

CABINET

5.30 p.m.

**Thursday
22 November 2007**

**Council Chamber
Town Hall**

Please note time

Please note day

Members 10: Quorum 5

Councillor Michael White

Leader of the Council (Chairman)

Councillor Steven Kelly (Deputy Leader)

Sustainable Communities & Health

Councillor Michael Armstrong

Housing & Regeneration

Councillor Peter Gardner

Public Safety

Councillor Andrew Curtin

Public Realm

Councillor Barry Tebbutt

StreetCare & Parking

Councillor Paul Rochford

Environmental & Technical Services

Councillor Eric Munday

Performance & Corporate

Councillor Roger Ramsey

Resources

Councillor Geoffrey Starns

Children's Services

***For information about the meeting please contact:
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Cabinet, 22 November 2007

1. HEALTH AND SAFETY

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Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting of the Cabinet can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Cabinet, they have no right to speak at them.

The Chairman has discretion, however, to invite members of the public to ask questions or to respond to points raised by Members. Those who wish to do that may find it helpful to advise the Committee Officer before the meeting so that the Chairman is aware that someone wishes to ask a question.

PLEASE REMEMBER THAT THE CHAIRMAN MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the meeting room.

Cabinet, 22 November 2007

AGENDA

1 ANNOUNCEMENTS

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE (if any) - receive.

3 DECLARATION OF INTERESTS

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

4 MINUTES

To approve as a correct record the minutes of the meeting held on 14 November 2007, and to authorise the Chairman to sign them (to follow, when available)

5 ROMFORD LEISURE DEVELOPMENT

6 EXCLUSION OF THE PUBLIC

To consider whether the public should now be excluded from the meeting on the grounds that it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during the following item there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 which it is not in the public interest to publish; and, if it is decided to exclude the public on those grounds, Cabinet to resolve accordingly on the motion of the Chairman.

7 CHIEF EXECUTIVE'S REPORT CONTAINING EXEMPT INFORMATION

Cheryl Coppell
Chief Executive



MEETING

DATE

ITEM

CABINET

22 November 2007

5

Cabinet Member: Councillor Andrew Curtin

**Relevant Overview & Scrutiny Committee: Culture and Regeneration
Overview and Scrutiny Committee**

REPORT OF THE CHIEF EXECUTIVE

SUBJECT: Romford Leisure Development

SUMMARY

This report outlines the progress that has been made in relation to the Romford Leisure Development project since the matter was last considered by Cabinet on 17 January 2007.

The report confirms that the Council has received two bids from private sector developers and sets out the key issues that need to be addressed prior to the Council selecting its preferred development partner.

The report recommends that delegated authority is given to certain Cabinet members to agree the Council's preferred development partner, once all the key outstanding matters associated with the two bids have been resolved.

A part 2 report elsewhere on the agenda highlights a number of commercial, financial and legal issues that need to be addressed prior to the decision on the preferred development partner.

RECOMMENDATION

That the Cabinet agrees to:

1. Note that two bids have been received for the Romford Leisure Development.
2. Agree in principle that the Romford Leisure Development project should proceed to the next stage and a preferred development partner is selected.
3. Delegate the final decision on the Council's preferred development partner for the Romford Leisure Development project to the Leader of the Council, in consultation with the Cabinet Member for Resources, the Cabinet Member for Performance and Corporate the Cabinet Member for Public Realm and the Cabinet Member for Regeneration, once all key outstanding matters associated with the bids have been resolved and officers have finalised their evaluation of bids.
5. Note the key evaluation issues that are included in section 4 of this report and the basis upon which the bids will be evaluated, as set out in Appendix 1.
6. Assuming that a preferred developer is selected, delegate authority to the Group Director of Public Realm, the Group Director Finance and Commercial and Assistant Chief Executive for Legal and Democratic Services, to conclude the various legal agreements that will be required prior to the selected developer submitting a planning application (with all such agreements conditional on planning permission being obtained).

REPORT DETAIL

1. Background

- 1.1 At its meeting on 17 January 2007, Cabinet agreed to authorise the Group Director of Public Realm to commission external consultants to work with officers to market the Romford Ice Rink site, assess bids and make recommendations for a developer led scheme. Cabinet also agreed to delegate decisions on project management funding to the Cabinet Member for Resources and the Group Director, Financial and Commercial and agreed to delegate authority to approve the Development Brief to the Cabinet Member for Public Realm.

- 1.2 The Cabinet report (17/01/07) set out the overall aim of the project, which was to provide new leisure provision on the Romford Ice Rink site, including a new swimming pool and an ice rink. The Development Brief subsequently sent to short listed developers sought proposals for two leisure centre options – a basic pool option and an enhanced option including a pool and additional leisure facilities, including competition facilities, a learner pool, sauna and steam, health and fitness facilities and health and beauty facilities – in order that the Council could keep its options open in relation to the capital and revenue implications associated with the scheme. Both options required a new Ice Rink facility.
- 1.3 The Council is using appropriate external professional support including “CB Richard Ellis” for property matters and “Sharpe Prichard” on legal issues.
- 1.4 Following a marketing campaign undertaken by CBRE, eleven pre-qualification questionnaires and expressions of interest were received by the Council. CBRE subsequently produced a report recommending 6 developers to be invited to interviews and following those interviews, 4 developers were short-listed. Shortly after being short-listed one of the short-listed developers advised the Council that they would not be pursuing their interest in the project due to internal resource issues and other commitments. A second developer withdrew just before bids were due to be received (for reasons that are not known at the point of writing this report).
- 1.5 On 10 October 2007 the Council received initial bids from two developers. Both developers have set up “Special Delivery Vehicles” to deliver the project. It is apparent that both developers have assembled large and experienced project teams and had invested significant resources in the bidding process, at their own risk.
- 1.6 Following receipt of the initial bids the two developers were asked a number of follow-up questions and points of clarification prior to their submission of final proposals on 9 November 2007.
- 1.7 A summary of the key issues arising from two final bids is included in section 2 below.

2. Analysis of Final Bids

2.1 Developer “A”

CBRE have identified the following issues in relation to the final bid submitted by Developer “A”:

- Site is effectively split into leisure and residential uses (ie not

- integrated);
- Strong leisure presence on Rom Valley Way;
- Includes option 1 and 2 for the leisure centre, but also offers a hybrid leisure option (option 1 plus gym);
- Incorporates 500 residential units (including larger family units);
- Proposals include estimated up to 35% affordable housing provision, depending on which option is developed;
- Building heights vary from 3 – 12 storeys;
- Predicted leisure opening in April 2010.

2.2 Developer “B”

CBRE have identified the following issues in relation to the bid submitted by Developer “B” :

- Integrated leisure and residential scheme;
- Leisure accessed from new pedestrian street in middle of site;
- Scheme incorporates a hotel and retail;
- Focuses on leisure option 2, but option 1 also included (plus a variant option 2 with alternative design lay out for the pools);
- Incorporates 763 residential units;
- 35% affordable housing included;
- Scheme incorporates a 16 storey tower and basement car parking (incorporating a car club);
- Provides leisure facility by September 2010.

2.3 The financial and commercial issues, plus associated legal issues, are considered in the exempt report.

3. Evaluation of bids

3.1 The Council’s “Invitation to Negotiate (ITN) – Instructions of and Conditions of Tendering” document (which was sent to the short-listed developers along with the Development Brief and associated documents), confirms that the Council will award the contract on the basis of selecting the tender that represents the most economically advantageous tender to the Council, in accordance with the evaluation criteria that is included as appendix 1 to this report.

3.2 Officers will utilise the Evaluation Framework included as appendix 1 to evaluate the two bids. Initially it was anticipated that a recommendation on the preferred bidder would be the subject of this report. Currently, however, there are a range of outstanding issues which makes it highly desirable that negotiations with both bidders continue. In order to not delay matters further it is recommended that the final decision is delegated by Cabinet to the Leader of the Council, in consultation with

certain other Cabinet members, as proposed in recommendation 3 in this report. Notwithstanding the fact that officers intend to “negotiate out” as many of the remaining bid issues as possible, prior to making a recommendation, it is likely that the recommendation will still be subject to the resolution of certain matters. Subsequently the project will only proceed if planning permission is obtained and final legal agreements are signed by both parties.

4. Key issues to consider during the evaluation of final bids

Planning

- 4.1 The developers’ proposals are subject to a planning process and probable “call in” by the Greater London Assembly (Mayor of London’s Office) and / or the Government Office for London. Key issues will be demolition and site clearance issues; the scale and density of the development; the height of the buildings; the number of residential units; the percentage of social housing that is included; evaluation of any “Three Dragons” assessments that are submitted (to test whether a particular percentage of social housing and any social housing grant requirement is justified or not); Section 106 works and associated funding; the impact of the development on adjoining sites (including the implications for the helipad used by the Queens Hospital and an adjoining hospital chimney); car parking provision and quality of design.
- 4.2 The Greater London Assembly (GLA) (Mayor of London’s Office) or Government Office for London (GOL) would potentially have the power to direct or take-over a decision on the application if:
- i) The proposals for the site were deemed to be a substantial departure from existing planning policies;
 - ii) The scheme included more than 500 new residential units (NB new Mayoral powers may mean this is reduced to 150 units);
 - iii) The scheme included any building more than 30 metres in height.

If the application is referred to the GLA for any of the above reasons, the Mayor may take all other matters relating to the application into account, including the level of affordable housing provision.

Housing

- 4.3 Key issues will be the level of affordable housing; the housing mix (including the number/percentage of family units); the level of Social Housing Grant that is assumed and the degree to which it is likely to be secured.

Transportation and Highway issues

- 4.4 Key issues will be highway access; entrance and exit arrangements to the site; access and emergency arrangements; road adoption issues;

servicing and associated turning facilities; car parking provision; quality of the Transport Studies that will need to be submitted; quality of any Travel Plans that are submitted; pedestrian access and links; cycling access and links and public transport issues.

Sustainability

- 4.5 Key issues will include the developer's commitment to achieving a "Breeam" excellent rating for the leisure aspect and a high "Code for Sustainable Homes" rating for the residential development; as well as integrating a minimum percentage of renewable energy generation into the development.

Leisure

- 4.6 The key issue is balancing the need to provide high quality leisure facilities that will be used by all sections of the local community, with no revenue burden to the Council; alongside the desirability of avoiding any capital contribution from the Council (which links to the choice of leisure centre options provided by the developers). Other key issues include the degree to which the scheme proposals meet the Leisure Brief (provided to the short listed developers at the same time as the Development Brief); experience and expertise of the leisure architects delivering similar schemes elsewhere in the country; access issues; the quality of the design and quality of materials used; sustainable construction aspects; location of the facility in the development; ease of use by the customer and effective customer flows and the degree to which the facility will be easy to manage/operate.

- 4.7 The proposed Romford Leisure Development will result in the closure of the existing ice rink (at this stage, predicted to be as from May 2008) and a gap of up to two years before the new ice rink is opened. The existing facility is very popular, particularly in the winter months and with young people and is also home to a national league ice hockey club, the "Romford Raiders". The Council intends to work with the hockey club and other hirers / stakeholders to try to find alternative facilities for them to use during the period of the closure.

4.8 Scheme Cost issues

The key issues include the degree to which the overall costings submitted by the developers are realistic, particularly in relation to the leisure centre; the level of contingency included; allowances for cost inflation; sums for professional fees; the bidders strategy for dealing with VAT (particularly in relation to the leisure centre); confirmation that facility areas meet the brief requirements and ensuring that the costs included per square metre will be sufficient to provide a high quality scheme in line with the brief.

Property

- 4.9 The Council's property position needs to be addressed in the context of

the two very different development approaches proposed by the two bidders. Bidder “A” proposes a free standing building with a strong visual presence on Rom Valley Way. The Bidder “B” scheme integrates the leisure facility as part of a mixed scheme, with apartments above, accessed from a new pedestrian street. These different approaches would have implications for tenure and future management. The “Bidder “A” approach would permit a free standing retained freehold with the leisure property fully controlled by the Council.

- 4.10 The Bidder “B” approach requires a different structure and the involvement of a management company for the entire development, with rights and obligations flowing from this arrangement. This is an essential requirement of a physically integrated mixed development scheme, but obviously has greater complexity and the Council would need to covenant to adhere to shared rights and obligations including repairs and maintenance.

Finance and Commercial

- 4.11 The key financial issues include assessing the financial standing of the two developer’s; assessing the robustness of the financial backing obtained by the developers; avoiding any financial risks to the Council; reducing (and ideally removing) any capital and revenue burden to the Council; determining and evaluating the life cycle costs of the facility; securing a profit share arrangement if possible; highlighting and thereafter addressing any treasury management issues facing the Council (in conjunction with “Sector Projects”); ensuring that any VAT and other tax implications are properly assessed and managed by the Council and considering the financial implications associated with planning Section 106 payments.

Legal issues

- 4.12 The key legal issues include testing the developers’ compliance with the requirements set out in the “Invitation to Negotiate – Instructions of and Conditions of Tendering” document; assessing the robustness and legality of the legal structure created by the developers to deliver the project (both bidders have created a “Special Delivery Vehicle” to deliver the project); assessing the developers’ proposed changes to the draft legal documents provided by the Council in the “Invitation to Negotiate” documents and assessing the strength of the funder guarantees and step-in obligations.
- 4.13 The negotiations on a lease that would provide the current ice rink operator (“Saturn Leisure Ltd.”) with the opportunity to run the ice rink until the end of April 2008, are still to be finalised. It is expected that the lease will be finalised in the near future, but if the outstanding matters cannot be satisfactorily resolved the Council may have to take legal action to remove the existing operator from the site.

5. Member Delegation

- 5.1 It is proposed to delegate to the Leader of the Council the authority, in consultation with certain other Cabinet members, to make a final decision on the Council's preferred development partner for the Romford Leisure Development project. This will allow more time for officers to negotiate as many of the outstanding key issues as possible with the two developers before a final decision is made, thus strengthening the Council's negotiating position in subsequent phases of the project. This approach will also allow a more detailed analysis of the bids to be made by Members before a final decision is reached.
- 5.2 Assuming the above is agreed Officers will present a further report to relevant Members, including a report from the Council's Property consultants "CBRE" and an officer evaluation assessment against the evaluation framework included in Appendix 1.

Financial Implications and risks:

There are a number of key issues which are still to be clarified. These are highlighted in the body of this report and could have a huge impact on the deliverability of the project. It is essential to resolve as many of these as possible before the final tender selection is made. This will limit the scope additional costs and time delays and strengthen the Council's negotiating position in subsequent phases of the project.

A detailed analysis of the bids incorporating the associated financial implications will be presented to members in due course.

The external costs of the tender evaluation and project delivery are funded from existing resources. The process also involves considerable officer time, which may require some work reprioritisation.

Legal Implications and risks:

The legal implications and risks are detailed in 4.12 and 4.13 of this report.

Human Resources Implications and risks:

There are no immediate human resource implications associated with this report, other than to note that the project is involving officers from a whole range of services within the Council; supported a number of external consultants.

There may be a need to set up a special planning team to consider the planning application that would be expected, if the project proceeds to the next stage.

Equalities and Social Inclusion Implications and risks

The Romford Leisure Development will provide new opportunities for all sections of the community, particularly those living in the Romford area, to participate in high quality accessible leisure facilities. The Council will retain some control over pricing policies to ensure that the facilities are accessible to all sections of the community, including those people who face economic hardship and other disadvantages (they will be encouraged to use the new facilities through a leisure discount scheme).

The provision of affordable housing within the development will increase the chances of people on low incomes being able to access decent social rented housing and be able to afford to buy their own home.

Reasons for the decision:

To ensure that the Romford Leisure Development project proceeds to the next stage.

Alternative options considered:

The main alternative option would be to curtail the Romford Leisure Development project at this point, but this is not recommended as the two submitted bids provide the Council with an opportunity to deliver its objectives for the Romford ice rink site (ie to provide a swimming pool and a new ice rink).

The option of going back out to the market to receive new bids has also been discounted as there is no certainty that better bids would be received and it would almost certainly result in increased costs to the Council. There would also be a further time delay of at least 6 months.

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CHERYL COPPELL
Chief Executive

Background Papers List

APPENDIX 1

Evaluation Process

The Council will award the Contract to the Bidder offering the most economically advantageous tender. The evaluation shall be carried out as follows:

i) **Stage 1**

As set out in paragraph 2.3 above, bids will first be assessed to determine that they are compliant. By way of reminder, a compliant bid is one that includes all the information required by Appendix I of the Development Brief (Appendix I is attached to the Invitation to Tender as Annex 3, and has been amended to reflect the requirements of these instructions as applicable). Bids which are not compliant may be rejected by the Council (which decision is at the Council's discretion but always acting fairly and evenly between bidders).

ii) **Stage 2**

Stage 2 will relate purely to the leisure element offer. This evaluation will comprise overall compliance with Option 1 (base case) set out in the leisure client brief which was attached at Appendix B of the Development Brief. A compliant bid is one which makes meaningful and viable proposals in respect of option 1 (base case).

Again bids which are not compliant may be rejected by the Council (which decision is at the Council's discretion but always acting fairly and evenly between bidders).

iii) **Stage 3**

At stage 3 each bid which remains will be scored in accordance with the following factors

iv) **Stage 3a Quality Assessment**

Main factor	<u>Weighting (marks available for factor)</u>	<u>Sub-factor</u>
Financial and commercial	16	<ul style="list-style-type: none">• Conditionality• Funding and guarantor proposals• Credibility of offer• Credibility of modelling/appraisals Strength of company balance sheets
Legal proposals	10	<ul style="list-style-type: none">• Mark up and commentary of Heads of Terms• Building contract• Collateral Warranties and guarantees• Security proposals• PI cover and other insurances

Design approach and environmental considerations	30	<ul style="list-style-type: none"> • Overall urban design approach • Detailed architectural quality of leisure element • Architectural treatment of residential elements • Quality and extent of affordable housing offer • Sustainable design and construction • Servicing • Highway proposals • Treatment of external public areas • Extent of compliance with planning policies • Dependency on off site works
Leisure Centre considerations	30	<ul style="list-style-type: none"> • Quality of leisure facility design and materials <p><u>Functionality</u></p> <ul style="list-style-type: none"> • Spatial organisation and customer flow through the leisure facilities • Degree to which the leisure facility will be easy to manage and operate
Project execution plan	14	<ul style="list-style-type: none"> • Quality of team • Programme for planning application, start on site and final build out • Construction method suggested • Phasing of building programme • Track record on similar projects
	100	

Bidders must score at least half the available marks in each main factor to proceed to stage 4

v)	Stage 3b – assessment of economic value and ensuring best consideration is obtained for the transfer of the land	Maximum Score
	Benefit in kind value of leisure elements to be provided to the Council Plus Value of premium offer (amount + timing of payments) over and above the leisure facility Plus Assessment of estimated life running costs of the leisure elements to be provided to the Council including necessary capital equipment replacement costs for at least a 20 year period (lower = better)	
		Total 100

Cabinet, 22 November 2007

vi)

Stage 4 – final evaluation	
	Weighting (range)
Quality from Stage 3a	25-50
Price from Stage 3b	50-75
Maximum total	100



MINUTES OF A CABINET MEETING
Havering Town Hall, Romford
Wednesday, 14 November 2007
(7.30pm – 8.45pm)

Present:

Councillor Michael White, Leader of the Council, in the Chair

Councillor Steven Kelly (Deputy Leader)
Councillor Michael Armstrong
Councillor Andrew Curtin
Councillor Peter Gardner
Councillor Eric Munday
Councillor Roger Ramsey
Councillor Paul Rochford
Councillor Barry Tebbutt

Cabinet Member responsibility:

Sustainable Communities & Health
Housing & Regeneration
Public Realm
Public Safety
Performance & Corporate
Resources
Environmental & Technical Services
StreetCare & Parking

Councillors Clarence Barrett*, Robert Benham*, Wendy Brice-Thompson, Dennis Bull, David Charles, Keith Darvill, Gillian Ford, Linda Hawthorn, Lesley Kelly*, Andrew Mann, Ray Morgon, John Mylod, Barry Oddy, Frederick Thompson and Lynden Thorpe*.

* For part of the meeting

Approximately 50 members of the public and a representative of the press were also present until excluded.

An apology was received for the absence of Councillor Geoffrey Starns.

All decisions were agreed with no vote against.

Agenda item 5 (Property Disposals – requisition of previous decision) was withdrawn as the Corporate Overview & Scrutiny Committee had not upheld the requisition.

On behalf of the Chairman, those present were reminded of the action to be taken in the event of an emergency.

39 MINUTES

The minutes of the meeting held on 24 October 2007 were agreed as a correct record and were signed by the Chairman.

40 'BUILDING NEW PRIMARY SCHOOLS': PROPOSED INITIAL INVESTMENT IN HAVERING'S PRIMARY SCHOOLS – RESULT OF STAGE 2 CONSULTATION PROCESS AND MOVEMENT TO NEXT STAGE

In the absence of the Cabinet Member for Children's Services, Councillor Michael White, Leader of the Council, introduced the report.

Cabinet was reminded that a key priority for the Council was to begin a programme of rebuilding and modernisation of Havering's primary schools. This policy was designed to ensure that Havering's already very successful primary schools and pupils were assured of high quality facilities in which they could continue to improve outcomes. Following a major two stage public consultation process proposals were now submitted that would result in:

- Initial capital investment of some £20 million in primary schools
- The building of two new '21st century' primary schools, respectively in Romford and South Hornchurch
- Expansion and investment in one oversubscribed primary school in Romford
- Major capital investment in at least one further primary school in South Hornchurch

As part of these changes, the Council was obliged also to address falling school rolls. The two new schools would be sized to meet currently-assessed community needs in the two areas concerned. The report explained, in the light of new school regulations, how this could be achieved through school closures and expansion.

The report also addressed the reduction of school places in other geographical areas. In Harold Hill, it proposed to closure of Ingrebourne Primary school. In other cases, reductions in school admission numbers were proposed.

The report referred to:

- analysis of the wide-ranging consultation process held on the proposals to commence an initial phase of modernisation of Havering's primary schools;
- recent changes in school organisation regulations (enacted through Education and Inspections Act 2006) that have required a review of the way in which the proposals for creating new schools could be implemented which will require further consultation;
- detailed proposals for investment and change arising from the consultation process with a corresponding longer timetable for introducing new schools;
- the need to procure technical support and commit resources (capital and revenue) to enable the capital proposals, in particular the new school buildings, in this report to be delivered in line with previously established timescales and a start to be made on the longer term modernisation programme; and
- the need to approve site disposals in principle to enable preliminary work to commence and ensure that capital receipts are delivered as quickly as possible to underpin the required investment programme.

Reasons for the decision:

The rationale for the review had been previously set out and agreed in earlier reports (and Cabinet Members had been invited to refresh their memories of them before making any determinations). The recent

consultation had set out the views of the community and the report sought, so far as possible at this stage, approval to specific proposals following thorough consideration of the results of the consultation.

Other options considered:

A “no change” position was unrealistic given the need to modernise schools, and to reduce the number of unfilled school places that would not be required in the medium term period, which had organisational and budget implications.

Within each locality, options had been explored and a judgement made about those specific proposals that were most suited based on the criteria used. The consultation process had provided the opportunity for the community to offer views on the proposals and to suggest alternatives/variations to address the issues to be resolved. Alternative suggestions had been considered and, where judged appropriate, modifications had been made to the original proposals, for example the recommendation not to proceed with the Hacton change in admission number and to defer the implementation dates for new schools by one year until 2009. Recent changes in regulations governing the re-organisation of schools required that the Council review and re-consult on certain aspects of its proposals. Alternative options to close Ayloff and Edwin Lambert Schools had been considered, but rejected.

Cabinet was addressed by representatives of the Governing Bodies of Ayloff and Dunningford Schools, who set out their respective views. In particular, assurance was sought that the interests of existing pupils and staff of both schools, and their respective budgets, would be as fully protected as possible. Cabinet noted the view of the Dunningford School Governing Body that the proposals were unacceptable, particularly in view of the high quality education provision currently on offer there.

In response to enquiry, Members were advised that the cost of the proposals was intended to be funded in part by capital generated from the disposal of surplus school lands, in part from existing capital programme provision and in part from direct funding. The present proposals were not linked to the Government’s primary school building programme.

Cabinet:

- 1. Reviewed and considered the analysis of the primary modernisation consultation process.**
- 2. Noted the implications of recent school organisation regulatory change on the way in which new primary schools could be established.**
- 3. Having noted the results of the consultation exercise, approved the following specific proposals for changes to schools, and the issue of formal Public Notices:**

(a) Changes in the following school admission numbers as originally set out in the consultation document to be implemented from 2008:

- Pinewood Primary School – Reduce admission number from 45 to 30
- Nelmes Primary School – Increase admission number from 55 to 60
- Branfil Junior School – Reduce admission number from 68 to 60
- Upminster Junior School – Reduce admission number from 97 to 90

(b) The closure of Ingrebourne Primary School from August 2008

4. Approved in principle the following proposals for changes to schools:

(a) Ayloff and Dunningford Schools

1. Subject to further consultation, to seek to close Dunningford Primary School from August 2009;
2. To assimilate the current Ayloff and Dunningford school populations as a single school on the Dunningford site from September 2009 for a temporary period until the new school building is ready for occupation; and
3. To develop a new school building capable of providing for a 2FE 4-11 school on the current Ayloff school site for 2010/11 ensuring that all current pupils are accommodated.

(b) Edwin Lambert and The Manor Primary Schools

1. Subject to further consultation, to seek to close The Manor Primary School from August 2009;
2. To assimilate the Edwin Lambert and The Manor school populations from September 2009 as a single school initially operating on the two current sites; and
3. To develop a new school building capable of providing for a 2FE 3-11 school on the current Edwin Lambert Playing Field site for 2011/12, ensuring that all current pupils are accommodated.

(c) To expand Gidea Park Primary School from 1.5 FE to 2 FE from September 2009, linked to the closure of one school in 4(b) above.

5. Agreed that the proposed change to the Hacton Primary School admission number should proceed no further.

6. Agreed to consult further with schools and the wider community on the proposals to close Dunningford and the The Manor Primary Schools and to expand Edwin Lambert from 1.5 FE to 2FE school in order to achieve the proposals set out in

recommendations 4(a) and 4(b) above, for further report in due course.

7. (a) Approved the commissioning of professional technical suppliers for project management and full design services associated with the proposed new school buildings in line with the arrangements set out in section 7.2 of the report, necessary to ensure that the new building target dates could be achieved.

(b) Delegated to the Cabinet Member for Children's Services authority to approve any further specific actions required to enable building design and procurement processes to advance up to and including tender stage.
8. (a) Approved in principle the disposal of the three surplus school sites (Dunningford, Edwin Lambert (part) and The Manor) to provide early capital receipts to fund the required investment in schools.

(b) Agreed that commencement of the marketing of the disposals authorised in (a) above be subject to approval by the Cabinet Member for Children's Services and the Cabinet Member for Resources and thereafter that the Property Strategy Manager, in consultation with the Assistant Chief Executive (Legal and Democratic Services), be authorised to deal with all matters arising and thereafter to complete the disposal of the properties identified.
9. Noted that a further report would be brought forward on the full extent of the proposed investment and scope of works for Benhurst Primary School once this had been assessed.
10. Noted that a further report would be submitted on the options for the future use of the Ingrebourne School premises, together with the financial implications.

41 **REPORT OF THE CHILDREN'S OVERVIEW AND SCRUTINY COMMITTEE
– ENABLING ALL CHILDREN ACCESS TO EDUCATION TOPIC GROUP**

In the absence of the Cabinet Member for Children's Services, Councillor Michael White, Leader of the Council, introduced the report.

The Access to Education Topic Group of the Children's Services Overview & Scrutiny Committee had examined different areas of educational provision for children in the Havering area. Primarily, the work centred on children with special educational needs due to a variety of factors including children with behavioural difficulties and those for whom the Council was 'corporate parent'. The Group had considered how children in those situations could better access education in Havering. The Group had looked at procedures, structures and provision, communication issues and examples of good practice.

The Group's findings and recommendations are set out in full in Appendix 1 to these minutes.

Reasons for the decision:

The Children's Services Overview & Scrutiny Committee Topic Group report on Access to Education had been referred to Cabinet for consideration.

Other options considered:

No alternative had been considered.

Cabinet welcomed the report as a positive contribution to the development of education policy and provision in the borough. Members noted that the Group Director, Children's Services and his staff were in regular dialogue with Headteachers to ensure that the approach to inclusion was as responsive as possible.

Cabinet adopted the recommendations of the Topic Group

42 **REPORT OF THE CHILDREN'S OVERVIEW AND SCRUTINY COMMITTEE
– NEW DIPLOMA SCHEME TOPIC GROUP**

In the absence of the Cabinet Member for Children's Services, Councillor Michael White, Leader of the Council, introduced the report.

The New Diploma Scheme Topic Group had examined plans to introduce within in Havering the Diploma – a new qualification for 14-19 year olds combining academic and vocational learning. The Group's work had centred on assessing how the Diploma had been introduced in pilot areas and considering what could be learnt from this for Havering in light of problems with the Council's previous bid to run lines of the Diploma. Both strategic and operational issues had been considered.

The Group's findings and recommendations are set out in full in Appendix 1 to these minutes.

Reasons for the decision:

The Children's Services Overview & Scrutiny Committee Topic Group report on the New Diploma Scheme had been referred to Cabinet for consideration.

Other options considered:

No alternative had been considered.

Cabinet welcomed the Topic Group's findings, especially in relation to children looked after by the Council or otherwise vulnerable, especially as a means of encouraging them to enter further or higher education on leaving school.

Cabinet adopted the recommendations of the Topic Group

43 **LIBRARY REFURBISHMENT PROGRAMME UPDATE**

Councillor Andrew Curtin, Cabinet Member for Public Realm, introduced the report.

Cabinet was advised that good progress was being made with the library refurbishment programme. The refurbishment of Hornchurch Library had been completed and was receiving favourable feedback from customers. Overall resident satisfaction levels with Havering libraries was now at 70%, compared with 63% three years ago. The report invited consideration of proposals to undertake a comprehensive refurbishment of Central Library and to seek tenders to provide the borough's first new green library at Elm Park.

Reasons for the decision:

The refurbishment of Central Library has been identified as one of the key priorities for the library service in Havering.

Alternative options considered:

In accordance with the Corporate Plan 2007/8 agreed by Cabinet in February 2007, a full options appraisal for the improvement of Central Library had been undertaken. This had included a number of more limited refurbishment proposals, relocation of the library and redevelopment on the existing site as part of a larger mixed development. The refurbishment proposed would provide the most effective use of Council resources over the medium to long term.

Members noted that the costs of temporarily using a shop for library purposes and of relocating the Public Advice & Service Centre to the Central Library were included in the overall scheme costs.

Cabinet:

1. Approved the outline proposals for the refurbishment of Central Library, up to a value of £3.65 million.
2. Agreed that the additional resources to fund this scheme would be identified as part of the MTFS capital strategy process
3. Approved the virement of £100,000 capital from the existing library refurbishment programme in order to enable the progression of the Elm Park Library rebuild project
4. Authorised the invitation of tenders to undertake the Elm Park Library rebuild project.

44 **EXCLUSION OF THE PUBLIC**

Cabinet decided on the motion of the Chairman that the public should be excluded from the remainder of the meeting on the ground that it was likely that, in view of the nature of the business to be transacted, if members of the public were present there would be disclosure to them

of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 and it was not in the public interest to publish the information.

45 **AWARD OF CONTRACT FOR ADVERTISING SERVICES**

Councillor Eric Munday, Cabinet Member for Performance & Corporate, introduced the report.

Cabinet was reminded that, in May 2005, approval had been given for Havering to use the London Contracts and Supplies Group (LCSG) contract with TMP Worldwide for the supply of recruitment advertising services. This contract had been set up after a full tendering process undertaken on behalf of the LCSG and participating Boroughs by London Borough of Hillingdon. The LCSG has now re-tendered the contract and had appointed Barkers to provide these services. The report therefore sought approval to continue those arrangements.

Reasons for the decision:

The retendering of the LCSG contract for shared advertising services and the appointment of a new agency meant that the Council had had to evaluate existing arrangements.

It is recommended that the Council move forward with the transfer to Barkers with effect from 1 December 2007. Having regard to the tendering arrangements undertaken by the London Borough of Sutton on behalf of the LCSG Consortium, the approval of Cabinet is required under Contract Produce Rule 12(a) (1) to authorise the award of this new contract to Barkers.

Alternative options considered:

We would be unable to continue to contract with TMP Worldwide for advertising services in the future without undertaking a separate re-tendering exercise. Re-tendering in isolation from the rest of the Consortium would result in the loss of economies of scale and bulk purchasing power. It would also result in additional costs to undertake the procurement process. It was not therefore considered as a feasible option.

Cabinet:

- 1. Agreed That Havering continue to participate in the LCSG advertising services consortium.**
- 2. Approved the termination of the current contract with TMP Worldwide.**
- 3. Agreed that the Council enter into a new contract with Barkers under the London-wide shared recruitment services agreement, from 1 December 2007.**

**CHILDREN'S OVERVIEW AND SCRUTINY COMMITTEE
ENABLING ALL CHILDREN ACCESS TO EDUCATION TOPIC GROUP**

FINDINGS

Looked After Children in Havering

Procedures, Structures and Provision

- 1 In September 2006, the Havering Education, Quality Assurance Unit Manager presented information to the group.
 - There were 186 Looked After Children at that time.
 - Of these, in the last academic year for which figures are available (2005-06), 144 were of statutory school age.
 - There were peaks and troughs in the number of Looked After Children, however, in general there is a 40%/60% split between children under and over 10 years.

- 2 There are a number of factors that increase the potential for parents to either be unable or unwilling to care for their children such as:
 - a difficulty in primary attachment;
 - more disruptive behaviour and poor school attendance;
 - difficulty in making and maintaining positive peer group relationships;
 - disruption to schooling;
 - parent and/or child's substance misuse;
 - parent or child's mental health;
 - low income/poor housing;
 - parental experience of abuse/neglect.

- 3 15.7% had had more than three care placements which, whilst relatively low compared with other local authorities, was a cause for concern. Whenever possible children are placed within their kinship network or with foster carers. Residential accommodation is rarely the most appropriate placement and numbers of children in such placements have been reduced from 20 in 2005/06 to the current figure of 6.

- 4 Further improvement has been made in relation to increased access to and usage of in-house foster placement . Whilst we still need to commission placements from the independent fostering sector, the number has reduced and are more available within a 20 mile radius of Havering.

Communication

- 5 Support could be obtained from the Early Years Centre who had the resources and staff to assist with bringing families together to share ideas and lend support to one another. Also, voluntary arrangements such as the Home Start scheme had been set up to encourage parents and carers (mostly mothers) to get together to discuss ways to help other vulnerable parents.

Having Care Planning and Related Issues

Procedures, Structures and Provision

- 1 Each Looked After Child in Havering receives a care plan which contains two elements: the first part was an overall plan which deals with basic arrangements, such as details of the child's placement until the age of eighteen; and the second part deals with the health and educational arrangements of the child, along with the specific details of the contact agreement between the child and the birth family. These arrangements were independently reviewed every six months to assess the child's satisfaction and welfare, making changes as required.
- 2 There had been 64 Havering child placements with foster carers overall. NVQ training for foster carers had been implemented to support carers with their new duties and responsibilities.
- 3 Havering's Children's Services were looking to change the emphasis from a social worker-led process to a carer-led process by increasing the carers' skills base.
- 4 Changes in school and family meant that a child may be struggling to adjust to new and unfamiliar circumstances. Havering had plans in place to deal with fifteen to eighteen year olds in this situation. This involved placing the focus on the child's attendance rather than academic results. This raised the child's sense of achievement, boosting their self worth and restoring a regular routine.
- 5 Havering's Protocol for Hard to Place Pupils was considered by the group. It was identified that secondary schools generally had more complex cases to deal with. Very few schools had vacancies and the protocol enables pupils, including those with behavioural difficulties and other specific needs groups to access places in all Havering secondary schools.

Communications

- 6 Children's Services was committed to ensuring that children could travel from their placement to their place of education. However, there had been shortfalls in the data sharing processes: most notably, unreliable IT operating systems. Other forms of communication were found to be excellent however, with good initiatives such as an agreed shared vocabulary to speed up procedures across the partnership agencies.
- 7 Different education, medical and national insurance numbers, allocated to children were found to confuse established data sharing systems and protocols.

Good Practice

- 8 The government had started improvements to the compilation of data for the Joint Area Review (JAR) which had given more context and speed to the work in meeting performance indicators.
- 9 Officers noted that a portion of Havering's foster carers had chosen to work for neighbouring boroughs, to take advantage of better allowances and

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resources. The consensus was that Havering, if at all possible, should seek to keep foster carers in the borough.

- 10 Finding appropriate cultural placements to ensure continuity for children was paramount in Havering and appropriate placements were sourced outside the borough if none could be found locally. It was accepted the Council that if a carer from a similar cultural identity could not be found, carers outside the child's culture should be sought and strongly encouraged to keep the original cultural ethos for the child as much as possible.
- 11 There was also a change in emphasis in the lead of the process from Children's Services to the child, encouraging them to express their views and wishes in order to inform and steer the process. Efforts to continue to strengthen partnership arrangements between Children's Services, carers and the wishes of the child would continue to be developed.

The Havering Inclusion Panel

Procedures, Structures and Provision

- 1 A protocol has been in place for Havering's secondary aged pupils for the last 5 years. This involves all secondary heads being involved (through an Inclusion Panel) on a rota basis for the consideration of individual cases who have been excluded pupils. The impetus for developing this approach was that very few schools had vacancies and those that did already had a significant number of pupils with behavioural needs. Developing a more equitable way forward was therefore critical.
- 2 Funding for statemented students was based on consultation with schools. Schools endeavoured to meet pupils' needs from their existing funds and would only seek extra support in extreme circumstances.
- 3 All new young people arriving in the borough for Year 11, required consideration of the following:
 - the choice of options;
 - extra tuition needs;
 - building relationships both with the pupil and the school;
 - the skills of the pupil;
 - what the student may enjoy doing.

It was noted that support could be sought working with Connexions and the Post Sixteen Service.

- 4 The Topic Group concluded that schools in the borough were largely effective in dealing with children who exhibited disruptive behaviour etc. The majority of schools had a learning support unit on site to deal with inclusions and pupils with challenging behaviour.
- 5 It was highlighted that there was pressure upon Pupil Referral Units (PRU) if the numbers of pupils continued to increase, then special/extra provision and resources would have to be found.

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- 6 It was found that the 'fresh start' and 'managed moves' schemes for excluded pupils had caused tensions between schools.
- 7 It was reported that boys in Years 8 – 10 presented most problems to the Inclusion Panel process. They tended to emulate 'street culture' which often reflected disputes they were experiencing outside school. It was acknowledged that the school could only deal with problems relating to this behaviour and attitude when pupils were in school; once they left they became the responsibility of the wider community. The Topic Group therefore realised that there was a lack of consistency in the way this behaviour was dealt with. For instance zero-tolerance campaigns were in place in the community may not be seen as an appropriate way to tackle problems within the school setting.
- 8 There had been concerns by some officers about the Inclusion Panel procedures which involved extensive paperwork relating to each case; the scheduling of meetings so that headteacher representatives could attend and the scope to respond very quickly in very complex cases.
- 9 The SEN Team (Special Educational Needs) worked closely with the Inclusion Panel and a member of the team attended the meetings so placements for statemented pupils with complex needs were managed to ensure continuity.

Communication

- 10 The group felt that having one clear point of contact for all statutory services involved with the care process would assist families to make relevant and expedient contact and would also promote the engagement of families with the services and improve communication on all sides.

Good Practice

- 11 The group discussed in detail the functioning of the Inclusion Panel which was seen as good in principle but required more co-operation from school headteachers to assist with meeting the children's needs adequately. There had been problems with delays in bringing cases to the Inclusion Panel because the Panel meetings were held on a monthly basis. There had however been recent changes to procedures, with officers making decisions on a case by case basis, reporting back to the members of the Panel individually for quicker results.
- 12 One of the biggest problems the Inclusion Panel had to consider was the pressures upon places for any alternative educational provision for excluded children. This view was supported at a recent Havering Headteachers Conference and details of the points raised are given in Appendix 3 of the Topic Group report.

ADOPTION AND FOSTERING

Background information on adoption and fostering is given in Appendix 1. The topic group also held discussions with Havering foster carers; details are given in Appendix 2 of the Topic Group report.

RECOMMENDATIONS

The group formed the following recommendations arising from the review:

Procedures, Structures and Provision

1. That the Inclusions Panel seeks to improve its processes to be more efficient and strengthen its procedures with the aim of enabling as many children as possible to transfer between provision in a timely and seamless manner.
2. That Havering explores commissioning additional good quality service for the educational provision of children who present with behavioural problems and have been excluded from full time, mainstream school.
3. That the training needs of staff in specialist units are assessed and appropriate training is identified comparing Havering with other units in other boroughs.

Communication

4. That there is a central point of contact enabling carers to obtain co-ordinated and expedient responses from Children's Services.
5. That there is effective three way communication between carers, schools and Children's Services to ensure access to relevant parties is expedient, effective and of good quality.
6. That Havering provides a good IT and communications infrastructure such as the Redbridge model, to enable social workers to access relevant data, information and resources to speed up the co-ordination of care.

Good practice and underpinning research

7. That Children's Services undertake regular benchmarking exercises to ensure that the borough is delivering an up to date and relevant service compared to other boroughs.
8. That Children's Services support and encourage sharing of good practice.
9. That there is up to date guidance and information on relevant help facilities, social service contacts, family resources and specialist training available to both schools and families.

**CHILDREN'S OVERVIEW AND SCRUTINY COMMITTEE
NEW DIPLOMA SCHEME TOPIC GROUP**

FINDINGS

The Local Position

- 1 The topic group found that employer engagement was key to ensuring success and noted that Ford Motor Co. had supported the Havering diploma submission on engineering. All partners were keen to develop a strong quality assurance framework for the diplomas as well as to establish arrangements for governance and decision making. The partnership therefore, should focus on good quality information advice and guidance for potential students.
- 2 Officers explained that the proposal is that Diploma provision will be developed within the Havering Learning Partnership (HLP) reflecting a whole borough approach (a borough-wide consortium) as opposed to the previous model of smaller consortia located sub-regionally within the borough. All providers will work within a borough – wide partnership. This structure could also support partnership work in other areas of the curriculum.

Operational Issues

- 3 The eight Havering Schools who are not presently participating in the diplomas have committed to introducing them by 2009.
- 4 To address matters such as children wanting to take diplomas offered by other schools, Pathfinder areas such as Stevenage had worked on the solutions to problems around timetabling lessons and the logistics of children moving between sites. Projects have been running in Havering for the last 3-4 years which has given rise to opportunities for the development of collaborative working.
- 5 The Qualifications and Curriculum Authority had looked at timetabling curriculum models to inform best practice. The QCA stated that a good way forward may involve using blocks of time when, for example, the Sixth Form College is empty, utilising those resources for lessons with the use of “twilight sessions” for more flexibility which is a departure from the traditional ways of timetabling.
- 6 Parents may feel that it is unacceptable to have their child schooled at a variety of locations and may want and expect their child to be taught on one site only. A shift in attitude to the new methodology will be needed to address problems such as these.

Round Table Partnership Meeting

- 7 In May, the Topic Group hosted a round-table event to discuss the implementation of the diplomas locally. Representatives from schools, colleges and the skills sector were invited to share their views on the way forward and the following issues were discussed.

Strategic Issues

- 8 It was agreed that Havering needed a strong clear vision of the way in which the Diploma is going to fit. Consideration needs to be given to the infrastructure underpinning the scheme.
- 9 Havering must ensure that there is a link in terms of opportunity with regeneration in the poorest parts of the borough and that the Diplomas provided real skills for real opportunities.
- 10 Havering's original bid to run diploma lines had been unsuccessful and it was largely agreed that the main problem Havering had with the unsuccessful bid was that the borough under sold itself. It was possible that schools had not identified their facilities sufficiently. A consultant had been brought in to write the Diploma bid to gain the implementation of the Diploma lines, on behalf of Havering, which may have contributed to inadequately identifying Havering's facilities sufficiently. For example, collaborative working was not highlighted sufficiently in the original bid.
- 11 It was felt that there should be engagement with local partners, inviting suggestions from them to improve working and a cohesive approach to the bid.
- 12 There was a need to devise a timetable to plan and assume a steer for partnership working – there is good collaborative working but participants felt there was a need to develop buy in from a wider range of potential partners. Participants also felt that where there is strong partnership working, there are also quick decision making processes.
- 13 Frequent conferences and other partnership events could be planned to devise action plans and raise the profile of the scheme, which could lead to greater success in binding people to the scheme and to each other.
- 14 Clear leadership for the partnership and the identification of the administrative support is required for the successful delivery of the scheme.

Operational Issues

- 15 With regard to making the implementation work in Havering, the group voiced concerns over the budgeting and complexity of the scheme. The often changing format of the diplomas could make it operationally difficult to plan.
- 16 The logistics of getting children from one place to another, along with the 'visiting' children having a different uniform to the children at the 'host' school needed to be a consideration. Collaborative work could be undertaken to develop protocols in this area.

RECOMMENDATIONS

The Topic Group makes the following recommendations:

Strategic Issues

1. That the Diplomas be given higher level strategic leadership within the borough. The appointment of a Member champion to give the scheme a higher political profile could improve the effectiveness of implementation.
2. That sufficient information, advice and guidance is provided for young people to ensure suitable vocational, academic and further higher educational opportunities and pathways to success.
3. That the Council ensures there is a strong quality and demonstrable assurance framework with arrangements for governance and decision making for the diplomas. With lessons learned from the original bid, more work needs to be done around Governance at an institutional level and protocols at an operational level.

Operational Issues

4. That Havering adequately identify its positive attributes and facilities before the next Diploma bid.
5. That a Diploma Scheme Coordinator be appointed for Havering. The postholder to seek to ensure successful implementation of recommendations 6-13 below.
6. That the diploma scheme is promoted extensively in schools and with businesses in the area
7. That the profile of the 14 -19 partnership is raised by adequate marketing and availability of information.
8. That there is a strong partnership network in place with sign up by all stakeholders to ensure the continuation of good collaborative working
9. That there are continued efforts to strengthen work on data sharing practices which in turn will inform strategic planning.
10. That a strategy framework for the borough be developed to ensure a clear vision for all stakeholders implementing the 14 – 19 agenda.
11. That there be increased involvement from partners and potential partners in the start up process inviting their input and suggestions. Continued efforts should be made to improve information sharing and a local protocol be established to advance the 14 – 19 Strategy framework.
12. That there be greater buy in from a wider range of potential partners, the local Chamber of Commerce be engaged and a plan drawn up to market the scheme to potential employers
13. That consideration be given under the Medium Term Financial Strategy to improving the resources for the diploma and associated capital outlay.

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14. That the writing of the Diploma bid should be taken on by individuals in schools or colleges with overall support and coordination at top level in the authority.

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