

## **TO MEMBERS OF THE COUNCIL**

**Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 10 December 2018 at 7.00 pm which meeting the Members of the Council are hereby summoned to attend.**


### **Prayers**

## **A G E N D A**

- 1 Apologies for absence
- 2 Declarations of Interest
- 3 Petitions
- 4 To confirm the Minutes of the meeting of the Council held on 8th October 2018  
(Pages 3 - 72)
- 5 Questions from members of the public where notice has been given  
  
*Questions must be received by 5pm on Tuesday 4<sup>th</sup> December 2018.*
- 6 Questions for oral reply from Members of the Council where notice has been given
- 7 Questions for written reply from Members of the Council where notice has been given
- 8 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 9 Treasury Management - Quarter 2 Performance 2018/19 and Mid Year Review  
(Pages 73 - 102)
- 10 Council Tax Support/Reduction Scheme 2019/20  
(Pages 103 - 152)
- 11 Capital Programme Monitoring - 2nd quarter 2018/19: Local Transport Funding  
(Pages 153 - 172)
- 12 Capital Programme: IT Transformation  
(Pages 173 - 264)

- 13 Second Report of the Education, Children & Families Select Committee 2018/19 - Sustainability of the Children's Social Care Budget  
(Pages 265 - 278)
- 14 Motion - Road Safety  
(Pages 279 - 294)
- 15 Local Pension Board - Annual Report  
(Pages 295 - 308)
- 16 Committee Membership  
(Pages 309 - 310)
- 17 Acting Chief Executive Appointment  
(Pages 311 - 314)
- 18 To consider Motions of which notice has been given
- 19 The Mayor's announcements and communications

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Chief Executive

**BROMLEY CIVIC CENTRE  
BROMLEY BR1 3UH  
Friday 30 November 2018  
Vol.55 No.5**

## LONDON BOROUGH OF BROMLEY

### MINUTES

of the proceedings of the Meeting of the  
Council of the Borough  
held at 7.00 pm on 8 October 2018

#### Present:

**The Worshipful the Mayor  
Councillor Kim Botting FRSA**

**The Deputy Mayor  
Councillor David Cartwright QFSM**

#### Councillors

Marina Ahmad	Simon Fawthrop	Tony Owen
Gareth Allatt	Peter Fortune	Angela Page
Vanessa Allen	Kira Gabbert	Chris Pierce
Graham Arthur	Hannah Gray	Neil Reddin FCCA
Kathy Bance MBE	Will Harmer	Will Rowlands
Yvonne Bear	Colin Hitchins	Michael Rutherford
Julian Benington	Samaris Huntington-	Richard Scoates
Nicholas Bennett J.P.	Thresher	Suraj Sharma
Mike Botting	William Huntington-	Colin Smith
Katy Boughey	Thresher	Diane Smith
Mark Brock	Simon Jeal	Gary Stevens
Kevin Brooks	David Jefferys	Melanie Stevens
Mary Cooke	Charles Joel	Harry Stranger
Aisha Cuthbert	Josh King	Kieran Terry
Peter Dean	Kate Lymer	Michael Tickner
Ian Dunn	Robert Mcilveen	Pauline Tunnicliffe
Nicky Dykes	Russell Mellor	Michael Turner
Judi Ellis	Alexa Michael	Stephen Wells
Robert Evans	Peter Morgan	Angela Wilkins

The meeting was opened with prayers

In the Chair  
The Mayor  
Councillor Kim Botting FRSA

### **33 Apologies for absence**

Apologies for absence were received from Councillors Christopher Marlow, Keith Onslow and Dave Wibberley. Apologies for lateness were received from Councillor Nicky Dykes.

**34            Declarations of Interest**

Councillor Colin Hitchins declared an interest relating to questions submitted for the meeting as he was an employee of Biggin Hill Airport.

Councillor Hannah Gray declared an interest relating to questions submitted for the meeting as she had a contract with Biggin Hill Airport.

**35            Petitions**

No petitions had been received.

**36            To confirm the Minutes of the meeting of the Council held on 16th July 2018**

**RESOLVED that the minutes of the meeting of the Council held on 16<sup>th</sup> July 2018 be confirmed.**

**37            Questions from members of the public where notice has been given.**

Five questions had been received from members of the public for oral reply. These are set out, with the answers given, in Appendix A to these minutes.

Four questions had been received from members of the public for written reply. These are set out, with the answers given, in Appendix B to these minutes.

**38            Oral questions from Members of the Council where notice has been given.**

Sixteen questions had been received from Members of the Council for oral reply. Eleven questions were dealt with in the time allowed - the remainder received written replies. All questions, with the answers given, are set out in Appendix C to these minutes.

(Councillor Peter Morgan declared an interest in question 8 as his daughter was an employee of Kier.)

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

Eighteen questions had been received from Members of the Council for written reply. These are set out, with the answers given, in Appendix D to these minutes.

**40            To consider any statements that may be made by the Leader**

**of the Council, Portfolio Holders or Chairmen of Committees.**

The Leader of the Council gave a brief statement in response to the announcement by the Council's Chief Executive, Mr Doug Patterson, that he would be leaving the Council, thanking Mr Patterson for his excellent service to the borough.

**41 Outcome of the Education, Children and Families Select Committee Review of the Investigation into St Olave's Grammar School**  
Report CSD18115

A motion to approve the recommendations of the Education, Children and Families Select Committee following their review of the investigation into St Olave's School was moved by Councillor Neil Reddin, seconded by Councillor Nicholas Bennett and **CARRIED**.

**42 First Report of the Education, Children & Families Select Committee 2018/19 - Post 16 Non-University Technical Education and Apprenticeship Opportunities in Bromley**  
Report CSD18114

A motion to approve the recommendations of the Education, Children and Families Select Committee in their report on Post 16 Non University Technical Education and Apprenticeship Opportunities in Bromley was moved by Councillor Nicholas Bennett, seconded by Councillor Neil Reddin and **CARRIED**.

**43 Basic Need Programme Update**  
Reports CSD18136 & ED18060

A motion to approve the updated Basic Need Programme was moved by Councillor Peter Fortune, seconded by Councillor Graham Arthur and **CARRIED**.

**44 Draft Statement of Principles for Gambling 2019-22**  
Reports CSD18148 & ES18067

A motion to adopt the Draft Statement of Principles for Gambling 2019/22 to take effect on 31<sup>st</sup> January 2019 was moved by Councillor Pauline Tunnicliffe, seconded by Councillor Michael Turner and **CARRIED**.

**45 Local Pension Board - Appointment of Board Member**  
Reports CSD18113 & CSD18062

A motion to appoint Emma Downie as an Employer Representative to the Local Pension Board for the remainder of the current four year term of office expiring on 30<sup>th</sup> June 2019 was moved by Councillor Pauline Tunnicliffe, seconded by Councillor Michael Turner and **CARRIED**.

**46 To consider Motions of which notice has been given.**

The following motion was moved by Councillor Angela Wilkins and seconded by Councillor Ian Dunn.

**European Union**

“This Council calls on the Government to hold a further referendum before exiting the European Union.”

Councillor Colin Smith moved a procedural motion that the question be now put; this was seconded by Councillor Peter Fortune.

A recorded vote was requested, and the following Members voted in favour of the procedural motion -

Councillors Allatt, Arthur, Bear, Benington, Bennett, Mike Botting, Boughey, Brock, Cooke, Cuthbert, Dean, Ellis, Evans, Fawthrop, Fortune, Gabbert, Gray, Hitchins, Samaris Huntington-Thresher, William Huntington-Thresher, Jefferys, Joel, Lymer, Mcilveen, Mellor, Michael, Morgan, Owen, Page, Pierce, Reddin, Rowlands, Scoates, Sharma, Colin Smith, Diane Smith, Gary Stevens, Melanie Stevens, Stranger, Tickner, Tunnicliffe, Turner and Wells.

The following Members voted against the procedural motion -

Councillors Ahmad, Allen, Bance, Brooks, Dunn, Jeal, King and Wilkins.

The following Members abstained on the procedural motion -

Councillors Kim Botting, Cartwright, Dykes, Harmer, Rutherford and Terry.

The procedural motion was **CARRIED**.

A recorded vote was requested on the substantive motion, and the following Members voted in favour of the motion -

Councillors Ahmad, Allen, Bance, Brooks, Dunn, Jeal, King and Wilkins.

The following Members voted against the motion -

Councillors Allatt, Arthur, Benington, Bennett, Mike Botting, Boughey, Brock, Cooke, Cuthbert, Dean, Ellis, Evans, Fawthrop, Fortune, Gabbert, Gray, Hitchins, Samaris Huntington-Thresher, William Huntington-Thresher, Jefferys, Joel, Lymer, Mcilveen, Mellor, Michael, Morgan, Owen, Page, Pierce, Reddin, Rowlands, Scoates, Sharma, Colin Smith, Diane Smith, Gary Stevens, Melanie Stevens, Stranger, Tickner, Tunnicliffe, Turner and Wells

The following Members abstained -

Councillors Bear, Kim Botting, Cartwright, Dykes, Harmer, Rutherford and Terry.

The motion was **LOST**.

**47 The Mayor's announcements and communications.**

The Mayor thanked all the Members who had attended her first Charity Dinner on 31<sup>st</sup> July at Hisar Meze Restaurant in Orpington, and reported that she had visited Neuwied where she had renewed the Friendship agreement between Bromley and Neuwied.

The Mayor drew attention to the following up-coming events -

- Charity Ball at the Warren on Saturday 27<sup>th</sup> October - Invitations had been sent out, but tickets were still available.
- Remembrance Sunday Services - The Mayor reminded Members to contact her office regarding representation at these services if they had not already done so.
- Friendship agreement with the Mayor of Thunder Bay, Canada & Bromley Borough - the Mayor announced that the friendship agreement would be signed on 11<sup>th</sup> November.
- The Civic Service with the Carol Service would be combined at All Saints Church in Orpington on Tuesday 11<sup>th</sup> December.
- The Christmas Coffee Morning would be taking place on Thursday 13<sup>th</sup> December.
- The Mayors Quiz would take place on 8th February 2019.
- Charity Dinner at the East India Club - on Friday 5<sup>th</sup> April 2019 the Mayor would be hosting a Charity Dinner at the East India Club.

The Mayor thanked Members for all the support they had given her so far.

**48 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 item 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.

*Council*  
*8 October 2018*

**The following summary  
refers to matters  
involving exempt information**

**49 Gateway 1: Social Care Case Management System**  
Reports CSD18137 & ED18068

A motion to approve an addition to the Capital Programme was moved by Councillor Peter Fortune, seconded by Councillor Graham Arthur and **CARRIED.**

(Councillors Simon Fawthrop and Will Harmer declared interests as employees of British Telecom during consideration of this item.)

The Meeting ended at 9.04 pm.

Mayor



**COUNCIL MEETING**

**8<sup>TH</sup> OCTOBER 2018**

**QUESTIONS FROM MEMBERS OF THE PUBLIC FOR ORAL REPLY**

**1. From Andrea Stevens to the Renewal, Recreation and Housing Portfolio Holder**

Given the level of public interest in developments at Biggin Hill Airport, could I have an explanation as to why there are not any documents available on the LBB Planning website relating to an EIA Screening Opinion request for the following planning applications at BHA - 18/04180/EIA and 17/05343/EIA?

**Reply:**

Thank you for bringing this issue to our attention. Unfortunately, there was an IT technical issue which meant the relevant documents were not showing and this matter is being investigated so that the documents can be published on the website.

**Supplementary Question:**

I did note today that there are documents on the website; there are two documents for 2017 and three documents for 2018.

In the documents attached to a previous EIA screening request, reference 17/03894/EIA Mr Tim Horsman, Bromley Planning Development Control Manager, made the point in the decision, and I quote directly from his letter to Lichfields acting for Biggin Hill Airport - "The cumulative effect of development on the site is reaching the point where an environmental statement could be necessary to assess its visual impact. It is not considered, on balance, that this stage has yet been reached," and I note in the document on the current EIA screening opinion, that has been reiterated by Mr Horsman. When will the stage be reached at Biggin Hill Airport when an EIA is required?

**Reply:**

Not being an expert in these matters I haven't the foggiest idea when it might be reached, and we do have to rely on the expertise of officers. If Mr Horsman says it hasn't been reached then I have to respect his opinion. Clearly there will be a cumulative effect eventually which will mean it triggers it, but in his opinion it hasn't yet.

**2. From Julie Ireland to the Leader of the Council**

Two years ago Bromley Councillors voted: "This Council agrees that the negative impacts that the European Union has upon the efficiency and cost of Bromley Council activities mean Bromley Council would be better off if Britain was out of the European Union."

Given the current state of negotiations with the EU and the damage being caused to Bromley businesses and the impact on the livelihoods of many Bromley residents will councillors give their support to a People's Vote – let the people have a vote on the final deal.

**Reply:**

I personally believe that having already had a "people's vote" we do not need another, nor that we should avoidably extend the protracted 2 year debate we have already endured on the subject a single moment longer than is necessary.

I also believe that Brexit will bring significant financial benefits to our Nation and its people.

It is clearly not however, for me to know or second guess what 59 other Councillors think or believe on related matters.

**Supplementary Question:**

What plans has the Council put in place in the case of a “no deal” Brexit?

**Reply:**

The situation with a potential Brexit is that, if and when we leave, if the need arises, the Council has put in place, over many years, significant financial reserves so that we will be able to react and respond to any service issues that might arise.

**Additional Supplementary Question from Cllr Nicholas Bennett:**

Does the Leader agree with me that we all had a leaflet that said, before June 23<sup>rd</sup> 2016, this is your decision; the Government will implement what you decide.

**Reply:**

I certainly do - I think it was on the £9m of literature that we all got through our door, to the chagrin of some of us. Yes, I completely endorse Cllr Bennett’s comments.

**Additional Supplementary Question from Cllr Angela Wilkins:**

If I have understood his reply to Ms Ireland’s supplementary, is he confident then that if we do Brexit it is going to cost this Council quite a lot of money, and if so does he know how much?

**Reply:**

No, he is confident that exactly the reverse is true, but unlike the Labour Party who would have spent all our reserves a long time ago, what a prudent Council does is keep back reserves for unforeseen emergencies if it is required. Presumably if we did not have any reserves we would be criticised for that as well.

**3. From David Clapham to the Portfolio Holder for Renewal, Recreation and Housing Portfolio Holder (As Mr Clapham was not present a written reply was sent.)**

Are you aware that the Airport Consultative Committee does not follow government’s guidelines? As Bromley sits on the Consultative Committee and is a governmental body, why has it not tried so far to highlight that certain important factors do not conform with government guidelines?

**Reply:**

I do attend the Airport Consultative Committee meetings as do other Council and resident representatives. I am not clear though what aspect of the government guidelines are not being followed and if you could let me know, I can look into this.

**4. From Julie Ireland to the Environment and Community Services Portfolio Holder**

It’s good news that the Council are planning to submit an application for funding from the Mayor’s Liveable Neighbourhood scheme for the Shortlands area. Will the Council confirm that the bid will be made in time for this year’s deadline and when will details of the proposed scheme be made available for public scrutiny?

**Reply:**

The Council is developing its draft LIP submission and other transport projects. The Council priorities lead to the identification of schemes; the Council then identifies funding sources to enable us to deliver them. All transport projects will be subject to pre-decision scrutiny which will determine which projects go forward and when. The Borough is working with Sustrans we are assured that there is sufficient time to prepare the necessary documentation before the submission deadline. Pop-up and other engagement events are being held to engage with the community. At this stage we are not producing finalised designs but detailing issues and aspirations for the area. If successful and we obtain Gate 2 funding for design and feasibility further events will be held. Formal consultation will occur when finished plans are produced should it proceed that far.

**Supplementary Question:**

Have Councillors from any other wards expressed an interest in a Liveable Neighbourhood Scheme for their areas?

**Reply:**

I do not recall any Councillors approaching me. The Shortlands area has transport priorities for us anyway. Officers have worked through a number of locations in the borough where we have transport priorities to deliver. The Shortlands area was probably our highest priority for various issues around the Shortlands Bridge but also seemed to have the greatest chances of success given what we have seen has been funded in other boroughs.

**Additional Supplementary Question:**

Does the Portfolio Holder find it very strange that only a few months ago Ms Ireland was campaigning in Bromley Town and now all of a sudden she is interested in Shortlands and yet a few months ago she was dedicated to the people of Bromley Town. Ms Ireland responded that the Bromley Town border did touch the edge of Shortlands.

**5. From Julie Ireland to the Environment and Community Services Portfolio Holder**

The Department for Transport recently announced up to £300 million of funding to create step-free access solutions and GTR (Govia Thameslink Railway) have asked for suggestions on what stations should be nominated for consideration of funding. Have the Council submitted any recommendations for stations in the Bromley Borough?

**Reply:**

Ravensbourne is the only GTR managed station in the Borough. Ravensbourne is the Borough's second least used station and Shortlands (the next stop on the line) is soon to be made step free. So this is not a priority for the Borough, unlike other stations where there is higher footfall and larger gaps in the step free network. We are lobbying for the delivery of the stations awarded Access For All funding in CP5 and for other stations that fall into the categories I've just outlined.

**Note:**

The Portfolio Holder subsequently reported that his answer had been slightly incorrect in that he should have stated that we only had one Thameslink operated station in the borough, Ravensbourne, and it was the second least used of all borough stations, and we also had one Southern operated Station in the Borough, Birkbeck, and it was the least used station in the borough. Southern and Thameslink were both GTR operated.

**Supplementary Question:**

Are you able to confirm that St Mary Cray Station is still on the list for step free access, and the same for Shortlands? We understood that that funding had been withdrawn.

**Reply:**

As far as I am aware, the funding has not been withdrawn, it has just been reduced and therefore spread out. St Mary Cray and Petts Wood are the two stations in CP5 that have not been done and my understanding is that Shortlands is either progressing or has been done. I do not use that station, so I have not been there. Certainly, the detailed designs have progressed at Shortlands, including where the lift shaft and motors will be. I understand that Shortlands is soon to be made step-free.

**Additional Supplementary question from Cllr Kieran Terry**

Would the Portfolio Holder back campaigning by ward members and the MP for Bromley and Chislehurst in requesting disabled access for Chislehurst and Elmstead Woods Stations? Both stations have over 1.2m usage and no disabled access.

**Reply:**

We would look to work through, progressively, the stations in the borough that have the need for disabled access. Certainly Chislehurst would be one to fund after the ones we have already identified. I do not know where Elmstead Woods would fit in to the borough's priority, but we do have a priority to work towards having our stations accessible.

**Additional Supplementary question from Cllr Simon Fawthrop**

Is the Portfolio Holder aware that planning permission has already been given for Shortlands to proceed?

**Reply:**

As I said, Shortlands is soon to be made step-free.

**Additional Supplementary question from Cllr Kathy Bance**

I am sure that lots of Councillors are worried at the lack of step-free access in their wards; could you circulate to us which stations have been identified, because most of our stations do not have step-free access, and I'm sure other Councillors have the same problems we do.

**Reply:**

I imagine you know which of your stations do not have step-free access. It really is a question of our priorities and working through those. Stations in Penge have been highlighted are part of CP6, though obviously we are still hoping that the three stations in CP5 will still be delivered.

**COUNCIL MEETING**

**8<sup>TH</sup> OCTOBER 2018**

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

**1. From Chloe-Jane Ross to the Renewal, Recreation and Housing Portfolio Holder**

When was the last audit/survey of empty homes in the borough undertaken?

**Reply:**

All empty properties recorded as being empty for more than 6 months were checked in conjunction with visiting officers from Liberata during late August and September 2018.

**2. From Chloe-Jane Ross to the Renewal, Recreation and Housing Portfolio Holder**

What is the current estimate of empty homes in the borough?

**Reply:**

Following the Audit, the number of Long Term Empty properties (empty for more than 6 months) in the Borough as the 1st of October 2018 was 482. This compares with a figure of 575 for the 1st of October 2017.

**3. From Chloe-Jane Ross to the Renewal, Recreation and Housing Portfolio Holder**

How many empty homes has the Council used its power to bring back into residential use in the periods: 2018 to date; 2017; 2016?

**Reply:**

The Council offers advice and financial assistance linked to nomination rights under the Regulatory Reform Order. 4 owners are currently proceeding with assistance through this route. Where owners are not responsive and properties give rise to serious nuisance, then they are also warned that they risk the property being taken from them for up to 7 years. Although not a quick process most owners eventually respond positively and no new Orders have been served since 2015. In 2018, one EDMO expired and the property was returned to the owner in good condition. The legislation makes it clear that these Orders should only be used as a last resort. The Empty Property Officer is currently working with the Council's Lettings team to maximise the benefits available to owners prepared to offer their empty properties for nominations. It is hoped that this will further increase the use of empty properties within the Borough.

#### 4. From Rich Wilsher to the Portfolio Holder for Environment and Community Services

What is Bromley Council doing to lead by example in the 'war on plastic?'

**Reply:**

Bromley continues to be one of the highest performing boroughs in terms of recycling, having achieved 47% in 2016/17<sup>1</sup>. We offer a comprehensive kerbside and flats recycling collection service through which residents can place plastic bottles and, plastic food packaging pots, tubs and trays for recycling<sup>2</sup>. In addition, we provide a network of On-Street Recycling banks for excess household plastics and 'hard' plastics like plastic garden furniture can be taken to one of our two Household Waste and Recycling Centres.

Information about the types of plastic that can be recycled through the Council's collection schemes is available on our website. We encourage residents to use less plastic and to recycle the plastics that are used through our bi-annual newsletter, 'Environment Matters', which is delivered to all households in the borough.

Our ability to expand the range of plastics we can recycle is limited by global commodity markets. However, by working with our current waste & recycling service provider, Veolia, we regularly review the opportunities to expand the range of plastics that can be collected for recycling. For example, from December 2017 we will trial the recycling of the polyurethane foam in mattresses taken to our Household Waste and Recycling Centres.

Other actions we take to tackle plastic waste include:

- Removing plastic litter as quickly as possible through our street cleansing service to prevent it from further harming the environment;
- Attending community events to talk about the importance of reducing and recycling plastic;
- Engaging with Central Government on the development of policies around plastic waste including the Single Use Plastics Bill;
- Referring to our Sustainable Procurement Policy when procuring goods and services;
- Operating a recycling scheme within our offices that accepts plastics; and
- Encouraging the use of ceramic mugs by our staff by limiting the number of plastic cups supplied.

*1 – This is the last Government audited recycling rate figure (Source: <https://www.gov.uk/government/collections/waste-and-recycling-statistics>)*

*2 – Includes the most commonly recycled plastics i.e. PET, HDPE, some PVC and some PP*

**COUNCIL MEETING**

**8<sup>TH</sup> OCTOBER 2018**

**QUESTIONS FROM MEMBERS OF THE COUNCIL FOR ORAL REPLY**

**1. From Cllr Simon Jeal to the Portfolio Holder for Adult Care & Health**

How and why did the budget for Adult Care move so dramatically from underspend to overspend between 2015-17 and 2017-18/current?

**Reply:**

With the greatest respect, the advice I have received is that this is not the case at all. The budget for 2017/18, for example, having closed £330k underspent.

**Supplementary question:**

The most recent financial outturn report presented to the Adult Care and Health PDS Committee identified that there were significant management savings that had been budgeted but not yet identified - I believe in excess of £500k. Given recent Ombudsman decisions regarding care package cuts, and additionally a case where a resident of Bromley had their care package cut by 60% and then re-instated, could you confirm how you intend to ensure that management savings that are carried out in line with budgeting do not inappropriately cut care packages to Bromley's most vulnerable residents?

**Reply:**

I would like to reassure Members that, particularly with reference to the case that you have identified, I am well aware of the individual circumstances of that case; I do not think it is appropriate to discuss that case here in the chamber, but I will be very happy to meet with you and Councillor Wilkins and officers to discuss any concerns that you have. Moving forward, with regard to the management action that we are anticipating, there are certain initiatives with our health partners that we are working on, particularly around reablement, rehabilitation, intermediate care and reviews of care packages, in line with the ability of staff to manage and supply appropriate care to the most vulnerable residents in our borough.

**2. From Cllr Angela Wilkins to the Portfolio Holder for Public Protection and Enforcement**

What benefits does CCTV provide?

**Reply:**

The benefits of CCTV include:

- Better targeting and use of police resources;
- Cameras deter criminal activity and disorder;
- Greater detection of incidents and identification of criminals;
- Quality evidence - a fearless and accurate witness;
- Prevention of incidents before they begin;
- Instant assistance with accidents/people taken ill;
- A greater chance of finding missing persons quickly;
- Decreased fear of crime in areas covered by CCTV;
- A 24 hour continual presence protecting communities;

- Real time direct links with local Police via dedicated police radios and a direct telephone link;
- Direct links with local businesses via a radio link system which enables retailers, including pubs and clubs, the control room and other organisations in Bromley town centre to speak to each other, immediately.

**Supplementary question:**

Given that Betts Park is treated by local residents as a “no-go” area now, will she reconsider her earlier decision to not install CCTV and lighting in Betts Park?

**Reply:**

After the Michael Jonas murder, and obviously our thoughts are still with the family, we did speak to the then Borough Commander, Chris Hafford, and he said that it was not a magic solution to this problem and he did not recommend CCTV. When Paul Warnet took over we asked him the same question and he agreed. As recently as Tuesday last week, myself, Nigel Davies and Paul Warnet met again and we asked the same question and he re-affirmed their position that they did not believe CCTV was the answer. We take notice of the professional opinion of the Police; when we do have CCTV we need Police support, so, as it stands, we do not think that it is the right solution to the problem in the area.

**Additional supplementary question from Cllr Kathy Bance:**

Are you aware that people will not use Betts Park because they see it as a no-go area, and therefore what would your solution to that problem be?

**Reply:**

A solution is more regular patrols by the Police, which they are doing, as are Ward Security. Lighting is not the answer either, as that attracts people at night and we do not want to give the impression of a safe place if it isn't, and CCTV is not the answer. You can come to me and give me some answers and I'll listen, but I do not believe it is a no-go area.

**3. From Cllr Kathy Bance MBE to the Portfolio Holder for Public Protection and Enforcement**

What is the cost of installing a single CCTV unit in our parks?

**Reply:**

It is not possible to give an accurate quotation, as the amount will depend upon the particular circumstances of a location and what type of camera.

Councillor Bance asked for a ball-park figure and Councillor Lymer responded that there had been some work carried out following the incident last year and the cost to install a camera in Betts Park had been identified as £17,000.

**Supplementary question:**

We are all aware that CCTV would not have stopped that murder - if people are determined they will find somewhere where there aren't cameras. You yourself mentioned that CCTV is good at ameliorating the perception of crime. I live close to the ward and I know that it is a no-go area. It is not used; there is exercise equipment right at the front of the park which is used daily, but by about 4pm/5pm it is only used by youths.



Does the Council know of any funding that we could apply for to get CCTV in that park, as we do believe that it is the answer?

**Reply:**

The issue is not one of costs but whether it would be effective, and at the moment the Police and Council officers believe it will not be effective.

**4. From Cllr Ian Dunn to the Portfolio Holder for Environment & Community Services**

What response has Bromley Council made to the statutory consultation on the closure of the ticket offices at Crystal Palace, Penge West and Anerley stations.

**Reply:**

Having seen your question, I have delayed the Council's formal response until after this meeting. In general, I am inclined to suggest that the Council welcomes reviewing and modernising service provision. The Council also will reserve its right to support residents and highlight issues should they arise. I also intend to seek further information regarding their contingency plans for staff absences.

**Supplementary question:**

How will you take into account the special needs of the elderly, the disabled and other vulnerable residents for safe access to the rail network in your response to London Overground?

**Reply:**

The statutory consultation is only related to the staffing provision and staffing plans at the London Overground stations. In principle, having the staff on the platforms will make them far more accessible to the elderly and anybody with mobility issues. The statutory consultation is not related to step-free access. We are happy to continue to lobby TfL and London Overground as previously discussed.

**Additional supplementary question from Councillor Nicholas Bennett:**

As these stations are controlled by TfL, which is under the direct control of the Mayor, should not Councillor Dunn be making his representations to Sadiq Khan?

**Reply:**

All members can respond to the statutory consultation and I would encourage members who feel strongly to make their own representations.

**5. From Cllr Vanessa Allen to the Portfolio Holder for Resources, Commissioning & Contract Management**

Divestment from fossil fuels is increasingly supported and indeed encouraged by a varied selection of people including the Irish government, finance advisors around the world, the pope, and the Mayors of New York and London, so will the Portfolio Holder look into removing these investments from Bromley's pension fund and direct the funds towards more environmentally friendly businesses.

**Reply:**

Our investment approach is to appoint active fund managers who look at sustainability of returns and capital values of investments, and we would not want any restrictions that could impact on maximising returns in the interests of members of the fund, and also keeping costs low to Council Tax payers. Our fund managers therefore take a long-term view which means that environmental issues such as the use of fossil fuels have to be

researched, considered and understood by our asset managers when making an investment. Our asset managers each employ teams specifically focussed on environmental, social and governance issues, because these issues will affect the companies they choose to invest in over the long-term time-frame.

We believe that pre-determined divestment on a rules based approach is contrary to government guidance, if not evidence based, and does not form part of our responsible investment approach.

**Supplementary question:**

How then, in view of what you have just said, do you propose that Bromley addresses the issue of global warming following the latest report?

**Reply:**

It would be unreasonable to expect this Council by itself to solve the issue of global warming. If you could tell me precisely which investments you are concerned about, specific to Bromley's pension fund, then I can give a more approach rather than one that has been written by Labour party headquarters. In essence, we do not posture and we do not play games with the money of our members.

**Additional supplementary question from Councillor Michael Rutherford:**

Could the Portfolio Holder confirm how Bromley performed in this year's Municipal Pension Awards?

**Reply:**

Last month, at the Savoy Hotel, Bromley were once again declared the most effective and efficient and with highest returns pension fund out of eighty nine pension funds considered. It is the second year that we have done it and I think that is a unique feat and something that we should be proud of. When I was asked how we had achieved that I said that we had a very efficient and well-connected Sub-Committee of Members, led by Councillor Onslow, who has done a superb job. We also have an excellent finance staff, led by Peter Turner who was there with me last month at the Savoy collecting the award. When I was saying that and that we do also assemble the experts and keep them on their toes, there was a sagely nod about the place. I could not help but feel that I might have received a different reaction if I had said we get our inspiration from the Irish Government and we receive subliminal messages from the Pope.

**6. From Cllr Marina Ahmad to the Portfolio Holder for Children, Education & Families**

What oversight does the Council have in ensuring our Academy schools are not "over aiding" pupils who are taking exams?

**Reply:**

Just to set out what an academy is, they are independent state run schools, which receive their funding direct from central government, rather than from a local authority. Day to day running of the school is with the head Teacher or Principal and they are overseen by individual charitable bodies called academy trusts, and may be part of an academy chain. These trusts and chains provide advice, support, expertise and a strategic overview. They control their own admissions policies and have more freedom than other schools to innovate. So, it is about stressing the independence of these academy schools. When it comes to the overseeing of exams that really is the responsibility of the Standards and Testing Agency (STA), an agency of the government that is responsible for setting and maintaining test standards.

The local authority's statutory duties are carried out on behalf of the STA, using a process prescribed by the STA, and are limited to monitoring Year 1 Phonic tests and Key Stage 2 tests in a 10% sample of schools. The local authority selects the sample on a rolling programme and, on occasions, the STA will specify which schools they want monitored. It really is down to the responsibility of the STA.

**Supplementary question:**

Two weeks ago, the Department for Education scrapped SATS results for some year 6 pupils at Harris Academy, Kent House, in Penge. A month earlier, Harris Academy, Philip Lane in North London admitted it had over-aided pupils in SATS and results were withheld by the Standards and Testing Agency. Does the Portfolio Holder agree that we now need a mechanism for having local authority trustees on academy boards to ensure that this trend does not continue.

**Reply:**

I think the case that is highlighted in Kent House is a very sad one. I am confident that the leadership in that school is taking the appropriate steps. I do not agree with the assertion that the local authority should start to seize back control from the academy schools. In fact, if we remember what the academy schools were set up for and we go back to the father of academies, Lord Adonis, the Labour Party Minister for Education, he said it was all about giving children an equal start in life. If we look at some of the results across Bromley on the key stage 2 headline data we can see that they are getting those results. If we look at the reading results we are fifth in the country, if we look at the maths results we are sixth in the country. If we look at the writing results we are first in the country. Despite unfortunate cases, children here are getting a great start to their education. While I was looking up Lord Adonis' views on the academy chains I came across a recent tweet of his last August where he said "The Harris chain of forty four academies is a stunningly successful education venture...in my view Phil Harris is the greatest philanthropist of his generation."

**7. From Cllr Nicholas Bennett to the Portfolio Holder for Renewal, Recreation and Housing**

If he will list all meetings between the Council and London South East College since 2016 in which the proposed aerospace college was discussed, who attended and what financial and other assistance was offered orally and in writing by either members or officers for the new college?

**Reply:**

The Executive Director of Environment and Community Services met the College in November 2016 as part of an initial scoping exercise where the issue of the Aeronautical College was discussed.

The Head of Regeneration and the Director of Regeneration had two meetings with the College, one in September 2017, to determine the scope of their funding application to the GLA's Skills for London fund and what they were seeking from the local authority. Both officers had a further meeting in December 2017 with the College's consultant to explore alternative funding options. As a consequence of the second meeting a funding offer in the form of a loan, subject to committee approval, was made to the College which they subsequently rejected.

In addition a meeting also took place with Sam Parrett, Cllr Fortune, the Leader and the Chief Executive on 30 November 2017. This meeting was a first introductory meeting between Sam Parrett and the new Leader. At this meeting, the Leader suggested/offered a loan of up to £1.2m to Ms Parrett in support of the Aeronautical College, subject to Members' agreement.

The Chief Executive met on two occasions with Sam Parrett, Principal of the College, but these were informal meetings where a range of topics was discussed.

**Supplementary question:**

A letter was sent on 6<sup>th</sup> June 2017 by the Chief Executive supporting the College's submission and in it he said "To this end the Council's Executive has committed up to £3m from its growth fund to support skills and enterprise development and opportunities in the Biggin Hill Strategic Outer London Development Area." Was he aware of this letter?

**Reply:**

I was not aware of the letter until you drew it to my attention, and it is something that I will look into and let you have a more detailed reply.

**8. From Cllr Angela Wilkins to the Portfolio Holder for Environment & Community Services**

How does he rate the last year's performance of Kier, the Council's street cleansing contractor?

**Reply:**

I would remind Cllr Wilkins that the Environment PDS Committee scrutinised the performance of Kier in March this year. The Committee resolved to note:

- (1) the continued year on year improvement in regard to the independent resident satisfaction survey of street cleansing services along with the main concerns of survey respondents;
- (2) the annual performance of the street cleansing contractor with particular reference to improvements in the removal of autumnal leaf fall and decrease in enquiry volumes; and
- (3) the success of the street cleansing graffiti removal service and Highway drainage maintenance programme.

I would say that the street cleaning service is, on the whole, being delivered and monitored effectively. Overall, in 2017/18 the level of service enquiries made by the public fell by 7% and the contract inspections undertaken increased by 54%. The annual customer service survey has shown an ongoing increase in street cleaning satisfaction reaching 74% in 2017/18 with a particular increase relating to litter. Survey results for a clean local area at 79% and satisfaction with our High Streets at 85% have been broadly constant.

**Supplementary question:**

Would he like me to email him every complaint that I and my colleagues get about street cleaning because they will not reflect the same answer that he has given me? What exactly do I have to do to get streets cleaned without having to first report them on Fix my street.

**Reply:**

As I indicated, the inspections by our area monitoring teams are being undertaken - I have confirmation from my officers that they are being undertaken and Kier are being monitored. There is always an element of perception and I can see from these figures that whilst 74% are satisfied with their street cleansing 26% may be particularly unsatisfied. The satisfaction survey is doing that and if you will provide me with those locations I can get officers to respond with the number of times those locations have been inspected. However, I would say that the contractor is required to clean the street to the required standard as specified in the contract on the day that we specify they should clean the street. The rate people dropping the litter is unfortunately beyond our control. Hopefully, going forward, we will be able to tackle that more effectively than we are at the moment.

**Additional Supplementary question from Councillor Vanessa Allen:**

I wanted to ask if the IT Department could enlarge Councillor Huntington-Thresher's inbox capacity because he may find it filling up rather quickly.

(Councillor Peter Morgan declared an interest during this question as his daughter was an employee of Kier.)

**9. From Cllr Kathy Bance MBE to the Portfolio Holder for Children, Education & Families**

How many children in Bromley have not been found a place in a secondary school?

**Reply:**

All children applying on time for a Year 7 place for September 2018 were offered a place.

**Supplementary question:**

I sincerely thank you and your officers for your assistance to families in my ward that did have problems, whether or not they applied in time. I do think that it is unacceptable that parents are asked to give six choices of schools and I wonder how many people in this chamber would accept the sixth choice of school for their children? Do you have any idea when we might be back to a more realistic three choices for secondary schools?

**Reply:**

Since coming into the role it is more than apparent how passionately parents and carers think about the education of their children. My inbox is full of lots of emotive messages. The admission policy is a legal policy and we have to follow the way that is set down by government. One thing that is apparent in Bromley is that we do have some exceptional schools and I completely understand why parents want their children to go to the outstanding schools as opposed to the good schools, but we have to follow the government guidelines.

**10. From Cllr Ian Dunn to the Portfolio Holder for Environment & Community Services**

What is the current plan for the repair of the gates removed from the Croydon Road entrance to Betts Park in 2017?

**Reply:**

The cost of repair of the gates following vehicular damage was prohibitive. The gates are not the original gates, they are post-war replacements. We are working with idVerde to establish options and costs for alternative gates.

**Supplementary question:**

Why has this taken since 2017 and why did one of my constituents, who is particularly interested in heritage, have to complain to the Ombudsman before she got a response and when are we going to see the plan for the replacement of the gates?

**Reply:**

I am expecting to see some costs for alternatives coming forward shortly. Obviously, that is an area where we are going to have to understand whether or not that is a cost that is sensible for us to spend there, or whether we have to consider and explore further options.

**11. From Cllr Vanessa Allen to the Portfolio Holder for Resources, Commissioning & Contract Management**

How does Bromley Council ensure that its suppliers address the issue of modern slavery, both as a potential issue in the borough and through its supply chain?

**Reply:**

The impact of modern slavery is considered at pre-tender stage in order to assess how relevant it may be to the particular tender and in line with the guidance in the Standard Selection Questionnaire (PPN 8/16) issued by Crown Commercial Services. Similar questions are included as part of the tender invitation, if an open tender process is used.

Additionally, for higher value contracts, where formal contract documentation is required, a clause is included in the contract to remind suppliers of their obligations

**Supplementary question:**

I would like to have some activity post contract, as well as pre-contract. If it is already addressed in this way then it would seem that Bromley could happily sign up to the Charter against Modern Slavery, so would he support that?

**Reply:**

Signing up to that charter? I will certainly look at that; I don't know what that contains and whether that is duplicated within what we are currently doing. I mentioned that the clause that we include in contracts reminds suppliers of their obligations. What I would like you to do is to look at that clause and let me know of any improvements that you think we can embody in that. The other thing we could do is for you and I to meet with the Director of Commissioning and Contracts and see how the process works, and again perhaps you might like, at that stage, to input potential ways that we could improve things.

(At this point the time allowed for questions expired. The remainder of the questions received written replies.)

**12. From Cllr Marina Ahmad to the Portfolio Holder for Children, Education & Families**

Will you write to the Immigration Minister demanding the fee for children to register as British citizens is reduced to the administrative costs and demanding that looked after children are exempted from the fee in its entirety?

**Reply:**

The suggestion is unfortunately much more complicated than the question suggests. Our Looked After Children are already publically funded although we may need to finance any specialist legal costs for them as their corporate parent in relation to any complexities where there are historical issues.

Whilst fees are attached to some children who are not looked after it has to be taken on a case by case basis to ensure that it coincides with their application or leave to remain; therefore would be difficult for a blanket exemption.

**13. From Cllr Nicholas Bennett to the Portfolio Holder for Children, Education and Families**

How many children have been permanently excluded from:

1. Bromley primary schools;
2. Bromley secondary schools;
3. Bromley SEN schools;

in each year since 2013?

**Reply:**

Number of children permanent excluded from Bromley schools					
School Year:	2013/14	2014/15	2015/16	2016/17	2017/18
PRIMARY SCHOOLS	2	8	10	15	3*
SECONDARY SCHOOLS	40	44	31	51	57
SPECIAL SCHOOLS	0	0	0	0	0

\* One exclusion carried forward from 2016/17 school year because governors' hearing took place in September 2017

**14. From Cllr Kathy Bance MBE to the Leader of the Council**

Is the London Borough of Bromley organising a Holocaust Commemoration Service in Bromley as part of the Civic Calendar as other Boroughs do?

**Reply:**

As you are aware, Mayors have attended the Greater London Assembly Holocaust Memorial Day at City Hall for a good number of years now.

I believe I am correct in saying that you will be following this tradition yourself in January.

To the best of my understanding, there has never been a request from the Jewish Community in Bromley for a Memorial day more locally, but were there to be so, I am sure that is something which the Council would probably look on favourably.

**15. From Cllr Marina Ahmad to the Portfolio Holder for Public Protection and Enforcement**

When will the licensing of private landlords in Bromley come into effect?

**Reply:**

Bromley operates the mandatory house in multiple occupation (HMO) licensing scheme in accordance with the Housing Act 2004, this is already in place, however, there are changes that came into effect on the 1st October this year. It used to be that the HMO definition applied to premises that were 3 or more stories high. The change in October has removed that requirement, so any HMO that has 5 or more people living in two or more single households will be covered.

There are other licensing schemes that can be applied to in certain circumstances (additional and selective), however, Bromley only operates mandatory scheme for HMOs, so there is no requirement stipulating that all private landlords be licensed.

**16. From Cllr Nicholas Bennett to the Portfolio Holder for Environment and Community Services**

When is it proposed to begin street work on the improvements proposed to the Red Lodge Road/Station Road junction in West Wickham?

**Reply:**

The design work and on-site investigations for this project are being finalised, and construction works are expected to commence on site in early November 2018. Works will be suspended during the Christmas trading period with completion programmed for March 2019.



**COUNCIL MEETING**

**8<sup>TH</sup> OCTOBER 2018**

**QUESTIONS FROM MEMBERS OF THE COUNCIL FOR WRITTEN REPLY**

**1. From Cllr Nicholas Bennett to the Leader of the Council**

If he will list the dates on which -

1. Cabinet meetings;
2. Cabinet plus directors meetings;
3. Cabinet plus directors and PDS Chairman meetings

have been held since he assumed office in September 2017?

**Reply:**

1. Cabinet

6<sup>th</sup> Oct 17  
10<sup>th</sup> Nov 17  
5<sup>th</sup> Jan 18  
2<sup>nd</sup> Feb 18  
23<sup>rd</sup> Feb 18  
20<sup>th</sup> April 18  
18<sup>th</sup> May 18  
29<sup>th</sup> June 18

2. Cabinet/Directors

24<sup>th</sup> Nov 17  
27<sup>th</sup> July 18  
21<sup>st</sup> Sept 18

3. Extended Cabinet/Directors

15<sup>th</sup> Sept 17  
15<sup>th</sup> Dec 17

**2. From Cllr Nicholas Bennett to the Portfolio Holder for Children, Education and Families**

What information is available regarding the education status of young offenders including the number permanently excluded from school?

**Reply:**

The Youth Offending Service monitors the education status of all children allocated to them. As of the 2<sup>nd</sup> October, 4 children within the YOS cohort had been permanently excluded; all four are now in receipt of education. None of those were children looked after. Any young person in a Youth Offending Institute will all receive an education.

**3. From Cllr Nicholas Bennett to the Portfolio Holder for Resources, Commissioning and Contract Management**

If he will require all departments to adopt a common form for the presentation of budget options and possible savings, together with an a risk analysis for each option, as recommended by the Zero Based Budget Working Party c 2009?

**Reply:**

All departments adopt a common approach in presentation of budget options and savings. Chief Officers will produce options which consider the financial impact (part year and full year), service impact including implications on other service areas, any investment or one off costs required, risk assessment, wider impact assessment and consultation approach.

The final Budget reports to Councillors, when considering departmental options include commentary on the financial and service impact, consultation arrangements and outcomes, risk analysis and the wider impact of the proposals.

The common approach ensures that full consideration is made across departments and enables a more corporate approach in finalising proposals. It also helps ensure a more rigorous approach is adopted.

**4. From Cllr Angela Wilkins to the Portfolio Holder for Environment & Community Services**

With reference to the Car Parking Enforcement item on Page 39 of the budget monitoring report (Executive 11/7/18) which reveals a £110k deficit, please provide a breakdown between "reduction in contraventions and issues related to the deployment plan" (these being the two reasons provided in the report). Please also provide the reasons for the "reduction in contraventions" referenced.

**Reply:**

Can I start by stating that the purpose of Car Parking Enforcement is not to raise funds but to correct behaviour. Therefore the budget is an expectation of income based on past levels of detected contraventions when it is possible to place a ticket on the windscreen of the vehicle.

At the moment it is not possible to provide a breakdown between the two reasons suggested for the fall in income. There has been a growing number of ad hoc enforcement requests from residents using the online form, plus members have requested deterrent visits to locations where illegal/inconsiderate parking has been reported. These visits take CEOs away from other enforcement and whilst contraventions are present it is less likely to be able to place a ticket on the vehicle. Regarding contraventions, it could be residents improving behaviour following past tickets or less contention for parking in our Town Centres may have resulted in less contraventions. Potentially more residents using active means to visit Town Centre destinations (another objective) could also have contributed to a reduction in vehicle contraventions.

**5. From Cllr Angela Wilkins to the Portfolio Holder for Renewal, Recreation & Housing**

Please provide a list of events and activities in LBB parks since June 2015, indicating which events are new and where events did not proceed, an explanation as to why not? Please provide details of hire charges for each of LBB's major parks/green spaces since 2013? Please provide details of annual event incomes for Crystal Palace Park since 2013?

**Reply:**

A detailed list of the events that have occurred in all Parks and greenspaces, including Crystal Palace Park, is available. Where events have not occurred or the initial enquiry was not pursued, the information is not recorded, therefore a rationale for why they did not proceed is not available.

A list of hire charges for activities is available.

The annual income of events taking place in Crystal Palace Park (CPP) is itemised below:

2013 – £32K  
2014 – £32K  
2015 – £32K  
2016 - £28K  
2017 - £44K  
2018 - £60K to date

For information –

Parks events – attached is a copy of the Parks events with two tabs, (1) Parks & Greenspaces & (2) Crystal Palace Park

Park event charging – the Parks events website is <https://app.apply4.com/eventapp/uk/bromley> which states the current process for and charges associated with Parks events.

Documents attached: '2015-16 Hire Charges', 'Idverde Event Fees 2016-17', 'Idverde Events Fees 2017-18', 'Ground Hire Charges 2014-15', 'Ground Hire Charges 2012-13', '18.10.05 Events Listings 2015-18'.

(See Appendix 1)

**6. From Cllr Angela Wilkins to the Portfolio Holder for Resources, Commissioning & Contract Management**

How many change control notices have been signed by contract managers when the £50k total contract value has been exceeded as a result of previous change controls not being recorded and therefore the £50k threshold not identified in advance? Please provide this information broken down by contract & department.

**Reply:**

A response to this question is difficult to quantify as indicated by the specifics of the question. If previous change controls have not been recorded effectively, then it follows that it will be difficult to effectively and accurately record and quantify how many subsequent change controls have exceeded the cumulative threshold for additional officer or Member authorisation as a result.

However, the introduction of the Contract Database greatly reduces the risk of such a situation reoccurring currently or in the future. All change controls are required to be recorded in the Database so that the cumulative value of such change controls can be immediately apparent, informing the suitable thresholds for decision making for any subsequent change controls. It is also planned that all authorisations for change controls are to be managed and signed off through the Database itself, so that the information is immediately recorded within the database as part of the authorisation process, reducing the risk of records not being kept up to date.

The risk of failing to seek suitable authorisation through the database itself is mitigated through the linking of the Database to financial monitoring where periodic review can identify anomalies between actual spend and the contract values recorded through the Database, identifying contracts at an early stage that may require further investigation.

**7. From Cllr Simon Jeal to the Portfolio Holder for Resources, Commissioning & Contract Management**

What is the Council's policy on Gender Recognition and has the Council responded to the recent Gender Recognition Consultation?

**Reply:**

In line with the Equality Act 2010 the Council's equal opportunity policy and practice (including equality impact assessment) recognises all the 9 protected characteristics including gender recognition/gender re-assignment. We think the London Councils' Equality Network will be providing a response to the gender equality recognition consultation.

**8. From Cllr Simon Jeal to the Portfolio Holder for Adult Care & Health**

Please provide details of all monies spent on the Eclipse Project within the CareFirst contract.

**Reply:**

Part 2 minutes from E&R PDS on 5th September 2018 provide the cost of Eclipse.

**9. From Cllr Vanessa Allen to the Portfolio Holder for Renewal, Recreation & Housing**

In relation to the Orchard & Shipman contract for private sector landlords, given that PSL properties are returned to O&S at end of contract how does the Council exit this contract without causing its own mini housing crisis?

**Reply:**

The properties offered to us under the private sector leasing scheme have been procured by Orchard and Shipman from the private sector usually on 3 or 5 year leased and then offered to the Local Authority on a sub-lease basis for use as temporary accommodation which secures access to these properties for the term of the lease. The overarching contract secures properties in this area are offered to the Council. Should Bromley decide not to continue with the contract then as leases come to an end the property would have to be handed back to the private landlord. This would not all happen on the same day as leases have been procured over the term of the contract. The Council continues to review opportunities to secure a sufficient supply accommodation including the use of leasing schemes and is reviewing how this can be commissioned in the longer term to increase supply and ensure that those properties procured under such schemes can continue to be maintained, for example on a preferred partner or dynamic purchasing arrangement.

**10. Cllr Vanessa Allen to the Portfolio Holder for Environment & Community Services**

Can the Portfolio Holder explain the arrangements when a care professional requires to regularly visit a patient in a CPZ?

**Reply:**

This has previously been considered by the Environment PDS. The Parking Team will consider any such request on an individual basis and will look for an appropriate solution based on the care worker's/patient's circumstances.

**11. From Cllr Ian Dunn to the Portfolio Holder for Resources, Commissioning & Contract Management**

Please provide the highest 10 daily rates paid to agency staff employed in each of Children's Social Care, Adult Social Care and ECS in 2018. Please also provide the number of days paid for each of these staff between 1 January and 31 August 2018.

**Reply:**

(See [Appendix 2.](#))

**12. From Cllr Ian Dunn to the Portfolio Holder for Resources, Commissioning & Contract Management**

Please provide the number of applications to Bromley's Council Tax Hardship Fund, the number accepted and the total sum paid in each of 2014/15, 2015/16, 2016/17 and 2017/18. Please describe the way in which the Hardship Fund is publicised to residents who have difficulties paying their Council Tax.

**Reply:**

Unfortunately, it is not possible to provide the number of applications received for assistance from the Discretionary Council Tax Hardship Fund as a high proportion of the requests are not entered on the form provided for that purpose.

However, the remainder of the requested information is provided in the table below:

Year	Number of Successful applications	Total Sum Paid
2014/15	31	£6,644.27
2015/16	32	£7,060.72
2016/17	99	£22,217.36
2017/18	142	£28,294.33

It should be noted that the above sums relate to the amount by which an individuals liability has been reduced and does not include the value of court costs that have been removed. In the same way, the number of successful applicants does not include the number of residents having “costs” removed, but not receiving additional assistance towards their liability

The hardship fund is advertised on the Bromley website, with an application form provided for that purpose. Advice and support agencies are reminded of the provision in liaison meetings and ad hoc contacts, with the suggestion that they assist those making application. In addition, Council Tax staff are advised to inform/remind residents of the scheme where it is thought the individuals circumstances may merit additional assistance.

In the current Council Tax Support consultation exercise residents are being asked whether there should continue to be a hardship fund and if so, the annual level of funding to be made available

### **13. From Cllr Ian Dunn to the Leader of the Council**

Please summarise the planning which the Council has done in advance of Brexit. Please describe how these plans will be modified as further details of Brexit emerge in the coming months.

#### **Reply:**

There have been no obvious trends or problems emerge to date, so hitherto there is nothing to modify.

The Council’s planning and preparation has been, and remains, to keep responsible levels of Cash reserves and contingency funding to hand, to enable it to address to any unexpected situations which might emerge, be they Brexit related or otherwise.

The same reserves incidentally which the Party opposite, Cllr Dunn’s party Madame Mayor, have long since been critical of the Council for preserving and which would have already been long since exhausted, had we paid heed to their many reckless and unfunded spending plans over the years.

**14. From Cllr Kathy Bance MBE to the Portfolio Holder for Children, Education & Families**

What action are you taking to ensure that there is at least one Local Authority Governor in each school in the borough?

**Reply:**

All the community schools and the voluntary controlled school and voluntary aided schools have a local authority nominated governor.

Academy Trusts are responsible for setting out their own governance arrangements.

**15. From Cllr Josh King to the Portfolio Holder for Renewal, Recreation & Housing**

Will the Portfolio Holder provide details (number of items and cost) of stock purchases for the months since GLL started providing library services in the Borough and the previous five years when the service was run in-house as a comparison. Please provide the monthly figures broken down by e-books, books and DVD/CDs.

**Reply:**

The annual number of stock purchases broken down by category from 2012-2018.

(The Main library supplier is not able to supply a monthly breakdown of items supplied/paid for prior to April 2017 so annual figures only have been supplied. An annual figure for GLL is not yet available as the contract commenced on 1st November 2017, therefore a 6 monthly figure has been supplied).

A monthly breakdown of stock purchases broken down by category from April 2017-September 2018 – gives stats for LBB and GLL for comparison.

Please see spreadsheet attached called 'Libraries Annual Stock Spend 2012-2018' ([Appendix 3](#))

**16. From Cllr Tony Owen to the Portfolio Holder for Resources, Commissioning & Contract Management**

How will we ensure that the proposed care case management system does not repeat the millions of pound wastage of the LINKS debacle? Why do we need bespoke arrangements when every council in the country must have similar requirements?

**Reply:**

The current case management system is Care First; this was introduced in 2006 to replace LINKS. Lessons were learnt from the LINKS experience, Care First is not a bespoke system.

12 years after its introduction CareFirst no longer meets requirements of social care managers and practitioners or the expectations of the children's social care regulator. It is our intention to procure a proven solution from the marketplace.

**17. From Cllr Tony Owen to the Portfolio Holder for Renewal, Recreation & Housing**

When will a member of staff be appointed to deal with the public over Biggin Hill airport matters as promised (paid for by the airport). When will regular reports be produced as requested at the last council meeting?

**Reply:**

It had been envisaged that additional staff resources would be in place in the Summer period but this has unfortunately not yet happened. I am hopeful progress will be made with this shortly and I will update you about this in due course. Please note that the LBB Report DRR16/057 15th June 2016 you referenced previously recommended that “any sum received to reimburse the Council its reasonable costs incurred, will be ring-fenced for any potential future costs for the increased monitoring that will be needed for the revised operating hours of the Airport.” It is this money that will be utilised. I have looked at Rushmoor District Council’s website and the relationship the Council has with Farnborough Airport is framed by the planning permission and associated sec 106 agreement whereas the position in Bromley is different to this. Fundamentally, information about the Airport should be published by the Airport and I will be encouraging them to publish what they can they in this regard. I remain of the view that the Council can publish some related information and highlight where information is available elsewhere and I am asking Officers to progress this as a matter of priority.

**18. From Cllr Tony Owen to the Chairman of General Purposes and Licensing Committee**

What has been done to investigate the animal cruelty allegations at 5 Jail Lane, Biggin Hill?

**Reply:**

The RSPCA is the lead authority with the appropriate powers to deal with allegations of animal cruelty, the allegations raised have been passed to them, and they have also been written to asking for an update. Thus far they have not provided an update on the extent of any investigation taken, and there is no legal means by which to insist they share information. Notwithstanding this, Officers have focused their efforts upon gathering evidence in respect of the allegations made of statutory nuisance due to dog barking. No nuisance has been witnessed to date, and no evidence of animal cruelty was noted by Officers undertaking their investigations.



## Parks &amp; Greenspaces

<b>Events Listings</b>		
<b>Date</b>	<b>Site</b>	<b>Event</b>
01/06/2015	Norman Park	Curriculum Athletics
02/06/2015	Norman Park	Pratice for ISA Athletics
03/06/2015	Norman Park	Mini Track Stars
03/06/2015	Norman Park	Club 3000 Champs
04/06/2015	Norman Park	Quad Kids Sporst Day
05/06/2015	Norman Park	Curriculum Athletics
06/06/2015	Green St Green	Charity Wild West Fair Fun Day
06/06/2015	Norman Park	Pgeant of Motoring
07/06/2015	Havelock Rec	Community Big Lunch Event
07/06/2015	Beckenham Green	Pentecost Servi ce
07/06/2015	Penge Rec	Start - Tour de Penge Cycle
07/06/2015	Cator Park	Finish - Tour de Penge Cycle
08/06/2015	Norman Park	Curriculum Athletics
08/06/2015	Norman Park	Open Meeting
09/06/2015	Norman Park	Curriculum Athletics
10/06/2015	Norman Park	West Kent Minors Grils Champs
10/06/2015	Norman Park	Mini Track Stars
10/06/2015	Willet Rec	Nursery Sch sports day
11/06/2015	High Broom Wood	Oak Lodge School Visit
11/05/2015	Norman Park	Small Sch Sports Day
12/06/2015	Norman Park	Curriculum Athletics
12/05/2015	Norman Park	Kent Masters League
13/06/2015	Biggin Hill Airport	Biggin Hill Festival of Flight
13/06/2015	South Hill Wood	FOSHWKG Community Day
13/06/2015	Royston Field	Penge Festival
13/06/2015	Norman Park	Parde/Walk to Martins Hill
14/06/2015	High Elms	Orpington Road Runners Race
14/06/2015	Jubilee Park	Fun Run
14/06/2015	Winsford Gdns	FOWG Open Day
14/06/2015	Croydon Rd Rec	FOCRRG Concert in the Bandstand
14/06/2015	Norman Park	Kent Young Athletes League
15/06/2015	Norman Park	Curriculum Athletics
16/06/2015	Norman Park	Curriculum Athletics
17/06/2015	Norman Park	Bromley Minors Sports Day
17/06/2015	Norman Park	Mini Track Stars
18/06/2015	Norman Park	Medium Sch Sports Day
19/06/2015	Norman Park	Sports Day
19/06/2015	Beckenham Grn	Nursery Sch sports day
20/06/2015	Norman Park	Sports Day
20/06/2015	Walden Rec	Chislehurst Rocks
20/06/2015	Jubilee Pk	Oreinteering Club
20/06/2015	Norman Park	Cyclist of the Year
20/06/2015	Willet Rec	Children's Olympics
21/06/2015	Croydon Rd Rec	Family Fun Day
21/06/2015	Riverside Gdns	Model Boat Regatta
21/06/2015	Whitehall Rec	Berr Festival
22/06/2015	Norman Park	Sports Day
23/06/2015	Norman Park	Curriculum Athletics
24/06/2015	Norman Park	Sports Day

Appendix 1 (question 5)

24/06/2015	Norman Park	Mini Track Stars
25/06/2015	Norman Park	Large Sch Sports Day
26/06/2015	Norman Park	Sports Day
27/06/2015	Norman Park	Sports Day
27/06/2015	Royston Field	Music Festival
27/06/2015	Jubilee Park	FOJP Meet the Insects Walk
27/06/2015	Willet Rec	Children's Olympics
28/06/2015	Priory Gardens	Armed Forces Day
28/06/2015	Hayes Lib Gdns	Church Service
28/06/2015	Hayes Common	Countryside Day
28/06/2015	Croydon Rd Rec	Family Fun Day
28/06/2015	Kelsey Park	Concert
28/06/2015	Norman Park	Pro-Active Bromley Run
30/06/2015	Norman Park	Sports Day
19/07/2015	Jubilee Park	FOJP Butterfly Walk
20/07/2015	Norman Park	Open Meeting
21/07/2015	Whitehall Rec	Fun Day
22/07/2015	Norman Park	Mini Track Stars
22/07/2015	Norman Park	5000 Metre Club Champs
25/07/2015	St Pauls Cray Rec	Family Fun Day
25/07/2015	Croydon Rd Rec	Fete/Funday
26/07/2015	Alexandra Rec	FOARG Concert
26/07/2015	Norman Park	YDL Upper AG
29/07/2015	Norman Park	Mini Track Stars
29-31	Martins Hill Rec	Cornerstone Fun Days
30/07/2015	Sparrows Den	Deya Catalogue Distribution
02/08/2015	Riverside Gdns	Model Boat Regatta
03/08/2015	Jubilee Park	FOJP Wheelchair Walk
05/08/2015	Norman Park	Mini Track Stars
10/08/2015	Norman Park	Open Meeting
12/08/2015	Norman Park	Mini Track Stars
15/08/2015	Norman Park	Southern Athletic League
15/08/2015	Norman Park	Stunt Vehicle Show
15/08/2015	Priory Gardens	Priory Live Music Festival
15/08/2015	Pratts Bottom Grn	Charity Fun Day
19/08/2015	Norman Park	Mini Track Stars
23/08/2015	Norman Park	World Record Motorbike Jump
23/08/2015	Riverside Gdns	Model Boat Regatta
26/08/2015	Norman Park	Mini Track Stars
26/08/2015	Norman Park	Club Champs
28/08/2015	Kelsey Park	Bat Walk & Moth Trapping
29/08/2015	Norman Park	Family Fun Day
31/09/15	Mottingham Rec	Community Fun Day
31/9/15	Jubilee Park	FOJP Bat Walk
31/08/2015	Cudham Rec	Cudham Village Fete
12/09/2015	Norman Park	LBB Safety Cycle Team
13/09/2015	Riverside Gdns	Model Boat Regatta
13/09/2015	Scadbury Park	Chislehurst Chase
16/09/2015	Norman Park	Mini Track Stars
19/09/2015	Riverside Gdns	Model Boat Regatta
23/09/2015	Norman Park	Mini Track Stars

Appendix 1 (question 5)

27/09/2015	Croydon Rd Rec	FOCRRG Concert
04/10/2015	Riverside Gdns	Model Boat Regatta
07/10/2015	Norman Park	Mini Track Stars
11/10/2015	Willet Rec	Petts Wood Runners 10K Run
11/10/2015	Whitehall Rec	Apple Day
14/10/2015	Norman Park	Mini Track Stars
21/10/2015	Norman Park	Mini Track Stars
25/10/2015	Riverside Gdns	Model Boat Regatta
30/10/2015	Norman Park	Fireworks & Funfair
07/11/2015	Chislehurst Rec	Firework Event
07/11/2015	Croydon Rd Rec	Fireworks & Funfair
10/12/2015	Kelsey Park	Winter Bird Walk
31/01/2016	High Elms	Orpington Rd Runners Club Match
24/02/2016	Jubilee Park	Schools Cross Country
29/02/2016	Jubilee Park	Bromley High GDST Cross Country
14/03/2016	Kelsey Park	HABE Sport Relief Run
15/03/2016	Kelsey Park	HABE Sport Relief Run
16/03/2016	Kelsey Park	HABE Sport Relief Run
17/03/2016	Kelsey Park	HABE Sport Relief Run
18/03/2016	Kelsey Park	HABE Sport Relief Run
25/03/2016	Beckenham Green	Good Friday Church Event
25/03/2016	Croydon Rd Recreation Ground	Great Easter Egg Hunt
26/03/2016	Hoblingwell Wood	Easter Egg Hunt
26/03/2016	Whitehall Recreation Ground	Easter Egg Hunt
26/03/2016	Kelsey Park	Easter Egg Hunt
26/03/2016	Hollydale Open Space	Easter Egg Hunt
02/04/2016	Hollydale Open Space	History/Tree Walk
10/04/2016	Goddington Park - Car Park Only	Westcombe Park 42nd Annual Mini Rugby Festival
10/04/2016	Riverside Gardens	Dolphin Model Boat Club
29/04/2016	Hollydale Open Space	Bat Walk
24/04/2016	Priory Gardens	St Georges' Day Parade
30/04/2016	Green Street Common	May Queen Crowning
17/04/2016	Church House Gardens	Green Space Heritage Walk
01/05/2016	Riverside Gardens	Dolphin Model Boat Club
01/05/2016	Croydon Rd Rec	Dizzy's Open Air Cinema
02/05/2016	Blake Recreation Ground	Friends of Blake Park Village Day
04/05/2016	Mine Shaw	Activities with the Brownies
05/06/2016	Kelsey Park	Bat Walk
07/05/2016	Pratts Bottom Village Green	Pratts Bottom Village Fete
07/05/2016	Croydon Rd Rec	May Queen Crowning
08/05/2016	Cudham Recreation Ground	Bluebell Sponsored Walk
14/05/2016	Norman Park	Road to Rio
14/05/2016	Beckenham Green	Market
14/05/2016	Hayes Common	Merrie England & London May Queen Festival
15/05/2016	Biggin Hill Recreation Ground	The Positive Path Sponsored Walk & Family Fun Day
15/05/2016	Whitehall Recreation Ground	Pentecost Churches Together Service
21/05/2016	Croydon Road Rec	Balgowan Primary School - Fun Run
21/05/2016	Whitehall Recreation Ground	Bark in the Park
21/05/2016	Biggin Hill Recreation Ground	Sensory Garden Anniversary Event
22/05/2016	Croydon Road Rec	Brass Band Concert

Appendix 1 (question 5)

22/05/2016	Chislehurst Rec	The Chislehurst Half Marathon
25/05/2016	Riverside Gardens	Dolphin Model Boat Club
25/05/2016	Norman Park	Road Safety Team
30/05/2016	Croydon Rd Rec	Ice Tickles Fun Day
06/04/2016	Biggin Hill Recreation Ground	Responsible dog ownership day
06/05/2016	Penge Recreational Park	Kiddies Fun Day
11/06/2016	Royston Field	Pengeleulum Music Festival 16.00-20.00
11/06/2016	Royston Field	Penge Festival 11.00-16.00
12/06/2016	Royston Field	Penge Churches Together Day
12/06/2016	Winsford Gardens	Winsford Gardens Open Day
12/06/2016	Riverside Gardens	Dolphin Model Boat Club
12/06/2016	Havelock Rec Ground	Big Lunch 2016
12/06/2016	High Elms	Orpington High Elms 10 K run
12/06/2016	Jubilee Park	St James the Great RC church Fun Run
18/06/2016	Walden Rec	Chislehurst Rocks
22/06/2016	Whitehall Rec Ground	Reglan Sports Day
25/06/2016	Norman park	Big foot go ride
25/05/2016	Harvington Playing Fields	Love Your Football
25/06/2016	Whitehall Rec Ground	Bromley Beer Festival
26/06/2016	Kelsey Park	Musical Afternoon
26/06/2016	Keston Common	Countryside Day
29/06/2016	Norman Park	Bromley Midsummer Eve 10K
29/06/2016	Norman Park	Walking Club Race
01/07/2016	Beckenham Green	Sports Day
02/07/2016	Priory Gardens	The Big O
02/07/2016	Biggin Hill	Biggin Hill Festival Fair
03/07/2016	Riverside Gardens	Dolphin Model Boat Club
07/09/2016	Havelock Rec	Bug Hunting
09/07/2016	Beckenham Grn	Market On The Green
10/07/2016	Croydon Rec Park	Beck Rec Fest
12/07/2016	Jubilee Park	Runner race
12/07/2016	Norman Park	School Sports Day
15/07/2016	Cator Park	Riverside SEN Sports Day Steven
16/07/2016	Beckenham Grn	HABE Wordfest
16/07/2016	Kings Meadow	Burnt Ash Community Fun Day
17/07/2016	Hollydalle Space	Family Fun Day
20/07/2016	Whitehall Rec	Fun Day
22/07/2016	College Green	Bromley Green Gym Open Day
24/07/2016	Alex Rec Ground	Music in the park
24/07/2016	Riverside Gardens	Dolphin Model Boat Club
30/07/2016	St Pauls Cray	Summer in the park
05/08/2016	Kelsey Park	Moth Survey work in Kelsey Park
09/08/2016	Petts Wood	Mobile Farm
13/08/2016	Priory Garden	Priory Live Music Festival
13/08/2016	Croydon Road Rec	Bowie's Beckenham Oddity
14/08/2016	Riverside Gardens	Dolphin Model Boat Club
27/08/2016	Penge Rec Ground	Pengelicious
27/08/2016	Croydon Rd Rec	Bounce for Blounts
28/08/2016	Norman Park	Cycle Circuits
28/08/2016	Norman Park	5 a side Footbal and Family Day
29/08/2016	Cudham Rec	Cudham Show and Fete

Appendix 1 (question 5)

03/09/2016	Newbury Road Park	Love Bromley Community Fun Day
04/09/2016	Riverside Gardens	Dolphin Model Boat Club
09/09/2016	Whitehall Rec. Ground	Cinema In The Park
10/09/2016	Sparrows Den	Will Bolton Cross Country Relays
10/09/2016	Havelock Rec	Havelock Hoedown
11/09/2016	Kelsey Pk & Harvington	Beckenham Half Marathon
17/09/2016	Riverside Gardens	Dolphin Model Boat Club
18/09/2016	Coney Hall	Fun In The Park
18/09/2016	Beckenham Green	Churches Together
24/09/2016	Croydon Road Rec Ground	Open Air Cinema
25/09/2016	Norman Park	Cycle Circuits
25/09/2016	Riverside Gardens	Dolphin Model Boat Club
30/09/2016	Hollydale Open Space	Bat Walk
30/09/2016	Kelsey Park	Bat Walk
09/10/2016	Willet Rec Ground	Petts Wood 10k
09/10/2016	Whitehall Rec	Apple and Cider Day
12/10/2016	Beckenham Green	StartUp Britain Bus
16/10/2016	Riverside Gardens	Dolphin Model Boat Club
29/10/2016	Hoblingwell Woods	Haunted Hoblingwell
30/10/2016	Croydon Road Rec Ground	Family Open Air Cinema
30/10/2016	Norman Park	Cycle Circuits
31/10/2016	Whitehall Rec Ground	Halloween Story Telling
04/11/2016	Norman Park	Firework Display
05/11/2016	Whitehall Rec Ground	Bigfoot Go Ride
05/11/2016	Whitehall Rec Ground	Friends of Raglan Scavenger Hunt
05/11/2016	Chislehurst Rec Park	Chislehurst Rotary Fireworks
05/11/2016	Croydon Rec Park	5th Beckenham South Scout Group
12/11/2016	St Mary Cray Rec	Fireworks, Fair and Festival
12/11/2016	Sparrows Den	Will Bolton Country Relays
20/11/2016	Queens Mead Rec Ground	Bromley Santa Dash
03/12/2016	Beckenham Green	Xmas Switch On
04/12/2016	Croydon Road Rec Ground	Open Air Cinema
04/12/2016	Alexandra Rec Ground	Carols in the Park
11/12/2016	Coney Hall Recreation Ground	Carol singing in the Park
17/12/2016	Newbury Playground	Newbury Playground Choir Concert
18/12/2016	Croydon Rd Rec Ground	Community Carol Singing
14/01/2017	Penge Recreation Ground	Pongal
25/01/2017	Sparrows Den	SE Police Cross Country League
09/02/2017	Kelsey Park	RSPB
14/02/2017	Kelsey Park	Kelsey Park Monthly Bird Counts
04/03/2017	Hollydale Open Space	Work Sessions
09/03/2017	Jubilee Park	GDST School Cross Country Competition
19/03/2017	High Elms Park	Mad Hatters 5k Run
22/03/2017	Jubilee Park	Bickley Park School Cross Country
25/03/2017	Martins Hill	Secret Spring Walk
26/03/2017	Westcombe Car park/Goddington Park	Kent Mini Rugby Festival
08/04/2017	Hayes Library Gardens	Hayes Easter Egg Hunt
09/04/2017	Kelsey Park	Heron Watch 2017
09/04/2017	Riverside Gardens	Dolphin Model Boat Club
14/04/2017	Croydon Road Recreational Ground	Great Easter Egg Hunt
14/04/2017	Beckenham Green	Churches Together

Appendix 1 (question 5)

15/04/2017	Whitehall Recreation Ground	Easter Egg Hunt
15/04/2017	Church House Gardens	Easter Egg Hunt and Fun Day
15/04/2017	Hoblingwell Park	Hoblingwell Easter Egg Hunt
15/04/2017	Kelsey Park	Easter Egg Hunt
16/04/2017	Hollydale Open Space	Easter Egg Hunt
17/04/2017	Priory Gardens	Easter Egg Hunt
21/04/2017	Hollydale Open Space	Bat Walk
22/04/2017	Riverside Gardens	Dolphin Model Boat Club
23/04/2017	Westcombe Car park/Goddington Park	Kent Mini Rugby Festival
30/04/2017	Riverside Gardens	Dolphin Model Boat Club
01/05/2017	Blake Recreation Park	Village Day
06/05/2017	Croydon Road Recreation Ground	Beckenham May Queen Crowning
06/05/2017	Green Street Green Common	Green Street Green May Queen Crowning
10/05/2017	High Elms Country Park	Dogs Trust with Met Police
12/05/2017	Beckenham Green	The Maypole Project: Awareness Day
13/05/2017	Hayes Common	Merrie England London May Queen Festival
14/05/2017	Croydon road Recreation Ground	Band at The Bowie Bandstand
14/05/2017	Keston Commons	Fun Walk
20/05/2017	Whitehall Recreation Ground	Bark in the Park
20/05/2017	Croydon Road Recreation Ground	Balgowan Primary School PTA Fun Run
20/05/2017	Beckenham Green	Market on the Green
20/05/2017	Pratts Bottom Village Green	Pratts Bottom Traditional Village Fete
20/05/2017	Biggin Hill Recreation Ground	Sensory Garden Anniversary Event
20/05/2017	Biggin Hill Recreation Ground	Sensory Garden Anniversary
21/05/2017	Scadbury Park	Chislehurst half Marathon
21/05/2017	Riverside Gardens	Dolphin Model Boat Club
25/05/2017	Norman Park	Interschools Cycling Event
27/05/2017	Chislehurst Recreation Ground	Bear Trail in the Woods
03/06/2017	Royston Playing Fields	Penge Festival 2017 Fete
04/06/2017	Havelock Recreation Ground	The Big Lunch
10/06/2017	Green Street Green	Wild West Fair and Food Festival
11/06/2017	Penge Recreation Ground	Tour de Penge
11/06/2017	High Elms	High Elms 10km
11/06/2017	Riverside Gardens	Dolphin Model Boat Club
14/06/2017	High Elms Country Park	Dogs Trust with Met Police
17/06/2017	Croydon Road Recreation Ground	Open Air Cinema
17/06/2017	Walden Recreation Ground	Chislehurst Rocks 2017
18/06/2017	Norman Park	Bromley Pageant of Motoring
21/06/2017	Norman Park	Bromley Midsummer
24/06/2017	Whitehall Recreation Ground	Bromley Beer Festival
24/06/2017	Harvington Sports Ground	Love Your Football Tournament
25/06/2017	Beckenham Green	Churches Together in Beckenham
25/06/2017	Hayes Common	Countryside Day at Keston
28/06/2017	Norman Park	Surrey Walking Club 4 mile race
28/06/2017	Richmal Compton	La Fontaine Academy Mini Marathon
01/07/2017	Priory Gardens	BIG O
01/07/2017	Biggin Hill	Festival Fair
02/07/2017	Penge Recreation Ground	Pengelicious
02/07/2017	Riverside Gardens	Dolphin Model Boat Club
02/07/2017	Kelsey Park	Musical Afternoon
02/07/2017	Hollydale Open Space	Family Fun Day

Appendix 1 (question 5)

06/07/2017	Southborough Recreation Ground	rainbow day nursery petts wood sports day
07/07/2017	Beckenham Green	Sports Day
08/07/2017	Whithall Recreation Ground	Nature Day
08/07/2017	Beckenham Green	Market on the Green
09/07/2017	Jubilee Park	St James the Great RC Church Fun Run
09/07/2017	Croydon Road Recreation Ground	Family Festival
11/07/2017	Norman Park	School Sports Day
15/07/2017	St Paul's Cray Recreation Ground	Summer in the Park outreach Picnic
15/07/2017	King's Meadow Playing Fields	Burnt Ash Community Fun Day
15/07/2017	Norman Park	Cyclist of the Year 2017
15/07/2017	Beckenham Green	HABE WORDFEST 2017
17/07/2017	Whitehall Recreation Ground	Raglan Primary School Sports Day
18/07/2017	Jubilee Park	Summer Invitation Run
21/07/2017	Whitehall Recreation Ground	Fun Day
23/07/2017	Riverside Gardens	Dolphin Model Boat Club
30/07/2017	Alexandra Recreation Ground	Music in the Park
30/07/2017	Priory Gardens	Punch and Judy
05/08/2017	Norman Park	Nostalgia
06/08/2017	Alexandra Recreation Ground	fundraising family fun yoga
12/08/2017	Priory Gardens	Priory Live Music Festival
12/08/2017	Croydon Road Recreation Ground	Bowie's Beckenham Oddity
13/08/2017	Riverside Gardens	Dolphin Model Boat Club
17/08/2017	Queens Gardens	Outdoor Cinema
18/08/2017	Whitehall Recreation Ground	Punch and Judy Show
18/08/2017	Queens Gardens	Outdoor Cinema
19/08/2017	Queens Gardens	Outdoor Cinema
23/08/2017	Mottingham Sports Ground	Mottingham Community Day
27/08/2017	Croydon Road Recreation Ground	ADCIOSA UK Annual Picnic
28/08/2017	Cudham Recreation Ground	Cudham Show and Fete
01/09/2017	Whitehall Rec	ET cinema in the park
02/09/2017	Church House Gardens	Love Bromley Fun Day
03/09/2017	Croydon Road Rec	Love Beckenham
03/09/2017	Riverside Gardens	Dolphin Model Boat Club
03/09/2017	Norman Park	The Moscow State Circus
04/09/2017	Norman Park	The Moscow State Circus
05/09/2017	Kelsey Park	FoKP Bat Walk
05/09/2017	Norman Park	The Moscow State Circus
06/09/2017	Norman Park	The Moscow State Circus
07/09/2017	Norman Park	The Moscow State Circus
08/09/2017	Norman Park	The Moscow State Circus
09/09/2017	Whitehall Rec	Havelock Hoedown
09/09/2017	Norman Park	The Moscow State Circus
09/09/2017	Norman Park	School Picnic
10/09/2017	Norman Park	The Moscow State Circus
09/09/2017	Scadbury Park	Scadbury Moated Manor Open Weekend
10/09/2017	Scadbury Park	Scadbury Moated Manor Open Weekend
15/09/2017	Hollydale open space	Bat Walk
16/09/2017	Riverside Gardens	Dolphin Model Boat Club
16/09/2017	Croydon Road Rec	Open air cinema
16/09/2017	Sparrows Den	Will bolton memorial cross country relays
17/09/2017	Scadbury park / Chis common	Chislehurst chase 10k

Appendix 1 (question 5)

17/09/2017	Croydon Road Rec	Lewisham concert band at the bandstand
23/09/2017	Beckenham Green	Market on the Green
24/09/2017	Riverside Gardens	Dolphin Model Boat Club
24/09/2017	Coney Hall Rec	Fun in the Park
08/10/2017	Petts Wood Recreation Ground	Petts Wood Runners 10k
08/10/2017	Whitehall Recreation Ground	Apple Day
15/10/2017	Riverside Gardens	Dolphin Model Boat Club
22/10/2017	Kelsey Park	Beckenham Half Marathon
28/10/2017	Goddington Park	The Monster Dash
28/10/2017	High Elms	Apple Day
31/10/2018	Whitehall Recreation Ground	Halloween story telling
03/11/2017	Norman Park	Norman Park Fireworks
04/11/2017	Chislehurst Recreation Ground	Chislehurst Rotary Fireworks
04/11/2017	Croydon Road Recreation Ground	5th Beckenham South Scout Group Fireworks
05/11/2017	Kelsey Park	RSPB Bird Walk
19/11/2017	Queensmead Recreation Ground	Bromley Santa Dash
02/12/2017	Beckenham Green	Market on the Green
03/12/2017	Priory Gardens	Santa Dash
03/12/2017	Alexandra Recreation Ground	Carols in the park
17/12/2017	Croydon Road Recreation Ground	Community Carol Singing
10/02/2018	Sparrows Den	Kent County AA Cross Country League Races
08/03/2018	Jubilee Park	GDST Cross Country
12/03/2018	Jubilee Park	Bickley Park School House Cross Country Races
17/03/2018	Havelock Rec	Nature Day and Kite Flying
24/03/2018	Hayes Library	Hayes Easter Egg Hunt
25/03/2018	Scadbury park	Woof Cancer Day
31/03/2018	Hoblingwell Rec	Easter Egg Hunt
30/03/2018	Beckenham Green	Walk Of Witness
30/03/2018	Croydon Road Rec	The Great Easter Egg Hunt
31/03/2018	Kesley Park	Easter Egg Hunt
31/03/2016	Whitehall Rec	Easter Egg Hunt
01/04/2018	Hollydale	Easter Egg Hunt
02/04/2018	Priory Gardens	Easter Egg Hunt
08/04/2018	Kelsey Park	Heron Watch
08/04/2018	Riverside Gardens	Dolphin Model Boat Club
11/04/2018	Kelsey Park	Bat Walk
11/04/2018	Kings Meadow	Dogs Trust Advice
14/04/2018	Havelock Rec	Mini Easter Olympics
15/04/2018	Goddington Park	Mini Rugby festival
21/04/2018	Hayes Library Gardens	Crowning of May Queens
21/04/2018	Riverside Gardens	Dolphin Model Boat Club
29/04/2018	Cudham Rec	Bluebell Walk
29/04/2018	Riverside Gardens	Dolphin Model Boat Club
04/05/2018	Hollydale Open Space	Bat Walk
05/05/2018	Green St Green Common	Green St Green May Queen
05/05/2018	Beckenham Green	Beckenham May Queen Parade
05/05/2018	Brooke Lane	Bicchurch 90th anniversary
05/05/2018	Whitehall Rec	Bark In The Park
06/05/2018	High Elms	Dawn Chorus Walk
07/05/2018	Biggin Hill Rec	Wild Life and Sensory Garden Anniversary
07/05/2018	Norman Park	Ted Pepper 10k



## Appendix 1 (question 5)

12/05/2018	Pratts Bottom Village Green	Pratts Bottom Village Fete
12/05/2018	Hayes Common	Merrie England & London May Queen Festival
19/05/2018	Jubilee park	Orienteering
20/05/2018	Croydon Road Rec	Crystal Palace Progress Band Concert
20/05/2018	Scadbury Park	Chislehurst Half Marathon
25/05/2018	Beckenham Green	Market On The Green
27/05/2018	Croydon Road Rec	Open Air Cinema
08/06/2018	Southborough Rec	Nursery Sports Day
09/06/2018	Croydon Road Rec	Balgowan pta 4th Annual Fun Run
09/06/2018	Green St Green Common	St Christopher's Food Festival & Dog Show
09/06/2018	Havleock Rec	Big Lunch
10/06/2018	Penge Rec	Tour de Penge
10/06/2018	Priory Gardens	A Country Affair
10/06/2018	Riverside Gardens	Dolphin Model Boat Club
10/06.2018	High Elms	High Elms 10k
17/06/2018	Penge Rec	Kiddies Fun Day
17/06/2018	Norman Park	Bromley Motor Pageant
20/06/2018	Norman Park	Bromley Mid Summer Evening 10k
23/06/2018	Whitehall Rec	Bromley Beer Festival
24/06/2018	Keston Common	Countryside Day at Keston
30/06/2018	Walden Road Recreation Ground	Chislehurst Rocks
01/07/2018	Riverside Gardens	Dolphin Model Boat Club
07/07/2018	Norman Park	Cyclist Of The Year
07/07/2018	Priory Gardens	The Big O Vintage
07/07/2018	Jubilee Park	Magnificent Meadows Day
07/07/2018	Biggin Hill Rec	Biggin Hill Festival
08/07/2018	Hollydale Open Space	Hollydale family day
08/07/2018	Jubilee Park	St James Church Fun Run
08/07/2018	Croydon Road rec	Bec Rec Fest
14/07/2018	Havelock Rec	bats, birds, butterflies and beyond
14/07/2018	Jubilee Park	Burnt Ash Community Fun Day
14/07/2018	Goddington Park	Excerciseathon
16/07/2018	Whitehall Rec	Raglan primary school sports day
17/07/2018	Jubilee Park	Petts Wood Runners Summer invitation run with orpington road runners
18/07/2018	Whitehall Rec	Dr Dolittle
20/07/2018	Whitehall Rec	Fun Day
21/07/2018	Riverside Gardens	Dolphin Model Boat Club
21/07/2018	St Paul's Cray Rec	Summer in the Park Outreach
22/07/2018	Alexandrea Rec	Music in the park
27/07/2018	SparrowsDen Car park	Yellow Pages distribution
28/07/2018	College green	Picnic in the Park
29/07/2018	Scadbury Park	Chislehurst Half Marathon
05/08/2018	Priory Gardens	Punch and Judy /Magic Show
11/08/2018	Croydon Road Rec	Beckenham Bowie Oddity
16/08/2018	Queens Gardens	Mid Summer Movies
16/08/2018	Queens Gardens	Mid Summer Movies
16/08/2018	Queens Gardens	Mid Summer Movies
18/08/2018	Riverside Gardens	Dolphin Model Boat Club
22/08/2018	Whitehall Rec	Punch and Judy Show
27/08/2018	Cudham Rec	Cudham Show and Fete
01/09/2018	Kelsey Park	Bat Walk

Appendix 1 (question 5)

02/09/2018	Riverside Gardens	Dolphin Model Boat Club
09/09/2018	Cator Park	Paws in the Park
15/09/2018	Riverside Gardens	Dolphin Model Boat Club
15/09/2018	Sparrows Den	Will Bolton Memorial Cross Country Relays
16/09/2018	Croydon Road Rec	Brass Band Concert
21/09/2018	Sparrows Den	Yellow Pages distribution
21/09/2018	Jubilee Park	Digital Nature Trail
22/09/2018	Beckenham Green	Beckenham Market
22/09/2018	Croydon Road Rec	Soul Town Festival
23/09/2018	Scadbury	Chislehurst Half Marathon
23/09/2018	Kelsey Park	Beckenham Half Marathon
23/09/2018	Riverside Gardens	Dolphin Model Boat Club
02/10/2018	Riverside Gardens	Dolphin Model Boat Club
07/10/2018	Petts Wood Recreation Ground	Petts Wood Runners 10k
09/10/2018	Cator Park	Bat Walk
14/10/2018	Whitehall Rec	Apple and Cider Day
29/10/2018	Kelsey Park	Autumn Tree Walk
31/10/2018	Whitehall Rec	Halloween Story telling
02/11/2018	Belmont Open Space	Edgebury School Fun Run
02/11/2018	Norman Park	Fireworks
03/11/2018	Croydon Road Rec	Fireworks
03/11/2018	Chislehurst Rec	Chislehurst Rotary Fireworks
18/11/2018	Queensmead Rec/ChurchHouse Gardens	Bromley Santa Dash
09/12/2018	Priory Gardens	Santa Dash

**Crystal Palace Park**

<b>Events Listings</b>	
<b>Date</b>	<b>Event</b>
02/06/2015	Tues night Cycling
03/06/2015	Orienteering
6th & 7th	Nightrider Charity Cycle
07/06/2015	Charity Walk/Run - after 10.30am
09/06/2015	Tues night Cycling
10/06/2015	Harris Academy use of Car Park
11/06/2015	London to Paris Cycle Start
14/06/2015	CHILDS Birthday Party
14/06/2015	Breast Cancer Race for Life Event
16/06/2015	Tues night Cycling
17/06/2015	Crystal Palace Fun Runners
20/06/2015	Community Church Games
20/21 06/15	Prince's TrustWild Challenge use of car park
23/06/2015	Tues night Cycling
25 & 26th 06/15	Stunt Show
28/06/2015	Vintage up the Palace
28/06/2015	Dino Doctors
30/06/2015	Tues night Cycling
07/07/2015	Tues night Cycling
09/07/2015	Harris Academy use of Car Park
10/07/2015	London to Paris Cycle Start
12/07/2015	Sponsored Walk foe Sri Lankan Blind
14/07/2015	Tues night Cycling
15/07/2015	London to Paris Cycle Start
17-19th	Luna Cinema
19/07/2015	charity walk 20 people
21/07/2015	Tues night Cycling
24 & 26th	Community Projects Fund Activities
28/07/2015	Tues night Cycling
30/07/2015	Deya Distribution
02/07/2015	Community Projects Fund Activities
02/08/2015	Jamaican Fun Day
04/08/2015	Tues night Cycling
04/08/2015	London to Paris Cycle Start
07/08/2015	Community Projects Fund Activities
09/08/2015	Leonard Cheshire Tri-together Triathlon
11/08/2015	Tues night Cycling
11/08/2015	London to Paris Cycle Start
16/08/2015	Community Projects Fund Activities
16/08/2015	Anti-Terrorism & Extremeism British Muslims Solidarity Walk
18/08/2015	Tues night Cycling
21/08/2015	Community Projects Fund Activities
25/08/2015	Tues night Cycling
30/08/2015	Community Projects Fund Activities
04/09/2015	Community Projects Fund Activities
09/09/2015	London to Paris Cycle Start
09/09/2015	Maze Event

11th & 12th 09/15	5K FUN RUN
13-20th	Circus Fantasia
13/09/2015	Community Projects Fund Activities
14/09/2015	Harris Academy Sch Open Eve Parking
15/09/2015	Fruit Tasting session
16/09/2015	London to Paris Cycle Start
23/09/2015	London to Paris Cycle Start
24/09/2015	Deya Distribution
26-27th 09/15	Turkish Cypriot Community Festival
28/09/2015	George Irvin Funfair pulling on site
02/10/2015	RSPB Information stand on site
10 & 11th Oct	Knights Watch Event
28th sep-19th 15	George Irvin Funfair - w/ends 2nd -18th
23/10/2015	RSPB Information stand on site
25/10/2015	Emer Casey Foundation Charity Run
31/10/2015	GSI Fun Run
05/11/2015	Firework Event
13/11/2015	Filmfixer - Sports Relief Charity
21/11/2015	Bromley Primary Sch X Country Run
22/11/1900	Filmfixer - Bridal PhotoShoot
26/11/2015	Filmfixer - Jaguar - Grip
01/12/2015	Filmfixer - Arthur Beatrice production
03/12/2015	Filmfixer - Jaguar - Grip productoin
06/12/2015	Penge Cycle Club - Bromley Go-Ride Event
10/01/2016	RSPB - Big Garden Bird Watch Stand
21/01/2016	RSPB - Big Garden Bird Watch Stand
07/02/2016	Routemaster Assoc.
09/03/2016	London Youth Games
12/03/2016	Bromley Schools X Country Run
19/03/2016	Little Yogi Workshop
20/03/2016	CP Fun Runners Comic Relief Mile
26/03/2016	Mini Food Festival
29/03/2016	George Irvin Funfair-on site 29th March - 11th April
26/3/2016	Easter Egg Hunt
20/04/2016	Charity Cycle ride to Paris - meeting point only
24/04/2016	RSPB Stand
26/04/2016	Cycling competition - youth,senior,men,women
30/04/2016	Railway and Canal Historical Society (Subway)
30/04/2016	Historic Vehicles Lon-Bri coming onsite 30/4 - 1/5
01/05/2016	Arda Fun Run
07/05/2016	Lullaby Charity Fundraiser Walk
12/05/2016	RSPB Stand onsite
14/05/2016	Big Walkies - RSPCA
15/05/2016	Triathlon
18/05/2016	Charity Cycle ride to Paris - meeting point only
21/05/2016	Mini Rally Lon-Bri

29/05/2016	Motor Sport at the Palace
02/06/2016	Charity Cycle ride to Paris - meeting point only
02/06/2016	Tree Walk
08/06/2016	Charity Cycle ride to Paris - meeting point only
09/06/2016	Federations Primary School sports day - Car Park Only
12/06/2016	Race for Life
16/06/2016	Butterfly Walk
19/06/2016	FUN RUN WALK
22/06/2016	Crystal Palace Fun Runners
23/06/2016	Luna Cinema
24/06/2016	Luna Cinema
25/06/2016	Luna Cinema
30/06/2016	London Youth Games
07/05/2016	Bat Walk
07/08/2016	Bird Walk
07/08/2016	Tree ID
16/07/2016	Family Activities
16/07/2016	Starting point for Ford Cab - Brighton
17/07/2016	Visit to Dinosaur Island ( approx 100 people)
20/07/2016	Charity Cycle ride to Paris - meeting point
23/07/2016	Picnic and Sports Day
23/07/2016	Butterfly ID
27/07/2016	Bug Day
06/08/2016	Family Activities
07/08/2016	Jamaican Fun Day
13/08/2016	Community/Friends
27/08/2016	CPP Festival 2016
28/08/2016	CPP Festival 2016
31/08/2016	Charity Cycle ride to Paris - meeting point
01/09/2016	Bat Walk
07/09/2016	Charity Cycle ride to Paris - meeting point (Paddock)
09/09/2016	Orienteering Park race
11-18/09/2016	Circus Fantasia
12/09/2016	Harris Open Evening
13/09/2016	Community/Friends
14/09/2015	Charity Cycle ride to Paris - meeting point
17,18/09/2016	Open House London 2016
21/09/2016	Charity Cycle ride to Paris - meeting point
22/09/2016	Sydenham Inter House Cross Country
23/09/2016	Gladiator 5K run
24/09/2016	BBQ
27/09/2016	Funfair- on site Top Terrace 26th Sep-17th Oct
28/09/2016	Charity Cycle ride to Paris - meeting point
26/10/2016	Conservation Open Day

29/10/2016	Big Fun Run 2016 GSI
30/10/2016	Race for life
05/11/2016	Firework Displays at CPP
13/11/2016	Go Ride Racing League
19/11/2016	Bromley Primary School Cross Country
09/03/2017	Dogs Trust Community Event
11/03/2017	Bromley Primary Schools Cross Country
19/03/2017	Funfair
20/03/2017	Funfair
21/03/2017	Funfair
22/03/2017	Funfair
22/03/2017	London Youth Games
23/03/2017	London Youth Games
23/03/2017	Funfair
24/03/2017	Funfair
25/03/2017	Funfair
26/03/2017	Funfair
27/03/2017	Funfair
28/03/2017	Funfair
29/03/2017	Funfair
30/03/2017	Funfair
31/03/2017	Funfair
01/04/2017	Funfair
02/04/2017	Charity Bake Sale
02/04/2017	Funfair
03/04/2017	Funfair
04/04/2017	Funfair
05/04/2017	Funfair
06/04/2017	Funfair
07/04/2017	Funfair
08/04/2017	Funfair
09/04/2017	Funfair
10/04/2017	Funfair
11/04/2017	Funfair
12/04/2017	Funfair
16/04/2017	ADRA FUN RUN
02/05/2017	CPP Cycling competition 2017
06/05/2017	Historic Commercial vehicle Society (HCVS)
07/05/2017	Historic Commercial vehicle Society (HCVS)
09/05/2017	CPP Cycling competition 2017
14/05/2017	Crystal Palace Triathlon
16/05/2017	CPP Cycling competition 2017
20/05/2017	London to Brighton Mini Run
21/05/2017	London to Brighton Mini Run
21/05/2017	The Boundaries Meet
23/05/2017	CPP Cycling competition 2017
30/05/2017	CPP Cycling competition 2017
04/06/2017	Run Through Crystal Place Park 5k & 10k

05/06/2017	CPP Cycling competition 2017
08/06/2017	Harris Federation primary sports day
11/06/2017	10K Fun Run Walk
12/06/2017	CPP Cycling competition 2017
17/06/2017	Overground Festival
18/06/2017	Subway Tours
19/06/2017	CPP Cycling competition 2017
21/06/2017	Dino Dash relay 2017
22/06/2017	Open Air Cinema
23/06/2017	Open Air Cinema
24/06/2017	Open Air Cinema
24/06/2017	London Youth Games
26/06/2017	CPP Cycling competition 2017
02/07/2017	Run Through Crystal Palace Park 5k & 10k
04/07/2017	CPP Cycling competition 2017
06/07/2017	London Youth Games
08/07/2017	London Youth Games
09/07/2017	London Youth Games
11/07/2017	CPP Cycling competition 2017
13/07/2017	Harris Federation primary sports day
16/07/2017	Race for Life
18/07/2017	CPP Cycling competition 2017
19/07/2017	Charity Cycling
25/07/2017	CPP Cycling competition 2017
01/08/2017	CPP Cycling competition 2017
02/08/2017	Chase the Sun Races (5k & 10k)
06/08/2017	Jamaican Fun Day
08/08/2017	CPP Cycling competition 2017
10/08/2017	Family Day
15/08/2017	CPP Cycling competition 2017
22/08/2017	CPP Cycling competition 2017
27/08/2017	Motor Sport at the Palace
28/08/2017	Motor Sport at the Palace
02/09/2017	Deaf Self Family Fun Day
09/09/2017	Dinosaur Day
16/09/2017	Family Park Run
17/09/2017	Family Park Run
18/09/2017	Harris Academy - Car Park Hire
24/09/2017	Schools relay run
08/10/2017	Funfair Set Up
09/10/2017	Funfair Set Up
10/10/2017	Funfair Set Up
10/10/2017	Sydenham High School Cross Country
11/10/2017	Funfair Set Up
12/10/2017	Funfair Set Up
13/10/2017	Funfair Set Up
14/10/2017	Funfair
15/10/2017	Funfair
16/10/2017	Funfair closed
17/10/2017	Funfair closed
18/10/2017	Funfair closed

19/10/2017	Funfair closed
20/10/2017	Funfair
21/10/2017	Funfair
22/10/2017	Funfair
23/10/2017	Funfair
24/10/2017	Funfair
25/10/2017	Funfair
26/10/2017	Funfair
27/10/2017	Funfair
28/10/2017	Big fun run / dog jog
28/10/2017	Funfair
29/10/2017	Funfair
30/10/2017	Funfair De rig
31/10/2017	Funfair De rig
05/11/2017	Fireworks Display
11/11/2017	Bromley Primary Schools Cross Country
08/12/2017	Winterfest
28/01/2018	Run Through 5 and 10k
10/03/2018	Bromley Primary School Cross Country Races
22/03/2018	London Youth Games Spring Finals
24/03/2018	Beavers Dinosaur Fun Day
01/04/2018	Easter Egg Hunt
02/04/2018	Spring Fair Set up
03/04/2018	Spring Fair Set up
04/04/2018	Spring Fair Set up
05/04/2018	Spring Fair Set up
06/04/2018	Spring Fair
07/04/2018	Spring Fair
08/04/2018	Spring Fair
09/04/2018	Spring Fair
10/04/2018	Spring Fair
11/04/2018	Spring Fair
12/04/2018	Spring Fair
13/04/2018	Spring Fair
14/04/2018	Spring Fair
15/04/2018	Spring Fair
15/04/2018	Run through 5k &10k at CPP
16/04/2018	Spring Fair
17/04/2018	Spring Fair
18/04/2018	Spring Fair
19/04/2018	Spring Fair
20/04/2018	Spring Fair
21/04/2018	Spring Fair
22/04/2018	Spring Fair
23/04/2018	Spring Fair Breakdown
24/04/2018	Spring Fair Breakdown
29/04/2018	Annual Adra Fun Run
05/05/2018	Historical Motor Vehicles Show
06/05/2018	Historical Motor Vehicles Show
06/05/2018	Run Through Crystal Palace 5k & 10k



08/05/2018	Crystal Palace Crits (Cycling)
12/05/2018	South London Go Ride Racing League Round 7
13/05/2018	Crystal Palace Triathlon
15/05/2018	Crystal Palace Crits (Cycling)
16/05/2018	Chase The Sun
16/05/2018	London to Paris (car park meet)
19/05/2018	London to Brighton Mini Run
20/05/2018	London to Brighton Mini Run
22/05/2018	Crystal Palace Crits (Cycling)
29/05/2018	Crystal Palace Crits (Cycling)
05/06/2018	Crystal Palace Crits (Cycling)
06/06/2018	London to paris cycle 3 (car Park meet)
07/06/2018	Harris Federation Primary Sports Day
09/06/2018	Vicar Oak Path Ceremony
09/06 2018	International Petanque
10/06/2018	Race For Life
12/06/2018	Crystal Palace Crits (Cycling)
13/06/2018	Dino Dash
16/062018	London Youth Games Judo (NSC)
16/06/2018	Crystal palace Festival
17/06/2018	Crystal palace Festival
17/06/2018	CP subway heritage craft fair
17/06/2018	Run Through
19/06/2018	Crystal Palace Crits (Cycling)
23/06/2018	Radiate Festival
24/06/2018	Radiate Festival
26/06/2018	Crystal Palace Crits (Cycling)
29/06/2018	The Luna Cinema
30/06/2018	The Luna Cinema
01/06/2018	The Luna Cinema
01/07/2018	The Luna Cinema
03/07/2018	Crystal Palace Crits (Cycling)
05/07/2018	London Youth Games Summer Finals
06/07/2018	London Youth Games Summer Finals
07/07/2018	London Youth Games Summer Finals
07/07/2018	Design and build: sharing event
08/07/2018	Charity Walk Jamaica Schools foundation
10/07/2018	Crystal Palace Crits (Cycling)
12/07/2018	Harris Federation Secondary Sports Day

17/07/2018	Crystal Palace Crits (Cycling)
17/07/2018	Orienteering Park Race
25/07/2018	Action Medical Research London to Paris Cycle Ride 2018
25/07/2018	London to paris cycle tour de france 3 (car Park meet)
26/07/2018	London to paris cycle tour de france 3 (car Park meet)
01/08/2018	Run Through
05/08/2018	Jamaica Day
07/08/2018	Crystal Palace Crits (Cycling)
14/08/2018	Crystal Palace Crits (Cycling)
21/08/2018	Crystal Palace Crits (Cycling)
25/08/2018	Skate Park Launch
29/08/2018	London to Amsterdam Cycle Meet
01/09/2018	Fun day out in the Park
05/09/2018	London to Paris Cycle
08/09/2018	Heritage Open Days
12/09/2018	London to Paris Cycle 3 (car Park meet)
15/09/2018	Dinosaur Hertiage Open Days
16/09/2018	Dinosaur Hertiage Open Days
16/09/2018	London and South East cyclocross league
20/09/2018	Harris Academy Open day (car park only)
21/09/2018	Yellow Pages Distribution
22/09/2018	Gung-ho!
23/09/2018	Subway Open Days
23/09/2018	Southern 6/4/3 stage road relay
04/10/2018	RSPB Membership Stand
12/10/2017	Digital Nature Trail
13/10/2017	October Half Term Fair
14/10/2018	October Half Term Fair
15/10/2018	October Half Term Fair
16/10/2018	October Half Term Fair
17/10/2018	October Half Term Fair
18/10/2018	October Half Term Fair
19/10/2018	October Half Term Fair
20/10/2018	October Half Term Fair
21/10/2018	October Half Term Fair
22/10/2018	October Half Term Fair
23/10/2018	October Half Term Fair
24/10/2018	October Half Term Fair
25/10/2018	October Half Term Fair
26/10/2018	October Half Term Fair
27/10/2018	October Half Term Fair
27/10/2017	Big Fun Run and Dog Jog
28/10/2018	October Half Term Fair
05/11/2018	Crystal Palace Fireworks
10/11/2018	Bromley Schools Cross Country
11/11/2018	Run Through Crystal Palace 5k & 10k
02/12/2018	Remembering with St Christopher's

## GROUND HIRE CHARGES

- ◆ Applicable to charitable and voluntary organisations
- ◆ All commercial events are by negotiation
- ◆ For larger charitable events, organisers may be required to pay a negotiated fee in excess of the minimum listed below.
- ◆ Where an event requires closure of all or part of the park and admission is charged, the hire fee is doubled.

### \*2012/2013

Up to 1 acre	£52.00
Up to 5 acre	£168.00
5 to 10 acres	£330.00
10 to 20 acres	£501.00

### **Commercial events – by negotiation**

Services i.e. Electricity/Water by negotiation with delegated manager if applicable.

### **Extra Services**

Toilet opening	@ contract price+ admin charge
Ground reinstatement – (per acre) minimum	@ contract price+ admin charge
Rubbish clearance –(per acre)	@ contract price+ admin charge
Labour – (per hour)	@ contract price+ admin charge

### **Fairs and Circuses**

Operating Day	£609.00
Non-operating Day	£384.00

**\*Charges from 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014 may be subject to an annual increase**

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## **GROUND HIRE CHARGES**

- ◆ Applicable to charitable and voluntary organisations
- ◆ All commercial events are by negotiation
- ◆ For larger charitable events, organisers may be required to pay a negotiated fee in excess of the minimum listed below.
- ◆ Where an event requires closure of all or part of the park and/or admission is charged, the hire fee is doubled.

### **\*2014/2015**

Up to 1 acre	£56.00
Up to 5 acre	£178.00
5 to 10 acres	£348.00
10 to 20 acres	£527.00

### **Commercial events – by negotiation**

Services i.e. Electricity/Water by negotiation with delegated manager if applicable.

### **Extra Services**

Ground reinstatement – (per acre) minimum @ contract price+ admin charge

Labour – (per hour) @ contract price+ admin charge

### **Fairs and Circuses**

Operating Day	£641.00
Non-operating Day	£404.00

**\*Charges from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016 may be subject to an annual increase**

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## **GROUND HIRE CHARGES**

- ◆ Applicable to charitable and voluntary organisations
- ◆ All commercial events are by negotiation
- ◆ For larger charitable events, organisers may be required to pay a negotiated fee in excess of the minimum listed below.
- ◆ Where an event requires closure of all or part of the park and admission is charged, the hire fee is doubled.

### **\*2015/2016**

Up to 1 acre	£57.00
Up to 5 acre	£181.00
5 to 10 acres	£354.00
10 to 20 acres	£535.00

### **Commercial events – by negotiation**

Services i.e. Electricity/Water by negotiation with delegated manager if applicable.

### **Extra Services**

Ground reinstatement – (per acre) minimum @ contract price+ admin charge

Labour – (per hour) @ contract price+ admin charge

### **Fairs and Circuses**

Operating Day	£651.00
Non-operating Day	£411.00

**\*Charges from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016 may be subject to an annual increase**

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# Events in Bromley Price Guide 16/17

## Bromley Event Site Fees and Charges June 2016 – March 2017

The fees and charges set out below cover a variety of services related to park events. They are a guideline only and are subject to variation depending on the site you choose, the season, the nature of the event and various other circumstances. The fees relating to your event will be confirmed upon application and submission of the required supporting documentation.

### **Types of fees**

#### **Admin fee**

This covers the cost of the event application management tool **EventApp** we use to manage events, the annual charges that the idverde pays for having music in our parks and the officer time it takes to assess your application. This fee is non-refundable and should be made at the time of application.

#### **Site hire fee**

This covers the hire of the park or greenspace and is based on how the event impacts the normal everyday use of the site. Time on site for set-up and take down is also chargeable. This fee must be paid 2 weeks before the event start date. If the event is cancelled by the event organiser cancellation fees may apply, see below.

#### **Environmental impact fee**

This fee ensures the idverde can maintain the parks that are used for events so they continue to be a sanctuary for local residents. This will be used to manage the cumulative impact of events over and above those stated above and increase the resilience of the idverde's natural park assets for e.g. de-compaction and aeration of grassed areas, drainage etc. This fee must be paid 2 weeks before the event start date. If the event is cancelled before the start date the fee will be refunded.

idverde's own contractors will be used where possible to repair any damage to for e.g. to benches, play equipment, pathways, grass, flowerbeds, gates, walls or railings. Quotes for repairs from external contractors will not be considered. Any costs incurred by Idverde after the event will be charged to the Applicant.

First instalment must be paid 2 weeks before the start date. If the event is cancelled before the start date by us, then any amount will be refunded.

#### **Cancellation Fee**

This fee is applied for events 2 days or longer or for 1000 people or more only-see table below.

#### **Overstay Fee**

This fee is applied when the event organiser has not fully vacated the site at the agreed time. See details below and refer to our Terms and Conditions for more information.

#### **Payment of fees**

There are several ways in which event fees can be paid:

1. Online payment.
2. BACS payment- event organisers have to be set-up on our system before payment can be received, so this method can take a little longer first time round.

## Admin fees

Type of event	Fee
Community event	£0
1 day events for up to 500 people without licensable activities	£50
Events for longer than 1 day, for more than 500 people or with licensable activities	£150

Site hire fees are charged per day

Set up and set down days are an additional 20% of the event day fee and are also shown in the table below. **NB** These fees **do not** cover funfairs, circuses, markets/food fairs or promotional activities- see tables below.

Number of people (over the course of the whole event)	Up to 50		50-500		500-1000		1000-2500		2500-5000	
	Event Day Tier 1	Tier 2 Tier 3	Event Day Tier 1	Tier 2 Tier 3	Event Day Tier 1	Tier 2 Tier 3	Event Day Tier 1	Tier 2 Tier 3	Event Day Tier 1	Tier 2 Tier 3
Under 2 hours	£125	£100 £75	£250	£200 £150	£375	£300 £200	£500	£400 £350	£600	£500 £400
2-5 hours	£250	£200 £150	£375	£300 £200	£500	£400 £275	£600	£500 £400	TBC	TBC
All day *	£375	£300 £200	£500	£400 £275	£600	£500 £350	£700	£600 £500	TBC	
2-4 days	£500	£400 £275	£625	£500 £350	£750	£600 £425	TBC		TBC	
5+ days	£625	£500 £350	£750	£600 £425	£1000	£800 £600	TBC		TBC	

## Environmental Impact Fee

The Environmental Impact fee is a one off fee and applies to all types of events except community events.

Number of People per day	Up to 50		51-500		501-1000		1001-2500		2501-5000	
Duration of event										
Under 2 hours	N/A		N/A		N/A		£50		£100	
2-5 hours	N/A		N/A		£50		£100		£200	
All day *	N/A		£50		£100		£200		£400	
2-4 days	£50		£100		£200		£400		£600	
5+ days	£100		£200		£400		£600		£750	

\* If the park has gates this period is while the gates are open only. If gates need to be opened early or closed late for access reasons an additional set-up/down day fee will be charged.

## Promotional activities

Size of Activity	Event day
2 or more people (no equipment)	£50
With banners, gazebos, etc.	£75
With vehicles, trailers or other large structures	£100

50% of the Environmental Impact Fee applies to Promotional activities unless there are vehicles, trailers or other large structures when the full fee applies.

## Funfairs

Size of Funfair	Event Days
Up to 5 rides	£200
6 to 10 rides	£350
11 rides or more	£500

The Environmental Impact Fee applies to Funfairs, as well as the 20% additional set-up fee.

## Circuses

Size of Circus	Event Days
Up to 500 seating capacity	£500
501-750 seating capacity	£600
751-1000 seating capacity	£700

The Environmental Impact Fee applies to Circuses, as well as the 20% additional set-up fee.

## Markets and Food fairs

No. of stalls	Event Days
Up to 5	£100
5 to 10 stalls	£200
10 to 20 stalls	£400
20-30 stalls	£500
30-40 stalls	£600
40-50 stalls	£800

The Environmental Impact Fee applies to Markets and Food fairs, as well as the 20% additional set-up fee.

### Damages deposit

Your damages deposit will be calculated when you submit your application and is fully refundable unless damage is caused as a result of your event. Please see Terms and conditions for further details.

### Cancellation fee

When the notification of cancellation is received	Percentage of site hire fee to be charged
More than 28 days	20%
15-28 days	30%
7-14 days	50%
Less than 7 days	Up to 100%

If the event has to be cancelled due to inclement weather, Idverde may at its sole discretion for private events refund 50% of the Site Hire Fees less the Administration Fee.

### Overstay Fee

If the venue or any part of it is not vacated by the finishing time stated on the approved event application the event organiser will be required to pay an Overstay Fee. The fee will be £50 or 10% of the daily site hire fee, per hour, or part thereof, whichever is greater.

Gold Tier	Premium Rate (Netogiated)
	Crystal Palace Park

Tier One
Church House and Queen's Gardens Croydon Road Recreation Ground Goddington Park Kelsey Park Norman Park

Tier Two
Hayes Common High Elms Country Park Jubilee Country Park Keston Common Priory Gardens Scadbury Park Alexandra Recreation Ground Betts Park Biggin Hill Recreation Ground Cator Park Chislehurst & Walden Recreation Ground Coney Hall Recreation Ground Glentrammon Recreation Ground Harvington Hoblingwell Hollydale Recreation Ground Martin's Hill Recreation Ground & Queensmead Mottingham Sports Ground Poverest Park South Hill Woods Tugmutton Common & Farnborough Recreation Ground Willett Recreation Ground

Tier Three
All other parks

Tiers and their pricing is defined by their footfall and popularity with local residents.

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# Events in Bromley Parks Price Guide 17/18

## Bromley Event Site Fees and Charges March 2017 – February 2018

The fees and charges set out below cover a variety of services related to park events. They are a guideline only and are subject to variation depending on the site you choose, the season, the nature of the event and various other circumstances. The fees relating to your event will be confirmed upon application and submission of the required supporting documentation.

Please see the Events Policy for a clear definition of Friends Groups, Charities, Communities and Commercial Events.

### **Types of fees**

#### **Admin fee**

This covers the cost of the administration time, in addition to all the compliance, which the officer takes to assess your application. This fee is non-refundable and should be made at the time of application.

#### **Site hire fee**

This covers the hire of the park or greenspace and is based on how the event impacts the normal everyday use of the site. Time on site for set-up and take down is also chargeable. This fee must be paid 2 weeks before the event start date. If the event is cancelled by the event organiser cancellation fees may apply, see below.

#### **Environmental impact fee**

This fee ensures idverde can maintain the parks that are used for events so they continue to be a sanctuary for local residents. This will be used to manage the cumulative impact of events over and above those stated above and increase the resilience of Bromley's natural park assets for e.g. de-compaction and aeration of grassed areas, drainage etc. This fee must be paid 2 weeks before the event start date. If the event is cancelled before the start date the fee will be refunded.

idverde's own contractors will be used where possible to repair any damage to for e.g. to benches, play equipment, pathways, grass, flowerbeds, gates, walls or railings. Quotes for repairs from external contractors will not be considered. Any costs incurred by idverde after the event will be charged to the Applicant.

#### **Cancellation Fee**

This fee is applied for events 2 days or longer or for 1000 people or more only-see table below.

#### **Overstay Fee**

This fee is applied when the event organiser has not fully vacated the site at the agreed time. See details below and refer to our Terms and Conditions for more information.

#### **Payment of fees**

There are several ways in which event fees can be paid:

1. Online payment.
2. BACS payment- event organisers have to be set-up on our system before payment can be received, so this method can take a little longer first time round.

#### **Tier Fees & Discounts**

1. Friends Group's Events are free to host, so long it is evident that income generated will go back to the park.
2. Charity and Community Events receive a 50% discount on the overall advertised prices, excluding booking fee.
3. Crystal Palace Park is a Gold Tier venue and our most premium green space and as such has a negotiable rate.
4. Bronze Tier has a 10% discount applied on the overall advertised Silver Tier prices, excluding booking fee.
5. Tiers and their pricing are defined by their footfall, accessibility and popularity with residents.



## Admin fees

Type of event	Fee
Friends Group	£0
1 day events for up to 1000 people without licensable Activities for Charities and Communities	£60
Events for longer than 1 day, for more than 1000 people or with licensable activities	£180

Site hire fees are charged per day

Set up and set down days are an additional 20% of the event day fee and are also shown in the table below. **NB** These fees **do not** cover funfairs, circuses, markets/food fairs or promotional activities- see tables below.

Number of people per day	Up to 50	50-500	500-2000	2000+
Under 4 hours	£100	£200	£300	TBA
All day *	£300	£400	£500	TBA
Additional Days	£250	£325	£400	TBA

## **Environmental Impact Fee**

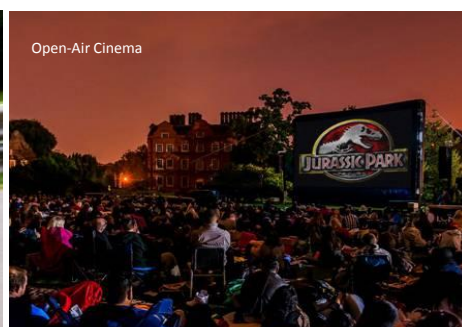
The Environmental Impact fee is a one off fee and applies to all types of events except community events.

Number of people per day	Up to 50	50-500	500-2000
Under 4 hours	N/A	N/A	£50
All day *	£25	£50	£100
Additional Days	£30	£60	£120

If the event caters for over 2000 people, then a flat fee of 5p will be charged per person expected to attend.

\* If the park has gates this period is while the gates are open only. If gates need to be opened early or closed late for access reasons an additional set-up/down day fee will be charged.

## Events hosted last year



## Promotional activities

Size of Activity	Event day
2 or more people (no equipment)	£50
With banners, gazebos, etc.	£75
With vehicles, trailers or other large structures	£100

50% of the Environmental Impact Fee applies to Promotional activities unless there are vehicles, trailers or other large structures when the full fee applies.

## Funfairs

Size of Funfair	Event Days
Up to 5 rides	£200
6 to 10 rides	£350
11 rides or more	£500

The Environmental Impact Fee applies to Funfairs, as well as the 20% additional set-up fee.

## Circuses

Size of Circus	Event Days
Up to 500 seating capacity	£500
501-750 seating capacity	£600
751-1000 seating capacity	£700

The Environmental Impact Fee applies to Circuses, as well as the 20% additional set-up fee.

## Markets and Food fairs

No. of stalls	Event Days
Up to 5	£100
5 to 10 stalls	£200
10 to 20 stalls	£400
20-30 stalls	£500
30-40 stalls	£600
40-50 stalls	£800

The Environmental Impact Fee applies to Markets and Food fairs, as well as the 20% additional set-up fee.

## Fireworks Display

Any fireworks show that takes place in Bromley will require idverde to hire a fireworks consultant. The consultant will inspect the grounds on the day to ensure that the fireworks display is safe to take place. If a consultant is commissioned this will be an additional cost to your event of which the Events Team will advise.

Pricing will be variable and a quote will be provided depending on the size of the event.

### Damages deposit

Your damages deposit will be calculated when you submit your application and is fully refundable unless damage is caused as a result of your event. Please see Terms and conditions for further details.

### Cancellation fee

When the notification of cancellation is received	Percentage of site hire fee to be charged
More than 28 days	20%
15-28 days	30%
7-14 days	50%
Less than 7 days	Up to 100%

If the event has to be cancelled due to inclement weather, Idverde may at its sole discretion for private events refund 50% of the Site Hire Fees less the Administration Fee.

### Overstay Fee

If the venue or any part of it is not vacated by the finishing time stated on the approved event application the event organiser will be required to pay an Overstay Fee. The fee will be £50 or 10% of the daily site hire fee, per hour, or part thereof, whichever is greater.

#### Gold Tier

Crystal Palace Park

#### Silver Tier

Cator Park

Church House Gardens

Croydon Road Recreation Ground

Goddington Park

Kelsey Park

Norman Park

#### Bronze Tier

All other parks

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<b>Pay Rate</b>	<b>Job Class</b>	<b>Days</b>
£37.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	172
£35.00 GBP **	Social & Healthcare Services - Social Worker Mental Health (BR12)	98
£34.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	90
£34.00 GBP **	Social & Healthcare Services - Care Manager (BR11)	87
£34.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	69
£33.50 GBP **	Healthcare - Qualified - Senior Occupational Therapist (BR13)	83
£32.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	28
£32.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	51
£31.35 GBP **	Social & Healthcare Services - Care Manager (BR11)	84
£31.00 GBP **	Social & Healthcare Services - Senior Care Manager (BR13)	53

\*\* please note this figure is the Candidate's hourly pay rate and does not include on-costs

<b>Pay Rate</b>	<b>Job Class</b>	<b>Days</b>
£78.13 GBP **	Social & Healthcare Services - Interim Director of Children's Social Care	138
£68.75 GBP **	Social & Healthcare Services - Interim Head of Service	14
£68.13 GBP **	Social & Healthcare Services - Head of Improvement & QA - MG6	17
£62.50 GBP **	Social & Healthcare Services - Practice Development Manager – Quality Improvement	136
£55.65 GBP **	Social & Healthcare Services - Operational Manager - Education Care and Health	33
£47.00 GBP **	Social & Healthcare Services - Group Manager (MG6)	100
£42.00 GBP **	Children's Services - Team Manager	28
£42.00 GBP **	Children's Services - Team Manager	239
£42.00 GBP **	Children's Services - Team Manager	35
£42.00 GBP **	Children's Services - Team Manager	44
£42.00 GBP **	Children's Services - Team Manager	80
£42.00 GBP **	Children's Services - Team Manager	109
£42.00 GBP **	Children's Services - Team Manager	68
£42.00 GBP **	Children's Services - Team Manager	22

\*\* please note this figure is the Candidate's hourly pay rate and does not include on-costs

<b>Pay Rate</b>	<b>Job Class</b>	<b>Days</b>
£57.00 GBP **	Environmental Services - CCTV Consultant	62
£35.00 GBP **	Environmental Services - Food Safety Officer (BR11/13)	70
£35.00 GBP **	Environmental Services - Food Safety Officer (BR11/13)	18
£35.00 GBP **	Environmental Services - Environmental Health Officer (BR10/13)	36
£33.00 GBP **	Environmental Services - Environmental Health Officer (BR10/13)	8
£30.00 GBP **	Environmental Services - Environmental Health Officer (BR10/13)	73
£25.53 GBP **	Environmental Services - Contract Supervisor (BR10)	210
£25.00 GBP **	Environmental Services - Carbon Management Officer (BR13)	10
£21.70 GBP **	Environmental Services - Highways Inspector (BR9)	93
£21.70 GBP **	Environmental Services - Highways Inspector (BR9)	40

\*\* please note this figure is the Candidate's hourly pay rate and does not include on-costs

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### Annual Stock Spend for Bromley Libraries 2012-2018

Year	Copies Ordered				Total	Total Cost				Total
	Books	DVDs	CDs	eBook/eAudio		Books	DVDs	CDs	eBook/eAudio	
2012/13	41,649	1,045	980	671	<b>44,345</b>	£ 235,757.10	£ 14,370.38	£ 7,900.62	£ 8,113.06	£ <b>266,141.16</b>
2013/14	40,294	1,962	1,316	840	<b>44,412</b>	£ 247,720.41	£ 21,616.07	£ 10,458.79	£ 13,084.66	£ <b>292,879.93</b>
2014/15	46,612	1,491	1,053	621	<b>49,777</b>	£ 295,740.37	£ 17,957.55	£ 8,244.00	£ 7,962.88	£ <b>329,904.80</b>
2015/16	41,649	1,339	658	870	<b>44,516</b>	£ 214,139.87	£ 15,790.75	£ 5,012.98	£ 11,816.64	£ <b>246,760.24</b>
2016/17	40,294	1,149	694	908	<b>43,045</b>	£ 288,670.37	£ 14,423.01	£ 5,776.68	£ 14,752.90	£ <b>323,622.96</b>
2017/18	46,612	1,220	441	873	<b>49,146</b>	£ 302,397.01	£ 13,848.17	£ 3,577.44	£ 16,637.74	£ <b>336,460.36</b>
2018/19 (6 months only)	24,394	294	171	863	<b>25,722</b>	£ 151,544.22	£ 4,047.63	£ 1,343.50	£ 15,366.26	£ <b>172,301.61</b>

Year	Average Cost per Copy			
	Books	DVDs	CDs	eBook/eAudio
2012/13	£ 5.66	£ 13.75	£ 8.06	£ 12.09
2013/14	£ 6.15	£ 11.02	£ 7.95	£ 15.58
2014/15	£ 6.34	£ 12.04	£ 7.83	£ 12.82
2015/16	£ 5.14	£ 11.79	£ 7.62	£ 13.58
2016/17	£ 7.16	£ 12.55	£ 8.32	£ 16.25
2017/18	£ 6.49	£ 11.35	£ 8.11	£ 19.06
2018/19 (6 months only)	£ 6.21	£ 13.77	£ 7.86	£ 17.81

**Key:**

Service run by LBB

Transition Year

Service run by GLL


**Monthly Breakdown of Stock Spend for Bromley Libraries 2017-2018**

Year	Month	Copies Ordered				Total	Total Cost				
		Books	DVDs	CDs	eBook/eAudio		Books	DVDs	CDs	eBook/eAudio	Total
2017/18	Apr	4,257	40	27	1	4,325	£ 26,614.46	£ 477.84	£ 225.23	£ 22.15	£ 27,339.68
	May	3,700	129	45	70	3,944	£ 25,201.19	£ 1,654.72	£ 364.03	£ 1,418.23	£ 28,638.17
	Jun	4,350	72	44	73	4,539	£ 27,047.50	£ 936.48	£ 362.12	£ 1,183.43	£ 29,529.53
	Jul	2,964	109	27	38	3,138	£ 19,513.20	£ 1,252.66	£ 233.63	£ 804.14	£ 21,803.63
	Aug	4,192	74	35	58	4,359	£ 36,573.32	£ 860.60	£ 269.80	£ 857.47	£ 38,561.19
	Sep	4,302	90	65	190	4,647	£ 28,862.25	£ 887.71	£ 517.07	£ 2,738.01	£ 33,005.04
	Oct	3,403	74	44	105	3,626	£ 23,034.19	£ 831.53	£ 361.05	£ 2,495.41	£ 26,722.18
	Nov	4,751	184	74	85	5,094	£ 34,634.86	£ 2,261.04	£ 580.74	£ 1,601.20	£ 39,077.84
	Dec	2,419	61	16	5	2,501	£ 17,085.59	£ 820.09	£ 141.15	£ 77.35	£ 18,124.18
	Jan	2,127	53	5	107	2,292	£ 13,844.63	£ 555.50	£ 41.47	£ 1,990.78	£ 16,432.38
	Feb	1,478	120	2	81	1,681	£ 9,584.65	£ 1,238.64	£ 15.01	£ 1,739.24	£ 12,577.54
	Mar	6,116	214	57	60	6,447	£ 40,401.17	£ 2,071.36	£ 466.14	£ 1,111.90	£ 44,050.57
2018/19	Apr	4,266	52	44	18	4,380	£ 26,633.30	£ 765.66	£ 350.45	£ 295.65	£ 28,045.06
	May	4,217	71	27	122	4,437	£ 26,597.28	£ 927.08	£ 199.24	£ 2,181.53	£ 29,905.13
	Jun	3,304	56	24	87	3,471	£ 21,069.82	£ 820.91	£ 180.61	£ 1,182.89	£ 23,254.23
	Jul	2,660	33	19	143	2,855	£ 17,830.35	£ 466.45	£ 147.68	£ 3,272.71	£ 21,717.19
	Aug	6,048	40	22	328	6,438	£ 33,707.77	£ 541.53	£ 178.86	£ 5,615.39	£ 40,043.55
Sep	3,899	42	35	165	4,141	£ 25,705.70	£ 526.00	£ 286.66	£ 3,275.74	£ 29,794.10	

Year	Month	Average Cost per Copy			
		Books	DVDs	CDs	eBook/eAudio
2017/18	Apr	£ 6.25	£ 11.95	£ 8.34	£ 22.15
	May	£ 6.81	£ 12.83	£ 8.09	£ 20.26
	Jun	£ 6.22	£ 13.01	£ 8.23	£ 16.21
	Jul	£ 6.58	£ 11.49	£ 8.65	£ 21.16
	Aug	£ 8.72	£ 11.63	£ 7.71	£ 14.78
	Sep	£ 6.71	£ 9.86	£ 7.95	£ 14.41
	Oct	£ 6.77	£ 11.24	£ 8.21	£ 23.77
	Nov	£ 7.29	£ 12.29	£ 7.85	£ 18.84
	Dec	£ 7.06	£ 13.44	£ 8.82	£ 15.47
	Jan	£ 6.51	£ 10.48	£ 8.29	£ 18.61
	Feb	£ 6.48	£ 10.32	£ 7.51	£ 21.47
	Mar	£ 6.61	£ 9.68	£ 8.18	£ 18.53
2018/19	Apr	£ 6.24	£ 14.72	£ 7.96	£ 16.42
	May	£ 6.31	£ 13.06	£ 7.38	£ 17.88
	Jun	£ 6.38	£ 14.66	£ 7.53	£ 13.60
	Jul	£ 6.70	£ 14.13	£ 7.77	£ 22.89
	Aug	£ 5.57	£ 13.54	£ 8.13	£ 17.12
Sep	£ 6.59	£ 12.52	£ 8.19	£ 19.85	

**Key:**

Service run by LBB  
Service run by GLL




Report No.  
CSD18179

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE  
2018/19 AND MID YEAR REVIEW

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** All

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1. Reason for report

- 1.1 At its meeting on 22<sup>nd</sup> November 2018 the Executive, Resources and Contract Management PDS Committee considered and supported the attached report for decision by the Resources, Commissioning and Contract Management Portfolio Holder. Council is recommended to approve the changes to the 2018/19 prudential indicators, approve the inclusion of the new Low Volatility Net Asset Value (LVNAV) category Money Market Funds into the Treasury Management Strategy, and approve the non-reporting of treasury management activity quarterly.

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2. **RECOMMENDATIONS**

That Council -

**(1) Notes the report and approves the changes to the 2018/19 prudential indicators as set out in Annex B1.**

**(2) Approves the inclusion of the new Low Volatility Net Asset value (LVNAV) category Money Market Funds into the Treasury Management Strategy, as set out in section 3.5.2 of the attached report.**

**(3) Approves the non-reporting of treasury management activity quarterly, as set out in paragraph 3.1.2 of the attached report.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Non-Recurring Cost:
  3. Budget head/performance centre: Interest on balances
  4. Total current budget for this head: £3.491m (net) in 2018/19; £350k surplus currently projected.
  5. Source of funding: Net investment income
- 

## Personnel

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

## Legal

1. Legal Requirement: Non-Statutory - Government Guidance
  2. Call-in: Not Applicable: Council decisions are not subject to call-in
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

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

## Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	See attached report
Background Documents: (Access via Contact Officer)	See attached report

**Decision Maker:** Resources, Commissioning and Contracts Management  
Portfolio Holder  
Council

**Date:** For pre-decision scrutiny by Executive, Resources and Contracts PDS  
Committee on 22<sup>nd</sup> November 2018  
Council 10<sup>th</sup> December 2018

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

**Title:** TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE  
2018/19 & MID YEAR REVIEW

**Contact Officer:** Jo-Anne Chang-Rogers, Principal Accountant  
Tel: 020 8313 4292 E-mail: jo-anne.chang-rogers@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** All

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**1. Reason for report**

1.1. This report summarises treasury management activity during the second quarter of 2018/19. The report also includes a Mid-Year Review of the Treasury Management Strategy Statement and Annual Investment Strategy (Annex A) The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 30<sup>th</sup> September 2018 totalled £309.5m and there was no outstanding external borrowing. For information and comparison, the balance of investments stood at £303.6m as at 30<sup>th</sup> June 2018, £284.8m as at 31<sup>st</sup> March 2018, and, at the time of writing this report (6<sup>th</sup> November 2018) it stood at £347m.

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**2. RECOMMENDATION(S)**

2.1. The Resources Commissioning and Contract Portfolio Holder is requested to:

- (a) note the Treasury Management performance for the second quarter of 2018/19;
- (b) recommend that Council approves the inclusion of the new Low Volatility Net Asset Value (LVNAV) category of Money Market Funds into the Treasury Management Strategy, as set out in section 3.5.2.
- (c) recommend that Council approves the non-reporting of treasury management activity quarterly, as set out in paragraph 3.1.2.

**2.2. Council is requested to:**

- (a) note the report and approve changes to the 2018/19 prudential indicators, as set out in Annex B1; and**
- (b) approve the inclusion of the new Low Volatility Net Asset Value (LVNAV) category of Money Market Funds into the Treasury Management Strategy, as set out in section 3.5.2.**
- (c) approve the non-reporting of treasury management activity quarterly, as set out in paragraph 3.1.2.**

### Corporate Policy

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

### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A
  3. Budget head/performance centre: Interest on balances
  4. Total current budget for this head: £3.491m (net) in 2018/19; £350k surplus currently projected
  5. Source of funding: Net investment income
- 

### Staff

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

### Legal

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

### Customer Impact

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

### Ward Councillor Views

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

### **3. COMMENTARY**

#### **3.1. General**

- 3.1.1. Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end.
- 3.1.2. At its meeting on 5<sup>th</sup> July 2018, the Executive, Resources and Contracts PDS Committee discussed the option of not reporting on treasury management activity quarterly unless Officers felt that a matter should come before the Committee sooner. As Financial Regulations currently require quarterly reports, this review report requests that the Portfolio Holder recommends that Council formally approves this change. As set out above, there are three reports required by the Code of Practice, and it is intended that in year monitoring will be incorporated into these reports. This effectively means that Quarter 1 will not be reported going forward, unless there are any matters that officers feel required reporting sooner.
- 3.1.3. This report includes details of investment performance in the second quarter of 2018/19. The 2018/19 annual treasury strategy, including the MRP (Minimum Revenue Provision) Policy Statement and prudential indicators, was originally approved by Council in February 2018. The annual report for financial year 2017/18 was submitted to the Executive, Resources and Contracts PDS Committee on 5<sup>th</sup> July 2018 and Council on 16<sup>th</sup> July 2018.
- 3.1.4. Recent changes in the regulatory environment place a much greater onus on Members to undertake the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.1.5. The Council has monies available for Treasury Management investment as a result of the following:
- Positive cash flow;
  - Monies owed to creditors exceed monies owed by debtors;
  - Receipts (mainly from Government) received in advance of payments being made;
  - Capital receipts not yet utilised to fund capital expenditure;
  - Provisions made in the accounts for liabilities e.g. provision for outstanding legal cases which have not yet materialised;
  - General and earmarked reserves retained by the Council.
- 3.1.6. Some of the monies identified above are short term and investment of these needs to be highly "liquid", particularly if it relates to a positive cash flow position, which can change in the future. Future monies available for Treasury Management investment will depend on the budget position of the Council and whether the Council will need to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding (which will require the Council to make revenue savings to balance the budget in future years), there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.

- 3.1.7. The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated £3m income in 2015/16, £4.6m in 2016/17, £5.6m in 2017/18 and is projected to achieve £5.45m in 2018/19 and £5.5m in a full year. This is based on a longer term investment timeframe of at least 3 to 5 years and ensures that the monies available can attract higher yields over the longer term.
- 3.1.8. A combination of lower risk investment relating to Treasury Management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any investment decisions will also need to consider the likelihood that interest rates will increase at some point. The available resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

### 3.2. Treasury Performance in the quarter ended 30<sup>th</sup> September 2018

- 3.2.1. **Borrowing:** The Council's healthy cashflow position continues and, other than some short-term borrowing at the end of 2015/16, no borrowing has been required for a number of years.
- 3.2.2. **Investments:** The following table sets out details of investment activity during the second quarter of 2018/19 and 2018/19 year to date:-

	Qtr ended 30/09/18		2018/19 year to date		Paragraph
	Deposits	Ave Rate	Deposits	Ave Rate	
Balance of "core" investments b/f	170.00	1.28	180.00	1.35	
New Investments made in period	30.00	1.25	60.00	1.17	
Investments redeemed in period	-20.00	0.90	-60.00	1.40	
'Core' investments at end of period	180.00	1.29	180.00	1.29	
Money Market Funds	47.20	0.60	47.20	0.55	3.4.1
CCLA Property Fund *	40.00	4.38	40.00	5.50	3.4.4.5
Diversified Growth Funds *	10.00	4.64	10.00	2.30	3.4.4.7
Multi-Asset Income Fund *	30.00	5.10	30.00	6.36	3.4.4.11
Project Beckenham Loan	2.30	6.00	2.30	6.00	3.4.3
'Alternative' investments at end of period	129.50	3.22	129.50	3.66	
<b>Total investments at end of period</b>	<b>309.50</b>	<b>2.00</b>	<b>309.50</b>	<b>2.28</b>	
* The rates shown in here are the total return, i.e. the dividend income received, plus the change in capital value. A more detailed breakdown of the rates for these investments is shown in the relevant paragraphs					

- 3.2.3. Details of the outstanding investments at 30<sup>th</sup> September 2018 are shown in maturity date order in Appendix 2 and by individual counterparty in Appendix 3. An average return of 1.0% was assumed for new investments in the 2018/19 budget in line with the estimates provided by the Council's external treasury advisers, Link Asset Services, and with officers' views. The return on the three new "core" investments placed during the first half of 2018/19 was 1.17%, compared to the average LIBID rates of 0.59% for 7 days, 0.67% for 3 months, 0.78% for 6 months and 0.94% for 1 year.

- 3.2.4. Reports to previous meetings have highlighted the fact that options with regard to the reinvestment of maturing deposits have become seriously limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria, as well as the introduction of pooled funds and housing associations have alleviated this to some extent, but there are still not many investment options available other than placing money with instant access accounts at relatively low interest rates.
- 3.2.5. Despite this, the Council's treasury management performance compares very well with that of other authorities; the Council was in the top decile nationally for 2014/15, 2015/16 and 2016/17 (the most recent CIPFA treasury management statistics available), and officers continue to look for alternative investment opportunities both within the current strategy and outside, for consideration as part of the ongoing review of the strategy.
- 3.2.6. Active UK banks and building societies on the Council's list now comprise Lloyds, RBS, HSBC, Barclays, Santander UK, Goldman Sachs International Bank, Standard Chartered, and Nationwide and Skipton Building Societies, and all of these have reduced their interest rates significantly in recent years. The Director of Finance will continue to monitor rates and counterparty quality and take account of external advice prior to any investment decisions.
- 3.2.7. The chart in Appendix 1 shows total investments at quarter-end dates back to 1<sup>st</sup> April 2004 and shows how available funds have increased steadily over the years. This has been a significant contributor to the over-achievement of investment income against budgeted income in recent years.

### 3.3. Interest Rate Forecast (provided by Link Asset Services)

- 3.3.1. The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. However, the MPC emphasised again, that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time but they declined to give a medium term forecast. It is unlikely that the MPC will increase the Bank Rate in February 2019, ahead of the deadline in March for Brexit. Similarly, the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.

Date	LATEST FORECAST (Nov18)				PREVIOUS FORECAST (Aug18)			
	Base Rate	3 month Libid	6 month Libid	1 year Libid	Base Rate	3 month Libid	6 month Libid	1 year Libid
Dec-18	0.75%	0.80%	0.90%	1.00%	0.75%	0.80%	0.90%	1.00%
Jun-19	0.75%	0.90%	1.00%	1.10%	0.75%	0.90%	1.00%	1.10%
Dec-19	1.00%	1.10%	1.20%	1.30%	1.00%	1.10%	1.20%	1.30%
Jun-20	1.25%	1.40%	1.50%	1.60%	1.25%	1.40%	1.50%	1.60%
Dec-20	1.50%	1.60%	1.70%	1.80%	1.50%	1.60%	1.70%	1.80%



### 3.4. Other accounts

#### 3.4.1. Money Market Funds

3.4.1.1. The Council currently has 7 AAA-rated Money Market Fund accounts, with Prime Rate, Aberdeen Standard, (formerly known as Ignis), Insight, Blackrock, Fidelity, Morgan Stanley and Legal & General, all of which have a maximum investment limit of £15m. In common with market rates for fixed-term investments, interest rates on money market funds have fallen considerably in recent years. The Aberdeen Standard, Prime Rate, Insight and Legal & General funds currently offer the best rate at around 0.70%, which compares to around 0.48-0.50% in March, reflecting the effect of the base rate rise in August as maturities are re-invested.

3.4.1.2. The total balance held in Money Market Funds has varied during the year to date, moving from £22.5m as at 31<sup>st</sup> March 2018 to £47.2m as at 30<sup>th</sup> September 2018, and currently stands at £75.9m (as at 5<sup>th</sup> November 2018). The Money Market Funds currently offer the lowest interest of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility, or shorter dated (less than three months) fixed term investments; however they are the most liquid, with funds able to be redeemed up until midday for same day settlement.

Money Market Funds	Date Account Opened	Actual balance 31/03/18	Actual balance 30/09/18	Ave. Rate Q2 2018/19	Latest Balance 05/11/18	Ave. Daily balance to 05/11/18	Latest Rate 05/11/18
		£m	£m	%	£m	£m	%
Prime Rate	15/06/2009	-	15.00	0.61	15.00	14.03	0.71
Aberdeen Standard (Ignis)	25/01/2010	15.0	2.20	0.60	14.40	13.89	0.70
Insight	03/07/2009	7.5	15.00	0.59	15.00	14.11	0.70
Legal & General	23/08/2012	-	15.00	0.60	15.00	13.52	0.71
Blackrock	16/09/2009	-	-	-	1.50	0.0	0.62
Fidelity	20/11/2002	-	-	-	15.00	4.17	0.63
Morgan Stanley		-	-	-	-	-	-
<b>TOTAL</b>		<b>22.5</b>	<b>47.20</b>		<b>75.90</b>	<b>8.53</b>	

3.4.1.3 Current balances in MMFs are higher than usual for several reasons; mainly £20m being held for a further Multi-Asset Income Fund investment (see para 3.4.4.11), which is currently pending completion of Anti-Money Laundering/Know Your Customer requirements with the Bank of New York Mellon, £5m for a fixed term forward deal with a district council in January at a particularly good rate (1.45% for 2 years), funds being held to cover cashflow requirements in February and March when income from Council Tax and Business Rates is significantly lower than the rest of the year, as well as ensuring the Council has sufficient liquidity to cover any 'non-standard' expenditure such as investment property purchases.

#### 3.4.2. Housing Associations

3.4.2.1. Following the reduction of the counterparty rating criteria to A- for Housing Associations approved by Council in June 2017, deposits of £10m each were placed with Hyde Housing Association (A+) and Places for People Homes (A) for two years at rates of 1.30% and 1.60% respectively. More recently, a deposit of £5m was placed with Metropolitan Housing Trust (A+) in April 2018 for two years at a rate of 1.75%.

### 3.4.3. Loan to Project Beckenham

3.4.3.1. At the same meeting, Council also approved the inclusion in the strategy of the secured loan to Project Beckenham relating to the provision of temporary accommodation for the homeless that had previously been agreed to be advanced from the Investment Fund. This loan was made in June 2017, at a rate of 6%, although that may increase to 7.5% if the loan to value ratio exceeds a specified value.

### 3.4.4. Pooled Investment Schemes

3.4.4.1. In September 2013, the Portfolio Holder and subsequently Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015, £80m in June 2017 and £100m in December 2017. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.

3.4.4.2. Until March 2018, accounting rules required that the change in capital value of these investments be held in the Available for Sale Financial Assets Reserve, and only recognised in revenue on the sale of the investment. In year projections for interest on balances therefore only reflected the dividends from these investments.

3.4.4.3. However, from 2018/19 onwards, local authorities have to account for financial instruments in accordance with IFRS9. One of the results of this is that changes in the capital value of pooled fund investments would have to be recognised in revenue in-year.

3.4.4.4. To mitigate the effect of this, and to smooth the volatility in these investments, interest/dividend earnings above 2.5% (£1,086k) during 2017/18 relating to the CCLA Property Fund and Fidelity Multi-Asset Income Fund were set aside in an Income Equalisation earmarked reserve. MHCLG have consulted on a statutory override to reverse the impact of IFRS9 on the Council's General Fund, and this has been included in the draft 2018 Capital Financing and Accounting Regulations to be laid before Parliament.

#### CCLA Property Fund

3.4.4.5. Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015, £10m in October 2015, £5m in October 2016 and £10m in October 2017. The investment in the CCLA Fund is viewed as a medium to long-term investment and dividends are paid quarterly. A breakdown of the dividend earned and capital growth is provided in the table below.

	Dividend %	Capital Growth %	Total Return %
Annualised net return			
01/02/2014 - 31/03/14	4.29	-29.64	-25.34
01/04/2014 - 31/03/15	5.03	3.44	8.47
01/04/2015 - 31/03/16	5.02	1.63	6.65
01/04/2016 - 31/03/17	4.55	-2.5	2.05
01/04/2017 - 31/03/18	4.59	2.41	7.00
01/04/2018 - 30/09/18	4.38	1.11	5.50
Cumulative	4.65	0.68	5.33

3.4.4.6. The negative “growth”, particularly in the first two months, was mainly a result of the bid-offer spread that is inherent in property funds when the original and subsequent investments were made. This has less of an effect over the longer term that these investments are expected to be held, and overall there has been modest capital growth of 0.68%.

#### Diversified Growth Funds

3.4.4.7. In October 2014, Council approved the inclusion of investment in Diversified Growth Funds in the investment strategy and, in December 2014, £5m was invested with both Newton and Standard Life. In accordance with the Council decision, 27% of the total return will be transferred to the Parallel Fund, set up in 2014/15 with an opening balance of £2.7m to mitigate the potential revenue impact of future actuarial Pension Fund valuations.

3.4.4.8. The Funds both performed very well in just over three months to 31st March 2015, with returns over 21%. Performance has not been so impressive since, with net returns of -1.98% in 2015/16, 1.25% in 2016/17, -0.81% in 2017/18 and 4.64% in the first half of 2018/19, with overall net returns since inception of 1.45%, as shown in the table below.

Annualised net return	Newton %	Standard Life %	Combined %
22/12/14 - 31/03/15	21.25	21.64	21.44
01/04/15 - 31/03/16	0.81	-4.77	-1.98
01/04/16 - 31/03/17	2.08	0.37	1.25
01/04/17 - 31/03/18	-2.23	0.71	-0.81
01/04/18 - 31/09/18	8.63	-4.31	2.30
Cumulative return	2.94	-0.05	1.45

3.4.4.9. The downturn in performance echoes that seen in the Pension Fund’s DGFs (and Global Equities Funds to an extent) during 2015/16 and subsequent rebound during 2016/17 and 2017/18. However, it should be noted that these types of investments should be considered as longer term investments over a three to five year period.

3.4.4.10. As previously reported, to reflect the changes to the Pension Fund asset allocation strategy, and on the basis of Multi-Asset Income Funds being a better income related investment with low volatility, it is currently intended that the DGF investments will be sold and the funds invested in further Multi-Asset Income Funds.

#### Multi-Asset Income Fund

3.4.4.11. Following the approval by Council in June 2017, the limit for pooled investment schemes was increased to £80m, and an investment of £30m was made on 12<sup>th</sup> July 2017 in the Fidelity Multi-Asset Income Fund following the agreement of the Resources, Commissioning and Contracts Management Portfolio Holder. The fund return for the first half of 2018 was capital growth of 2.89% and dividends of 3.52% paid, resulting in a total return of 6.36%. Since inception, dividends paid have totalled 4.06%, the capital value has decreased by 2.57%, resulting in a total return of 1.49%, as shown in the table below.

	Dividend %	Capital Growth %	Total Return %
Annualised net return			
12/07/2017 - 31/03/18	4.42	-6.27	-1.85
01/04/2018 - 30/09/18	3.52	2.89	6.36
Cumulative return	4.06	-2.57	1.49

### 3.4.5. Investment with Heritable Bank

3.4.5.1. Members will be aware from previous updates to the Resources Portfolio Holder and the Executive that the Council had £5m invested with the Heritable Bank, a UK subsidiary of the Icelandic bank, Landsbanki. In October 2008, the bank was placed in administration and the investment was frozen. To date, a total of £4,985k has been received (98% of the total claim of £5,087k), leaving a balance of £102k (2%). Officers and the Council's external advisers remain hopeful of a full recovery.

### 3.5. **Mid Year Review of Treasury Management Strategy and Annual Investment Strategy for 2018/19**

3.5.1. The CIPFA Code of Practice on Treasury Management requires the Council to receive a mid-year review report on performance against the approved strategy. The Annual Investment Strategy was originally approved by Council in February 2018. A mid-year review, including comments on the economic background during the first half of 2018/19 and on the outlook, is included at Annex A.

### 3.5.2. Changes to Money Market Fund Categories and Limits

3.5.2.1 The current approved 2018/19 Treasury Management Strategy permits the use of 'standard' Constant Net Asset Value (CNAV) Money Market Funds with a limit of £15m in each fund, as well as, Variable Net Asset Value (VNAV) funds, with a limit of £10m in each fund, and a maximum of £25m at any one time.

New regulations coming into effect reforming Money Market Funds mean there will be classification changes, which includes the introduction of Low Volatility Net Asset Value (LVNAV) funds. As a result the Council must update the Treasury Management Strategy in line with these Money Market Fund classification changes.

3.5.2.2 As the classification of Constant Net Asset Value (CNAV) funds now only applies to funds mainly consisting of low yielding government debt, the Council's existing Money Market Funds will convert into the new LVNAV category. It is proposed that the Treasury Management Strategy is amended to the following:

*"The Council may invest in AAA rated Money Market Funds, including Constant Net Asset Value (CNAV) Funds, Low Volatility Net Asset Value (LVNAV) funds and Variable Net Asset value (VNAV) funds. The total invested in each of the CNAV and LVNAV Funds must not exceed £15m at any time and £10m for VNAV funds. This includes the Payden Sterling Reserve Fund for which a limit of £15m is also applied. No more than £25m in total may be invested in VNAV funds at any time."*

3.5.2.3 The following is a LINK Asset Services summary of the forthcoming classification changes.

- the Money Market Fund Regulation was published in the EU Official Journal. This formally begins the compliance process for new and existing funds. Existing funds will have to be compliant by no later than 21st January 2019.
- there are three structural options:

- Public Debt Constant Net Asset Value (“CNAV”) MMFs - must invest 99.5% of their assets into government debt instruments, reverse repos collateralised with government debt, cash, and are permitted to maintain a constant dealing NAV. This Fund is already in existence and there is no change proposed to the current structure;
- Low Volatility NAV (“LVNAV”) MMFs - permitted to maintain a constant dealing NAV provided that certain criteria are met, including that the market NAV of the Fund does not deviate from the dealing NAV by more than 20 basis points (bps). This is a more stringent approach, as currently on a CNAV Fund they have a 50bps collar. Funds will have amortised cost accounting for investments out to 75 days. This means that they can value such investments at par, thus these investments should not affect the underlying Fund’s NAV;
- Variable NAV (“VNAV”) MMFs – Funds which price their assets using market pricing and therefore offer a fluctuating dealing NAV. No change to the current approach.

### **3.6. Regulatory Framework, Risk and Performance**

3.6.1. The Council’s treasury management activities are regulated by a variety of professional codes and statutes and guidance:

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

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

#### 4. POLICY IMPLICATIONS

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

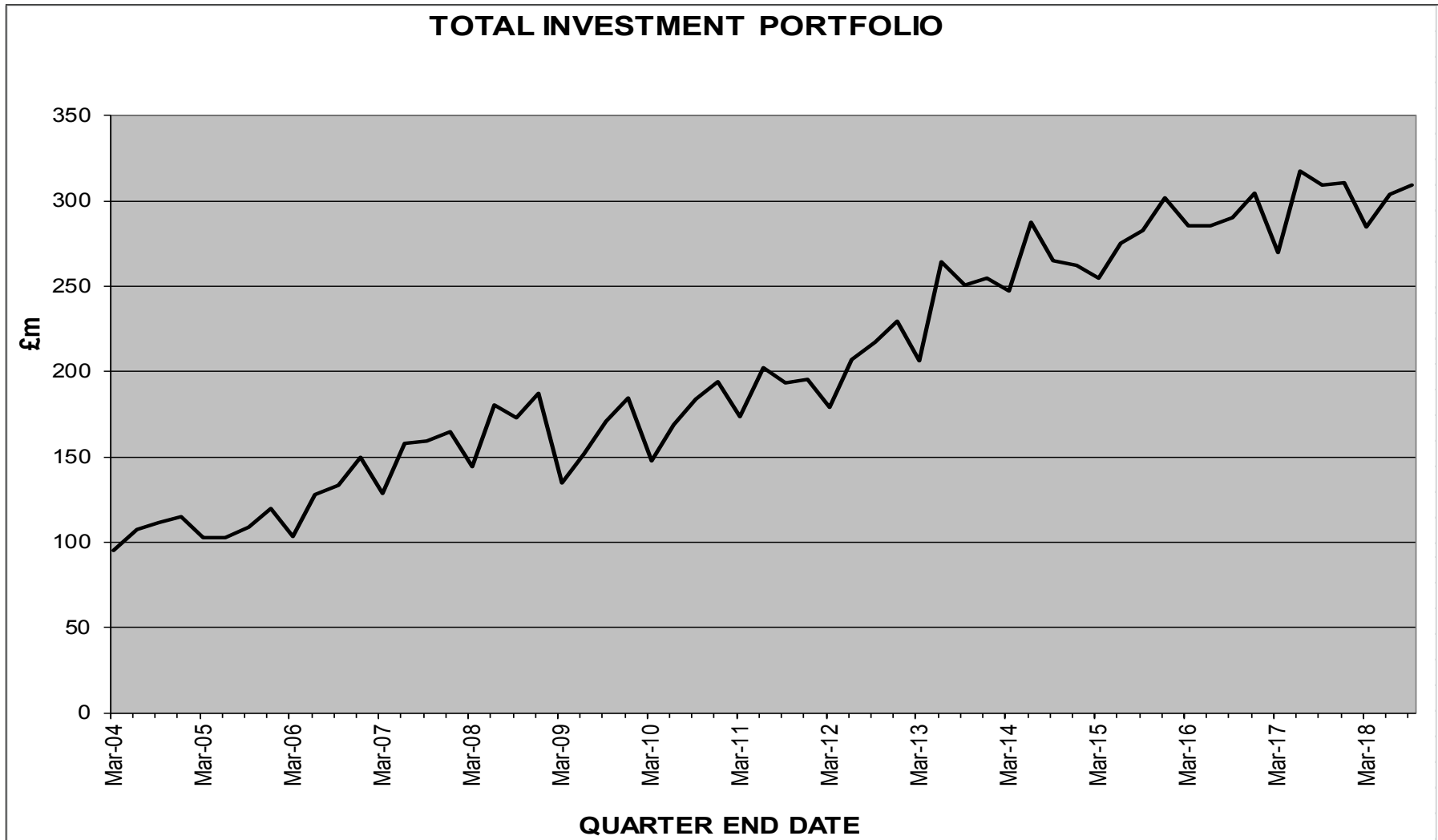
#### 5. FINANCIAL IMPLICATIONS

5.1 Despite the increase in the Bank of England base rate from 0.25% to 0.50% in November 2017 and then to 0.75% in August 2018, there has been relatively little impact on interest income from lending to banks and other counterparties. This is partly due to banks having the continued ability to borrow from the Bank of England at very low rates through its Term Funding Scheme, the strengthening of 'balance sheets' reducing the need to borrow, as well as the fact that expected increases in the base rate had already been 'priced in'.

5.2 In addition, the utilisation of the Investment Fund and Growth Fund as well as the Highways Investment scheme, have reduced the resources available for treasury management investment. However, the treasury management strategy was revised in December 2017 to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks. As a result, additional income of £600k was included in the 2018/19 budget

5.3 At present, a surplus of £350k is projected for 2018/19 mainly as a result of the good rates obtained on the eleven fixed term investments made since the budget was set, which have an average interest rate of 1.14%. The Council's performance on treasury management is in the top 10% among local authorities.

<b>Non-Applicable Sections:</b>	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Link Treasury Solutions



## INVESTMENTS HELD AS AT 30 SEPTEMBER 2018

Counterparty	Start Date	Maturity Date	Rate of Interest %	Amount £m
<b>FIXED DEPOSITS</b>				
SKIPTON BUILDING SOCIETY	03/11/2017	02/11/2018	0.92000	10.0
LLOYDS BANK	19/11/2015	19/11/2018	1.82000	5.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50000	10.0
CLOSE BROTHERS	02/03/2018	01/03/2019	1.15000	20.0
RBS	09/10/2017	09/04/2019	1.00000	20.0
SANTANDER BANK	18/04/2018	18/04/2019	0.96000	15.0
SANTANDER BANK	15/06/2018	14/06/2019	0.86000	10.0
CLOSE BROTHERS	19/07/2018	18/07/2019	1.15000	10.0
LLOYDS BANK	29/07/2016	31/07/2019	1.34000	2.5
GOLDMAN SACHS	01/08/2018	01/08/2019	1.23000	10.0
PLACES FOR PEOPLE HOMES LTD	16/08/2017	16/08/2019	1.60000	10.0
GOLDMAN SACHS	17/08/2018	16/08/2019	1.16500	5.0
LLOYDS BANK	18/08/2016	19/08/2019	1.14000	7.5
HYDE HOUSING ASSOCIATION	22/08/2017	22/08/2019	1.30000	10.0
GOLDMAN SACHS	18/09/2018	17/09/2019	1.16000	5.0
LLOYDS BANK	05/12/2016	05/12/2019	1.37000	25.0
METROPOLITAN HOUSING TRUST	16/04/2018	16/04/2020	1.75000	5.0
<b>TOTAL FIXED INVESTMENTS</b>				<b>180.0</b>
<b>OTHER FUNDS</b>				
BLACKROCK LIQUIDITY FUND				0.0
FIDELITY MONEY MARKET FUND				0.0
STANDARD LIFE (IGNIS) LIQUIDITY FUND				2.2
INSIGHT STERLING LIQUIDITY FUND				15.0
LGIM STERLING LIQUIDITY FUND				15.0
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND				15.0
MORGAN STANLEY LIQUIDITY FUND				0.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			40.0
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
FIDELITY MULTI-ASSET INCOME FUND				30.0
SPRING CAPITAL LOAN	09/06/2017			2.3
<b>TOTAL INVESTMENTS</b>				<b>309.5</b>



APPENDIX 3

INVESTMENTS HELD AS AT 30 SEPTEMBER 2018

	Start Date	Maturity Date	Rate of Interest %	Amount £m	Total £m	Limit £m	Remaining £m
<b>UK BANKS</b>							
LLOYDS BANK	19/11/2015	19/11/2018	1.82	5.0			
LLOYDS BANK	29/07/2016	31/07/2019	1.34	2.5			
LLOYDS BANK	18/08/2016	19/08/2019	1.18	7.5			
LLOYDS BANK	05/12/2016	05/12/2019	1.37	25.0	40.0	40.0	0.0
ROYAL BANK OF SCOTLAND	09/10/2017	09/04/2019	1.00	20.0	20.0	80.0	60.0
GOLDMAN SACHS INTERNATIONAL BANK	19/09/2017	18/09/2018	0.95	5.0			
GOLDMAN SACHS INTERNATIONAL BANK	01/08/2018	01/08/2019	1.23	10.0			
GOLDMAN SACHS INTERNATIONAL BANK	17/08/2018	16/08/2019	1.17	5.0	20.0	20.0	0.0
CLOSE BROTHERS LTD	02/03/2018	01/03/2019	1.15	20.0			
CLOSE BROTHERS LTD	19/07/2018	18/07/2019	1.15	10.0	30.0	30.0	0.0
SANTANDER PLC UK	18/04/2018	18/04/2019	0.96	15.0			
SANTANDER PLC UK	15/06/2018	14/06/2019	0.86	10.0	25.0	30.0	5.0
<b>UK BUILDING SOCIETIES</b>							
SKIPTON BUILDING SOCIETY	03/11/2017	02/11/2018	0.92	10.0	10.0	10.0	0.0
<b>LOCAL AUTHORITIES</b>							
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50	10.0	10.0	15.0	5.0
<b>OTHER INVESTMENTS</b>							
BLACKROCK LIQUIDITY FUND	16/09/2009		0.00	0.0	0.0	15.0	15.0
FIDELITY MONEY MARKET FUND	15/08/2005		0.00	0.0	0.0	15.0	15.0
STANDARD LIFE (IGNIS) LIQUIDITY FUND	25/01/2010		0.00	2.2	2.2	15.0	12.8
INSIGHT STERLING LIQUIDITY FUND	15/06/2009		0.00	15.0	15.0	15.0	0.0
LGIM STERLING LIQUIDITY FUND	23/08/2012		0.00	15.0	15.0	15.0	0.0
MORGAN STANLEY FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND	01/11/2012		0.00	0.0	0.0	15.0	15.0
SPRING CAPITAL LOAN	09/06/2017		6.00	2.3	2.3	2.7	0.4
<b>HOUSING ASSOCIATIONS</b>							
PLACES FOR PEOPLE HOMES LTD	16/08/2017	16/08/2019	1.60	10.0			
HYDE HOUSING ASSOCIATION	22/08/2017	22/08/2019	1.30	10.0			
METROPOLITAN HOUSING TRUST	16/04/2018	16/04/2020	1.75	5.0	25.0	25.0	0.0
<b>POOLED FUND INVESTMENTS</b>							
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014		0.00	40.0			
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014		0.00	5.0			
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014		0.00	5.0			
FIDELITY - MULTI ASSET INCOME FUND	12/07/2017			30.0	80.0	100.0	20.0
<b>TOTAL INVESTMENTS</b>				<b>309.5</b>	<b>309.5</b>		

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# Treasury Management Strategy Statement and Annual Investment Strategy

## Mid-year Review Report 2018/19

### 1 Background

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

### 2 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council on 20<sup>th</sup> February 2012.

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Executive, Resources and Contracts PDS Committee:

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2018/19 financial year;

- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2018/19;
- A review of the Council's borrowing strategy for 2018/19;
- A review of any debt rescheduling undertaken during 2018/19;
- A review of compliance with Treasury and Prudential Limits for 2018/19.

## **Key Changes to the Treasury and Capital Strategies**

As detailed in section 3.5.2 of the covering report, it is proposed that the Investment Strategy be amended in order to comply with Money Market Fund Reforms and the classification changes.

### 3 Economic update (provided by Link Asset Services)

**GLOBAL OUTLOOK.** World growth has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China, overall world growth is likely to weaken.

**Inflation** has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to a marked acceleration of wage inflation which is likely to prompt central banks into a series of increases in central rates. The EU is probably about a year behind in a similar progression.

#### **KEY RISKS - central bank monetary policy measures**

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

**The key issue now** is that that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period has already started in the US, and more recently in the UK, on reversing those measures i.e. by raising central rates and, (for the US), reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of an on-going reduction in spare capacity in the economy, and of unemployment falling to such low levels that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This now means that both asset categories are vulnerable to a sharp downward correction. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.**

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases to reducing its holdings of debt. In addition, the European Central Bank has cut back its QE purchases substantially and is likely to end them completely by the end of 2018.

**UK.** The first half of 2018/19 has seen UK **economic growth** post only a modest performance. However, after an adverse weather depressed performance in quarter 1, growth has been recovering pace and the latest 3 month rolling average came in at a healthy 0.7%. The positive run of economic statistics was sufficiently robust for the Monetary Policy Committee, (MPC), to unanimously (9-0) vote to increase **Bank Rate** on 2<sup>nd</sup> August from 0.5% to 0.75%. Although growth looks as if it will only be modest overall at around 1.5% in 2018, the Bank of England's August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019, albeit there were several caveats – mainly related to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.

Some MPC members have expressed concerns about a build-up of **inflationary pressures**, particularly with the pound falling in value again against both the US dollar and the Euro. The Consumer Price Index (CPI) measure of inflation came in at 2.4% in September and is expected to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate. The MPC has indicated Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track. Financial markets are currently pricing in the next increase in Bank Rate for the second half of 2019.

As for the **labour market**, unemployment has continued at a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high in July, together with

negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.1%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 0.4%, near to the joint high of 0.5% since 2009. (The previous high point was in July 2015.) Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC were right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy. However, the MPC will need to tread cautiously before increasing Bank Rate again, especially given all the uncertainties around Brexit.

In the **political arena**, there is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

**USA.** President Trump's massive easing of fiscal policy is fuelling a, (temporary), boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2%, (annualised rate), in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. With inflation in danger of moving towards 3%, the Fed increased rates another 0.25% in September to between 2.00% and 2.25%, this being four increases in 2018. They also indicated that they expected to increase rates four more times by the end of 2019. The dilemma, however, is what to do when the temporary boost to consumption wanes, particularly as the recent imposition of tariffs on a number of countries' exports to the US, (China in particular), could see a switch to US production of some of those goods, but at higher prices. Such a scenario would invariably make any easing of monetary policy harder for the Fed in the second half of 2019. However, a combination of an expected four increases in rates of 0.25% by the end of 2019, together with a waning of the boost to economic growth from the fiscal stimulus in 2018, could combine to depress growth below its potential rate, i.e. monetary policy may prove to be too aggressive and lead to a reverse of policy.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation.

**Eurozone.** Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this is probably a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank has indicated it is likely to end all further purchases in December 2018. Inflationary pressures are starting to build gently so it is expected that the ECB will start to increase rates towards the end of 2019.

**China.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

**Japan** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

**Emerging countries.** Argentina and Turkey are currently experiencing major headwinds

and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

## INTEREST RATE FORECASTS

The interest rate forecasts provided by Link Asset Services in paragraph 3.3 are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU. In the event of an orderly non-agreement exit, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effect of this situation. This is also likely to cause short to medium term gilt yields to fall. If there was a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

### The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore over or under do increases in central interest rates.

### Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**, possibly **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. At the time of writing, the EU has rejected the proposed Italian budget and has demanded cuts in government spending which the Italian government has refused. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold Italian debt. Unsurprisingly, investors are becoming increasingly concerned by the actions of the Italian government and consequently, Italian bond yields have risen sharply – at a time when the government faces having to refinance large amounts of debt maturing in 2019.
- Weak capitalisation of some **European banks**. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt - debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018. However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and

EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.

- **Other minority eurozone governments.** Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, this year, has also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.
- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. In October 2018, we have seen a sharp fall in equity markets but this has been limited, as yet. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **Brexit** – if both sides were to agree a compromise that removed all threats of economic and political disruption.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.



## 4 Treasury Management Strategy Statement and Annual Investment Strategy update

The Treasury Management Strategy Statement (TMSS) for 2018/19 was approved by this Council on 26<sup>th</sup> February 2018. Revisions approved by Council on 26<sup>th</sup> June 2017 and 11<sup>th</sup> December 2017, were acknowledged in the 2018/19 Strategy update in February 2018, but no further revisions were proposed.

As outlined in paragraph 3.5.2 of the covering report, new regulations coming into effect reforming Money Market Funds mean there will be classification changes, which includes the introduction of Low Volatility Net Asset Value (LVNAV) funds. As a result the Council must update the Treasury Management Strategy in line with these Money Market Fund classification changes.

As the classification of Constant Net Asset Value (CNAV) funds now only apply to funds mainly consisting of low yielding government debt, the Councils existing Money Market Funds will convert into the new LVNAV category. It is proposed that the Treasury Management Strategy is amended to the following

*“The Council may invest in AAA rated Money Market Funds, including Constant Net Asset Value (CNAV) Funds, Low Volatility Net Asset Value (LVNAV) funds and Variable Net Asset value (VNAV) funds. The total invested in each of the CNAV and LVNAV Funds must not exceed £15m at any time and £10m for VNAV funds. This includes the Payden Sterling Reserve Fund for which a limit of £15m is also applied. No more than £25m in total may be invested in VNAV funds at any time.”*

## 5 Investment Portfolio

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As shown by forecasts in section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

Details of the Council's investment activity during the first six months of 2018/19 are provided in sections 3.2.2 to 3.4.5 of the covering report and lists of current investments are provided in Appendices 2 (in maturity date order) and 3 (by counterparty). The Council held £309.5m of investments as at 30th September 2018 (£303.6m as at 30th June 2018).

The Director of Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2018/19.

The Council's budget for interest on investments in 2018/19 is £3.491m, which is based on an assumed interest rate of 1% for new investments. As a result of the higher interest rates being earned on new investments made on recent investments as well as higher levels of balances available for investment, a surplus of £350k is currently projected for the 2018/19 financial year.

### Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

## **6 Borrowing**

The Council's capital financing requirement (CFR) for 2018/19 is £1.6m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council does not currently borrow to finance its capital expenditure and has, in recent years, only had to borrow short-term (for cashflow purposes) on very few occasions.

No borrowing is currently anticipated during this financial year, but it is possible that some may be required in future years to fund the property purchases related to Opportunity Site G, which would be repaid from the capital receipts from the scheme.

## Prudential and Treasury Indicators – Mid-Year Review 2018/19

The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2018/19 were approved by Council in February 2018 and this Annex sets out the actual performance against those indicators in the first six months, updating them where necessary. Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy.

The Council is required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This original 2001 Code was adopted by the full Council in February 2002 and the revised 2011 Code was initially adopted by full Council in February 2012.

### Prudential Indicators for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the Capital Programme for 2018/19 was agreed in March 2018. The decrease in the latest estimate for 2018/19 is mainly the result of slippage in expenditure originally planned for 2018/19 into future years, as highlighted in previous reports to the Executive and to PDS Committees.

Capital Expenditure by Portfolio	2018/19 Original Estimate £m	2018/19 Revised Estimate £m
Children & Families	25.3	16.0
Adult Care & Health	5.1	6.9
Environment & Community	10.9	14.2
Public Protection & Enforcement	0.0	0.0
Renewal Recreation & Housing	14.9	11.1
Resources, Commissioning & Contracts	20.4	1.5
Less: estimated slippage	-15.0	-5.0
<b>Total</b>	<b>61.6</b>	<b>44.7</b>

### Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure.

Capital Expenditure	2018/19 Original Estimate £m	2018/19 Revised Estimate £m
Supported	61.6	44.7
Unsupported	-	-
<b>Total spend</b>	<b>61.6</b>	<b>44.7</b>
Financed by:		
Capital receipts	18.2	2.0
Capital grants/contributions	39.0	36.7
General Fund	-	-
Revenue contributions	4.4	6.0
<b>Total financing</b>	<b>61.6</b>	<b>44.7</b>
<b>Borrowing need</b>	<b>-</b>	<b>-</b>

## Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”, which comprise external / internal borrowing and other long-term liabilities, mainly finance leases. The Council’s approved Treasury and Capital Prudential Indicators (affordability limits) are outlined in the approved TMSS. The table below shows the expected “worst case” debt position over the period. This is termed the Operational Boundary. Bromley has an operational “borrowing” limit (Operational Boundary) of £30m, although in practice, this limit is never in danger of being breached.

The Authorised Limit, which represents the limit beyond which borrowing is prohibited, is another of the prudential indicators and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003 and, for Bromley, this figure has been set at £60m.

The table also shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. The Council’s capital financing requirement (CFR) as at 31<sup>st</sup> March 2018 was £2.3m. If the CFR is positive, the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council’s CFR relates to liabilities arising from finance leases entered into in recent years in respect of various items of plant and equipment. The Council currently has no external borrowing as such.

<b>Prudential Indicators</b>	<b>2018/19 Original Estimate £m</b>	<b>2018/19 Revised Estimate £m</b>
<b>CFR</b>	<b>1.6</b>	<b>1.5</b>
<b>Debt – Operational Boundary</b>		
Borrowing	10.0	10.0
Other long-term liabilities	20.0	20.0
<b>Total Operational Boundary</b>	<b>30.0</b>	<b>30.0</b>
<b>Debt – Authorised Boundary</b>		
Borrowing	30.0	30.0
Other long-term liabilities	30.0	30.0
<b>Total Operational Boundary</b>	<b>60.0</b>	<b>60.0</b>

### Other Prudential Indicators

Other indicators designed to control overall borrowing and exposures to interest rate movements are included in the summary table below, which will require the approval of full Council.

## Prudential and Treasury Indicators - Summary

	2018/19	2018/19
	Original Estimate	Revised Estimate
Total Capital Expenditure	£61.6m	£44.7m
Ratio of financing costs to net revenue stream	0.0%	0.0%
Net borrowing requirement (net investments for Bromley)		
brought forward 1 April	£256.0m	£284.8m
carried forward 31 March	£218.2m	£249.1m
in year borrowing requirement (reduction in net investments for Bromley)	-£.37.8	-£35.7m
Estimated CFR as at 31 March (finance lease liability) (NB. Actual CFR as at 31 March 2017 (finance lease liability) = £3.1m)	£1.6m	£1.5m
Annual change in Cap. Financing Requirement	-£0.7m	-£0.8m
Incremental impact of capital investment decisions	£ p	£ p
Increase in council tax (band D) per annum	-	-

TREASURY MANAGEMENT INDICATORS	2018/19	2018/19
	Original Estimate	Revised Estimate
Authorised Limit for external debt -		
Borrowing	£30.0m	£30.0m
other long term liabilities	£30.0m	£30.0m
TOTAL	£60.0m	£60.0m
Operational Boundary for external debt -		
borrowing	£10.0m	£10.0m
other long term liabilities	£20.0m	£20.0m
TOTAL	£30.0m	£30.0m
Upper limit for fixed interest rate exposure	100%	100%
Upper limit for variable rate exposure	20%	20%
Upper limit for total principal sums invested beyond year-end dates	£170.0m	£170.0m

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Report No.  
CSD18170

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** COUNCIL TAX SUPPORT/REDUCTION SCHEME 2019/20

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** All

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1. Reason for report

- 1.1 At its meeting on 28<sup>th</sup> November 2018 the Executive considered the attached report proposing the adoption of the Council Tax Support/Reduction Scheme for 2018/19. The proposed scheme retains the calculation of entitlement for working age claimants on 75% of the household's Council Tax liability. The report had also been scrutinised by Executive, Resources and Contracts PDS Committee on 22<sup>nd</sup> November 2018. The Executive supported the proposals and recommended that Council approve the Scheme.
- 

2. **RECOMMENDATION(S)**

That Council

**(1) Considers the updated Impact Assessment and the responses to the public consultation exercise.**

**(2) Adopts the proposed Council Tax Support/Reduction Scheme for 2019/20 retaining the calculation of entitlement for working age claimants on 75% of the household's Council Tax liability; thereby, the maximum assistance provided to a claimant of working age is 75% of his or her Council Tax liability.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: 4,306 households with children and 1,505 working age disabled claimants
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: Estimated Cost: With 25% liability, £9.797m.
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Benefits and Admin
  4. Total current budget for this head: £7.204m
  5. Source of funding: Government funding (not separately identified in the grant notification.)
- 

## Personnel

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

## Legal

1. Legal Requirement: Statutory Requirement:
  2. Call-in: Not Applicable: Council decisions are not subject to call-in
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 14,726 (the current number of households in receipt of Council Tax Support/Reduction.)
- 

## Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	See attached report
Background Documents: (Access via Contact Officer)	See attached report



**Decision Maker:** EXECUTIVE

**Date:** Wednesday 28 November 2018

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

**Title:** COUNCIL TAX SUPPORT/REDUCTION SCHEME 2019/20

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

**Chief Officer:** Peter Turner, Director of Finance

**Ward:** (All Wards);

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1. Reason for report

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

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2. **RECOMMENDATION(S)**

**Members are asked to:**

2.1 consider the updated Impact Assessment at Appendix 1.

2.2 consider the responses of the public consultation exercise at Appendix 3.

2.3 consider that the Council Tax Support/Reduction scheme for 2019/20 retains 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.

2.4 Subject to the outcome of 2.1 to 2.3 above recommend to Council the Council Tax Support/Reduction scheme for 2019/20.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: 4306 households with children and 1505 working age disabled claimants
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: Estimated annual cost of the scheme with 25% liability is £9.797m
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Benefits and Admin
  4. Total current budget for this head: £7.204m
  5. Source of funding: Government funding (although not separately identified in the grant notification)
- 

### Personnel

1. Number of staff (current and additional): 8+ Liberata staff
  2. If from existing staff resources, number of staff hours: once the scheme is adopted the work will fall onto Liberata, taken into account in the 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): 14,726 (the current number of households in receipt of Council Tax Support/Reduction)
- 

### 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 1 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 5<sup>th</sup> July 2018 meeting of the Executive, Resources & Contracts PDS, it was 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.

Attached as Appendix 1 to this report is an updated Impact Assessment based on the re-adoption of a scheme retaining the minimum contribution for a working-age household at 25% of the Council Tax liability. Members are asked to note the content of the "assessment" when considering the third recommendation contained in this 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 5 July 2018 meeting of the Executive, Resources & Contracts PDS, it was agreed to undertake a consultation exercise, with the recommendation being that the preferred option was for CTS/R scheme to continue to be based on 75% of the households Council Tax liability due to the uncertain impact of Universal Credit (UC) rollout during 2019/20.

The consultation exercise closed on the 14 October 2018 by which time 211 responses had been received. Included in this was a response from the GLA which is attached as Appendix 2.

Responses to the questions contained in the consultation exercise are entered as Appendix 3.

To summarise the main findings were:

- In respect of financial year 2019/20, 67% 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
- Of those indicating that the current level of assistance should not be maintained, 70% said the scheme should be more generous and 30% less.
- 96% of respondents said that there should be a hardship fund, with 72% agreeing that it should remain at the current level (£100k)

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

There are currently 1505 disabled, working-age claimants and 4306 working-age 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 to those faced with exceptional circumstances.

##### Summary of Equality Impact Assessment (EIA)

The EIA recognises that the requirement of working-age claimants to contribute a minimum of 25% towards their Council Tax liability disproportionately impacts upon several of the protected characteristic groups. Lone parents (who are predominately women) and the disabled are both over represented in the Council Tax Support/Reduction caseload. Mitigation of the impact is supplied by the retention of the safeguards included in the Housing Benefit scheme for these client groups, for example the disregard of certain income types for the disabled and allowances for child care costs. Further mitigation is supplied by the Hardship Fund from which assistance can be granted for those facing exceptional circumstances.

A copy of the Equality Impact Assessment can be found at Appendix 1.

#### 5. POLICY IMPLICATIONS

5.1 A copy of the 2018/19 scheme can be accessed by the following web link:

[https://www.bromley.gov.uk/downloads/file/2860/council\\_tax\\_support\\_scheme\\_2018](https://www.bromley.gov.uk/downloads/file/2860/council_tax_support_scheme_2018)

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.

#### 6. FINANCIAL IMPLICATIONS

6.1 The table below 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	<b>25%</b>
	<b>£'000</b>
LBB estimated annual CTS expenditure costs (79.91%)	9,797
GLA estimated costs (20.09%)	2,463
<b>Total estimated annual CTS expenditure</b>	<b><u>12,260</u></b>

6.2 The sums included in the above table are based on the Council Tax levels for 2018/19 and the current number of households in receipt of CTS/R as at the 5/11/18.

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

## 7 LEGAL IMPLICATIONS

7.1 Full legal implications were set out in the report considered by members of the Executive on 15 July 2015 and are not repeated here. Members should however have regard to these and the earlier Equality Impact assessment 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 13A (2) into the Local Government Finance Act 1992 which obliged each local authority to make its own scheme for those it considered to be in financial need.

Schedule 1A 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. This will include both individuals who receive benefit and those who don't. Any new scheme must be adopted by 31<sup>st</sup> January in the financial year preceding that in which it is to apply. Bromley has undertaken the required consultation exercise. Members' must have regard to consultation exercise but they are not obliged to follow the majority view. However, introducing new proposals or disregarding consultation views which point to a strong preference without clear reasoning will create a risk of challenge. Members' also have to consider the impact of the scheme and any changes on individual which protected characteristics in line with the public sector equality duty and equality impact assessment which identifies appropriate mitigation measures is appended to the report.

<b>Non-Applicable Sections:</b>	Personnel and Procurement
Background Documents: (Access via Contact Officer)	

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## **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 remained at this level for 2017/18 and 2018/19 it is proposed that the minimum contribution remains at 25% for 2019/20

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 2019/20**

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
- Office for National Statistics (NOMIS)
- Bromley Joint Strategic Needs Assessment 2017

### Financial Information and Impact

The impact of this proposed scheme will affect all working-age claimants from the 1/4/19. For the financial year 2019/20 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 (18/19) Council Tax levels.

**Table 1 - Financial Impact of Introduction of Local Scheme**

	<b>2018/19 Liability</b>	<b>2018/19 Maximum assistance Pensionable Age</b>	<b>2018/19 Maximum assistance under proposed CTS (75%)</b>	<b>2018/19 Minimum weekly amount to pay (25%)</b>
<b>Band A - Full Charge</b>	£968.47	£968.47	£726.35	£4.64
<b>Band A - with 25% discount</b>	£726.35	£726.35	£544.76	£3.48



<b>Band B - Full Charge</b>	£1,129.89	£1,129.89	£847.42	£5.42
<b>Band B - with 25% discount</b>	£847.42	£847.42	£635.57	£4.06
<b>Band C -Full Charge</b>	£1,291.30	£1,291.30	£968.48	£6.19
<b>Band C - with 25% discount</b>	£968.48	£968.48	£726.36	£4.64
<b>Band D - Full Charge</b>	£1,452.71	£1,452.71	£1,089.53	£6.97
<b>Band D - with 25% discount</b>	£1,089.53	£1,089.53	£817.15	£5.22
<b>Band E - Full Charge</b>	£1,775.53	£1,775.53	£1,331.65	£8.51
<b>Band E - with 25% discount</b>	£1,331.65	£1,331.65	£998.74	£6.38
<b>Band F- Full Charge</b>	£2,098.36	£2,098.36	£1,573.77	£10.06
<b>Band F - with 25% discount</b>	£1,573.77	£1,573.77	£1,180.33	£7.55
<b>Band G - Full Charge</b>	£2,421.18	£2,421.18	£1,815.89	£11.61
<b>Band G - with 25% discount</b>	£1,815.89	£1,815.89	£1,361.92	£8.71
<b>Band H - Full Charge</b>	£2,905.42	£2,905.42	£2,179.07	£13.93

<b>Band H - with 25% discount</b>	£2,179.07	£2,179.07	£1,634.30	£10.45
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## 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	3246	1668	1578	977	506	471	1674
Single with child dependant	2243	2171	72	177	165	12	665
Couple no child dependant	269	114	155	84	33	51	201
Couple with child dependant	395	209	186	66	24	42	247
<b>Working age - Non Passported</b>							
Single no child dependant	875	479	396	131	71	60	194
Single with child dependant	1186	1137	49	26	26	0	126
Couple no child dependant	119	38	81	26	7	19	54
Couple with child dependant	482	230	252	18	9	9	92
<b>Total Working age</b>	<b>8815</b>	<b>6046</b>	<b>2769</b>	<b>1505</b>	<b>841</b>	<b>664</b>	<b>3253</b>
Pensioner- Passported	3889	2609	1280	1083	798	285	736
Pensioner- Non Passported	2022	1122	900	470	273	197	243
<b>Total Pensioner</b>	<b>5911</b>	<b>3731</b>	<b>2180</b>	<b>1553</b>	<b>1071</b>	<b>482</b>	<b>979</b>
<b>Overall Total</b>	<b>14726</b>	<b>9777</b>	<b>4949</b>	<b>3058</b>	<b>1912</b>	<b>1146</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>8,815 (59.86%) of current claimants are under Pension Credit age and will be affected by the Authority's Council Tax Support policy. <i>Data based on Oct 2018 caseload. Caseload numbers may fluctuate on a daily basis.</i></p> <p>The data demonstrates that 3429 (39%) 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 – November 2016).</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Brom (numbers)</th> <th style="text-align: center;">Brom (%)</th> <th style="text-align: center;">London (%)</th> <th style="text-align: center;">Gt Bri (%)</th> </tr> </thead> <tbody> <tr> <td>Total claimants</td> <td style="text-align: center;">16,520</td> <td style="text-align: center;">8.1</td> <td style="text-align: center;">9.3</td> <td style="text-align: center;">11.0</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;">1,740</td> <td style="text-align: center;">0.9</td> <td style="text-align: center;">1.2</td> <td style="text-align: center;">1.1</td> </tr> <tr> <td>ESA and incapacity benefits</td> <td style="text-align: center;">8,270</td> <td style="text-align: center;">4.1</td> <td style="text-align: center;">4.8</td> <td style="text-align: center;">6.1</td> </tr> <tr> <td>Lone parents</td> <td style="text-align: center;">1,920</td> <td style="text-align: center;">0.9</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Carers</td> <td style="text-align: center;">2,400</td> <td style="text-align: center;">1.2</td> <td style="text-align: center;">1.3</td> <td style="text-align: center;">1.7</td> </tr> <tr> <td>Others on income related benefits</td> <td style="text-align: center;">240</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;">1,590</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">0.7</td> <td style="text-align: center;">0.8</td> </tr> <tr> <td>Bereaved</td> <td style="text-align: center;">350</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;">12,180</td> <td style="text-align: center;">6.0</td> <td style="text-align: center;">7.2</td> <td style="text-align: center;">8.4</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.</p> <p>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>• 1505 (17.1%) of current claimants below pension credit age have declared a disability</li> <li>• 3253 (36.9%) are receiving DLA/PIP</li> </ul>		Brom (numbers)	Brom (%)	London (%)	Gt Bri (%)	Total claimants	16,520	8.1	9.3	11.0	<b>By statistical group</b>					Job seekers	1,740	0.9	1.2	1.1	ESA and incapacity benefits	8,270	4.1	4.8	6.1	Lone parents	1,920	0.9	1.0	1.0	Carers	2,400	1.2	1.3	1.7	Others on income related benefits	240	0.1	0.2	0.2	Disabled	1,590	0.8	0.7	0.8	Bereaved	350	0.2	0.1	0.2	Key out-of-work benefits'	12,180	6.0	7.2	8.4
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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;">68.59% of current claimants under pensionable age are female</p> <p style="text-align: center;">Indicates that women are over represented amongst our CTS claimants</p>																																																							

Gender reassignment	The Council does not anticipate this policy will have a particular equality impact on this protected group.
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>The 2017 GLA population projection estimates show that 19% of its population is made up of black and minority (BME) groups. This percentage does not include Gypsy Travellers, Bromley has a large settled Gypsy Traveller community living in “brick and mortar” concentrated chiefly in the Crays.</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. It is not possible to evaluate the scale of this impact.</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</p>

		Monitoring to be ongoing
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 than 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	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Pregnancy & Maternity	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	

Race	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. There is very limited evidence available to quantify if there will be a differential impact on the different ethnicities.	In order to mitigate any adverse impact is proposed that a hardship fund is retained for those faced with exceptional circumstances.  <b>Responsible Officer(s)</b> Head of Revenues & Benefits — Monitoring to be ongoing.
	There is evidence to indicate that BME communities are more likely to be unemployed or in lower paid employment 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	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>	20/10/18
<b>Officer responsible for monitoring impact</b>	John Nightingale
<b>Date EIA is scheduled to be reviewed</b>	November 2019

**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

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

**Our ref:** CTS  
**Your ref:**  
**Date:** 8 October 2018

Dear John

**LONDON BOROUGH OF BROMLEY COUNCIL TAX SUPPORT SCHEME 2019-20  
RESPONSE TO CONSULTATION**

Thank you for your letter of 25 July informing the GLA about the Council's consultation on proposals for the draft council tax support (CTS) scheme for 2019-20. The GLA notes that the Borough wishes to retain the current level of minimum contribution paid by working age council tax support recipients. This letter sets out the GLA's response to the key issues raised in the consultation.

**Introduction**

As in previous years, 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 of both 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 Proposals**

As part of the introduction of council tax support in 2013-14, the Government set out its expectation 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; and



- 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.

#### **Proposed 2019-20 Scheme**

Under Bromley's current 2018-19 scheme, the maximum level of CTS available to working age claimants is 75% of their council tax liability, after any other discounts or exemptions. The Council is consulting on maintaining this level of support, whilst continuing to uprate benefit levels in line with changes to Housing Benefit, including the level of non-dependant deductions.

The GLA notes if the minimum level of contribution was to be lowered, the Council states there would be a financial cost to the council which would have to be met through council tax increases, reduce spending or the use of reserves.

The Council currently operates a hardship scheme to provide additional support to residents who are experiencing exceptional financial hardship and are unable to pay their council tax. An allocation of £100,000 is made available for the fund. The consultation seeks views on whether the hardship scheme should be retained and whether the current level of funding remains correct.

The proposal to maintain the minimum contribution at 25% is in line with several other schemes in London. However, the Council's scheme remains amongst the schemes that require the highest level of contribution from working age claimants. In total, 5 of 33 billing authorities in London require a minimum contribution of 25%, with an additional 3 requiring a higher minimum contribution level.

The GLA welcomes the proposal to continue to make a hardship fund available at the same level as previous years. We would encourage the Council to take a proactive approach to informing those council tax support claimants who are facing difficulties paying council tax bills about this policy.

Notwithstanding the above comments and recognising that the proposed scheme is in accordance with the general principles set out by Government (as listed above), the GLA is content to endorse the broad approach taken by Bromley.

It is however the GLA's view that the proposed changes should be considered in the whole. If one proposed change results in greater savings for the Council that could be used to reduce the need to apply other proposals, then we would encourage the Council to consider doing this as it would help to reduce the financial burden on individuals and families in Bromley who see their Council Tax Support entitlement reduced.

The GLA considers that, before finalising their 2019-20 schemes, all 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 able to pay by direct debit or other automatic payment mechanisms, based on their experiences in the first five years of the localised system. In some cases, the administrative costs of enforcing such payments may outweigh the cost saved by reducing support.

### **Financial Implications of the Proposed 2019-20 Scheme**

It would be helpful for the GLA's planning purposes if Bromley could provide us with a forecast total cost for the proposed scheme in 2019-20, based on the forecast 2018-19 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 2018-19 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 have a bearing on the overall minimum contribution level for council tax support claimants.

The GLA understands that, in 2018-19, 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: It is not clear from the information on Bromley's website whether a premium is charged on properties that have been unoccupied and substantially unfurnished for a continuous period of two years.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill is currently progressing through its legislative stages in Parliament and is expected to receive Royal Assent before the end of 2018. It is expected that the Bill will become law in time to enable councils from April 2019 to charge 100% premiums on properties which have been empty for more than two years. The legislation, as currently amended, will also give councils the ability to charge higher premiums in subsequent years for properties which have been empty for longer periods of time.

The legislation as currently amended will also give councils the ability to charge higher premiums in subsequent years for properties which have been empty for longer periods of time. Again, the GLA would encourage councils to take into account potential additional revenues from these reforms when considering the detail of council tax support schemes.

We would encourage the council to inform us as soon as possible if any changes are proposed to its discount and premium policies, in order to assist us in assessing the potential impact on the Mayor's funding and tax base for 2019-20 and future years.

### **Council Tax Protocol**

In recent years the issue of council tax collection practices has become more high profile. The GLA, of course, recognises the importance of ensuring council tax arrears are collected wherever possible. However, in some instances poor collection practices can worsen debt problems for vulnerable residents.

Citizens Advice, in partnership with the Local Government Association, has developed a council tax protocol<sup>1</sup>, which outlines a number of practical steps for early intervention to support people struggling with payments. In summary, the Protocol asks that councils:

- work with enforcement and advice agencies to help people pay their council tax bills while accessing debt advice;
- ensure all communication with residents about council tax is clear;
- use the Standard Financial Statement when calculating repayment plans;
- offer flexible payment arrangements to residents;
- do not use enforcement agents where a resident receives council tax support;
- publish their policy on residents in vulnerable circumstances

In London, eight boroughs have now signed up to the protocol and the GLA would encourage all boroughs to consider adopting the protocol.

### **Providing Information on Schemes**

Whilst we recognise that the detailed rules on council tax support schemes are inevitably complex, the GLA would encourage all boroughs to make every effort to set out information on their schemes as clearly as possible. Information that may help potential claimants could include an online calculator, to identify whether potential claimants are likely to be entitled to support, as well as 'Frequently Asked Questions' and a summary document outlining concise details of the scheme. In addition, for existing claimants, we would encourage boroughs to consider how the process for reporting changes in circumstances can be made as straightforward as possible.

### **Setting the Council Tax Base for 2019-20 and Assumptions in Relation to Collection Rates**

The council will be required to set a council tax base for 2019-20 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 six years of the council tax support arrangements.

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 order that it can assess the potential implications for the Mayor's budget for police, fire and other services for 2019-20. 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 2019 the council is required to notify the GLA of its forecast collection fund surplus or deficit for 2018-19, which will reflect the cumulative impact of the first six 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.

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<sup>1</sup><https://www.citizensadvice.org.uk/Global/CitizensAdvice/campaigns/Council%20Tax/Citizens%20Advice%20Council%20Tax%20Protocol%202017.pdf>

I would like to thank you again for consulting the GLA on your proposed council tax support options for 2019-20.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Mitchell', written in a cursive style.

**Martin Mitchell**  
Finance Manager

London Borough of Bromley

Council Tax Reduction – Consultation Report

23<sup>rd</sup> October 2018

## 1. Details of Recommendations

The council is asked to agree the following:

- 1.1 To note the proposed Council Tax Reduction Scheme for Bromley residents is to come into effect from 1st April 2019.
- 1.2 To note the outcome of the consultation exercise undertaken with regard to the proposed scheme.
- 1.3 To note the findings on equalities and other impacts arising from the proposed Scheme.
- 1.4 To approve the local Council Tax Reduction Scheme for Bromley at Full Council on 10 December 2018. A consultation exercise was undertaken to seek resident's views as to whether to continue to grant Council Tax Reduction for working-age claimants at a maximum of 75% of Council Tax liability.

## 2. Report Summary

The Welfare Reform Act 2012 abolished the previous system of Council Tax Benefit with effect from 31<sup>st</sup> March 2013. Its replacement, Localised Support for Council Tax, was introduced from 1<sup>st</sup> April 2013 through Council Tax Reduction.

Bromley formally approved a scheme limiting increases to 8.5% of Council Tax liability for 2013/14, rising to 19% in 2014/15 and 25% for 2016/17, 2017/18 and 2018/19.

This report is to approve the new scheme, this will be required to be formally approved at full council on 10<sup>th</sup> December 2018 for the next financial year commencing 1<sup>st</sup> April 2019.

The proposal is to retain the scheme rules from 2018/19 for the financial year 2019/20 and continue to grant Council Tax Reduction under the scheme to a maximum of 75% of Council Tax liability.

This reports sets out:

The background to the design of a local scheme of Council Tax Reduction for 2018/19 for the London Borough of Bromley and details of the interaction with legislation and guidance supplied by the Department of Communities and Local Government (DCLG).

Details the proposed scheme of Council Tax Reduction for Bromley, recognising that the matter is one which will need to be approved by full Council.

Details of the consultation exercise undertaken on the proposed Council Tax Reduction Scheme during a period from 30<sup>th</sup> August 2018 until 14<sup>th</sup> October 2018.

The financial implications of the proposed scheme for Council Tax Reduction for the residents of Bromley and risks associated with the design of a local scheme.

### **3. Reason for Decision and Options Considered**

The Welfare Reform Act 2012 abolished the existing system of Council Tax Benefit with effect from 31<sup>st</sup> March 2013. Its replacement, Localised Support for Council Tax was introduced from 1<sup>st</sup> April 2013 and was contained within the Local Government Finance Act which received Royal Assent on 31<sup>st</sup> October 2012

There are a number of key differences between the two schemes of assistance with Council tax liabilities. These include the fact that responsibility has changed from the Department of Work and Pensions (DWP) to the Department for Communities and Local Government (DCLG).

In addition the funding regime changed from being demand-led Annual Managed Expenditure (AME).

While Bromley was able to design its own scheme to support working age applicants, the Government desire to protect those of state pension credit age resulted in centrally provided legislation covering those in this group.

These Prescribed Regulations introduced a Statutory Scheme, similar to the previous Council Tax Benefit scheme, for those of pensionable age and also maintain previous provisions with regard to limiting entitlement to those classed as Persons from Abroad and deal with minor administrative issues. These provisions are replicated for 2019/20 subject to any legislative amendments that may be imposed by Central Government.

Once a local Council Tax Reduction scheme has been made by the Council, it cannot be revised for at least one financial year. A Billing Authority must however *consider* whether to revise or replace its scheme with another one on an annual basis.

Any revision to a scheme must be made by the Council by the 31<sup>st</sup> January immediately preceding the financial year in which it is to take effect and will require consultation arrangements to be applied. Additionally, consideration must be given to providing transitional protection where the support is to be reduced or removed.

### 3. Key Implications

The proposed Council Tax Reduction scheme for Bromley for 2019/20 has been established with due regard to the Council's statutory obligations, consultation responses and in order to attempt to distribute the reduced funding available amongst those claimants most in need of financial assistance, while still achieving the necessary financial savings to meet the funding deficit.

Bromley again proposes to follow the DCLG Prescribed Scheme for those who have reached pensionable age, ensuring that they are protected from the effects of the funding reduction and continue to receive assistance with their Council Tax liability as now.

It is intended that the working age scheme will continue to be based on the rules introduced for 2013/14. This largely mirrored the previous Council Tax Benefit scheme with the exception of protecting the level of support relevant classes of individual's receive. This adjustment was required in order to pass on the reduction in funding received.

The outline principles for the Bromley working age Council Tax Reduction (CTR) scheme for 2019/20 are:

- All working age customers will have to make some payment towards their council tax as the maximum help under the Council Tax Reduction scheme available for residents of London Borough of Bromley will be limited to 75% of the charge.
- The scheme will be reviewed annually.
- Non-dependant deductions will be aligned with any increase supplied by DCLG in the Prescribed Requirement Regulations updates and will be in line with the pensioner claims.
- Applicable amounts will be up-rated or frozen in line with Housing Benefits for working age claimants.

The scheme will also be adapted to meet any further legislative requirements imposed by DCLG and consideration will be given as to how to determine income from benefits established under the Welfare Reform Act 2012.

#### Other requirements

A number of other scheme principles introduced in 2013/14 will be carried forward to 2019/20;

- New customers will be required to complete an application form for all new claims from 1 April 2019, existing awards under the 2018/19 scheme will continue in payment, where entitlement remains.
- The scheme allows for a review period. The period will be agreed and failure by the customer to provide details requested may mean their entitlement to CTS is ended.



- Any award or adjustment will be confirmed in the council tax bill but the bill itself will not be formal notification and a separate notification of entitlement will be supplied.
- Where awarded the notification letter will also:
  - a) inform the applicant that there is a duty to notify the authority of the relevant change in circumstances
  - b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
  - c) set out the circumstances in which a change of circumstances might affect entitlement
- Any “overpayments” of CTR will be reclaimed by recovery through the council tax billing process
- Where an applicant is aggrieved about a decision regarding entitlement they may appeal under Section 16 of the Local Government Finance Act 1992.
- A person may only appeal to the Valuation Tribunal where:
  - a) They are notified in writing by the authority that it believes the grievance is not well founded, but they are still aggrieved;
  - b) They are notified in writing that steps have been taken to deal with the grievance, but they are still aggrieved; or
  - c) The period of two months, beginning with the date of service of their notice being ended, has elapsed and they have not received notification under paragraph a) or b) above.

### **Level of Entitlement**

Bromley made a decision, for the 2018/19 scheme, to pass on a maximum of 25% of the cost (resulting in a maximum entitlement, for working age claimants, of 75% of their liability).

The proposal for 2019/20 is to continue with this level of support and limit working age recipients to 75% of their council tax liability.

## **4. Financial Details**

### **Financial Impact On The Budget (Mandatory)**

#### **Costs of 2019/20 Scheme**

Specific central government grant levels for Council Tax Reduction now form part of the overall Revenue Support Grant and are not therefore distinguishable.

## 5. Equalities, Human Rights and Community Cohesion

### Equality Impact Assessment

The Council has to give due regard to its Equalities Duties, in particular with respect to general duties arising pursuant to the Equality Act 2010, section 149. Having due regard to the need to advance equality involves, in particular, to the need to remove or minimize disadvantages suffered by persons who share a relevant characteristic that are connected to that characteristic.

The Council's tax system is programmed to identify all Council Tax Reduction accounts. The Council keeps under review the impact of the revised Council Tax Reduction Scheme and has found no evidence to indicate that any equalities protected groups have been disproportionately affected by the operation of the scheme.

Specific regard has also been paid to the guidance provided by DCLG which will also provide mitigation to minimise disadvantage to those most likely to experience disadvantage.

The previous Equalities Analysis has been updated to reflect the options proposed in the consultation exercise. This can be found as enclosure 1 to the Executive Report entitled "Council Tax Support/Reduction scheme 2018/19". For information, the document is on the Council's website via the URL link below:

[www.bromley.gov.uk/CouncilTaxSupport](http://www.bromley.gov.uk/CouncilTaxSupport)

### Incentivising Work

It is again intended that Bromley will incentivise work by continuing the disregards of weekly income currently offered which are dependent upon the applicant's status:

- Lone parent £25 per week
- Disabled individual or carer £20 per week
- Single person £5 per week and Couple £10 per week

Where the applicant pays child care costs in order to achieve employment an additional weekly disregard of up to £175 (for 1 child) or £300 (for 2 or more children) from earnings will apply subject to the circumstances of the applicant and age of the child.

Where the applicant works in excess of 30 hours per week a further disregard of at least £17.10 will apply.

Customers who have been out of work, and receiving an appropriate benefit for 26 weeks, will receive an Extended Payment of Council Tax Reduction, at the same rate as they received when out of work, for the first 4 weeks of their new employment.

### Child Poverty

It is intended that Child Benefit and Guardian's Allowance will be disregarded as income types during the means tested assessment of Council Tax Reduction.

Access to relevant dependants allowances and family premiums within the applicable amount calculation will continue where applicants have responsibility for children and have been continuously in receipt of CTR since prior to 1<sup>st</sup> April 2016.

#### Armed Forces

Income derived from war widow's/widower's pensions, war disablement pensions or Guaranteed Income Payments from the Armed Forces/Reserve Forces Compensation Fund will be fully disregarded during the means tested assessment of Council Tax Reduction, whether for working or pensionable age applicants.

#### Disabled Applicants

Income derived from Disability Living Allowance or its replacement (Personal Independence Payments) and Attendance Allowance will be fully disregarded but receipt of such benefits will allow access to premiums within the applicable amount calculation.

There will be no non-dependant deduction taken as a result of the claimant or partner receiving Disability Living Allowance (care component), Attendance Allowance, the daily living component of PIP or where the claimant or partner is registered blind.

## **6. Consultation**

A public consultation exercise was undertaken for the 18/19 Council Tax Reduction Scheme during a period from 30<sup>th</sup> August 2018 until 14<sup>th</sup> October 2018.

The survey was available through a variety of channels:

- A link was available on the Bromley website
- A paper copy was issued to 2,000 households comprising of a mix of CTR recipients and non CTR recipients (1,000 households not in receipt of CTR, 500 recipients of working age and 500 recipients of pensionable age)
- A paper flyer enclosed with all Council Tax Bills issued during this period advising of the link on the website.

In total there were 211 responses received with the majority, 173, being by post and 38 via the website.

Supplementary questions were asked, for monitoring purposes, to determine whether respondents were currently in receipt of Council Tax Reduction or were completing the consultation on behalf of a representative body.

Of those who chose to respond to these questions, 45% stated that they were not currently in receipt of CTR.

The consultation exercise was based on 6 simple questions to residents of the Borough, 3 of which required specific responses with the remaining 2 being less direct and allowing a degree of free text response.

Of those that were specific, they sought responses in respect of:

**Q1: Whether it was agreeable to maintain the level of assistance at 75%**

**Q2: If LBB were to increase the level of support, how should this be funded?**

**Q3: Whether there should be a hardship fund available and whether the sum of £100,000 was reasonable.**

Standard Equality and Diversity questions were also asked but it was made clear that providing this information was voluntary.

## 7. Outcomes.

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

### Question 1

**Q1** The current maximum level of support for working-age claimants is 75% of the household's 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 NO do you think Council Tax Support claimants should;</b>		
<b>Pay more Council Tax e.g. receive less support</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Pay less Council Tax e.g. receive more support to</b>	<input type="checkbox"/>	<input type="checkbox"/>

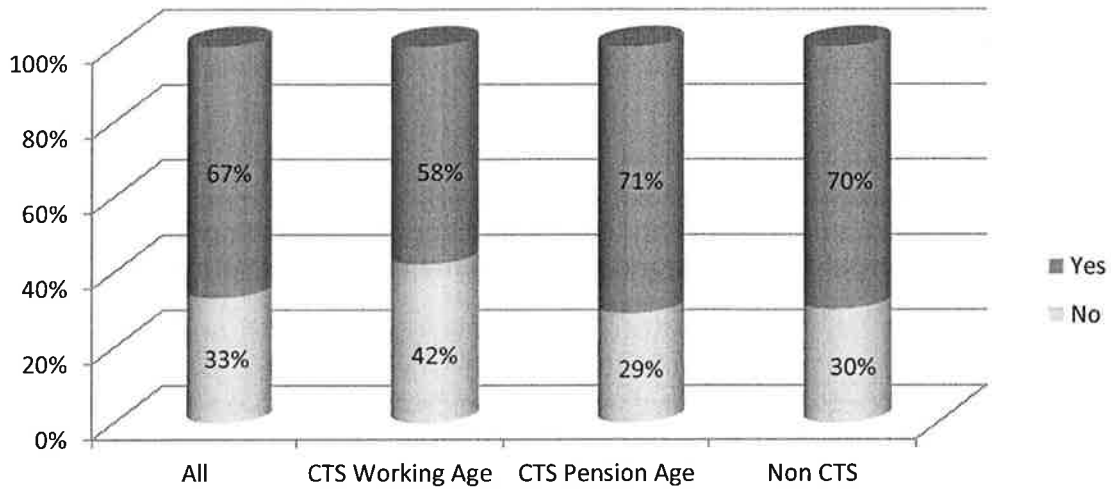
**If you disagree with maintaining assistance for working-age claimants at 75%, please state why:**

.....

### Overall response.

Of those who responded the *overall* outcome was that they wished to keep the scheme the same with 67% confirming this to be their preference. This was a lower percentage when this question was asked last year as in 2018/19 it was 68%. The responses were weighted in favour of keeping support at this level irrespective of whether the respondent was in receipt of Council Tax Reduction or not.

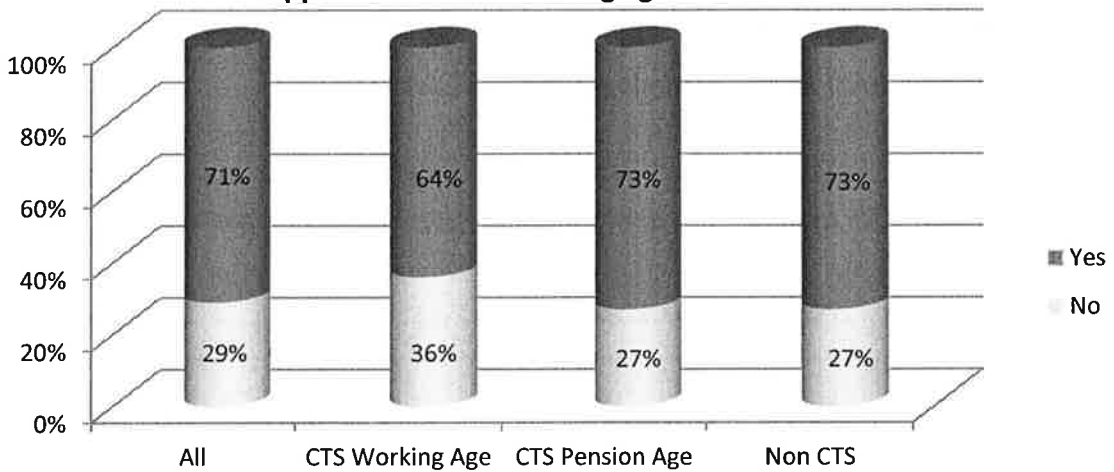
**Total Respondents: Do you agree with maintaining Council Tax Support at 75% for working age claimants?**



**Analysis of Respondents by Survey Type.**

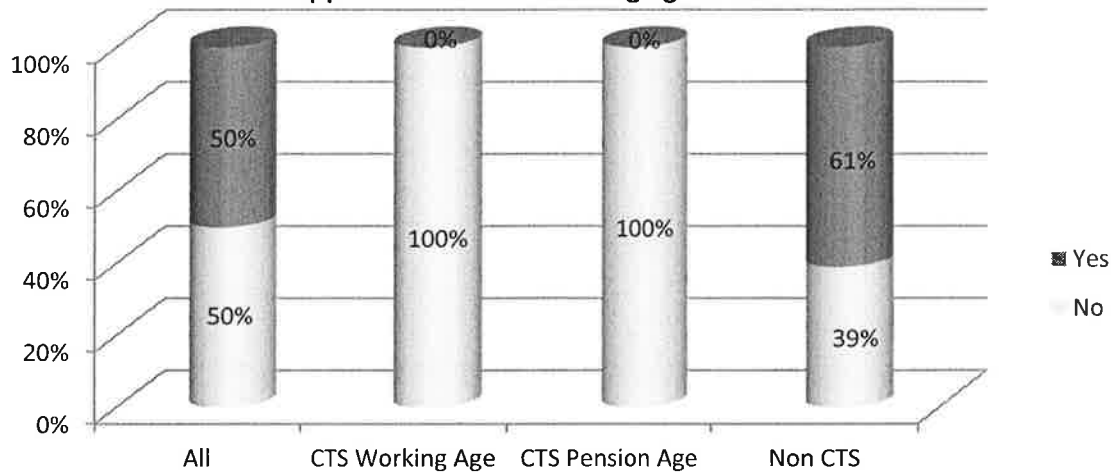
Of the postal responses received, overall 71% were in favour of retaining the level of support at a maximum of 75%. Again the result was irrespective of whether they were in receipt of Council Tax Reduction or not.

**Postal Respondents: Do you agree with maintaining Council Tax Support at 75% for working age claimants?**



For on-line there was a split for all respondents overall and this included both working age and pension age stating they don't agree with paying 25%, although the number of CTS working and pensioner age accounted for only 6 replies. However for non CTS claimants a similar situation was recorded with those who completed the survey on-line.

**On-line Respondents: Do you agree with maintaining Council Tax Support at 75% for working age claimants?**

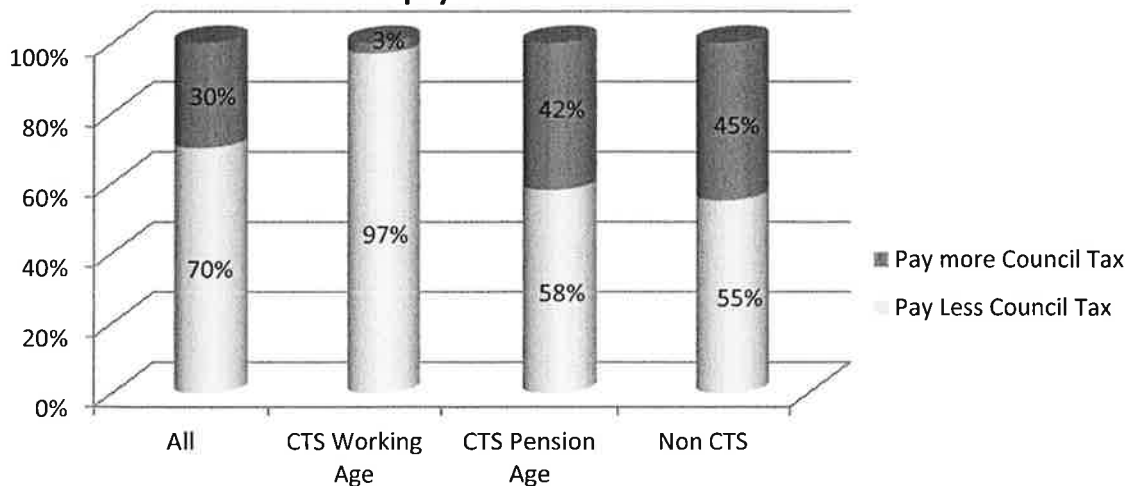


**Question 1b.**

**Overall response.**

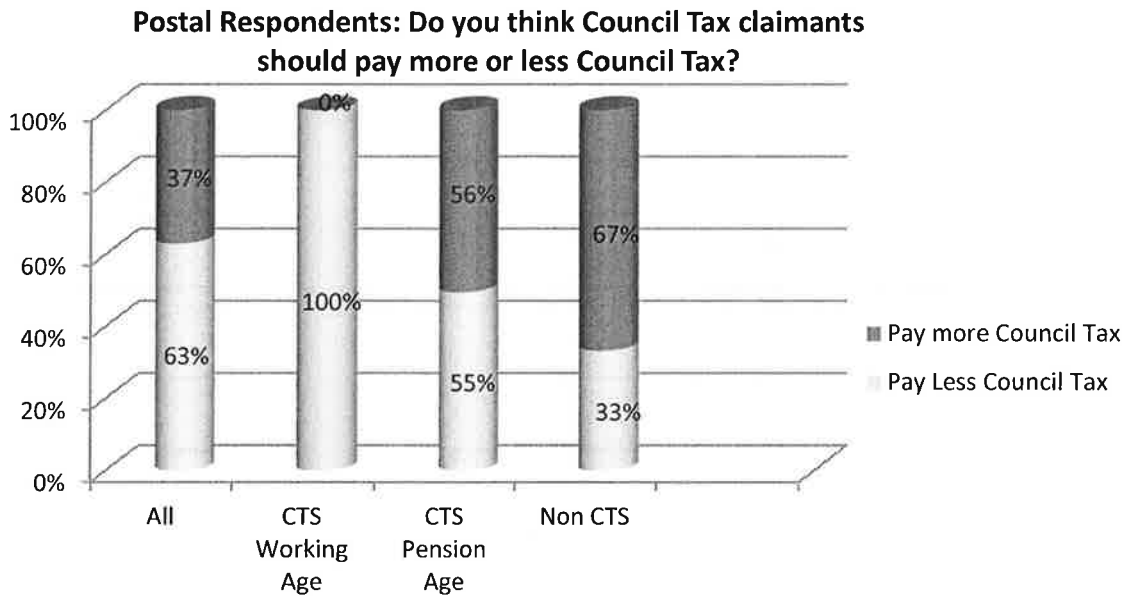
Of those who responded to state that they believe assistance should not be maintained at 75%, the *overall* outcome was that they wished to increase the level of support thereby decreasing the levels of Council Tax which recipients would need to pay.

**Total Respondents: Do you think Council Tax Support claimants should pay more or less Council Tax?**

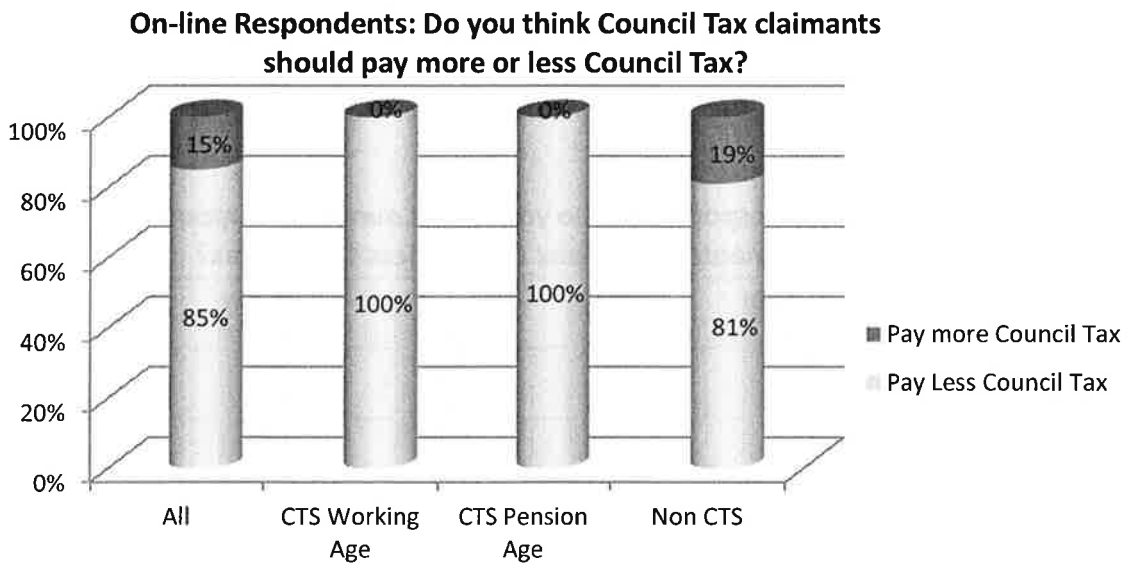


### Analysis of Respondents by Survey Type.

Of the postal responses received, overall 63% were in favour of Council Tax Reduction claimants receiving more support and paying less Council Tax. However, this was not supported by the majority of respondents not currently in receipt of support.



Of the on-line responses received, overall 85% were in favour of Council Tax Reduction claimants receiving more support and paying less Council Tax.





**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:

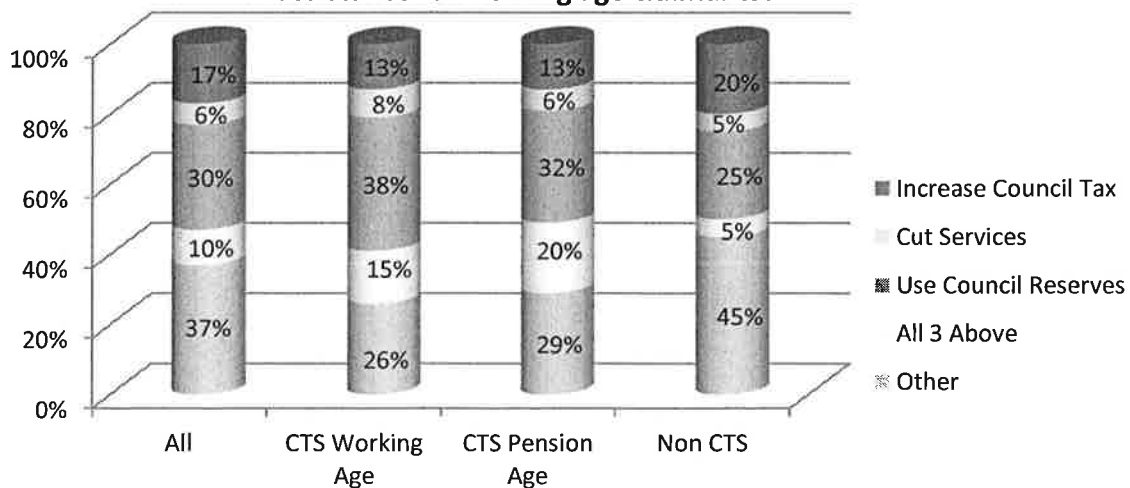
- a. Increase Council Tax
- b. Cut services
- c. Use Council reserves
- d. All three above
- e. Other

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

**Overall response**

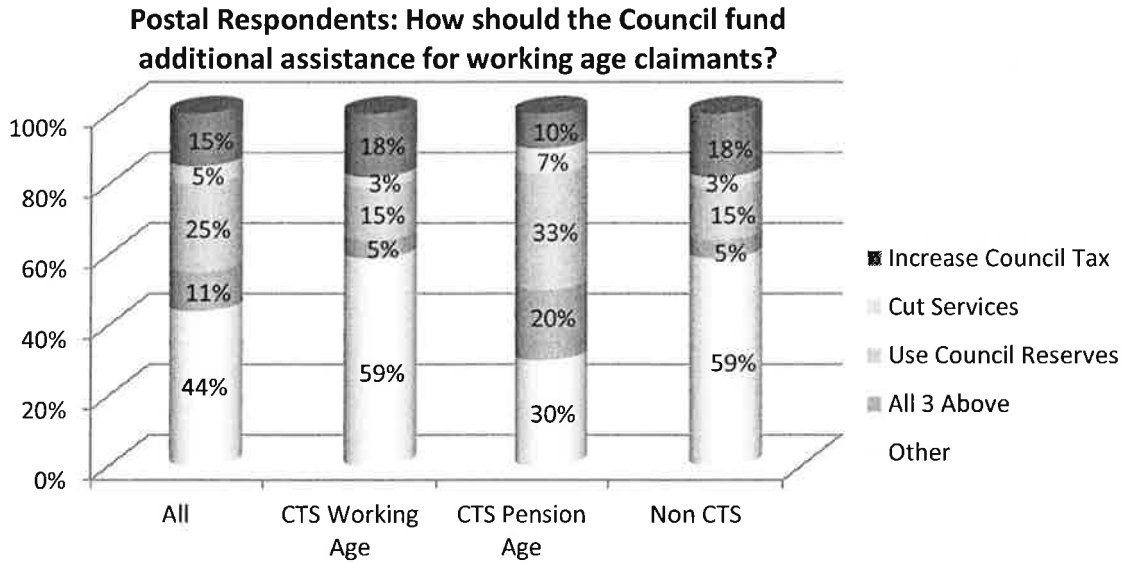
The overall response to this question was that the Council should use other funding to fund any additional contribution to the Council Tax Reduction scheme with 37% stating this to be their preference. The next highest preference at 30% was to use its reserves to fund any additional contribution to the Council Tax Reduction scheme.

**Total Respondents: How should the Council fund additional assistance for working age claimants?**

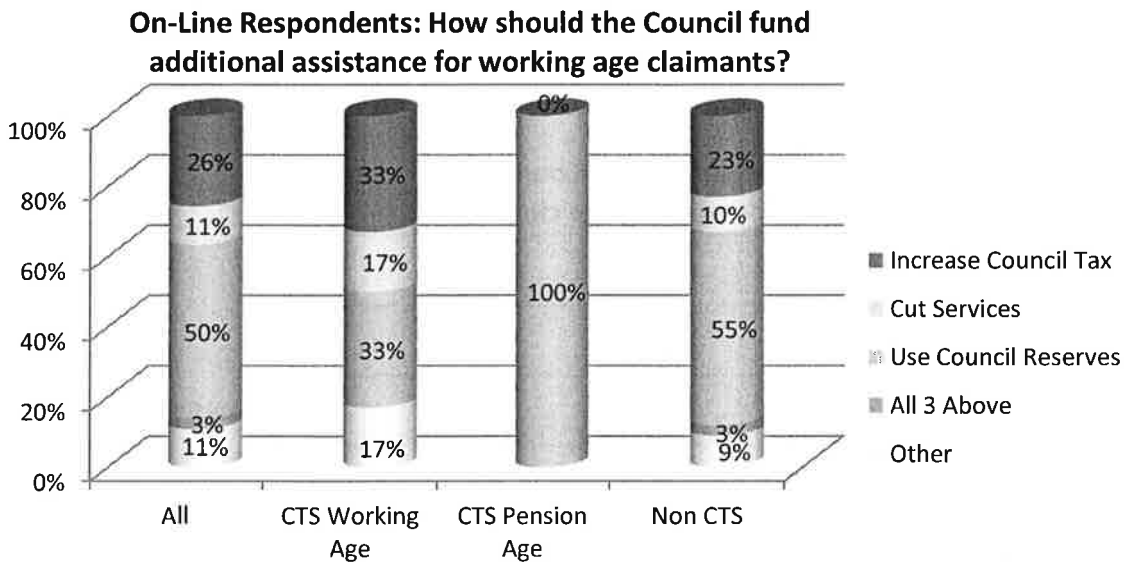


**Analysis of Respondents by Survey Type.**

Of those who completed the postal survey, other funding to fund any additional contribution to the Council Tax Reduction scheme with 44% stating this to be their preference. The next highest preference at 25% was to use its reserves to fund any additional contribution to the Council Tax Reduction scheme.



Of those who completed the on-line survey 50% confirmed to use its reserves to fund any additional contribution to the Council Tax Reduction scheme to be their preferred option with the highest percentage 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?        | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Do you agree the level of funding at £100,000 is correct? | <input type="checkbox"/> | <input type="checkbox"/> |

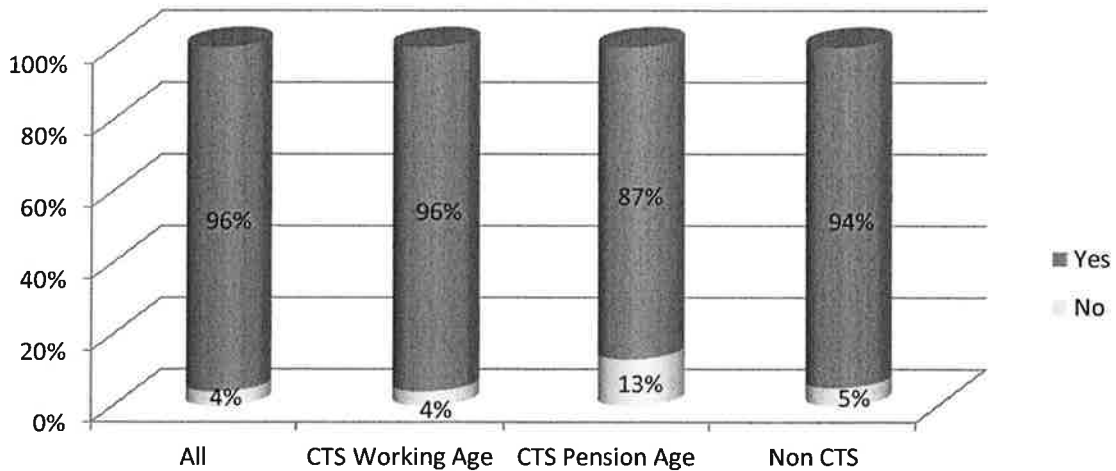
If you disagree please write your answer here:

.....

**Overall response – part a.**

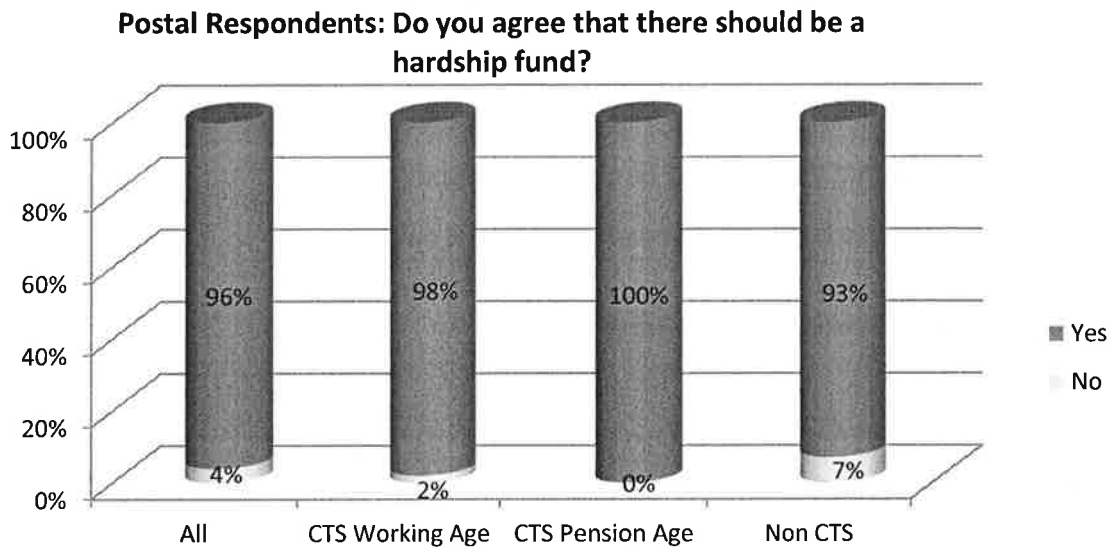
The overall response to part (a) of this question was that, yes, the Council should have a hardship fund with 96% agreeing with this statement.

**All respondents: Do you agree there should be a hardship fund?**

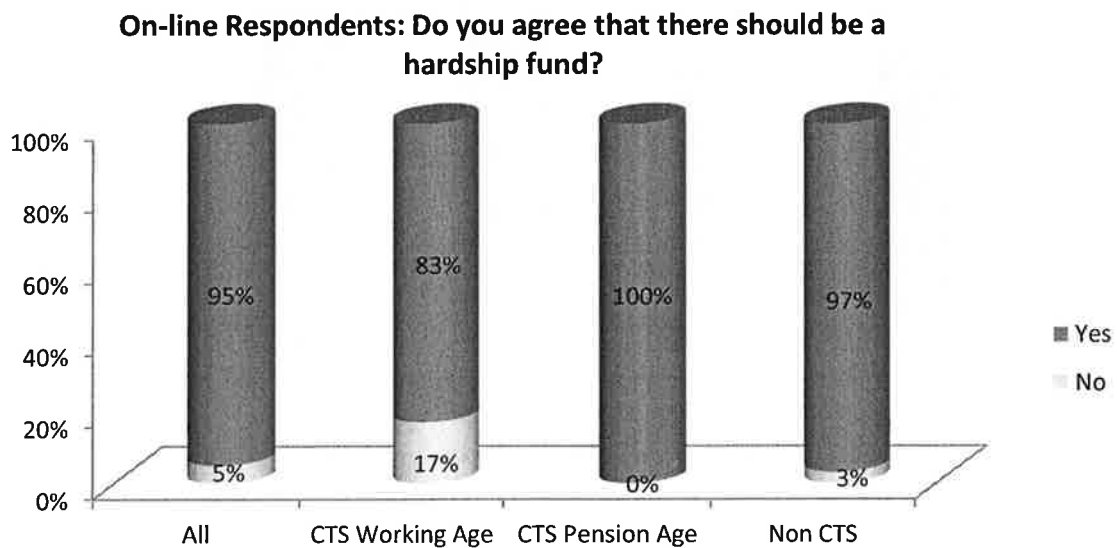


### Analysis of Respondents by Survey Type.

Of those who completed the postal survey 96% confirmed that there should be a hardship fund with a 100% of those in receipt of CTS who were pension age agreeing with this statement.



Of those who completed the on-line survey 95% confirmed that there should be a hardship fund with a continued high support at 100% of those at Pensionable Age in receipt of CTR agreeing with this statement.



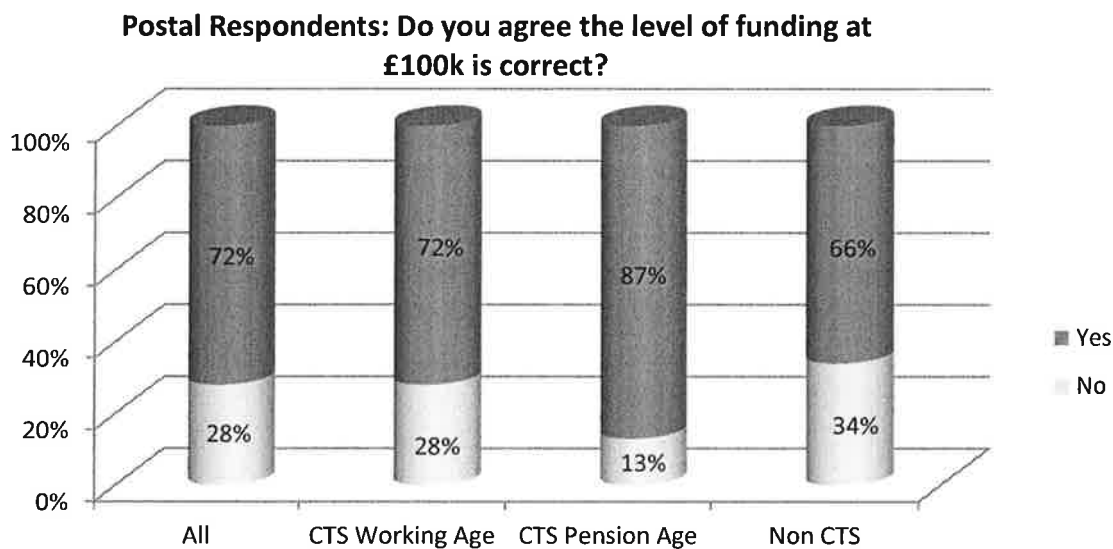
### Overall response – part b.

The overall response to part (b) of this question was that, yes, the level of £100,000 for a hardship funding was correct with 72% agreeing with this statement.

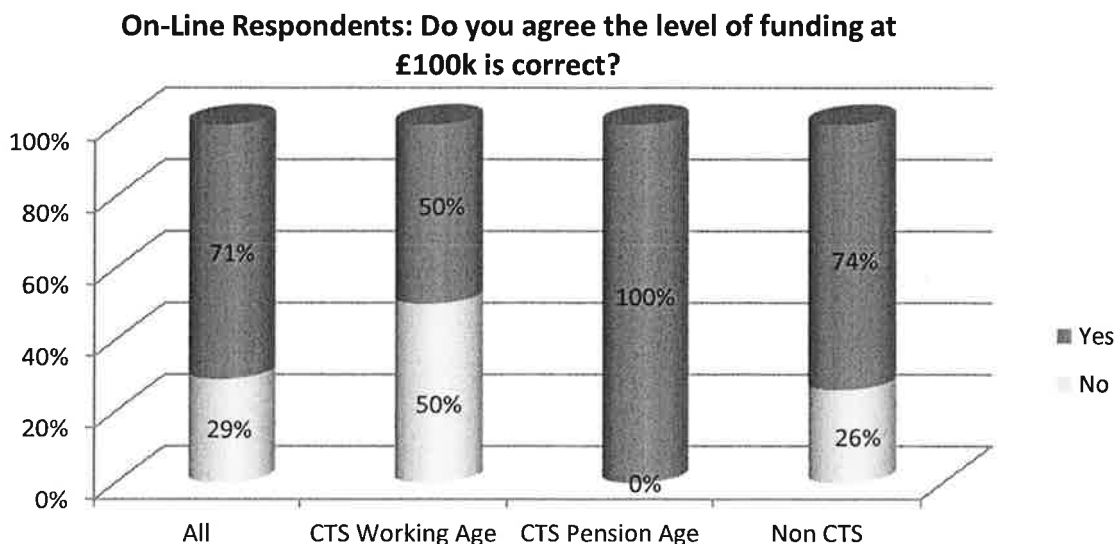
Many of the other respondents felt that they were unable to comment without any further facts and figures being provided regarding the potential spend, numbers affected and the criteria qualifying for this fund.

### Analysis of Respondents by Survey Type.

Of those who completed the postal survey 72% confirmed that the sum of £100,000 was correct.



Of those who completed the on line survey only 71% confirmed that the sum of £100,000 in respect of a hardship fund was correct.



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 2019/20 or any further comments you would like to make regarding the scheme?**

Please write your answer here: .....

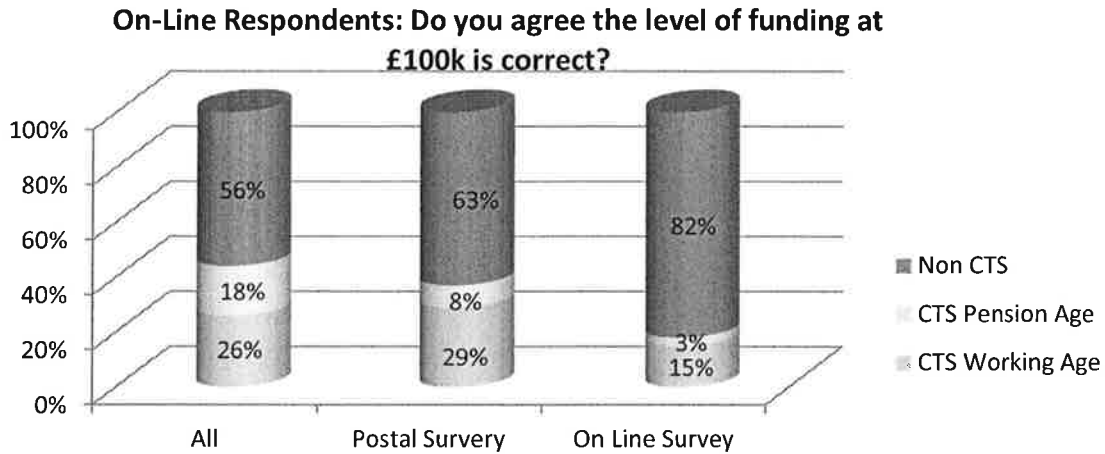
Where respondents did suggest changes, responses here fell into a number of broad categories with many suggesting the following:

- Undertaking better checks into those receiving CTS
- Increased protection for certain categories of people such as the disabled or single parents
- 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

Q5 Please choose any of these that apply:	Yes	No
a. Are you currently in receipt of Council Tax Support?	<input type="checkbox"/>	<input type="checkbox"/>
If you answered yes to (5a) please tick one of the following:		
bi. Are you a pensioner?	<input type="checkbox"/>	<input type="checkbox"/>
bii. Are you of working age?	<input type="checkbox"/>	<input type="checkbox"/>

## Overall response

Of those who completed the survey, overall 56% were from respondents not in receipt of Council Tax assistance, and 44% confirmed they were either pension age or working age currently receiving Council Tax Support.



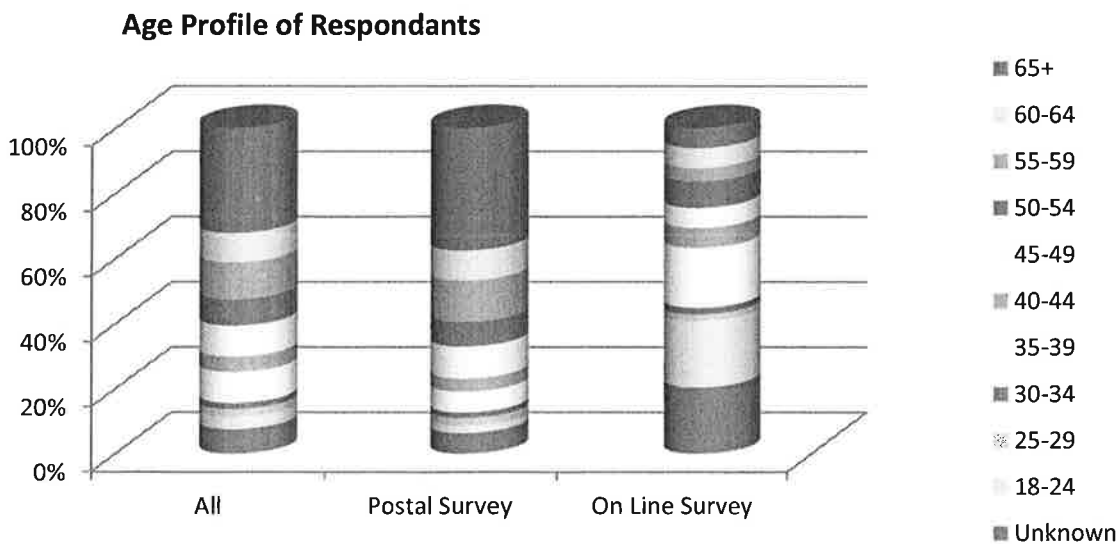
Details of all the narrative responses, to this question and others, have been included at Appendix 1.

## 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.

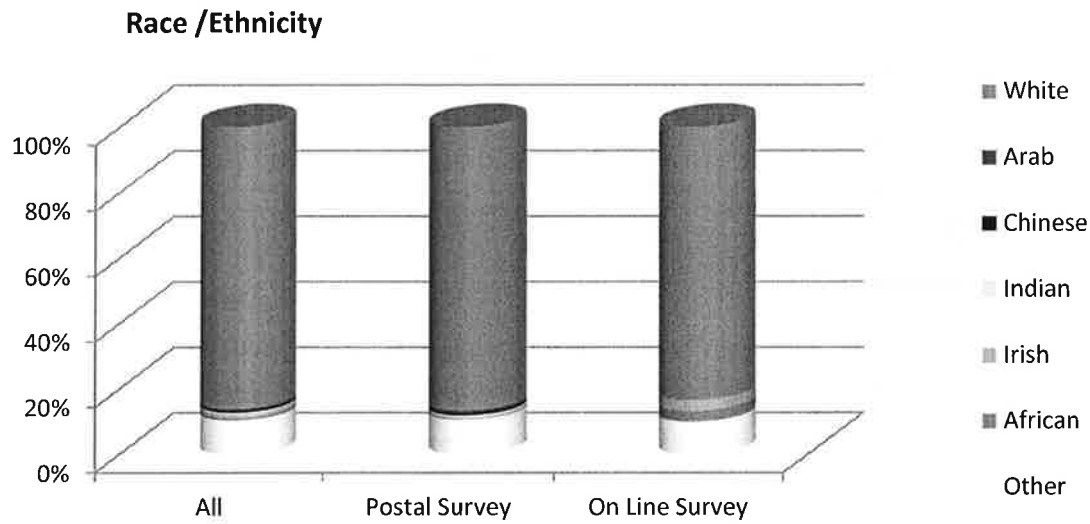
While 249 responses were received, not all respondents chose to complete the questions regarding their circumstances or ethnic background.

Overall, 211 people confirmed their age with the highest volumes of respondents being from those aged over 65 years of age.



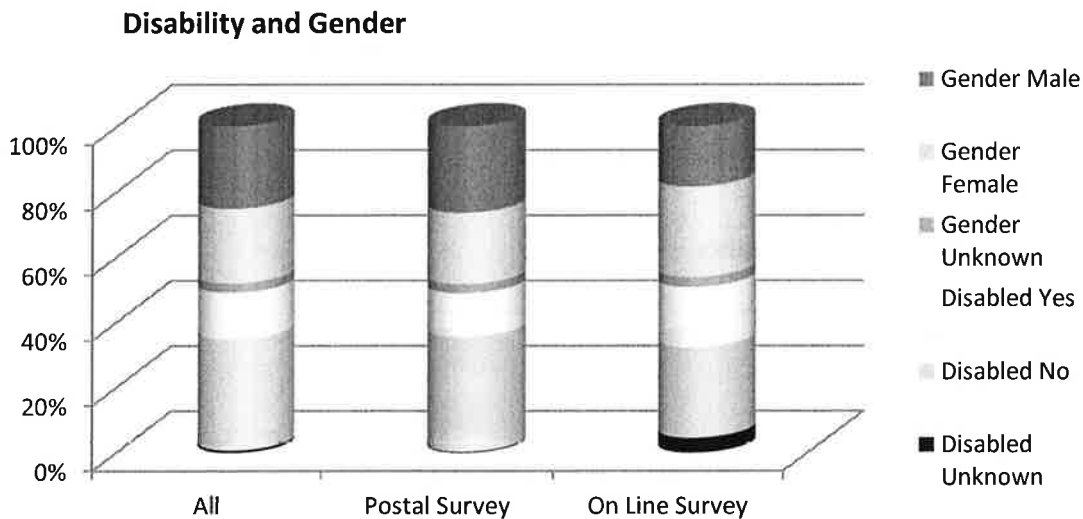
### Ethnic Background.

175 respondents confirmed their ethnic background with the majority of respondents, 85%, stating that they were from a white background.



### Disability and Gender.

211 respondents were happy to confirm whether they were disabled or not. 196 confirmed their gender of which 48% were female and 52% were male respondents. The analysis is shown below.



## 8. Timetable for Implementation

The new scheme will commence on 1<sup>st</sup> April 2019 for one year.



## 9. Appendix 1 – Narrative responses.

While narrative responses have been reproduced here for completeness, those respondents who simply stated “yes”, “no” or “don’t know” have been removed as these have been included in the analysis undertaken of the results above.

### Q1 If you disagree with maintaining assistance for working-age claimants at 75%, please state why:

- How can people who receive benefits able to afford to pay the ridiculous council tax!
- I think the amount paid by working-age claimants should be capped, perhaps to £5.00 a month for adults, so if you have four adults in a property the bill would be £20.00 a month, six adults would be £30.00 a month for a property, reflecting the service each individual receives, such as household bin services, street sweeping etc.
- I earn £8000 a year yet I pay full tax of £1775. I am hanging by a thin thread trying to reach the next day as my life feels too expensive and at times it is too much to bare. How can you charge so much to me when my salary is low? People who earn less should not have to pay council tax. Yet not everyone who earns less claims benefits etc. I don't want to claim benefits as the whole system makes you feel degraded. You should set your council tax according to people's salaries.
- Austerity continues to bite. Bromley going Full Service for Universal Credit in July has meant more and more sick, out-of-work and low paid, unsecure employed people are having to wait longer for their entitlement, facing more sanctions etc...
- It's already too expensive and I don't get the service/assistance I expect for that price
- We are talking here about the poorest and most disadvantaged in our community, on whom austerity has had the greatest effect. This is a small way to improve their situation.
- the level of young homeless people living and begging on the streets has increased and will increase every time the council withdraw or reduce support and people having to turn to food banks to feed themselves and their families.
- Working age claimants should pay toward council services especially if they are living in a property on their own. I would expect them to pay 35-50% towards council tax
- As benefits (ESA / JSA) having gone up by less than rise in CTAX we are being penalised
- Benefits have been cut, difficult to live on what already receiving. Also have to top up rent due to capping. I have to find £400 extra rent to be able to live and go without basics to keep a roof over my head. Even when you apply for hardship it just gets rejected. So need more support. the Hardship fund didn't help me when I applied so its useless, stop wasting money on top heavy management
- It would be better to pay £85% so we only pay 15%. So we can afford other household bills
- Not enough support given to those not working.
- If you have to live on disability benefits finding extra money is hard. If you are house bound it cost extra as have to order everything online.

- It would be better to pay 85% so we only pay 15% so that we can afford other household bills
- Why should any working person get reduction if paying council tax. I am retired and I still have to pay a full amount which I've had to pay all my life.
- We should do more to support the more vulnerable in society
- We are trying to make ends meet which is hard enough without paying more council tax. Personally I have not claimed anything from the council.
- Council tax has risen & risen whilst wages have not. This is unfair to those on in work and already contributing (via council tax & national taxes). To those who do not work. There has to be more fairness.
- There are many residents of Bromley struggling with severe financial problems, as revealed at the local food bank. they need and deserve more help to survive.
- Working age claimants should contribute more towards council tax as they are likely to be using numerous local services. Why should those already contributing 100% pay more or lose services -they have been reduced enough already.
- A claimants savings should be taken into account when deciding the subsidy they receive.
- Why should any working person get reduction if paying council tax? I am retired and I still have to pay the full amount which I have paid all my life
- I think it should be a means tested support that has no cap.
- Everyone has to pay more at this present time in spite of any discounts they may be entitled to. This is a countrywide problem that has implications for us all. The max support should be 65%.
- Several reasons, there are other benefits these claimants may be entitled to e:g lower taxation.
- It is difficult enough in current times to support your own family, let alone having to support other families.
- Reduce the cap to a lower level of support i.e.: 60/40
- The poor & vulnerable need more support in this era of government cuts & austerity. Public services are in crisis and its terrible what this government are doing to our services.
- If working age then should pay more
- Council tax is expensive but so is electric and gas that has just gone up again. Plus we will be getting millions back from our brexit fee so this can be used for ctax support too and shared among councils
- There are many jobs that these people could do so should make an effort and not have to rely on people who pay full ctax
- Im a single parent being evicted as my ctax and rent is Â£1450 per month without my council debts, I struggle everyday with bills and I cannot work anymore hours due to ill health

- Not enough support given to people not working
- If you have to live on disability benefits finding extra money is hard. If you are housebound it costs you extra as have to order everything online
- The council up for 2016/17 was 25% in view of the current time of austerity and possible cuts across the board - I feel it should now be 30%
- Every household faces tough challenges in their day due to high inflation and low increase in their wages so its only fair that the benefits are reduced so the system is fair.
- You haven't given enough info i.e. who gets this? Yet another badly thought out 'consultation' and why 7 pages long? With 7th page practically blank..Given to an intern to do?
- I believe 66% assistance is the right balance. 1/3 paid & 2/3 assisted. Everyone of working age should make reasonable contribution to our society.
- I think people in hardship should receive more support
- Are all claimants genuine?
- As a young single mother of two who only works once a week the amount of council tax I am expected to pay is far too high
- Tax those with money who can afford it. This will significantly increase the Councils revenue and subsequently increase the quality and quantity of the services that can be provided to the Bromley Borough residents
- Because you are hitting the poorest sector of society if you reduce assistance the current government already penalise the working class and those on benefits too heavily
- As a young single mother of two who only works once a week the amount of Council Tax I am expected to pay is far too high
- Claimants should pay 75% of their liability and receive 25% support
- Continue at 25% provided the majority of claimants are able to afford 25%. If not the percentage should reduce and the extra costs paid by those not receiving benefit
- Support % must be adjusted ( reduced ) by inflation levels ( ie at least that much) to make up for the increased cost of the council services
- They should move to a property they can afford. Reduce their spending to sort out their income ( less fags & booze) why should people working hard to earn a living have their income cut so others can leech in theirs
- I am a single parent being evicted as my council tax and rent is Â£1,450 per month without my council tax debts. I struggle every day with bills and I cannot work any more hours due to ill health.
- Not enough support given to those not working
- If you have to live on disability benefits finding extra money is hard. If you are housebound it costs you extra as have to order everything online

- It would be better to pay 85% so we only pay 15% so we can afford other household bills.

**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?**

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

- Better management of the contracted-out services from which we benefit.
- Charge council tax according to salary. I earn £8000 a year and pay full council tax. Someone who earns £100,000 pays the same rate as me. This isn't fair.
- Increase Council Tax for bigger properties.
- Cut inefficiency in the Council. Reduce red tape and back end functions increase parking fees
- If you need to cut services then do so to protect the people struggling in Bromley. Not all if us use your services ie social services, housing
- Increase council tax to those more financially secure - the middle class, those earning £50,000+ per year
- No service should be cut. There are too many 'layabouts' getting money from council. Everybody should work, pay their taxes and council rates fully.
- Apart from my bus pass I don't know what other help the council gives.
- cutting existing services will be in nobody's interest, least of all those who need it most.
- No further cuts to services, investments in some arrears would help fund the service itself. Making better use of libraries rather than close them. Making use of empty premises in the main street. Utilising local under developed parks, Norman park in particular, no events.
- Get an improved allocation of funds from the GLA. Bromley receive a disappointedly low funding. Bromley receives less per head of funding compared with almost all other boroughs. This should be rectified to allow improved funding and a fairer system.
- No service should be cut. There are too many 'layabouts' getting money from council. Everybody should work pay their tax's and rates fully.
- If the result of change there is an increase in total subsidy (unlikely) then that would be my choice.
- Why can't this council use all the reserves it makes from parking permits to aid this situation?
- No services should be cut. Public services are in crisis. The government should stop austerity and increase tax. Bromley is a wealthy borough and should help the poor & vulnerable.
- Looking after children by the Council should be stopped parents that have children

should make their own arrangement and not rely on the council only disabled etc should be fully helped

- I struggle every month to pay my council tax and have outstanding debts of ctax amounting to over 6000 due to illness I currently have and being unable to work more than 15 hours per week to which I struggle with and having bailiffs threaten me all the time is awful
- Increase ctax to those more financially secure - the middle class earning 50k + per year
- Whatever the outcome I believe the Council should raise council tax in order for it to be in a better position to meet its commitments
- I know some of the local business's enjoy the benefit of reduced or even no rate at present, you will have to review such arrangements.
- I don't. No more cuts
- 1, Efficiency measures. 2, Invest more in your fraud teams for benefit, housing and support. Incentive these people with commission and I believe you will earn millions.
- More council tax bands required for most expensive properties.
- I struggle every month to pay my council tax and have outstanding debts of council tax amounting to over £6,0000 due to an illness I currently have and being unable to work more than 15 hours per week to which I struggle with and having bailiffs threatening all the time its so awful.
- Increase council tax to those more financially secure, the middle class, those earning £50,000+ per annum.

**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. Do you agree that there should be a hardship fund? Do you agree the level of funding at £100,000 is correct? If you disagree please write your answer here:**

- £100,000 is a lot of money! Anyone who earns that much does not need help or funding.
- I don't know if the amount is correct or incorrect as I don't know how it is currently spent / under/overspent? And what criteria are used to assess, so it is impossible to say.
- This is an impossible question to answer without knowing how many claims are made on the fund. £100,000 does sound a very small amount for a whole borough.
- It should be increased to help more people stay in the homes they already have
- Unable to answer as I don't know how you use this fund and if it is fully utilised or not
- It should be more
- I tried to get hardship fund but did not get it even though I couldn't pay my rent - waste of time

- The Hardship fund should be increased to at least £200.000.
- It is not a lot of money as such to help the people with. Only a few will benefit and it will be for a short time.what happens next year or the year after?
- it does not sound adequate for those in serious need in a wealthy borough like Bromley.
- Unsure what the criteria is for receiving this but would hope it is there for families and individuals in exceptional one off circumstances-regularly receiving this would suggest mis-use/inappropriate claim. Unsure if current funding is correct. Once this is used up are claimants refused fund despite their circumstances?
- Insufficient information is given to know whether it is : a: spent wisely/effectively and b: whether the amount is sufficient for its purpose.
- The means test and no cap should mean the hardship fund would be superfluous. If necessary, however, then the £100,000 seems suitable
- This level is too low. Bromley is a rich borough and should support the poor. We need a Labour council, they support the poor and would not let this happen to the vulnerable. it is shameful to think of increasing charges on the poor.
- Hardship fund should be more as it should have enough to cope with hardship demand. Otherwise sending people to Court or jail wont ease their hardship, this will only make their situation worse
- I think the Council needs first to make sure they are truly vulnerable as many are not
- The hardship fund should be increased to at least 200k
- You should get a discount for physical disability
- The level of funding should be more.
- The cost is of getting 25% where I expect a lot of people will be in arrears outweighs any saving. Councils should raise a lot of the fund they need not have this ridiculous collection process.
- Doesn't seem to be much of a budget, £250.000
- Unknown whether £100K is sufficient, what cases are currently unable to be funded?
- B, qualified to judge.
- I have not been provided with enough information to know whether this is a sufficient amount for residents who are experiencing exceptional financial hardship. So I cannot say whether the level of funding is correct
- seems exceptionally low considering the huge number of people that live in the Borough and that is the largest borough in London
- Cancel CTS
- The level of funding should be determined by the cost of justable hardship claims. If 100k is sufficient the amount should be increased by increasing the amount of ctax paid by those not receiving benefit

- Don't live beyond your means
- The hardship fund should increase to at least £200,000

**Q4 Are there any other changes you would like to see to the Council Tax Support scheme 2019/20 or any further comments you would like to make regarding the scheme?**

- Residents should be able to feed themselves and their families adequately, be safely housed, be able to afford to keep themselves clean, and enjoy a 21st century quality of life. If residents qualify for help in paying council tax there should be practical help offered on how to manage better on the pittance we expect them to survive on.
- Please do not charge Council Tax to those on low incomes.
- How can you justify charging me £1775 Council Tax when I earn £8000 a year? This is unfair.
- We need a standalone form for Council Tax Support for people on Universal Credit and those that already receive HB, but their eligibility for CTS moves (such as a reduction in income). Having to fill out a HBCTS1 just to claim CTS is confusing for the claimant (and their advisors/helpers/advocates) and must also confuse the assessors too.
- It would be great if the recycling system improved. So far, it has not excelled since I moved in (3 years ago) and the situation is getting worse. I have asked for recycling bins twice with no response, there are not enough recycling stations and it's hard to find all kinds of bin bags
- Reduce the salaries at the very top
- Contribute less as already struggling and the hardship scheme is not working as it should, never heard back and had to borrow money to pay rent
- Payment cards to pay Council Tax would be easier
- As above, its unfair to the unemployed.
- You should get a discount for physical disability not just mental disability
- Payment cards to pay council tax would be much easier.
- There are programmes on TV about council's not checking who's in their flats and subletting, lying about disabilities and claiming benefits. If there were better checking council's would have enough money for everything. I am 82 and I hate that I have to support working age people because that just want easy money.
- I would hope that family concerns, number of children and dependents with special needs all would be taken into consideration in a compassionate manner.
- Think individuals should have to contribute more than max 25%. Raising annually so that each year their contributes and the amount of council tax decrease to discourage benefit, possibly contribute to local services if necessary.
- The single persons discount should be reduced by 5%

- I would like to see those failing to contribute but still receive the same levels of service pursued for back payment etc.
- Increase the support to the poor. Reverse austerity!! Hopefully we will have a government that cares soon and will reverse all these cuts and put public services first!! Bromley should reverse the cuts it is shameful to hurt the poor. Increase support to the poor, they deserve our help.
- yes use funds from brexit
- Many of these scheme are not paid by parents the Council need to check these people carefully many parents are able to pay for their children and should do so
- its unfair to the unemployed
- If you told me who this applied to I might be able to comment more than just make comments about the need for wholesale reform Also could someone have made sure this didn't run for 7 pages making the last page one line?
- No, believe it should remain as in for our pensioners. They have already made their contributions
- More council tax should be raised on more expensive properties. Council should be able to purchase land at pre planning permission prices for more council housing.
- The true measure of any society can be found in how it treats its most vulnerable members - quote by M Gandhi
- Cancel CTS
- Scrapped
- As above, its unfair to the unemployed
- You should get a discount for physical disability not just mental disability
- Payment cards to pay council tax would be so much easier



Report No.  
CSD18182

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** CAPITAL PROGRAMME MONITORING - 2<sup>ND</sup> QUARTER 2018/19  
- LOCAL TRANSPORT CAPITAL FUNDING

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At its meeting on 28<sup>th</sup> November 2018 the Executive considered the attached report and approved a revised Capital Programme. A letter had been received from the Department for Transport allocating an additional £1.1m to Bromley in 2018/19 to fund carriageway maintenance schemes. The Executive approved a supplementary recommendation to add this sum to the capital programme, which, as it is above £1m, needs approval from full Council. At the same meeting, the Executive supported the Executive, Resources and Contracts PDS Committee's recommendation that funding of £8k remain in the Capital Programme for the Betts Park Canal Bank Stabilisation Project, and approved capital funding for the IT Transformation project, which is the subject of another report on this agenda.
- 

2. **RECOMMENDATIONS**

**That Council approves the addition to the Capital Programme of additional local transport funding of £1.1m allocated for the 2018/19 financial year to fund carriageway maintenance schemes.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: Estimated Cost: See attached report
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £139.5 over 4 years 2018/19 to 2021/22
  5. Source of funding: Capital Grants, capital receipts and earmarked revenue contributions
- 

## Personnel

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

## Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: Not Applicable: Full Council decisions are not subject to call-in
- 

## Procurement

1. Summary of Procurement Implications: N/A
- 

## Customer Impact

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

## Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	See attached report
Background Documents: (Access via Contact Officer)	See attached report

**Decision Maker:** Executive

**Date:** Wednesday 28<sup>th</sup> November 2018

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

**Title:** CAPITAL PROGRAMME MONITORING – 2<sup>nd</sup> QUARTER 2018/19

**Contact Officer:** Jo-Anne Chang Rogers, Principal Accountant  
Tel: 020 8313 4292 E-mail: [Jo-Anne.Chang-Rogers@bromley.gov.uk](mailto:Jo-Anne.Chang-Rogers@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 2018/19 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 a total rephasing of £28,311k from 2018/19 into future years, and agree a revised Capital Programme;**
- (b) **Approve the following amendments to the Capital Programme:**
  - (i) **Reduction of £192k to the Transport for London (TfL) funded Traffic and Highways schemes (see para 3.3.1);**
  - (ii) **Removal of £4k from the Woodlands Improvements Programme Scheme (see para 3.3.2);**
  - (iii) **Removal of £8k from the Betts Park Canal Bank Stabilisation Project as the scheme has completed (see para 3.3.3);**
  - (iv) **Note that a report elsewhere on the Agenda requests the addition of £100k to the Capital Programme for Housing Development Feasibility (see para 3.3.4);**
  - (v) **Note that a report elsewhere on the Agenda requests the allocation of £800k to the Affordable Housing capital scheme and £206k to the Property Acquisitions scheme from Housing Payment in Lieu Funds (see para 3.3.5);**

- (vi) Note that a report is due elsewhere on the Agenda which requests the addition to the Capital Programme of the IT Transformation scheme (see para 3.3.6);and**
- (vii) Note that the Council has been allocated funding of £1.1m from the Department of Transport, and that a report will be submitted to a future meeting of the Executive detailing the proposed use of this funding (see para 3.3.7).**

## Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review 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. For each of our portfolios and service priorities, the Council reviews its main aims and outcomes through the AMP process and identify those that require the use of capital assets. The 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".
  2. BBB Priority: Excellent Council
- 

## Financial

1. Cost of proposal: Estimated Cost: Total decrease of £0.1m over the 4 years 2018/19 to 2021/22, mainly due to £100k allocation for Housing Development Feasibility Studies and a £192k decrease in TfL funding for Highways and Traffic schemes.
  2. Ongoing costs: Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: Total £139.5m over 4 years 2018/19 to 2021/22
  5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
- 

## Staff

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

## Legal

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

#### Capital Expenditure

- 3.1 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 2018/19. The base position is the programme approved by the Executive on 11<sup>th</sup> July 2018, as amended by variations approved at subsequent Executive meetings. If the changes proposed in this report are approved, the total Capital Programme 2018/19 to 2021/22 would decrease by £0.1m, mainly due to £100k additional funding for Housing Development Feasibility Studies and a £192k decrease in funding for TfL Highways & Traffic schemes.

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

	2018/19	2019/20	2020/21	2021/22	TOTAL 2018/19 to 2021/22
	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 11/07/18	76,439	38,530	21,321	2,240	138,530
Variations approved at subsequent Executive meetings	711	Cr 1,930	960	1,270	1,011
Approved Programme prior to 2nd Quarter's Monitoring	77,150	36,600	22,281	3,510	139,541
Variations requiring the approval of the Executive	Cr 154	50	0	0	Cr 104
Variations not requiring approval:					
Net rephasing from 2018/19 into future years	Cr 28,311	28,311	0	0	0
Total Amendment to the Capital Programme	Cr 28,465	28,361	0	0	Cr 104
<b>Total Revised Capital Programme</b>	<b>48,685</b>	<b>64,961</b>	<b>22,281</b>	<b>3,510</b>	<b>139,437</b>
Assumed Further Slippage (for financing purposes)	Cr 5,000	3,000	2,000	0	0
Assumed New Schemes (to be agreed)	0	3,500	3,500	3,500	10,500
	Cr 5,000	6,500	5,500	3,500	10,500
Projected Programme for Capital Financing Forecast (see appendix C)	43,685	71,461	27,781	7,010	149,937

#### 3.2 Variations approved at subsequent Executive meetings

As detailed in Appendix A, variations of £1.0m have been approved since the July Executive meeting. This is as a result of additions of £596k for Basic Need, as approved by Executive on 11<sup>th</sup> July 2018, and £415k for Bromley High Street, as approved by the Executive on 17<sup>th</sup> October 2018. In addition £3m was added to the Capital Programme for the Social Care Case Management System IT scheme as approved by the Executive on 12<sup>th</sup> September 2018 (funded by a reduction to existing schemes).

#### 3.3 Variations requiring the approval of the Executive (£104k net decrease)

##### 3.3.1 Transport for London (TfL) – Revised support for Highways and Traffic Schemes (£192k decrease to budget in 2018/19)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2018/19 to 2020/21 on the basis of the bid in the Borough Spending Plan (BSP). A decrease to the budget for 2018/19 of £192k is requested to reflect the revised allocations. TfL budgets change frequently and any further variations will be reported in subsequent capital monitoring reports.

### 3.3.2 The Woodlands Improvements Programme – (£4k removal from the Capital Programme)

The scheme completed last year and a small budget of £4k was rephased at the end of 2017/18 for outstanding payments, however this is no longer required as no further spend is expected. Members are requested to agree the removal of this sum from the Capital Programme.

### 3.3.3 Betts Park Canal Bank Stabilisation Project – (£8k removal from the Capital Programme)

The scheme completed last year and a small budget of £8k was rephased at the end of 2017/18 for outstanding payments, however this is no longer required as no further spend is expected. Members are requested to agree the removal of this sum from the Capital Programme.

### 3.3.4 Housing Development Feasibility Studies (£100k addition to the Capital Programme)

A report elsewhere on the agenda requests the approval of £100k addition to the Capital Programme for feasibility assessments of potential sites for housing development, to be funded from the Growth Fund.

### 3.3.5 Housing Payment in Lieu Funds for Affordable Housing and Property Acquisitions (£1,006k allocation)

A report elsewhere on the agenda requests that Members approve the allocation of £800k to the Affordable Housing provision and £206k to the Property Acquisition scheme from the S106 Housing Payment in Lieu Fund. This item is considered urgent in order to utilise the s106 funds due to expire in the near future and thus requiring spend between February and April 2019.

### 3.3.6 IT Transformation Scheme

Members are requested to note that a report due elsewhere on the agenda proposes an IT Transformation programme including associated capital expenditure requirements. This has not been reflected in the figures contained in this report pending Member approval.

### 3.3.7 London Highways Maintenance

On 12<sup>th</sup> November 2018 the Council was notified of £1.1m funding from the Department of Transport, to tackle potholes, repair damaged roads, and invest in keeping bridges open and safe. A report will be submitted to a future meeting of the Executive detailing the proposed use of this funding & requesting inclusion in the Capital Programme.

### 3.3.8 Scheme Rephasing

In the quarter 2 monitoring exercise, slippage of £28.3m has been identified and this has been re-phased from 2018/19 into future 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.

## **Capital Receipts**

### 3.4 Details of the receipts forecast in the years 2018/19 to 2021/22 are included in Appendix E to this report to be considered under part 2 proceedings of the meeting.

The latest estimate for 2018/19 has decreased to £7.4m from £18.3m reported in July (excluding “other” capital receipts). The estimate for 2019/20 is £16.2m, which is an increase of £10.5m to what was reported in July 2018. These changes are mainly as a result of the expected delay of a major disposal. Estimates for 2020/21 and 2021/22 remain at £27.1m

and £1.6m respectively, as reported in July. A total of £1m per annum is assumed for receipts yet to be identified in later years. These projections, as detailed in Appendix E, reflect prudent assumptions for capital receipts, and don't include estimated disposal receipts from the review being undertaken by Cushman and Wakefield.

### Financing of the Capital Programme

3.5 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, as noted above, reflect prudent assumptions on the level and timing of disposals. Total balances would reduce from £45.7m (General Fund £20.0m and capital receipts £25.7m) at the end of 2017/18 to £12.4m by the end of 2021/22 and would then increase to £38.4m by the end of 2025/26. It is therefore likely that any significant future capital schemes not funded by grants/contributions or revenue, may have to be funded from external borrowing.

	Balance 01/04/18	Estimated Balance 31/03/22	Estimated Balance 31/03/26
	£m	£m	£m
General Fund	20.0	12.4	12.4
Capital Receipts	25.7	0.0	26.0
	<u>45.7</u>	<u>12.4</u>	<u>38.4</u>

### Investment Fund and Growth Fund

3.6 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment and Growth Fund earmarked reserves (formerly known as the Economic Development and Investment Fund) to contribute towards the Council's economic development and investment opportunities. To date, total funding of £123.7m has been placed in the Investment Fund and Growth Fund earmarked reserves to contribute towards the Council's economic development and investment opportunities with a further £20.3m of capital receipts approved to supplement this.

Appendix D provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £114.5m have been approved (£85.5m on the Investment Fund, and £29.0m on the Growth Fund), and the uncommitted balances as at the end of October 2018 stand at £19.3m for the Investment Fund and £10.2m for the Growth Fund.

### Feasibility Works – Property Disposals

3.7 At its meeting on 24<sup>th</sup> May 2017, the Executive agreed to allocate £250k from the Growth Fund to allow feasibility works to be commissioned against specific sites so as to inform the Executive of sites' viability for disposal or re-development and potential scheme optimisation together with an appraisal as to worth.

Members requested that an update from Strategic Property be included in these quarterly capital monitoring reports, and the latest update is provided in Appendix F. Formal instructions are being processed for five locations, with three more estimated for April 2019 onwards. To date the committed value remains at £250k, with expenditure of £44k incurred



## Section 106 Receipts

3.8 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 stood at £8,455k as at 30<sup>th</sup> September 2018, and will be used to finance capital expenditure from 2018/19 onwards. The current position on capital Section 106 receipts (excluding commitments) is shown below:

	<b>Balance 31/03/18</b>	<b>Receipts 2018/19</b>	<b>Expenditure 2018/19</b>	<b>Balance 30/09/18</b>
<b>Specified capital works</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Housing	3,104	1,221	0	4,325
Education	3,311	575	0	3,886
Highways	82	0	0	82
Local Economy	0	76	0	76
Other	86	0	0	86
<b>TOTAL</b>	<b>6,583</b>	<b>1,872</b>	<b>0</b>	<b>8,455</b>

The Council's budgets are limited and, where a developer contribution can be secured, this will be required as a contribution towards projects, notwithstanding any other allocation of resources contained in the Council's spending plans.

### Post-Completion Reports

3.9 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:

- Digital Print Strategy
- SEELS street lighting project
- Depots – Standby Generators
- Penge/Anerley Libraries
- Anerley Town Hall (Library Provision)
- Affordable Housing
- TfL Borough Support
- Borough Cycling
- Land Acquisitions (Cornwall Drive)

## 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 assume approval of the revised capital programme recommended in this report.

<b>Non-Applicable Sections:</b>	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring Qtr 1 2018/19 (Executive 11/07/18) Capital Programme Monitoring & Capital Strategy Qtr 3 2017/18 (Executive 07/02/18) List of potential capital receipts from Strategic Property as at 06/11/18. List of feasibility works for property disposal from Strategic Property as at 06/11/18.

## APPENDIX A - VARIATION SUMMARY

### CAPITAL PROGRAMME MONITORING - NOV 2018 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME

Variations on individual schemes	Date of Portfolio meeting	Revised 2018/19 £'000	Revised 2019/20 £'000	Revised 2020/21 £'000	Revised 2021/22 £'000	TOTAL 2018/19 to 2021/22 £'000	Comments/reason for variation
<b>Current Approved Capital Programme</b>							
Programme approved by Executive 11/07/2018	Exec 11/07/18	76,439	38,530	21,321	2,240	138,530	
Social Care Case Management System	Exec 12/09/18	0	770	960	1,270	3,000	Funded from £2.7m Social Care Grant and £0.3m from LD provision capital scheme
Social Care Grant (various years)			Cr 2,700			Cr 2,700	
PCT Learning Disability reposition programme - Walpole Road		Cr 300				Cr 300	
Bromley High St Improvements	Exec 17/10/18	415				415	
Basic Need	Exec 11/07/18	596				596	
<b>Approved Programme prior to 2nd Quarter's Monitoring</b>		<b>77,150</b>	<b>36,600</b>	<b>22,281</b>	<b>3,510</b>	<b>139,541</b>	
<b>Variations in the estimated cost of approved schemes</b>							
<b>(i) Variations requiring the approval of the Executive/Council</b>							
Amendment in TFL funding for Highways & Traffic schemes		Cr 192				Cr 192	See paragraph 3.3.1
The Woodlands Improvements Programme		Cr 4				Cr 4	See paragraph 3.3.2
Betts Park Canal Bank Stabilisation Project		Cr 8				Cr 8	See paragraph 3.3.3
Housing Development Feasibility		50	50			100	See paragraph 3.3.4
Housing Payment in Lieu Fund - unallocated		Cr 1,006				Cr 1,006	See paragraph 3.3.5
Affordable Housing scheme		800				800	See paragraph 3.3.5
Property Acquisitions (PIL)		206				206	See paragraph 3.3.5
		Cr 154	50	0	0	Cr 104	
<b>(ii) Variations not requiring approval</b>							
Net rephasing from 2018/19 into future years		Cr 28,311	28,311	0	0	0	See section 3.3.8 and Appendix B
		Cr 28,311	28,311	0	0	0	
<b>TOTAL AMENDMENT TO CAPITAL PROGRAMME</b>		<b>Cr 28,465</b>	<b>28,361</b>	<b>0</b>	<b>0</b>	<b>Cr 104</b>	
<b>TOTAL REVISED CAPITAL PROGRAMME</b>		<b>48,685</b>	<b>64,961</b>	<b>22,281</b>	<b>3,510</b>	<b>139,437</b>	
Less: Further slippage projection		Cr 5,000	3,000	2,000		0	
Add: Estimate for further new schemes			3,500	3,500	3,500	10,500	
<b>TOTAL TO BE FINANCED</b>		<b>43,685</b>	<b>71,461</b>	<b>27,781</b>	<b>7,010</b>	<b>149,937</b>	

**CAPITAL PROGRAMME MONITORING - NOV 2018 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME - SCHEME REPHASING**

Variations on individual schemes		2018/19 £'000	2019/20 £'000	TOTAL £'000	Comments/reason for variation
<b>Rephasing of schemes</b>					
Seed Challenge	Cr	346	346	0	This scheme has completed. Awaiting final payment to schools for small refurb works. It is anticipated that payment will be made in Q1 of 2019/20. .
Security Works	Cr	100	100	0	Budget underspend by £14.5k in 2017/18 - this has been added to available budget of £125k giving a revised budget of £139.5k for 2018/19 to be used for potential future works. Scheme expecting some invoices this financial year - £100k has been rephased to 2019/20 with a full review to be carried out at financial year end.
Suitability / Modernisation issues in schools	Cr	386	386	0	£386k has been rephased to 2019/20 - Officers are currently exploring options to take forward in order to utilise the budget.
Basic Need	Cr	7,300	7,300	0	A full detailed report on the various projects within the Basic Need Programme was reported to Executive on 11 Jul 18. This includes works at Trinity (now completed), Castlecombe (work started Feb'17), Bishop Justus (work started Summer'18), Edgebury (completed), Poverest (started in Jun'17), Stewart Fleming (now completed), and Leesons (started in Jul'17 however there are delays) and St George (now completed). £4.5m was rephased to 2019/20 in July 2018, and following a mid-year review, a further £7.3m has been rephased to 2019/20 due to works progressing slower than agreed programme.
Universal School Meals	Cr	19	19	0	Main phase of scheme has completed - remaining budget to be rephased to 2019/20 for final payments which are anticipated in Q1 of 2019/20.
Beacon House Refurbishment	Cr	390	390	0	Scheme completed and Defects Liability Period ongoing. The final account has been agreed. Remaining budget has been rephased to 2019/20 with a full review to be carried out at financial year end.
Phoenix Centre	Cr	40	40	0	Some expenditure is anticipated this financial year. Remaining budget has been rephased to 2019/20.
Gateway Review of Housing IT System	Cr	60	60	0	A new provider has been appointed and implementation works are ongoing. Phase one is due to be completed by the end of Jan 2019 with the final phase going live by March 2019. Approx £60k for retention and final account has been rephased to 2019/20.
Payment in Lieu Fund - Properties Acquisitions	Cr	85	85	0	£1m budget used to purchase 5 properties with remaining budget allocated for Capital refurbishment. The remaining funds are for any ad-hoc works that arise over the next few years. £85k has been rephased to 2019/20.
Winter Maintenance - Gritter Replacement	Cr	250	250	0	No planned gritter replacement will take place this year however funds need to remain available for any unplanned replacement of winter equipment over the next season and also taking account of the new Highways contracts from summer 2018. Team will look at the next round of replacement vehicles and come back with proposals. This is likely to be shown as part of new capital bids. Anticipate spend of £36k if there is no serious winter experienced this year. £250k has been rephased into 2019/20.
Carbon Management Programmes	Cr	378	378	0	All repayments have now been made. Spend of £5k is forecast for this FY with £378k rephased to 2019/20. Officers are currently reviewing potential projects which includes LED lighting and controls in Stockwell Blocks and the Central Library.
Central Depot Wall Scheme	Cr	576	576	0	Approved by Executive in March 2018. Budget of £716k funded from £163k carry forward & £553k from Infrastructure Investment. Structural Engineer selected and design and tender to be completed by financial year end and on-site by Q1 2019/20. Project is likely to take 3-4 months to complete. £576k has been rephased to 2019/20.
Depot Improvement Works	Cr	150	150	0	New scheme - approved by Exec on 11th July 2018. Currently in process of recruiting PM and project board for the scheme. It is anticipated that once project resource is in place that works on site will commence Q1 2019/20. £150k has been rephased to 2019/20.

## APPENDIX B - REPHASING

Empty Homes Programmes	Cr	150	150	0	Funding criteria changed in 2017 to improve take up - all long term empty property owners being targeted and made aware of assistance available. Currently unlikely to spend all the budget as only 1 application has been received this FY which has been approved. £150k has been rephased into next financial year.
Norman Park Athletics Track	Cr	300	300	0	New scheme approved by Executive on 28 March 2018 for £300k S106 funding, provided by Kent County Cricket Club, to undertake improvement works. Works and costs to be incurred from 2019/20 therefore £300k has been rephased to 2019/20.
Penge Town Centre	Cr	500	500	0	Project consisting of public realm improvements, Shopfront improvements, Business Support, and Wayfinding. The scheme was to implement planned TfL bus route and carriageway improvements. The scheme commenced implementation in November 2017 and completed in September 2018. Final claim from FM Conway expected in Q1 of 2019/20, therefore £500k has been rephased into future year.
Bromley High St Improvement Fund	Cr	776	776	0	Approved Executive 22/03/17. Funded from the Growth Fund, the programme of improvements to the public realm of Bromley High Street is a continuation of the Bromley North Village scheme which aims to enhance the pedestrian experience of the prime shopping areas to increase footfall in the town centre. Budget holder is forecasting to only spend £1m this FY - £700k from Growth fund and £76k S106 funding has been rephased to 2019/20. Delay has been largely due to supply chain issues.
Chipperfield Road Development - St Pauls Cray	Cr	105	105	0	Approved by Executive 18/10/16 - £45k to be spent on clarification of development potential and viability, £60k for marketing. No spend expected this FY - £105k has been rephased to 2019/20.
Property Investment Fund	Cr	15,400	15,400	0	No further property purchases will occur this FY - budget of £15,400k has been rephased to 2019/20.
Civic Centre Development Strategy	Cr	100	100	0	Approved by Council 04/07/16. Feasibility carried out on the use of the Old Town Hall as a Democratic Hub was deemed not suitable. £62k of the budget earmarked for feasibility costs this financial year. £100k has been rephased to 2019/20.
West Wickham Leisure Centre	Cr	900	900	0	Scheme feasibility currently being progressed. Majority of costs anticipated to be incurred in 2019/20. £900k therefore rephased to 2019/20.
<b>TOTAL REPHASING ADJUSTMENTS</b>	<b>Cr</b>	<b>28,311</b>	<b>28,311</b>	<b>0</b>	

## APPENDIX C - FINANCING

### CAPITAL FINANCING STATEMENT - EXECUTIVE 28/11/18 - ALL RECEIPTS

(NB. Assumes all capital receipts - see below)

	2017-18		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Estimate £'000	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
<b>Summary Financing Statement</b>										
Capital Grants	18,721	15,614	23,577	10,230	865	0	0	0	0	0
Other external contributions	10,688	9,126	13,164	2,820	2,419	2,200	2,200	2,200	2,200	2,200
Usable Capital Receipts	15,634	7,217	975	50,970	24,397	4,296	3,400	3,400	3,400	3,400
Revenue Contributions	3,044	8,339	5,969	1,316	100	100	100	100	100	100
General Fund	0	0	0	6,125	0	414	0	0	0	0
Borrowing	0	0	0	0	0	0	0	0	0	0
<b>Total expenditure</b>	<b>48,087</b>	<b>40,296</b>	<b>43,685</b>	<b>71,461</b>	<b>27,781</b>	<b>7,010</b>	<b>5,700</b>	<b>5,700</b>	<b>5,700</b>	<b>5,700</b>
<b>Usable Capital Receipts</b>										
Balance brought forward	24,108	24,108	25,695	32,190	0	2,689	0	7,898	12,987	19,493
New usable receipts	8,643	8,804	7,470	18,780	27,086	1,607	11,298	8,489	9,906	9,906
	32,751	32,912	33,165	50,970	27,086	4,296	11,298	16,387	22,893	29,399
Capital Financing	Cr 15,634	Cr 7,217	Cr 975	Cr 50,970	Cr 24,397	Cr 4,296	Cr 3,400	Cr 3,400	Cr 3,400	Cr 3,400
<b>Balance carried forward</b>	<b>17,117</b>	<b>25,695</b>	<b>32,190</b>	<b>0</b>	<b>2,689</b>	<b>0</b>	<b>7,898</b>	<b>12,987</b>	<b>19,493</b>	<b>25,999</b>
<b>General Fund</b>										
Balance brought forward	20,000	20,000	20,000	18,915	12,790	12,790	12,376	12,376	12,376	12,376
Less: Capital Financing	0	0	0	Cr 6,125	0	Cr 414	0	0	0	0
Less: Use for Revenue Budget	Cr 271		Cr 1,085	0	0	0	0	0	0	0
Balance carried forward	19,729	20,000	18,915	12,790	12,790	12,376	12,376	12,376	12,376	12,376
<b>TOTAL AVAILABLE RESERVES</b>	<b>36,846</b>	<b>45,695</b>	<b>51,105</b>	<b>12,790</b>	<b>15,479</b>	<b>12,376</b>	<b>20,274</b>	<b>25,363</b>	<b>31,869</b>	<b>38,375</b>

#### Assumptions:

New capital schemes - £3.5m p.a. from 2019/20 for future new schemes.

Capital receipts - includes £1m pa from 2018/19 for receipts yet to be identified.

Current approved programme - as recommended to Executive 28/11/18

# APPENDIX D - INVESTMENT FUND GROWTH FUND

## INVESTMENT FUND & GROWTH FUND - 28 November 2018

<u>Investment Fund</u>	<u>£'000</u>
<u>Revenue Funding:</u>	
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
Approved by Executive 6th December 2017	3,500
Approved by Executive 21st May 2018	2,609
	84,517
<u>Capital Funding*:</u>	
Approved by Executive 11th February 2015 (general capital receipts)	15,000
Approved by Executive 10th February 2016 (sale of Egerton Lodge)	1,216
Approved by Executive 7th November 2017 (Disposal of 72-76 High Street)	4,100
	20,316
Total Funding Approved:	104,833
<u>Property Purchase</u>	
Approved by Executive 7th September 2011 (95 High St)	Cr 1,620
Approved by Executive 6th December 2012 (98 High St)	Cr 2,167
Approved by Executive 5th June 2013 (72-76 High St)	Cr 2,888
Approved by Executive 12th June 2013 (104 - 108 High St)	Cr 3,150
Approved by Executive 12th February 2014 (147 - 153 High St)	Cr 18,755
Approved by Executive 19th December 2014 (27 Homesdale)	Cr 3,938
Approved by Executive 24th March 2015 (Morrison's)	Cr 8,672
Approved by Executive 15th July 2015 (Old Christchurch)	Cr 5,362
Approved by Executive 15th July 2015 (Tilgate)	Cr 6,746
Approved by Executive 15th December 2015 (Newbury House)	Cr 3,307
Approved by Executive 15th December 2015 (Unit G - Hubert Road)	Cr 6,038
Approved by Executive 23rd March 2016 (British Gas Training Centre, Thatcham)	Cr 3,666
Approved by Executive 15th June 2016 (C2 and C3)	Cr 6,394
Approved by Executive 14th March 2017 (Trinity House)	Cr 6,236
Approved by Executive 1st December 2017 (54 Bridge Street, Peterborough)	Cr 3,930
	Cr 82,869
<u>Other Schemes</u>	
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 400
Approved by Executive 11th January 2017 (Disposal of Small Halls site, York Rise)	Cr 46
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 2,644
<b>Uncommitted Balance on Investment Fund</b>	<b>19,320</b>
*Executive have approved the use of specific and general capital receipts to supplement the Investment Fund	
<u>Growth Fund:</u>	
<u>£'000</u>	
<u>Funding:</u>	
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
Approved by Executive 22nd March 2017	4,000
Approved by Executive 14th June 2017	3,311
Approved by Executive 21st May 2018	2,319
Total funding approved	39,154
<u>Schemes Approved and Committed</u>	
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 (19-25 Market Square)	Cr 10,705
Approved by Executive 1st Nov 2016 (63 Walnuts)	Cr 3,804
Approved by Executive 22nd March 2017 (Bromley Town Centre Public Realm Improvement Scheme)	Cr 2,844
Approved by Executive 7th November 2017 (Bromley Town Centre and Public Realm)	Cr 464
Approved by Executive 17th October 2018 (Bromley Town Centre - Mirrored Canopies & Shops)	Cr 415
Approved by Executive 22nd March 2017 (Project Officer cost Bromley Town Centre Public Realm impro	Cr 40
Approved by Executive 22nd March 2017 (Community Initiative)	Cr 15
Approved by Executive 24th May 2017 (Feasibility Works/Property Disposal)	Cr 250
Renewal Team Cost	Cr 310
Subject to approval by Executive 28th November 2018 (Housing Development Feasibility)	Cr 100
Total further spending approvals	Cr 22,187
<u>Schemes Approved, but not committed</u>	
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr 6,790
<b>Uncommitted Balance on Growth Fund</b>	<b>10,177</b>

## APPENDIX F - FEASIBILITY WORKS

### CAPITAL PROGRAMME MONITORING - NOV 2018

Location	Estimated Feasibility / Viability Cost (£'000)	Description	Nov 2018 Status
West Wickham Leisure Centre	35	To fund study to deliver optimal new leisure facilities based on market evidence as to rents from third party operators' together with residential development to generate a capital receipt to fund the cost of re-provision of facilities.	Report to RR PDS March and Executive in April - concept scheme approved. Multi disciplinary design/real estate team appointed via SCAPE Framework as of Sept 18. Programme in development.
The Glades Department Store	49	To fund work to progress the business case for the development of a new Department Store at the Glades Shopping Centre utilising the Council's interests at Market Square so as to improve footfall and therefore improve the asset value and return on income derived from the Councils ownership of The Glades.	Discussions held with interested party and architects appointed to advise on initial feasibility. The interested party have advised that market conditions are in flux and that an update will be forthcoming in Dec/Jan.
The Walnuts Centre	33	To fund work to progress the business case for the development at the Walnuts utilising the Council's interests at and around the Walnut's Centre including the Leisure Centre so as to provide larger retail opportunities and improve footfall and therefore improve the asset value and return on income derived from the Councils ownership of The Walnuts.	Initial brief prepared and architect appointed. Architect has delivered works package - need to market test for a Property Advisor - subject to Executive approval - anticipate taking to Executive in February 2019 once initial cost analysis undertaken.
Old Town Hall/Civic Centre	44	To fund a review of the Council's accommodation strategy at the Civic Centre based on the addition of the former Town Hall becoming available as part of the Council's property portfolio and how that asset could be utilised as a Democratic Centre and associated offices/meeting space.	C&W undertaken review and provided disposal advice. Report to Executive in April 2018 - with disposal recommendation. Sale failed to progress and site now being re-marketed. Offers in by mid December.
Depots Review - Disposal Options	45	To fund disposal viability studies as to density and permitted development together with initial planning briefs so as to be in a position to take to market as an outcome of the Depot review.	C&W undertaken review and provided advice - papers from Env Services taken to Executive and approved.
Biggin Hill Aviation College - Alternative	20	To fund potential alternative site viability studies for Biggin Hill should the Council decide not to pursue Area 1 purchase for an Aviation College/Enterprise Zone.	C&W undertaken valuation advice in respect of potential land acquisition/ provided advice - no further action.
Libraries (Chislehurst model roll out)	18	To fund the investigation of viability of renewing other library facilities by redeveloping their sites and using the capital receipt proceeds to develop replacement facilities within said schemes.	Not actioned as yet - due to Dev Agreement not yet entered into. Meeting with Developers to finalise on 8 Nov.
Lease standardisation	6	To fund legal work to create standard T&C's to the property portfolio	Under review.
<b>TOTAL</b>	<b>250</b>		





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DATE: 28 November 2018

## EXECUTIVE

**Wednesday 28 November 2018**

### **7 CAPITAL PROGRAMME MONITORING - 2ND QUARTER, 2018/19 (Pages 3 - 4)**

Executive, Resources and Contracts PDS Committee has recommended that recommendation (b) (iii) relating to the Betts Park Canal Stabilisation Project is deleted. A letter from the Department of Transport dated 13<sup>th</sup> November 2018 regarding Local Transport Capital Funding 2018/19 is attached, together with a list of allocations to London Boroughs. Please note the following amended recommendation (b) (vii) and new recommendation (b) (viii) -

**(vii) note that the additional local transport funding of £1.1m is allocated for the 2018/19 financial year to fund carriage maintenance schemes and approve an increase in the 2018/19 Capital Programme to reflect this.**

**(viii) Note that a report will be submitted to Environment PDS in February 2019 to identify progress on schemes during 2018/19 and agree additional capital schemes for completion during 2019/20.**

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

## London

### Local Highways Maintenance

The allocations we are providing in financial year 2018/19 to local highway authorities in London for repairing the local road network. In general, funding for London is provided from other routes. A breakdown is as follows:

£k	£420m (Budget 2018) <sup>1</sup>
Camden	328,000
City of London	91,000
Hackney	320,000
Hammersmith and Fulham	274,000
Haringey	466,000
Islington	295,000
Kensington and Chelsea	230,000
Lambeth	462,000
Lewisham	504,000
Newham	425,000
Southwark	558,000
Tower Hamlets	539,000
Wandsworth	362,000
Westminster	520,000
Barking and Dagenham	420,000
Barnet	690,000
Bexley	703,000
Brent	661,000
Bromley	1,117,000
Croydon	956,000
Ealing	556,000
Enfield	778,000
Greenwich	686,000
Harrow	509,000
Havering	895,000
Hillingdon	919,000
Hounslow <sup>2</sup>	-
Kingston upon Thames	396,000
Merton	489,000
Redbridge	550,000
Richmond upon Thames	553,000
Sutton	474,000
Waltham Forest	534,000
Transport for London	2,740,000

Note 1: £20m has been allocated to London, which has then been allocated to individual boroughs and TfL using 2015 road lengths.

Note 2: Highways maintenance for the London Borough of Hounslow is provided through a Highways Maintenance PFI.



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Department for Transport  
Room 2/14  
Great Minster House  
33 Horseferry Road  
London SW1P 4DR  
Direct Line: 0207 944 2149

Web Site: [www.dft.gov.uk](http://www.dft.gov.uk)

Doug Patterson  
Chief Executive  
London Borough of Bromley  
Via email:  
[doug.patterson@bromley.gov.uk](mailto:doug.patterson@bromley.gov.uk)

13 November 2018

Dear Mr Patterson

## **LOCAL TRANSPORT CAPITAL FUNDING 2018/19 FINANCIAL YEAR**

The Chancellor of the Exchequer announced in the Budget 2018, the Government is allocating £420 million in the 2018/19 financial year for local highways maintenance, including the repair of potholes, to keep local bridges and structures open and safe, as well as to help aid other minor highway works that may be needed.

Ministers have agreed to provide London with £20 million. In order to minimise administrative burdens for all concerned and to be fair and proportionate, we will be distributing the funding formulaically, based on the road length for which your authority is responsible. We made the payment for your share of the funding on 13 November.

We expect your authority to use this funding for its intended purpose. We would also expect your authority to publish a brief note on its website by end of March 2019, copied to the Department for Transport, setting out how this funding has been utilised. It would be helpful also if you could ensure, where feasible, that your authority publishes pictorial evidence on your website which shows the 'before' and 'after' of each repair undertaken.

The Grant Determination for the fund your authority is receiving is attached, as is a declaration at Annex A that you and your Authority's Chief Internal Auditor are required to sign and to return to the Department for Transport by 30 September 2019.

The table below shows your allocation from the Fund.

<b>Grant Stream</b>	<b>2018/19 Allocation</b>
Budget 2018 Additional Highway Maintenance	£1,117,000

Please contact us at [LT.PLANS@DFT.GSI.GOV.UK](mailto:LT.PLANS@DFT.GSI.GOV.UK) or telephone Gordon Rolfe on 0207 944 2249 for queries relating to the capital block funding allocations outlined in this letter.

Yours sincerely,



Anthony Boucher  
Deputy Director: Local Infrastructure

Report No.  
CSD 18178

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** CAPITAL PROGRAMME: IT TRANSFORMATION

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** All

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1. Reason for report

- 1.1 At its meeting on 28<sup>th</sup> November 2018 the Executive approved the recommendations in the attached report on proposals for a major re-refresh of the Council's core IT and key business systems to continue to deliver robust and secure communications and technology infrastructure to deliver services to residents and staff. The report had previously been scrutinised by the Executive, Resources and Contracts PDS Committee at its meeting on 22<sup>nd</sup> November 2018. The report requires two financial decisions to be made by full Council to support the transformation programme. These financial decisions were also highlighted in the Capital Programme Monitoring report considered by the Executive at the same meeting.
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2. **RECOMMENDATIONS**

That Council -

**(1) Agrees that £3.5m be set aside in the Technology Fund earmarked reserve from underspends in the 2018/19 Central Contingency for the Council's IT Transformation scheme.**

**(2) Approves the addition of £5.381m to the Capital Programme to undertake the delivery of the ICT transformation project between 2019 and 2022, funded from a total reduction of £1.925m to existing IT capital schemes, and £3.456m from 2018/19 revenue underspends set aside in the Technology Fund.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Excellent Council:
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## Financial

1. Cost of proposal: Estimated Cost: £5.381m
  2. Ongoing costs: Recurring Cost: 392k for 2018/19 and £394k per annum from 2019/20
  3. Budget head/performance centre: IS development and LAN budget, HR DMS Budget
  4. Total current budget for this head: £197k and £90k.
  5. Source of funding: Existing IT capital schemes, capital receipts and internal borrowing where necessary. Existing revenue budgets 2018/19.
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## Personnel

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

## Legal

1. Legal Requirement: Statutory Requirement:
  2. Call-in: Not-Applicable: Full Council decisions are not subject to call-in.
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## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

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

## Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	See attached report
Background Documents: (Access via Contact Officer)	See attached report

# London Borough of Bromley

Report No.  
CSD18176

PART I - PUBLIC

Agenda Item No:

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**Decision Maker:** Executive/Full Council

**Date:** 28<sup>th</sup> November 2018/10<sup>th</sup> December 2018

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

**TITLE:** IT TRANSFORMATION

**Contact Officer:** Mark Bowen and Vinit Shukle  
Tel: 020 313 4461 email: [Mark.Bowen@bromley.gov.uk](mailto:Mark.Bowen@bromley.gov.uk);  
[Vinit.Shukle@bromley.gov.uk](mailto:Vinit.Shukle@bromley.gov.uk)

**Chief Officer:** Mark Bowen, Director of Corporate Services

Ward: All Wards

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## 1. REASON FOR REPORT

1.1. This report provides details of a major re-refresh of the IT infrastructure that supports the Council's core IT and key business systems, mainly due to the cessation of several manufacturers support during the next two years.

1.2. The report includes the significant risks and the required changes that are needed to ensure that the Council retains a significant number of critical infrastructure platforms.

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## 2. RECOMMENDATIONS

2.1. The Executive is asked to:

2.1.1. To endorse the ICT strategy attached as Appendix 1.

2.1.2. Note the information and agree to the procurement of End of Life (EoL) IT infrastructure and the proposed work to be undertaken to upgrade and replace the platforms as set out in this report.

2.1.3. Executive is requested to recommend that Council approves the addition of £5.381m to the Capital Programme to undertake the

delivery of the ICT transformation project between 2019 and 2022, funded from a total reduction of £1.925m to existing IT capital schemes, and £3.5m set aside in the Technology Fund earmarked reserve from underspends in 2018/19.

- 2.1.4. Agree a hybrid approach of 'on premise' and cloud IT infrastructure to facilitate the upgrade requirements as detailed in paragraph 3.6.7.
- 2.1.5. Agree that the Director of Corporate Services is given delegated authority in consultation with the Portfolio Holder to agree the cloud or 3<sup>rd</sup> party cloud solution, as needed for Disaster Recovery (DR) and for Business Continuity (BC).
- 2.1.6. Agree the use of Westminster Pan-London Framework and utilise the current service provider, BT, to deliver the upgrade and procure the services and supplies detailed in the report Where in the opinion of the Director of Corporate Services a separate procurement is required or desirable, agree to delegate authority to the Director of Corporate Services in consultation with the Portfolio Holder, to authorise the use of an appropriate framework or alternative procurement route.
- 2.1.7. Agree the creation of up to 3 FTE temporary posts if required to support, coordinate and manage the delivery of the projects for a period of 27 months, as set out in paragraph 3.7.1.
- 2.1.8. Agree that any future development costs for systems will be funded from the Capital Programme, as and when new system development is required, enabling revenue saving of £170k to reduce the growth.
- 2.1.9. Agree additional net growth of £92k for 2018/19 and £394k per annum from 2019/20 to cover the licensing, support and system running costs.
- 2.1.10. Members to note as set out in paragraph 3.6.59, it is estimated that a further £250k may be required to undertake the reviews of the LoB Systems and the potential replacement costs for those Line of Business Systems could be up to £5m in the next three years.

## 2.2. Council is asked to:

- 2.2.1. Council is requested to agree that £3.5m be set aside in the Technology Fund earmarked reserve from underspends in the 2018/19 Central Contingency for the Council's IT Transformation scheme.
- 2.2.2. Approve the addition of £5.381m to the Capital Programme to undertake the delivery of the ICT transformation project between 2019 and 2022, funded from a total reduction of £1.925m to existing IT capital schemes, and £3.456m from 2018/19 revenue underspends set aside in the Technology Fund.



## Corporate Policy

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

## Financial

1. Cost of proposal: Estimated Cost £5.381m one-off costs
  2. On-going costs: Recurring Cost £92 k for 2018/19 and £394k per annum from 2019/202.
  3. Budget Head/Performance Centre: IS development and LAN budget, HR DMS budget.
  4. Total current budget for this Head: £197k and £90k
  5. Source of Funding: Existing IT capital schemes, capital receipts and internal borrowing where necessary. Existing revenue budgets 2018/19.
- 

## Staff

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

## Legal

- 1) Legal Requirement: Statutory Requirement/Non-Statutory Requirement – Government guidance/No Statutory Requirement or Government Guidance
  - 2) Call In: Call In is applicable
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide
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## Ward Councillor Views

- 1) Have Ward Councillors been asked for comments: No
- 2) Summary of Ward Councillors' comments: Not applicable

### 3. COMMENTARY

- 3.1 It is integral for The London Borough of Bromley, like all Councils, to have stable, robust & secure communications and technology platforms (infrastructure) to deliver services to their residents and support staff.
- 3.2 It is also crucial for the Council to retain manufacturers support for IT infrastructure and business applications so that all Council Services and Departments get a supportable service.
- 3.3 Members are referred to report CEO 01630 for background that was approved by the Executive on 9<sup>th</sup> August 2017. Subsequently, Officers worked closely with BT to produce the IT Strategy that supports its business objectives, rather than be prescriptive of solution, attached as Appendix 1. The It Strategy sets out the policies and principles for IT over the coming 3-5 years and promotes the principle of 'Cloud First' - a fundamental shift in the approach to delivering IT. This move to the "cloud" will offer the Council much needed Disaster Recovery (DR) and Business Continuity (BC) as well as improved mobility and flexibility, which aligns with the Accommodation Strategy.
- 3.4 The necessity to upgrade and transform a significant number of areas within the Council's IT infrastructure is due to the expiry of maintenance and support from the manufacturer and software providers for core infrastructure, including Productivity Suite and for several key IT systems.
- 3.5 The infrastructure upgrades that must be completed will have the added benefit of delivering opportunities for a more efficient and effective IT service that takes into account the current and emerging changes in the Council and IT; cloud, technology shifts, and provides greater flexibility around specific user requirements e.g. the accommodation strategy requires a new approach to agile working.
- 3.6 This report considers the following areas of the IT Strategy and options available due to cessation of manufacturers support: -
- 3.6.1 Infrastructure Upgrade
- a. Servers Infrastructure
  - b. Windows 7 Upgrade (incl hardware if required)
  - c. Office 2010 Upgrade
  - d. Network Upgrade
- 3.6.2 Disaster Recovery and Business Continuity for key IT Systems
- 3.6.3 Reviews of Line of Business Systems

#### **a) Servers Infrastructure**

- 3.6.4 The Council has the following options around its End of Life (EoL) IT Server infrastructure;
- Do nothing - Leave infrastructure with no maintenance or support

- Upgrade 'on premise'
- Upgrade to hybrid model, 'on premise' and use of Cloud infrastructure

### 3.6.5 Do nothing - Leave infrastructure with no maintenance or support

- If a failure on an unsupported business critical application occurred this could lead to services failing within the Council, with a potentially direct impact to public services (financial, fines, risk to lives, damages etc).
- The current Public Services Network (PSN) accreditation would be withdrawn due to non-compliance around unsupported hardware and software with no ability to security patch or use bug fix software, thus severely impacting the Council's ability to carry out business transactions, such as we may be denied access to NHS Link (HSCN Link).
- Managed Service support for EoL systems will revert to 'reasonable endeavors support' with no fixed Service Level Agreement (SLA)
- Application vendors will phase out support on the products currently deployed within the LB Bromley IT estate, if the underlying infrastructure is unsupported.
- Unpatched and unsupported software and hardware would heighten the risk of security breaches, from both internal and external attack, with risk code in older versions of software being exploited.

### 3.6.6 Upgrade 'on premise'

- Upgrade 'on premise' does not follow the recommended principle of Cloud first of the new IT Strategy.
- Keeping services running from a single 'on premise' Data Centre, will not establish a Disaster Recovery or Business Continuity capability within the Council for its business-critical systems. It merely replaces the old equipment with new equipment.
- If the Council continues to upgrade 'on premise' services, additional costs will be incurred in keeping each service up-to-date; e.g. no evergreen option (Evergreen IT refers to running services comprised of components that are always updated by a third-party vendor). This does not follow the Strategic principle of the LB Bromley's IT Strategy – "Cloud First".

### 3.6.7 Adopt hybrid approach, upgrades 'on premise' and use of Cloud infrastructure – Recommended

- Adopting the Hybrid Cloud in a managed and staged approach whereby legacy 'on premise' applications are moved to provide resilience and Business Continuity only if it reduces overhead and management costs, and maintains the uptime, performance and accessibility for each application
- Establishes a Disaster Recovery (DR) capability within the Council for its business-critical systems

- Microsoft Office 365 delivers the Evergreen IT principle of always keeping software up-to-date. Improved release and updated cycle management would reduce the need for regular, expensive migrations (e.g. Windows XP to Windows 7).
  - Risk transfer to third party – who will be responsible for updating many of the infrastructure components on an ongoing basis
  - Support accommodation strategy, enabling improved working practices – enhanced mobile / smart working
  - Help support business application reviews in terms of capability and flexibility in relation to supporting specific requirements from the application vendors
  - Increased Citizen satisfaction when accessing the Councils digital services
    - Support Digital by Choice strategy by improving platforms offered to Citizens – improved uptime and access
    - Reduce Customer/Citizen system outages
- 3.6.8 It is recommended that LB Bromley should adopt the Hybrid cloud approach for the upgrade and transformation of the server infrastructure; this offers the flexibility of gradually moving systems to the cloud, which would also reduce the impact on key services. The programme would target Business Critical EoL systems as the first candidates to move to the cloud (as the core deliverables), and ensure DR is enabled for the business-critical applications.
- 3.6.9 The recommended upgrade of the infrastructure will be done in 2 stages. In Stage 1, all servers that are going to be EoL within next 12 months will be upgraded within the current Data Centre and in Stage 2 some of these infrastructures will be moved to the cloud. A one-off cost for Stage 1 will be approximately £504k. Stage 2 will be a one-off cost of approximately £796k with estimated ongoing costs of £43k.

**b) Windows 7 Upgrade to Windows 10, including hardware refresh if required**

- 3.6.10 By January 2020, the current client Operating System (OS) used by the Council, Windows 7, will go EoL. This means that all devices using this OS will no longer receive security updates protecting the Council end user devices from virus, spyware and malicious data attacks, or qualify for bug fixes from Microsoft.
- 3.6.11 From October 2018, the Council has 12 months to plan for, evaluate, test, set-up, deploy and rollout Windows 10 to all Council end user devices running Windows 7. As most OS upgrades take approximately 12 months, this work needs to be given the highest priority and fast-tracked.
- 3.6.12 The Council has the following options around the Windows 7 Upgrade;
- Do nothing - Leave Windows 7 with no maintenance or support
  - Upgrade Windows 7
- 3.6.13 Do nothing - Leave Windows 7 with no maintenance or support:

- The current Public Service Network (PSN) accreditation would be withdrawn, due to non-compliance around the unsupported software (with no ability to security patch or use bug fix software) as well as we may be denied access to NHS Link (HSCN Link).
- Impacts of not moving to a supported client OS are already causing issues with, for example, new client hardware as Windows 7 supported laptops and desktops are no longer available
- No security or bug fix updates will be supplied by Microsoft for Windows 7 after Jan 2020
- Managed Service support for Windows 7 from BT will revert to 'reasonable endeavors' support, with no fixed Service Level Agreement (SLA)
- New applications will cease to support Windows 7.
- If a data breach arises due to unsupported system, then ICO is likely to impose significant financial penalties.

3.6.14 Upgrade Windows 7 - As part of the initial options review for replacing Windows 7, the IT team have evaluated the current market leaders providing alternative operating systems;

- Linux Ubuntu
- Google Chrome
- MacOS
- Windows 10

3.6.15 The following points were contributory factors in the recommendation below in 3.6.16, upgrading to Windows 10;

- The alternatives to a Microsoft client OS have financial benefits around the licensing models as Linux and Google are free to download, but the Managed Services and training of the staff to support these platforms make the overall Total Cost of Ownership (TCO) greater than Microsoft.
- The LBB's current IT Service Provider do not support Linux, Google or MacOS.
- The full deployment of Linux, Google or Mac as an operating system would be classed as a major innovation within the local government sector, with only small numbers of adopters; this does not comply with one of the council's core IT principles 'Utilise Proven Solutions within the Market Place'.
- One of the major public sector adopters of Linux, the City of Munich, has recently decided to move fully back to Windows 10, evidencing that Linux adoption is not a simple process.
- Significant training for any alternative to the standard Microsoft platforms would need to be given to all staff.
- The adoption of alternatives to a non-Microsoft platform would be a step change and would require users to embrace new interfaces for many lines of business application services.

- Extreme testing will also be required if non MS OS is chosen to ensure compatibility with all Council systems.

3.6.16 It is recommended that LB Bromley should upgrade to Windows 10 OS and the benefits and reasons to deploy Windows10 are outlined below;

- Improved Windows 10 Security - ensuring that systems are protected from advanced browser attacks.
- Release and update cycle management – there would be no requirement for major release upgrades as Windows 10 would have regular 6 monthly code updates. The Council has previously needed regular, expensive migrations such as, Windows XP to Windows 7.
- The new OS will support the latest devices, enabling the Council to select the most appropriate device for the Council job roles.
- The user experience will be enhanced with built in tools and features that help users collaborate and work more efficiently, providing improved mobility options that the other alternative options do not provide.

3.6.17 The Preferred Option to upgrade the Window 7 platform to Windows 10; with the current market position and adoption of this platform makes the selection credible. The estimated cost of the Windows 7 upgrade is £1.88m. The costs also include £1.2m for Hardware upgrade (Computers), if the current computers cannot be upgraded to Windows 10 OS.

### **c) Office 2010 upgrade**

3.6.18 The Council currently uses Microsoft Office 2010 that has been used since 2013, which will be out of support from Microsoft in October 2020. The Council has the following options around its End of Life (EoL) Office 2010;

- Do nothing – Leave Office 2010 with no maintenance or support
- Upgrade to a supported version of Microsoft Office or alternative

3.6.19 Do Nothing - Leave Office 2010 with no maintenance or support:

- As with Windows 7, there would be no security or bug fix updates supplied by Microsoft after January 2020 for Office 2010
- Managed Service support for Office 2010 from third party support providers will no longer provide compressive support as well as support will not be guaranteed, with no fixed SLA.
- New applications that link to the Office suite will cease to support Office 2010
- The current PSN accreditation would be withdrawn due to non-compliance around unsupported software (no ability to security patch, bug fix software).
- If a data breach arises due to unsupported system, then ICO is likely to impose significant financial penalties.

- 3.6.20 Upgrade Office 2010 - As part of the 'initial options' review for replacing Office 2010, Officers evaluated the market leaders for any alternative systems available and these were;
- Google GSuite
  - Office 365
  - LibreOffice
- 3.6.21 The following points were taken into consideration during the selection process;
- Change Management
  - Adoptions
  - Training
  - Financial factors
  - Unified communications
  - Video/web conferencing
- 3.6.22 Officers have access to Gartner who are an independent leading research and advisory company. Gartner's provide senior leaders across the enterprise with the indispensable insights, advice and tools they need to achieve their mission-critical priorities and build the organizations of tomorrow. It is the intention of the officers to continue with the service from Gartner for further two years, to ensure that
- 3.6.23 Based on the Gartner cost models, Gartner believes that midsize organizations, which lack economies of scale for internal computing operations, will likely save money (model shows 23%) and have a more efficient cost structure moving from 'on premise' services to Office 365 Enterprise E3. Gartner Analyses is attached as Appendix 2.
- 3.6.24 The open source product LibreOffice was also reviewed and it was found that this is a desktop based application and it does not have Cloud option unless the browser-accessible LibreOffice Online version is utilised, complete with collaborative editing.
- 3.6.25 There is also no publicly available LibreOffice Online, as there is for Microsoft's, Apple's, and Google's application, which goes against the recommended Cloud First Strategy.
- 3.6.26 LibreSuite does not provide the full suite of applications like G-Suite or Microsoft 365 (Collaboration, Content Management, IP Telephony etc)
- 3.6.27 As Microsoft Office has been embedded within the Council's systems for over 10 years, the change to this key productivity tool will require a culture shift within the organisation. Staff will need to embrace different work styles and adopt new processes to utilise cloud-based applications.

- 3.6.28 Bromley's Managed Service Provider BT do not support G-Suite and therefore, the contracts for support of this service would need to be negotiated. BT have indicated that as they do not support G-Suite, all of the support staff would need to be trained to support Council staff and this may increase the support costs, as well as a review of the Key Performance Indicator associated with this service.
- 3.6.29 The full deployment of Google GSuite would be classed as highly innovative within Local Government, as only a small number of authorities have adopted it.
- 3.6.30 Office 365 Business is hosted and maintained by Microsoft, which means there is no need to install and update software. Instead, the Council would have access to everything it needs for office productivity tools, without having to install and maintain servers and networks. Set up is fast, with immediate access and will allow Council users to access Office applications with a single sign on using any device (tablet, PC, or smartphone), from any location.
- 3.6.30 Google lacks broad support for telephony or PBX services in the cloud, and requires partners such as Dialpad or RingCentral to implement these capabilities. Microsoft offers corporate telephony services through its Phone System and Calling Plan features.
- 3.6.31 Google Hangouts Meet offers easy-to-use conferencing capabilities. It does not offer some specific functionality when compared to Microsoft Skype for Business/Teams, which is a more specialized tool built for business communications. For example, Skype for Business has more detailed status capabilities, and supports higher numbers of meeting participants
- 3.6.32 Further benefits and reasons to deploy Office 365 are listed below:
- Selection of the Office 365 solution would remove a number of the larger core applications delivered within the 'on premise' data centre, for example SharePoint, Exchange and Lync.
  - Moving to a Cloud platform would offer users options around simplified agile working that will be required with the accommodation strategy.
  - The Office 365 plans available to the council come with local versions of the Microsoft Office applications. This provides even more options around a flexible mobility strategy
  - The Office 365 provides improved security, ensuring the systems are protected from advanced browser attacks.
  - There will be no need for the Council to carry out regular, expensive major Office upgrades as these would be replaced by 6 month updates from Microsoft.
  - It provides improved user experience with built in tools and features that help staff collaborate and work efficiently
  - Switching to Office 365, would enable the Council to improve workflow efficiency and significantly improve collaboration with anytime and anywhere access.



- Office 365 is a proven solution and has been extensively used by local authorities.
- 3.6.33 The Council's proposed approach to new ICT strategy has several agreed core design principles that were also considered as part of the productivity tool selection;
- Cloud First
  - Utilise Proven Solutions within the Market Place
  - Use open standards and common platforms
- 3.6.34 It is recommended; therefore, that the Council should upgrade to Office 365. This will also compliment the hybrid upgrade of the infrastructure and provide DR and BC for systems such as Emails, Documents, SharePoint etc.
- 3.6.35 The recommended option is the subscription-based option provided by Microsoft. The implementation of Office 365 is estimated to cost £408k with ongoing costs of £608k. The revenue costs are based on license costs for 2,000 users per annum.
- 3.6.36 Officers have identified a Document Management system that is currently being used by Environmental Services could be used for HR, reducing expected ongoing costs of approximately £90k to £30k. The £60k saving could be used to offset the additional cost of the Microsoft 365 licenses.
- 3.6.37 Within the current BT contract there is an amount of £170k set aside for IT development of existing or new systems. It is proposed that any new development work required for current or future systems be financed from the specific funding allocated to that particular project which would result in a revenue saving of £170k which could also be used to offset the cost of the Microsoft 365 licenses.
- 3.6.38 The Office 365 solution is a subscription-based solution. The costs are directly related to number of users and are validated annually. Therefore, should the total number of users reduce, the annual license subscription would reduce. For an example – a reduction of 100 users would reduce the costs by £30k. Although, any increase in users will result in an increase in the annual subscription costs.

#### **d) Network Upgrades**

- 3.6.39 As part of the overall review approx. 95% of the Local Area Network(LAN) is due to go EoL; which means that network devices running within the Council's infrastructure will not be supported by the vendor (Cisco).
- 3.6.40 As part of LAN review, as well as part of on-going discussions with BT around use of various frameworks to deliver further efficiencies and value for money as indicated in the and Executive Report COE 01630, BT were

requested to review Wide Area Network(WAN) with the view to deliver savings for the Council.

3.6.41 The Council has the following options following the BT and Officer review in regards to the LAN, WAN and Wireless hardware

- Do nothing - Leave LAN, WAN and Wireless hardware as is
- Upgrade LAN and Wireless hardware
- Upgrade LAN, WAN and Wireless hardware

3.6.42 The impact of staying with the existing LAN and Wireless hardware would be:

- The current PSN accreditation would be withdrawn due to non-compliance around unsupported hardware and firmware, with no ability for security patches and bug fixes
- Managed Service support for EoL hardware will revert to 'reasonable endeavors' support, with no fixed SLA
- Unpatched and unsupported hardware would heighten the risk of security breaches (internal and external attack); including the risk that the code in older versions of switches and other network equipment could be exploited.
- Management of the current estate is becoming more difficult as equipment goes EoL. There is also no centralised tool to assess the risk around the ageing network devices
- The current network design that has been deployed is over 5 years old and has no capacity for expansion or development.

3.6.43 If the Council accepts the recommendation to move to Office 365, then a Hybrid approach will need to be adopted and this will require links to third party DC's to offer connectivity back to the Civic Centre.

3.6.44 The additional benefits of WAN, LAN and Wireless hardware refresh are:-

- Increased bandwidths and therefore improved productivity - current network performance is poor and has an impact on users
- Improved access to Wi-Fi
- PSN Compliance - the new service supports LB Bromley PSN security obligations
- Improved management of the network, with the latest toolsets incorporated in the design
- Reduced operational complexity - Using BT's IP Connect MPLS technology will help to reduce operational complexity
- Property Rationalisation – If the Council adopt BT's WAN service it can offer supportive terms for the organisations planning to rationalise their property estate
- Future proofs the Council with Software Defined Network (SDN) ready equipment incorporated within the design.

3.6.45 It is therefore, recommended that LB Bromley should upgrade the WAN, LAN and Wireless hardware. The one of costs to upgrade WAN, LAN and Wireless hardware is estimated at £996k. The upgrade will provide ongoing savings of £27k per annum.

### **Disaster Recovery and Business Continuity for key IT Systems**

3.6.46 As part of the IT Transformations the officers have also considered Disaster Recovery options as part of the End of Life (EoL) systems and Data Centre renewal process.

3.6.47 The IT Strategy recommends adopting “Cloud first” to deliver a resilient infrastructure. The Council has only one ‘on-site’ data centre which is located under the Stockwell building and therefore carries extreme corporate and business risks.

3.6.48 Adoption of a “Cloud first” strategy offers the scope for disaster recovery for the business critical applications and also provides the ability to flex systems up or down dependent on the Council.

3.6.49 There are opportunities for the Council to reduce the risks when looking at the Disaster Recovery, Business Continuity and Data Centre transformation. These are listed below:

- Disaster Recovery and Business Continuity for the Councils Critical Systems
- Supports the accommodation strategy enabling improved working practices – enhanced mobile / smart working
- Helps support the business applications review in terms of capability and flexibility in relation to supporting specific requirements from the vendors
- Increased Citizen satisfaction when accessing the Councils digital services
- Supports the Digital by Choice strategy by improving platforms offered to Citizens
- Reduction of Customer/Citizen system outages.

3.6.50 The initial review around the upgrade requirements the officers have considered the following options;

- Do nothing
- Upgrade the current data centre
- Upgrade the current data centre and move critical systems to use third party

3.6.51 Do nothing - Allow systems to become unsupported by the vendor / manufacturer.

- The current PSN accreditation would be withdrawn due to non-compliance around unsupported software (no ability to security patch, bug fix software).
- In this position the Council would have the systems in question supported on a reasonable endeavors basis (no SLA) with the current service provider (BT).
- As a number of the platforms are nearing the end of extended support and have reached 10 years plus on their lifecycle, they will require significant effort and expense to bring them up to a supported or latest version

#### 3.6.52 Upgrade the current data centre 'on premise':

- Although in the short term upgrading systems tactically would enable the Council to bring certain functions back to a supportable state; this would only deliver a partial resolution.
- The Stockwell Data Centre and all its constituent parts will require regular multi-million pound investments, for example the need to keep up with growing storage needs. Additionally, the option of continued on site investment will not address the following risks faced by the council;
- No Disaster Recovery Plan - No options for recovering 'on premise' facility
- No business critical application list – No formalised list agreed within the council making DR planning and recovery objectives unmanageable; a move to the Cloud would force this requirement.

3.6.53 Upgrade the current data centre and move critical systems to use third party hosted environment will provide required disaster recovery and Business Continuity, thereby this option is recommended.

3.6.54 Move some systems to the Cloud over the medium term and utilise a mix of both Cloud and 'on premise'. This model offers the Council the opportunity to keep some of the systems running 'on premise' that have support longevity, thereby maximizing the Return on Investment, with a potential move to the Cloud at a later stage, if there is a business case.

3.6.55 In order to follow the recommended Corporate IT Strategy around adopting Cloud First to provide flexibility, DR and BC, it is recommended that Bromley move to a Hybrid approach; this offers the current traditional IT 'on premise' platform combined with a cloud/private cloud that includes, dynamic resource scaling, a chargeback model for lines of business, orchestration for automating repeatable tasks and a highly visible management platform to monitor how and where services get deployed. The gradual move of systems to the cloud will reduce the impact on key services.

### **Review of Line of Business Systems**

- 3.6.56 There are currently approximately 102 Line of Business systems that are being used across different Divisions/Departments. The details of the systems are included in Appendix 3. The intention is to reduce the number of Line of Business Systems.
- 3.6.57 It is recommended that reviews of these systems are undertaken to ensure the LoB systems are supportable, fit for purpose and future proofed. It is expected that any upgrade would also provide future efficiencies.
- 3.6.58 There are number of reviews that have already taken place and reports put forward to members with recommendations, such as Carefirst, Confirm and Uniform.
- 3.6.59 It is recommended that Critical LoB systems are individually reviewed prior to the expiry of the system support. It is envisaged that the review of these systems would cost approximately £250k and the upgrade of these systems is estimated to cost an additional £5m maximum within next 3 years.
- 3.6.60 Officers and system owners will bring individual business cases and reports forward to members, prior to any review or upgrade taking place.

### **3.7 Staffing**

- 3.7.1 Given the scale of programme, it is likely that there would be a need to have a short term additional appointments. Lessons learnt from the previous roll out of Windows 7 and upgrade of data centre. Whilst BT will provide support, an enhanced level of support will be required to protect the Council's interest. Therefore, it is essential that we resource the programme to ensure departmental coordination and project governances put in place to mitigate any risks of programme over running.
- 3.7.2 It is envisage that up to 3 temporary posts will be required, to assist in delivery of these major infrastructure projects. The work would include:
- Roll out coordination of departments.
  - Communication to all departments.
  - Coordination between IT, BT and third Party providers of LoB systems.
  - programme/project management.
  - Programme Governance to ensure the users requirements are met
- 3.7.3 Work will be contained wherever possible within the Client Team and the proposed costs will not exceed £308k for approximately 3 temporary posts over the 27 month period. This will ensure coordination of departmental and corporate rollout out hardware and software as well as systems upgrade.

## **4. POLICY IMPLICATIONS**

- 4.1 This report supports BBB which invest in technology to enable greater flexible working.

## **5 PROCUREMENT IMPLICATION**

5.1 ImprovIT, an external benchmarking specialist company, were chosen by the Westminster-Pan Framework, Westminster City Council (following an open procurement), to formally benchmark Lots 1 and 3 of the Pan London Framework (which LBB consumes services from).

5.2 The exercise was carried out in September 2018 and covered a wide range of services across both Lots, measuring price, complexity, scope and quality – key measure of assessing value for money.

5.3 Our current provider, BT were measured against a minimum of 8 peers who deliver the same services, at the same stage of contract, from each of the following sectors:

- Public sector
- Healthcare
- Manufacturing
- Financial Services
- Pharma

5.4 It was found that BT's framework pricing was 2.3% and 5.3% lower than their competitors and quality of service was between 5.5% and 1.9% better than the peer top quartile.

5.5 Under the existing Framework the Council is able to include further IT services which are similar to those currently under contract. Therefore, the proposals set out in this report are permissible without the need for a competitive tendering process. This also ensures stability, supportability and Continuity for the Council.

5.6 The framework does not limit the officers should the officers find to soft market test and appoint alternative provider. Therefore, should market testing indicate that value for money can be provided by alternative framework then it is recommended that procurement is undertaken with most appropriate framework in consultation with the Portfolio Holder and Director of Corporate Services Director.

## **6. FINANCIAL IMPLICATIONS**

5.1 This report is highlighting the transformation work that needs to be carried out in order to ensure that the Council is running a supported and fit for purpose IT infrastructure.

5.2 The current estimated capital costs of delivering this work is £5.381m, as set out in the table below, and Members are requested to agree to add this to the Capital Programme:

<b>Estimated Capital Costs</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Windows 7 to Windows 10 upgrade	170	510			680
Hardware	300	900			1,200
On premise Data Centre I/F upgrades	126	378			504
Network refresh - LAN and WAN	498	498			996
Office 2010 to Office 365 migration (2000 users)		204	204		408
DC/DR Environment Cloud		159	318	318	795
Project staffing (3 FTE's)	34	137	137		308
10% Contingency	110	280	70	30	490
<b>Total</b>	<b>1,238</b>	<b>3,066</b>	<b>729</b>	<b>348</b>	<b>5,381</b>

5.3 Within the current Capital Programme there are a number of IT schemes which will no longer be required or will be superseded by the proposed work. The total remaining budget available from these schemes is £1.925m as set out in the table below, and Members are requested to agree these schemes are removed from the Capital Programme to help fund the proposed works:

<b>Capital Scheme</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Upgrade of Core Network Hardware	200	426	626
Replacement of Storage Area Networks	100	721	821
Rollout of Windows 7 and Office 2000	30	97	127
Replacement of MD110 Telephone Switch	50	138	188
Windows Server 2003 Replacement Programme	40	123	163
	<b>420</b>	<b>1,505</b>	<b>1,925</b>

5.4 As capital receipts are currently expected to be fully exhausted by the existing capital programme over the next few years, it is proposed that the remaining costs of £3.5m will be met from 2018/19 revenue underspends set aside in the Technology Fund.

5.5 Post-completion reports will be submitted to the Resources, Commissioning and Contracts Management Portfolio Holder in respect of the schemes to be removed from the Capital Programme listed in 5.3 above.

5.6 Overall net additional revenue growth of £92k is required for 2018/19 and £394k per annum from 2019/20, to cover the on-going costs for licensing and hosting services as detailed above and summarized in the table below: -

<b>Ongoing revenue costs</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>
Office 365 licenses	152	608
DC/DR Environment Cloud	0	43
Savings from LAN	0	-27
Savings from removal of development budget from BT contract	0	-170
Savings from using HR document management system	-60	-60
<b>Net additional revenue costs</b>	<b>92</b>	<b>394</b>

5.7 Whereas officers will look to reduce the Line of Business systems, It should be noted that it is still estimated that a further £250k will be required to undertake the reviews of the LoB systems and the potential replacement cost of the LoB

systems listed in Appendix 3, is expected to be £5m within the next 3 to 5 years. The actual costs will be updated as and when the reviews are undertaken.

5.8 It should also be noted that members agreed £3m for replacement of the CareFirst on 12<sup>th</sup> September 2018 and members will be considering further report on Customer Services System in near future.

## 6 LEGAL IMPLICATION

6.1 The value of the services and supplies is above the EU threshold value requiring full compliance with the Public Contracts Regulation 2015 (Regulations). The proposal is to use the current contract with BT to procure the services and supplies as the procurement is within the scope of the contract. In the event that the contract with BT is not used then an alternative Framework Agreement which has been tendered in compliance with the Regulations can be used. Alternatively the Council can carry out a tender exercise itself in accordance with the Regulations and the Council's Contract Procedure Rules.

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





Working Together

# London Borough of Bromley ICT Strategy V1.0

12<sup>th</sup> April 2018



# Strategy for the “Exploitation of Information and Technology”

## Executive Summary

Leading the way in enabling citizens and staff to realise the maximum value from utilising Information and Technology

The ICT vision for the Council is based on a 5 Strategic business themes which will enable ICT to deliver services and improvements to the business that are fit for purpose, easy to use and allow for simple access to information inside and outside of the Council.

### Business context and the role of ICT as a Strategic Partner

The ICT strategy is based on views expressed during interviews and engagement with the Executive Board and senior management. The Council’s ICT Team has recognised the need to pro-actively adapt to and meet the changing needs of the Council supporting Citizens in accessing services (Channel Shift), becoming more agile, flexible and proactive in providing leadership in information and technology. In doing this ICT must be empowered to become an equal business partner and will actively get closer to the business and evolve from its existing Customer-Supplier service model.

### ICT Strategic Themes and Implications for ICT & the Council

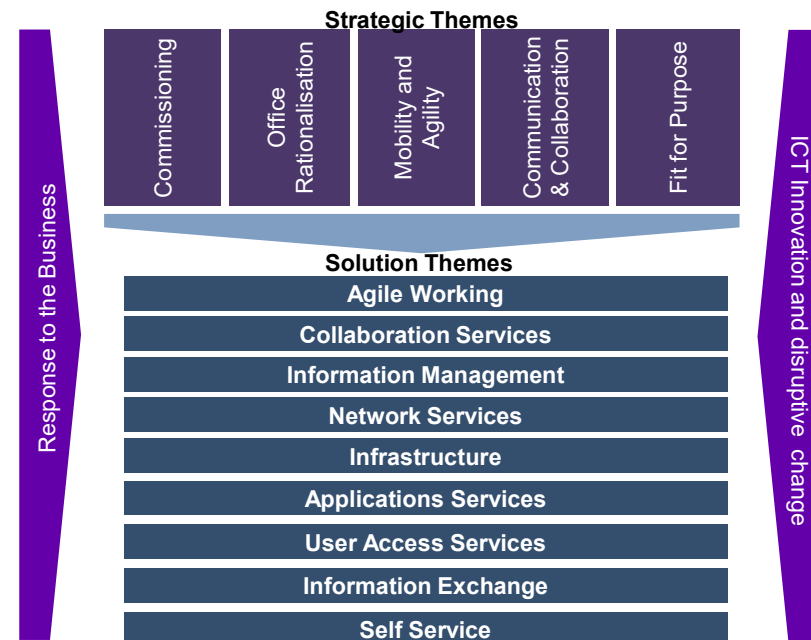
Five business themes/challenges have been identified to set the direction for the ICT strategy and roadmap. These will assist in developing a ‘rolling plan’, with a short, medium and long term roadmap. In addition, a pro-active approach will be taken to identify and respond to new requirements and technology innovations.

Controlling the demand for new ICT requirements will require management to govern ICT across the Council.

This ICT strategy focuses on how the proposed solutions themes will respond to the business themes and deliver benefits to the Council.

### Next Steps for review and Executive Board approval

The ICT Strategy will be reviewed and socialised with the CEO, members of the Executive Board and the Councillors. For each ICT Strategic Theme, roadmaps and financial plans will be elaborated through the Council’s Exec board and Councillors. Final approval will be sought in March 2018.

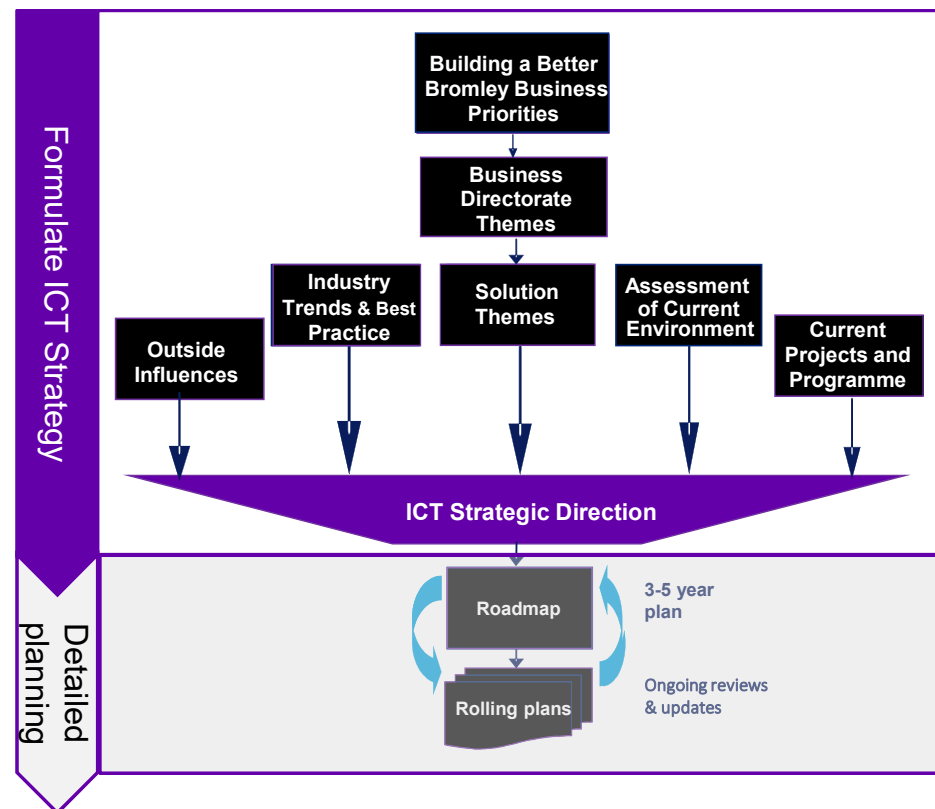


# The approach

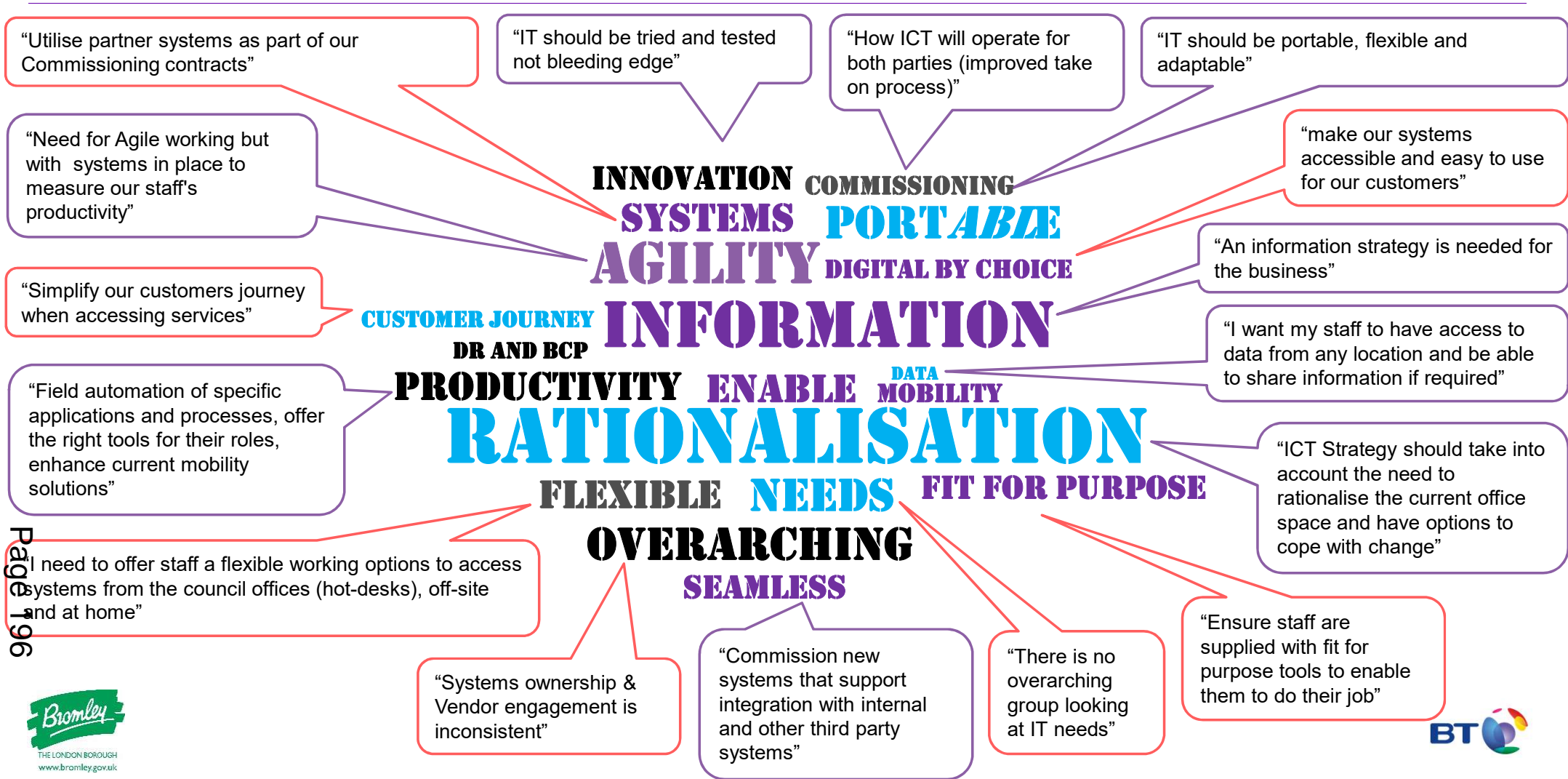
The approach undertaken to formulate the Council's ICT Strategy;

- Obtain ICT expectations from the business through Building a Better Bromley 2016 – 2018 strategy and senior stakeholder interviews
- Establish and playback directorate themes
- Identify key solution themes and priorities
- Consolidate solution themes with other inputs

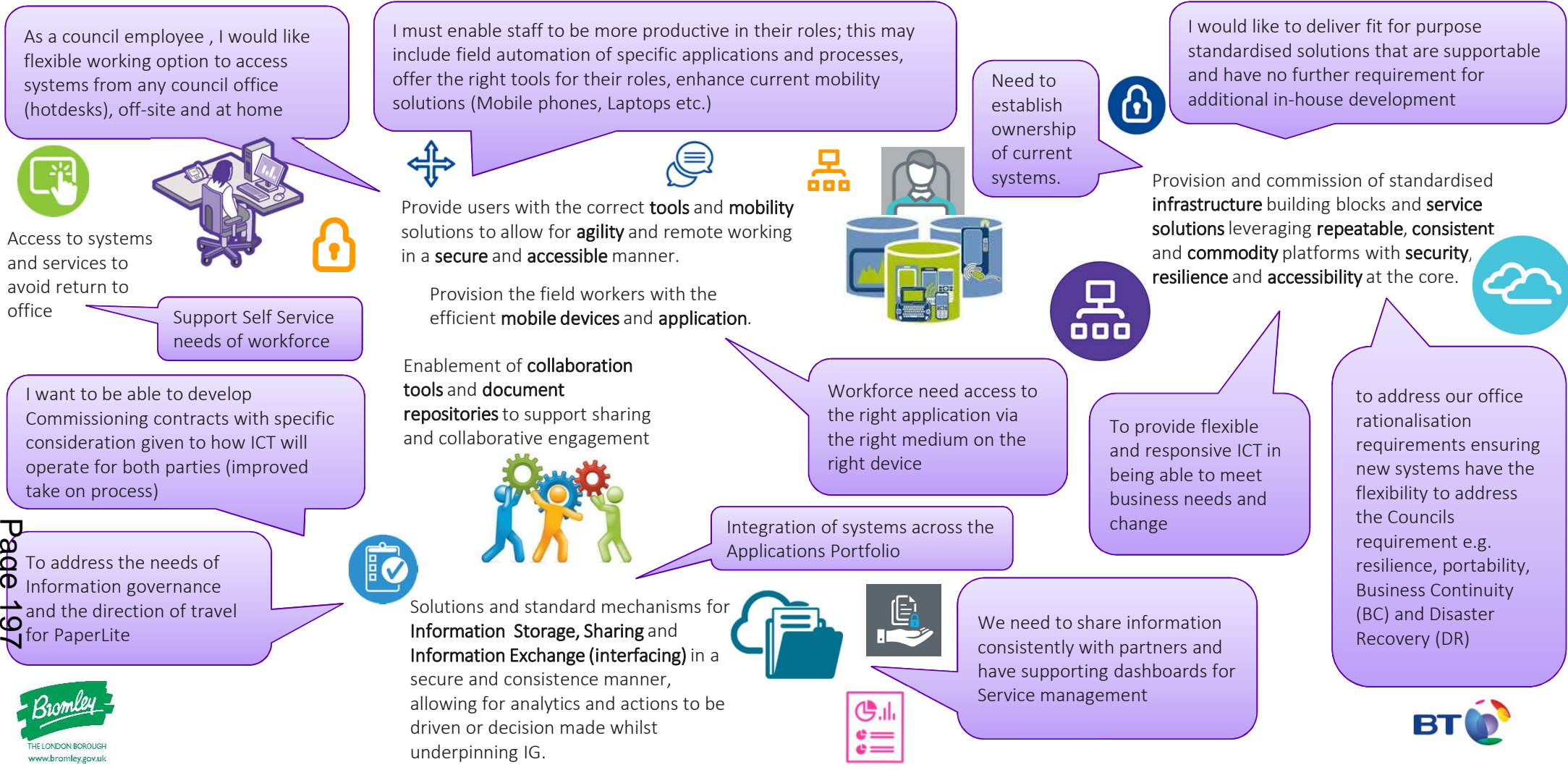
Formulate ICT Strategic Direction and rolling plans



# Stakeholder soundbites



# Directorate themes



# ICT solution themes

In listening to the business, **nine** key ICT Solution themes have emerged to address the extracted Directorate themes and these form the basis of this strategy.

## “Building a Better Bromley 2016-2018” expectations



## Identified strategic challenges based on directorate themes



## ICT Solution themes to address the challenges



Rapid Response to changes in the Council

ICT Innovation and disruptive changes

# ICT strategy design principles

Governance principles need to be followed to ensure clear accountability and focus on strategic improvements;

## What we will do;

Utilise Proven Solutions within the Market Place	Buy Software not Build	Cloud First
Use open standards and common platforms	Develop principles, policies and standards from the Enterprise Architecture	Ensure governance is applied around the security of the Council's services and Citizen's data
Promote Self Service ICT to Citizen's, User's and Partner's	Build in resilience: design for failure	Safeguard the Council's ICT systems with regular cyber security reviews

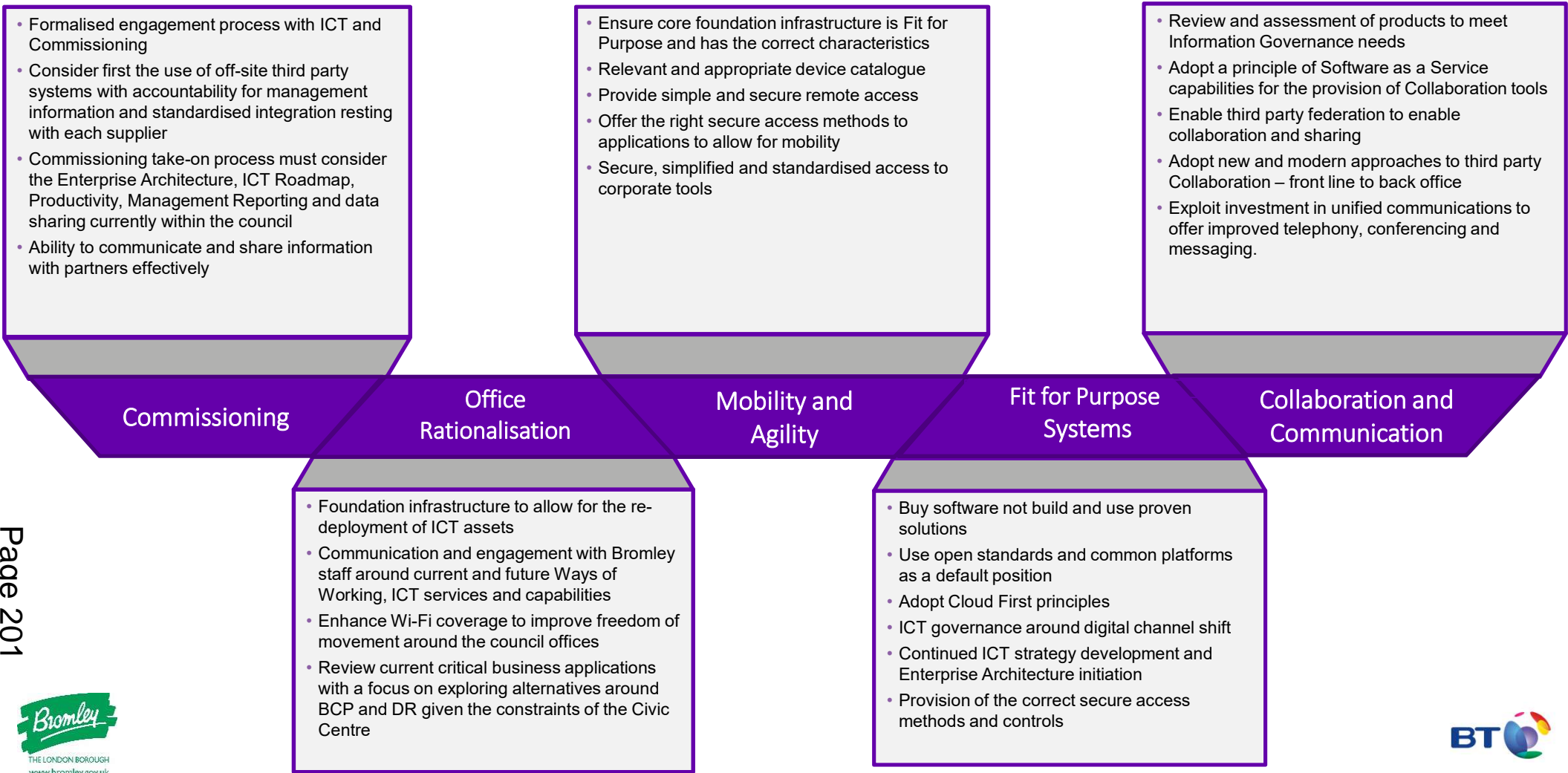
## What we won't do;

Build bespoke capabilities if not needed	Build solutions without resiliency, business continuity and disaster recovery at the forefront	Increase existing or build new data centre capacity
Assume that public cloud cannot be done	On board solution without prior ICT governance	Compromise the principles, policies and standards of the Enterprise Architecture
	Support ICT projects that don't follow strategic direction	

# ICT Strategic Challenges



# ICT principles to address each of the directorate themes





## Strategic Challenges

- With a continued focus on working with commissioning partners and the need for utilising their outsourced platforms where possible, Bromley needs to ensure information sharing, management reporting and business intelligence is incumbent on commissioning contracts
- The commissioning take on process must consider Bromley's enterprise architecture, ICT roadmap, disaster recovery, management information and data sharing needs
- The need to facilitate third party system integration with the councils infrastructure if required
- Ability to communicate and share information and data with partners effectively



## Delivery Principles

We will;

- Review ICT enabling capabilities;
  - Organisational structure
  - ICT Governance board
  - Enterprise Architecture capability
- Work cross functionally across LBB and beyond the borders of ICT
- Devise, with Information Governance, an Information Policy that incorporates sharing of information with partners and third parties
- Provide an appropriate security, mechanisms and process around third party access to the Council's systems
- Provide an improved collaboration tool that can enable organisation wide interaction with staff, partners and third parties.
- Review enhancements to the current conferencing facilities to provide improved interaction with third parties





## Business Benefit

- With a stronger ICT and business engagement and ownership of systems through the introduction of ICT governance this will support greater control of ICT spend
- Commissioning partner to maintain systems ownership and cost profile
- Introducing Enterprise Architecture, roadmap and technology strategy, aligned to business direction this will enforce ICT standards, policy and procedures
- Greater use of collaboration and communication tools will increase internal and external productivity and reduce travel costs



## Strategic Challenge

- The Council has made a commitment to rationalise the Head Office property. It is anticipated the need for 'hot-desking' and remote working practices allowing liberate staff from fixed desks.
- As the decision process evolves this should not prevent the development of mobile technology.
- Reduce paper based administration (PaperLite way of working).
- The current infrastructure allows for limited mobility and agility within the Council buildings
- With systems being delivered from a single fixed location (Bromley Civic Center) this constrains options to offer business continuity and disaster recovery from alternative sites
- To be able to demonstrate the value and return on investment on the Better Ways of Working policy



## Delivery Principles

We Will;

- As part of the Network refresh project address the needs of;
  - Pervasive network connectivity
  - Equipment reusability and flexibility
  - Business Continuity and Disaster Recovery
- With the business develop a standard device and service catalogue
- Through the introduction of an Enterprise Architect function produce a technical architecture for mobility
- Communicate to the business the ICT services available
- Enable Collaboration to enhance flexible working





## Business Benefit

- Increased flexibility from advances in mobility and remote access options leading to improvements in productivity
- Allows for improved people to desk based ratios
- Provides a capability to address BCP / DR risk



## Strategic Challenge

- As part of the network refresh the council would like to benefit from faster and more flexible approach to accessing services via the network
- The Council is faced with the challenge of providing an appropriate choice of devices to offer staff with the right tools for the job whilst managing costs and standardising support.
- Ensure access for users is simple and secure
- Simplified and standardised access to corporate tools



## Delivery Principles

We Will;

- Through the introduction of an Enterprise Architect function produce a technical architecture for mobility
  - develop a technical architecture and roadmap for End User Computing
- Develop, with the business, a mobile working policy
- As part of the Network refresh project address the needs of;
  - Pervasive network connectivity
- Provide an improved collaboration tool that can enable organisation wide interaction with staff, partners and third parties
- Carry out review client-side productivity tool requirements in line with the needs of “to be defined staff persona’s”





## Business Benefit

- Raising the profile and perceptions of ICT by delivering solution and services that are trusted by the user community and in-line with new ways of working
- Providing technology and services that allow for the user to be closer to the point of engagement
- Improved partner relationships with the delivery of simpler collaboration and communications tools.
- Productivity benefit linked to new working practices and access to information.



## Strategic Challenge

- The council needs to realign its approach of bespoke and in house solutions in favour of standardised common and proven application with standardised interfaces and data exchanges
- Need to remove department boundaries around the provision of ICT solutions (siloed and point solutions)
- Undocumented systems integration across line of business application
- Fit for purpose systems to meet the needs of a modern local authority
- Support for bespoke and in house developed systems
- No BCP or DR plan exists for ICT systems
- The council's systems have no fixed EOL dates documented as a result no roadmap exists for either OS or application upgrade/renewal
- Need to embrace Digital Strategy to create a better platform for customer to access services



## Delivery Principles

We Will;

- Facilitate a review and assessment of current business applications analysing if systems are fit for purpose with an emphasis on supportability and they have appropriate DR capability
- Maintain and Continuation of ICT strategy development
- Develop Enterprise Architecture capability and artefacts
  - ICT roadmap
  - Application Roadmap
  - Principle, policies, standards and governance
- Adopt Cloud First principles
- Develop self serve ICT options for end users
- Buy software not build and use proven solutions
- Conduct a consultative review around cost effective options to enable the council to implement Disaster Recovery
- Use open standards and common platforms as a default position







## Business Benefit

- Reduction in systems complexity which lowers the Total Cost of Ownership
- Improvements in resiliency associated with bespoke systems, development and support
- ICT Strategy and EA capability will allow a more integrated provision and adaptation to business change
  - Agile and modular incremental approach allows the Council to evolve.
- Employees benefit from more efficient systems and thus more effective working.



## Strategic Challenge

- No Information Governance strategy to define collaboration requirements
- A need for a standardised set of tools and services to allow for efficient and productive business communication between;
  - Intra-departmental
  - Inter-departmental
  - Third parties
  - Partnerships
- Requirement to support new ways of working
- Providing the right facility to meet the required use case
- Address cultural constraints that collaboration and communication technologies may present such as adoption
- Having systems and tools to meet the aspirations of PaperLite office



## Delivery Principles

We will;

- Provide an improved collaboration tool that can enable organisation wide interaction with staff, partners and third parties.
- Adopt a principle of Software as a Service capabilities for the provision of Collaboration tools
- Review and assessment of products to meet Information Governance needs
- Exploit investment in unified communications to offer improved telephony, conferencing and messaging
- Develop Enterprise Architecture capability and artefacts
  - ICT roadmap
  - Application Roadmap
  - Principle, policies, standards and governance





## Business Benefit

- Ability to access and search unstructured data
- Enhances the ability to easily share data and information within the constraints of the Information Governance strategy
- Offers greater flexibility and mediums for business communication
- Productivity benefit linked to new working practices and access to information
- Allows for greater awareness of staff availability i.e. presence
- The toolsets enable new ways of working

# Roadmap

## Roadmap considerations

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The high level view of how the key strategic challenges will be addressed over the next five years must be aligned with the following considerations;

- ICT is accountable for the delivery of the ICT strategy, but equal support and partnership from the business is essential
- For each ICT strategic theme, ICT will need to:
  - Develop a more detailed review, technology selection (proof of concept, pilot or evaluation) and design for each challenge
  - Develop detailed business case cost-benefits and consider overall cost and value
  - Build detailed implementation plans.
- Each challenge will be delivered as a separate programme and will require suitable management, control and governance.
- The objective is to deliver a series of quick wins over years 1 and 2, so the business can realise benefits in a phased manner.
- The plan will be reviewed and adjusted on a regular basis
- The Investment Plan will provide a year 1 and 2 rough order of magnitude cost, aligned to supporting the delivery, execution and exploitation of the agreed ICT Strategic Challenges and to support the resulting implications for ICT

# Proposed ICT delivery roadmap



## **Establishing the right foundations**

- Stabalise and improve internal council ICT function
  - Implementation of the appropriate ICT Governance structure.
  - Review Council ICT organisational structure
  - Initiate Enterprise Architecture (EA) capability
- Conduct business applications review
- Deliver key programmes including Council-wide information strategy, Network refresh, EOL infrastructure upgrades
- Modernise mobility and remote working options + Policy, development driven through EA role
- Establish roadmap for End User Computing and client side productivity tools
- ICT to initiate better communication with staff on services available
- Initiate pilot POC's to establish best fit solutions for the business community
- Review current security and cyber-security practices

## **Phase 1 - Build on foundation**

- Introduction of standard device and service catalogue
- Instigate Collaboration toolset review for internal and external usage
- Engage with Council partners around appropriate integration, access methods and interoperability with current systems
- EA function to maintain and review ICT strategic development
- Instigate assessment around Disaster Recovery – adoption of cloud versus on premise recovery
- EA to drive standards, policies and procedures alongside Council policy change for Agile working

## **Phase 2 – Develop and Enhance**

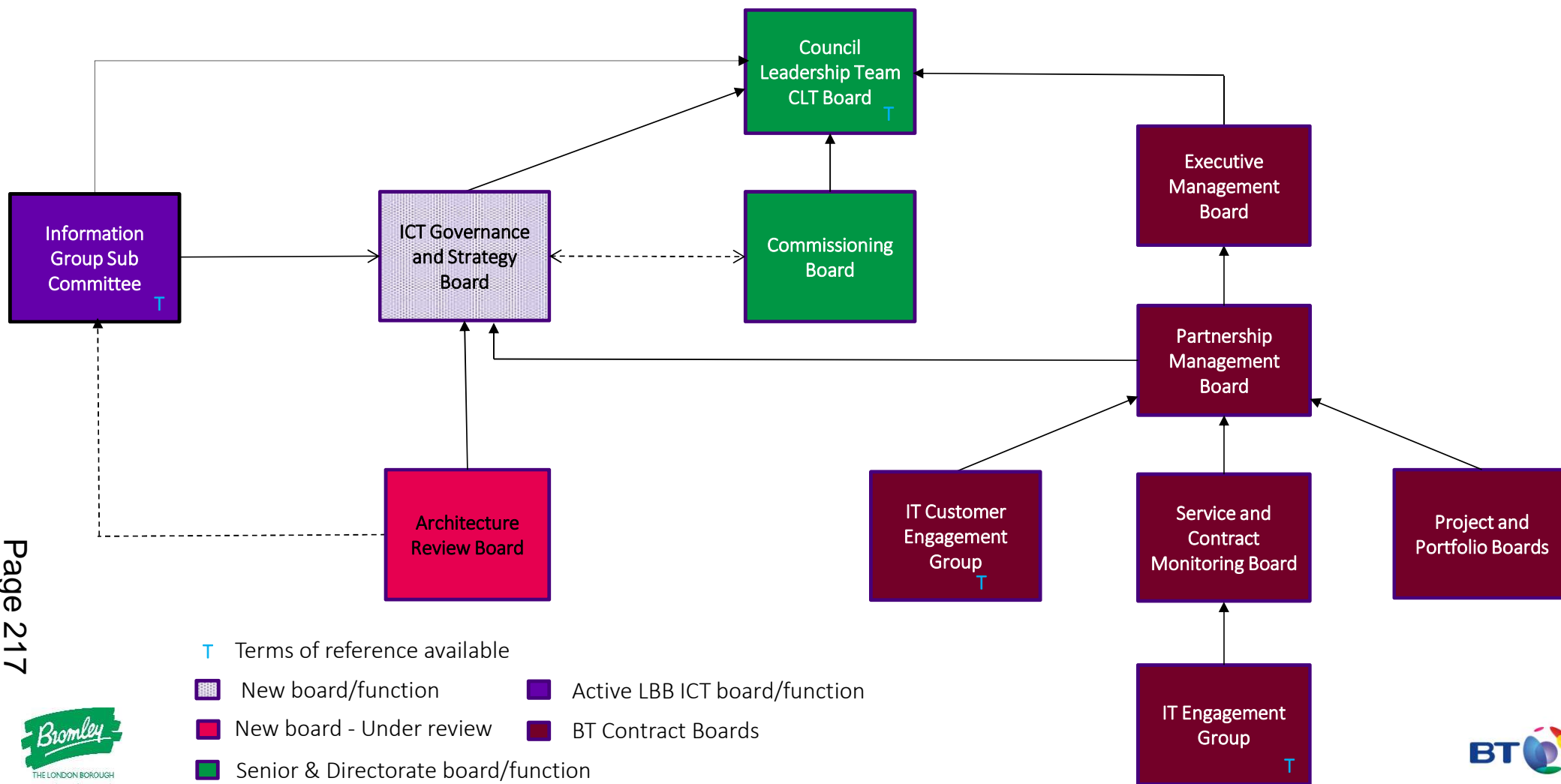
- Investigate BI / Data analytics capability – to improve management reporting aligned with demands and capabilities
- Review options to enhance Video Conferencing facilities and unified communication toolsets
- Investigate how ICT can assist with technology based solutions to deliver “a PaperLite office”
- Develop as part of the collaboration agenda Council wide search capabilities

# Appendices

# A. ICT Governance Structure



# Proposed ICT board governance structure



## ICT Governance and Strategy Board - embedding into existing boards

### ICT Governance and Strategy Board – Relationships

ICT Governance and Strategy Board	To assist the board in governing and overseeing the Council's ICT Strategy Alignment, Value derived, ICT Resource Management, Risk Management and Performance Management
Council Leaders Team Board	The purpose of CLT is to collectively implement the corporate vision, role, strategic direction and priorities of the Council in line with Corporate Plan, corporate operating principles and in line with statutory duties. The CLT will demonstrate visible leadership, promote the organisation's values and culture, and support strong communication across the organisation Ensure effective allocation and management of the organisation's corporate, strategic and financial resources
Commissioning Boards	To review commissioning contracts across the Council
IG Sub Committee	The Information Governance Sub Group ('IG Sub Group') will proactively act as a focal point providing leadership and support to ensure a co-ordinated approach to Information Governance across the Council.
Executive Management Board	Executive relationship LBB and BT, discussing long term strategy and direction of Contract
Partnership Management Board	Reviews mid term strategic direction of BT Contract and Partnership, including escalations on performance and prioritisation
Service and Contract Monitoring Board	Monitors service and contract performance, billing and escalations.
Project and Programme Board	Provides single view of project portfolio, delivery updates/dashboard and future priorities/pipeline
IT Engagement Group	Provides a forum for business users to discuss requirements, ideas and assistance with completing CCN's
IT Customer Engagement Group	The objective of the IT Customer Engagement Group will be to continuously improve the LBB IT Customer experience. This will be delivered through regular engagement with key stakeholders to identify areas in need of improvement. To feedback from key stakeholders to influence direction/Strategy for IT Services Continuous Service Improvement Plan review. Seek opportunities to maximize efficiencies across the departments Assist in communicating relevant up to date IT message

# B. ICT Governance and Strategy

## Board ToR

## ICT Governance and Strategy Board - Terms of Reference

<b>Purpose</b>	To assist the CLT board in governing and overseeing the Council's ICT Strategy Alignment, Value, ICT Resource Management, Risk Management and Performance Management
<b>Constitution</b>	<ul style="list-style-type: none"> <li>The remit of the ICT and Strategy board is to ensure that the ICT Strategy supports the business strategy and governance through the appropriate information systems and technology.</li> </ul>
<b>Membership</b>	<ul style="list-style-type: none"> <li>Director of Corporate Services – Leader</li> <li>Head of IT</li> <li>Heads of Service – invitation based on requirement x2</li> <li>Operating Officer</li> <li>BT Senior Manager x2</li> </ul>
<b>Frequency of meetings</b>	<ul style="list-style-type: none"> <li>Monthly – preparation/items for consideration to be undertaken before board meets e.g. reports submitted on wk1 of month prior to meeting on wk3.</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>To the CLT and Commissioning board</li> </ul>
<b>Duties</b>	<ul style="list-style-type: none"> <li>Review the latest requests from the business in relation to ICT requirements – CCN's that are over threshold value for sign off &gt;50k, any equipment that is non-standard, gateway review for non-CCN activity that requires board sign-off / approval</li> <li>Progress on major IT projects – dashboard view</li> <li>Ensure alignment of ICT requests fit with the Council's direction and overall ICT strategy – enforce the will do's and won't do's</li> <li>To maintain ICT Strategy and Roadmap in line with the business strategy</li> <li>Identify ICT Strategy "achievements" and ensure these are communicated to CLT</li> <li>Ensure suitable resources are available to meet strategic objectives</li> <li>Manage and optimise ICT spend</li> <li>The value delivery of ICT outsource</li> <li>Review ICT risk exposure - including compliance, review risk log from service team</li> <li>Ratify principles, standards, reference models and repositories ("one source" repository) including in relation to business engagement, prioritisation, delivery models and operational support.</li> <li>Drive ICT Governance within LBB through clear guidance and communication</li> <li>Ensure ICT supports corporate governance requirements in line with statutory and legal obligations</li> <li>Drive innovation</li> </ul>
<b>Reporting procedures</b>	<ul style="list-style-type: none"> <li>Defined repositories, agendas, minutes and outputs - circulated via the intranet for easy access.</li> <li>Reports to this board to be submitted two weeks prior to the meeting to allow members to access it (see above)</li> </ul>

## ICT Governance and Strategy Board – duties RASCI

	Director of Corporate Services	Head of IT	Heads of Service	Operating Officer	BT Representative
Review the latest requests from the business in relation to ICT requirements	S	RA	S	I	I
Progress on major ICT projects – dashboard view	S	RA	C	I	S
Ensure alignment of ICT requests fit with the Council’s direction and overall ICT strategy	S	RA	C	I	C
To maintain ICT Strategy and Roadmap in line with the business strategy	S	RA	C	I	I
Identify ICT Strategy “achievements”	S	RA	C	I	I
Ensure suitable resources are available to meet strategic objectives	S	RA	C	I	I
Manage and optimise ICT spend	S	RA	C	I	C

R – Responsible, A – Accountable, S – Supportive, C – Consulted, I - Informed

## ICT Governance and Strategy Board – duties RASCI

	Director of Corporate Services	Head of IT	Heads of Service	Operating Officer	BT Representative
The value delivery of ICT outsource	S	RA	C	I	S
Review ICT risk exposure	S	RA	C	I	S
Ratify principles, standards, reference models and repositories	S	RA	C	I	S
Drive ICT Governance within LBB	S	RA	C	I	C
Ensure ICT supports corporate governance requirements	S	RA	C	I	C
Drive Innovation	S	RA	C	I	S

R – Responsible, A – Accountable, S – Supportive, C – Consulted, I - Informed



THE LONDON BOROUGH

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# Office 365 E3 Total Cost of Ownership (TCO) Will Be Lower Than On-Premises for Small Organizations, Higher for Large Ones

**Published:** 14 August 2017 **ID:** G00332708

**Analyst(s):** Michael Silver, Federica Troni, Matthew Cain, Philip Dawson, Jeffrey Mann, Andrew Lerner, Joe Mariano, Garth Landers, Adam Preset, Stephen White, Steve Riley, Neil Rickard

Office 365 Enterprise E3 can be more than 23% less expensive than equivalent Microsoft on-premises software for midsize organizations. Economies of scale favor on-premises for larger organizations. I&O leaders managing cloud office initiatives should use this research to build their business case.

## Key Findings

- Based on our cost models, Gartner believes that midsize organizations, which lack economies of scale for internal computing operations, will likely save money (our model shows 23%) and have a more efficient cost structure moving from on-premises services to Office 365 Enterprise E3.
- As an organization gets larger, the savings decrease or disappear, with our model showing a 10% savings for a 2,500 user organization and a 9% increase in costs for a 10,000 user organization that moves to Office 365 Enterprise E3.
- Some applications and services may still need to be run on-premises after a move to Office 365 Enterprise E3, and the organization will still spend money to run them.
- There are many features in Office 365 Enterprise E3 that could provide value to an organization's digital workplace that do not exist in the on-premises versions and are not included in our cost model.

## Recommendations

I&O leaders responsible for Office 365 or other cloud office initiatives should:

- Analyze the costs of Office 365 compared with your on-premises implementation as part of your decision process, by adapting our model and numbers to more closely reflect your organization's environment. Add other workloads if you are looking at larger Office 365

offerings, or remove costs from our model if you are not using or planning to use certain function.

- Create a cross-organization team with representatives from IT groups including server, storage, networking, messaging, collaboration, application and end-user computing personnel and representatives from lines of business to provide input on costs and benefits of moving.
- Focus on both the benefits of services included in Office 365 as well as an analysis of costs as two of many inputs to your purchasing and migration decision in order to build a comprehensive model.

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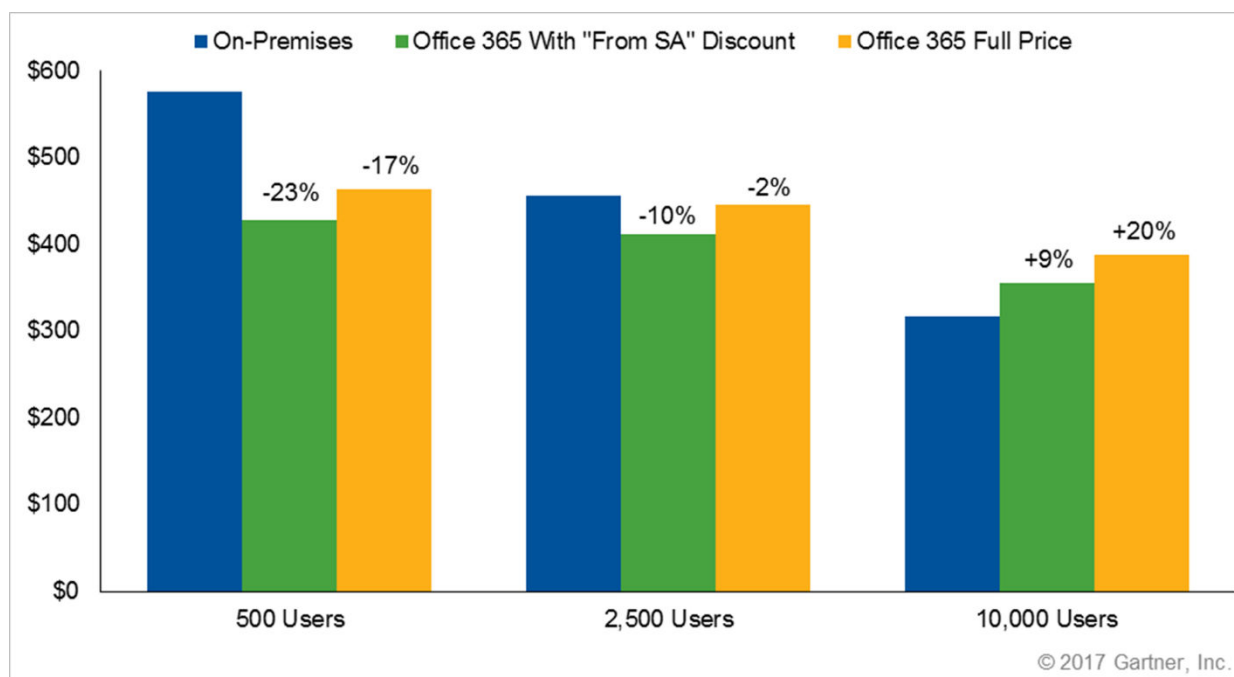
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## Analysis

Gartner analysts field hundreds of "cloud office" inquiries each month, and although many organizations believe moving their collaboration and communications systems to the cloud is inevitable, they must still build a business case to get the project approved. Microsoft frequently discusses the benefits of Office 365 with references to cost savings that can be vague, and promises of improved collaboration and productivity are difficult to quantify and prove. Organizations need to understand whether their costs will increase, decrease or stay the same when moving to the cloud.

To help organizations calculate the cost of their on-premises and potential cloud office costs, Gartner has created our Office 365 Enterprise E3 versus on-premises office cost model (see Figure 1). We selected Office 365 Enterprise E3 because it is the most popular Office 365 SKU. Government organizations running G3 should have similar costs. Organizations licensing other products, like Office 365 Enterprise E5 or Microsoft 365 (formerly Secure Productive Enterprise) E3 or E5 can extend our model to reflect the additional components they license and/or use. Organizations evaluating Office 365 Enterprise E1 should remove costs for Office Professional Plus from their on-premises calculations, and consider whether they will need more third-party products to replace archiving and data loss prevention (DLP) features not included with that SKU.

Figure 1. Gartner Cost Model Comparing On-Premises Microsoft Office Clients and Servers Versus Office 365 Enterprise E3 From SA and Full Pricing, Annual Cost per Seat



Source: Gartner (August 2017)

The components of Office 365 Enterprise E3:

- Business-class email and calendars — Exchange Online Plan 2
- Social, video, sites, work management — Yammer, Office 365 Video, and a SharePoint Online Plan 2
- Create and edit Word, Excel, PowerPoint and OneNote files — Office Online
- File storage, sharing, information discovery — OneDrive for Business, Sway, Office Delve and StaffHub for scheduling
- IM, online meetings, meeting broadcast — Skype for Business
- Office client apps — Office 365 ProPlus
- Online archiving, data loss prevention, encryption, rights management — Exchange Online Protection

Organizations contemplating a move to Google G Suite or another cloud office platform can use this model to calculate the on-premises "before" component of the business case, if they are using Microsoft on-premises products now.

Our goal is to provide an analysis of an on-premises environment that's as similar to Office 365 Enterprise E3 as possible. Therefore, we are including on-premises servers and operation costs for

Exchange Server, SharePoint Server, Skype for Business Server, file servers, and the Office suite. Office 365 Enterprise E3 has other features and services including Yammer, Delve, and Teams (see Note 1), which have no parallel for on-premises infrastructure; organizations should consider additional benefits of cloud office as they build their models and work through their decision process.

Organizations should review our assumptions and adjust them to match their organization's circumstances to get a more accurate understanding of their costs. We document our assumptions to help organizations customize our model, which covers three years. Capital costs are annualized based on the expected life of the asset. As with all numbers in our TCO models, organizations should replace them with their own numbers, which will be more accurate for their organization.

We model three scenarios that organizations can use as a baseline to customize their analyses — a midsize 500-user environment, a 2,500-user environment and a 10,000-user enterprise.

The 500-user organization is a single campus environment. The 2,500-user environment includes a headquarters and four satellite sites in North America and Europe. Other geography combinations may be similar, but we are not including sites in Asia (which have more complicated networking issues) until we reach the 10,000-user environment, which will have more than 30 sites over at least three continents, including one with significant network bandwidth and latency challenges, requiring more local servers for the on-premises scenario. All purchase costs are in U.S. pricing in dollars based on discount levels entitled by organization size (for Microsoft products); prices will vary across locations, variations may be asymmetric, whereby for example, the Euro delta above U.S. dollars for online services may be less than the equivalent delta for on-premises licenses.

## Cost Is Only One Component of a Complete Analysis

Our model considers the cost elements only and not the productivity or user satisfaction benefits, which are difficult to quantify and are highly subjective. When deciding whether to move to Office 365, IT application managers should do a complete analysis of all costs and benefits. These factors include: (1) improving quality of service, productivity and user satisfaction; (2) services available only in the cloud or only on-premises; (3) risks — including security, data sovereignty, service interruption; and (4) freeing up internal IT resources.

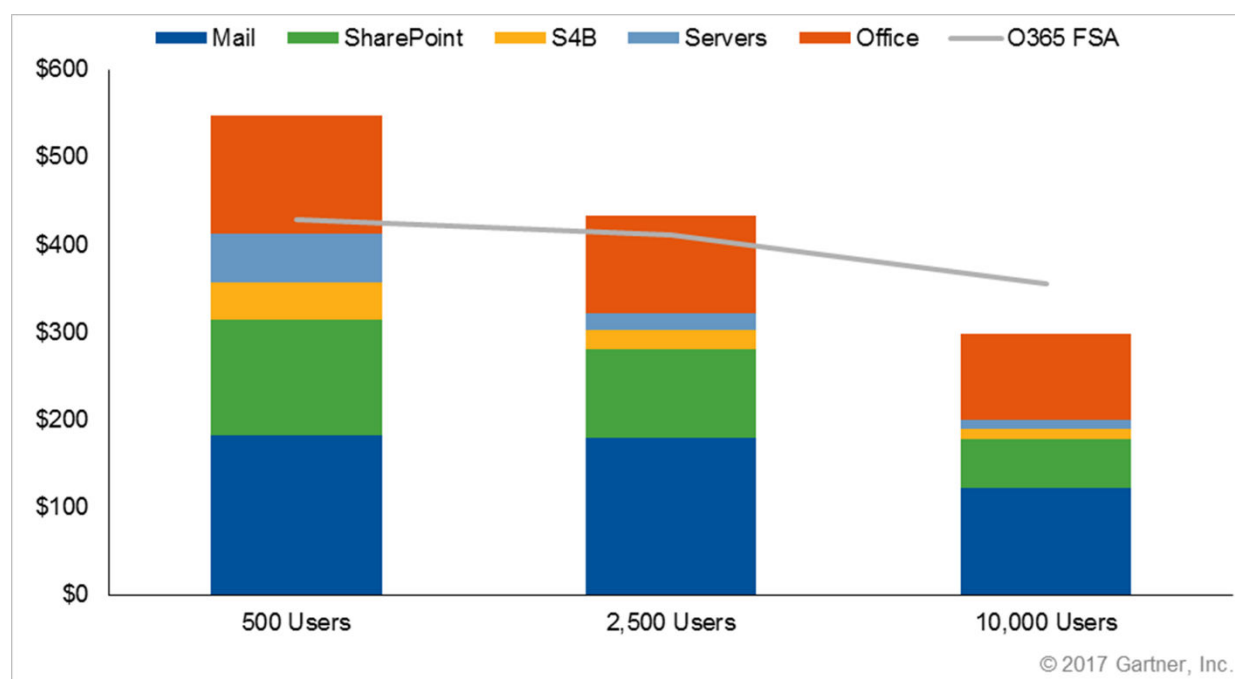
## Findings

Based on our cost models, Gartner believes that smaller organizations, which lack economies of scale for internal computing operations, will likely save money and have a more efficient cost structure moving from on-premises services to Office 365. However, the larger the organization is, the more likely that its economies of scale make its collaboration and communications infrastructures very efficient, and moving to Office 365 is likely to increase its costs. Organizations that expect to spend more money after they move to cloud office will need to quantify additional benefits they will reap in a move to the cloud. Our analysis is also contingent on Office 365 pricing staying static; any price increases could change the long-term economic model.

Figure 1 includes Office 365 Enterprise E3 pricing for organizations coming from Software Assurance (SA) into E3 ("from SA" [FSA] pricing) and organizations paying the full Office 365 tariff (which is 15% higher). For simplicity, most of the remaining figures will include FSA pricing only. Organizations that have not been paying Software Assurance should reduce the on-premises software costs in our model to reflect their annualized costs. These organizations will also have a more difficult time shifting to a paradigm where they must always be upgrading to and running current software.

Figure 2 shows how FSA annual TCO compares with running the Office services on-premises; but it shows the costs of the individual on-premises services as well. This allows organizations to exclude any on-premises services they do not use to easily understand their current costs better.

Figure 2. On-Premises Microsoft Office Clients and Servers by Workload Versus Office 365 Enterprise E3 From SA, Annual Cost per Seat

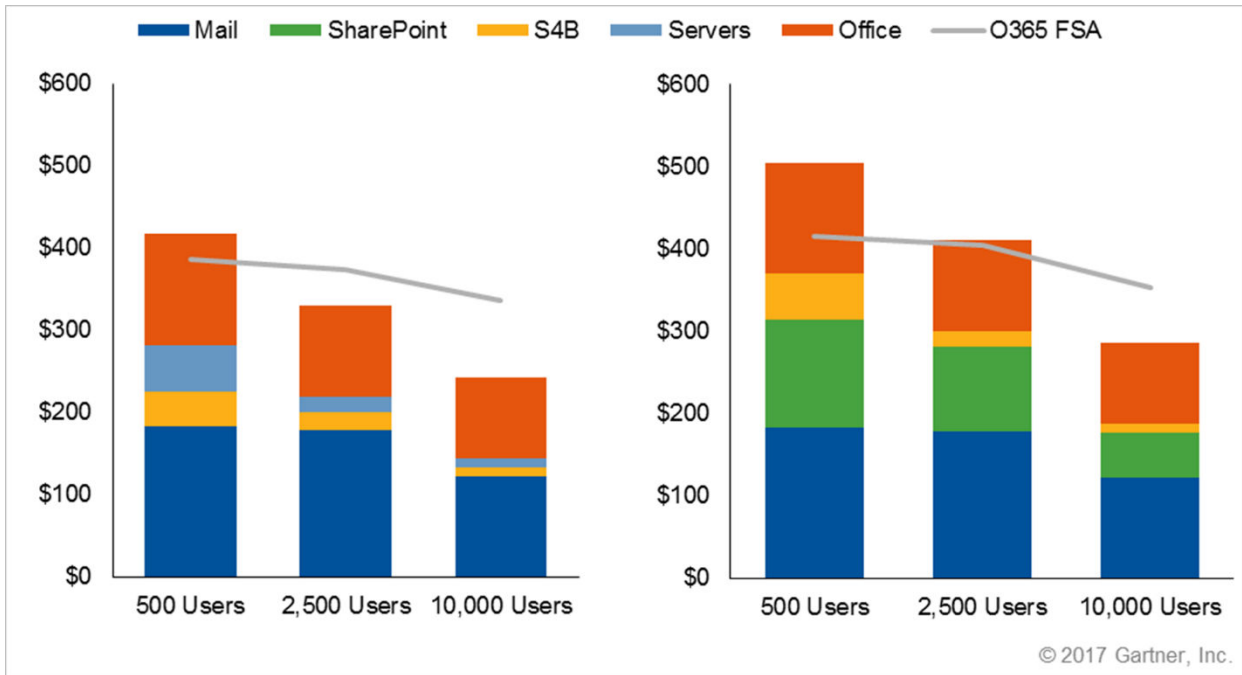


S4B = Skype for Business (for the purposes of this research).

Source: Gartner (August 2017)

For example, an organization that does not run SharePoint or Skype for Business can eliminate those costs from the analysis to get a better idea of how their costs will change (see Figure 3). Organizations that run other applications that address functions they will get with Office 365 Enterprise E3 need to consider whether they will replace those functions with the Office 365 equivalents, and may decide to include those in their cost model.

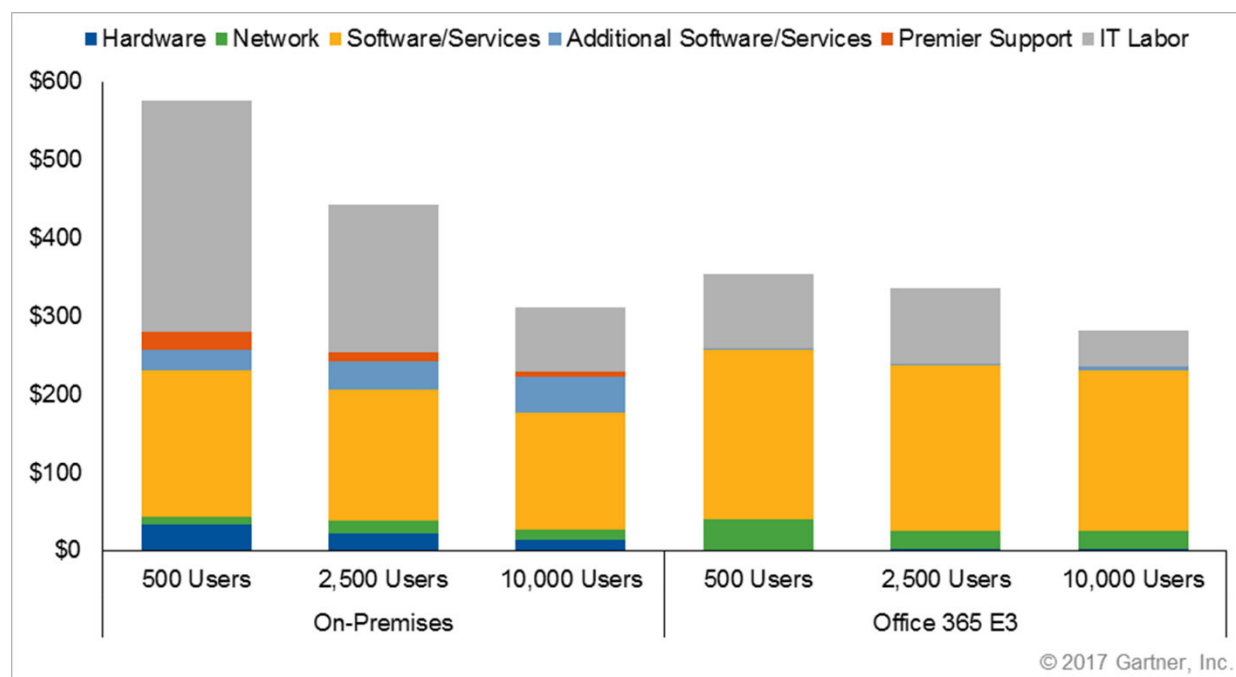
Figure 3. On-Premises Microsoft Office Clients and Servers (Except SharePoint, Left, and Skype for Business, Right) Versus Office 365 Enterprise E3 From SA Pricing, Annual Cost per Seat



Source: Gartner (August 2017)

Figure 4 shows why smaller organizations have more potential for savings with Office 365. While the per-user costs for many of our cost categories are similar for organizations of varying sizes, IT labor costs are much higher in a 500-user environment due to the smaller employee base across which these costs are amortized.

Figure 4. Cost per User for On-Premises Services and Office 365 Enterprise E3, by Cost Category

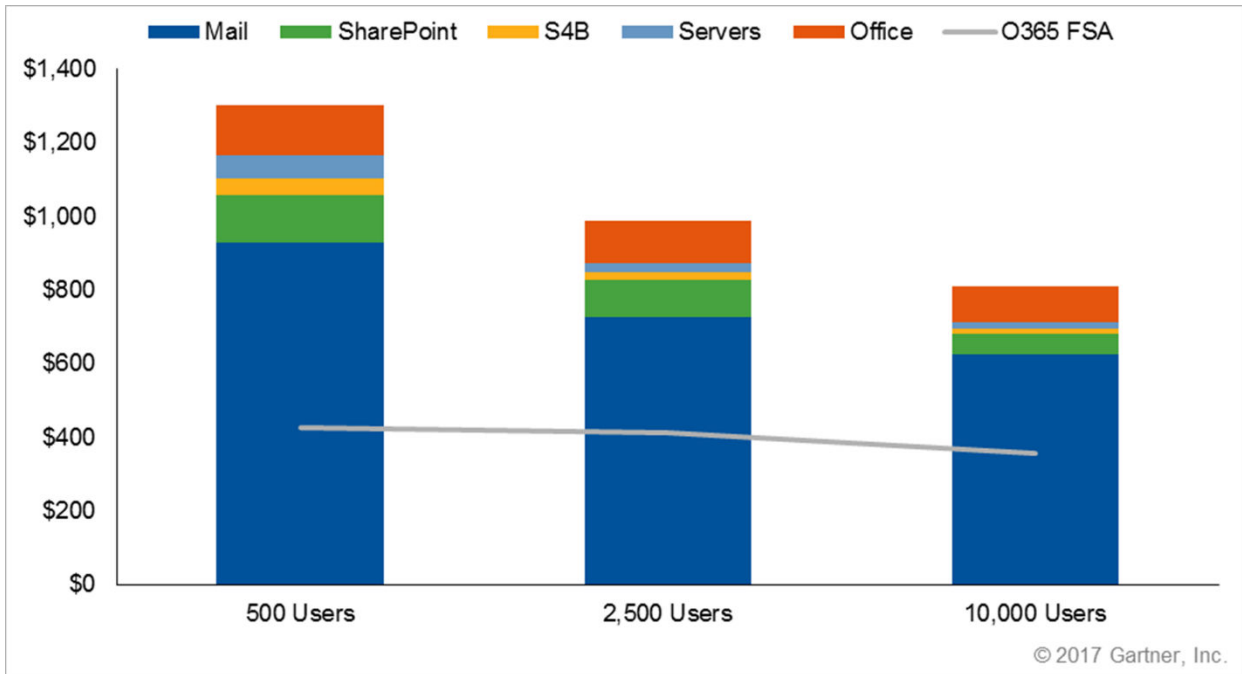


Source: Gartner (August 2017)

Storage capacity limits are the bane of many administrators' jobs. Our model assumes a 4GB used (5GB limit) for user storage on Exchange and 1.25GB (2.5GB limit) for file servers. To make a fair cost comparison between on-premises and Office 365 (which offers 100GB for email and 1TB for files), organizations could model the cost to provide more storage on-premises, but since they have no intention of providing that much capacity, it could make the comparison unrealistic (see Figure 5).



Figure 5. On-Premises Microsoft Office Clients and Servers Versus Office 365 Enterprise E3 From SA and Full Pricing, Annual Cost per Seat, If the Organization Provides as Much Storage as Office 365 Enterprise E3 (100GB for Email and 1TB for Files)



Source: Gartner (August 2017)

### Model Details

#### On-Premises Environment

We model three scenarios that organizations can use as a baseline to customize their analyses: 500 users, 2,500 users, and 10,000 users (see Figures 6, 7, 8, 9, 10 and 11).

Figure 6. Office TCO Model, Exchange On-Premises Costs

		Exchange								
		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
Hardware	Number of Servers	2	\$1,194	\$2,389	6	\$1,057	\$6,342	12	\$923	\$11,070
	Storage (TB), Primary + Backup	5. TB	\$1,047	5,234	25. TB	\$768	\$19,188	100. TB	\$708	\$70,824
	Data Center Allocation, Power, Cooling			564			1,830			6,102
	Branch Office Connection Appliance									
<b>Hardware Total</b>				<b>\$8,186</b>			<b>\$27,361</b>			<b>\$87,996</b>
Network	Data			\$3,369			\$37,925			\$127,528
	WAN Optimization			N/A			N/A			N/A
	ExpressRoute (Office 365 only)									
<b>Network Total</b>				<b>\$3,369</b>			<b>\$37,925</b>			<b>\$127,528</b>
Software/Services	Server Software	2	\$1,246	\$2,493	6	\$1,103	\$6,618	12	\$963	\$11,552
	Storage Software	5. TB	\$262	\$1,308	25. TB	\$192	\$4,797	100. TB	\$177	\$17,706
	Office Professional Plus/Office 365 E3									
	Client Access Licenses	500	\$13.87	\$6,936	2500	\$12.91	\$32,280	10000	\$11.81	\$118,080
	Branch Office Connection Appliance									
<b>Software/Services Total</b>				<b>\$10,737</b>			<b>\$43,695</b>			<b>\$147,338</b>
Additional Software/Services	Spam/Signature-Based Malware Protection	100%	10	\$5,000	100%	8	\$20,000	100%	6	\$60,000
	Advanced Threat for Defense	20%	18	\$1,800	40%	16	\$16,000	60%	12	\$72,000
	Encryption/DLP	20%	15	\$1,500	20%	14	\$7,000	20%	12	\$24,000
	Audit Compliance									
	Cloud Access Security Broker (Office 365 only, up to 4 items above)									
	Archiving	20%	36	\$3,600	50%	36	\$45,000	80%	36	\$288,000
	Backup (included in hardware and software for on-premises)									
<b>Additional Software/Services Total</b>		Low	\$-	<b>\$11,900</b>	Low	\$-	<b>\$88,000</b>	Low	\$-	<b>\$444,000</b>
		High	<b>\$39,500</b>		High	<b>\$185,000</b>		High	<b>\$660,000</b>	
<b>Premier Support</b>		30 hrs.		<b>\$6,900</b>	75 hrs.		<b>\$17,250</b>	200 hrs.		<b>\$46,000</b>
IT Labor	Service Desk	We do not expect a significant difference between L1 calls on-premises vs. cloud								
	Server Management (also includes WOC mgmt. costs)									
	Storage Management	5. TB	\$483	2,416	25. TB	\$354	\$8,856	100. TB	\$327	\$32,688
	Application Management	.33 FTE	\$96,219	\$31,752	2. FTE	\$96,219	\$192,438	3. FTE	\$96,219	\$288,657
	Upgrade/Update Projects	.5 FTE every 3 years		\$16,037	1 FTE every 3 years		\$32,073	1.5 FTE every 3 years		\$48,110
<b>Labor Total</b>				<b>\$50,204</b>			<b>\$233,367</b>			<b>\$369,455</b>
<b>End-User Labor</b>										
Migration	Application Testing									
<b>Grand Total per Year (typical)</b>				<b>\$91,297</b>			<b>\$447,598</b>			<b>\$1,222,316</b>
<b>Per User per Year</b>				<b>\$182.59</b>			<b>\$179.04</b>			<b>\$122.23</b>
<b>Low Total per User per Year, Total per Year</b>			\$158.79	\$79,397		\$143.84	\$359,598		\$77.83	\$778,316
<b>High Total per User per Year, Total per Year</b>			\$237.79	\$118,897		\$217.84	\$544,598		\$143.83	\$1,438,316

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Source: Gartner (August 2017)

Figure 7. Office TCO Model, SharePoint On-Premises Costs

		SharePoint								
		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
<b>Hardware</b>	Number of Servers	2	\$1,194	\$2,389	12	\$1,057	\$12,685	14	\$923	\$12,915
	Storage (TB), Primary + Backup	6 TB	\$1,047	628	2.25 TB	\$768	\$1,727	6.75 TB	\$708	\$4,781
	Data Center Allocation, Power, Cooling			209			841			1,130
	Branch Office Connection Appliance									
<b>Hardware Total</b>				<b>\$3,226</b>			<b>\$15,253</b>			<b>\$18,827</b>
<b>Network</b>	Data			\$336			\$1,721			\$1,868.49
	WAN Optimization			N/A			N/A			N/A
	ExpressRoute (Office 365 only)									
<b>Network Total</b>				<b>\$336</b>			<b>\$1,721</b>			<b>\$1,868</b>
<b>Software/ Services</b>	Server Software	2	\$1,246	\$2,493	12	\$1,103	\$13,236	14	\$963	\$13,477
	Storage Software	6 TB	\$262	\$157	2.3 TB	\$192	\$432	6.8 TB	\$177	\$1,195
	Office Professional Plus/Office 365 E3									
	Client Access Licenses	500	\$17.34	\$8,670	2500	\$16.14	\$40,350	10000	\$14.76	\$147,600
	Branch Office Connection Appliance									
<b>Software/Services Total</b>				<b>\$11,320</b>			<b>\$54,018</b>			<b>\$162,272</b>
<b>Additional Software/ Services</b>	Spam/Signature-Based Malware Protection									
	Advanced Threat for Defense									
	Encryption/DLP									
	Audit Compliance	20%	\$3.00 PUPM	\$300	20%	\$3.00 PUPM	\$1,500	20%	\$3.00 PUPM	\$6,000
	Cloud Access Security Broker (Office 365 only, up to 4 items above)									
	Archiving									
	Backup (included in hardware and software for on-premises)									
<b>Additional Software/Services Total</b>		Low	\$-	\$300	Low	\$-	\$1,500	Low	\$-	\$6,000
		High	\$1,500		High	\$7,500		High	\$30,000	
<b>Premier Support</b>		10 hrs.		\$2,300	25 hrs.		\$5,750	40 hrs.		\$9,200
<b>IT Labor</b>	Service Desk									
	Server Management (also includes WOC mgmt. costs)									
	Storage Management	6 TB	\$483	290	2.3 TB	\$354	\$797	6.8 TB	\$327	\$2,206
	Application Management	.33 FTE	\$96,219	\$31,752	1.5 FTE	\$96,219	\$144,329	3. FTE	\$96,219	\$288,657
	Upgrade/Update Projects	.5 FTE every 3 years		\$16,037	1. FTE every 3 years		\$32,073	2. FTE every 3 years		\$64,146
<b>Labor Total</b>				<b>\$48,079</b>			<b>\$177,199</b>			<b>\$355,009</b>
<b>End-User Labor</b>										
	Application Testing									
<b>Migration</b>										
<b>Grand Total per Year (typical)</b>				<b>\$65,560</b>			<b>\$255,441</b>			<b>\$553,177</b>
<b>Per User per Year</b>				\$131.12			\$102.18			\$55.32
<b>Low Total per User per Year, Total per Year</b>			\$130.52	\$65,260		\$101.58	\$253,941		\$54.72	\$547,177
<b>High Total per User per Year, Total per Year</b>			\$133.52	\$66,760		\$104.58	\$261,441		\$57.72	\$577,177

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PUPM = Per user, per month

Source: Gartner (August 2017)

Figure 8. Office TCO Model, Skype for Business On-Premises Costs

		Skype for Business								
		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
<b>Hardware</b>	Number of Servers	2	\$1,194	\$2,389	3	\$1,057	\$3,171	8	\$923	\$7,380
	Storage (TB), Primary + Backup									
	Data Center Allocation, Power, Cooling			161			177			436
	Branch Office Connection Appliance									
<b>Hardware Total</b>				<b>\$2,550</b>			<b>\$3,348</b>			<b>\$7,816</b>
<b>Network</b>	Data			\$312			\$414			\$962.64
	WAN Optimization			N/A			N/A			N/A
	ExpressRoute (Office 365 only)									
<b>Network Total</b>				<b>\$312</b>			<b>\$414</b>			<b>\$963</b>
<b>Software/Services</b>	Server Software	2	\$1,246	\$2,493	3	\$1,103	\$3,309	8	\$963	\$7,701
	Storage Software									
	Office Professional Plus/Office 365 E3									
	Client Access Licenses	500	\$3.47	\$1,734	2500	\$3.23	\$8,070	10000	\$2.95	\$29,520
	Branch Office Connection Appliance									
<b>Software/Services Total</b>				<b>\$4,227</b>			<b>\$11,379</b>			<b>\$37,221</b>
<b>Additional Software/Services</b>	Spam/Signature-Based Malware Protection									
	Advanced Threat for Defense									
	Encryption/DLP									
	Audit Compliance	20%	\$3.00 PUPM	\$300	20%	\$3.00 PUPM	\$1,500	20%	\$3.00 PUPM	\$6,000
	Cloud Access Security Broker (Office 365 only, up to 4 items above)									
	Archiving									
	Backup (included in hardware and software for on-premises)									
<b>Additional Software/Services Total</b>		Low	\$-	\$300	Low	\$-	\$1,500	Low	\$-	\$6,000
		High	\$1,500		High	\$7,500		High	\$30,000	
<b>Premier Support</b>		5 hrs.		\$1,150	10 hrs.		\$2,300	25 hrs.		\$5,750
<b>IT Labor</b>	Service Desk									
	Server Management (also includes WOC mgmt. costs)									
	Storage Management									
	Application Management	.1 FTE	\$96,219	\$9,622	.25 FTE	\$96,219	\$24,055	.5 FTE	\$96,219	\$48,110
	Upgrade/Update Projects	.1 FTE every 3 years		\$3,207	.33 FTE every 3 years		\$10,584	.33 FTE every 3 years		\$10,584
<b>Labor Total</b>				<b>\$12,829</b>			<b>\$34,639</b>			<b>\$58,694</b>
<b>End-User Labor</b>										
Application Testing										
<b>Migration</b>										
<b>Grand Total per Year (typical)</b>				<b>\$21,367</b>			<b>\$53,580</b>			<b>\$116,443</b>
<b>Per User per Year</b>				\$42.73			\$21.43			\$11.64
<b>Low Total per User per Year, Total per Year</b>			\$42.13	\$21,067		\$20.83	\$52,080		\$11.04	\$110,443
<b>High Total per User per Year, Total per Year</b>			\$45.13	\$22,567		\$23.83	\$59,580		\$14.04	\$140,443

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Source: Gartner (August 2017)

Figure 9. Office TCO Model, File Server On-Premises Costs

		File Servers								
		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
<b>Hardware</b>	Number of Servers	2	\$1,194	\$2,389	5	\$1,057	\$5,285	19	\$923	\$17,528
	Storage (TB), Primary + Backup	.63 TB	\$654	\$443	3.13 TB	\$2,399	\$2,213	12.5 TB		\$8,853
	Data Center Allocation, Power, Cooling		211	143		480	443			1,716
	Branch Office Connection Appliance									
<b>Hardware Total</b>				<b>\$2,974</b>			<b>\$7,941</b>			<b>\$28,097</b>
<b>Network</b>	Data			\$337			\$782			\$2,626.77
	WAN Optimization			N/A			N/A			N/A
	ExpressRoute (Office 365 only)									
<b>Network Total</b>				<b>\$337</b>			<b>\$782</b>			<b>\$2,627</b>
<b>Software/Services</b>	Server Software	2	\$1,246	\$2,493	5	\$1,103	\$5,515	19	\$963	\$18,290
	Storage Software	.63 TB	\$262	\$164	3.13 TB	\$192	\$600	12.5 TB	\$177	\$2,213
	Office Professional Plus/Office 365 E3									
	Client Access Licenses									
	Branch Office Connection Appliance									
<b>Software/Services Total</b>				<b>\$2,656</b>			<b>\$6,115</b>			<b>\$20,503</b>
<b>Additional Software/Services</b>	Spam/Signature-Based Malware Protection									
	Advanced Threat for Defense									
	Encryption/DLP									
	Audit Compliance									
	Cloud Access Security Broker (Office 365 only, up to 4 items above)									
	Archiving	20%		\$125	50%		\$1,563	80%		\$10,000
	Backup (included in hardware and software for on-premises)									
<b>Additional Software/Services Total</b>		Low	\$-	<b>\$125</b>	Low	\$-	<b>\$1,563</b>	Low	\$-	<b>\$10,000</b>
		High	<b>\$625</b>		High	<b>\$3,125</b>		High	<b>\$12,500</b>	
<b>Premier Support</b>		5 hrs.		<b>\$1,150</b>	10 hrs.		<b>\$2,300</b>	25 hrs.		<b>\$5,750</b>
<b>IT Labor</b>	Service Desk									
	Server Management (also includes WOC mgmt. costs)	2	\$2,285	\$4,570	5	\$2,022	\$10,111	8	\$1,765	\$14,119
	Storage Management	0.625	\$483	\$302	3.125	\$354	\$1,107	12.5	\$327	\$4,086
	Application Management									
	Upgrade/Update Projects	.5 FTE every 3 years		\$16,037	.5 FTE every 3 years		\$16,037	.5 FTE every 3 years		\$16,037
<b>Labor Total</b>				<b>\$20,908</b>			<b>\$27,255</b>			<b>\$34,241</b>
<b>End-User Labor</b>										
	Application Testing									
<b>Migration</b>										
<b>Grand Total per Year (typical)</b>				<b>\$28,151</b>			<b>\$45,955</b>			<b>\$101,219</b>
<b>Per User per Year</b>				<b>\$56.30</b>			<b>\$18.38</b>			<b>\$10.12</b>
<b>Low Total per User per Year, Total per Year</b>			\$56.05	\$28,026		\$17.76	\$44,392		\$9.12	\$91,219
<b>High Total per User per Year, Total per Year</b>			\$57.30	\$28,651		\$19.01	\$47,517		\$10.37	\$103,719

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Source: Gartner (August 2017)

Figure 10. Office TCO Model, Office Productivity Suite On-Premises Costs

		Office Suite					
		600 Devices		3,000 Devices		12,000 Devices	
		Cost per Unit	Cost for Organization	Cost per Unit	Cost for Organization	Cost per Unit	Cost for Organization
<b>Hardware</b>	Number of Servers						
	Storage (TB), Primary + Backup						
	Data Center Allocation, Power, Cooling						
	Branch Office Connection Appliance						
<b>Hardware Total</b>							
<b>Network</b>	Data						
	WAN Optimization						
	ExpressRoute (Office 365 only)						
<b>Network Total</b>							
<b>Software/ Services</b>	Server Software						
	Storage Software						
	Office Professional Plus/Office 365 E3	\$108.72	\$65,232	101.16	\$303,480	92.76	\$1,113,120
	Client Access Licenses						
	Branch Office Connection Appliance						
<b>Software/Services Total</b>			<b>\$65,232</b>		<b>\$303,480</b>		<b>\$1,113,120</b>
<b>Additional Software/ Services</b>	Spam/Signature-Based Malware Protection						
	Advanced Threat for Defense						
	Encryption/DLP						
	Audit Compliance						
	Cloud Access Security Broker (Office 365 only, up to 4 items above)						
	Archiving						
	Backup (included in hardware and software for on-premises)						
<b>Additional Software/Services Total</b>			<b>\$-</b>		<b>\$-</b>		<b>\$-</b>
<b>Premier Support</b>							
<b>IT Labor</b>	Service Desk						
	Server Management (also includes WOC mgmt. costs)						
	Storage Management						
	Application Management						
	Upgrade/Update Projects	.5 FTE every 3 years	\$16,037	1 FTE every 3 years	\$32,073	2 FTE every 3 years	\$64,146
<b>Labor Total</b>			<b>\$16,037</b>		<b>\$32,073</b>		<b>\$64,146</b>
<b>End-User Labor</b>							
Migration	Application Testing		<b>\$8,333</b>		<b>\$41,667</b>		<b>\$166,667</b>
<b>Grand Total per Year (typical)</b>			<b>\$81,269</b>		<b>\$335,553</b>		<b>\$1,177,266</b>
<b>Per User per Year</b>			<b>\$135.45</b>		<b>\$111.85</b>		<b>\$98.11</b>
<b>Low Total per User per Year, Total per Year</b>							
<b>High Total per User per Year, Total per Year</b>							
		End-User Costs	\$8,333		\$41,667		\$166,667

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Source: Gartner (August 2017)

Figure 11. Office TCO Model, Office 365 Enterprise E3 Costs

		Office 365 (From SA)								
		500 Users			2,500 Users			10,000 Users		
		Number/% Needed	Cost per Unit	Cost for Organization	Number/% Needed	Cost per Unit	Cost for Organization	Number/% Needed	Cost per Unit	Cost for Organization
Hardware	Number of Servers									
	Storage (TB), Primary + Backup									
	Data Center Allocation, Power, Cooling									
	Branch Office Connection Appliance				4	\$1,057	\$4,228	30	\$923	\$27,676
<b>Hardware Total</b>							<b>\$4,228</b>			<b>\$27,676</b>
Network	Data			\$26,280			\$60,360			\$123,360
	WAN Optimization							1	\$12,000	12,000
	ExpressRoute (Office 365 only)							1	\$33,600	33,600
<b>Network Total</b>				<b>\$26,280</b>			<b>\$60,360</b>			<b>\$492,612</b>
Software/Services	Server Software									
	Storage Software									
	Office Professional Plus/Office 365 E3	O365 E3 FSA	\$16.49 PUPM	\$98,940		\$15.98 PUPM	\$479,400		\$15.47 PUPM	\$1,856,400
	Client Access Licenses	Bridge	\$1.63 PUPM	\$9,780		\$1.53 PUPM	\$45,900		\$1.38 PUPM	\$165,600
	Branch Office Connection Appliance				4	\$1,103	\$4,412	30	\$963	\$28,879
<b>Software/Services Total</b>				<b>\$108,720</b>			<b>\$529,712</b>			<b>\$2,050,879</b>
Additional Software/Services	Spam/Signature-Based Malware Protection									
	Advanced Threat for Defense									
	Encryption/DLP									
	Audit Compliance									
	Cloud Access Security Broker (Office 365 only, up to 4 items above)	5%	\$5.00 PUPM	\$125	10%	\$5.00 PUPM	\$1,250	20%	\$5.00 PUPM	\$10,000
	Archiving	4%	\$3.00 PUPM	\$60	10%	\$3.00 PUPM	\$750	56%	\$3.00 PUPM	\$16,800
	Backup (included in hardware and software for on-premises)	15%	\$3.00 PUPM	\$225	30%	\$2.50 PUPM	\$1,875	70%	\$2.00 PUPM	\$14,000
<b>Additional Software/Services Total</b>		Low	\$-	<b>\$410</b>	Low	\$-	<b>\$3,875</b>	Low	\$-	<b>\$40,800</b>
		High	\$5,500		High	\$26,250		High	\$100,000	
		Additional for O365 Full	\$17,460		Additional for O365 Full	\$84,600		Additional for O365 Full	\$327,600	
<b>Premier Support</b>										
IT Labor	Service Desk									
	Server Management (also includes WOC mgmt. costs)				4	\$2,022	\$8,089	30	\$1,765	\$52,945
	Storage Management									
	Application Management			\$47,532			\$234,534			\$406,525
	Upgrade/Update Projects									
<b>Labor Total</b>				<b>\$47,532</b>			<b>\$242,623</b>			<b>\$459,470</b>
<b>End-User Labor</b>										
Migration	Application Testing			\$15,000			\$75,000			\$300,000
				\$37,500			\$187,500			\$750,000
<b>Grand Total per Year (typical)</b>				<b>\$220,442</b>			<b>\$1,028,298</b>			<b>\$3,464,186</b>
<b>Per User per Year</b>				\$440.88			\$411.32			\$346.42
<b>Low Total per User per Year, Total per Year</b>			\$440.06	\$220,032		\$409.77	\$1,024,423		\$342.34	\$3,423,386
<b>High Total per User per Year, Total per Year</b>			\$451.06	\$225,532		\$420.27	\$1,050,673		\$352.34	\$3,523,386
	End-User Costs			\$15,000			\$75,000			\$300,000

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Source: Gartner (August 2017)

For our server hardware, storage, software and networking costs, we've elected to use averages reported in Gartner's IT Key Metrics Data (ITKMD). For servers and storage, we use ITKMD data for hardware and software. For storage, we also use the ITKMD labor costs. ITKMD costs are shown in Tables 1, 2, and 3. ITKMD numbers for servers and storage include hardware, software, labor, networking, and data center space and power allocations (defined as being 4% of all the other costs). We are not using all components from ITKMD, but by selecting ones to use and eliminating others we believe we can develop specific purpose-driven numbers for ourselves.

**Table 1. Server Costs Included in This Analysis per Server**

	Server Hardware	Server/App Software	Server/App Labor	Connectivity
Small Org	\$1,194	\$1,246	\$2,285	\$156
Medium Org	\$1,057	\$1,103	\$2,022	\$138
Large Org	\$923	\$963	\$1,765	\$120

Source: Gartner (August 2017)

**Table 2. Storage Costs Included in This Analysis per TB**

	Storage Hardware	Storage Software	Storage Labor	Connectivity
Small Org	\$1,047	\$262	\$483	\$40
Medium Org	\$768	\$192	\$354	\$30
Large Org	\$708	\$177	\$327	\$27

Source: Gartner (August 2017)

**Table 3. Networking (Data Transmission)**

	Transmission	Allocation for Office On-Premises
Small Org	\$114	\$11
Medium Org	\$145	\$15
Large Org	\$123	\$12

Source: Gartner (August 2017)

The ITKMD server cost numbers take the typical number of physical and virtual servers into account, and we are assuming that all the servers in our model represent an "average load." We are also using the averages for software cost for servers rather than having to make separate assumptions for Windows software cost allocations and the cost of Exchange, SharePoint and



Skype for Business software. While this results in less-accurate numbers, costs will vary by organization anyway and we believe the discrepancies do not significantly alter the model outputs/results.

We do the same for storage. Organizations that provide more or less storage can change our assumption easily. Our storage ITKMD data aggregates all types of storage, including more expensive primary storage and less-expensive storage used for backup. Again, better accuracy can be attained by making different cost assumptions for different storage types, but Gartner has found that the more complex the model is, the less likely it is that our clients will be able to apply and customize it for their environments. We believe that the differences in cost will not be significant and that the examples listed are sufficient for this analysis. Organizations are always welcome to replace our assumptions with their own. Like for servers, storage ITKMD data covers hardware, software, labor, networking, and data center space and power allocations.

For networking, we include the allocations per server and per TB of storage, but also the cost per user for data transmission. We are not including the cost for network hardware or software costs, just the data transmission cost. We assume that all servers are in central or headquarters' data centers and, therefore, all branch sites already have WAN optimization controllers if required. For 500 and 2,500 users, we will assume the enterprise connects to the internet via the data center; if branches are connected to internet, organizations will need to change our assumptions.

For on-premises implementations, we are separating the cost of Exchange, SharePoint, Skype for Business, file servers and the Office suite so that organizations that do not own or implement one or more individual services on-premises can easily exclude them from their analysis. With Office 365 Enterprise E3, all the services are paid for whether they are used or not.

For endpoint software licensing, the components in the on-premises model include the Client Access License (CAL) Suite and the Office Suite. We are allocating the difference in the cost of the (per user) Core CAL Suite and the Bridge CAL (which covers the CALs for components not included in Office 365 like Windows Server and System Center Configuration Manager [SCCM]) across the three on-premises services. We allocate 40% of the difference as the cost of the Exchange Server CAL, 40% as the cost of the SharePoint Server CAL, and 10% as the cost of the Skype for Business CAL. If you decide to exclude any of the on-premises servers from your analysis but license the Core CAL or Enterprise CAL suite, you are still paying for the CALs of the servers you're not using and should probably allocate the cost of the CAL across the servers you are using. Other client software related to Exchange, like Outlook, is not part of the cost of the Exchange Server CAL, it's part of Microsoft Office, so it is included in the cost of that workload.

Many organizations with critical on-premises Microsoft infrastructure contract with Microsoft for Premier Support. A move to Office 365 may change the composition of the Premier Support contract because Office 365 includes support and organizations with a Premier Support contract are currently entitled (see Note 2) to have their Premier Support technical account manager track and escalate their Office 365 incidents at no additional charge. Therefore, we are including some Premier Support hours in the on-premises section of the cost model (see Table 3).

Table 4. Premier Support Hours Included for On-Premises Servers

On-Premises Workload	500 Users	2,500 Users	10,000 Users
Exchange	30 hours	75 hours	200 hours
SharePoint	10 hours	25 hours	40 hours
Skype for Business	5 hours	10 hours	25 hours
File Servers	5 hours	10 hours	25 hours

Source: Gartner (August 2017)

## IT Labor

For service desk support, we assume that on-premises support for all workloads, applications and servers will be similar to support for Office 365 and do not include the cost of either in the model. It is possible that the constant addition of features in Office 365 could result in a modest increase in service desk costs. There will also likely be additional service desk calls during migration, and that increase should be considered as part of migration (rather than annual) costs. Training may be required to introduce users to work differently and get more benefit from the online services.

For each workload, we consider the cost to manage the servers and applications involved. Here is where we decided to diverge from the ITKMD for servers, which includes the cost of managing the server applications. Except for the file servers, rather than use the average, we make estimates for each workload as shown in Table 5. For file servers, the management cost will use the ITKMD cost to manage the servers and the storage allocated. As you can see, we do not see staffing costs as varying linearly with the number of users in the organization. We do not include the rows for staffing costs for the Office client software. Organizations with different staffing should replace our assumptions; but if they are understaffed, reductions we predict in a move to cloud office may not happen.

Table 5. IT Application Labor for On-Premises Server Workloads

On-Premises Workload	500 users	2500 Users	10,000 users
Exchange	0.33 FTE	2 FTE	3 FTE
SharePoint	0.33 FTE	1.5 FTE	3 FTE
Skype for Business	0.1 FTE	0.25 FTE	0.5 FTE
FTE = full-time equivalent.			

Source: Gartner (August 2017)

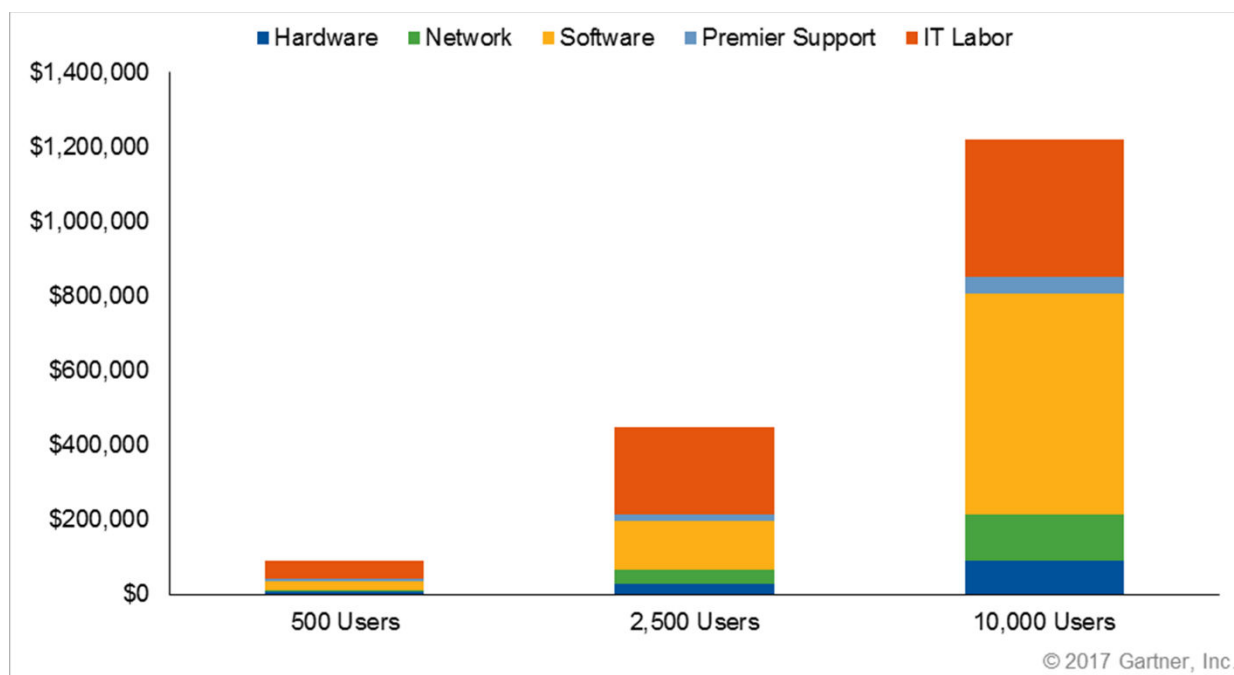
IT labor categories of "server management" and "storage management" consider the labor for the basic hardware, OS and storage.

## Exchange

For the on-premises Exchange environment, we are assuming recent versions of Exchange, like 2013, which require fewer servers than older releases like 2010 and 2007. We assume fault-tolerant implementations with two Exchange servers in the 500-user environment; six servers in the 2,500-user environment; and 12 servers, due to local servers in an Asian hub, in the 10,000-user environment. We assume that the organization has allocated 5GB of mailbox storage per user (with 2.5GB used on average), which requires about 10GB of storage per user, including logs, database availability groups and backup.

Storage makes up a large part of the Exchange cost, and when comparing costs to Office 365 Enterprise E3, organizations need to decide whether to model how much storage they have, how much storage their users want, or how much storage they get with Office 365. Most organizations continually wrestle with users about storage limits. Modeling the cost to provide the same amount of storage provided by Office 365 in their on-premises implementation will show a large value of storage, but they could have no intention of implementing it. Figure 12 shows the cost categories that comprise Exchange on-premises TCO.

Figure 12. Category Breakdown for Enterprisewide Exchange On-Premises Costs



Source: Gartner (August 2017)

Most organizations add third-party products or services, like spam and malware protection, encryption and other security products, to manage Exchange on-premises and we include those costs in the on-premises model. Some organizations will continue to use these services with Office 365 Enterprise E3 and we will address those assumptions in the Office 365 section. For on-premises, we assume the percentage of organizations using these products or services and the annual cost for them in Figure 13. However, the way we do the model, we include the software for the percentage of users indicated in the "typical" costs in the model. Figure 14 shows the "typical" costs with the percentage of add-on software in the table, plus the cost without any and with all the add-ons. Adjust the numbers to include or exclude the services for your organization.

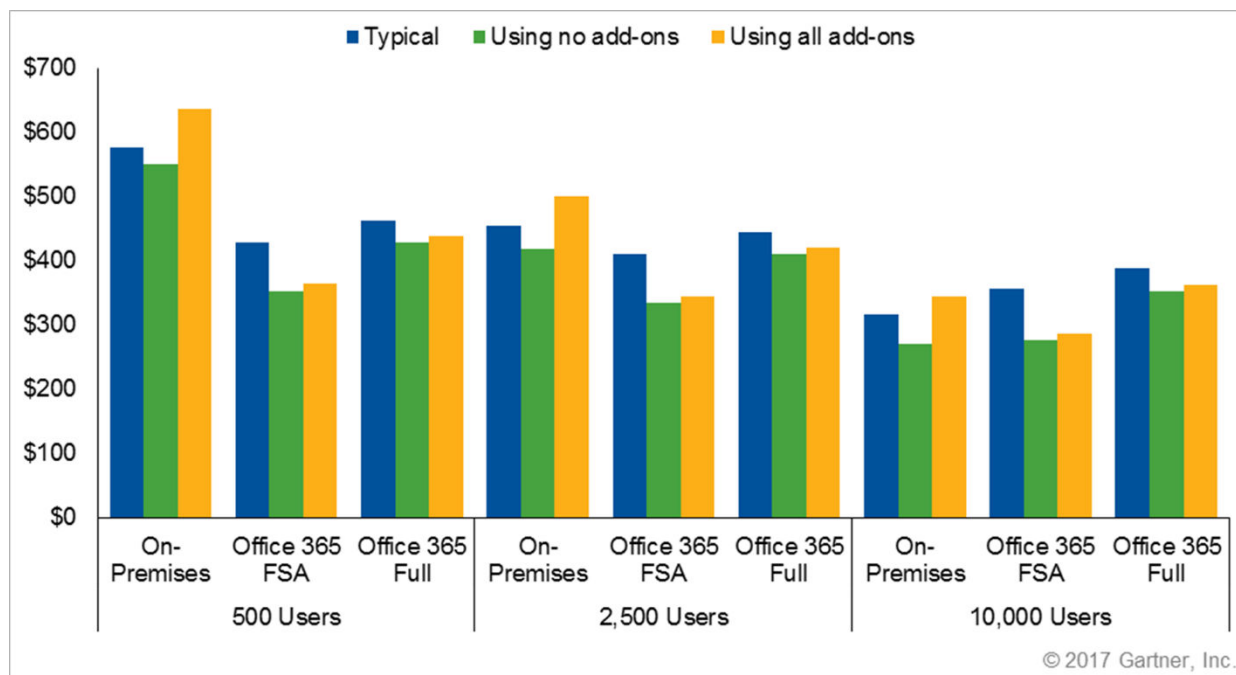
Figure 13. Exchange Add-Ons Implemented On-Premises

		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
<b>Additional Software/ Services Total</b>	Spam/Signature-Based Malware Protection	100%	10	\$5,000	100%	8	\$20,000	100%	6	\$60,000
	Advanced Threat for Defense	20%	18	\$1,800	40%	16	\$16,000	60%	12	\$72,000
	Encryption/DLP	20%	15	\$1,500	20%	14	\$7,000	20%	12	\$24,000
	Audit Compliance									
	Cloud Access Security Broker (Office 365 only, up to 4 items above)									
	Archiving	20%	36	\$3,600	50%	36	\$45,000	80%	36	\$288,000
	Backup (included in hardware and software for on-premises)									
<b>Additional Software/Services Total</b>		Low	<b>\$-</b>	<b>\$11,900</b>	Low	<b>\$-</b>	<b>\$88,000</b>	Low	<b>\$-</b>	<b>\$444,000</b>
		High	<b>\$39,500</b>		High	<b>\$185,000</b>		High	<b>\$660,000</b>	

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Source: Gartner (August 2017)

Figure 14. On-Premises TCO With Typical, None and All Add-Ons



Source: Gartner (August 2017)

For Exchange on-premises, we assume a major upgrade project every three years and we apply a very rough labor estimate to the project as 0.5 FTE every three years for our 500-user organization; 1.0 FTE every three years for our 2,500-user organization; and 1.5 FTE every three years for our 10,000-user organization.

## SharePoint

SharePoint performs many different functions and not every organization uses every function. For our cost model, we looked at the functions provided by SharePoint and made some assumptions as to which ones would be used by the "typical" 500, 2,500 and 10,000-user organization. We wanted to reflect organizations that would consider SharePoint to be strategic for them, as well as the functions used by organizations of different sizes. However, it's also highly likely that not all SharePoint applications will be able to run in SharePoint Online, and organizations would need to continue running them in SharePoint on-premises after their migration. Therefore, we are only including the SharePoint functions that can be migrated to SharePoint Online and workloads that cannot be migrated are not included in either the on-premises or Office 365 cost model. Figure 15 shows the typical workloads used by organizations of each size in our model, and details which workloads are included in the model and which are not.

Figure 15. SharePoint Server Functions Assumed for the Organizations in Our Model

SharePoint Functions Used	500	2,500	10,000	
Secure Repository (Basic Content Services)	☑	☑	☑	Services more likely to move to SharePoint online (and included in our cost model)
Team Collaboration	☑	☑	☑	
Portal			☑	
SharePoint Workflow, Process Needs	☑	☑	☑	
Extranet Collaboration			☑	
Departmental AppDev		☑		Services more likely to stay on SharePoint on-premises (costs of migrating and managing these services are not included in this model)
Enterprise AppDev			☑	
Records Management		☑	☑	
Multigeography			☑	
WCM Internally Facing		☑	☑	

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Source: Gartner (August 2017)

To host these environments that will be moved to SharePoint Online, we assume the following server infrastructure would be required (see Figure 16).

Figure 16. Server Infrastructure Required to Host Environments Moved to SharePoint Online

	Server Type	500 Users, High Availability, Single Environment, Single Continent	2,500 Users, High Availability, Separate Production and QA/Test Environments, Two Continents	10,000 Users, High Availability, Separate Production, QA and Test Environments, Global
Production Servers	Web Front End	2	2	3
	Application	2	2	3
	SQL	2	2	2
Development and/or QA Servers	Web Front End		2	2
	Application		2	2
	SQL		2	2
QA Servers	Web Front End			
	Application			
	SQL			
<b>Total Number of Servers</b>		<b>6</b>	<b>12</b>	<b>14</b>

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Source: Gartner (August 2017)

We estimate the 500-user environment will use about 0.6TB of storage, the 2,500-user environment will use 2.25TB, and the 10,000-user environment will use 6.75 TB, including backup.

SharePoint will have minimal add-on software — we are only including audit compliance software — and we assume only about 20% of organizations implement it on-premises:

- 500 users: 20% of organizations will purchase at \$3.00 PUPM for an average cost per organization of \$300
- 2,500 users: 20% of organizations will purchase at \$3.00 PUPM for an average cost per organization of \$1,500
- 10,000 users: 20% of organizations will purchase at \$3.00 PUPM for an average cost per organization of \$6,000

For SharePoint upgrades, we assume a major upgrade project every three years and we apply a very rough labor estimate to the project as 0.5 FTE every three years for our 500-user organization, 1 FTE every three years for our 2,500-user organization, and 2 FTE every three years for our 10,000-user organization.

## Skype for Business

Skype for Business on-premises has relatively modest hardware and labor requirements, assuming it is used for instant messaging and basic video and audioconferencing. Neither our on-premises costs nor Office 365 Enterprise E3 reflect using Skype for Business for telephony.

We estimate a modest server infrastructure of two, three and eight servers for our 500-, 2,500- and 10,000-user implementations respectively. We do not allocate any storage, and our assumption for add-on software is the same as SharePoint — 20% of organizations will be using a product for audit compliance. We assume more modest amounts of labor for management: 0.1 FTE for 500, 0.25 FTE for 2,500 user implementations and 0.5 FTE for 10,000 user implementations. Upgrade projects are also generally easier and we assume 0.1 FTE every three years to upgrade the infrastructure for a 500-user implementation and 0.33 FTE for 2,500 and 10,000 user organizations.

## File Servers

For home drives and shared file server space, we assume an allocation of 2.5GB per user including backup. We assume two, five and 19 servers for our 500, 2,500 and 10,000 user implementations respectively.

For add-on software, the only product we are assuming is archiving for this percentage of organizations and price:

- 500 users: 20% of organizations will purchase at \$250 average cost per organization
- 2500 users: 50% of organizations will purchase at \$3,125 average cost per organization
- 10,000 users: 80% of organizations will purchase at \$20,000 average cost per organization

For file servers, IT labor is based on the IT Key Metrics Data, and upgrades are assumed to require .5 FTE every three years irrespective of organization size.

## Office Professional Plus

Office Professional Plus is the traditional Office suite, which includes Word, Excel, PowerPoint, Outlook, etc. For all the other workloads, we assume user-based licensing for the CALs, but the traditional Office client software can only be licensed by device. Further, we assume 20% more devices than users, so we will base our analysis on 600, 3,000 and 12,000 devices respectively, and average out the additional devices over the 500, 2,500 and 10,000 users (if you have fewer devices per user, your on-premises costs will be lower than we show in our model and the savings from moving to per-user pricing in Office 365 will be lower as well). Upgrades for Office are typically done every three to six years, as organizations move to new versions as they get released or skip releases. Projects are often complex because organization worry about macros or products that integrate with Office. For upgrades, we assume 0.5 FTE every three years for our 500-user organization, 1 FTE every three years for the 2,500-user organization, and 2 FTEs every three years for our 10,000-user organization. We also assume about an hour, or \$50, of end user lost productivity because of application testing every three years due to upgrade testing. We have not included the end-user costs in most of our totals as they are indirect rather than direct costs.



## Office 365 Enterprise E3

Our Office 365 assumptions are slightly different than our assumptions for on-premises servers.

**On-Premises/Hybrid Mode** — We are only including workloads and servers in our on-premises model that we assume will be moved to online services in Office 365. Some organizations elect to implement hybrid deployments, where on-premises servers will continue to be maintained after migration to Office 365. As noted above, this is especially common for SharePoint.

Organizations should only include the cost of servers that will be decommissioned in their on-premises costs or include the cost of on-premises servers that will remain when calculating their Office 365 costs. A hybrid deployment can significantly increase the cost of going to Office 365.

## Skype for Business

To enable and improve Skype for Business performance with Office 365, we are including the cost of third-party Skype for Business Gateway appliances for the four branch offices in the 2,500 user scenario, and 30 for the 10,000 user scenario. Examples of products in this category include AudioCodes CloudBond 365 and Deltapath's Skype for Business Gateway.

## Network

Office 365 could significantly affect an organization's network requirements (see "Network Design Best Practices for Office 365"). The actual change in cost will vary based on the network design. For our 500- and 2,500-user environments, we will assume that access to Office 365 services will be via their internet connection. And because we assumed that the on-premises servers were in data centers and not distributed at branches, and that there would be no significant change in application usage, the network traffic to the branches should not change significantly. If a branch requires a WAN optimization controller for Office 365, it will have been required and already purchased for the on-premises servers.

Once workloads are moved out of the organization's data center and into Microsoft's, it is likely that a larger connection to the internet will be required because traffic that used to stay on the organization's network will have to traverse the internet. We will estimate extra traffic of 20Kb per user, equating to increase of 10 Mbps and 50 Mbps for 500 and 2,500 users respectively (multiplied by two for a resilient connection). We assume a cost of about \$500 per 10 Mbps line (typical in the U.S.) per month for the 500-user environment (\$12,000 per year) and \$1,000 per 50 Mbps line per month, for the 2,500-user environment (\$24,000 per year).

The 10,000-user scenario is a bit different. For this environment, we make the assumption that the organization will access the Office 365 services via a Microsoft ExpressRoute connection, which in essence makes Microsoft's Office 365 services look like another data center on the enterprise's network. An ExpressRoute connection of 200 Mbps with unlimited data would cost approximately \$2,800 per month — \$1,300 of which goes to Microsoft and \$1,500 of which goes to the organization's carrier (based on typical U.S. pricing). These connections are inherently resilient so two such connections are not required. Further, the 10,000-user organization would probably

have WAN optimization controllers in place to support sites in other regions, such as Asia/Pacific, so we will assume that an additional (virtual) WAN optimization controller will be required for the ExpressRoute connection, at around \$1,000 per month. The total cost of this scenario is therefore \$45,600 per year (see Table 6).

**Table 6. Additional Networking Costs for Office 365 E3**

	500 Users	2,500 Users	10,000 Users
Additional Traffic per User	20Kb	20Kb	
Overall Bandwidth Increase	10 Mbps	50 Mbps	
Multiplied by two for Resilient Connection	20 Mbps	100 Mbps	
Additional Cost per Month	\$1,000	\$2,000	
ExpressRoute			\$2,800
WAN Optimization			\$1,000

Source: Gartner (August 2017)

## Licensing

For the cost of an Office 365 Enterprise E3 subscription itself, we are using the monthly FSA and full subscription costs that organizations of these sizes are entitled to based on the Microsoft Enterprise Agreement waterfall tied to their band level on applications for online services (see Note 3).

Organizations that receive additional discounts from Microsoft should factor them in. In addition to an Office 365 Enterprise E3 subscription, each user will also require a Bridge CAL. We assume the Core CAL Bridge in our model. Organizations using the Enterprise CAL should replace our Core CAL costs for both on-premises and the Bridge CAL costs.

## Security and Management

As discussed in the Exchange section, on-premises implementations often require security or other management tools that Microsoft does not include with Exchange and other server products. Office 365 Enterprise E3 includes many of these components, but some organizations will decide that they need additional function provided by third-party products. In the cloud, the spam/signature-based malware protection, advanced threat defense, encryption/DLP and audit compliance functions are accomplished by using a cloud access security broker (CASB). As with the on-premises models, we are including an assumption on the percentage of organizations that will implement a CASB, or third-party archiving or backup, and assuming that a percentage of seats will use the functions (see Figure 17). We list the cost if all users run the additional software as well. Organizations should decide whether to include or exclude these lines in their models.

Figure 17. The Cost of Additional Security and Management Tools Selected by Some Organizations With Office 365

		500 Users			2,500 Users			10,000 Users		
		Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization	Amount Needed	Cost per Unit	Cost for Organization
<b>Additional Software/ Services Total</b>	Spam/Signature-Based Malware Protection									
	Advanced Threat for Defense									
	Encryption/DLP									
	Audit Compliance									
	Cloud Access Security Broker (Office 365 only, up to 4 items above)	5%	\$5.00 PUPM	\$125	10%	\$5.00 PUPM	\$1,250	20%	\$5.00 PUPM	\$10,000
	Archiving	4%	\$3.00 PUPM	\$60	10%	\$3.00 PUPM	\$750	56%	\$3.00 PUPM	\$16,800
	Backup (included in hardware and software for on-premises)	15%	\$3.00 PUPM	\$225	30%	\$2.50 PUPM	\$1,875	70%	\$2.00 PUPM	\$14,000
<b>Additional Software/Services Total</b>	Low	\$-	\$410	Low	\$-	\$ 3,875	Low	\$-	\$40,800	
	High	\$5,500		High	\$26,250		High	\$100,000		
	Additional for O365 Full	\$17,460		Additional for O365 Full	\$84,600		Additional for O365 Full	\$327,600		

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Source: Gartner (August 2017)

## Premier Support

We are not including Premier Support costs in the Office 365 Enterprise E3 cost model. Organizations with Premier Support can log Office 365 support incidents through Premier. But as long as the problem is in the cloud and not with an on-premises component (e.g., an Active Directory issue on your premises), Microsoft does not decrement the organization's Premier Support hour allocation to resolve issues. We have heard from organizations without Premier Support that they believe they need Premier to get better answers from Microsoft. So organizations without Premier Support contracts may consider whether they want to include the cost of an entry-level Premier Support contract in their model.

## Staffing

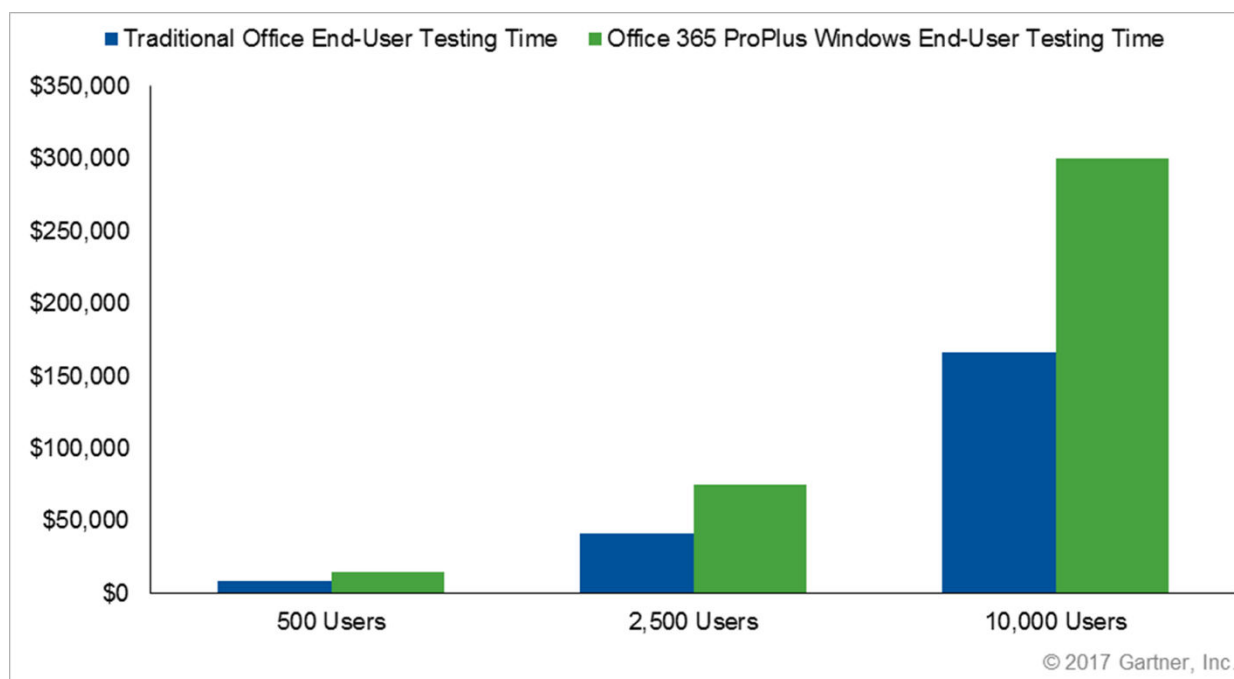
When an organization moves to Office 365, many of the server and application management tasks they do on-premises become Microsoft's responsibility. But many remain. Doing user adds, moves and changes, and testing updates, deciding how they will affect users or applications, and deploying them all remain the organization's responsibility, as does dealing with any outages and interfacing with Microsoft to resolve them. Our estimate is that the typical organization still requires 65% of the staffing it needed for on-premises server management when it moves to Office 365 Enterprise E3. Therefore, our staffing costs are set to be 65% of the sum of staffing in the other

columns. However, we include all the update tasks that were a separate staffing line item for on-premises in the Office 365 staffing.

## Updates

Because Office 365 ProPlus for Windows desktop will be updated twice a year instead of once every three to six years, and organizations are creating processes to involve selected users in early testing, we significantly increased the end-user costs in the Office 365 Enterprise E3 scenario. Again, our direct cost totals do not include these costs (see Figure 18).

Figure 18. End User Costs for Office Client Software Update Testing



Source: Gartner (August 2017)

## Initial Migration Costs

The migration to Office 365 Enterprise E3 could be the subject of its own cost model (see "Reduce Costs by Deciding What Data to Migrate to Cloud Office"). Each workload will have its own cost to migrate from on-premises, and the cost will vary based on the complexity of the implementation. Some workloads, like Skype for Business, could be relatively inexpensive to migrate, but others, like Exchange or SharePoint, could each have typical migration costs in the range of \$50 to \$100 per seat, but may go significantly higher. We don't want to overcomplicate this model with a full migration analysis, but we don't want to leave it out, either. Thus, we are including \$225 per seat for migration, included in the model as \$75 per seat per year.

## Gartner Recommended Reading

*Some documents may not be available as part of your current Gartner subscription.*

"Assess the Value and Optimize Negotiations for Microsoft's Secure Productive Enterprise E5 Cloud Suite"

"Reduce Costs by Deciding What Data to Migrate to Cloud Office"

"Toolkit: A Metrics Framework to Guide Digital Workplace Program Success"

"Toolkit: Estimating the IT Staffing Impact of Microsoft SharePoint"

"SWOT: Microsoft Office 365, Worldwide"

"Collaboration Suite Options Without the Cloud Are Dwindling"

"Checklist for Microsoft Office 365 or Google G Suite Migration Planning"

"Office 365, G Suite or Other Cloud Office Initiatives Primer for 2017"

"Adoption Strategies for Optimizing G Suite and Office 365 Exclusive Services"

"Network Design Best Practices for Office 365"

### Note 1 Features in Office 365 Enterprise E3 With No On-Premises Equivalent for Which Benefits Should Be Considered

- Teams
- Yammer
- Planner
- Delve
- StaffHub
- GigJam
- Groups
- Sway

### Note 2 Premier Support and Office 365

When Office 365 was initially released, it required its own Premier Support contract and was in many cases more expensive than support for the on-premises services. Later, Microsoft added support for it as an additional cost item in a standard Premier Support agreement (reducing the cost from when it required its own contract) and, finally, decided to include it in all Premier Support agreements at no additional charge. Gartner expects further changes over time.

### Note 3 Microsoft EA Band Levels for Price Tiers on Enterprisewide Users or Devices and the Related Waterfall Discount Levels

- Level A: 250 to 2,399 = 3% below ERP
- Level B: 2,400 to 5,999 = 6% below ERP
- Level C: 6,000 to 14,999 = 9% below ERP
- Level D: 15,000 or greater = 12% below ERP

#### More on This Topic

This is part of an in-depth collection of research. See the collection:

- Research Roundup for Cloud Office Research, by Project Phase

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Sys ID	Title	SharePoint Category	System Description	Status	Is the system Externally Hosted (External) or On-site at Civic Centre (Internal)
639	ASH	Business System	Debt consolidation system - File transfer program	LIVE	Internal
642	CDB (Contracts Database)	Business System	Lists all the contracts in Bromley	LIVE	Internal
645	Registrars Index Search Report	Business System		LIVE	Internal
514	Xpress	Business System	Elections system used for elections and postal votes	LIVE	Internal
538	FIRM	Business System	Log of all FOI/EIR/DPA requests/ Freedom of Information Request	LIVE	Internal
551	Registrars Online (RON)	Key Business System	Birth deaths and marriages system	LIVE	External
555	Stopford ebookings	Business System	Bookings systems - Birth deaths and marriages and bulky waste	LIVE	Internal
349	Modern.Gov	Key Business System	Local authority support - provides the back office system to create Council agendas and minutes, as well as supporting the committee report writing system which enables Officers to write and review reports on the Intranet. The system also supports the agenda and minutes document viewing app (both Part 1 - Public and Part 2 - Exempt which is viewed by Councillors on their Ipads), and the committee services web pages, which run parallel to the Council website and enable members of the public to view information regarding meetings and councillors.	LIVE	Internal
366	Norwell	Key Business System	File case management system used in Legal	LIVE	Internal
	CDS Committee Document Systems	Business System	Modern.gov see below (externally hosted) document store		Internal
527	Bromley Knowledge - external website / Extranet	Key Business System	Public facing web site www.Bromley.gov.uk (site to site VPN wioth Bluesky?)	LIVE	External
655	Corporate website Eform integration	Business System		LIVE	Internal
656	Corporate website Eform address lookup	Business System		LIVE	Internal
657	Corporate website bin lookup	Business System		LIVE	Internal
658	Corporate address lookup external facing web service	Business System		LIVE	Internal
531	CRM	Business System	Main public facing database system for Customer Service centre and customer contact	LIVE	Internal
549	Qmatic	Business System	Used by Customer Service Centre for ticket and que for public	LIVE	Internal
189	BusinessObjects Business View Manager (Anite)	Business System	Manage reporting across multiple data sources and applications by simplifying data access, change management and data-level security processes	LIVE	Internal
200	Capita ONE	Key Business System	Central Pupil Database for Bromley. ONE is a database used within Education to record educational information about Bromley Children. It is used by many teams within the department and is our main source of data for statutory recording back to the DCSF.	LIVE	Internal
519	Staff Plan (Homecare Rosta)	Business System	Provide support to Bromley residents re care/support roster system for homecare	LIVE	Internal
528	Business Objects (CareFirst)	Key Business System	Reporting tool used for CareFirst	LIVE	Internal
530	Bromley Home seekers (Choice Based Lettings interfaced by ANITE)	Business System	Link or dependency between Anite housing and external web site (replaced by Orchard / Hope)	LIVE	External
643	Anite Integrations	Business System	Financial integrations on a regular basis and also financial year end	LIVE	Internal
126	PAMS 3.0	Business System	Parent Assessment Manual software	LIVE	Internal
202	Carefirst	Key Business System	Social care system used to support Adults and Children	LIVE	External
203	Childview	Key Business System	Used to support young people at risk	LIVE	Internal
31	Crystal Reports	Business System	Reporting software for Capital ONE	LIVE	Internal
311	Guardian	Business System	Used by Social Services	LIVE	Internal
505	Wisdom (CareStore)	Business System	Document management system for Carefirst	LIVE	External
556	TCES	Key Business System	System used for supplying patients at home with hospital equipment in their home	LIVE	External
568	IYSS	Business System	Integrated Youth Support System	LIVE	Internal
572	EMIS	Business System	EMIS is a web client for patient records with restricted access through LBB N3 link.	LIVE	External
592	EASI Tracker	Business System	Used by direct care team to track the movement of 3rd party contracted staff for home visits	LIVE	Internal
595	Ferret	Business System	Financial means test for disabled facilities grants		
602	Palbase	Business System	PalBase features include the tracking of clients through all their treatment including follow up, attendance and drop out, the identification and management of risk, the analysis of offending behaviour, the management of waiting times and discharge information	LIVE	Internal
604	Millcare	Business System	Software package with management and maintenance support for the processing of raw data extracted from the testing laboratory test results. The pathway of managing results is more involved than just this IT package. Also our whole programme has gone out to tender and will not be provided the PH team after October 2017	LIVE	External
607	PGP	Business System	Secure email tool to provide encrypted laboratory test results between the testing laboratory and the Sexual Health office.	LIVE	External
618	Veryan WorkPlace	Business System	Bespoke database for the management of work related learning which holds information on employers including health & safety checks carried out along with the history of work experience placements offered.	LIVE	Internal
ECHS	Respond 3.7 (CYP and ACS X2)	Business System	Complaints system	LIVE	Internal
	Capita ONE Online – Test	Business System	Test system	Retired	
	QES	Business System	Childrens database	LIVE	External
168	Anite Housing (OHMS)	Business System	Bromley housing system used to provide temporary accommodation	LIVE	Internal
169	Information@Work (Anite Images@Work is a different system owned and managed by Liberata for the Revenue and Benefits system)	Key Business System	Store of scanned images and letters etc. for housing department	LIVE	Internal
280	InfoMaker	Business System	Reporting tool used to build letters and reports in Anite housing system	LIVE	Internal
170	ArcGIS 10 Desktop	Desktop Application	Geographical tool	LIVE	Internal
11	AutoCAD	Desktop Application	Drafting software: produce 2D CAD drawings that you can edit, repurpose and share	LIVE	Internal
	AutoCAD Map 3D 2013	Desktop Application	Drafting software: produce 3D CAD drawings that you can edit, repurpose and share		Internal
13	Autodesk Vehicle Tracking 2016	Desktop Application	Vehicle tracking software - transportation analysis and design solution: predictably evaluate vehicle movements on transportation or site design projects - Installed on two 2 PCs in the Traffic Department	LIVE	Internal
636	Nortoguide	Business System	Mapping workflow tool	LIVE	Internal
646	Confirm Status Log Report	Business System	provide reporting for all Confirm	LIVE	Internal
648	FMS (Fix My Street) integration	Business System		LIVE	Internal
649	EHTS (Uniform) Integration	Business System		LIVE	Internal
652	FMS (Fix My Street) Addition Comments Email Service	Business System		LIVE	Internal
654	Green garden waste subscription Integration	Business System	Integration platform	LIVE	Internal
275	IDOX	Key Business System	Document Management system for Planning, Environemtnal Health	LIVE	Internal
416	SASPAC	Business System	SASPAC is a software package designed to store, interrogate, analyse and present UK Census datasets and other small area statistics	LIVE	Internal

441	SMS Swipe Card System symmetry (multiMAX 6)	Business System	Premises Security software - ID badge management etc.	LIVE	External
478	Tranman	Business System	Transport db - used at depot for logging Council vehicles	LIVE	Internal
490	Uniform	Key Business System	Property management software	LIVE	Internal
526	Bevis (Blue Badge)	Business System	Blue badge allocation and management	LIVE	External
534	licensing.gov.uk (ELMS)	Business System	Electronic licencing system (temporary events)	LIVE	External
560	Triscan Odyssey Web	Business System	Fuel Management Systems, Tanks, Fuel Pumps, Dispensers, Fuel Monitoring Systems, Gauges and Software - Direct from the UK's Number One Manufacturer	LIVE	Internal
596	ICES	Business System	Tim Ho+rsmán	LIVE	External
66	IDPro 7	Business System	licence card production for public health / food protection? - prints licences cards from Uniform/IDOX	Unsure	Internal
73	K2	Business System	Property system used to manage Bromley property assets	LIVE	Internal
TBA	Trapeze Desktop	Desktop Application	an operating company of Constellation Software that is engaged in the development, installation and customization of intelligent transportation systems. Its product offerings include scheduling, route optimization, staffing asset management, and communication systems.	LIVE	Internal
700	Video Alert	Business System	External system that monitors moving traffic and identifies traffic violations / issues penalty tickets	LIVE	Internal
701	Apcoa Parking system - 3 Sixty	Business System	Penalty charge notices - issuing and processing system	LIVE	External
702	Data cache	Business System	Penalty charge notices payment system		
703	Adlante	Business System	Penalty charge notices payment system		
704	Response Master	Business System	Penalty charge notices decision making and correspondents system	LIVE	External
705	Ringo	Business System	Cashless parking system		
212	Condeco	Key Business System	Room booking system	LIVE	External
27	Confirm (Highways) to be call On Demand (will be exterr	Key Business System	Asset management and customer contact system. Separate systems used for • Highways and Neighbourhood Management, ECS	LIVE	Internal
	Confirm ( Property)	Key Business System	Asset management and customer contact system. Separate systems used for • Property Maintenance		Internal
539	GIS - Earthlight	Business System	Geographical tool (Internal mapping tool)	LIVE	Internal
635	GIS - Arrora & Cluster (Public facing mapping)	Business System	Public Geographical tool	LIVE	Internal
146	Academy	Key Business System	Benefits and finance system - hosted at Liberata	LIVE	External
188	AXIS (Aims)	Business System	This is Aims payment system used for managing financial payments	LIVE	Internal
230	Discoverer 11.1	Business System	Reporting and querying tool for Oracle FIS	LIVE	Internal
644	HSBC Export	Business System	Oracle linkage	LIVE	Internal
277	Incase 5 Intelligence	Business System	Case management software for fraud investigation specifically for public sector organisations -	LIVE	Internal
384	Oracle V12	Business System	LBB main financial accounting system including purchasing, payment to suppliers, raise invs to debtors, general ledger.	LIVE	Internal
532	EBM (Employee Budget Monitoring)	Business System	LBB Employee budget monitoring system, can monitor salary spend etc	LIVE	Internal
537	FBM (Full Budget Monitoring)	Business System	FLbb finance budget monitoring i.e. Bromley budget holders can monitor and manage budgets	LIVE	Internal
542	Iproc	Key Business System	Procurement system linked to Oracle FIS	LIVE	Internal
547	Oracle	Key Business System	LBB main financial accounting system including purchasing, payment to suppliers, raise invs to debtors, general ledger.	LIVE	Internal
548	Paye.net (Chip and PIN)	Key Business System	Customer payment system	LIVE	Internal
575	Version ONE	Business System	Financial scanning system	LIVE	Internal
597	Images@Work (Liberata)	Key Business System	Viewscanned documents/evidence for benefit applications	LIVE	External
616	UMIS	Other	Domain name services and registration ??		External
72	JCAD LACHS	Business System	Authority system for insurance/claims handling etc.	LIVE	Internal
525	Adecco (Beeline)	Business System	Externally hosted Web site used by the council to apply for temporary members of staff	LIVE	External
638	ASDMS (Agency Staff Data Management System)	Business System	Data Warehouse	LIVE	Internal
270	IBM Cognos Impromptu 7.5	Business System	Cognos Impromptu is an intuitive, user-friendly system that enables non-technical personnel to quickly and easily design and distribute business intelligence reports.	LIVE	Internal
521	Resourcelink	Business System	HR payroll databases	LIVE	External
541	HR Self-Service (My View)	Key Business System	HR system for managers and employees etc.	LIVE	External
557	Learning Nexus - Bromley Learning Hub	Business System	Bromley training and learning online system	LIVE	External
561	Web Recruitment	Business System	Local authorities recruitment interface	LIVE	External
570	Altair (Heywood)	Business System	Pensions system	LIVE	External
635	CoreStream	Business System	Hosted system used to hold LBBs Information Asset Register (recording data assets)	LIVE	External
274	IDEA 8.4	Business System	Data analysis software allows to compile information for numerous sources in different formats	Unsure	Internal
45	Egress Switch	Enterprise System	Encryption Software for email	LIVE	Internal
518	Zantaz EAS Autonomy	Enterprise System	Support the archiving of data and emails	LIVE	Internal
520	Quest	Enterprise System	Password management system (Please refer to BT for more information)	LIVE	Internal
89	Microsoft Access	Desktop Application	Core Office Product - Database creation tool (purchased via individual departments / how many and where they are aligned)	LIVE	Internal
323	Microsoft Access Runtime	Desktop Application	A developer who owns Visual Studio Tools for Office can bundle his application (MDB files and any other support files) with Access 2003 Runtime and distribute it to as many users as necessary. The physical runtime files are included with Microsoft Office 2003 Professional Edition or Microsoft Office Access 2003.	LIVE	Internal
84	Microsoft Internet Explorer	Desktop Application	Web browser	LIVE	Internal
553	Intranet (SharePoint One Bromley)	Enterprise System	Bromley councils intranet/team sites - Microsoft SharePoint Technology	LIVE	Internal
324	Microsoft Office 2010 - Profession and Professional Plus	Desktop Application	Microsoft Office is the core productivity suite used within LB Bromley for Microsoft Windows.	LIVE	Internal
92	Microsoft OneNote	Desktop Application	Core Office Product	LIVE	Internal
94	Microsoft PowerPoint	Desktop Application	Core Office Product	LIVE	Internal
	Microsoft Project	Desktop Application	Core Office Product		Internal
98	Microsoft Publisher	Desktop Application	Core Office Product	LIVE	Internal
	Microsoft SharePoint Designer	Desktop Application	Core Office Product		Internal
	Microsoft Visio	Desktop Application	Core Office Product		Internal
554	SharePoint extranet	Enterprise System	Bromley councils extranet sharepoint (2007)	LIVE	Internal
580	IDEA 2004	Business System	Data analysis software allows to compile information for numerous sources in different formats	Unsure	Internal
588	CDR (Central Data Repository)(Data Warehouse)	Business System	Central Database Repository used to store data from desperate systems in a centralised location. At present, finance and personnel data are stored in the CDR.	LIVE	Internal
629	GCSX	Enterprise System	Outlook webmail used for web connection to Outlook - LBB Staff are granted permission to use it	LIVE	Internal
85	Microsoft Lync 2010	Enterprise System	Microsoft Lync 2010 is an instant messaging and telephony client, Bromley use this as the main telephony tool	LIVE	Internal

	Citrix	Enterprise System	Software designed to facilitate secure access to applications and content.	LIVE	Internal
	Email / Exchange /Outlook	Enterprise System	Staff email	LIVE	Internal
	Espera	Enterprise System	Telephony software used with LBB lync to create call groups	LIVE	Internal
	Infoaware	Business System	Training website for ISD and GDPR		External
	One Identity	Enterprise System	Password Manager provides a simple, secure, self-service solution that enables end users to reset forgotten passwords, and unlock their accounts. Now your organization can implement stronger password policies while reducing help desk workload. With Password Manager, there's no need to sacrifice security to reduce costs.	LIVE	Internal
	Safenet	Enterprise System	SafeNet Authentication Service (SAS) delivers fully-automated, highly secure authentication-as-a service with flexible token options	LIVE	
215	Confirm (Information Systems ISD)	Key Business System	System used for IT procurement and payment	LIVE	Internal
562	LBB Early Directories Manager (Bromley Families.org/infobromley.org)	Business System	Information on local services i.e. Childcare for the public	LIVE	Internal
640	Workforce eForms	Business System		LIVE	Internal
641	Workforce datamart	Business System		LIVE	Internal
647	iManager Integration (Systems Integration Solution)	Business System	Integration middleware (CRM and Confirm)	LIVE	Internal
651	CRM Integration	Business System		LIVE	Internal
567	Workforce Administration DB	Business System	Used for workforce reconsolidation and reporting	LIVE	Internal
	E-forms - Workforce create/amend/delete LBB users	Business System	Forms used to create/amend and delete LBB user accounts. Also used to provide access to systems and shares etc - access for LBB system Administrators only. The forms are presented in onebromley.	LIVE	Internal
117	OpenGalaxy Fallback 2	Business System	Library system - also backup app - loaded onto the c: drive and used if the network goes down. The books loaned or handed back is recorded in this software on the c: drive. The system then updates to Open Galaxy via LPSN connection	LIVE	External
578	Mcfee	Desktop Application	Security software - Anit Virus discontinued (Sophos replaced this)	LIVE	Internal

Sys ID	Title	SharePoint Category	System Description	System Ownership (Budget holder)	Primary Departmental Contact	Contact2	3rd Line	4th Line	Who contacts 3rd Party	2nd Line Tel Contact	2nd Line Email Address	Type
584	Bibliotheca (Intelligent) RFID Self-service system	Other	Libraries self service system, the server is located at Central Library, 6th floor.	RETIRED	RETIRED	Tim Woolgar				Tim Woolgar		
627	Envisionware (Library PNPC Booking Software)	Business System	Public pc booking system used by public in 9 libraries	RETIRED	RETIRED?	Tim Woolgar				Tim Woolgar	0208 313 3970	
621	Vubis Smart LIVE	Business System	The core product V-smart is an integrated web-based library system with modules for ordering, cataloguing, searching and lending. V-link is a generator of context-sensitive links. V-insight is a browser-based portal for statistical analysis and	RETIRED		Tim Woolgar				Tim Woolgar		Tim.Woolg

Internally developed System/Off-the-Shelf	Status	Departments and Sections that use the system	Is there a separate test system?	Is the system Externally Hosted (External) or On-site at Civic Centre (Internal)	Is the system a web application or have web components?	Does the web application use Java?	Is the system accessible by the public?	Details for public facing interfaces	Number of Users	Licences Required?	Licence Details	Is there an SLA with the Business System Supplier	Name of the System Supplier
Business System	Off-the-Shelf	LIVE	15 branch libraries and back office		Internal	Yes	Na	Yes		over 50,000 public users	Yes		Yes, licence is
Business System	Off-the-Shelf	LIVE	9 branch libraries.	No	Internal	No		Yes		over 50,000 public users	Yes		Yes
Business System	Off-the-Shelf	LIVE			Interant								

Systems Supplier has access to system	Business System Supplier Address	Business System Supplier Helpdesk Telephone Number	Business System Supplier email	Does the system hold sensitive data?	Please give details of any interfaces or feeds to other systems	What is the Impact if access to the system is lost?
<a href="http://www.bibliotheque.com/">http://www.bibliotheque.com/</a>	Not at the moment. The	Landmark House Station	+44 (0)161 498 1150	support-uk@bibliotheque.com	Yes - Kiosk units don't	RFID tags, RFID reader, barcode reader
<a href="http://www.infor.com/">http://www.infor.com/</a>	Yes	Infor, Unit 9, 400 Wood	Tel. (0)115 900 8007	<a href="mailto:graham.troth@infor.co.uk">graham.troth@infor.co.uk</a>	No	9 libraries will not be able to provide public computer service.

Date Audited	Audit notes	Notes	Sys ID	Title	SharePoint Category	System Description	Critical Application	Single User	Multiple Users	All Users	3rd Support Service Hours	1st Line	2nd Line	Primary Contact	Primary Contact2	3rd Line	4th Line	Who contacts 3rd Party	3rd Party Support service Hours	Wiki Article	2nd Line Tel Contact	2nd Line Email Address	Type
20.06.18	Only one kiosk under Council control. At Penge Library. All other equipment and systems transferred to GLL when the Library Service was commissioned out on 1 November 2017		584	Bibliotheca (Intelligent) RFID Self-service system	Other	Libraries self service system , the server is located at Central Library, 6th floor, supported by BT.						S1	Tim Woolg	Tim Woolgar				Tim Woolgar					Business S
20.06.18	Can be removed. All equipment and systems transferred to GLL when the Library Service was commissioned out on 1 November 2017		585	CALM Local Studies & Archive Management System	Business System	CALM system provide Archive record creation, staff interface, and public access interface, and public web access website.						S1	LBB Librari	Tim Woolgar				Tim Woolgar					Business S
20.06.18	Can be removed. All equipment and systems transferred to GLL when the Library Service was commissioned out on 1 November 2017		627	Envisionware (Library PNPC Booking Software)	Business System	Public pc booking system used by public in 9 libraries	Yes	P1	P1	P1		S1	LBB Librari	Tim Woolgar				Tim Woolgar					Business S
20.06.18	Can be removed. All equipment and systems transferred to GLL when the Library Service was commissioned out on 1 November 2017		117	OpenGalaxy Fallback 2	Business System	Library system - also backup app - loaded onto the c: drive and used if the network goes down. The books loaned or handed back is recorded in this	Yes	P1	P1	P1		S1	Deskside S	Tim Woolgar				Tim Woolgar					Business S
20.06.18	Not Libraries	Tim do you know this one ?		SuperHeat	Desktop Application							S1	Deskside S	Tim Woolgar				Tim Woolgar					Desktop Sc
20.06.18	Remove. Redundant system not used for several years	Need to check I have this as retired	621	Vubis Smart LIVE	Business System	is an integrated web-based library system with modules for ordering.						S1	Tim Woolg	Tim Woolgar				Tim Woolgar					Tim.Woolg Business S

Internaly developed System/Off-the-Shelf	Status	Notes on LIVE/Retired status	Notes2	Initial	Departments and Sections that use the system	Activities carried out through the year which are previous; provide details of what the	If yes to previous; provide details of what the	Do external organisations, commissions, commissions	Please name external organisations, commissions, commissions	Current Version of system	Is there a separate test system?	Is the system Externaly Hosted?	Is the system a web applicati on or have web Java?	Does the applicati on use Web Applicati on URL	Web Applicati on Test URL	Is the system accessibl e by the public?	Details for public facing interfaces	Number of Users	Licences Required ?	Licence Details	Is there an SLA with the Business System Supplier	Name of the Business System Supplier	Business System Supplier Address	Systems Supplier has access to system	Business System Supplier Telephone	Business System Supplier email	Does the system hold sensitive data?	Please give details of any Interface s or feeds	Location of document ation for the system	Services using the system have core business hours on	Week days Dept. core business start time	Week days Dept. core business finish time	Out of hours staff who use the system after 6:30	What is the Impact if access to the system is lost?
Off-the-Shelf	LIVE			B	15 branch libraries and back office based at Central library. Local Studies, Archive and Museum teams. Library service team also access the system.	No	Not applic	Yes	Bibliotheca & 3M Ltd provided the system (hardware and	Current software name is Libris version is 6.3.2.11	No	Internal	Yes	No		Yes	There is a public interface to search and view records/maps/photos	over 50,00	Yes	Yes, licenc	Bibliotheca & 3M Ltd	http://www.bibliotheca.co.uk	Not at the moment. There is no central server to support	Landmark House Station Road   Cheshire   Hulme   Stockport   SK8 7BS Maureen Westmoreland   Sales Administrator, Unit 9, 400 Woodlands Court, Ash Ridge	+44 (0)161 275 4000	support@bibliotheca.co.uk	Yes	RFID tags, RFID reader, barcode reader	Bexley network driver: yes, libraries are open on Saturday	9:30	17:00	No	Local Studies, Archive and Museum teams can not carry out their work. Public can not search and view	
Off-the-Shelf	LIVE			C	Library service team also access the system.	No					No	External	No	No	Yes		7	Yes	Yes	Axiell (CAL)	http://alm	Yes	033337041	services@axiell.co.uk	Yes		TS/Pub_C Bexley network: n/cultural service/ib library service/s	yes	9:30	17:00	n/a	9 libraries will not be able to provide public computer service.		
Off-the-Shelf	LIVE			E	9 branch libraries.	No		Yes	INFOR Ltd.	Environware W7	No	Internal	No	No	Yes		over 50,00	Yes	Yes	INFOR Ltd	http://www.infor.com	Yes			No	Interface s with failback on client machine if	yes	9:30	17:00	no	No backup for if Network goes down			
Off-the-Shelf	LIVE				Library service					2	No	External	Yes	No			100	Yes	Yes	Axiell Ltd	www.axiell.co.uk	Nottingham Canal Street	Yes	+44 (0)115 275 4000	services@axiell.co.uk	Yes			yes	9:30	17:00	no	No backup for if Network goes down	
Software				S	Traffic Department	No	No			2016	No	Internal	No	No				Yes	Yes							AutoCAD								
Off-the-Shelf	LIVE			V							No	Internal	No	No						Yes														



Report No.  
CSD18181

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** SECOND REPORT OF THE EDUCATION, CHILDREN & FAMILIES SELECT COMMITTEE 2018/19 - SUSTAINABILITY OF THE CHILDREN'S SOCIAL CARE BUDGET

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

**Chief Officer:** Director of Corporate Services

**Ward:** (All Wards);

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1. Reason for report

To report the recommendations made by the Education, Children and Families Select Committee following its first meeting held on 4<sup>th</sup> July 2018

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2. **RECOMMENDATION(S)**

**That Council be recommended to:**

1. **Comment on the second report of the Education, Children and Families Select Committee 2018/19;**
2. **Invite the Leader and appropriate Portfolio Holders to consider the recommendations and**
  - (a) **refer the recommendations within the report to Service Directors and Partners where appropriate; and**
  - (b) **Provide a written response to the Education, Children & Families Select Committee for consideration at a future meeting of the Select Committee.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: The recommendations in this report may have an impact on vulnerable adults children across the Borough although any impact has not been quantified.
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### Corporate Policy

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

### Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Democratic Services
  4. Total current budget for this head: £350,650
  5. Source of funding:
- 

### Personnel

1. Number of staff (current and additional): 8 posts (6.87fte)
  2. If from existing staff resources, number of staff hours:
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications:
- 

### Customer Impact

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

### Ward Councillor Views

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

Summary of Ward Councillors comments:

Background Documents: (Access via Contact Officer)	Minutes of the Education, Children and Families Select Committee held on <a href="#">16.10.18</a>
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**REPORT OF THE EDUCATION, CHILDREN & FAMILIES SELECT  
COMMITTEE  
2018/19**

**SUSTAINABILITY OF THE CHILDREN'S  
SOCIAL CARE BUDGET**

The Committee gives its sincere thanks to the witnesses for their contribution to the Select Committee's Review.

## Second Report of the Education Children and Families Select Committee 2018/19

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### **Foreword**

The Select Committee is responsible for scrutinising the budget of the Education, Care and Health Services insofar as it concerns Education and Children's care services.

Bromley Council faces a funding gap of approximately £40 million in the financial year 2022-23. Education and Children's services currently costs £40,189,000 per annum which is 20% of the total controllable Council budget.

The Select Committee is therefore conducting two enquiries to ensure that the budget for Children's Social Care and those aspects of Education which are under Council control are sustainable in future years and meet the triple tests of the 'Es' – Effectiveness, Economy and Efficiency. We are mindful that the overriding objective must be to ensure that money spent produces the right outcomes for the children of the Borough. At the same time we are guardians of the public purse and it is our duty to ensure that the burden on the taxpayer is not extortionate, understanding that a pound wasted is a pound not available for achieving the best ends for our children and families.

We will be producing a further report for the February 2019 Council on the sustainability of the Education budget.



**Cllr Nicholas Bennett JP**  
**Chairman**  
**Education, Children and Families Select Committee**

# Second Report of the Education Children and Families Select Committee 2018/19

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## **1. Introduction**

- 1.1 The Education Children and Families Select Committee met on 16<sup>th</sup> October 2018 to undertake a review on the Sustainability of the Children's Social Care Budget.
- 1.2 The Committee also received a briefing from the Chief Executive concerning the progress of an aeronautical college at Biggin Hill, as well as a detailed update from the Deputy Chief Executive and Executive Director for Education, Children and Health Services. In addition, the Committee viewed a video that had been produced by Bromley Living in Care Council entitled "Listen When I Speak". The video detailed the experiences of some of Bromley's children looked after. Details can be found in the [minutes](#)<sup>1</sup> from the meeting.

The Committee regrets that the Portfolio Holder was unable to be present because of urgent family matters.

## **2. Executive Summary of Recommendations**

- 2.1 **That demand for services be forecast more accurately, divorced from concerns about producing numbers which fit the budget, but which then leads to considerable pressure on the in-year contingency budget.**
- 2.2 **That benchmarking be undertaken against authorities with lower unit costs.**
- 2.3 **That new ways of working be identified through the redesign of services, where appropriate with non-Council partners and where appropriate nearby local authorities.**
- 2.4 **That an examination of best practice by authorities judged to be good or outstanding be undertaken.**
- 2.5 **That an in-depth examination be undertaken of how Artificial Intelligence can be used to improve services and cut costs.**
- 2.6 **That Officers continue the positive recruitment campaign started in 2017-18 to continue to increase the number of in-house foster carers.**
- 2.7 **That research be conducted as to how earlier intervention can prevent teenage children coming into care.**
- 2.8 **That consideration be given to whether, in conjunction with other local authorities in London and the Home Counties, a joint venture to build secure accommodation for participating authorities could be pursued.**

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<sup>1</sup> Minutes can be found on the London Borough of Bromley Website at: <https://cde.bromley.gov.uk/ieListDocuments.aspx?CId=584&MId=6320>

- 2.9 That LB Bromley work with London Councils and the LGA to seek additional funding for unaccompanied minors to reflect the actual cost of care.**
- 2.10 That LB Bromley work with London Councils and the LGA to lobby Government to lower the 25 cap below which no assistance is given for unaccompanied minors.**
- 2.11 That the Department continue to work to achieve at least 90% social work staff employed as permanent employees.**

### **3. Sustainability of the Children's Social Care Budget**

- 3.1. The Select Committee's main enquiry for this meeting focused on the sustainability of the Children's Social Care Budget. The purpose of the review was to aid Member's understanding of the pressures within the Children's Social Care Budget and the influences, both internal and external, on the budget.
- 3.2. A range of written evidence was provided to Members in advance of the meeting. This included a report providing an overview of the Children's Social Care Budget, the current 2018/19 budget forecast, costs of placements, data reports, and demographic information relating to the children and young people accessing statutory services.
- 3.3 The Committee heard evidence from three main witnesses at the meeting:
- Ade Adetosoye, Deputy Chief Executive and Executive Director for Education, Care and Health Services (LBB)
  - David Bradshaw, Head of ECHS Finance (LBB)
  - David Dare, Head of Safeguarding and Care Planning West (LBB).

#### **3.4 Preface**

- 3.4.1 In August 2018, 2061 children and young people were recorded as receiving statutory services from Bromley's Children's Social Care (CSC). The Children and Young People accessing our services range in age from birth to 25 years, come from every ward in the Borough, and from every ethnic, social, and faith group. There is a variety of needs and the predominate factors within the cohort of families accessing statutory services within Bromley are those of neglect and domestic violence.
- 3.4.2 Bromley is a relatively affluent Borough; however, there are pockets of deprivation and hidden need. In Bromley, children are identified as in need of services for a number of reasons including parental mental ill health, substance abuse, domestic violence, and neglect.

## Second Report of the Education Children and Families Select Committee 2018/19

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- 3.4.3 High unit costs for the services delivered are causing pressures that need to be addressed. Following the Ofsted Inspection in 2016 the Council's Executive approved additional funding to support the delivery of Children's Social Care in Bromley. There are clearly opportunities to achieve savings by learning from our nearest statistical and geographic authorities and data that is collected provides good intelligence as to where attention should be focused.
- 3.4.4 When children come into care in an emergency, choices and decisions are heavily dependent upon the availability of carers whether this is foster care or residential care. How a placement is costed depends on whether or not the provider is within London and therefore part of the Pan-London Agreement. Sometimes it is essential that our more complex and vulnerable children are placed outside London. In these cases, there is no agreement and providers can charge what they wish.
- 3.4.5 Children's Social Care is a needs-led service. As a result of this budgets are volatile.

### **3.5 Background to the Children's Social Care Budget**

- 3.5.1 Although considerable growth (around £6.25m) has gone into the Children's Social Care (CSC) Budget over the last three years, pressures continue to remain in the system.
- 3.5.2 Within the context of the overall financial strategy, where the impact of austerity and reductions in government funding require the Council to find efficiencies and savings across the organisation, CSC, as observed in the Foreword, represents a considerable element of the overall budget. There has been a need for CSC to identify efficiencies and savings and limit growth as far as possible thereby offsetting the need for reductions elsewhere in the Department and wider Council.
- 3.5.3 The total controllable budget for Children's Social Care is £34 million. There is a projected overspend for 2018/19 of in excess of £2m, taking into account management action. The area of focus for managing the budget overspend is Fostering, Adoption and Resources; specifically placements and accommodation. This is where the highest unit costs are found and where the budget overspend is principally located.
- 3.5.4 In 2018/19, the Service was given growth of £2,206,000 in the budget. However, a set of mitigating management actions of £1,088,000 was agreed which reduced the growth to £1,118,000. The full year effect of the current overspend is £2,756,000 which is partly offset as it is assumed that the management action will have a mitigating effect which will reduce the overall full year effect to £1,291,000.



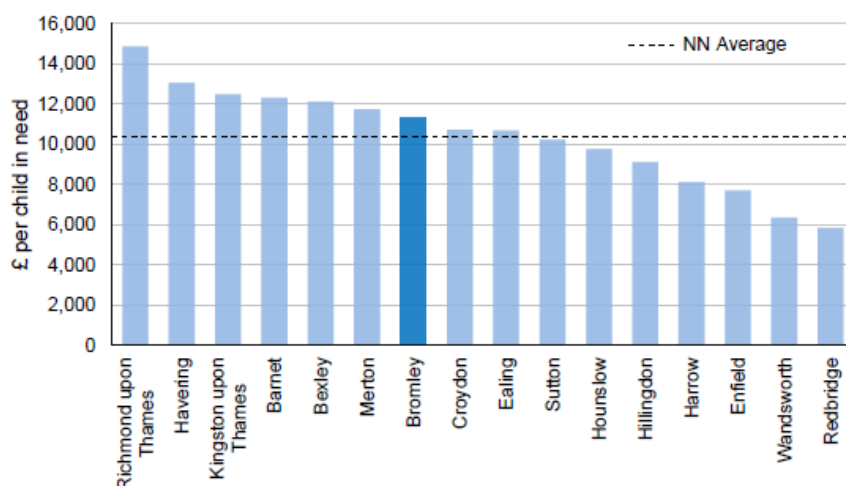
### 3.6 External Influences on the Budget

#### 3.6.1 Forecasting of Demand

3.6.1.1 Using data sources and knowledge from the Service at the time of budget preparation an accurate budget figure can be ascertained. However, forecasting can only be as good as the data that is received. Due to the nature of the service being needs-led and the cohort of children required to be safeguarded at any one time, accurate forecasting can be problematic.

3.6.1.2 Forecasts are based on Officers knowledge of past activity as well as their best prediction of future trends. There is clearly a need to set challenging budgetary targets however, in setting budgets Members and Officers need to be realistic about the demands being placed on the Service. The Committee notes that Officers budget to actuals although this can be problematic when forecasting future demands. Current forecasting enables growth to be built into the budget using information from the service, although this is set at a point in time each year. Challenges remain and the expectation is that the service mitigates this as far as possible.

3.6.1.3 Another tool used is benchmarking against other authorities. High unit costs for the services delivered continue to cause pressures that need to be addressed. There is an opportunity to achieve savings by learning from our nearest neighbours. In 2018/19, Bromley's unit cost was 8.8% above the London neighbour average, with nine local authorities delivering services at a lower unit cost (see graph below). The Committee notes that the figures need to be treated with caution as it may be that other local authorities' unit costs do not include the same items. However, it is clear that this is a matter which needs further research.



Unit Costs for Children's Social Care, LBB compared to 15 London neighbours

3.1.6.4 Further work around reducing the unit cost of placements is a key priority. To this end, there is a need to reduce reliance on placements outside of London due to the unregulated nature of this type of placement. There is clearly a requirement to manage the market differently and place more

## Second Report of the Education Children and Families Select Committee 2018/19

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children within London in order to take advantage of the Pan-London Agreement which places a cap on the cost of placements. The Committee notes that there is undoubtedly more work to do in terms of reviewing unit cost and further investigation is required.

- 3.1.6.5 Demand for placements is predicted to increase in the next two years. Given the current pressures on the Children's Social Care Budget it is clear that consideration will need to be given to the future design of services. Members note the evidence from the Deputy Chief Executive that the Department has a Commissioning Plan in place that sets out the delivery of mitigation and savings. The Commissioning Plan reflects an acknowledgement of the need to give consideration to new initiatives that will manage risks in a different way. The Committee also feels that in order to address the significant budgetary pressures there should be a detailed examination of how Artificial Intelligence can be used to improve services and cut costs.

**Recommendation 1: That demand for services be forecast more accurately, divorced from concerns about producing numbers which fit the budget, but which then leads to considerable pressure on the in-year contingency budget.**

**Recommendation 2: That benchmarking be undertaken against authorities with lower unit costs.**

**Recommendation 3: That new ways of working be identified through the redesign of services, where appropriate with non-Council partners and where appropriate nearby local authorities.**

**Recommendation 4: That an examination of best practice by authorities judged to be good or outstanding be undertaken.**

**Recommendation 5: That an in-depth examination be undertaken of how Artificial Intelligence can be used to improve services and cut costs.**

### 3.6.2 Placements and Accommodation

3.6.2.1 In 2016/17, following the Ofsted Inspection, an increase in placements and staffing which had not previously been predicted was seen, as the Council's ineffective safeguarding of children was the finding in relation to the inspection outcome. Even though subsequent budgets have been adjusted the effect is still evident through the system due to more robust identification of children in need of protection and the challenges this complex group brings with them in terms of specialist placements. Furthermore, if a family requiring support move into the Borough or were previously unknown to CSC this can have a significant impact on expenditure. In extreme cases placements can be in excess of £300,000 per child per annum.

3.6.2.2 One of the tools used to predict future costs is the mapping of children coming through the system and where they may be placed. As can be seen

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below, there is an expectation of a rise in numbers followed by a reduction that brings the number of children looked after back to 2018/19 levels in 2022/23.

	2018/19	2019/20	2020/21	2021/22	2022/23
Placed with Parents	5	3	2	2	1
Placed for Adoption	12	15	15	15	15
Relative or friend	34	36	34	32	30
Independent Fostering (IFA)	76	66	56	46	38
In-House Fostering	103	120	133	135	135
Children's Homes	27	27	34	34	34
Residential School	1	1	1	1	1
Youth Offending	0	2	2	2	2
Secure Unit	2	3	3	3	3
Semi-independent Living	30	35	30	30	30
Mother & Baby Unit	2	2	2	2	2
NHS/Health Trust	1	1	1	1	1
	<b>293</b>	<b>311</b>	<b>313</b>	<b>303</b>	<b>292</b>

3.6.2.3 The Committee notes that the expectation is that a shift will occur in the type of settings the children will be in. For example, the number of children placed with Independent Fostering Agencies is expected to halve in the next five years with in-house fostering increasing significantly. The Committee notes that if the increase of 32 in-house carers were all to be placed in Independent Fostering Agencies, expenditure would increase by £736,000.

3.6.2.4 The average costs of the main placements made by Children's Social Care are detailed below:

	Average costs £'000
Relative or friend	10
Independent Fostering (IFA)	46
In-House Fostering	23
Children's Homes	166
Residential School	124
Youth Offending	107
Secure Unit	305
Semi-independent Living	38
Mother & Baby Unit	23

Where a child is placed can have a huge impact on the budget and the Department seeks to provide the most cost effective level of care. However this can be thwarted by the available supply of different types of provision. In certain cases placements have to be made in other more expensive provision due to the lack of availability of the required provision. In-house foster carers cost the Council half the amount that an independent fostering agency charges (£23,000 versus £46,000). The more in-house foster carers

## Second Report of the Education Children and Families Select Committee 2018/19

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we can recruit, the more efficiencies can be made with the added advantage of keeping children locally.

- 3.6.2.5 There are a number of advantages to children remaining within their 'home' area. The impact of disruption to their school lives is reduced and their network of friends is improved. This in turn improves their emotional well-being and contact with their family. It is also possible to ensure that services can be wrapped around the child. This offers a better possibility of rehabilitation and improved contact with their social worker. All of these elements improve outcomes for children but alongside this reduce costs.
- 3.6.2.6 To this end, the Local Authority has instigated a hard driven campaign to recruit in-house foster carers. In 2017/18, the Department recruited 26 new foster carers and is ambitious to repeat and exceed this number in 2018/19. The Department is seeking to identify carers who could undertake training to be specialist carers for our more challenging young people. There is a recognised accreditation for this as well as a financial incentive, which will cost far less than the costs of residential placements but more importantly will provide a better experience for our young people.
- 3.6.2.7 In addition, Officers are also identifying carers who are able to support a mother and baby placement rather than the use of residential mother and baby placements and assessments which can cost in excess of £23,000 for a short-term placement.
- 3.6.2.8 How a placement is costed is dependent on whether the provider is within London and therefore part of the Pan-London Agreement. For those placements outside London and where it is sometimes more essential that our more complex and vulnerable children are placed there is no agreement. Providers can charge what they wish and this is dependent upon the demand-led need which can escalate costs.
- 3.6.2.9 In addition to the raw price of the bed, the providers for those children who present a high risk will require an increase in the support. This can range from 2:1 or 3:1 and can be for set hours or 24/7. This substantially increases the cost and is not one that can be regulated for. In some circumstances placements of this kind can reach £8,500 per week. Often our late entrants into care (i.e. teenagers) are the most complex, are previously unknown to the Service, and present the most challenges to regulate their emotional well-being and behaviour.
- 3.6.2.10 The report before the Committee detailed three case studies of Bromley Children Looked After. Two of the three young people had been unknown to the Local Authority prior to entering care.

**Recommendation 6: That Officers continue the positive recruitment campaign in 17/18 to continue to increase the number of in-house foster carers.**

**Recommendation 7: That research be conducted as to how earlier intervention can prevent teenage children coming into care.**

### **3.6.3 Availability of Secure Beds**

3.6.3.1 The Committee notes that during the last year there have been a small number of cases where children have met the threshold for a secure placement but where there were either no places available from the secure estate or the children were deemed ‘too risky’ and would impact on the dynamics of children already in placement. It is often that on any one day there can be up to 30 referrals from across the country for 1 or 2 beds. If a secure bed is not available then the cost to the Local Authority can significantly increase to around £8,500 per week with the on cost of support workers.

3.6.3.2 There is a national challenge around availability and access to secure beds. The result of the inadequacy of the market to meet the high demand often results in young people having to be placed in other, non-secure provision with a high, and therefore costly, ratio of staff to child.

**Recommendation 8: That consideration be given to whether, in conjunction with other local authorities in London and the Home Counties, a joint venture to build secure accommodation for participating authorities could be pursued.**

### **3.6.4 Unaccompanied Asylum Seeking Children**

3.6.4.1 A further pressure on the budget that is outside of the Council’s control is that of Unaccompanied Asylum Seeking Children (UASC). The Council currently cares for 26 such children and will not come off the pan-London rota until it reaches 53. The Committee notes that UASC placements are unpredictable. Some young people are placed within foster care if not age disputed whilst others are placed in Semi Independent but with a cost of 24/7 support initially. It is estimated that this additional growth will cost gross £1.2 per annum. Whilst the Council would receive a grant of £800,000 this leaves a net cost of a minimum of £400,000 required to support the extra children.

3.6.4.2 One of the key issues facing the Local Authority is the inadequacy of the funding for unaccompanied asylum seeking children that is received from Central Government. The funding that is currently provided does not cover even the most basic costs such as placements let alone other costs associated with a child in care (such as the cost of a social worker). The Committee notes that no grant funding is provided for the first 25 unaccompanied asylum seeking children placed in the Borough. This adds further pressure to the Children’s Social Care budget as these costs have to be met from the already stretched Local Authority budget.

**Recommendation 9: That LB Bromley work with London Councils and the LGA to seek additional funding for unaccompanied minors to reflect the actual cost of care.**

**Recommendation 10: That LB Bromley work with London Councils and the LGA to lobby Government to lower the 25 cap below which no assistance is given for unaccompanied minors.**

### **3.7 Internal Influences on the Budget**

#### **3.7.1 Recruitment and Retention of Social Workers**

3.7.1.1 Undoubtedly, the Council's biggest asset is its hard working and dedicated staff. Over the past three years the Council Leadership Team has worked tirelessly to increase the number of permanent staff working for the Council. A stable, permanent work force will reduce financial pressure and will provide much needed stability to the children in the care of the Local Authority. Currently 80% of social work staff are permanent and the Committee notes the ambition of the Deputy Chief Executive to reach the target of 90% social work staff employed as permanent employees.

**Recommendation 11: That the Department continue to work to achieve at least 90% social work staff employed as permanent employees.**

### **3.8 Conclusion**

3.8.1 There is little doubt that pressures on the Children's Social Care budget will continue to grow. The budget will remain volatile as a result of the demand-led nature of the Service and influences on the budget which are often outside the control of the Local Authority.

3.8.2 It is essential that, in order to deliver high quality services, consideration is given to redesigning the way in which these essential services are provided. The Committee is hopeful that some of the recommendations it has identified will go some way to addressing these future financial challenges.

Report No.  
CSD172

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** MOTION - ROAD SAFETY

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** All

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1. Reason for report

- 1.1 At its meeting on 16<sup>th</sup> July 2018 the Council approved a motion requesting the Environment and Community Services PDS Committee to review the latest Local Improvement Plan (LIP) at its next meeting with the target of making further road safety improvements. This report asks Council to note that the Committee has carried out this task and the Environment and Community Services Portfolio Holder has approved a new draft LIP document, which is currently the subject of public consultation.
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2. **RECOMMENDATIONS**

**That Council notes the action taken in response to the motion approved on 16<sup>th</sup> July 2018.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Not Applicable
  4. Total current budget for this head: Not Applicable
  5. Source of funding: Not Applicable
- 

### Personnel

1. Number of staff (current and additional): 1
  2. If from existing staff resources, number of staff hours: 50
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications: Not Applicable
- 

### Customer Impact

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

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No (see attached report)
2. Summary of Ward Councillors comments: Not Applicable



### 3. COMMENTARY

- 3.1 At its meeting on 16<sup>th</sup> July 2018, the Council considered the following motion, which had been moved by Councillor Ian Dunn and seconded by Councillor Simon Jeal, and then amended by Councillor William Huntington-Thresher, seconded by Councillor Will Harmer. The motion as approved read -

*“Despite the Council’s high performance in terms of road safety improvements in comparison to other boroughs, this Council recognises residents’ concerns about road safety and requests the Environment PDS review the latest Local Implementation Plan (LIP) with the target of further road safety improvements at its next meeting.”*

- 3.2 At its next meeting on 10<sup>th</sup> October 2018, the Environment and Community Services PDS Committee considered the attached report on the draft LIP document. Members supported the proposed document and congratulated officers for putting together an effective programme. The Committee recommended that the Portfolio Holder for Environment and Community Services (i) approve the LIP document for public consultation, (ii) authorise the Executive Director of Environment and Community Services to make amendments to the document following the consultation in consultation with the Portfolio Holder for Environment and Community Services and (iii) approve submission of the 2019/20 LIP spending plan to TfL. The Portfolio Holder’s decision was published on 29<sup>th</sup> October. The public consultation on the LIP runs until 13<sup>th</sup> January 2019.
- 3.3 The report considered by the Environment and Community Services PDS Committee on 10<sup>th</sup> October 2018 states -

The LIP3 reaffirms the Council’s long term commitment to make the Borough’s roads safer by adopting the Vision Zero ambition of no deaths or serious injuries on the roads by 2041. This is a challenging target and one that the borough can’t achieve alone. However the Borough will play its part by working to improve the safety of collision hot spots, especially for vulnerable road users who make up a disproportionately high proportion of KSIs. The borough will also continue its education programme to encourage safe use of roads and smarter choices

- 3.4 The full draft LIP document can be viewed on the Council’s website via the link in the box below.

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children, Policy, Financial, Personnel, Legal, Procurement
Background Documents: (Access via Contact Officer)	LIP3 draft published online - <a href="#">Draft Local Implementation Plan (LIP3)</a>

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**Decision Maker:** ENVIRONMENT & COMMUNITY SERVICES PORTFOLIO  
HOLDER

For Pre-Decision Scrutiny by the Environment & Community Services  
PDS Committee on:

**Date:** Wednesday 10 October 2018

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

**Title:** BROMLEY'S THREE YEAR TRANSPORT PLAN (LOCAL  
IMPLEMENTATION PLAN3 2019-2022)

**Contact Officer:** Alexander Baldwin-Smith, Senior Transport Planner  
E-mail: Alexander.Baldwin-Smith@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 inform members of the process for Bromley's third Local Implementation Plan (LIP3), to gain input from the Environment PDS to assist with the development of the LIP 3 and to approve the release of the LIP 3 document for public consultation.

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2. RECOMMENDATION(S)

2.1 That the Portfolio Holder approves that public consultation of the LIP3 document should begin on 2<sup>nd</sup> November 2018.

2.2 To delegate amendments, post-consultation, to the Executive Director in consultation with the Portfolio Holder for Environment.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: A full equalities impact assessment has been prepared alongside the LIP submission
- 

### Corporate Policy

1. Policy Status: New Policy:
  2. BBB Priority: Quality Environment Safe Bromley Supporting Independence Vibrant, Thriving Town Centres Healthy Bromley Regeneration:
- 

### Financial

1. Cost of proposal: No Cost: There is no spending associated with the LIP3 itself, however proposals for projected TfL allocations are set out in the document. Annual spending programmes will be brought forward each year of the term of the LIP and permission to spend for each scheme will be sought via Delegated Authority or the PDS.
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: To be confirmed by TfL
  4. Total current budget for this head: Allocation to be confirmed by TfL
  5. Source of funding: TfL LIP funding
- 

### Personnel

1. Number of staff (current and additional): 1
  2. If from existing staff resources, number of staff hours: 50
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications: N/A
- 

### Customer Impact

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

## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No. Officers have engaged with the Chairman and Portfolio Holder throughout the LIP3 development processes who have in turn fed in Ward Member views. Ward Members are also able to submit responses to the public consultation.
2. Summary of Ward Councillors comments:

### **3. COMMENTARY**

#### **LIP 3 Strategy**

- 3.1 The basis for each London Borough's (Local Implementation Plan) LIP document is the Mayor's Transport Strategy (MTS). This sets a high level vision and objectives for transport across London. All London Boroughs are required to set out how their respective programmes will contribute to the high level objectives of the MTS in their LIP documents.
- 3.2 The LIP is a statutory document prepared under section 145 of The Greater London Authority Act 1999 (The GLA Act) and sets out how boroughs will deliver the MTS in their area. Each borough is required to produce a LIP, which must be approved by the Mayor. This is the third LIP and is therefore known as the LIP3. A LIP must contain the borough's proposals for implementing the MTS in its area, a timetable for implementing the different proposals and the date by which all the proposals will be implemented. The proposals must be adequate for the purposes of delivering the MTS and consistent with it.
- 3.3 Section 159 of The GLA Act sets out the general power of TfL to grant funding, in this case to the boroughs to support delivery of their LIPs. However, even if a borough accepts or receives no TfL funding, there is still a requirement to produce a LIP.
- 3.4 The third LIP for the London Borough of Bromley covers the period 2019/20 to 21/22 and includes delivery proposals for this period. It also sets targets and outcomes that the Borough is seeking to achieve with the most detailed delivery plan provided for the first year under which the LIP3 will apply, 2019/20. Furthermore it includes references to longer term aspirations that the borough believes are necessary to achieve the MTS outcomes by 2041.
- 3.5 Bromley's LIP3 identifies how the Borough will seek to work in a locally appropriate manner to achieve the MTS objectives of:
- Healthy Streets and healthy people
  - A good public transport experience
  - New homes and jobs
- 3.6 In the context of a growing city, Bromley's population is expected to increase by almost 30,000 by 2032. This level of population growth will present challenges for the Borough's transport networks, in ensuring that residents can still move about safely and efficiently to access employment, education, health provision and leisure opportunities. If this growth in demand for travel were to be accompanied by an equal growth in car use, congestion would get worse, with slower journeys for residents and businesses and poorer air quality.
- 3.7 To accommodate this increase in demand requires the Borough to make the most efficient use of the capacity on local transport networks, through space efficient modes. Essentially this means that high quality, attractive alternatives to car travel need to be developed to provide genuine transport choice and to avoid gridlock in the more built up parts of the Borough.
- 3.8 The development of proposals to meet this challenge have been focused on the Borough's high level objectives as set out in 'Building a Better Bromley', with transport having a key role to play. For example by providing attractive walking and cycling infrastructure, residents will be able to undertake exercise as part of their everyday routine, such as travelling to the station improving their health and reducing the risk of disease, thereby supporting independence and promoting a healthy Bromley.

3.9 At a London wide level, The Mayor of London has set an ambitious target for 80 per cent of all trips in London to be made on foot, by cycle or by public transport by 2041, compared to 63 per cent today. This is not a one size fits all target for the whole of London and instead recognises the need for mode share targets for each borough, which in the case of Bromley is for 60% of trips to be made by public transport, walking and cycling by 2041. Whilst this is ambitious it recognises that in some parts of the Borough, these modes are unlikely to be realistic modal choices for many residents or are unsuitable for the type of journeys being made.

### **Summary of the LIP**

3.10 The strategy sets out how the borough will deliver the MTS locally for the benefit of residents in the long term. There is great potential for walking and cycling in Bromley so the Borough will seek to work alongside TfL to deliver high quality strategic cycle network routes in the Borough, something which has already begun with the delivery of the proposed Quietways. It will also look to deliver a series of local routes including upgrades to the existing London Cycle Network to create routes that serve town centres, stations and act as feeders to the strategic cycle network. This will be complimented by investment in cycle parking and small scale local schemes to reduce barriers to cycling. Consideration will also be given to how an electric bike hire scheme can be implemented alongside private sector partners to open up cycling to a wider range of people.

3.11 Walking is already a popular mode of transport in the Borough and to unlock further potential for walking the Borough will continue to invest in improved footways and new crossing facilities including on the Walk London network to make walking an attractive and enjoyable choice for local trips. Walking investment will also be directed towards promoting walking to school to reduce the negative congestion and parking impacts associated with the school run and promote healthy active lifestyles from a young age. Larger area based schemes will also be considered to promote walking including ones that benefit public realm in town centres and supports the Building a Better Bromley priority of vibrant town centres.

3.12 The LIP3 reaffirms the Council's long term commitment to make the Borough's roads safer by adopting the Vision Zero ambition of no deaths or serious injuries on the roads by 2041. This is a challenging target and one that the borough can't achieve alone. However the Borough will play its part by working to improve the safety of collision hot spots, especially for vulnerable road users who make up a disproportionately high proportion of KSIs. The borough will also continue its education programme to encourage safe use of roads and smarter choices.

3.13 Reducing congestion and reducing the impact of excess parking are key borough priorities. Therefore to manage demand the Borough will continue to develop the car club network to encourage residents to think more about their mode choice and to reduce the need to own multiple cars by provide residents with the choice of a car when they need one as part of the modal mix. By enabling residents to choose to own fewer cars and enjoy the cost savings this brings, there will be less demand for overstretched supplies of parking, addressing a key resident concern. The Borough will also look to work with communities to implement appropriate parking controls around stations and town centres to reduce the impact and better manage parking around these high demand areas.

3.14 The borough will also seek to develop the car club offer for businesses to allow them greater choice of low emission vehicles at an affordable cost. Working through Business Improvement Districts, the borough will seek to work with local businesses to make deliveries more efficient and reduce the impact of freight on peak hours' congestion.

- 3.15 The Borough will focus initiatives to reduce the impact of air pollution in the areas of highest exceedance, primarily within the Air Quality Management Area (AQMA) or where vulnerable people may spend significant amounts of time, for example schools. These interventions will be developed in detail in the Borough's Air Quality Action Plan review which will be assessing how various Air Quality issues might be tackled most effectively in future years. From a transport perspective the borough will consider how it can reduce unnecessary pollution and waste through anti-idling education campaigns, continued introduction and facilitation of the switch to alternative fuel technologies and measures to reduce emissions from its own fleet where cost effective, practical and reliable. The Borough will also seek to green the car club fleet, requiring suppliers to move to hybrid and EV cars and vans. It will also lobby TfL to speed up the greening of the bus fleet in outer London. Tree planting as part of transport schemes will also act to provide a green lung to capture pollutants and improve the environment with shade and shelter.
- 3.16 The provision of efficient and high quality public transport is a key priority for the Borough, especially the fast rail links to central London from the Borough's town centres. However a key challenge is to provide additional capacity on these services to accommodate growth in Bromley Town Centre. Also, orbital public transport connectivity from many areas of outer London is poor, creating conditions where the car is the default choice for many of these trips. Therefore providing frequent, fast and reliable public transport on key orbital routes will play an important role in mode shift and reducing congestion in the Borough and outer London.
- 3.17 A further key connectivity gap is between Bromley town centre and Canary Wharf /Docklands. Improving connectivity on this corridor is a key Borough priority because it will improve residents' access to jobs and support the Borough's regeneration of office space. The Borough is therefore looking to work with TfL and other industry partners to develop deliverable and cost effective solutions that offer fast, frequent and convenient public transport services at an affordable cost for funders.
- 3.18 Considering connectivity to the wider south east region, journeys from Bromley to North West Kent are often slow and circuitous. The Borough therefore supports proposals from the Kent Route Study for a direct service between Bromley and Ebbsfleet International. Improving connectivity on this corridor by rail will importantly act to reduce car dependency in this part of Kent and open up employment and leisure opportunities including in the proposed Paramount Leisure Resort on the Swanscombe peninsula.
- 3.19 The way that the rail network has developed has meant that much of it is not accessible to those with mobility issues, heavy luggage or travelling with young children. The Borough is therefore strongly supportive of measures to make the rail network more accessible and will lobby for funding to make more of the Borough's stations step free. This will be complimented by the Borough's own station access improvements on the routes to stations.
- 3.20 Buses form an important part of the Borough's public transport network and could be further developed, incrementally, based on changes in demand. The Borough, however, wishes to work closely with TfL to develop the network and new and innovative bus services. The borough will seek to work with TfL to support the potential limited stop bus corridor identified in the MTS between Beckenham and Bexleyheath, which connects with the London Tram network at Beckenham Junction. The Borough will also seek to work with TfL to understand whether there is a case to provide interchange opportunities between this corridor and the Elizabeth Line at Abbey Wood.
- 3.21 To support the development of the Biggin Hill SOLDC and reduce car dependence the Borough will work with TfL to reduce congestion through the Keston Mark junction to improve bus reliability. In addition to this, the Borough would like to see whether express or limited stop



services to the SOLDC could act as rail feeders to reduce car borne trips that the employment growth in this area will create.

- 3.22 The Borough will also lobby TfL to improve bus services throughout the borough, notably to improve weekend services, improve connectivity with hospitals and provide new school bus routes to support reduced school run trips which cause congestion and local parking issues.
- 3.23 An efficient and reliable bus network is essential in providing a good public transport experience in the Borough and in many areas of the Borough that aren't served by rail or tram, buses are the only form of public transport available. In such cases they play a vital role in reducing car dependence and isolation for those without access to a car. So maintaining a reliable network is important in providing a quality public transport network. Whilst much of this rests with the operators, the Borough will play its part by undertaking schemes to reduce congestion on bus routes and reviewing existing bus priority measures.
- 3.24 Public transport investment will be linked to housing growth which is detailed in the Borough's draft Local Plan. By focusing growth in the areas of highest accessibility the transport impact on the borough's road network can be minimised. Although, given the pressure that this growth will put upon existing transport networks, the Borough will lobby TfL, Network Rail and other funders to deliver new public transport capacity and connectivity.

### LIP3 Programme

- 3.25 The Borough is expecting an allocation of £2.076m per year for the three year life time of the LIP3 to implement the projects proposed within it. This funding allocation is confirmed by TfL on an annual basis. At a high level the three year programme indicates where the Borough intends to allocate these resources. The programme is split into eight sub-programmes, outlined below which relate to particular improvement the Borough will make.

LIP3 Outline programme			
Programme	2019/20	2020/2021	2021/2022
Network Reliability	£ 210,000	£ 615,000	£ 585,000
Casualty and Road danger reduction	£ 295,000	£ 295,000	£ 295,000
Local Cycle infrastructure	£ 600,000	£ 180,000	£ 190,000
Walking infrastructure development	£ 194,000	£ 239,000	£ 264,000
Public Transport interchange and access	£ 187,000	£ 150,000	£ 145,000
Parking controls and Kerb space management	£ 143,000	£ 138,000	£ 138,000
Scheme development and review	£ 66,100	£ 78,100	£ 78,100
RS education and Behaviour Change initiatives	£ 381,000	£ 381,000	£ 381,000
<b>Total</b>	<b>£ 2,076,100</b>	<b>£ 2,076,100</b>	<b>£ 2,076,100</b>

- 3.26 **Network reliability** focuses on smoothing traffic flow at key pinch points to reduce congestion and improve reliability of bus routes, contributing to an improved public transport experience. The Borough will focus on key strategic projects that will improve network reliability; therefore it is intended to make a contribution of the LIP allocation to the Shortlands Ravensbourne and Bromley Better Villages Liveable Neighbourhood bid each year (2019/20 **£50k**, 2020/21 **£340k**, 2021/22 **£360k**), given the potential this has to make improvements through Shortlands both to improving the junction and reducing congestion by shifting short local trips from car to other modes such as walking. This match funding will be crucial in potentially unlocking several million pounds of Liveable Neighbourhood funding via the bid process.

During the LIP3 delivery plan it is envisaged that further reliability improvements will be made to the A224 and the Borough is lobbying TfL to include improvements to reduce congestion and

unlock opportunities for new bus services at the Keston Mark. The programme therefore includes an allocation to make a contribution to any major project that comes forward at the latter which is envisaged as a joint TfL and Borough project linked to development at Biggin Hill SOLDC.

- 3.27 **Casualty and road danger reduction** is a programme intended to identify casualty hot spots and undertake interventions that provide safer road layouts to reduce collisions. It also seeks to reduce resident's fears of road danger where these negatively impact upon their transport choice and where intervention may lead to greater uptake of walking and cycling, reducing congestion on the wider network.
- 3.28 **Local cycle infrastructure** provides infrastructure that can unlock the potential for cycling at a local level. Whilst strategic cycle routes such as Quietways are funded by TfL separately from the LIP settlement these local cycle schemes will deliver smaller scale cycling infrastructure. Local infrastructure might include complimentary schemes to the Quietways to increase their catchment area and enhance the benefits they offer, such as cycle parking at stations served by the routes, or short local feeder routes. It also includes work to develop a local cycle network and other small interventions such as cycle parking and contraflows intended to reduce the barriers to cycling. A key intervention will be the completion of the Crofton Road cycling and walking corridor scheme in 2019/20, which whilst a major route that has been part of a multiyear project, will act as a key local cycle route supporting cycle to rail and access to Orpington town centre.
- 3.29 **Walking infrastructure development** relates to improvements for pedestrians such as new crossings, improved paths and other localised improvements to make walking a safer and more attractive option for travel. This programme will also work with schools to deliver interventions that create attractive and safe walking routes to school, reducing traffic and parking issues associated with the school run by promoting walking to school.
- 3.30 **Public transport interchange and access** focuses on improving the interchange between modes, for example bus and rail, walking and rail and cycle to rail. These improvements may include enhanced routes to stations, cycle parking hubs, bus stop upgrades and new station forecourts.
- 3.31 **Parking controls and kerb space management** is a programme to deliver schemes that effectively manage parking in the borough. It is intended to deliver strategic parking projects such as controls around stations and town centres as well as more reactive projects in response to local resident and ward member concerns about inappropriate and unsafe parking.
- 3.32 **Scheme development and review** is a small allocation to allow the borough to develop larger projects for future years and assess the impact of projects it has undertaken to inform future schemes.
- 3.33 **Road Safety education and behaviour change initiatives** are a package of 'soft' measures aimed at changing behaviour rather than new infrastructure. They are important in encouraging mode shift and safer road behaviour, supporting the infrastructure the Borough is delivering to promote walking and cycling and reduce casualties. This includes Bikeability cycle training and road safety education in schools.

## **2019/20 Programme in detail**

3.34 The 2019/20 programme has been developed based on the policy proposals in the LIP3 document and provides individual projects and interventions under each of the eight main programme headings.

### **3.35 Network Reliability**

If the Liveable Neighbourhood bid is successful, this will be the first year of match funding for the project. Whilst delivery of the project will be over several years, the first year will focus on feasibility and design work. The programme will also see development of proposals for further improvements to the A224 between Spur Road and Kent Road with consideration given to how additional bus reliability funding can be leveraged from TfL for implementation of improvements.

### **3.36 Casualty and Road danger reduction**

In 2019/20 the Borough will work to identify collision hot spots in order to reduce casualties on the Borough's roads. It will also seek to work with communities to deliver local projects to reduce the fear of road danger that inconsiderate road use can create. These schemes could take many forms and the Borough is planning to work with communities to develop appropriate schemes that address danger concerns that act as barriers to walking and cycling. An allocation has also been made to begin the process of area wide reviews of carriageway markings with a view to their safe reduction in order to reduce clutter and act as a low cost speed management measure.

### **3.37 Local Cycle infrastructure**

In 2019/20 an allocation has been made to fund a joint study with Lewisham and TfL to assess options for improved cycle provision either on or parallel to the A21. This supports the Borough's long term aspiration for a segregated cycle route on this corridor, reaffirmed in the LIP3 strategy. Delivery of this study is dependent on funding being available from other parties and their willingness to engage.

A key cycling investment in 2019/20 is the completion of the Crofton Road segregated cycle corridor which will begin in 2018/19 although due to the size and cost of the scheme is being delivered over two years. This scheme will deliver 1.3km of segregated cycle route on off road tracks and stepped tracks and will be a key feeder route to Orpington Station, this is complimented by the station forecourt and cycle hub scheme that the Borough and Southeastern Railways are delivering in 2018/19. This route forms part of the Orpington Station to Locksbottom connector identified in TfL's SCA and supported in the LIP3 strategy.

An allocation is also made to continue the introduction of Bikehangers and cycle parking at key destinations; additionally it is proposed to deliver a new cycle hub at a station in 2019/20, fulfilling one of the Borough's LIP3 local objectives. Other small interventions such as contraflows or allowing cycles to filter through streets that have been stopped up but do not currently allow cycle permeability will also be developed. Local schemes such as these and cycle parking are key to addressing barriers to cycling for short local trips.

### **3.38 Walking infrastructure development**

In 2019/20 it is planned to deliver new pedestrian crossings, with consideration to be given to one on Crystal Palace Park Road and other locations where severance is identified by communities and Members. During 2018/19 an audit of the Green Chain Walk and London Loop will be undertaken with a view to making small scale improvements to crossings and surfacing to enhance the utility and accessibility of this part of the Walk London network in the Borough. It is also proposed to work with the School Travel Planning team who engage with schools to identify improvements on the approaches to schools that would encourage more pupils to walk or scoot to school.

### **3.39 Public Transport Interchange and Access**

In order to enhance the benefits of the Greenwich to Kent House Quietway it is proposed to deliver new secure cycle parking monitored by high quality CCTV at station(s) along the route, supporting the Borough's cycle to rail ambitions. The programme also makes an allocation for the development of access improvements to Elmers End station, which are intended to complement TfL's investment in the Elmer's End tram branch by improving walking and cycling routes to the station/tram stop, It is also intended that this funding may support improvements to the National Cycle Network route 21 in the area.

### **3.40 Parking Controls and Kerb Space management**

In 2019/20 it is proposed to continue to address member concerns about local parking issues. An allocation has also been made to continue to review the effectiveness on CPZs in the borough with a view to implementing changes where necessary in 2019/20. A small allocation has been made for the trial of alternative fuel technologies to evaluate their effectiveness. It is also intended to develop the car club network with additional bays focused on filling gaps in the current network and providing low emission vans in town centres and industrial areas to offer businesses cost effective ways to green their fleet and reduce parking pressures associated with grey fleet parking on street.

### **3.41 Scheme development**

In 2019/20 consideration will be given to which schemes the Borough wishes to develop for the remaining years of the LIP3, this allocation will be used for initial surveys and feasibility/concept design work. A small allocation has also been made to review the effectiveness of recently implemented schemes; including undertaking 'after' road safety audits to ensure schemes are contributing to Vision Zero targets.

### **3.42 Road Safety education and behaviour change initiatives**

In 2019/20, the Borough will continue to deliver targeted cycle training to areas where there is likely to be the most mode shift. This allocation will also allow the Cycle training team to deliver launch packages for new cycle infrastructure to encourage use and promote safe cycling. This programme will also continue to deliver the Borough's road safety education in schools, to promote safer road user behaviour from an early age alongside an increasing focus on mode shift. Finally the School Travel Planning advisors will continue to work with schools to promote travel to school by non-car modes to reduce peak hours' congestion and work with other teams within the council to reduce the impact of the school expansion programme on travel.

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

4.1 A full equalities impact assessment has been prepared alongside the LIP3 and will be available as part of the consultation process.

#### **5. POLICY IMPLICATIONS**

5.1 The LIP is a new transport strategy for the next three years, and sets out a longer term vision to 2041. However it is an evolution of current policy set out in the Environment Portfolio Plan, Draft Local Plan and 'Building a Better Bromley' priorities.

#### **6. FINANCIAL IMPLICATIONS**

6.1 There is no Borough spending associated with the LIP3 itself, however, proposals for how the anticipated TfL allocations are to be spent are set out in the document. Annual spending programmes will be brought forward each year of the term of the LIP and permission to spend for each scheme will be sought via Delegated Authority or PDS.

6.2 It should be noted that if the funding for the outline programme is confirmed by TfL, totalling £2.076m, then this funding will be £373k less than the amount allocated for 2018/19. Should the reduction in funding be confirmed, a review of staffing funded by LIP will need to be undertaken.

#### **7. PERSONNEL IMPLICATIONS**

7.1 No personnel implications are anticipated as a result of the LIP3.

#### **8. LEGAL IMPLICATIONS**

8.1 Section 151 of The GLA Act requires Boroughs to deliver the proposals set out in their LIP document.

#### **9. PROCUREMENT IMPLICATIONS**

9.1 There are no direct procurement implications as the scheme is to be implemented by the Council's term highways contractor. This is provided for by the inclusion of this type of work, within an EU compliant tender, and therefore there is not a requirement to tender this work separately.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	LIP3 draft for PDS to be published online after the publication of this report

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Report No.  
CSD18171

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** LOCAL PENSION BOARD - ANNUAL REPORT

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** All

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1. Reason for report

- 1.1 The Local Pensions Board's terms of reference require that an Annual Report is made each year to the Pensions Manager and this report is also submitted to full Council via Pensions Investment Sub-Committee and General Purposes and Licensing Committee. The attached report was considered by the Local Pension Board on 6<sup>th</sup> November 2018, the Pensions Investment Sub-Committee on 7<sup>th</sup> November and the General Purposes and Licensing Committee on 27<sup>th</sup> November 2018.
- 

2. **RECOMMENDATION**

**That the Local Pension Board Annual Report - October 2018 be received and noted.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: Existing Policy: The Council's pension fund is a defined benefit scheme
  2. BBB Priority: Excellent Council:
- 

## Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Any costs associated with the reimbursement to Board Members of directly incurred expenses are chargeable to the Pension fund
  4. Total current budget for this head: £40.7m expenditure (pensions, lump sums etc): £52.5m income (contributions, investment income etc); £1,018m fund market value (at 30<sup>th</sup> June 2018).
  5. Source of funding: Contributions to the Pension Fund.
- 

## Personnel

1. Number of staff (current and additional): The Local pension Board comprises of two Employer Representatives and two member Representatives. The Board is supported by the Pensions Manager
  2. If from existing staff resources, number of staff hours: Not Applicable
- 

## Legal

1. Legal Requirement: Statutory Requirement: The Local Government Pension Scheme Regulations 2013 (as amended)
  2. Call-in: Not Applicable:
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,030 current employees; 5,220 pensioners; 5,627 deferred pensioners as at 30<sup>th</sup> June 2018.
- 

## Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	See attached report
Background Documents: (Access via Contact Officer)	See attached report



**Decision Maker:** LOCAL PENSION BOARD  
PENSIONS INVESTMENT SUB COMMITTEE  
GENERAL PURPOSES & LICENSING COMMITTEE  
COUNCIL

**Date:** 6<sup>th</sup> November 2018  
7<sup>th</sup> November 2018  
27<sup>th</sup> November 2018  
10<sup>th</sup> December 2018

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

**Title:** LOCAL PENSION BOARD – ANNUAL REPORT

**Contact Officer:** Fahar Rehman, Pensions Manager  
Tel: 020 8461 7024 E-mail: [fahar.rehman@bromley.gov.uk](mailto:fahar.rehman@bromley.gov.uk)

**Chief Officer:** Director of Finance

**Ward:** Borough Wide

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1. Reason for report

1.1 The Local Pension Board Terms of Reference require that an Annual Report is produced and provided to the Pensions Manager each year. In a report to the Pensions Investment Sub Committee, General Purposes and Licensing Committee and Council in February 2015, it was also confirmed that the Local Pension Board's Annual Report, would be provided to Council via the Pensions Investment Sub-Committee and the General Purposes and Licensing Committee.

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2. **RECOMMENDATIONS**

2.1 **Members of the Local Pension Board are asked to approve the draft LPB Annual Report at Appendix A.**

2.2 **Members of the Pensions Investment Sub Committee, General Purposes and Licensing Committee and Council are asked to note the contents of the report.**

## Corporate Policy

1. Policy Status: Existing Policy: The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
  2. BBB Priority Excellent Council
- 

## Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Any costs associated with the reimbursement to Board Members of directly incurred expenses are chargeable to the Pension Fund
  4. Total current budget for this head: £40.7m expenditure (pensions, lump sums, etc); £52.5m income (contributions, investment income, etc); £1,018m fund market value (at 30<sup>th</sup> June 2018)
  5. Source of funding: Contributions to Pension Fund
- 

## Staff

1. Number of staff (current and additional): The Local Pension Board comprises of 2 Employer Representatives and two Member Representatives. The Board is supported by the Pensions Manager.
  2. If from existing staff resources, number of staff hours: n/a
- 

## Legal

1. Legal Requirement: Statutory Requirement The Local Government Pension Scheme Regulations 2013 (as amended)
  2. Call-in: Not Applicable:
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,030 current employees; 5,220 pensioners; 5,627 deferred pensioners as at 30<sup>th</sup> June 2018
- 

## Ward Councillor Views

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

### **3. COMMENTARY**

- 3.1 The London Borough of Bromley Local Pension Board was established by Council on 23<sup>rd</sup> February 2015. The Board held an introductory meeting on 27<sup>th</sup> July 2015 and its first formal annual meeting on 26<sup>th</sup> October 2015.
- 3.2 In accordance with the Terms of Reference the Board are required to produce a single annual report to the Pensions Manager. This report should include:
- A summary of the work of the Local Pension Board and a work plan for the coming year
  - Details of areas of concern reported to or raised by the Board and recommendations made
  - Details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed
  - Any areas of risk or concern the Board wish to raise with the Scheme Manager
  - Details of training received and identified training needs
  - Details of any expenses and costs incurred by the Local Pension Board and any anticipated expenses for the forthcoming year.
- 3.3 Members are asked to note the contents of the Local Pension Board Annual Report.

### **4. POLICY IMPLICATIONS**

- 4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

### **5. FINANCIAL IMPLICATIONS**

- 5.1 Although permitted under Regulations, Local Pension Board members are not paid an allowance. As set out in the terms of reference, remuneration for Board members is limited to a refund of actual expenses incurred in attending meetings and training.
- 5.2 As the administering authority the Council is required to facilitate the operation of the Local Pension Board including providing suitable accommodation for Board meetings as well as administrative support, advice and guidance. This is currently done within existing in-house resources.
- 5.3 Any costs arising from the establishment and operation of the Local Pension Board are treated as appropriate administration costs of the scheme and, as such, are chargeable to the Pension Fund.
- 5.4 There were reimbursement claims for cost of travel totalling £8.30 within the relevant period.

## 6. LEGAL IMPLICATIONS

- 6.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014. A requirement is the establishment of Local Pension Boards.

## 7. PERSONNEL IMPLICATIONS

- 7.1 All Local Government Pension Scheme employers and members must have an equal opportunity to be nominated to become Board members through an open and transparent process.

<b>Non-Applicable Sections:</b>	Procurement Implications Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Public Service Pensions Act 2013; Local Government Pension Scheme (Amendment) (Governance) Regulations 2015; Local Government Pension Scheme Regulations 2013; Local Pension Board Report, Supplementary Report and Appendices to Pensions Investment Sub-Committee, General Purposes & Licensing Committee and Council 3rd, 10th and 23rd February 2015; Local Pension Board – Appointment of Board Members, General Purposes and Licensing Committee and Council 27 <sup>th</sup> May and 29 <sup>th</sup> June 2015. Local Pension Board – Appointment of Board Members to General Purposes & Licensing Committee 14 <sup>th</sup> September 2016



THE LONDON BOROUGH

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# **LONDON BOROUGH OF BROMLEY – LOCAL PENSION BOARD**

## **ANNUAL REPORT – OCTOBER 2018**

**LONDON BOROUGH OF BROMLEY - LOCAL PENSION BOARD  
ANNUAL REPORT  
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## **1. Foreword**

- 1.1 The purpose of this London Borough of Bromley Local Pension Board Annual report is to provide information regarding the activities and role of the Board for Scheme Members, Scheme Employers and the Scheme Manager (Administering Authority).
- 1.2 The Local Pension Board was established by the London Borough of Bromley Pension Fund in response to new regulatory requirements introduced into the Local Government Pension Scheme Regulations 2013
- 1.3 The role of the Local Pension Board is to provide assistance to the London Borough of Bromley in its role as an Administering Authority within the Local Government Pension Scheme in ensuring it remains compliant with the relevant legislation and requirements of the Pensions Regulator.

## **2. Background**

- 2.1 The Local Government Pension Scheme Regulations 2013 (as amended) required that the Local Pension Board be established by 1<sup>st</sup> April 2015 to assist the Administering Authority (London Borough of Bromley) to:
- Secure compliance with the Local Government Pension Scheme (LGPS) regulations and the requirements imposed by the Pensions Regulator.
  - Ensure effective and efficient governance and administration of the LGPS
- 2.2 The Local Pension Board is not a decision making body but is expected to support the Council's current committee structure.
- 2.3 The London Borough of Bromley Local Pension Board was approved at Full Council on 23<sup>rd</sup> February 2015.

## **3. Board Membership**

- 3.1 The London Borough of Bromley Local Pension Board requires a total of four members. The membership is constituted as follows:
- 2 members representing the interests of the Fund's employers – Employer Representatives.
  - 2 members representing the interests of the Fund's scheme members – Member Representatives.
- 3.2 At the last meeting of Local Pension Board held on 10<sup>th</sup> April 2018, the board members were:
- Employer Representatives:
- Josepha Reynolds
  - Pinny Borg
- Member Representatives
- Leslie Rickards
  - Geoffrey Wright
- 3.3 On the 20<sup>th</sup> April 2018 Josepha Reynolds resigned from her role as an Employer Representative owing to her ceasing her employment with the Council.
- 3.4 In accordance with the Local Pension Board Terms of Reference, applications were invited from all Employers for the vacant role of Employer Representative and the closing date for expressions of interest was 10<sup>th</sup> June.
- 3.5 One application was received from Emma Downie (Head of HRIS & Reward for LBB).



3.6 On the 25<sup>th</sup> of July, the General Purposes and Licensing Committee were asked to make a recommendation to Full Council for Emma Downie to be formally appointed to the role of an Employer Representative at their meeting of 8<sup>th</sup> October 2018. Full Council approved Emma Downie for the role of Employer Representative.

#### 4. Board Meetings

4.1 Following an introductory meeting of the Local Pension Board Members which took place on Monday 27<sup>th</sup> July 2015, formal meetings of the Board took place on Monday 26<sup>th</sup> October 2015, Thursday 10<sup>th</sup> November 2016 and Tuesday 10<sup>th</sup> April 2018. The table below shows the attendance of those meetings:

	Employer Representatives				Member Representatives			
	Mr B Toms	Ms J Harding	Ms J Reynolds	Ms P Borg	Mr G Kelly	Mr T Conboy	Mrs L Rickards	Mr G Wright
Introductory Meeting 27/07/2015	✓	✓	N/A	N/A	✓	N/A	✓	N/A
Formal Meeting 26/10/2015	✓	✓	N/A	N/A	X	N/A	✓	N/A
Formal Meeting 10/11/2016	✓	✓	N/A	N/A	N/A	X	✓	N/A
Formal Meeting 10/04/2018	N/A	N/A	✓	✓	N/A	N/A	✓	✓

4.2 At the Local Pension Board meeting held on 10<sup>th</sup> November 2016, Mrs Lesley Rickards was elected by the members of the Board to act as its Chair for a period of 12 months, succeeding Mr Brian Toms, in line with the requirements of the Terms of Reference.

4.3 A meeting of the Local Pension Board was held on 10<sup>th</sup> April 2018 at which Pinny Borg was elected the new Chair of the Pension Board.

#### 5. Board Activity

5.1 Members of the Board are also invited to attend meetings of the Pensions Investment Sub-Committee and where appropriate meetings of the General Purposes and Licensing Committee.

- 5.2 In accordance with the work plan agreed by the Local Pension Board members, members have been provided throughout the year with monthly Pensions Administration Reports for review. These reports are produced by Liberata UK Ltd, and include a monthly summary of activity, and details of key Performance Indicators (KPI's). To date no issues have been raised by Board members in connection with such reports.
- 5.3 The Pension Act 2004 and the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014 require the Administering Authority to hold accurate data on scheme members. It is also essential to hold accurate data for efficient administration.
- 5.4 The Pensions Regulator is due to carry out Data Quality checks as part of the Annual Scheme Return. For the 2017/18 Scheme Return, we are asked to provide the completeness of Common Data (i.e. member name, member dob, member address) and the completeness of Scheme Conditional Data (i.e. Contributions, Employer, Job title).
- 5.5 The Local Pension Board will be asked to assist in reviewing the quality of data report to ensure compliance.

## **6. Training**

- 6.1 It is a requirement of the Public Service Pensions Act that Board members have the capacity to become conversant with the rules governing the Local Government Pension Scheme and the policy documents of the Administering Authority.
- 6.2 The following training has been made available to the Local Pension Board members:
- The Pensions Regulator e-learning package, covering Conflicts of Interest, Managing risk and internal controls, maintaining accurate member data, Maintaining member contributions, Providing Information to members and others, Resolving internal disputes and Reporting breaches of the law.
  - A presentation on the Introduction to the LGPS will be carried out at the next Local Pension Board Meeting on Tuesday 6<sup>th</sup> November 2018 by the Pensions Manager.
  - The Board are invited to a members pension seminar on the 5<sup>th</sup> of November led by the Director of Finance.
- 6.3 Members have also been provided with the following documentation;
- The Local Government Pension Scheme Regulations
  - Administration, HR, Payroll and Member Guides to the Local Government Pension Scheme
  - Guidance on the creation and operation of Local Pension Boards
  - Mercer Newsletters 'Local Government Pension Scheme – Current Issues'

- Agendas and reports for the Pensions Investment Sub-Committee meetings

## **7. Board Observations and Comments**

- 7.1 The Local Pension Board terms of reference set out that the Board should raise any areas of risk or concern with the Scheme Manager in the first instance, no such matters have been raised.

## **8. Conflicts of Interest**

- 8.1 It is explained to each Board member that they are required to observe both the Code of Conduct for Councillors/Co-opted Members and Data Protection policies of the London Borough of Bromley. Members are also required to complete 'The Notification of Disclosable Pecuniary Interests Form', 'The Notification of Non-Pecuniary Interests Form' and a 'Declaration of Acceptance of Office Form'
- 8.2 No declarations of interest were made at the formal meeting of the Board on 10<sup>th</sup> April 2018.

## **9. Expenses and Costs**

- 9.1 All costs regarding the administration of the Local Pension Board have been contained within existing resources. There were reimbursement claims for cost of travel totalling £8.30 within the relevant period.

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Report No.  
CSD18175

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 10 December 2018

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

**Title:** COMMITTEE MEMBERSHIP

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

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** Kelsey & Eden Park

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1. Reason for report

- 1.1 Following the resignation of Dave Wibberley as Councillor for Kelsey and Eden Park, a vacancy has arisen on the Renewal, Recreation and Housing PDS Committee. A by-election was held on Thursday 29<sup>th</sup> November 2018, and Christine Harris (Conservative) was elected - the vacant PDS seat is therefore for a Conservative Member, and proportionality is not affected.
- 

2. **RECOMMENDATION**

**That Council appoints a Member to fill the vacant seat on Renewal, Recreation and Housing PDS Committee.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Democratic Representation
  4. Total current budget for this head: £1,067,960
  5. Source of funding: 2018/19 Revenue Budget
- 

### Personnel

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

### Legal

1. Legal Requirement: None: Further Details
  2. Call-in: Not Applicable: This report does not involve an executive decision.
- 

### Procurement

1. Summary of Procurement Implications: Not Applicable
- 

### Customer Impact

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

### Ward Councillor Views

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

<b>Non-Applicable Sections:</b>	Impact on vulnerable adults and children/Policy/financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	None

Report No.  
CEO18005

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** Council

**Date:** 10 December 2018

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

**Title:** Acting Chief Executive Appointment

**Contact Officer:** Charles Obazuaye, Director of Human Resources & Customer Services  
Tel: 020 8313 4355 E-mail: Charles.obazuaye@bromley.gov.uk

**Chief Officer:** Charles Obazuaye

**Ward:** N/A

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#### 1. Reason for report

- 1.1 The Council is legally required to appoint a Head of Paid Service pursuant to the Local Government Act.
  - 1.2 Following the resignation of the current Chief Executive, Doug Patterson, this report is seeking full Council approval to appoint the current Deputy Chief Executive, Ade Adetosoye OBE, into the Chief Executive role in an acting capacity. In line with the current arrangement, the appointment of the Chief Executive in any capacity is reserved for the full Council.
- 

#### 2. RECOMMENDATIONS

- 2.1 To confirm the appointment of Ade Adetosoye (Deputy Chief Executive and Executive Director of Education, Care and Health Services) as the Acting Chief Executive to replace the outgoing Chief Executive, Doug Patterson, with effect from 15<sup>th</sup> December 2018.
- 2.2 To agree that in the interim the Returning Officer and Electoral Registration Officer roles currently discharged by the Chief Executive will be carried out by Mark Bowen, Director of Corporate Services.
- 2.2 To approve the additional honorarium/acting up payment of £11,000 per annum to the Acting Chief Executive taking his total package to £179,845 p.a. pursuant to the Localism Act 2010, set out in paragraph 3.5
- 2.3 Members may also use this occasion to pay tribute to the outgoing Chief Executive for his leadership and significant contribution to the organisation and the borough since 2007, both as Chief Executive and as the Chief Returning Officer for election duties.

## Impact on Vulnerable Adults and Children

### 1. Summary of Impact:

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#### Corporate Policy

1. Policy Status: Existing policy:
  2. BBB Priority: Children and Young People Excellent Council Quality Environment Safe Bromley Supporting Independence Vibrant, Thriving Town Centres Healthy Bromley Regeneration Not Applicable: Further Details – The role of the Chief Executive is key to all these priorities. Being the Head of Paid Service and the most senior officer of the Council, the Chief Executive is expecting to lead on each of these priorities.
- 

#### Financial

1. Cost of proposal: Estimated Cost Further Details –
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre:
  4. Total current budget for this head: £
  5. Source of funding: Existing salary budget
- 

#### Personnel

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

#### Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance None: Further Details
  2. Call-in: Not Applicable:
- 

#### Procurement

1. Summary of Procurement Implications:
- 

#### Customer Impact

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

#### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes No Not Applicable
2. Summary of Ward Councillors comments:



### 3. COMMENTARY

- 3.1 As Members are aware the Chief Executive, Doug Patterson, who is also Head of Paid Service and the Chief Returning Officer, recently announced his decision to leave the Council having served the Council well since 2007. Mr Patterson joined Bromley Council having already served as a Chief Executive with Wokingham County Council and Harlow Council. Given the recent and on-going unprecedented challenges both structurally and financially facing local authorities it takes a special character to lead a local authority for eleven years! Mr Patterson is one of the longest serving Chief Executives not just in Bromley but also across London.

He has led the council through challenges and exciting transitional and transformational changes including large scale commissioning programmes, service reviews and realignments, corporate departmental rearrangements and transformation of failing services.

Finally, the out-going Chief Executive also represented the Council very well at external forums. His leadership and contribution to the Grenfell fire recovery programme as a 'Gold Commander' reflects very well on Bromley Council.

- 3.2 As stated above the Council is required to appoint a Head of Paid Service who is also the Chief Executive. The Council arrangements also provide for a Deputy Chief Executive, which is the second highest officer post in the Council. The Deputy Chief Executive post is currently held by Ade Adetosoye OBE who is also the Executive Director of Education, Care and Health Services.

Following the resignation of the Chief Executive with effect from the end of the calendar year (although his last day in the office is 14<sup>th</sup> December 2018 due to outstanding leave), naturally the successor to the post being vacated by the incumbent Doug Patterson, is the current Deputy Chief Executive, Ade Adetosoye OBE. This report is therefore seeking Members' approval to offer the Chief Executive role to Ade Adetosoye OBE on an interim/acting up basis. The Director of Human Resources will liaise with the Leader and his Cabinet on the next step including the duration and review of the acting up arrangement and key deliverables which will be monitored through normal supervision and annual appraisal discussion.

- 3.3 Ade Adetosoye OBE joined the Council exactly two years ago as Deputy Chief Executive and Executive Director of Education, Care and Health Services. Mr Adetosoye's outstanding track record of leading high performing children's services and turning around poor services made him an outstanding candidate for the Deputy Chief Executive and Director of Education, Care and Health Services.

Although, as directed by the Secretary of State, Mr Adetosoye's work has been focussed on transforming children's services, he also has managerial oversight for Housing, Education, Public Health, Adult Social Care, Programmes and Performance. In addition, as Deputy Chief Executive, Mr Adetosoye leads on behalf of the CEO, a number of corporate programmes, including, chairing the Corporate Leadership Team comprising the first and second tier officers in the Council, including Chief Officer colleagues. He is also charged with the challenging task of identifying savings and strategies to address and bridge the unprecedented financial gap facing the Council in the next few years. To that end, he is leading a Transformation Programme Board comprising the following: –

1. Review of statutory core services
2. Children's Services including Education
3. Adult services including mental health, learning disabilities and older people

4. Professional services

5. Housing

6. Environment and Community services

- 3.4 If appointed as acting Chief Executive, Mr Adetosoye OBE will receive an additional acting up allowance/honorarium payment of £11,000 per annum, taking his total salary to £179,845 per annum. The Chief Executive's role is on the Council's Management Board (MB) grade ranging from £147,363 per annum to £221,039 per annum. In line with the requirements of the Localism Act 2010 and the Council's Pay Policy Statement, Members are required to approve any total salary package of £100,000 or more. The package is comparable to what is being offered to new recruits elsewhere in London in particular.
- 3.5 If appointed as acting Chief Executive, Mr Adetosoye OBE will look at the departmental arrangements currently in place in his department, in consultation of course with the lead Members, to ensure the right fit and span of control. In the interim Mr Adetosoye's substantive post is not being backfilled on a like for like basis thus giving rise to immediate and possibly long term substantial cashable savings.
- 3.6 As stated above, the Returning Officer and Electoral Registration Officer roles which are currently fulfilled by the Chief Executive, Doug Patterson, will be carried out by Mark Bowen, Director of Corporate Services who presently deputises for the Chief Executive in these roles also on an interim basis.

#### **4. POLICY IMPLICATIONS**

Nothing specific to add except to reiterate that the council is required to appoint a Head of Paid Service. The role provides vital leadership within the Council and across the borough working well with other leaders in other local public services and the voluntary sector.

#### **5. FINANCIAL IMPLICATIONS**

None specific, the arrangement will be funded from the existing salary budget. As highlighted in paragraph 3.5 the arrangement will give rise to some savings.

#### **6. PERSONNEL IMPLICATIONS**

These are covered in the report. Suffice it to say that the arrangement is consistent with our legal obligations under the Localism Act, and there no specific equality implications.

#### **7. LEGAL IMPLICATIONS**

These are covered in the report.

#### **8. PROCUREMENT IMPLICATIONS**

N/A

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