funding gap needing to be subsidised and reducing access
  - Increased homeless approaches, particularly from the lowering of the benefit cap.
  - Increased concern from housing associations regarding affordability and increased refusals for nominations and/or requests for rental guarantees to take statutory homeless households.
  - Increased rent arrears resulting from universal credit and the lowering of the benefit cap.
  - Increased pressure on out of London accommodation
  - Increasing legal challenges around temporary accommodation including the type, location and length of stay

3.22 There are also a number of legislative and financial changes being implemented or proposed which could impact significantly, creating greater resource and budgetary pressures. Most importantly:

1. Temporary accommodation subsidy arrangements are currently under review. Whilst it is hoped that future arrangements may be more reflective of actual costs and offer greater flexibility arrangements have not yet been published and this creates increased uncertainty around future funding and current schemes.
2. The Homelessness reduction Bill proposes extensive changes to the statutory requirements around housing advice and prevention work and whilst the principles of early intervention are welcomed, this would place significant cost pressures on the Council to resources the additional work and temporary accommodation placements at least in the short term.
3. The recent Housing and Planning Act widens the definition of affordable housing to include starter homes. Whilst guidance is still awaited, there is a risk that this could further reduce the supply of affordable rented units required resulting in further increases in temporary accommodation use.

3.23 Taking account of current trends the table below sets out the potential impact on temporary accommodation over the next four years. It must be noted that any further increase in demand or reduction in either the level of prevention work able to be achieved or supply of accommodation would have a significant impact upon the level and cost of temporary accommodation. At this stage predictions after this point become increasingly unclear in terms of how the market may change, future levels of funding, the impact of universal credit and new legislative changes around the threshold for assistance under the homelessness provision.

**ROUGH UPDATED calculation on Current Homelessness position**

	<u>2016/17</u> <u>£000</u>	<u>2017/18</u> <u>£000</u>	<u>2018/19</u> <u>£000</u>	<u>2019/20</u> <u>£001</u>
Growth 2016/17	530	796	796	796
Universal credit spike		673	1,246	1,246
Universal Credit subsidy loss		190	380	380
Additional posts	65	175	175	175
Furniture and Storage	125	125	125	125
Growth 2017/18		750	1,000	1,000
Growth 2018/19			750	1,000
Growth 2019/20				750
Increase in rents (on all)		200	204	208
Legal costs	40	90	90	90
	<b>760</b>	<b>2,999</b>	<b>4,766</b>	<b>5,770</b>

**4. IMPACT ON VULNERABLE ADULTS AND CHILDREN**

4.1 There is no direct impact on vulnerable adults and children arising from the contents of this report. Current policy holds safeguarding as a core element within the homeless assessment process and ensures the specific needs of vulnerable adults and children are considered within

the suitability assessment of all accommodation provided in discharge of the homelessness duty as referred to in sections 5 and 7 of this report.

## **5. POLICY IMPLICATIONS**

- 5.1 The housing objectives are set out in the relevant business plans. These objectives are compliant with the statutory framework within which the Council's housing function must operate and incorporate both national targets and local priorities identified from best practice guidance, audits and stakeholders consultation.
- 5.2 The Council has an approved temporary accommodation placement policy which seeks to ensure compliance with the statutory framework for the provision of temporary accommodation meeting the requirements for suitability whilst seeking best value for money in all placements.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The provision of temporary accommodation is a high risk budget area. The financial implications are considered within the body of this report. There is sufficient provision within contingency to cover this request.

## **7. LEGAL IMPLICATIONS**

- 7.1 All local authorities have a statutory duty under part VII (as amended by the Homelessness Act 2002) to secure suitable temporary accommodation for priority homeless households.
- 7.2 Under section 188, part VII of the Housing Act 1996 local authorities have a duty to secure accommodation for homeless households that are eligible for assistance and have a known priority need pending a decision on any duty owed under the 1996 Act. This is known as the 'interim duty'
- 7.3 Local authorities also have other statutory duties including those under sections 190 and 195 of the 1996 Act to provide accommodation, help and assistance. This often means providing accommodation to some of the most vulnerable members of the community including for example those with mental health, physical disabilities and vulnerable children.

## **8. PROCUREMENT IMPLICATIONS**

- 8.1 In January 2016 the Executive agreed that the Housing Division will continue to pursue cost effective block contracts for TA both in private sector leasing and nightly paid accommodation. When Officers identify the opportunity to block book temporary accommodation at a lower rate than normal nightly paid rates it is imperative that they act quickly to secure the accommodation and the price, otherwise the properties will be offered to other authorities.
- 8.2 Such action will require formal exemption from Contract Procedure (CPR) rules as set out in CPR 3.1 and 13. In the case of block bookings for TA the formal request for exemption will be submitted to the relevant authorising officer / officers as required, but recognising that it may not be possible to complete formal exemption paperwork prior to agreement to award the contract.
- 8.3 Housing Officers will estimate the potential contract value and gain written agreement from the Chief Officer and / or Officers as set out in CPR 13 before entering into such block contracts. Records will be maintained as set out in CPR 13.2. Formal Waiver paperwork will be submitted retrospectively and reported to audit subcommittee as required.

<b>Non-Applicable Sections:</b>	Personnel
Background Documents: (Access via Contact Officer)	Gateway Report – Temporary Accommodation CS16007 LB Bromley Homelessness Strategy 2012-17 LB Bromley Affordable Housing Supplementary Planning Document EC&HS PDS and Executive Report November 2015



Report No.  
CS 17072

## London Borough of Bromley

### PART ONE - PUBLIC

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

**Ward:** (All Wards);

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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.
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### 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.

#### Background

- 3.3 In 2011/12 Bromley PCT and subsequently Bromley CCG set aside funding with the London Borough of Bromley for the development of the joint CCG/LBB out of hospital strategy and the development of community based care services. The funds were set aside under the NHS Act 2006, initially as a section 256 agreement and subsequently incorporated into a wider section 75 agreement between the two organisations. The flow of the funding between the CCG and the London Borough of Bromley was as follows:

- 2011/12: £4.995m
- 2012/13: £2.5m
- 2013/14: £1.7m
- 2014/15: £4.5m
  
- 2013/14: (£1.542m) Drawdown
  
- Total remaining funds in the Council's earmarked reserves: £12.153m

- 3.4 The intention was initially to support the development and implementation of the ProMISE out of hospital care programme with the proposed drawdown to take place over a period of three years. The CCG was however able initially to fund the continued development of the strategy through its own funds and internally generated savings.

#### Bromley CCG Financial Position and QIPP Savings Programmes

- 3.5 Each year Bromley CCG is required to set out its QIPP programme (Quality, Innovation, Prevention, Productivity) as part of its annual operating plan. The delivery of this savings programme is signed off by the CCG Governing Body and NHS England as part of the assurance process. The programme is then monitored on a monthly basis internally through the CCG Integrated Governance Committee and externally through monthly returns and monitoring meetings with NSH England. The agreed metric for delivery used by NHS England is that 95% delivery of the QIPP programme is assessed as successfully achieved. The CCG develops its planning and budgets on this basis.
- 3.6 Since its inception, Bromley CCG has a good record on the successful delivery of its savings programme as set in the table below:

Year	Plan	Actual	Variance	%
	£'000	£'000	£'000k	achieved
2013/14	10,500	10,500	0	100%
2014/15	12,010	11,860	-150	99%
2015/16	8,990	8,550	-440	95%

3.7 As at month 6, Bromley CCG is on track to meet its financial and savings targets for 2016/17 as set out below.

Month 6	Indicator	Plan £'000	YTD £'000	Year End £'000	Rating	In Month Charge
1	Underlying recurrent surplus – forecast outturn	5,911		5,911	On Track	→
2	Surplus – year to date	2,956	2,985		On Track	→
3	Surplus – forecast outturn	5,911		5,956	On Track	→
4	Management of 1% non-recurrent funds			4,215	On Track	→
5	QIPP – year to date	3,600	3,420		Moderately Off Track	→
6	QIPP – forecast outturn	8,600		8,180	Moderately Off Track	→
7	Activity trends – year to date	See Performance Report				
8	Activity trends – forecast outturn					
9	Running costs – year to date	3,628	3,624	7,249	On Track	→
10	Our cash balances are a maximum of 1.25% of drawdown at month end				On Track	→
11	We pay our bills in line with Better Payment Practice Code				On Track	→

Key: →  
No material change from last month

- 3.8 There are still risks to the delivery of this year's financial targets, particularly in respect of further acute activity increases above forecast. The forecast is also based on the assumption that CCG is able to drawdown the requested £3.5m from section 75 funds.
- 3.9 In 2016/17, three year allocations were announced for CCGs by NHS England up until 2018/19. This enabled the CCG to develop medium term financial plans and identify the scale of challenges facing the local health economy in that period. A particular point to note was the significant drop in funding for the years 2017/18 (2.2%) and 2018/19 (2.5%).
- 3.10 For 2017/18 the uplift provided is expected to fund nationally set NHS inflation of 2.1%, additional growth in demand in services, where the planning assumption is set at approximately 3%, as well as a number of Government pre-commitments – “must do” targets such as A&E performance, waiting times, mental health investment, seven day services etc.
- 3.11 The financial planning undertaken by the CCG clearly modelled that significant savings would be required for 2017/18 and 2018/19 in order for Bromley CCG to continue to meet its financial targets.
- 3.12 For 2017/18, the level of QIPP savings required will be £16.113m which represents 3.7% of the total CCG allocation and is in addition to the 2% efficiency savings imposed on NHS providers as part of the net tariff uplift. For 2018/19 the required indicative QIPP savings for the CCG will be £13.2m (3% of the CCG total allocation).
- 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.

<b>2017-18 QIPP Plan</b>	
<b>Scheme Type</b>	<b>Saving (£'000s)</b>
Planned Care & Referral Management	4,902
Admission Prevention	7,463
Medicines Management	2,000
Other	2,500
<b>Grand Total</b>	<b>16,865</b>

- 3.14 The details of the individual schemes that make up the QIPP plan are in varying stages of development, with some schemes already well advanced and others still to be worked up in detail. Schemes include ensuring that the local providers are only seeing patients when required, based on benchmarks; reviewing what procedures the CCG will fund; changing pathways to so that more services are delivered locally in the community; savings from the procurement of community services.
- 3.15 The largest area of opportunity and potential impact is around preventing emergency admissions to hospital, which is centred on the out of hospital strategy and the development of Integrated Care Networks (ICNs) involving additional investment in primary, community and social care. For these initiatives to have the required full year impact in 2017/18, significant development work has already taken place in 2016/17 to ensure that the programme has the required pace of implementation for 2017/18.
- 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.
- 3.18 Bromley CCG have indicated that the requested £7m drawdown of funds is a key enabler to provide pump priming investment and double running cover for the CCG in meeting both its £8.6m, savings target this year and £16.113m, next year on a recurrent basis

### **Out of Hospital Strategy**

- 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.

<b>Non-Applicable Sections:</b>	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.

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

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.

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**Decision Maker:** Executive

**Date:** 30<sup>th</sup> November 2016

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

**Title:** SPECIAL EDUCATIONAL NEEDS TRANSPORT: AUTHORISATION TO PROCEED TO PROCUREMENT FOR FRAMEWORK TRANSPORT CONTRACT

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**Chief Officer:** Jane Bailey, Director of Education 020 8313 4146, [jane.bailey@bromley.gov.uk](mailto:jane.bailey@bromley.gov.uk)

**Ward:** All Wards

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1. Reason for report

- 1.1 Statutory Special Educational Needs (SEN) Transport for children and young people is currently provided through a range of providers operating under a framework contract with the London Borough of Bromley. The current framework commenced on September 2015 for a duration of four years with an option to extend for a further two years (see report ED15070 for background).
- 1.2 The SEN Transport service has identified capacity and cost issues with the providers on the current framework. It is proposed to procure additional providers via a new framework contract, operating concurrently with the existing framework, to address these issues. The proposed new framework will operate within the existing budget for the service – there are no additional cost implications in operating a parallel framework, the purpose is to expand the overall provider base to support capacity and competitiveness in SEN Transport procurement.

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2. **RECOMMENDATIONS:**

2.1 The Executive is asked to:

- i. Approve the commencement of procurement for a parallel framework of providers for Special Educational Needs Transport provision.

### Corporate Policy

1. Policy Status: The service operates under an existing SEN Travel Assistance Policy agreed by members and implemented in September 2015.
  2. BBB Priority: Children and Young People and Supporting Independence:
- 

### Financial

1. Cost of proposal: £3,989,073. (Within existing SEN Transport Budget)
  2. Ongoing costs: £23,934,438. Whole life value for the six year period
  3. Budget head/performance centre: SEN transport 136586, SEN transport Schools Budget 136587 (DSG)
  4. Total current budget for this head: £3,989,073.
  5. Source of funding: RSG £3,658,740. and DSG £330,000
- 

### Staff

1. Number of staff (current and additional): 0 within budget head (3.7 FTE involved in SEN transport)
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Statutory Requirement: Education Act (1996) as amended) Special Educational Needs and Disability Act 2001
  2. Call-in: Is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): July 2016: 846 passengers accessing the service with projected demand to remain comparable.
- 

### 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 The Council has a statutory duty, Education Act 1996 (as amended) and the Special Educational Needs and Disability Act 2001, to make free home to school travel arrangements for eligible children to access their education. For Special Educational Needs (SEN) children, that meet the eligibility and distance to travel requirements, transport can be provided in the form of mini-buses and taxis – sometimes specially adapted and/or with passenger assistant support. Children may also access other types of travel support such as travel training, parental mileage reimbursement or public transport reimbursement.

3.2 Travel support in the form of mini-buses or taxis is procured by the Council through its SEN Transport Services Framework. The current framework contract commenced in September 2015 and is due to run for four years with an option to extend for a further two years.

There are a range of transport providers on the framework from which routes are negotiated annually or spot purchased as necessary. The Executive report ED15070 details the Gateway Review and procurement process that was undertaken in setting up the framework.

3.3 In addition, the framework acts as a central resource for a range of internal and external Council services to procure travel provision as necessary through either planned or ad hoc arrangements. Route sharing with internal services and other Councils achieves efficiencies, maximises the economies of scale, and draws in recoupment income

3.4 Following a full tendering process for the framework in 2015, sixteen providers were deemed to have submitted a compliant tender and met the minimum quality criteria and were allowed to participate in the framework. The ratio of successful providers to applicants was 16/35, compared to 35 successful providers in the 2010 framework.

3.5 SEN transport routes are planned and procured annually from the framework on the basis of the most economically advantageous available provider from the framework matrix for routes less than twenty miles. Routes in excess of twenty miles are procured through a mini-tender competition. Transport arrangements for all eligible SEN pupils are reviewed, as a minimum, annually during the school summer holidays with new routes awarded prior to the start of a new academic year.

3.6 The market for SEN Transport is varied, with generic transport providers, such as minicab and taxis, together with specialist transport providers with access to a wider range of vehicles sizes and crew, including specially adapted vehicles. The current SEN Transport framework reflects this varied market, the range being essential to ensure the Council has a wide choice of providers and options to plan and deliver the service.

3.7 Ongoing service review, and in particular the route planning and allocation process for the 2016/17 academic year, has identified emerging capacity issues on the current framework. For the allocation of routes of less than twenty miles, lower cost providers have increasingly turned down offered routes leading to the increased use of more expensive providers. Three of the lower cost minicab operators rejected either the majority or all of the routes offered to them before the start of term September 2016, leading to a reduction of approximately 19% of provider capacity on the framework. Similarly, for routes awarded by mini-tender, a limited range of competitive quotations were received, leading to the increased use of the more expensive providers on the framework.

3.8 At the same time, demand for SEN Transport is growing; the new legislation has seen increases in demand from those families with younger age children requesting travel assistance to access the special provision. There has also been an increase in demand this year for EHC plans from reception age. This coupled with the pupils with more complex needs, adds to pressure on the transport budget. The average distance travelled by these pupils to access their special provision is 4.8 miles.

The growth populations for outer London Boroughs, including Bromley is increasing due to both greater migration and whilst birth rates did drop, they have recently increased again. Since 2010, we have seen the volumes of reception places in Bromley Primary Schools rise from approx. 3,400 per year to approx. 4,100. It therefore follows that there will also be a proportionate increase in those with high needs alongside the increase in primary classes.

- 3.9 Supporting data on both provider availability and participation by children and young people is detailed below.

#### Transport volumes and data

	<u>End academic Year 13-14</u>	<u>End academic Year 14-15</u>	<u>End academic Year 15-16</u>	<u>Start of academic Year 16-17</u>
Total Number of Pupils in receipt of Travel Assistance	822	806	845	801 ( 812 at date of report)
Number of Routes in Borough	175	184	195	163
Number of Routes out of Borough	108	106	125	91
<b>Total Number of Routes</b>	<b>283</b>	<b>290</b>	<b>320</b>	<b>254</b>
Total number of contractors used	13/35	13/35	16/16	11/16
Phoenix Pre School Resource Centre pupils in receipt of travel assistance ( In house operation)	32	26	21	15
Pupils aged 3-5 years old on SEN Transport	0	3	34	62
Primary School Pupils	261	266	279	248
Secondary School Pupils	429	404	409	408
Age 16 to 18	114	104	114	112
Age 19 to 23	15	27	39	36

- 3.10 Demand also arises throughout the academic year as Education Health & Care (EHC) plans are completed and it is expected that volumes will increase between now and July 2017, the end of this academic year. The introduction of EHC plans covers the 0 – 25 years age range, and the data supports the increasing demand from age 4+ and the 19+ age bracket.

- 3.11 The service continues to face unprecedented and severe budget pressures with officers regularly reviewing the most cost effective and appropriate travel assistance offer, having regard to a young person’s additional needs, health, age, distance from home and journey times.

- 3.12 Policy amendments are kept under regular review, in keeping with the spirit of the new EHC planning protocols and the SEN Code of Practice. The Council’s travel assistance policy was reviewed in September 2015 and offers a menu of travel assistance offers.

- 3.13 The take up of parental mileage is relatively low with parents citing work and family commitments preventing them from accepting this offer. Statutory guidance from the DfE (July 2014) directs that parents agreement to this offer must be received.

Home to school travel and transport guidance July 2014, <https://www.gov.uk/government/publications/home-to-school-travel-and-transport-guidance>

- 3.14 The travel training programme continues to offer independence to those pupils suitable for the programme. The offer is limited to those with the less complex needs and most able to succeed and become independent travellers. The programme commenced at Glebe School and is being



rolled out across suitable students and schools where travel assistance is provided. The programme helps to mitigate some of the increases in cost pressures.

- 3.15 Operational service delivery is at optimum levels by maximising seating capacity and sharing routes where possible. Choice and competition between providers is essential for continued and efficient service delivery to secure value for money as routes are amended or new routes secured. The reduced variety of providers operating on a regular basis at schools highlights the reduction in providers available to the Council. This could place the service in a vulnerable position if provider capacity is fully utilised. Providers do not maintain high levels of costly reserve vehicles in case of need, as they are unable to maximise the use of these assets in their other business operations.
- 3.16 To address the issues of provider capacity and aim to achieve greater competition on the current framework, it is proposed to conduct a new tendering exercise for an additional framework contract for SEN Transport. The second framework will run concurrently with the existing framework and will operate under the same contract terms and duration. Both frameworks will operate within the existing budget for SEN Transport – there are no cost implications in setting up an additional framework.
- 3.17 The intended outcome of setting up a second framework contract for SEN Transport is to expand the overall provider base to ensure the Council has sufficient capacity to meet Transport needs. The service requires a sufficient range of specialist / generic providers; to improve the effectiveness of the framework approach in relation to price, competitiveness and value for money. In year demand and annual planning of routes will be called off as usual, but from either framework based on price. Similarly, mini-tenders will be offered to both framework providers
- 3.18 The aim is to achieve greater choice and competition between providers, which may lead to keener pricing by providers to secure business. However, reductions in cost cannot be guaranteed as these will reflect the prevailing market and economic conditions when prospective providers offer their framework prices and when minitenders opportunities are offered.

#### **4. MARKET CONSIDERATIONS**

- 4.1 Over half the providers that applied for the original framework tender in 2015 were rejected. Many of these were due to technical reasons (incomplete or inaccurate completion of tender documentation). In addition, a number of other transport providers who did not originally apply for the transport framework have subsequently expressed interest in participation. It is expected, therefore, that there will be sufficient interest from the market to successfully undertake tendering for a second framework contract.
- 4.2 The tender opportunity will be published on Due North and Contract Finder, and contact will be made with previously unsuccessful providers (for both the SEN and the Adult transport tender) to alert them to this opportunity. Advertisements will also be placed in the local press to widen the pool of prospective tenderers as far as possible.

#### **5 STAKEHOLDER CONSULTATION**

- 5.1 Stakeholder engagement has not been undertaken as this proposal does not affect the existing arrangements for the provision of SEN Transport other than seeking to widen the current provider base.

#### **6. SUSTAINABILITY IMPACT ASSESSMENTS**

- 6.1 The proposal is judged to have no or very small impact on local people and communities. The proposal is concerned with the management of the existing SEN Transport arrangements only.

## **7. PROCUREMENT STRATEGY & CONTRACTING PROPOSALS**

- 7.1 The estimated potential whole life value of the proposed additional framework is £15,956,000 for a period of two years with an option to extend for a further two years (the contract duration being set to align with the existing framework). This equates to £3,989,000 per annum, the current agreed budget for SEN Transport. This is not additional expenditure to the contract value already agreed for the existing SEN Transport framework – the two frameworks will operate within, and draw down, from the existing agreed budget.
- 7.2 Advice has been sought from Corporate Procurement on the procurement strategy. Corporate Procurement has advised that a second tender for a concurrent framework is the preferred route, rather than expanding the existing framework.
- 7.3 It is intended to undertake a quick turnaround tendering exercise for the parallel framework. Providers on the existing framework will be notified that they do not need to re-apply. The tender will be a 1 stage process without a PQQ stage. The current specifications and the previous Invitation to Tender documentation and evaluation criteria, updated as necessary, will be used.
- 7.4. The tender evaluation team will be comprised of staff familiar with the requirements of the SEN Transport programme. The evaluation will be based on the evaluation process established in the previous tender for the existing framework, with the weightings (updated to include the new financial requirement weighting) and the Council's standard price/quality split of 60/40 being applied.
- 7.5. Following the evaluation of the new tenders, a further report recommending providers to be added to a parallel framework will be submitted to Executive to seek authorisation to award contracts on the new framework.

## **8. FINANCIAL CONSIDERATIONS**

- 8.1. The current SEN Transport budget is estimated to overspend by £1.2m in 2016/17 due to the rise in the number of routes, complexity of children and a shift from placing children at independent boarding placements to independent day placements.
- 8.2 Although action is being taken to address this including, travel training, route review and rationalisation, route sharing and parental mileage, this has not addressed the overspend issue.
- 8.3 The purpose of the new tender framework is to increase the number of suppliers, and therefore competition, for routes with the expectation that this will drive down the cost of routes and lower the prices that the Council has to pay. However there is no guarantee that this will happen and at this stage any potential benefit cannot be costed .

## **9. LEGAL CONSIDERATIONS**

- 9.1 This report seeks the approval of the Executive to procure a contract for the provision of Special Educational Needs transport services for a period up to 2 years with an option to extend for a period or periods up to 2 years and an estimated total value of £15,956,000.
- 9.2 Pursuant to the Contract Procedure Rules Rule 5 of the Contract Procedure Rules provides that for a contract with a total value of £1,000,000 or more the Executive will be formally consulted on the intended action and contracting arrangements. Rule 8 of the Contract Procedure Rules provides that for contracts with a value above £500,000/the EU threshold the Council must invite tenders from between 5 and 8 organisations and comply with the Public Contracts Regulations 2015.

9.3 The Public Contracts Regulations 2015 apply to this contract and the Council wishes to use a Framework Agreement which will be competitively tendered and will comply with the Regulations. Under Rule 3.5 of the Contract Procedure Rules the report author must consult with the Finance Director and the Director of Corporate Services before entering into collaborative procurement arrangements. In particular the report author must consult the legal department regarding the terms and conditions of the framework agreement and the call-off contract.

<b>Non-Applicable Sections:</b>	Policy Considerations Personnel Considerations
Background Documents: (Access via Contact Officer)	Transport Gateway Review (Report No. ES14062) SEN Transport Contract (Report No. DCYP10115 – PART 2) Special Educational Need and Children’s Transport Contract Award (Report ED15070)
	Version 3 @ 11.16

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Report No.  
DRR16/087

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** **DEVELOPMENT CONTROL COMMITTEE EXECUTIVE**

**Date:** 24<sup>th</sup> November 2016  
30<sup>th</sup> November 2016

**Decision Type:** NonUrgent Executive Non-Key

**Title:** **LOCAL DEVELOPMENT SCHEME 2016 - 18**

**Contact Officer:** Mary Manuel, Head of Planning Strategy and Projects  
Tel: 020 8313 4303 E-mail: mary.manuel@bromley.gov.uk

**Chief Officer:** Chief Planner

**Ward:** (All Wards);

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1. Reason for report

This report seeks Members' agreement to the Local Development Scheme (LDS) for 2016 - 18 forming Appendix 1 to the report, setting out the revised timescale for the preparation of the Local Plan for the Borough. The current legislative requirements for the LDS are to only include the development plan documents (DPD) which are subject to independent examination which for Bromley will be the borough-wide Local Plan and the review of the Bromley Town Centre Area Action Plan which will follow the adoption of the first document. It also shows an indicative timescale for the preparation of a local Community Infrastructure Levy and a new Planning Obligations Supplementary Planning Document (SPD).

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2. **RECOMMENDATION(S)**

Development Control Committee

2.1 Members are asked to recommend to the Executive that the revised Local Development Scheme for 2016-2018 as set out in Appendix 1 be approved as the formal management document for the production of the Bromley Local Plan and the review of the Bromley Town Centre Area Action Plan.

Executive

2.2 Members are asked to agree the Local Development Scheme for 2016-2018 as set out in Appendix 1 as the formal management document for the production of the Bromley Local Plan.

### Corporate Policy

1. Policy Status: Not Applicable
  2. BBB Priority: Children and Young People Excellent Council Quality Environment Safer Bromley Supporting Independence Vibrant, Thriving Town Centres:
- 

### Financial

1. Cost of proposal: Estimated Cost Up to £78k
  2. Ongoing costs: Non-Recurring Cost
  3. Budget head/performance centre: Local Plan Implementation budget and carry forward balance
  4. Total current budget for this head: £31k and £47k
  5. Source of funding: Existing revenue budget for 2016/17 and carry forward sum
- 

### Staff

1. Number of staff (current and additional): 6FTEs
  2. If from existing staff resources, number of staff hours:
- 

### Legal

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

### Customer Impact

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

### Ward Councillor Views

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

### 3. COMMENTARY

- 3.1 The Council is required to publish an up to date Local Development Scheme (LDS), setting out the timescale for the preparation of local development plan documents (DPDs). There is no longer a requirement for the LDS to be submitted to Secretary of State. The last LDS was agreed by the Council in January 2016.
- 3.2 The January 2016 LDS showed the consultation on the Draft Local Plan being undertaken in May/June this year, however the response to the Local Green Space consultation in February/March 2016, in line with the January 2016 LDS saw a substantial response which together with further work being undertaken with regards to the Biggin Hill Strategic Outer London Development Centre and Housing Supply and other matters, and ensuring the response to the 'Draft Allocations, Further Policies and Designations' consultation in Autumn 2015 were fully considered by Members. The Draft Local Plan was considered by Development Control Committee and the Executive in the summer with consultation on the Proposed Submission Draft Local Plan commencing on November 14<sup>th</sup> 2016.
- 3.3 It had been anticipated that the planning and housing reforms including a revised National Policy Framework would have been published over the Summer, however, while some parts have been produced details of the Starter Home Initiative and the revised NPPF have been delayed.
- 3.4 The revised timescale in Appendix 2 to the LDS shows the Proposed Submission Draft Local Plan consultation in Nov/Dec 2016 with submission to the Secretary of State in early 2017 and adoption of the Local Plan by the end of 2017. This is in line with the requirement for local planning authorities to have an up-to-date local plan in place in 2017, and if not face potential intervention by the Government as part of its Productivity Plan.
- 3.5 The new LDS included as Appendix 1 seeks to reflect the recent Government planning reforms, anticipate the work involved from further likely changes proposed, the Council's resources and lessons from other authorities and Inspectors' reports regarding timescales, and the increased burden on authorities to demonstrate plans are based on objective and up to date evidence to be found 'sound'. The Local Plan needs to be in conformity with the London Plan which forms part of the Development Plan for the Borough.
- 3.6 At this stage it is difficult to estimate the impact of further Government's reforms, and the resources required to incorporate changes as appropriate within the Local Plan and associated documents. The Local Development Framework Advisory Panel (LDFAP) has, and will continue to meet regularly to provide guidance and advice with regard to the Local Plan and BTCAAP review.
- 3.7 The LDS outlines the further evidence required to support the Local Plan making process and ensure soundness, the risks and measures to mitigate these. The draft LDS also shows the timescale for the preparation of a Bromley Community Infrastructure Levy (CIL). The third set of CIL regulations increased the consultation period for each stage of the preparation of the charging schedule for CIL to six weeks, and again increased the burden for evidence of viability and the proposed infrastructure to be funded based on an up to date development plan. On this basis the LDS shows the CIL Examination following closely after the Local Plan Examination.
- 3.8 The Local Plan will include the vision and objectives for the Borough, planning policies and site allocations. The number of supplementary planning documents will be kept to a minimum but will include a revised S106 supplementary planning document (SPD) alongside the introduction of a local Community Infrastructure Levy.
- 3.9 Viability work to support the Local Plan and the introduction of a local Community Infrastructure Levy is underway and will help identify the type of development which could be subject to a

Local CIL. The Council collected approximately £1.32m in 2014/15, and £2.123m in 2015/16 from the Mayoral CIL. On a similar scale of development it is anticipated that Bromley's CIL could secure between £2m and £4m per annum.

- 3.10 The Local Plan and CIL work is led by the Planning Strategy team which provides the majority of the resources. However, as well as contributions from other Council services, consultants are required to undertake specialist work and this is included in the Local Plan budget. The Council is responsible for paying the cost of the Examinations of the Local Plan and the Community Infrastructure Levy Charging Schedule which is estimated to be in the region of £40-60k and includes the Inspector and the Programme Officer's costs.
- 3.11 The LDS shows the Bromley Town Centre Area Action Plan (BTCAAP) being reviewed following the adoption of the Borough-wide Local Plan. It will part of the Local Plan as a whole, and if there is a need for an early partial review of the Local Plan on the basis of the emerging new London Plan this could be integrated into the BTCAAP review.

#### **4. POLICY IMPLICATIONS**

- 4.1 The Local Plan when 'Adopted' together with the London Plan and the Bromley Town Centre Area Action Plan, will form the Development Plan for the Borough and will set out the policies against which to consider planning applications. The LDS is a procedural document regarding the preparation of the Local Plan. However, the Local Plan is one of the key strategic documents guiding the development of the Borough and helping deliver the 'Building a Better Bromley' priorities.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 The cost of public consultation, related printing and publishing of any Local Plan document will be met from the Local Plan Implementation budget of £31k within Planning Services.
- 5.2 The cost of the examination of the plan in public and any further evidence work required during 2016-18 is expected to cost up to £65k. The Executive agreed to carry forward £47k in June 2016 for the preparation of the Local Plan. This was intended to fund the examination of the plan in public and associated work which is now expected to be undertaken during 2017/18. A request for approval to carry forward this sum will be submitted to the Executive in June 2017. The total budget available during 2017/18, including the existing Local Plan budget of £31k, would therefore be £78k.
- 5.3 It should be noted that the precise timing of the examination in public is determined by the Planning Inspectorate and is therefore outside of the Council's control.
- 5.4 The timetable included in Appendix 2 to the LDS indicates that the Bromley CIL charging schedule should be effective from March 2018. With a similar scale of development as in 2015/16, it is anticipated that between £2m and £4m per annum could be generated by Bromley's CIL towards infrastructure.
- 5.5 There will be a cost for the examination of the CIL charging schedule, which is estimated to be up to £25k. Should the charging schedule be approved and the Council adopt a local CIL, then the costs incurred can be set against future CIL income.
- 5.6 Once the local CIL is in place, S106 contributions will mainly be for affordable housing, unless specifically negotiated.

#### **6. LEGAL IMPLICATIONS**

- 6.1 The Council has a duty to publish an up to date Local Development Scheme.



<b>Non-Applicable Sections:</b>	PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact Officer)	Report DRR15/110 Local Development Scheme 2016-17 DCC 10 <sup>th</sup> December 2015 Executive 13 <sup>th</sup> January 2016.

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# London Borough of

# BROMLEY

## LOCAL DEVELOPMENT SCHEME

November 2016

## Introduction

- 1.1 The Planning and Compulsory Purchase Act 2004 (The Act) requires the Council to prepare and maintain a Local Development Scheme. This document is the revised Local Development Scheme for Bromley, (also referred to as the LDS). It replaces the January 2016 version. This version has been prepared with regard to the Act and its associated Regulations which set out what is required of an LDS.
- 1.2 This LDS takes into account the changes in legislation and policy at a national and regional level and the resources available to the Council. It reflects the impact of continued planning reforms, and the London Plan, (as amended in 2016) with which the Local Plan will be required to be in general conformity.
- 1.3 The primary purpose of the LDS is to inform the public about local development plan documents for Bromley and the timescale for their preparation. Planning Practice Guidance (2014) states that local authorities should publish the timescale on its website and keep this up to date.
- 1.4 Bromley adopted its UDP in 2006, and 'saved' many of its policies in 2009. The Council subsequently worked on its Local Development Framework, and under this system adopted the Bromley Town Centre Area Action Plan and Supplementary Planning Documents for Affordable Housing, and for Planning Obligations. The Council is now preparing Bromley's borough-wide 'Local Plan'.
- 1.5 There are six different types of planning documents that could potentially be prepared. Their content varies from policies for the use of land, policies for involving the public in planning, guidance and information to procedural documents.
  - Development Plan Documents (DPDs)
  - Neighbourhood Plans
  - Supplementary Planning Documents (SPDs)
  - Community Infrastructure Levy (CIL) Charging Schedule
  - Statement of Community Involvement (SCI)
  - Authority Monitoring Report (AMR)

Development Plan Documents (DPDs) form the Local Plan for the Borough.

- 1.6 The Bromley Local Plan will be the borough-wide DPD which sets out the overarching strategy for the future development of the Borough to 2030 and detailed policies to manage new developments and incorporates strategic site allocations supporting its delivery. The Bromley Town Centre Area Action Plan (BTCAAP) is an existing adopted DPD (2010) covering a specific part of the Borough, and will therefore be reviewed once the Local Plan is adopted. When reviewed it will form part of the Borough's Local Plan.

- 1.7 The statutory **Development Plan** for Bromley currently comprises the London Plan 2016, the 'saved' policies of the 2006 UDP, and the Bromley Town Centre Area Action Plan, and is set out in Diagram 1.
- 1.8 Local Development Documents must be in 'general conformity' with the London Plan, (the Mayor's Spatial Development Strategy).

#### Neighbourhood Plans

- 1.9 The Localism Act 2011 makes provision for Neighbourhood Plans, a new type of planning document to be prepared. Neighbourhood Plans are community-led documents which would be initiated through a Neighbourhood Forum and ultimately adopted by the Council as part of its development plan. Neighbourhood Plans have to be in 'general conformity' with strategic policies in the Local Plan for an area, and are subject to independent examination and a referendum.
- 1.10 There are currently no Neighbourhood Forums within the Borough and no proposals for Neighbourhood Plans.

#### Supplementary Planning Documents

- 1.11 Supplementary Planning Documents are used to amplify planning policy within development plan documents. There is no legal requirement for these to be included within the LDS, and this enables local planning authorities to respond as circumstances change. They do not form part of the 'Development Plan' for the Borough. However, they are 'material considerations' and provide additional detail to existing policy in the development plan or national policy. Where it is known they are likely to be prepared within the LDS timescale reference is made to them, but there is scope for additional SPDs to be prepared and information will always be published on the Council's website.
- 1.12 DPDs and SPDs are subject to public consultation. In addition, DPDs are subject to Sustainability Appraisals in their preparation to assess the economic, social and environmental effects of the plans. DPDs are submitted to the Secretary of State and an Examination in Public by a Planning Inspector.
- 1.13 The Town and Country Planning (Local Planning) England 2012 Regulations sets out the revised procedure for the preparation and review of Local Plans.

#### Community Infrastructure Levy (CIL) Charging Schedule

- 1.14 The Community Infrastructure Levy is a charge that local planning authorities may choose to levy on new development to fund infrastructure required to support growth and the delivery of the Development Plan for the area. To date, LB Bromley has used S106 agreements negotiated with developers to secure funding where needed as appropriate. However, restrictions to the pooling of S106 agreements

came into effect from April 2015 to avoid the use of S106 and CIL monies to pay for the same piece of infrastructure. The CIL Charging Schedule will set out the rates at which CIL will be charged for specific types of development.

### **Bromley's Current Position**

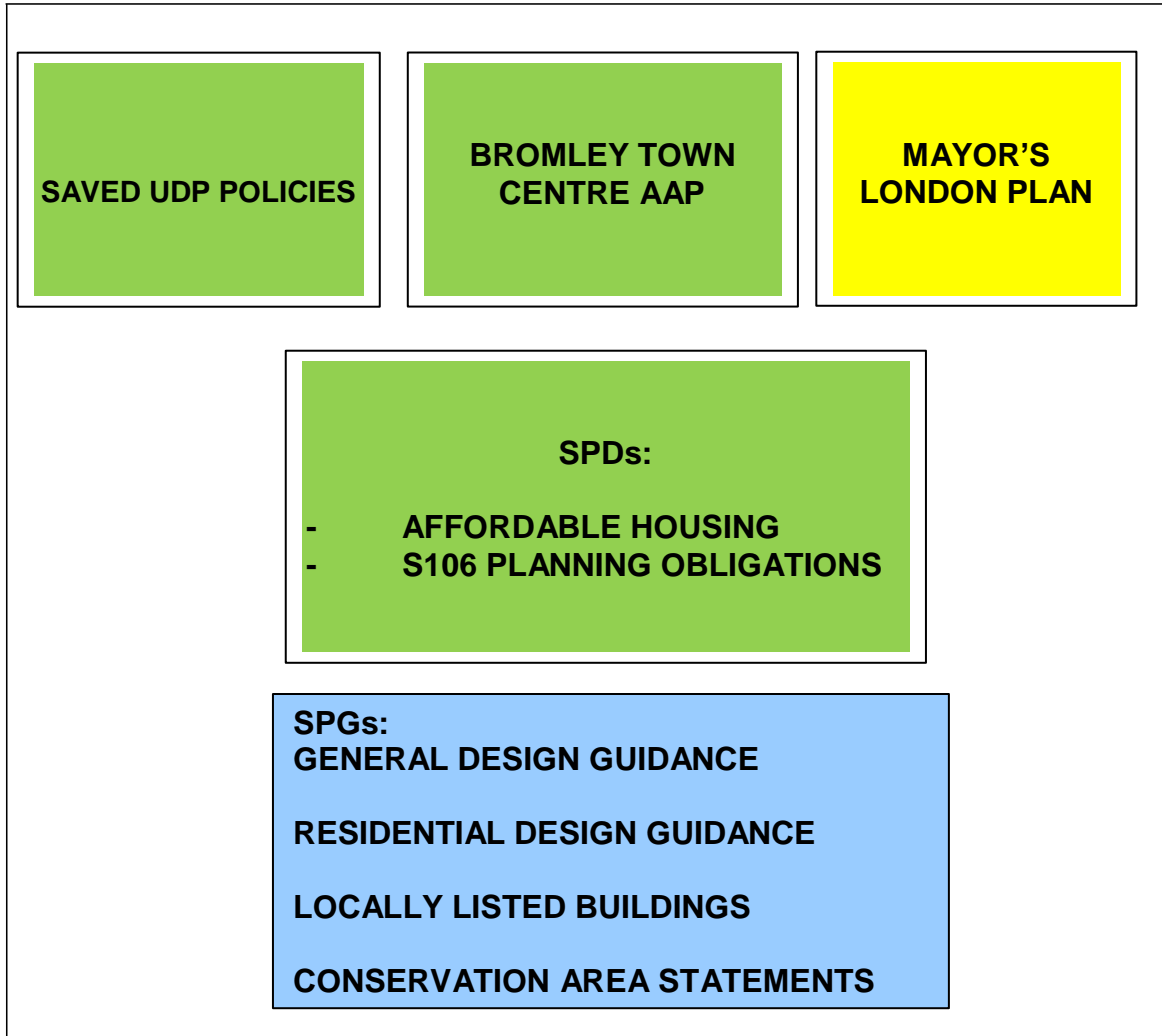
- 2.1 The Council decided to move to preparing a Local Plan in line with the National Planning Policy Framework rather than a Local Development Framework which it started to prepare and adopted some documents.
- 2.2 The current Development Plan for the Borough comprises:
  - 'saved' policies from the 2006 UDP
  - Bromley Town Centre Area Action Plan (2010)
  - Affordable Housing SPD (2010)
  - Planning Obligations SPD (2010)
  - Supplementary Planning Guidance linked to the saved UDP policies
  - The London Plan (2015)
- 2.3 Diagram 1 illustrates this position.

### **Saved Policies**

- 2.4 The Unitary Development Plan (UDP) 2006 was saved for three years after adoption by virtue of the Planning and Compulsory Purchase Act 2004. In 2009 the Council successfully sought a Direction from the Secretary of State to retain specific policies beyond this period. Appendix 1 lists the policies 'saved'.

Diagram 1

**BROMLEY'S DEVELOPMENT PLAN (CURRENT)**



**STATEMENT OF COMMUNITY INVOLVEMENT**

**AUTHORITY MONITORING REPORT**  
**LOCAL DEVELOPMENT SCHEME**

**Supplementary Planning Documents**

The Council has two adopted Supplementary Planning Documents: 'Affordable Housing', and S106 Obligations'.

**Supplementary Planning Guidance**

The Council's existing supplementary planning guidance (SPG) can only remain in force while the relevant UDP policies are operational. All are currently linked to 'saved' policies and have been retained as a material

consideration in the determination of planning applications. Table 1 shows the current SPG linkages to 'saved' policies.

**Table 1 - Supplementary Planning Guidance**

<b>Supplementary Planning Guidance/ Information Leaflets (IL)</b>	<b>Links to saved Unitary Development Plan Policies</b>
General Development Principles	BE1/BE3
Residential Design Extending your homes (IL)	H7/ H8/ H9/ H11
Conservation Area Character appraisals and Guidance	BE9
Shop fronts and security Shutters (IL)	S1/S2/S4/S5/BE9
Archaeology (Fact Sheet)	BE16
Advertisements	BE21

### **Preparation of the Local Plan**

- 3.1 The Council signalled it would move to a Local Plan with the National Planning Policy Framework (2012) and incorporate the work undertaken so far to progress the Local Development Framework. This included the evidence base which continues to be updated as appropriate, and the Core Strategy Issues Document consultation from 2011. With the Bromley Town Centre Area Action (BTCAAP) adopted in 2010 it was agreed that it would be reviewed after the adoption of the Borough-wide Local Plan. The Borough-wide Local Plan would therefore only include those elements which required updating, for instance, the Bromley North site (former Opportunity Site A ); originally included in the Bromley Town Centre Area Action Plan, Policy OSA Bromley North was quashed following a judicial review.
- 3.2 In 2012 the Council undertook consultation on its Local Plan 'Options and Preferred Strategy' in 2014 its 'Draft Policies and Designations' Document. The issuing of the Draft Policies and Designations Document overlapped with the Mayor of London consulting on the Further Alterations to the London Plan in early 2014. The FALP were consolidated into the London Plan in March 2015. Following the 2015 London Plan, the Council consulted on its Draft Allocations, Further Policies and Designations. The Mayor's minor alternative to the 2015 Plan were incorporated into the London Plan in March 2016. The Council is due to commence consultation on its Proposed Submission Draft Local Plan in line with Regulation 19 of the Town Planning Regulations 2012 as amended formally in mid-November 2016.
- 3.3 There is a period of transition between the old and new systems. The old system is represented by the 'saved policies of the 2006 adopted Bromley Unitary Development Plan (UDP) and currently these together with the Bromley Town Centre Area Action Plan form the Development Plan for the Borough together with the London Plan. Appendix 1 sets out the 'saved' UDP policies. The Government is starting to prepare a new London Plan with the intention to publish in 2019. This will have implications for the Borough and may require a renew of the Local Plan, in 2019/2020 beyond the timescale of this LDS.



**Development Plan Documents**

- 3.4 Bromley Borough Local Plan – this will set out the spatial vision and strategic objectives, policies for managing development in the Borough, it will identify the main sites where development or change is anticipated and include the proposals map identifying areas designated for protection or where areas where specific policies will apply. It will selectively update the Bromley Town Centre Area Action Plan 2010 with any amendments that are made during the Local Plan process.
- 3.5 While the Bromley Town Centre Area Action Plan forms part of the broader Local Plan, it will be reviewed following the adoption of the Borough-wide Local Plan, and will if required form an appropriate early partial review of the Borough-wide Local Plan.
- 3.6 In addition there will be a Community Infrastructure Levy (CIL) Charging Schedule
- 3.7 The timetable for the production of these three documents is detailed in Tables 2, 3 and 4 and shown in summary in Appendix 2. Diagram 2 shows the other documents involved as well.

**Diagram 2**

BROMLEY'S DEVELOPMENT PLAN (PLANNED)



## Supplementary Planning Documents

- 3.8 The LDS is only required to set out the timetable for Development Plan Documents which have to be subject to an Examination in Public. However, the Council considers it useful to indicate the programme for the S106 Planning Obligations Supplementary Planning Documents which will be prepared alongside the introduction of a Bromley Community Infrastructure Levy.

Planning Obligations – The existing SPD will be reviewed in line with the Borough Local Plan and the introduction of the Borough's Community Infrastructure Levy (CIL).

Affordable Housing – It is anticipated that the existing SPD will be reviewed and updated in light of the Borough Local Plan following its adoption.

Character and Design – This would be a new SPD covering in the main the topics covered by the current SPGs regarding General Design and Residential Design and follow on from the Local Plan.

## Other Documents

- 3.9 Local Development Scheme This document will be kept under review and progress monitored as part of the Authorities Monitoring Report.

Statement of Community Involvement (SCI) Bromley's Statement of Community Involvement (SCI) was reviewed in 2016 following public consultation and agreed by the Council's Executive in July 2016. This reflects the greater public access to, and use of information technology.

Neighbourhood Plans There are no current proposals for Neighbourhood Plans within the borough.

Authority Monitoring Report An annual AMR is reported to Development Control Committee and in addition monitoring information is made available on the Council's website and updated throughout the year.

## Local Development Document Profiles

- 3.10 The following tables outline in detail each document proposed to form part of the Bromley Local Plan.

TABLE 2

<b>TITLE</b>	<b>Borough-Wide Local Plan</b>	
Development Plan Document	YES	
<b>ROLE &amp; CONTENT</b>	<p>The Local Plan will establish the Vision, Key Objectives and Spatial Strategy for the Borough, reflect the spatial aspirations of the Community Strategy Building a Better Bromley and contain a number of core policies and a monitoring and implementation framework.</p> <p>It will address levels of growth and the strategic distribution of development and will include policies addressing key issues and policies to aid the development management process including a clear strategy for the delivery of its objectives.</p> <p>The Local Plan will include maps or diagrams identifying the spatial elements of the strategy.</p>	
<b>GEOGRAPHICAL COVERAGE</b>	Borough-wide	
Responsibility for Production	Lead	Planning Strategy Team
	Resources	Planning Strategy Team with input from other services as required
	Stakeholder & Community Involvement	Consultation and engagement in line with the SCI
<b>KEY MILESTONES</b>	<ul style="list-style-type: none"> <li>▪ Consultation on sites assessed as part of the site allocation process.</li> <li>▪ Consultation on new Local Green Space Designations,</li> <li>▪ Consultation on revised Statement of Community Involvement</li> <li>▪ Draft Local Plan Proposed Submission Consultation</li> <li>▪ Submission to the Secretary of State and then Examination</li> <li>▪ Receipt of Inspector's Report</li> <li>▪ Adoption of the Local Plan by Full Council</li> </ul>	<p>Sept/Oct 2015</p> <p>February/March</p> <p>February/March 2016</p> <p>November/December 2016</p> <p>Spring 2017</p> <p>Autumn 2017</p> <p>Late 2017</p>
<b>REVIEW</b>	The document will be monitored on an annual basis through the Authority Monitoring Report.	

TABLE 3

<b>TITLE</b>	<b>Community Infrastructure Levy Charging Schedule</b>
Development Plan Document	NO
<b>ROLE &amp; CONTENT</b>	The document will set out the charges to be levied on new development within the Borough.

BROMLEY LOCAL DEVELOPMENT SCHEME 2016-2018

GEOGRAPHICAL COVERAGE	Borough-wide
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BROMLEY LOCAL DEVELOPMENT SCHEME 2016-2018

UDP REPLACEMENT	N/A	
Responsibility for Production	Lead	Planning Strategy Team
	Resources	Planning Strategy Team with input from other services as required
	Stakeholder & Community Involvement	Consultation and engagement as required by the CIL Regulations 2010 (as amended) and in line with the SCI
TIMETABLE & KEY MILESTONES	<ul style="list-style-type: none"> <li>▪ Preliminary Draft Charging Schedule consultation</li> <li>▪ Draft Charging Schedule Consultation</li> <li>▪ Submit for examination</li> <li>▪ Receipt of Inspector's Report</li> <li>▪ Adopt Charging Schedule</li> <li>▪ Publish Charging Schedule and Regulation 123 list</li> </ul>	<p>April – May 2017</p> <p>Sept – Oct 2017</p> <p>Winter 2018</p> <p>Early 2018</p> <p>Spring 2018</p> <p>Spring 2018</p>
REVIEW	The document will be monitored on an annual basis and will then be the subject of review if the monitoring highlights such a need.	

Table 4

<b>TITLE</b>	<b>Review of Bromley Town Centre Area Action Plan</b>	
Development Plan Document	YES – part of the Local Plan	
ROLE & CONTENT	The revised BTCAAP will form part of the Local Plan, and set out the ambitions and objectives for Bromley Town Centre within the adopted Local Plan vision and spatial strategy. It will set out the future role of the town centre as an Opportunity Area as defined in the 2016 London Plan and Draft Local Plan. It will address levels of growth of retail, office and residential floorspace, while contributing to an enhancement of the character of the town centre. It will revisit and update site allocations within the town centre, and specific policies to aid the development management process.	
GEOGRAPHICAL COVERAGE	Bromley Town Centre	
Responsibility for Production	Lead	Planning Strategy Team
	Resources	Planning Strategy Team with input from other services as required
	Stakeholder & Community Involvement	Consultation and engagement in line with the SCI
KEY MILESTONES	<ul style="list-style-type: none"> <li>• Commence review of the BTCAAP.</li> <li>• Issues and Options report</li> <li>• Proposed Submission Town Centre AAP</li> </ul>	<p>Late 2017</p> <p>Spring 2018</p> <p>Late 2018</p>

REVIEW	The document will be monitored on an annual basis through the Authority Monitoring Report.
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## Risk Assessment

- 4.1 The Council is required in the LDS to set out a clear timetable for the delivery of the local development documents. Therefore it is important to identify the risks that could affect the work programme shown and to consider how these can be minimised and mitigated. The main issue is the impact the risks could have on the programme, although it is important that the plan progresses in compliance with legislation and regulations and is found 'sound' at its Examination to ensure a robust up to date Local Plan at the end of the process.

**Table 4 - Risk Assessment**

Risk Identified	Likelihood/Impact	Management Action
New policy guidance being published part way through the plan preparation	<b>Medium/high</b> Conservative Government has continued the extensive reform of the planning system undertaken by the Coalition Government. Further changes are anticipated.	<ul style="list-style-type: none"> <li>High level policy change is monitored.</li> <li>Plan has to be progressed on the best information available at the time.</li> <li>Seek advice from the GLA, DCLG and Planning Inspectorate as appropriate.</li> </ul>
Loss of staff/reduction in staff resources/competing work priorities.  Reduced ability of other departments and partners to contribute effectively and in a timely manner.	<b>Medium/high</b> The Council is going through a period of transformation. Loss of experienced staff will impact on the production of local development documents and ability to keep to the timescale.  Many partner agencies are also experiencing substantial change and a reduction in resources which may impact on their ability to contribute as planned.	<ul style="list-style-type: none"> <li>Staff input from other departments secured at Chief Officer level</li> <li>Recognition of the importance of the Local Plan and its priority over other work.</li> <li>Focus resources on the Local Plan and minimise non statutory work</li> <li>Use work experience, other planning colleagues to contribute</li> <li>Use consultants for specialist work subject to available funding</li> <li>If necessary and other alternatives exhausted timetable will need to be reviewed.</li> </ul>
Need to meet Duty to Co-operate and undertake joint working with other authorities/partners	<b>Medium/medium</b> Other authorities and partners have their own priorities and timetables for development plans which	<ul style="list-style-type: none"> <li>Regular Duty to Co-operate meetings with sub-region</li> <li>Liaison with other authorities and bodies through partnership</li> </ul>

	will differ. Inspectors' Reports have highlighted the importance and the extent to which co-operation is expected under this Duty.	groups e.g. Borough Officers Group, Partnership Officer Group, South London Partnership, London Councils as well as co-operating with individual authorities/partners
Insufficient budget for preparation of plans or evidence base work and consultation	<b>Low/high</b> sufficient financial resources are required to prepare local development documents including for consultancy, consultation and the examination process	<ul style="list-style-type: none"> <li>• Budget required for known studies and consultation already built in to Council budget, however, Examination Costs can only be estimated at this time.</li> <li>• CIL costs can be set against future CIL income</li> <li>• Ways to add value to work, e.g through joint commissioning as with South East London Housing Partnership</li> <li>• Ensure future likely examination and associated costs are considered within the Council budgeting process and set aside as far as possible.</li> </ul>
Capacity of the Planning Inspectorate and other agencies to support the process	<b>Low/high</b> Decisions taken nationally to change the resources of statutory agencies and their capacity to deal with consultations or the programme Examination process could cause delays	<ul style="list-style-type: none"> <li>• Liaise with Planning Inspectorate in revising the LDS and keep PINS up to date if the timetable changes.</li> <li>• Maintain contact with key agencies to minimise prospect of slippage</li> </ul>
Consultation fatigue amongst the public	<b>Medium/high</b> Other parts of the Council and other partner agencies undertake consultation and communities can get 'fatigued' of being consulted.	<ul style="list-style-type: none"> <li>• Evidence to suggest good level of involvement, especially for future stages involving site allocations and planning policies</li> <li>• Keep the public informed of the process .</li> <li>• Link with other Council and partner consultation where possible</li> </ul>
Delay due to scale of public response	<b>Medium/high</b> Public Interest particularly in site allocations and detailed policies can be high.	<ul style="list-style-type: none"> <li>• Continue to encourage the public to respond on line to enable easier and effective analysis of responses.</li> </ul>
A requirement to carry out further studies in light of the	<b>Medium/High</b> New national, regional policy or guidance, change	<ul style="list-style-type: none"> <li>• Review of progress, changing policies, 'needs' assessment , and land availability</li> </ul>



site assessment work or changes in national/regional policy or guidance to ensure that Draft Plan is 'sound'.	in market conditions for instance may mean the Council has to undertake new/additional research or evidence.	
Demand on staff and other resources to inform the preparation of a new London Plan and advance Bromley's position or update the Local Plan and supporting documents in light of the London Plan review.	<b>High</b> The GLA have started preparing evidence for a new London Plan, and are requiring information and contributions from Boroughs.	<ul style="list-style-type: none"> <li>• Early and ongoing discussions with the GLA</li> <li>• Scheduling local evidence gathering and research where possible use london wide data and GLA resources where possible</li> </ul>
Plan preparation needs to meet tests of soundness and legal requirements.	<b>Medium</b> Local plan may be found unsound	<ul style="list-style-type: none"> <li>• Complete Soundness are Legal checklists</li> </ul>

### Local Plan Evidence Base

5.1 Local Development Documents are required to be underpinned by up to date evidence. The Council has undertaken, and where necessary commissioned research to support the preparation of the plan and this is available via the 'bromley.gov.uk' website. However, the Council has an obligation to keep its' evidence up to date and to undertake new studies as necessary and review existing evidence in a timely manner. The GLA is commencing the preparation of a new London Plan, and officers will seek to draw on london evidence where possible, and ensure local evidence is used to state and advance the Borough's position within any new London Plan.

5.2 Further work being undertaken/required includes:

**Table 5 - Further Evidence Work**

Evidence Area	Current Position	Resources	Timescale
Update to Strategic Flood Risk Assessment	Last Study 2008, Scope of work being prepared	Allocated from Lead Flood Risk Authority funding and staff resources within Planning Strategy	Ongoing Complete Autumn/Winter 2016

Open Space Audit Review	Work started	Existing Planning Strategy Budget	Complete Autumn/Winter 2016
Waste Technical Paper	Update to demonstrate how requirements can be met	Staff resources	January 2016
Review of retail demand and supply, offices and other town centre uses.	Update to be undertaken to support the review of BTCAAP	Staff resources and Existing Planning Budget	2017/18
Local Plan, Affordable Housing and Community Infrastructure Viability Assessment	Draft report, Autumn 2016, further work to support Bromley's Community Infrastructure Levy	Staff resources and Existing Planning Budget	Ongoing support through to the CIL Examination.

### **Duty to Co-operate**

6.1 The Duty to Co-operate was created in the Localism Act 2011, and amends the Planning and Compulsory Purchase Act 2004. It places a legal duty on local planning authorities, county councils in England and public bodies to engage constructively, actively and on an ongoing basis.

6.2 The strategic priorities the Government expects joint working includes where appropriate:

- The homes and jobs needed in the area;
- The provision of retail, leisure and other commercial development

- The provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk, and coastal change management, and the provision of mineral and energy (including heat);
  - The provision of health, security, community and cultural infrastructure and other local facilities,; and
  - Climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.)
- 6.3 The Duty to Co-operate covers a number of public bodies in addition to councils. These bodies are set out in Part 2 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and comprise:
- Environment Agency
  - Historic Buildings and Monuments Commission for England (English Heritage)
  - Natural England
  - Mayor of London
  - Civil Aviation Authority
  - Homes and Community Agency
  - Clinical Commissioning Groups
  - National Health Service Commissioning Board
  - Office of the Rail Regulator
  - Highways Agency
  - Transport for London
  - Integrated Transport Authorities
  - Highway Authorities
  - Marine Management Organisations
- 6.4 These bodies are required to co-operate with councils on issues of common concern to developing sound local plans. Local Enterprise Partnerships and Local Nature Partnerships are not covered by the Duty but local planning authorities have to co-operate with LEPs and LNPs having regard to their activities as they relate to Local Plans.
- 6.5 The Council has, and continues to undertake a range of work to ensure the Duty to Co-operate is met. This includes one to one meetings with neighbouring authorities on specific issues, and specific stages in the preparation of respective development plan documents, meeting with groups of authorities, for instance South East London boroughs, boroughs adjoining Crystal Palace, participating in London wide initiatives and Bromley's non-London neighbouring authorities,. These include adjoining parishes, Dartford, Sevenoaks and Tandridge Councils, and Kent and Surrey County Councils.
- 6.6 Specific work is undertaken on a cross borough basis, for instance, the joint Strategic Housing Market Assessment undertaken jointly with Bexley, Southwark, Greenwich and Lewisham, as the five boroughs that make up the established South East London Housing Market Area. Working with authorities and other partners through Biggin Hill Consultative Committee and the Locate Initiative are also examples of the Duty to Co-operate.

## Appendix 1

### 'Saved' policies from the 2006 UDP

#### **Housing policies**

- H1 Housing Supply
- H2 Affordable Housing
- H3 Affordable Housing – payment in lieu
- H4 Supported Housing
- H6 Gypsies and Travelling Show People
- H7 Housing Density and Design
- H8 Residential Extensions
- H9 Side Space
- H10 Areas of Special Residential Character
- H11 Residential Conversions
- H12 Conversion of Non-Residential Buildings to Residential Use
- H13 Parking of Commercial Vehicles

#### **Transport policies**

- T1 Transport Demand
- T2 Assessment of Transport Effects
- T3 Parking
- T4 Park and Ride
- T5 Access for People with Restricted Mobility
- T6 Pedestrians
- T7 Cyclists
- T8 Other Road Users
- T9 Public Transport
- T10 Public Transport
- T11 New Accesses
- T12 Residential Roads
- T13 Unmade Roads
- T14 Unadopted Highways
- T15 Traffic Management
- T16 Traffic Management and Sensitive Environments
- T17 Servicing of Premises
- T18 Road Safety

#### **Conservation and the Built Environment**

- BE1 Design of New Development
- BE2 Mixed Use Development
- BE3 Buildings in Rural Areas
- BE4 Public Realm
- BE5 Public Art
- BE7 Railings, Boundary Walls and Other Means of Enclosure
- BE8 Statutory Listed Buildings
- BE9 Demolition of a listed building
- BE10 Locally Listed Buildings
- BE11 Conservation Areas
- BE12 Demolition in conservation areas
- BE13 Development adjacent to a conservation area
- BE14 Trees in Conservation Areas
- BE15 Historic Parks and Gardens
- BE16 Ancient Monuments and Archaeology
- BE17 High Buildings
- BE18 The Skyline
- BE19 Shopfronts
- BE20 Security Shutters

BE21 Control of Advertisements, Hoardings and Signs  
BE22 Telecommunications Apparatus  
BE23 Satellite Dishes

**The Natural Environment**

NE1 Development and SSSIs  
NE2 Development and Nature Conservation Sites  
NE3 Nature Conservation and Development  
NE4 Additional Nature Conservation Sites  
NE5 Protected Species  
NE6 World Heritage Site  
NE7 Development and Trees  
NE8 Conservation and Management of Trees and Woodlands  
NE9 Hedgerows and Development  
NE11 Kent North Downs Area of Outstanding Natural Beauty  
NE12 Landscape Quality and Character

**Green Belt and Open Space**

G1 The Green Belt  
G2 Metropolitan Open Land  
G3 National Sports Centre Major Developed Site  
G4 Extensions/Alterations to Dwellings in the Green Belt or on Metropolitan Open Land  
G5 Replacement Dwellings in the Green Belt or on Metropolitan Open Land  
G6 Land Adjoining Green Belt or Metropolitan Open Land  
G7 South East London Green Chain  
G8 Urban Open Space  
G9 Future Re-Use of Agricultural Land  
G10 Development Related to Farm Diversification  
G11 Agricultural Dwellings  
G12 Temporary Agricultural Dwellings  
G13 Removal of Occupancy Conditions  
G14 Minerals Workings  
G15 Mineral Workings – Associated Development

**Recreation, Leisure and Tourism**

L1 Outdoor Recreation and Leisure  
L2 Public Rights of Way and Other Recreational Routes  
L3 Horses, Stabling and Riding Facilities  
L4 Horses, Stabling and Riding Facilities – joint applications  
L5 War Games and Similar Uses  
L6 Playing Fields  
L7 Leisure Gardens and Allotments  
L8 Playing Open  
L9 Indoor Recreation and Leisure  
L10 Tourist-Related Development – New Development  
L11 Tourist-Related Development – Changes of Use

**Business and Regeneration**

EMP1 Large Scale Office Development  
EMP2 Office Development  
EMP3 Conversion or redevelopment of Offices  
EMP4 Business Areas  
EMP5 Development Outside Business Areas  
EMP6 Development Outside Business Areas – non conforming uses  
EMP7 Business Support  
EMP8 Use of Dwellings for Business Purposes  
EMP9 Vacant Commercial Sites and Premises

### **Town Centres and Shopping**

S1 Primary Frontages S2 Secondary Frontages S3 The Glades  
S4 Local Centres  
S5 Local Neighbourhood Centres, Parades and Individual Shops S6 Retail and Leisure Development – existing centres  
S7 Retail and Leisure Development – outside existing centres S8 Petrol Filling Stations  
S9 Food and Drink Premises  
S10 Non-Retail Uses in Shopping Areas S11 Residential Accommodation  
S12 Markets  
S13 Mini Cab and Taxi Offices

### **Biggin Hill**

BH1 Local Environment BH2 New Development BH3 South Camp  
BH4 Passenger Terminal/Control Tower/West Camp (Area 1) BH5 Former RAF Married Quarters (Area 2)  
BH6 East Camp BH7 Safety  
BH8 Noise Sensitive Development

### **Community Services**

C1 Community Facilities  
C2 Communities Facilities and Development C4 Health facilities  
C5 Facilities for Vulnerable Groups  
C6 Residential Proposals for People with Particular Accommodation C7 Educational and Pre-School Facilities  
C8 Dual Community Use of Educational Facilities

### **Environmental Resources**

ER2 Waste Management Facilities ER9 Ventilation  
ER10 Light Pollution  
ER11 Hazardous Substances ER16 The Water Environment  
ER17 Development and the Water Environment

### **Implementation**

IMP1 Planning Obligation



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Report No.  
ES16059

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** Environment Portfolio Holder

**Executive – 30 November 2016**

**For Pre-Decision Scrutiny by the Environment PDS committee on:**

**Date:** 8<sup>th</sup> November 2016

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

**Title:** PROPOSED QUIETWAY ROUTES IN BROMLEY - QUIETWAY DEFINITION PLAN STAGE

**Contact Officer:** Alexander Baldwin-Smith, Assistant Transport Planner  
E-mail: Alexander.Baldwin-Smith@bromley.gov.uk  
Tel: 020 8464 3333 ext.3566

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

**Ward:** Lower Sydenham to Bromley Town Centre Route: Copers Cope and Bromley Town  
Greenwich to Kent House Route: Penge & Cator

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## 1. Reason for report

- 1.1 To inform the Committee of progress to date regarding the proposed Quietway routes since initial discussions in late 2014 and to seek approval from the Environment Portfolio Holder of the proposed Quietway routes to enable Council officers and TfL's delivery partners, Sustrans, to progress to the detailed design and implementation stages of the project.
  - 1.2 Should the Portfolio Holder for the Environment endorse the proposed routes to enable Officers to sign-off the Quietways Definition Plan (QDP), TfL will be able to make a final judgment on whether to release funding for the schemes. The Environment Portfolio Holder and Ward Members will be kept informed of progress and Members will be consulted on the detailed design of interventions through the usual channels as with any Council Highways scheme.
  - 1.3 If further routes are brought forward by TfL these will be brought to the Committee for consideration and approval by the Environment Portfolio Holder.
- 

## 2. RECOMMENDATIONS

- 2.1 The PDS committee is asked to consider the proposals and provide comment.

**The Environment Portfolio Holder is asked to:**

- 2.2 Endorse the proposed Quietway cycle route from Lower Sydenham to Bromley and the proposed interventions.
- 2.3 Endorse the proposed Quietway cycle route from Lower Sydenham to Kent House Station and the proposed interventions.
- 2.4 Authorise the Executive Director of Environment and Community Services to sign off the QDP to enable TfL to formally review the proposals and make a final decision on whether to proceed with funding the routes.
- 2.5 Permit Council officers (assuming TfL approval for the Quietway as proposed in the QDP is granted) to begin an informal consultation with relevant stakeholders on the proposed interventions in early 2017 which is expected to take up to three months.

**The Executive is asked to:**

- 2.6 Agree to add the provisional scheme for the proposed Quietway Cycle Routes in Bromley to the Capital Programme, at an estimated cost of £862.5k, to be fully funded by TfL.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Routes are designed to be accessible to those cyclists requiring recumbent cycles or specialist cycles for people with disabilities. The routes will also provide greater opportunities to cycle for less confident individuals including older people and children. There are not thought to be any negative impact on vulnerable adults and children.
- 

### Corporate Policy

1. Policy Status: Not Applicable: Further Details
  2. BBB Priority: Quality Environment Safer Bromley Supporting Independence:
- 

### Financial

1. Cost of proposal: Estimated Cost of proposed Quietway routes: £862.5k
  2. Ongoing costs: Less than £200 per annum additional cost maintaining the new Quietway cycle routes, funded by TFL LIP monies
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: To be confirmed, following detailed design and approval by TfL
  5. Source of funding: TfL budget for Quietways
- 

### Personnel

1. Number of staff (current and additional): 2 existing members of staff will work on the project; there may be a need to use agency staff on a short term basis to process the consultation responses.
  2. If from existing staff resources, number of staff hours: is predicted to be 1404 for both routes until December 2018, all rechargeable to TfL.
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications: None are anticipated and it is expected that the interventions will be constructed by the Council's term contractors for Highway projects
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Over 800 cyclists are expected to use the route each day. This route will contribute to a wider network that is likely to benefit cyclists making journeys across London, so the total number of beneficiaries is likely to be higher than this. Safe cycle routes are likely to encourage more trips by bicycle therefore motorists are also likely to benefit from a reduction in the number of cars on the roads reducing

congestion as well as freeing up capacity for public transport. Pedestrians are also likely to benefit from the improvements made to footway surfacing and the crossing facilities at some of the junctions along the proposed Quietway routes.

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#### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Any comments received will be presented at the meeting

### **3. COMMENTARY**

#### **Quietways programme introduction**

- 3.1 Quietways are cycle routes primarily on lightly trafficked back streets, through parks and alongside waterways providing quieter routes away from main roads designed to appeal, particularly, to new and inexperienced cyclists, but should be popular with all cyclists because of their high-quality.
- 3.2 They were a key part of the previous Mayor of London's vision for cycling and the current Mayor of London Sadiq Khan, has expressed his continued support for them. They are to be delivered in partnership with the London Boroughs.
- 3.3 Importantly, Quietways are not the same as Cycle Superhighways, as they do not reallocate significant amounts of road space to cyclists to create segregated routes as this is not normally required due to the low traffic volumes on the roads they primarily use. However, some limited segregation (including high-quality shared facilities with pedestrians) may be required where routes have to use or connect with other routes on busy roads.
- 3.4 Interventions to create safe Quietway routes can include markings to make motorists aware of the potential presence of cyclists, contra-flow cycle lanes (two-way cycling on otherwise one-way streets) which may include segregation and improved surface quality and lighting. Where routes cross busy roads, safe direct crossing facilities can be provided, for example parallel zebra crossings.
- 3.5 Quietway designs can be such that they make a positive contribution to the appearance of an area for all users including those who never intend to cycle.
- 3.6 To date the Waterloo-Greenwich Quietway has been delivered with a number of other routes expected to be completed soon. Bromley's proposed Quietways are intended for delivery as part of phase 2.2 planned for implementation between 2017 and 2018.

#### **Quietways in Bromley**

Please see appendix 1 for a high level map of proposed Quietway routes in Bromley

- 3.7 At present TfL plans to deliver two Quietways in Bromley; from Lower Sydenham to Bromley town centre as part of phase 2.2. This route will join-up with the proposed Greenwich to Kent House Station route just outside the Borough boundary on Waterlink Way in Lewisham. The second route will be the section of the Greenwich to Kent House Station route from Lower Sydenham Station to Kent House Station.
- 3.8 The routes are still at a feasibility stage with officers having worked with TfL and their delivery partner Sustrans to produce a list of proposed interventions and costings to include in the Quietway Definition Plans (QDPs) for each route. This document acts as a feasibility study to inform which routes are of sufficient quality, benefit and value that enables informed funding decisions to be made by TfL, as the project sponsor.
- 3.9 Whilst officers have taken advice from TfL to propose interventions in the QDP which are thought to be suitable, Members are asked to remember that PDS support for and Environment Portfolio Holder approval of these proposals does not guarantee that TfL will necessarily fund them if the route does not meet the level of quality that TfL are aspiring to for Quietways when assessed at the Sponsor's review. In recommending the proposed interventions, Officers have been mindful of Portfolio Holder and Member priorities and have asked that interventions are

appropriate for the Borough. Ward Member views on the proposals have been sought and complex interventions have been designed to concept stage, however detailed designs have not yet been produced to avoid waste of resource if the proposals do not proceed. If progressed, the Environment Portfolio Holder and Ward Members will be consulted throughout the detailed design process.

- 3.10 Once TfL has made their decision about whether to fund the implementation of the route, the Council will then be able to undertake informal consultation with relevant stakeholders about the proposed interventions. Further Member and public consultation will take place on the details of the interventions when appropriate during the design process prior to implementation, including statutory consultation where necessary.
- 3.11 In 2014, following consultation with Members and a meeting with the former Cycling Commissioner, Andrew Gilligan, and Officers asked that TfL consider the following routes for implementation in the Borough:
- Orpington to Canary Wharf via Greenwich
  - Penge East to Honor Oak Park
  - Lower Sydenham to Bickley via Bromley town centre
  - Greenwich foot tunnel to Croydon via Ladywell and Catford
  - Orpington to Croydon
- 3.12 On 9th October 2014, Mr Gilligan wrote to the Deputy Leader of the Council and Environment Portfolio Holder for Environment to confirm the prioritisation of routes for Bromley as follows:
- A Quietway route from Orpington to Canary Wharf
  - A Quietway route from East Croydon to Catford
  - A Quietway route from Bromley to Lower Sydenham, to link with the East-Croydon to Catford route
  - A Quietway link from Bromley to Petts Wood, to link with the route to Orpington
- 3.13 In his response to this letter of 25th November, the Environment Portfolio Holder for expressed concern that despite Bromley's 'high aspirations for cycling in the borough the continuing lack of investment making its way to the Borough makes it very difficult to be able to deliver any meaningful, tangible improvements for cyclists.'
- 3.14 Further correspondence was received from Mr Gilligan on 12th March 2016 in response to the Environment Portfolio Holder's letter of 25th November. This letter confirmed that Bromley Town Centre Lower Sydenham and Croydon Town Centre to Greenwich via New Beckenham routes would be funded as part of phase 2 of the Quietways programme. Correspondence with the Commissioner after this date has been limited to other areas of concern and aspirations for the Borough.
- 3.15 Subsequently, Officers have been working with TfL's delivery partner for Quietways, Sustrans, to scope out the works required to bring the proposed route up to Quietway standard. Council Officers have impressed upon Sustrans the need for interventions that represent good value for money and are appropriate for Bromley.

- 3.16 The proposed routes to be progressed during this phase of Quietways were chosen using a tried and tested methodology developed by TfL which considers where routes are going, i.e. what places of interest they connect with and which trip generators they serve. They also consider the likelihood of the residents of the areas they serve being encouraged to cycle more as a result of the new route and the economic benefit this will bring to those areas.
- 3.17 Other routes in the Borough may be considered at a later stage when additional funding becomes available. Any further routes and extensions to those currently proposed is possible and more likely to gain funding from TfL after efficient and successful delivery of the currently proposed routes. Further routes could include the extension of the Lower Sydenham- Bromley route to Petts Wood, or the Greenwich to Kent House route to East Croydon.
- 3.18 This report provides details of the proposed routes and interventions required to bring them up to the required Quietway cycle route standard. Where an intervention is particularly complex, concept designs have been provided as appendices to this report. These have been funded by TfL and it is not possible to provide drawings for all smaller interventions at this stage due to budgetary constraints.

### **Benefits of the routes**

- 3.19 The proposed routes will offer significant benefits to cyclists in the Borough without any cost to the Authority.
- 3.20 In Bromley the cycling mode share has increased from 0.8% between 2010/11 and 2012/13 to 1.3% between 2011/12 and 2013/14. Given the London average trends, this demand can be expected to increase and with it the need to develop high quality safe cycle infrastructure to cater for cyclists living and working in the Borough.
- 3.21 Encouraging more cycle journeys through high quality infrastructure, also frees up capacity for those who choose to use other modes including the car. It is important to note that if everyone who currently commutes to Central London by bike travelled by car it would result in between 28,000 and 36,000 extra cars on the roads in Zone 1 in the morning rush hour or would require an additional 42 trains on the Underground. Therefore in Bromley, these proposed routes should free up road space and capacity on public transport for residents who do not want to cycle.
- 3.22 Those living along the Lower Sydenham to Bromley route are thought to have a high propensity to cycle and therefore, the provision of a high quality cycle route passing a number of railway stations in the Borough should prove popular with these residents and is likely to be a well-used route. This route should therefore contribute to increasing the cycling mode share in the Borough in addition to increasing the rates of cycle to rail trips, a particular Borough aspiration for cycling.
- 3.23 The route from Greenwich to Kent House route via Lower Sydenham will also provide an important link between railway stations on different lines in the Borough encouraging greater uptake of cycle to rail. From the Council's perspective this route importantly links up with the Lower Sydenham to Bromley route, just north of Lower Sydenham station and therefore provides residents living in Bromley town centre and Beckenham with a high-quality cycle route to other parts of South East London. Outside of the Borough, the route to Greenwich will link to the Greenwich – Bexleyheath Quietway and runs close to the Waterloo – Greenwich Quietway (Q1) which cyclists from Bromley could easily link to should they wish to.

- 3.24 In addition to the benefits for cyclists, both routes will also benefit pedestrians with improved crossing facilities and, possibly, surface quality at key points along the routes.
- 3.25 Large sections of both routes are based on existing London Cycle Network routes in the Borough, therefore the investment from the Quietways programme will benefit all users of existing routes and enable LBB to upgrade these routes at no cost to the authority, notably Kangley Bridge Road on the route from Greenwich to Kent House.
- 3.26 Improving the condition of Kangley Bridge Road will provide the Borough with the opportunity to implement a Pay & Display/Business Parking scheme in Kangley Bridge Road which could generate annual revenues for the Borough.
- 3.27 Transport for London will not provide funding to displace day to day expenditure by the Council. However, where interventions are required to bring the routes up to Quietway standard the Council will see improvements to their assets and may see a slight reduction in revenue expenditure (e.g. from new lighting or repairs to surfacing).
- 3.28 If well designed the interventions in Bromley can make a positive contribution to the streetscape of the areas the route passes through notably Kangley Bridge Road, possibly through the use of high-quality surface materials, better lighting and cleansing, all funded by the scheme. The already completed Waterloo – Greenwich Quietway 1 has made a significant improvement to the appearance of the areas it passes through, for example ensuring that previously run-down pockets of land are cleaned and better lit.

### **Proposed new route: Lower Sydenham to Bromley Town Centre – route description**

Please see appendix 2 for map of proposed Lower Sydenham to Bromley Town Centre

- 3.29 In the Borough, the route begins, adjacent to Lower Sydenham Station in Worsley Bridge Road. The section of Worsley Bridge Road between the River Pool and the junction with Copers Cope Road would benefit from segregating cyclists from motorised traffic. This is proposed to be achieved by moving the kerb back on the north side of the road to create a section of stepped cycle track for cyclists travelling towards Bromley. The track is likely to enable the Borough to upgrade the lighting along this section of road to LEDs in addition to resurfacing the footway at no cost to the authority. Segregating cyclists from this busy road will not only improve safety but will prevent slow moving cyclists from impacting on traffic-flow. As an optional extra, to segregate cyclists heading towards Lower Sydenham station, a shared or lightly segregated path on the south side of the road is also being proposed, whilst officers believe that this facility would be of benefit for all road users in this location, although the inclusion of this intervention in the Quietway is not yet approved by TfL.
- 3.30 The route then turns right into Copers Cope Road and continues until turning left into Park Road.
- 3.31 For northbound cyclists (i.e. those turning right from Park Road onto Copers Cope Road) measures to improve visibility and the installation of an island are recommended, some of those being part of the Copers Cope Road safety scheme agreed by Members in June 2016.
- 3.32 At the end of Park Road, the route crosses Southend Road. To make the crossing safe for cyclists and to improve the crossing for pedestrians, including the large number of children who use this road, it is proposed to install a parallel zebra crossing to the south of the junction. This facility will be utilised for both south and northbound cyclists. A crossing here has previously been requested by residents and by a Ward Member. Please see appendix 4 for the concept design.



- 3.33 The route continues along Foxgrove Road and Crab Hill, before turning right onto Ravensbourne Avenue. At the signalised junction with Beckenham Lane, by Shortlands Station, the route continues straight onto Station Road and then Queen's Mead Road, before turning right into Bromley Gardens.
- 3.34 At the end of Ridley Road, the route will take the existing, although narrow, footpath to Ravensbourne Road. Cycling is not currently allowed along this footpath so to open it up to cyclists, a dropped kerb will be required at the end of Ridley Road leading to the path. Cutting back vegetation would provide additional width for both pedestrians and cyclists and measures to reduce cycle speed at the approach from Ravensbourne Road would be required, and will be determined as the designs progress.
- 3.35 The route then continues along Ravensbourne Road, which will need to have a cycle contra-flow facility to allow for cycling in each direction and officers are investigating design options to avoid loss of car parking.
- 3.36 At present the proposed route then ends in Bromley town centre, although future extensions to make the route more useful to other Borough residents are possible once this initial phase is successfully completed. Officers will continue to lobby TfL to fund extensions when suitable opportunities to gain funding arise.

#### **Proposed new route: Greenwich to Kent House Station route description**

Please see appendix 3 for map of proposed Greenwich to Kent House Station Quietway in Bromley

- 3.37 The route begins near Lower Sydenham station on the existing off-street Waterlink Way running adjacent to the Hayes railway line. At Lower Sydenham station, the route then turns right into Westerly Crescent and then left into Kangley Bridge Road.
- 3.38 Kangley Bridge Road will require a segregated path for cyclists given the large number of HGVs and heavy parking, much of which appears to be associated with the car repair company located in the road. To minimise the loss of parking it is proposed to widen the eastern footway by approximately 1 metre to create a high quality shared path. To improve the visibility of pedestrians and cyclists to HGVs turning into the commercial premises, it is proposed to use 'at any time' waiting restrictions at key points in the road and could be combined with a Pay and Display scheme to generate revenue for the Council.
- 3.39 Parking is currently unrestricted along the length of Kangley Bridge Road and in order to accommodate a wider footway and provide sufficient room for large vehicles to use the road, it is necessary for the parking arrangements to be formalised. This will reduce the available road space for general car parking. However, the space currently available is largely inefficiently used, particularly at the southern end of Kangley Bridge Road and the parking in the road at present is not thought to be by local residents. Instead it appears to be primarily associated with the businesses in the road with a number of vehicles either damaged awaiting repair or part-way through repair parked in the road, likely to be associated with the repair garage. Where trees have to be removed, it is intended to plant suitable replacements, details of which will be finalised at the detailed design stage.
- 3.40 Subject to detailed design, the proposed formalisation and P&D parking associated with the shared path could provide the council with potential parking income from pay and display and business permits if the scheme were to proceed. Please see appendix 5 for the concept design.
- 3.41 This shared path would be an extension of the existing Waterlink Way and make a significant improvement to this popular Greenway in the Borough. At the end of Kangley Bridge Road, the route turns left onto Waterlink Way continuing to the exit of the path onto Lennard Road.

- 3.42 Waterlink Way will require some upgrading, to improve the surface, cutting back of vegetation along River Pool path between Kangley Bridge Road and Lennard Road and possibly upgrading the existing lighting to efficient LEDs, reducing running costs for the borough. The Quietway programme will therefore allow TfL capital to be spent on improving a Borough resource at no cost to the Council. At the junction of the River Pool path with Lennard Road it may be necessary to add 5/6m of full time parking restrictions or hatching to improve visibility for pedestrians and cyclists crossing Lennard Road and it is not thought that this will have a negative impact on residents.
- 3.43 The route then crosses Lennard Road and continues along Waterlink Way through Cator Park. To enable the route to be safe and secure 24 hours a day, Cator Park will require some limited lighting which could be provided by LED lighting of an appropriate design which would minimise on-going energy and maintenance costs. It is thought that the lighting can be installed under Permitted Development rights of the Authority. It is also proposed to widen the existing path slightly to provide more space for cyclists and pedestrians to comfortably and safely share the facility. Some limited widening of the path maybe required to remove pinch-points for pedestrians and cyclists.
- 3.44 The route then exits Cator Park and continues on Kings Hall Road until turning and then terminating in Kent House Station Approach.
- 3.45 There are however two options for crossing Kings Hall Road. Firstly to exit Cator Park onto Aldersmead Road continuing to the junction of Aldersmead with Kent House Road. This would be likely to involve tightening the Aldersmead Road radii at the junction with Kent House Road and installing new refuge islands to assist both cyclists and pedestrians with crossing. The second option, which Council officers have tended to favour, would be to continue the route along the Cator Park shared path until it meets Kent House Road where it can use the existing crossing facility provided as part of the LCN. There is however the option of upgrading the pedestrian and cyclist crossing here perhaps by moving the existing pedestrian refuge island to this location from slightly further along Kings Hall Road, this would be looked into in more detail at the detailed design stage for the route
- 3.46 It may also be possible to install new cycle parking facilities at Kent House Station as part of Quietways Programme. This would be a major improvement for passengers using the station because the existing cycle parking is often either full or indeed over capacity, highlighting the demand there is to cycle to Kent House Station.

#### **4. IMPACT ON VULNERABLE ADULTS AND CHILDREN**

- 4.1 Routes are designed to be accessible for all including those cyclists requiring recumbent cycles or disability bikes. There is not thought to have any adverse impact on Vulnerable Adults and Children.

#### **5. POLICY IMPLICATIONS**

- 5.1 This proposal supports outcome 5 of the 2016-19 Environment Portfolio Plan to Improving Travel, Transport & Parking by working:

- To improve the road network and journey-time reliability for all users
- To improve 'connectivity' (getting to places you couldn't previously reach easily) and 'integration' (linking different modes of transport)
- To reduce congestion and greenhouse gas emissions by promoting cycling, walking and public transport journeys
- To promote safer travel, and reduce the number and severity of road accidents

- To provide accessible, affordable, fair and effective parking services

## 6. FINANCIAL IMPLICATIONS

- 6.1 This report is requesting endorsement of the two proposed Quietway cycle routes within Bromley and for the Executive to add the provision scheme totalling £862.5k to the capital programme.
- 6.2 The estimated cost of the schemes will be fully funded by TfL. This includes funding for the LB Bromley project management staff time and design costs. The estimated cost of each of the Cycle Quietway routes is shown below: -

<b>Quietway Cycle Routes</b>	<b>£'000</b>
Greenwich to Kent House Station route	434.7
Lower Sydenham to Bromley Town Centre route	427.8
<b>Total cost of the Quietway Cycle Routes scheme</b>	<b><u>862.5</u></b>

- 6.3 At this stage the projects are at the 'Definition Plan' stage and are subject to an evaluation by TfL to assess whether or not the proposed routes represent quality and best value. Should TfL approve both schemes, a detailed design will be prepared to ascertain the full costs of implementation. Should the costs be significantly different from the £862.5k, a further report will be brought back to Members with full details of the costs and funding, otherwise confirmation of costs and funding will be included in a future Quarterly Capital Programme monitoring report.
- 6.4 Both proposed routes use significant sections of existing London Cycle Network Routes, therefore the cost of maintenance is not anticipated to be significantly higher than at present for cycle routes in the Borough. The work to maintain cycle routes includes surface repairs, and based on current maintenance budgets, the additional mile of cycle route in addition to the LCN that the Quietways add will cost less than £200 per annum to maintain. This is currently funded from the Local Implementation Plan Cycle and Walking route maintenance budget.
- 6.5 The proposed capital expenditure for some locations within the Quietways, will reduce the call on revenue maintenance funding in the medium term as the assets will be renewed earlier than would otherwise be possible.
- 6.6 There is also the potential to introduce parking schemes at some locations along the route which could generate additional parking income.

## 7. PERSONNEL IMPLICATIONS

- 7.1 Transport and Highways already employs staff who are able to project manage the design and delivery of Quietways. The members of staff undertaking these functions are funded via TfL's annual Local Implementation Plan budget at no cost to the Authority.
- 7.2 It is not anticipated that there will be any impact of FTE as a result of these proposals.
- 7.3 Whilst it is anticipated that the detailed design work will be shared between Council staff and Sustrans, the precise assignment of work has yet to be agreed but it is not anticipated that additional resources will be required to carry out the works.
- 7.4 Given the volume of responses expected as part of the consultation exercise required for the route in its entirety, it is likely that the Council will need to take on some additional contract staff

to process the consultation responses from stakeholders. These staff would simply be employed on an agency basis for approximately three or four weeks and would be funded from the Quietways budget, with no impact on the Authority.

## 8. LEGAL IMPLICATIONS

- 8.1 On the Lower Sydenham to Bromley Quietway, the footpath between Ridley Road and Ringers Road (Footpath 74) on which cycling is currently prohibited due to its designation as a Public Right of Way, will require cycling to be allowed along it as part of the Quietway route.
- 8.2 The Council can, through a conversion order, convert a Public Right of Way to a cycle track that would then be available to both pedestrians and cyclists. The Cycle Track Regulations 1984 specify the procedure to be followed when conversion orders are made. DoT Circular Roads 1/1986 describes the provisions of the Act and Regulations in detail and advises local authorities on the use of those powers
- 8.3 Bye-laws may also need to be repealed to allow for cycling along this footpath but due to the time-consuming nature of the investigative work required these will be investigated subsequent to approvals being given for the route by the Environment Portfolio Holder and TfL.

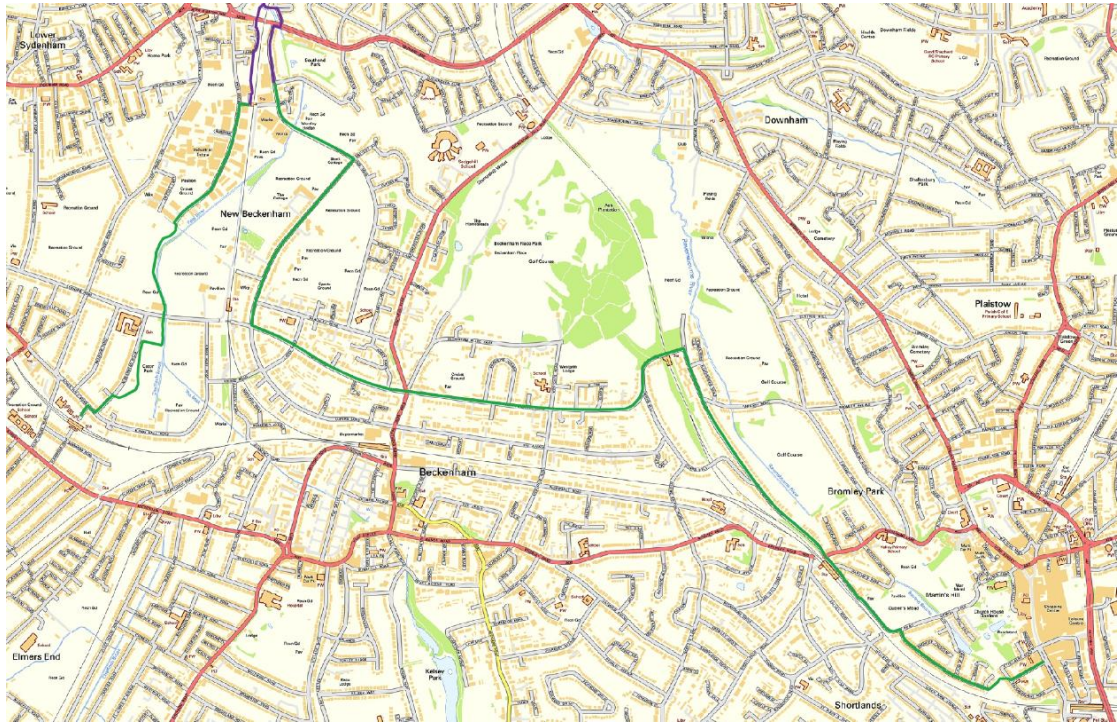
## 9. PROCUREMENT IMPLICATIONS

- 9.1 It is anticipated that the construction work will be undertaken by the Council's term contractors, so no procurement implications are expected, the scale of works being within the threshold.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	

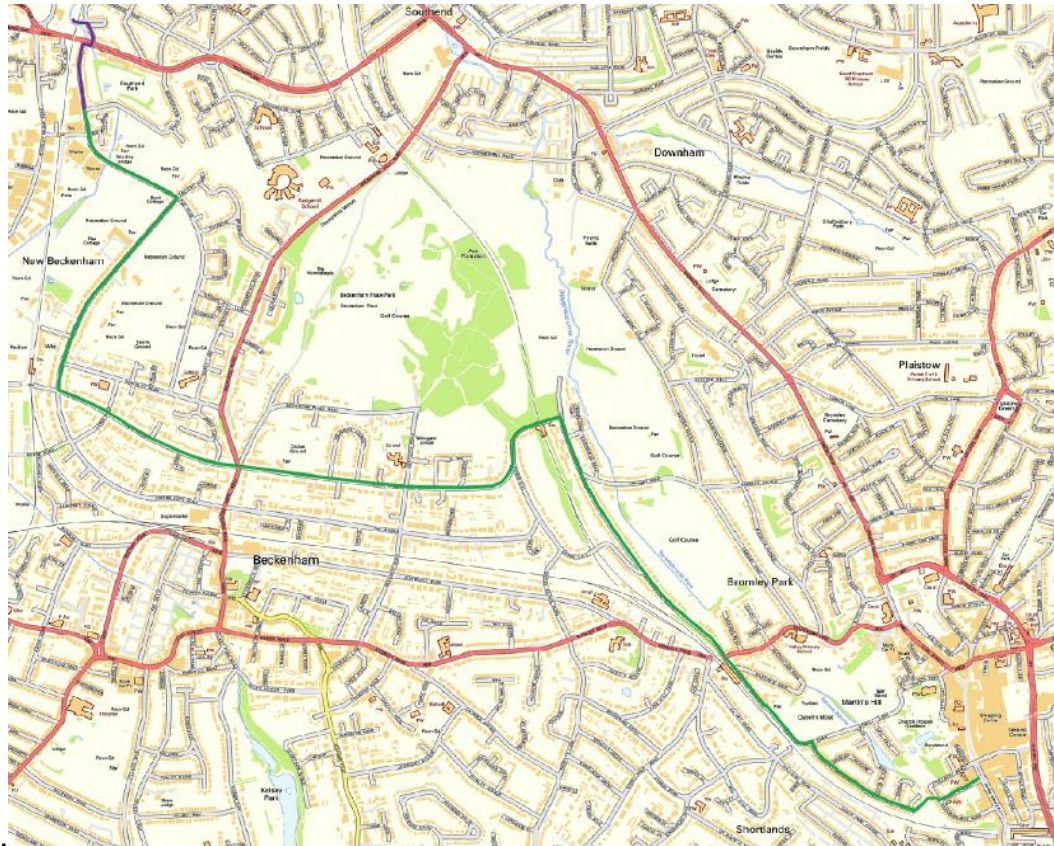
## Appendix 1- map of proposed Quietways in Bromley-

Please note, that the green lines show proposed Quietway routes in LB Bromley and the purple lines represent Quietways outside of the borough.



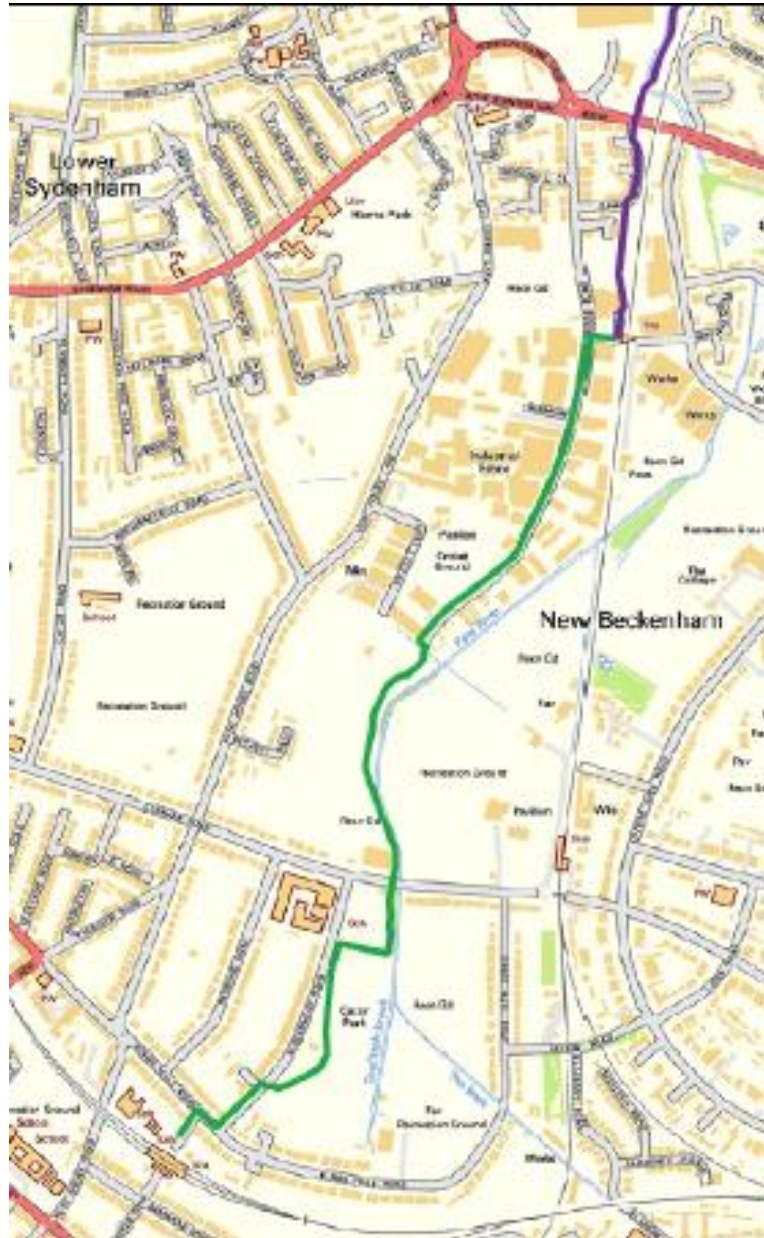
## Appendix 2- map of proposed Lower Sydenham to Bromley Town Centre Quietway

Please note, that the green line show the proposed Quietway route in LB Bromley and the purple line represents the route outside of the borough.

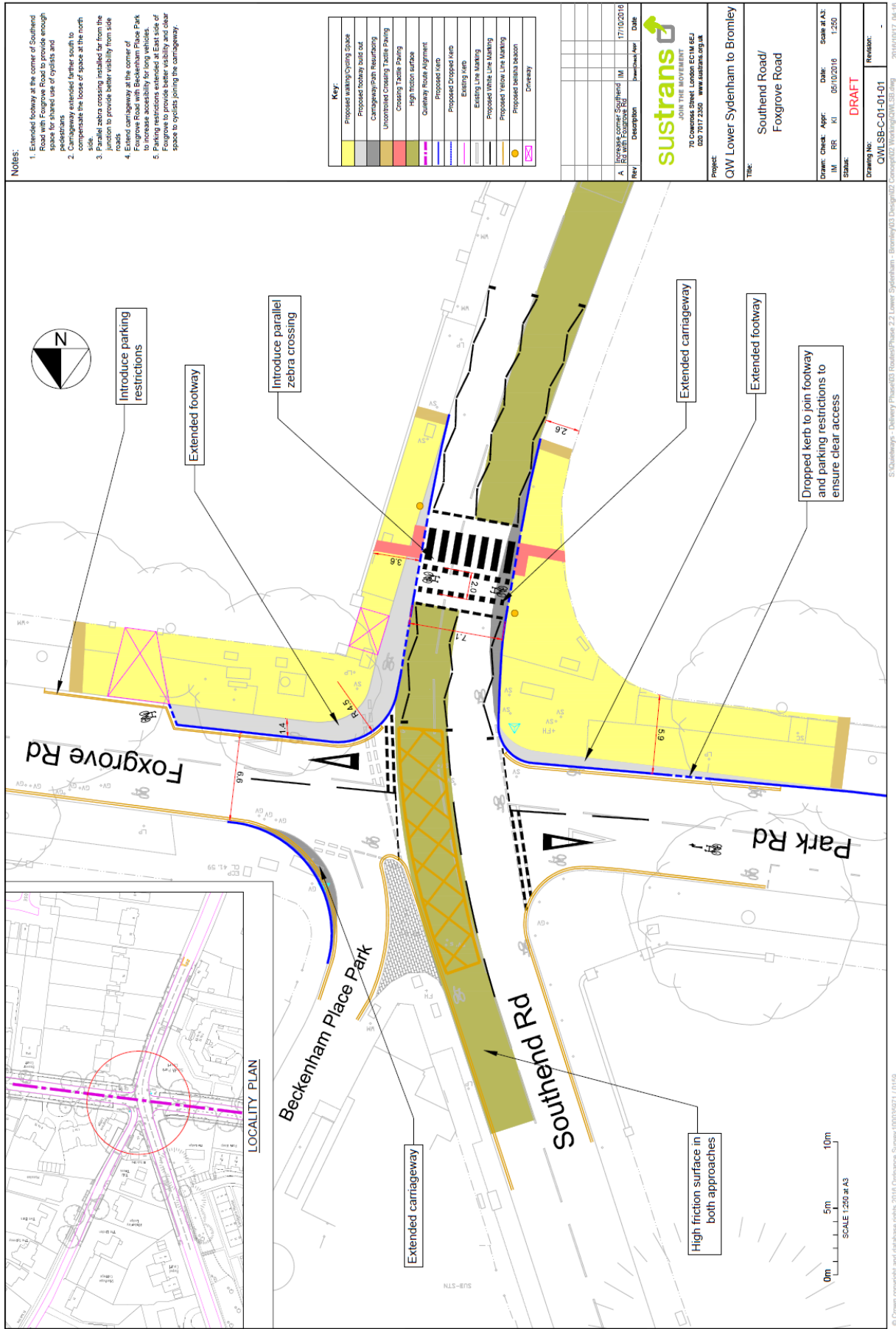


### Appendix 3- map of proposed Greenwich to Kent House Station Quietway in Bromley

Please note, that the green line show the proposed Quietway route in LB Bromley and the purple line represents the route outside of the borough.

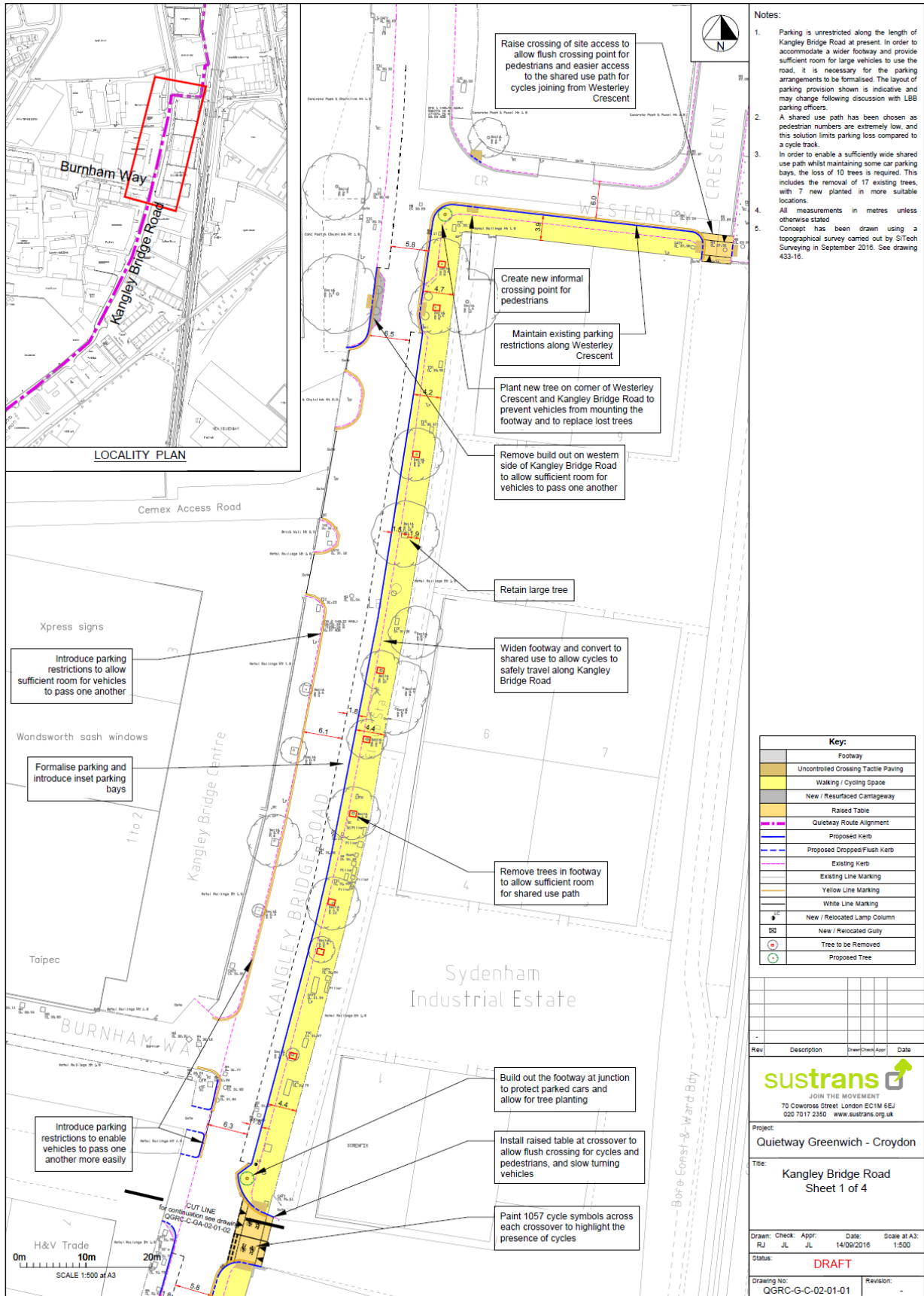


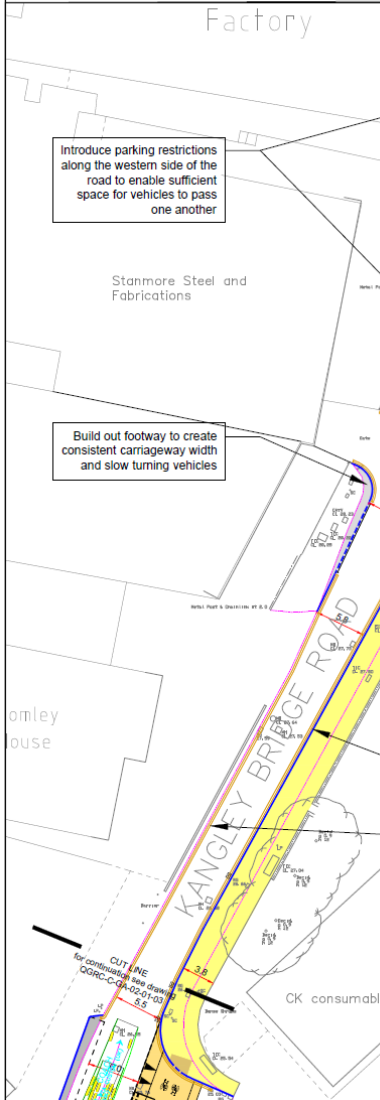
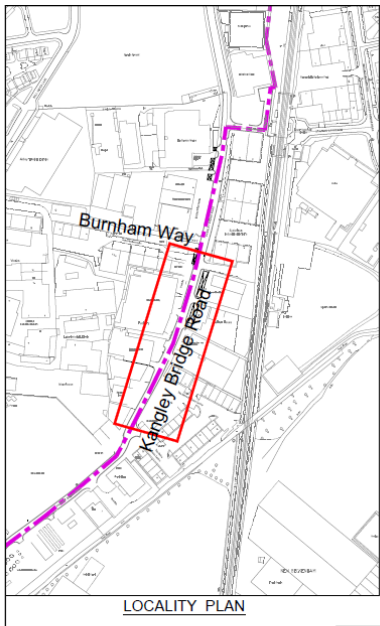
# Appendix 4 – Proposed Parallel Zebra Crossing on Southend Road, Copers Cope





# Appendix 5 – Proposed Kangley Bridge Road Shared Path





Install raised tables at all crossovers to provide flush crossing point for cycles and pedestrians and slow turning vehicles

Plant new trees on build outs

Reduce width of footway by 0.3-0.6m to provide formal inset parking

Maintain dropped kerb for frontage parking

Paint 1057 cycle symbols across each crossover to highlight the presence of cycles

Remove trees to allow sufficient space for shared use path

Maintain dropped kerb for frontage parking

Plant new trees on build outs

Widen footway and convert to shared use

Introduce parking restrictions along the western side of the road to enable sufficient space for vehicles to pass one another

Provide formal inset parking bays

Paint 1057 cycle symbols across each crossover to highlight the presence of cycles

Build out footway to create consistent carriageway width and slow turning vehicles

Build out footways to protect parking and provide space for new trees to be planted

Provide formal inset parking

Introduce parking restrictions along both sides of the carriageway to enable sufficient space for vehicles to pass one another along this narrow stretch

- Notes:
1. Parking is unrestricted along the length of Kangley Bridge Road at present. In order to accommodate a wider footway and provide sufficient room for large vehicles to use the road, it is necessary for the parking arrangements to be formalised. The layout of parking provision shown is indicative and may change following discussion with LBB parking officers.
  2. A shared use path has been chosen as pedestrian numbers are extremely low, and this solution limits parking loss compared to a cycle track.
  3. In order to enable a sufficiently wide shared use path whilst maintaining some car parking bays, the loss of 10 trees is required. This includes the removal of 17 existing trees, with 7 new planted in more suitable locations.
  4. All measurements in metres unless otherwise stated
  5. Concept has been drawn using a topographical survey carried out by S|Ttech Surveying in September 2016. See drawing 433-16.

**Key:**

[Yellow Box]	Footway
[Grey Box]	Uncontrolled Crossing Tactile Paving
[Blue Box]	Walking / Cycling Space
[Red Box]	New / Resurfaced Carriageway
[Green Box]	Raised Table
[Dashed Line]	Quietway Route Alignment
[Blue Line]	Proposed Kerb
[Red Line]	Proposed Dropped/Flush Kerb
[Black Line]	Existing Kerb
[Yellow Line]	Existing Line Marking
[White Line]	Yellow Line Marking
[White Line]	White Line Marking
[Black Circle]	New / Relocated Lamp Column
[Red Circle]	New / Relocated Gully
[Red Circle with X]	Tree to be Removed
[Green Circle]	Proposed Tree

Rev	Description	Drawn	Checked	Date

**sustrans**  
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70 Cowcross Street, London EC1M 6EJ  
020 7017 2350 www.sustrans.org.uk

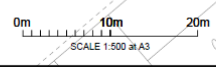
Project:  
Quietway Greenwich - Croydon

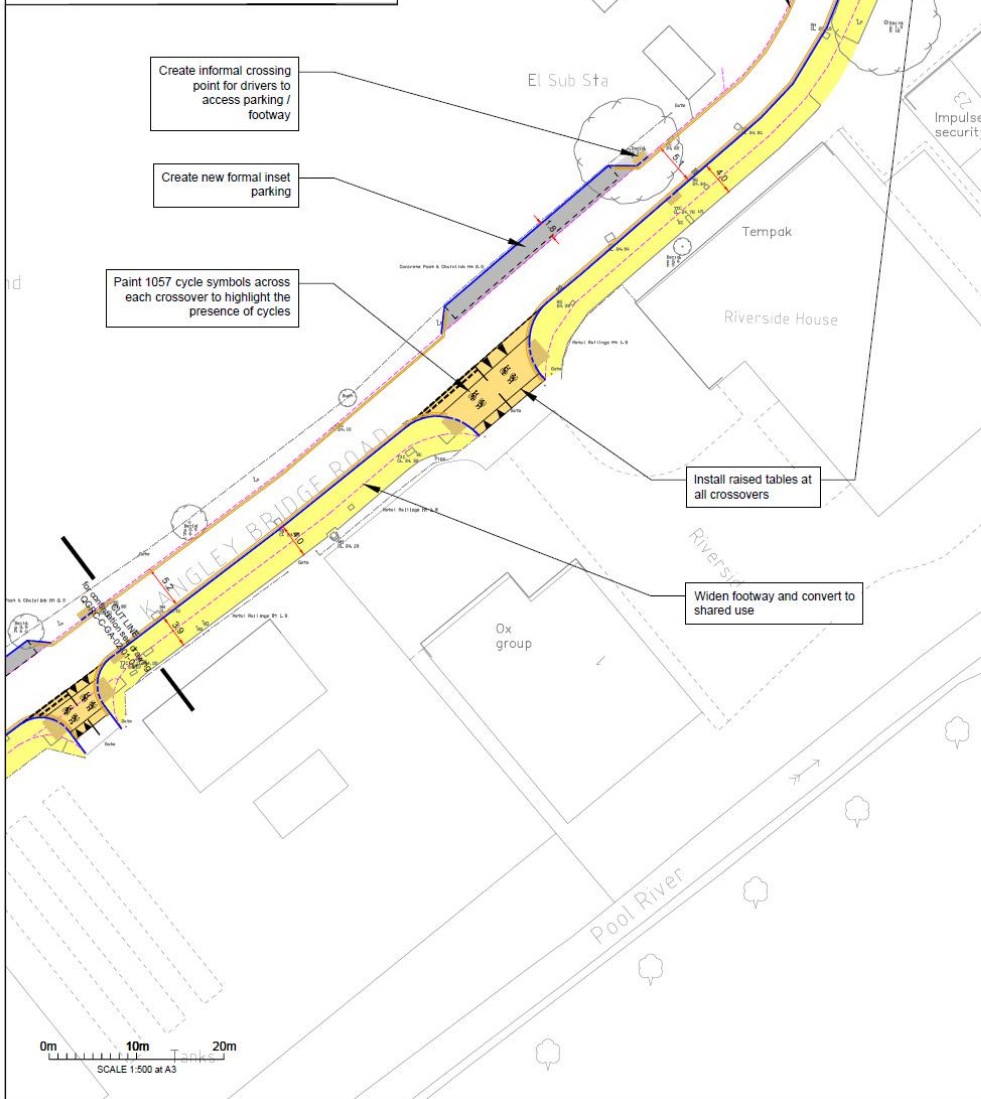
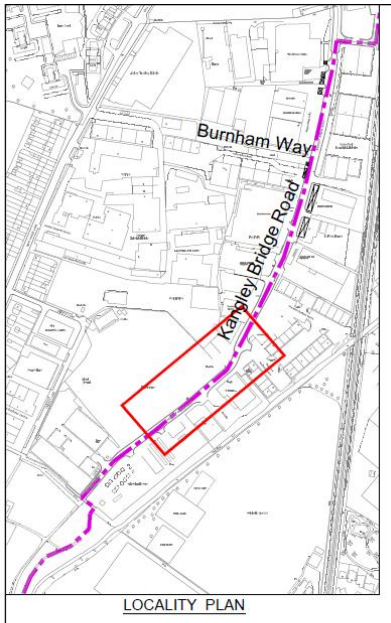
Title:  
Kangley Bridge Road  
Sheet 2 of 4

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Status: **DRAFT**

Drawing No: QGRC-G-C-02-01-02 Revision: -





- Notes:**
1. Parking is unrestricted along the length of Kangley Bridge Road at present. In order to accommodate a wider footway and provide sufficient room for large vehicles to use the road, it is necessary for the parking arrangements to be formalised. The layout of parking provision shown is indicative and may change following discussion with LBB parking officers.
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**Key:**

[Symbol]	Footway
[Symbol]	Uncontrolled Crossing Tactile Paving
[Symbol]	Walking / Cycling Space
[Symbol]	New / Resurfaced Carriageway
[Symbol]	Raised Table
[Symbol]	Quietway Route Alignment
[Symbol]	Proposed Kerb
[Symbol]	Proposed Dropped / Flush Kerb
[Symbol]	Existing Kerb
[Symbol]	Existing Line Marking
[Symbol]	Yellow Line Marking
[Symbol]	White Line Marking
[Symbol]	New / Relocated Gully

Rev	Description	Drawn	Checked	Appr	Date

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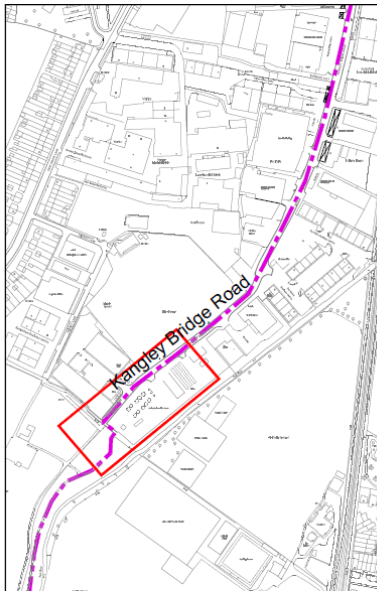
**Project:**  
 Quietway Greenwich - Croydon

**Title:**  
 Kangley Bridge Road  
 Sheet 3 of 4

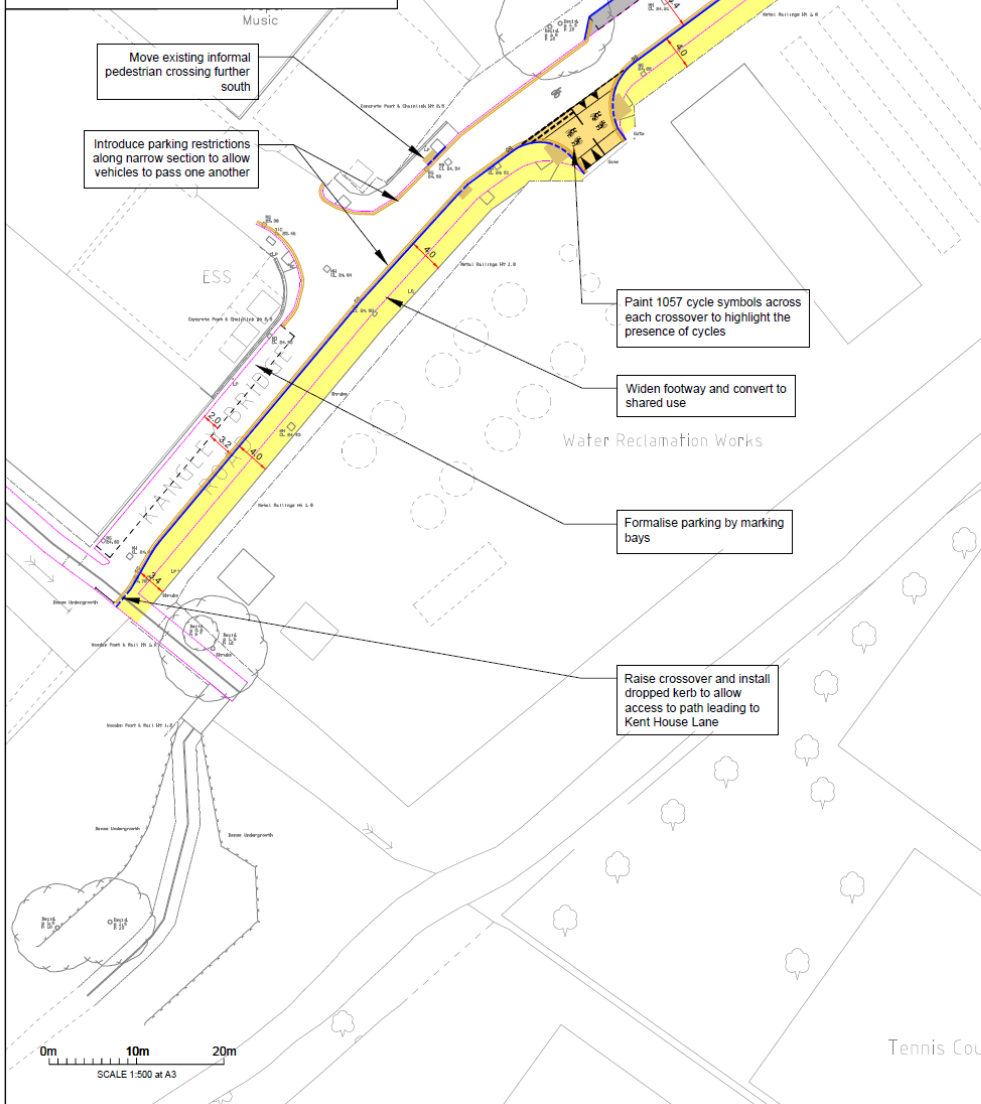
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**Drawing No:** QGRC-G-C-02-01-03 **Revision:** -



LOCALITY PLAN



0m 10m 20m  
SCALE 1:500 at A3



- Notes:
1. Parking is unrestricted along the length of Kangley Bridge Road at present. In order to accommodate a wider footway and provide sufficient room for large vehicles to use the road, it is necessary for the parking arrangements to be formalised. The layout of parking provision shown is indicative and may change following discussion with LBD parking officers.
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[Symbol]	Footway
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[Symbol]	Existing Kerb
[Symbol]	Existing Line Marking
[Symbol]	Yellow Line Marking
[Symbol]	White Line Marking
[Symbol]	New / Relocated Gully

Rev	Description	Drawn	Check	Appr	Date

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Project: Quietway Greenwich - Croydon

Title: Kangley Bridge Road  
Sheet 4 of 4

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Status: **DRAFT**

Drawing No: QGRC-G-C-02-01-04 Revision: -

Report No.  
ES16054

## London Borough of Bromley

### PART 1 - PUBLIC

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**Decision Maker:** Executive- 30 November 2016

For Pre-Decision Scrutiny by the Environment PDS Committee on:

**Date:** 8<sup>th</sup> November 2016

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

**Title:** **FORMAL CONSULTATION ON OUTLINE SERVICE PROPOSALS AND PROCUREMENT STRATEGY - CONEY HILL, OXTED, SURREY CLOSED LANDFILL MONITORING & LEACHATE REMOVAL CONTRACT**

**Contact Officer:** John Woodruff, Strategic Commissioner - Waste  
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**Chief Officer:** Nigel Davies, Executive Director of Environment & Community Services

**Ward:** N/A

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## 1. REASON FOR REPORT

- 1.1 Coney Hill, Oxted, Surrey is a closed landfill site, the maintenance, monitoring and aftercare of which was assigned to LB Bromley in 1986 by the London Residuary Body, following the abolition of the Greater London Council.
- 1.2 As LB Bromley does not have the in-house expertise necessary to carry out these specialist functions (including a requirement to appropriately dispose of the liquid leachate), this activity has been let to external contractors since the site was assigned to LB Bromley. The current contractor, Initial Projects Ltd (trading as Enitial), was awarded the contract for a seven year term commencing on 28 July 2010 and expiring on 27 July 2017.
- 1.3 In line with the Council's revised Corporate Procedure Rules, this report outlines the procurement strategy involved in tendering these specialist functions to an external provider.
- 1.4 It is proposed to let the contract for another seven year period, with the option of a three year extension and then an option to extend for a further 2 years (following a best value review).

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## 2. RECOMMENDATION

- 2.1 The Executive agrees to the procurement strategy set out in this report.
- 2.2 The Executive agrees to delegate the decision to the Executive Director of ECS in consultation with the Portfolio Holder the authority to extend the contract if necessary.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Quality Environment.
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### Financial

1. Cost of proposal: Estimated total contract value of £1.643m
  2. Ongoing costs: Recurring cost. £136,880 per annum
  3. Budget head/performance centre: Waste Services
  4. Total current budget for this head: £136,880
  5. Source of funding: Existing revenue budget for 2016/17
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### Staff

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

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

1. Estimated number of users/beneficiaries (current and projected): Effectively, LB Bromley is the sole customer
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### Ward Councillor Views

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

### **3. COMMENTARY**

- 3.1 Coney Hill is a closed landfill site, the maintenance, monitoring and aftercare of which was assigned to LB Bromley in 1986 by the London Residuary Body following the abolition of the GLC. The site accepts no waste and has been capped, but generates landfill gas and leachate gas the waste gradually biodegrades. The site is equipped with a network of pipes to draw-off the landfill gas, which is currently flared. There is also a network of pipes to draw-off the liquid leachate to a central lagoon, from where it is tankered to an appropriate disposal facility.
- 3.2 There is also a network of gas and water monitoring boreholes outside the site boundary, to demonstrate that there is no leakage of the site's contents into the surrounding environment.
- 3.3 There is an on-going requirement to monitor the pipeline networks and monitoring equipment to ensure they operate appropriately, to maintain the equipment, and repair it as necessary. There is also a requirement to tanker the leachate to an appropriate disposal facility. The results of the monitoring are analysed to ensure they conform with the appropriate legislation and appropriate action taken if this is not the case.
- 3.4 LB Bromley does not have the in-house expertise to carry out these specialist functions. The activity has therefore been let to external contractors since the site was assigned to LB Bromley. The current contractor is Enitial, which has carried out this function since 1999.
- 3.5 The tankering and disposal of the liquid leachate at appropriate disposal facilities is the responsibility of the contractor.
- 3.6 The site is located at Coney Hill landfill site, Barrow Green Road, Oxted, Surrey. LB Bromley used this site for the disposal of waste, through the GLC, in its role as Waste Authority. When the GLC was abolished, the London Residuary Body dispersed the responsibility for waste management sites (incinerators, Civic Amenity sites, waste transfer stations, depots, etc) to the boroughs. As a major user of the Coney Hill landfill site, responsibility for the aftercare of the site was passed to LB Bromley. This was confirmed through "the Parsons Agreement", an agreement dated 26 November 1980 originally made between the GLC and Messrs Parsons (the site owners), as amended by an agreement dated 22 July 1986 made between LB Bromley and Messrs Parsons. There is also a Licence Agreement (dated 8 September 1992) and a Deed of Rectification (dated 18 June 1993) made between these parties.
- 3.7 The site is also covered by "the ESWC Agreement" (dated 30 January 1981) between the Greater London Council and East Surrey Water Company (again, the rights and obligations of the Greater London Council have since been assigned to the Council).
- 3.8 The Environment Agency monitors the site to ensure it complies with appropriate environmental legislation, and that the material within the site remains contained and is not having an adverse effect on the surrounding environment. Environmental legislation may change over time, which could lead to a requirement for additional facilities to be added.
- 3.9 Current estimates, based on analysis by the current contractor, suggest that gas and leachate management and extraction will be required for a further 25 year period; volumes will reduce during this period, eventually falling to a minimal level. Once the site is confirmed as effectively inert, then LB Bromley's responsibility will be fully discharged.

### **4. SERVICE PROFILE / DATA ANALYSIS**

- 4.1 The current contract specifications are based on a robust, auditable schedule of works submitted by the contractor. This schedule identifies all the procedures and working practices to be adopted in fulfilling the various monitoring, maintenance and leachate & gas removal requirements required by legislation and Environment Agency guidance. It also includes a

proposed emergency action plan, including how it will be activated if and when recorded data falls outside prescribed maximum gas or leachate concentration values, or when gas or leachate management control measures are observed to have failed.

- 4.2 Expected servicing schedules for all equipment used in meeting the required environmental controls for the site are also be specified. The Contractor is responsible for ensuring the proper function of both the Council's and its own equipment at the Coney Hill Site.
- 4.3 The condition of the pipework and equipment will be reviewed prior to the tendering exercise to establish whether any additional equipment replacement costs need to be included in the specification (over the seven / ten / twelve years of the contract).
- 4.4 A monthly report is provided to the Council detailing all monitoring results, exception reports for variance from normal results, and actions and timescales for remedial works. A six-monthly summary of all monitoring results is also provided to the Council, which is shared with the Environment Agency.

## **5. CUSTOMER PROFILE**

- 5.1 The site is situated in Barrow Green Road, Oxted, Surrey. For the purposes of this service, LB Bromley is effectively the sole customer.

## **6. MARKET CONSIDERATIONS**

- 6.1 Closed landfill management is a specialised, heavily regulated function. Service providers are identifiable through contacts with other authorities utilising similar services. Other contacts are available through National Association of Waste Disposal Officers (NAWDO) and the Chartered Institute of Waste Management (CIWEM). The term of the contract will be 7 years, with options to extend by 3 years, and then a further 2 year extension. The initial length is to ensure that reductions in the volumes of leachate and landfill gas generated by the site can be analysed over time, with the assumption these costs will fall over time. The two extension options are to allow for the option of this contract to be made co-terminous with the wider bundle of Environment contracts being let in 2019.
- 6.2 Due to the specialist nature of the services required, and the remote location of the site (in relation to Bromley), local procurement options will be considered (including encouraging SME and allowable Local Contracting considerations and social enterprise procurement) but are unlikely to be an option.

## **7. STAKEHOLDER CONSULTATION**

- 7.1 Due to the nature of the service, no consultation is proposed.

## **8. SUSTAINABILITY / IMPACT ASSESSMENTS**

- 8.1 The general management of the site focuses on minimising and controlling the environmental impact of the on-going biological degradation of the waste and the associated emissions generated. Without appropriate controls and processes, these emissions, primarily liquid leachate and landfill gas (methane), could contaminate groundwater, aquifers or the ground surrounding the site.
- 8.2 Any potential sustainability impact would involve options to develop a waste-to-energy plant, able to generate electricity from the landfill gas generated by the site. Since this is currently burnt off, this would represent a major improvement in the site's carbon footprint. However, analysis of current gas levels suggest this would be unlikely to be a cost-effective option.
- 8.3 The major environmental risk is failure by the Contractor to monitor the site appropriately, leading to potential contamination of the surrounding environment. A crucial element of the selection criteria will be the provision of a robust, auditable schedule of works by the contractor (to mitigate the risk). This schedule should not only identify all the procedures and working



practices to be adopted in fulfilling the various monitoring, maintenance and leachate & gas removal requirements, but should also include a proposed emergency action plan, including how it will be activated if and when recorded data falls outside prescribed maximum gas or leachate concentration values, or when gas or leachate management control measures are observed to have failed. Expected servicing schedules for all equipment to be used in meeting the required environmental controls for the site should be specified. The Contractor is responsible for ensuring the proper functioning of both the Council's and its own equipment.

- 8.4 Since the primary evaluation criteria will be the tenderer's experience and competence in controlling site emissions, this decision has been judged to have no or a very small impact on local people and communities.

## **9. OUTLINE PROCUREMENT STRATEGY & CONTRACTING PROPOSALS**

### **9.1 Estimated Total Contract Value**

Total potential total contract value is £1,642,560, including both extensions.

### **9.2 Other Associated Costs**

None (unless the proposed infrastructure audit identifies any significant equipment or pipework which may have to be replaced during the life of the contract)

### **9.3 Contract Period**

7 years, with the option of a 3 year extension (following a best value review), followed by the option of a further 2 year extension – that is 28 July 2017 to 27 July 2024 (or 2026, or 2028). The option of an extension provides the potential opportunity for this contract to be aligned with the wider package of environmental contracts in the future.

### **9.4 Advertisement**

Following approval by the Executive, an advertisement summarising the specification will be placed in the OJEU inviting expressions of interest.

### **9.5 Procurement Route**

The contract will be tendered through a two-part restricted process.

### **9.6 Contract Documentation**

The specifications and conditions of contract will reflect those currently applying. The Instructions to Tender, evaluation criteria, and contract document production responsibilities will be agreed with Finance, L&DS and Procurement.

## **Evaluation**

- 9.7 The evaluation criteria used to select a supplier will be based on a 60/40 price/quality split.

- 9.8 The evaluation criteria that will be used to award the contract will be:

1. Understanding of and compliance with all specifications
2. Commitment of sufficient resources to ensure compliance
3. Whole-life contract cost
4. Other quality criteria

- 9.9 Compliance with 1 & 2 are an absolute (pass/fail) requirement. Price will, therefore, be the primary evaluation metric with whole-life contract cost being assessed including a cost-benefit analysis of any proposals for such innovations, including assessment of the potential long-term return on investment, and any potential financial risk to the council .

9.10 The quality criteria include the following issues:

- a. Experience of the management of similar sites
- b. Experience of the type of gas and leachate networks installed at the site
- c. Clean record with regard to compliance notices from Environment Agency and HSE
- d. Access to appropriate liquid leachate disposal sites
- e. Sufficiency of skilled monitoring staff
- f. Understanding of current and potential legislation and its impact on the site
- g. Imaginative options which may reduce either the environmental or financial impact of the site's ongoing maintenance.

## **10. POLICY CONSIDERATIONS**

10.1 The proposed Contract supports a number of ambitions expressed in Building a Better Bromley. "A quality environment - we aim to maintain and enhance the local environment in which people live and work, and provide a high quality of life for all." Building a Better Bromley also contains specific commitments to "further improve our recycling facilities" and to work with the public to minimise the rate of increase in waste generated. The Environment Portfolio Plan also contains specific commitments to improve and enhance recycling facilities, including expanding the range of services currently provided.

10.2 The management of landfill gas at permitted landfills is covered by three pieces of European legislation:

- Waste Framework Directive (75/442/EEC as amended)
- Landfill Directive (1999/31/EC)
- Integrated Pollution Prevention and Control (IPPC) Directive (96/61/EC).

For permitted landfills in England and Wales, these Directives are implemented by the Landfill (England and Wales) Regulations 2002 and the Pollution Prevention and Control (England and Wales) Regulations 2000, both of which were made under the Pollution Prevention and Control (PPC) Act 1999. Officers are not aware of any proposals for change or enhancement to these regulations.

## **11. FINANCIAL CONSIDERATIONS**

11.1 Analysis of the current contract specifications indicates that there should not be any major changes in the monitoring element of the Contract. The current budget for this element is £64k per annum.

11.2 The leachate removal element has been affected by the European Landfill Directive, which led to the introduction of the Landfill Tax. However, the removal of the Landfill Tax escalator (replaced by an annual inflation-based increase) has led to stable pricing for the disposal cost of this liquid hazardous waste. The current budget for this element is £73k per annum.

11.3 The proposed contract period is for 7 years, with the option of two extension periods, the first for 3 years, and then an option to extend for a further 2 years. The options of the extensions

provides the potential opportunity for this contract to be aligned with the wider package of environmental contracts in the future.

11.4 The estimated total cost of the contract over the proposed contract period of 12 years, (including the two extension periods) is £1.643m.

11.5 An infrastructure survey will be undertaken to identify whether any capital costs are likely to be incurred over the term of the contract.

## 12. PERSONNEL CONSIDERATIONS

12.1 There are no internal staffing implications. The current contractor has indicated that all staff involved with the current contract would be transferred to other duties, so no TUPE considerations are expected, although full confirmation of this will be sought before the evaluation process commences.

## 13. LEGAL CONSIDERATIONS

13.1 The monitoring and control of the environmental impact of closed landfill sites is closely controlled by the Environment Agency. The contract specifications will incorporate all control elements, monitoring schedules and reporting requirements required by the EA under current legislation.

13.2 Legal & Democratic Services will assist in the preparation of the Invitation To Tender, the Specifications and the Conditions of Contract.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	

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Report No.  
ES16062

## London Borough of Bromley

### PART 1

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**Decision Maker:** Executive

**For Pre-Decision Scrutiny by Environment PDS on  
24<sup>th</sup> November 2016 and Executive and Resources Committee  
on 23<sup>rd</sup> November 2016**

**Date:** 30<sup>th</sup> November 2016

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

**Title:** AWARD OF THE PARKING SERVICE CONTRACT

**Contact Officer:** Ben Stephens, Head of Parking Services  
Tel: 020 8313 4514 E-mail: ben.stephens@bromley.gov.uk

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

**Ward:** All wards

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1. Reason for report

To report on the outcome of re-tendering the Parking Service contract and the procurement process undertaken.

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2. **RECOMMENDATION(S)**

**That the Executive agrees to:**

- 2.1 note the information set out in this Part 1 report and subject to any comments award a contract for the Parking Service for a term of 10 years effective from 3<sup>rd</sup> April 2017 as set out in the Part 2 report in this agenda.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Summary of Impact: minimal impact, however the parking contract includes school crossing patrol and enforcement school zig zags which is aimed to protect children as they move to and from school. The contract also includes Enforcement Agents that will take into consideration vulnerable adults.

### Corporate Policy

1. Policy Status: Existing Policy
  2. BBB Priority: Excellent Council Quality Environment
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### Financial

1. Cost of proposal: Estimated Cost: Details are set out in the Part 2 report
  2. Ongoing costs: Recurring Cost Details are set out in the Part 2 report
  3. Budget head/performance centre: Parking
  4. Total current budget for this head: Cr 6.775m
  5. Source of funding: Existing revenue budget 2016/17
- 

### Staff

1. Number of staff (current and additional): Parking Services – 15.77 fte
  2. If from existing staff resources, number of staff hours:
- 

### Legal

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

1. Summary of Procurement Implications: “The original OJEU Notice and Tender Documents issued, including the Invitation to Tender, made provision for the approach to be used in the calculation of submitted tender values and the amounts to be considered during the Tender Evaluation process.
2. The calculation of the scores included for financial issues has followed the methodology set out in the tender documents, and accurately reflects the “Value” of the proposals made and their proper consideration within the stated evaluation process, in conjunction with the scores awarded for the Quality Criteria agreed, prior to tender, all in compliance with the Public Contract Regulations 2015.
3. The Council’s tender strategy allows for either Council to make a separate contracting decision, based on its own assessment of Best Value, and neither is bound to consider a Joint contract if it views a single contract as providing a better overall outcome for the authority from the tender process completed.

4. As a result the Council can decide either to award on the a single Authority basis or on the basis of using the same supplier by both Authorities with the same service provider.”
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#### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Parking Enforcement and Associated Services underpins all services to LBB Parking customers
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#### 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 A Parking Procurement Gateway review report (ES14034) was approved by the Portfolio Holder in July 2014. This report set out in principle the range of parking services and existing parking related contracts that would form the basis for the new parking contract, along with information on the proposed term of contract and performance management. The London Borough of Bromley provides parking services as an adopted duty under the Traffic Management Act 2004.
- 3.2 On 25 March 2015, the Executive agreed that parking services could be procured in partnership with the London Borough of Bexley and they also agreed various options for the contract term.
- 3.3 Bromley's current contract with Indigo (formally known as Vinci Park Services) commenced in October 2006 and ends in April 2017. A contract extension (report ES16029) was approved by the Executive on 15 June 2016 to ensure continuity of service through to 2nd April 2017. The proposed parking contract includes the following services –

- Patrolling and enforcing on-street parking restrictions through the issue of PCNs.
- Patrolling and enforcing all council-owned car parks through the issue of PCNs.
- Car park management and maintenance.
- Equipment maintenance and management.
- Collecting cash from pay and display machines, and pay stations in multi-storey car parks.
- School crossing patrols, part funded by TfL and individual schools (schools will enter directly into contract with the successful service provider for this element of the specification)
- Business Processing Services i.e post, scanning, printing.

A full list of services are set out in appendix one.

- 3.4 Bexley's current contract with NSL commenced in April 2010 and is also due to end in April 2017, following agreement to align the contract end date with LB Bromley. The contract includes many similar services: As members will be aware, the Shared Parking Service currently manages parking services for both Bromley and Bexley. A key element of the business case for establishing the shared parking service was the opportunity to realise further savings and efficiencies by bringing the boroughs together to procure a parking contract when their existing contracts expire. Harmonisation of the boroughs' approaches to parking enforcement was already underway when report ES14034 was approved and a joint procurement of a parking service contract commenced.
- 3.5 The tender process was undertaken jointly with the London Borough of Bexley, however each Authority will enter into a separate contract with the company who is considered to provide the most economically advantageous position for the respective authorities. A discount was requested by each contractor so that additional savings could be made should both Boroughs award to the same contractor. Tender prices were sought for each of the following options for the contract terms: -
- 5 years + 5 years extension for an individual authority.
  - 5 years + 5 years extension with a discount offered, should both Boroughs award to the same contractor
  - 10 years for each individual authority
  - 10 years contract with a discount offered, should both Boroughs award to the same contractor

- 3.6 At the time of writing this report, Bexley had yet to determine who they are going to award to in the event that the London Borough of Bexley opt to award the parking contract to a different



contractor from Bromley, members should note that the parking shared service would be able to continue to manage such an arrangement within existing resources. The parking shared service is at this point of time currently managing two separate parking contracts which comprise of multiple contractors across the two authorities.

3.7 Since the commencement of the current parking contract for Bromley in 2006 there have been a number of changes in Government guidance; in particular revised Statutory Guidance was issued in 2008 and changes across the country in local authorities' enforcement practice, equipment and policy. A greater emphasis has been placed on improved transparency, including;

- publication of annual reports
- more transparent financial information
- adoption and publication of parking strategies
- Use of Body Worn Video
- GPS tracking of enforcement , showing where PCNs have been issued
- Real time data transfer to the back office.
- Greater emphasis on customer service, including:
- Sharing of evidence recorded online including photographs and recordings
- Ability to challenge PCNs online.
- Sharing of policies and practices with customers via the web.

The new specification that has formed the basis of the tender reflects all the above guidance to ensure the contract is up to date as possible at this moment in time.

### **Evaluation process**

- 3.8 Officers developed a Contract and Specification with associated Key Performance Indicators which meets the current requirements of Parking Services within both Boroughs and the service over the next 10 years.
- 3.9 The shared service led on this joint procurement exercise on behalf of both boroughs. A management board was created comprising of officers at senior officer and operational level, who worked closely together over a two year period to establish a specification, which is fit for both individual authorities. The board provided close scrutiny and governance of the process and insured all procurement and legal requirements were fully adhered to and monitoring procedures established as part of the contract, to insure the highest standards are achieved and maintained by the successful contractor.
- 3.10 A revised evaluation timetable was approved by Executive on the 15<sup>th</sup> June 2016 (report ES15001) to achieve a 3 April 2017 go live date, which has been met.
- 3.11 Thirty-four companies initially expressed an interest in the contract and sixteen companies attended a service provider's open day in May 2016. A total of six companies expressed an interest at the PQQ stage, and following the evaluation process, four companies were invited to tender. Three major companies submitted tenders and are significant contractors in the UK parking sector. One company stated they were unable to provide a competitive bid and withdrew.
- 3.12 Members should be reassured that the shared service will continue to monitor the performance of the contractors as it has been doing since the commencement of the service in April 2013. In addition a number of best practice policies have recently been developed following comments

from Audit with the aim of ensuring greater scrutiny of contractor's performance and adherence to current legislation. In particular, appropriate right to work in the UK checks, use of and protocols around body worn video to ensure integrity of each PCN issued have been included within the contract specification.

### **Analysis of Tender Returns**

3.13 The Parking Enforcement and Associated services contract underpins the delivery of all Parking services within Bromley and Bexley, the quality aspect was explored in detail in order to gain assurance that the selected contractor would be able to provide the necessary services required for an efficient and effective parking service. The evaluation team scrutinised the method statements returned and challenged all aspects of tender submissions including undertaking a number of visits to reference sites and interrogation of software and technical solutions being offered. Independent scrutiny of the qualitative aspects of the tender returns was provided by a member of the Corporate Commissioning team. Corporate procurement rules require evaluation and award of the tender to be based on a 60:40 Price/Quality split. The quality evaluation criteria were broken down as follows:

- Financial Resources and Contract Affordability 5%
- Quality and Operational Competence 40%
- Technical Ability 30%
- Customer care/service Development 10%
- Health and Safety 5%
- HR Matters 5%
- Environmental Issues 5%

### Justification for Award

3.14 Full details of the qualitative and financial evaluation are set out in the associated Part 2 report on this agenda.

### Contract Monitoring and Management

- 3.15 To ensure effective contract monitoring, the Service developed a comprehensive range of Key Performance Indicators (KPIs), all of which are embedded in the contract. The levels of performance in all cases have been set to ensure current standards are maintained. The KPIs cover all service areas including CEO deployment levels through to scanning and indexing of incoming documentation.
- 3.16 Officers intend to achieve a very effective monitoring and management of this contract. The specification sets out a number of reports which are to be provided by the contractor for scrutiny by the Authorised Officer on a regular basis. This has been included as one of the KPIs. Provision has also been made for other detailed and adhoc reports to be run to further test and monitor all aspects of contract performance.
- 3.17 Governance arrangements and communication channels between the Authorised Officer and Contract Managers were set out in the method statement submissions, with clear lines of responsibility recommended. The evaluation team were satisfied with these proposals but will be putting in place further governance arrangements to ensure tight controls. The service will also review the staffing structure of the client side in due course to ensure the service is best organised to manage this contract, which provides a wider range of services through one supplier than the current contract arrangements. This process will take place during 2017.

#### **4. IMPACT ON VULNERABLE ADULTS AND CHILDREN**

- 4.1 The parking contract includes school crossing patrol and enforcement school zig zags which is aimed to protect children as they move to and from school. The contract also includes Enforcement Agents that will take into consideration vulnerable adults.

#### **5. POLICY IMPLICATIONS**

- 5.1 The [Environment Portfolio Plan 2016-19](#) (the Council's environmental service aims and objectives) sets out an aim of 'providing accessible, affordable, fair and effective parking services' and includes an objective (5.13) of tendering this Parking Enforcement & Associated Services contract during 2016/17. Environment PDS Committee has been kept informed of the tendering process through the Contracts Register report, which is presented at every meeting.
- 5.2 The Parking Contract will also help to deliver Bromley's 'Excellent Council' vision of 'ensuring good contract management to ensure value-for-money and quality services' and 'investing in technology to give customers alternative means of accessing our services' as set out in the 2016-18 update of '[Building a Better Bromley](#)', the Council's renewed ambition for the borough.
- 5.3 The Parking Enforcement & Associated Services contract will also be fundamental to the delivery of the Council's current [Parking Strategy](#) (2011), which sets out Bromley's Parking and Enforcement policies and reflects the views of Members and, more generally, relates to the Mayor's Transport Strategy (see Bromley's [Local Implementation Plan](#), updated October 2013).

#### **6. FINANCIAL IMPLICATIONS**

- 6.1 The current budget available for the Parking Services contract is £2.37m.

#### **7. LEGAL IMPLICATIONS**

- 7.1 Rule 8 of the Contract Procedure Rules provides that for a contract with a total value of between above £500,000 the Council must invite tenders from between 5 and 8 organisations and this has been complied with.
- 7.2 The decision-maker for this report is the Executive.
- 7.3 The Public Contracts Regulations 2015 apply to this contract and the Council has carried out restricted tender process.
- 7.4 These services are required pursuant to the Traffic Management Act 2004 as a discretionary service.
- 7.5 The report author will need to consult with the Legal Department regarding the execution of the contract.

#### **8. PROCUREMENT IMPLICATIONS**

- 8.1 The original OJEU Notice and Tender Documents issued, including the Invitation to Tender, made provision for the approach to be used in the calculation of submitted tender values and the amounts to be considered during the Tender Evaluation process.
- 8.2 The calculation of the scores included for financial issues has followed the methodology set out in the tender documents, and accurately reflects the "Value" of the proposals made and their proper consideration within the stated evaluation process, in conjunction with the scores

awarded for the Quality Criteria agreed, prior to tender, all in compliance with the Public Contract Regulations 2015.

- 8.3 The Council’s tender strategy allows for either Council to make a separate contracting decision, based on its own assessment of Best Value, and neither is bound to consider a Joint contract if it views a single contract as providing a better overall outcome for the authority from the tender process completed.
- 8.4 As a result the Council can decide either to award on the a single Authority basis or on the basis of using the same supplier by both Authorities with the same service provider.”.

**9. KEY ISSUES / RISKS**

- 9.1 Any change in service provider produces a risk, however solutions provided by the successful tenderer have reduced risk in many cases by working with existing sub-contractors which will provide continuity of service. Tenderers have also provided comprehensive risk registers and proposed action to avoid potential problems in their tender submissions. The tenderers implementation plans have been scrutinised and target dates and objectives are manageable and achievable.

<b>Non-Applicable Sections:</b>	Personnel Implications and Stakeholder Consultation
Background Documents: (Access via Contact Officer)	Report ES14034 (July 2014), Procurement gateway review  Report ES15020 (March 2015) Joint parking services contract: Gateway review  Report ES16029 (June 2016) Parking Contract

## **Parking Enforcement and Associated Services award report**

### **List of mandatory services**

1. ENFORCEMENT (INC CCTV) AND ASSOCIATED SERVICES
5. SUSPENSION AND DISPENSATION MANAGEMENT
6. SURFACE CAR PARK MAINTENANCE
7. SIGNS AND LINES MAINTENANCE
8. ASSET MANAGEMENT
9. CASHLESS PARKING SOLUTION
10. CIVIL ENFORCEMENT SYSTEM
11. PERMITS SYSTEM
12. BUSINESS PROCESS SOLUTION
13. ENFORCEMENT AGENTS
14. MSCP MAINTENANCE
15. CLEANING SURFACE AND MSCP SPECIFICATION
16. CASH COLLECTION SERVICE (MACHINE TO COUNTING HOUSE)
17. PERMIT PROCESSING ADMINISTRATION
18. KIOSK STAFF FOR MULTI STORY CAR PARKS

### **Optional services**

19. CASH COUNTING AND BANKING SERVICE
20. FPN SYSTEM
21. SCHOOL CROSSING PATROLS

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