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Haverling
L O N D O N B O R O U G H

CABINET

7.30 pm	Wednesday 13 July 2011	Council Chamber - Town Hall
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Members 10: Quorum 5

Councillor Paul Rochford and Councillor Michael White (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Michael Armstrong

Transformation

Councillor Robert Benham

Community Empowerment

Councillor Andrew Curtin

Culture, Towns & Communities

Councillor Lesley Kelly

Housing

Councillor Steven Kelly (Vice-Chair)

(Deputy Leader) Individuals

Councillor Roger Ramsey

Value

Councillor Geoffrey Starns

Community Safety

Councillor Barry Tebbutt

Environment

Ian Buckmaster
Committee Administration & Member Support Manager

**For information about the meeting please contact:
Andrew Beesley**



**Please note that this meeting will be webcast.
Members of the public who do not wish to appear
in the webcast will be able to sit in the balcony,
which is not in camera range.**

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 (Pages 1 - 20)

To approve as a correct record the minutes of the meeting held on 15 June 2011, and to authorise the Chairman to sign them.

5 THE COUNCIL'S FINANCIAL STRATEGY (Pages 21 - 66)

6 REPORT OF THE CHILDREN & LEARNING OVERVIEW AND SCRUTINY COMMITTEE - REQUISITION OF CABINET DECISION CONCERNING THE PROVISION OF TRAVEL ASSISTANCE TO SCHOOL FOR CHILDREN WITH SEN

The Children & Learning Overview & Scrutiny Committee considered this matter at its meeting on 5 July 2011, and decided not to uphold the requisition. There is, therefore, nothing for Cabinet to decide and the original decision stands.

7 LOCAL IMPLEMENTATION PLAN ANNUAL SPENDING SUBMISSION 2012/13 (Pages 67 - 78)

8 REQUIREMENT FOR ADDITIONAL BURIAL GROUND (Pages 79 - 92)

9 CHANGES TO LONDON BOROUGH GRANT SCHEME - IMPLICATIONS FOR HAVERING (Pages 93 - 100)

9A 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.

10 CONSIDERATION OF REPORTS CONTAINING EXEMPT INFORMATION

**Ian Buckmaster
Committee Administration & Member
Support Manager**

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The Topic Group's report was now submitted for consideration. The conclusions and recommendations of the Topic Group are detailed in Appendix 1 to these minutes.

Reasons for the decision:

The report of the dementia strategy joint topic group had been referred to Cabinet for consideration.

Other options considered:

No alternative had been considered.

Cabinet accepted the Individuals and Health Overview & Scrutiny Committee's recommendations.

3 PROPOSALS FOR THE PROVISION OF TRAVEL ASSISTANCE TO SCHOOL FOR CHILDREN WITH SEN

Councillor Paul Rochford, Cabinet Member for Children & Learning, introduced the report.

This report sought Cabinet approval of proposals to change policy and practice relating to the provision of travel assistance to school or college for children and young people with special educational needs ("SEN"). This would represent a move away from the general expectation and assumption that a child with SEN will receive help in getting to school only in the form of a bespoke door-to-door service by bus or taxi.

The proposed changes would ensure that a high quality service could continue to be delivered whilst making efficiencies and would, on average, seek to reduce journey times, enhancing quality of life for children and young people which in turn could assist educational performance. The proposed changes would mean that more children would be able to travel independently and be better prepared for future learning or employment opportunities.

It was noted that the proposals had been developed and refined over the past nine months by Social Care & Learning in conjunction with the Council's Passenger Transport Service ("PTS"). Suggestions had also been welcomed from the head teachers of the Borough's special schools, various parents' groups and voluntary sector organisations throughout the process. In addition, a thorough and formal consultation with parents of those potentially affected and, where appropriate, the children and young people who currently use the service had been undertaken.

It was reported that Cabinet approval of the recommendations would enable the Council to create a more streamlined and efficient service and meet savings targets by closely monitoring the needs and eligibility of those receiving assistance; using alternative travel solutions to fulfil its legal duties, and promoting schemes which encouraged long-term independence.

Reasons for the decision:

1. The adoption of the revised policy clearly sets out the Council's aim of increasing independence and reducing the reliance on Council-organised transport solutions.
2. An annual application for travel assistance will:
 - Ensure that only those who are eligible for help will receive it year-on-year;
 - Avoid transport solutions being paid for by the Council indefinitely where the student no longer meets the eligibility requirements; and
 - Enable the Council to identify where a student's circumstances have changed, so that the assistance offered can be tailored to suit their needs best.
3. The introduction of safe meeting points for pupils at Corbets Tey and Dycorts schools will reduce bus journey times for many children, as journeys will follow a more direct route with fewer stops.
4. Where door-to-door transport to school is provided, stipulating that for new applicants this will only be to and from the child's home address will enable the Council to carry out efficient route planning and make the best use of its resources, whilst meeting its statutory obligations.
5. Extending the travel training scheme to children with SEN who are assessed as suitable will:
 - Give increased freedom and quality of life;
 - Be an enabling process for future employment and social life; and
 - Develop social skills and increased self-confidence.
6. The introduction of mandatory assessments of suitability for travel training will enable the Council to identify as early as possible any children who would benefit from personalised travel training. By assessing children at Key Stage 3, the focus will not only be on helping them to be independent on their journey to school but also looking to their potential future journeys to college. For those in Further Education, training will improve their future employment prospects as they would be better prepared for travel to work.
7. Increased use of voluntary sector organisations will create a mixed economy and facilitate the smooth implementation of travel training and safe meeting point proposals in a cost-effective manner. This would be necessary for timely execution as the Council does not have sufficient staff resources to dedicate to this.

Other options considered:

- Do nothing: not a viable option given the financial pressures faced by the Council.
- Increase the maximum target journey time from 60 minutes to 75 minutes, in line with national guidelines: rejected due to the potential adverse impact on children.

- Outsource the entire current provision of home-to-school transport: rejected as it did not address efficiency issues and would have hindered wider ambition to increase independence wherever possible.
- Use private hire taxis for home-to-school transport as an alternative to the Council's PTS buses: rejected as (i) soft market testing indicated that this would not result in any significant savings; (ii) there would be a negative environmental impact; and (iii) concern over having a large number of vehicles entering school premises at the start and end of the school day.
- Cease provision of travel assistance to 22-25 year olds attending Further Education Colleges as no legal duty to do so: rejected. However, travel training will be promoted for these young people and the Council will work with Colleges around the curriculum and timetabling.
- Offer of a mileage payment to parents who resume responsibility for taking their child to and from school: rejected as (i) concerns raised over fairness as many parents do already take their own children to school and do not expect payment; and (ii) deemed ethically unsound as, if parents are able to take their child to school, they should not be moved to do so only for potential financial gain.

Members suggested that the outcome of consultation be considered by the Children & Learning Overview & Scrutiny Committee before being reported to Cabinet.

Cabinet agreed:

- 1. The adoption of the revised policy on travel assistance (Appendix A) which embodies the basic principles which are set out in recommendations 2 to 6.**
- 2. The introduction of a requirement that parents must apply for travel assistance for their child in respect of each academic year.**
- 3. The introduction of safe meeting points for children currently transported by PTS bus to Corbets Tey and Dycorts schools (subject to a full independent assessment of need).**
- 4. That children who are eligible for and given travel assistance in the form of door-to-door transport, will only be taken to and from the child's home address. New requests for travel assistance to school from an address other than the child's home will not be accommodated. Existing arrangements for a small number of families will continue while the children concerned remain eligible for door-to-door travel assistance to school.**
- 5. The expansion of the existing travel training scheme to all children and young people with SEN who are assessed as being suitable and likely to benefit from such training.**
- 6. The introduction of a mandatory assessment of suitability for travel training for all students with SEN:**

- on receipt of any new requests for assistance to get to school or college;
- at the end of Key Stage 3 (approximately age 14), if already receiving Council assistance in getting to school; and
- at age 21 for those in Further Education establishments and already receiving Council assistance in getting to college.

7. To enter into contracts for travel training, mobility assessments and route delivery with the voluntary sector or private sector where business cases were agreed with the Lead Member.

4 ROMFORD LEISURE DEVELOPMENT PROPOSALS

Councillor Michael White, Leader of the Council,, introduced the report.

The report before Members outlined issues relating to the in-principle proposal to sell the Rom Valley Way ice rink site to a retail developer and to consider the proposed allocation of the capital receipt to the building of a new leisure centre in Romford Town Centre (which would be subject to Council approving the addition of this scheme to the capital budget in July 2011).

It was highlighted that as well as it being a Council priority, the London Mayor had identified the importance of increasing and improving the provision of sports facilities in London in the draft Replacement London Plan, including swimming pool facilities. He had recognised that sports and leisure facilities were an important part of the social infrastructure and aimed to get more people involved in sport after the 2012 Olympic and Paralympic games.

The proposed new leisure centre would be a 'state of the art' facility, designed by one of the top leisure architects in the country (with experience of designing over 100 leisure facilities). In summary, it would include an 8 lane, 25m competition swimming pool, a learner pool, sauna and steam rooms, a changing village, a health and fitness gym, a dance studio, an ice rink (for public use and competitive games) and café / bar facilities. It was intended that the downstairs café (in the vicinity of the Foyer area) would be a high quality eating establishment and a destination facility in its own right.

It was reported that the swimming facility would address recognised deficiencies in provision. A recent Sport England facilities planning model report has identified Romford as being deficient in publicly accessible and affordable swimming pool facilities. The proposed 25 metre competition pool would help address the identified deficiency, as well as providing a much needed training facility for swimming clubs in Havering (one of which has to currently train outside of the borough). The competition facilities and the proposed 200+ seats in a poolside spectator gallery would also allow local and sub regional swimming galas to be held in the borough for the first time, which had long been an ambition of the Council and swimming clubs based in the borough.

Members were informed that the proposed new ice rink would provide modern, high quality facilities for skaters and spectators, replacing the tired

existing facility at Rom Valley Way. It would provide the same mix of facilities, including an ice rink that would be the same size as the current ice rink.

Overall, it was suggested through the report that the proposed new leisure centre would make a positive and significant contribution to enhancing the culture offer in Romford town centre (in addition to the refurbished Romford library and the Museum) in line with the Council's wider objectives for Romford as set out in the Romford Urban Strategy. It would make an important contribution to boosting the local economy, particularly in the evening when more people may be attracted to the town centre and make use of its other facilities such as places to eat and drink. Its location in the town centre would make it accessible to visitors who would come by car as well as those to who to Romford by public transport.

Matters relating to the commercial aspects of the proposals were considered in an exempt report. Exempt Minute 57 is appended separately.

Reasons for the decision:

The development of a major leisure centre in the borough with the consequent impact on the Council's resources requires the agreement of Cabinet.

Other options considered:

The option of not considering the opportunity was considered and rejected as the proposals contained in the report, if agreed in principle, represented an excellent opportunity to deliver in a new leisure centre, including a swimming pool in Romford town centre. Other options relating to the commercial aspects of the proposals had also been considered but these were set out in the exempt report on this same subject.

Members expressed concern at the potential financial implications of the proposals and there was doubt that it would be possible to bring them fully to fruition. In response, Members were assured that there was demand for a facility such as that proposed and that the solution proposed would enable two major developments in the vicinity of the town centre to move forward.

Cabinet agreed, in principle, to the development of detailed proposals for a new leisure centre in Romford town centre, subject to the resolution of the outstanding legal, financial and technical issues identified in the report and referred to in minute 57.

5 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.

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Note: the relevant paragraphs and recommendations applying to Cabinet as opposed to the local Health Trusts are shown in bold in the report

**JOINT REPORT OF THE
INDIVIDUALS AND HEALTH OVERVIEW & SCRUTINY COMMITTEES:
DEMENTIA STRATEGY JOINT TOPIC GROUP**

1.0 BACKGROUND

- 1.1 At their meetings on 29 June 2010 and 8 July 2010, the Individuals Overview and Scrutiny Committee and Health Overview and Scrutiny Committee respectively agreed to establish a joint topic group to scrutinise the Dementia Strategy in Havering.
- 1.2 The following Members formed the topic group at its outset: Councillors Linda Trew (Chairman), June Alexander, Wendy Brice-Thompson, Linda Hawthorn, Lynden Thorpe and Fred Osborne.
- 1.3 The joint topic group met on four occasions and carried out two visits. One was to the Alzheimer's Society Dementia Café, and one to visit sessions run by Age Concern Havering.

2.0 SCOPE OF THE REVIEW

To consider the following areas as part of the National Dementia Strategy as it is applied in Havering but to focus on these five main issues and their impact on the local Havering population. The three main themes reflect those of the National Dementia Strategy.

Raising awareness and understanding

- To gather accurate information on the numbers of people affected by dementia in Havering.
- To consider the role of informal carers in Havering and their views of local dementia services

Early Diagnosis

- To consider the role of the dementia care advisors and how this meets the needs of Havering residents

Living well with Dementia

- To investigate the range of dementia therapies available locally.
- To investigate the role of Admiral Nurses and the work they undertake in Havering.

3 FINDINGS

General overview

3.1 The Alzheimer Society, describe Dementia as:

” An umbrella term. It describes the symptoms that occur when the brain is affected by certain diseases or conditions. There are many different types of dementia although some are far more common than others. They are often named according to the condition that has caused the dementia. Some of the more common types include, Alzheimer’s Disease, Vascular Dementia, and Fronto-temporal dementia”

3.2 In Havering, the numbers of people over 65 years of age with dementia is expected to increase by 33% by 2025. Over the next 15 years the biggest impact overall for Havering will be in the change in the over 65s (23% growth compared to London 19.2%) and the over 85’s (49% growth compared to London 38.1%).

3.3 The most recent records held indicate that, there are approximately 1015 patients registered with NHS Havering as having some form of Dementia. This represents only a third of the number that would be expected to have dementia in Havering, based on the prevalence data. This under diagnosis reflects the national picture. The number of dementia patients registered represents 0.4% of the entire registered GP population (a total of 250,662) giving a prevalence below the England national average of 1.1%. There is also a higher prevalence of dementia in women, partly due to a generally longer life expectancy for women than men.

- 3.4 NICE guidelines confirmed that the prevalence of dementia increases sharply with age. Throughout the UK there are approximately 700,000 cases of dementia and the prevalence of the condition is set to more than double in the next 30-50 years
- 3.5 A significant burden of care can fall on the children of Dementia patients, particularly adults in the 50 plus age group. This may lead to an increase in mixed anxiety and depression and generalised anxiety for the 50 plus age group. The proportion of Havering residents who identified themselves as carers in the 2001 Census was 10.4% of the total population (highest in London), compared to 8.5% for London as a whole.
- 3.6 The Topic Group were informed that there was a multi-agency group that had been formed to take forward the three themes identified in the group's scope. These included London Borough of Havering, Age Concern Havering, North East London Foundation Trust (NELFT) including psychiatric representatives, the Alzheimer's Society, Health Commissioners, Public Health, BHRUT and the medicines management lead. This group also has carer's representatives. NHS Havering had commissioned services at Queen's Hospital to improve the quality of care for people with dementia. A project was also underway at Queen's Hospital to improve the focussed care of older people, including basic training for nurses in dementia issues.
- 3.7 The Topic Group were alerted to concerns regarding the implications for Community Mental Health Services, of the Coalition Government plans to transfer responsibility for Commissioning to GP Consortia. Evidence has been presented indicating the under representation of Dementia cases by GPs. Work would be needed with GPs and Practice Nurses about identifying signs and symptoms of Dementia.
- 3.8 Work was needed with GPs and practice nurses about identifying the signs and symptoms of dementia. Officers informed the group that the local memory service is under review to improve the service and its capacity to see a high volume of people with memory problems. It is likely that this will include working with GPs to improve care pathways and detection protocols. GPs did have different levels of experience with mental health generally. Research had shown that ten years ago GPs were more likely to use standard dementia tests but were less confident with how to manage the condition. It was important that GPs were able to refer dementia sufferers on for support at an earlier opportunity.

NELFT

- 3.9 The group met with Professor Orrell - an Old Age Psychiatrist as well as a professor at UCL. He also carried out a research role, with the main area being in dementia care for which he had developed a treatment technique – cognitive stimulation therapy. The group were

provided with copies of the “Making a difference – An evidence-based group programme to offer cognitive stimulation therapy (CST) to people with dementia”.

- 3.10 Professor Orrell was also involved with developing the Camberwell Assessment of needs for the elderly; he chaired the National Accreditation Panel and also undertook clinical work, including home visits, in-patient work and a range of duties related to old age psychiatry.
- 3.11 The group also met with Dr Stephen O'Connor, who was also an Old Age Psychiatrist and an Associate Medical Director. He explained to the group that the Community Mental Health Team is comprised of a range of professionals, including Occupational Therapists and Admiral Nurses, who support carers of people with dementia with complex/challenging behaviour. It was dependant on the needs of the client as to the type of carer they needed. The clients were assessed on the basis of their physical health and wellbeing to ensure that the correct support was in place. Carers were also provided by Social Services in partnership with NHS Havering, if the client lived in their own home.
- 3.12 **The group noted that the main base for the Older People's Mental Health services was currently sited at Suttons House at St. Georges Hospital, and following the closure of Mascalls Park, the medical staff would be relocated to Church Road as an interim measure. Since they were however unable to run clinics from this site, suitable accommodation for the medical staff was being sought. A range of clinics are provided at the Petersfield centre, however NELFT are in discussions with a view to future provision for borough dementia services, since additional resources have been provided for the further development of dementia services by NHS Havering. (See recommendation 5.1)**
- 3.13 The group were pleased to note that the transfer of wards from Mascalls Park to the new facility at Sunflowers Court at Goodmayes Hospital was proceeding on schedule.
- 3.14 The group noted that NELFT were working closely with London Borough of Havering, Human Resources to recruit to current Social Worker vacancies. (See Recommendation 5.2) NELFT had signed a Section 75 document which agreed that Older Peoples Social Care Staff will be recruited by NELFT. Social Workers in the Older Peoples Mental Health Team are not dedicated to working in dementia services and therefore NELFT were also in discussions with the Adult Social Care Reablement Team in regard to future collaborative working within Queens Hospital and the new liaison team being developed.
- 3.15 **The group were concerned that Havering had not joined the Memory Network. The Memory Network is a network to share information with colleagues on the resources in shaping memory**

clinics. It also enables colleagues to learn from each other, share worries and difficulties and enable professionals to speak with a united voice. (see Recommendation 5.3)

- 3.16 Officers stated that there was an excellent memory service in Havering with specialist staff and NHS Havering did have an early intervention and treatment theme as part of their dementia strategy. NELFT confirmed that it is their intention to become a member on completion of the development of their redesigned memory service.

Overview of Expenditure for services for people with dementia

- 3.17 Officers provided details on Local Authority and Primary Care Trust expenditure on services for people with dementia, which included:
- Funding for commissioned dementia specific services, i.e. Age Concern;
 - Estimates of funding for generic social care services that include provision for people with dementia, i.e. Reablement team dealing with dementia as well as other medical issues;
 - Estimates of funding for older person's mental health community and inpatient services that include provision for people with dementia, i.e. NELFT.
- 3.18 Officers explained that there were also a number of hidden costs included in primary care/ GPs and acute hospital care which included dementia, but were services provided on a generic basis and therefore broad assumptions based on population, prevalence and typical case mix were made to estimate dementia specific costs.
- 3.19 The group were informed that the estimated costs for 2010/11 were:
£1,478,018 for all specialist dementia community activities, £636,625 for dementia related inpatient activities and £425,000 for Dementia Collaborative care hospital liaison team to develop an in-reach service for people with dementia and other mental health problems. Officers explained that these were block contract and therefore included different elements. These were estimated as 50% of clients with dementia.
- 3.20 Officers explained to the group that there was forecast expenditure for 2010/11 of £1,200,610 for the 30 dementia beds at Heatherbrook Nursing Home (Care UK) and for individual "spot" purchased placements of which, on average, this would be 65 at any one time with a budget of £1,747,793. The forecast expenditure for 2010/11 was £2,934,000 - an overspend of £1,186,207 compared with an outturn in 2009/10 of £2,204,000.

- 3.21 The group were informed that places within care homes are rated. These were dependant on the rating of the client as to whether the funding came from the NHS or Local Authority. The group were informed that there were a lot of voids in care homes, therefore there were more beds than people. They were further informed that there had been a 25% decrease in the take-up of care home beds, due to the Memory Centre and Dementia Service Advisors providing services which lead to less admissions to care homes or hospital and keep the services within the community.
- 3.22 Officers explained to the group that the growth of medical costs had risen between 2004/5 and 2008/9. Whilst the medication prescribed was not a cure, it did slow down and delay the progress of the symptoms. This medication can only be initiated and prescribed by a Psychiatrist following an assessment by a specialist first; however the GPs then have to monitor the progress.
- 3.23 The group felt that there needed to be more robust monitoring of financial and performance information so that this could aid future planning of the services available to people with dementia. This would link with the Joint Strategic Needs Assessment which describes the stages of the process, including stakeholder involvement, engaging with communities and recommendations on timing and linking with other strategic plans. (see Recommendation 5.6)**

London Borough of Havering Services

- 3.24 Officers explained that the cost of services provided by the London Borough of Havering were difficult to give accurately, since people with dementia only made up a small part of the overall cost. The group were informed that the Council pay a higher rate of dementia care for approximately 122 service users in residential nursing homes. The total cost of this care is £3,124,000. For care in a residential home, the cost is £7,252,000 for approximately 270 service users.
- 3.25 The group were informed that there were approximately 89 users identified as having dementia who received homecare packages, the estimated total cost for these users was £1,190,000. There were approximately 39 users identified as having dementia who receive day opportunities; the estimated cost for these users was £154,000.
- 3.26 The reablement service is a short term intervention service to enable vulnerable adults to maintain their level of independence, usually following a major incident such as hospital admission or significant deterioration in health or home circumstances e.g. for a person with Dementia. On average 14% of the general population over the age of 65 will suffer from a level of dementia. On this basis, the estimated general cost of reablement services for those with dementia is approximately £322,000 per annum. Officers stated that there would

be some clients of the reablement services who may go on to need additional support, however some may only need short intensive support just to overcome the significant event.

- 3.27 Other services that may be provided to those with dementia included respite, direct/self directed payments and occupational therapy, however at the time, it is not possible to estimate the costs specifically linked to dementia. Officers explained that the Resource Allocation Calculator is being developed to assess people's social care needs in order to allocate sums of money to achieve identified outcomes. The roll out of this system should provide more accurate information on specific client groups and service user needs.
- 3.28 Officers explained that previously places had been commissioned for providing day opportunities, however many of these took place in care homes, which are no longer in council possession. They could stimulate the market for other provisions, however service providers would have to be specialists to deal with the needs of the users, but there was no reason why this could not work on a "spot" purchase basis. (see Recommendation 5.4)**
- 3.29 The group found that throughout the scrutiny review there was a lack of evidence of early diagnosis from GP's and that information available to the public to spot the signs in their relatives was also lacking. (see Recommendation 5.7) The group found that there was information leaflets and advice available; however there was an issue in the public accessing this information and knowing the symptoms. The group thought it would be useful if leaflets/ DVD's or a checklist of possible symptoms could be displayed in GP surgeries and libraries. (see Recommendation 5.8)

Age Concern

- 3.30 The group met with the Director of Development from Age Concern Havering. The group were informed that there were three clubs running for the Young Onset Dementia Group, these ran in different areas of the borough, however there was in excess of 120 people on the carers list and even though a new club had recently opened they were still not meeting the demand. The aim of these clubs is to provide respite for carers by facilitating clients with early onset dementia who are under the age of 65. The cost to Havering is £12,000, and this is a voluntary contribution and forms part of a grant. The group were informed that there is still a growing need for advice and assistance, given the growth of older people in Havering. As a result Age Concern Havering had doubled its capacity.
- 3.31 Age Concern has been commissioned by the PCT to run a Dementia Advisory service, building on the long standing early intervention dementia team. This has enabled them to double their existing capacity, recruit new advisors, and re-model the service based on the

objectives of the national dementia strategy. This service will aim to allocate an advisor to everyone diagnosed with dementia. Working closely with the memory service, the advisers will ensure people with dementia and their carers have access to information and advice from the point of diagnosis onwards. The group discussed the proposed Government changes and who would be responsible for this in 2013. The group felt it should be a clear transition and that support of the GP Consortia and the Health and Wellbeing Board was vital. (see Recommendation 5.9)

- 3.32 The group were informed that there were some areas of the borough where the need for services was greater. As a result there were over 40 people on the waiting list. The main problem was finding suitable premises to run sessions, as they would need to be secure, have comfortable seating, and a kitchen; however cost would be a big implication. (see Recommendation 5.5)**
- 3.33 Age Concern Havering were currently recruiting in Havering to educate the GPs on early diagnosis and NELFT and Age Concern had been working well together on a number of projects over the last 3-4 years. The current project is where an experienced carer can assist a new carer and is called "Shield". Age Concern carry out CRB checks for all volunteers that are recruited. They also undertake full induction and dementia training before commencing any sessions with clients. They were currently registering for a pilot "sitting" service, this would be available daytime, evening and weekend but was literally a sitting service and would not provide any personal care.
- 3.34 The group were informed that Age Concern Havering was currently piloting "self-funding" clubs to see how these worked. At the moment there had been some uptake, however they found that clients were often reluctant to part with their money and felt that spending their allowance on a day opportunity was a waste of money. It was explained that a whole day peer support group, with the correct ratio of client/ staff would cost £45 per client per day.
- 3.35 The group carried out a visit to a number of sessions run by Age Concern Havering to see them in progress, and to speak with carers about their experiences. The group felt that these sessions were very worthwhile, and found that all the staff and volunteers who ran the sessions were very passionate and enthusiastic about the clubs and the service provided. The clients that were attending on the day of the visit were very relaxed and enjoyed the clubs. The staff informed the group that these are regular clients who take ownership of the clubs. The activities included were coffee clubs, lunch clubs, dancing, reminiscence and keep fit.

Alzheimer's Society

- 3.36 The group met with the Support Services Manager for Redbridge and Havering Alzheimer's Society. She informed the group that the Alzheimer's Society provide a more national level of information, through advertising on television and radio, campaign literature and also contributed to the Dementia Strategy Group. The group were informed that the local office had recently produced a dementia pack on how to get a referral in Havering; this had been developed jointly with Public Health as part of the National Dementia Strategy implementation group tasks.
- 3.37 She informed the group that there were a number of peer support and social inclusion groups for carers and people with dementia. These groups included a monthly social inclusion group with access to outings and social activities, a monthly lunch support group, held at Jackson's Café, a Saturday Social Support Group which was specifically for those families that worked during the week but were weekend carers to families and the Dementia Café, which was held on the last Friday of the month, supported by Admiral Nurses and was an information and social event for carers of, and people with a diagnosis of dementia. The total cost to Havering for all these projects was £43,000, and came from the Carers Grant.
- 3.38 The group were informed that there was also an online forum for carers and early diagnosed clients to discuss their thoughts and feelings. This forum was well used and was an electronic peer support network.
- 3.39 The group attended the Alzheimer's Café to see it in progress, and to speak with carers about their experiences. The group were informed that the café met on a monthly basis, with on average between 30 and 40 attendees, with this being a drop-in centre it was difficult to specify exact numbers and therefore hard to plan for numbers attending. The Alzheimer's Café also had speakers on specific subjects, which were relevant to both carers and clients.

4.0 CONCLUSIONS

- 4.1 As outlined above, the joint topic group have scrutinised in detail the impact of the National Dementia Strategy on the population of Havering.

5.0 RECOMMENDATIONS

- 5.1 That the relevant Cabinet Member liaises with NELFT with a view to future provision for borough dementia services.**

- 5.2 That NELFT recruit Social Workers to fill the current vacancies and ensure that collaborative working with the Adult Social Care Reablement Team, on dementia services, is put in place.
- 5.3 That Havering join the Memory Network.**
- 5.4 That the Commissioners continue to develop the local market to increase opportunities for day support for people with dementia and their carers.**
- 5.5 That the Council work with Age Concern to find further premises which meet requirements to provide additional sessions.**
- 5.6 That work is undertaken to develop more robust financial and performance information, linked to Joint Strategic Needs Assessment, to aid future planning of services.**
- 5.7 To encourage NELFT and Havering PCT to encourage early diagnosis of dementia by GPs, and provide training and public awareness of the signs of early dementia,
- 5.8 To encourage partnership working groups to assist in the provision of public information on signs of dementia in the form of leaflets, DVDs or checklists of symptoms.
- 5.9 To encourage the GP Consortia/Health and Wellbeing Board to continue the commissioning of the Dementia Advisory Service currently run by Age Concern.
- 5.10 That the Borough Director of NELFT develop an action plan from these recommendations and report back to the relevant Overview and Scrutiny Committees in 6 months regarding progress.

ACKNOWLEDGEMENTS

During the course of its review, the topic group were supported by, met and held discussions with the following people:

David Cooper – Head of Adult Social Care
Peter Keirle – Head of Mental Health Commissioning, NHS Havering
Fiona Weir – Operational Director, NELFT
Professor Martin Orrell – Old Age Psychiatrist, NELFT
Adrian Dorney – Assistant Operational Director, NELFT
Dr Stephen O'Connor – Associate Medical Director, NELFT
Carol Kathro – Alzheimer's Society
Dora Hill – Director of Development, Age Concern Havering

The following comments are submitted by members of staff:

Financial implications and risks:

The figures as provided within the body of this report are as submitted by Adults Services and are based on current (2010/11) costs. Havering's current cost implications are as at 3.24, 3.25 and 3.26.

As per recommendation 5.6 there is the need to project service user need and related financial implications to ensure consideration can be given to deployment of available resources on a timely basis.

There is a pooled budget Section 75 agreement in place between NELFT and the Council. Consideration may need to be given to the scope of this arrangement as a result of the Dementia Strategy in Havering. Ongoing changes within the Health Service, with regard to structures and GP Commissioning, may have resultant financial implications which will need to be considered as they arise.

Legal implications and risks:

No implications or risks identified

Human Resources implications and risks:

The recommendations in this report include reference to the need to ensure that the services to support delivery under the Dementia Strategy are appropriately resourced in terms of professional social care staff and that there is clear communication and effective collaboration between Adult Social Care and NELFT social care workers.

The action plan to support the requirements of the Dementia Strategy needs to be robust in terms of workforce planning and development in order to set in place the right staff with the right skills to implement the agreed areas of responsibilities and bring about expected outcomes for people with dementia in the Havering community.

Staff Contact: **Anthony Clements**
Principal Committee Officer
Telephone: 01708 433065

Background Papers list:

Notes of Dementia Strategy Joint Topic Group Meetings:

4 November 2010
16 December 2010
31 January 2011
14 March 2011

<h2 style="margin: 0;">CABINET</h2> <p style="margin: 0;">13 JULY 2011</p>	<h1 style="font-size: 48px; margin: 0;">5</h1> <h2 style="margin: 0;">REPORT</h2>
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Subject Heading:	The Council's Financial Strategy
Cabinet Member:	Cllr Roger Ramsey
CMT Lead:	Andrew Blake-Herbert Group Director Finance & Commerce
Report Author and contact details:	Mike Stringer Head of Finance & Procurement 01708 432101 mike.stringer@havering.gov.uk
Policy context:	To set out the proposed financial strategy for the Council
Financial summary:	The measures outlined in this report will enable the Council to deliver services at a lower cost in the future. The report sets out the proposed approach to dealing with the Council's budget position between now and 2014
Is this a Key Decision?	Yes
Is this a Strategic Decision?	Yes
When should this matter be reviewed?	September 2012
Reviewing OSC:	Report to be reviewed at a Special Meeting of all O&S Committee Members.

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	[X]
Excellence in education and learning	[X]
Opportunities for all through economic, social and cultural activity	[X]
Value and enhance the life of every individual	[X]
High customer satisfaction and a stable Council tax	[X]

SUMMARY

Last Summer, Havering Council agreed a package of savings to mitigate the impact of very significant cuts in central government funding to local authorities.

These savings, totalling over £19 million to be delivered across three years, were made up of a range of measures designed to reduce back-office costs, cut bureaucracy and focus resources where they would have the most impact - while remaining fair to those local residents who most rely on the Council for their day-to-day support.

One year on, most of the savings have already been implemented, with some to be delivered over the next two years. Last year's savings package was swiftly implemented to ensure Havering began to achieve its savings requirement as soon as possible and therefore minimised the impact of later decisions on both the community and the organisation.

This report summarises the position reached after the reductions in government funding have been comprehensively analysed following the two year settlement agreed for local government in December 2010 and taking into account the agreed savings already approved.

The report goes on to set out more than £16 million of further savings to be delivered over the next three years, in order to balance the Council's budget position by 2014. The savings in this report, together with the savings agreed last Summer, should close the budget gap sufficiently that no further major savings announcements will be necessary before 2014 and the imposition of a new local government financial settlement, and any Council Tax increases would be able to be kept low. However, the Council would remain committed to seeking out and delivering efficiencies wherever possible, in the interests of council tax payers.

If agreed, this report will provide residents, business and staff with a degree of certainty about how the Government's reductions in public sector spending will affect Havering over the next few years – provided there are no further cuts made to the Authority's funding.

It will also provide reassurance for residents that many of the Council's services that they most value, or have highlighted as a priority – such as weekly rubbish collections, street cleaning, roads and pavement repairs, libraries and parks – will remain in place.

The savings detailed in this report retain the Council's commitment to reduce the authority's running costs first and protect frontline services where it's possible to do so. Where the delivery of frontline services is subject to review or change, the proposals in the report have sought wherever possible to focus efforts and target resources to where they will do the most good. This responsible approach is designed to ensure that the people who most rely on the Council's help – including vulnerable residents and children who are at risk of harm – remain well served by the Authority.

RECOMMENDATIONS

Cabinet is asked to:

1. Approve the actions being taken to address the projected budget gap and endorse the early implementation of the proposals set out in this report
2. Approve the items in the schedule of savings proposals set out in Appendix 4, for appropriate consultation and equality impact assessments where necessary, as indicated in the schedule, to be undertaken by the Chief Executive or appropriate Group Director or Assistant Chief Executive prior to final decisions on those proposals in accordance with the constitutional position on each item.
3. Instruct Group Directors to make as much progress as possible on the savings items listed in Appendix 4 during the course of this financial year, in order to ensure that these are implemented in sufficient time to deliver full-year savings when these are required.
4. Authorise the Chief Executive or the appropriate Group Director or Assistant Chief Executive, in consultation with their Lead Cabinet member, in furtherance of the matters set out in this report and schedules, to give appropriate notices, terminate, withdraw from or re-negotiate contracts and undertake or carry out any other matters which are necessary in order to deliver the savings set out in this report.
5. Authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to seek to minimise redundancies by applying the Council's policies and procedures but where necessary determine the extent of the potential redundancies, undertake consultations with Trade Unions, consult with staff and issue redundancy notices, undertake staff selection, withdraw notices where appropriate, and hear and determine any appeals, with the exception of any adjustments to Chief Officer posts, including Assistant Director and Heads of Service posts, where appointments and dismissals might be decided by the Appointments Committee.
6. Authorise the Chief Executive and/or each Group Director or the Assistant Chief Executive, to make any further temporary or fixed term appointments necessary in order to support the delivery of the budget strategy.
7. Approve the continued commitment of £2m of Capital per year for the period of the medium term financial strategy for highways.

Cabinet is asked to note that:

8. The proposals contained in this report, building on both the decisions taken last July and in February, will ensure a stable financial position and bring as much certainty as possible to residents.

9. The Chief Executive, in consultation with the Leader of the Council and appropriate lead member, will continue to negotiate and enter into contracts or arrangements with other boroughs to facilitate the provision of shared services.
10. This report will go to all Overview and Scrutiny Committees, at a joint meeting to be held on 28 July 2011.

REPORT DETAIL

1. FINANCIAL PROSPECTS FOR 2011/12 AND 2012/13

- 1.1 The report to Cabinet in July anticipated to a large extent what was subsequently revealed by the successive announcements of the Comprehensive Spending Review (CSR) and the Local Government Financial Settlement. In very broad terms, there has been a major reduction in funding from Government for local authorities, through reductions in both general (formula) grant and in specific and area based grants. Whilst the Council's early start in approaching the expected reductions has meant Havering was well-placed in responding to CSR and LGFS in the short term, the total scale of the reductions meant further savings would be required over the CSR term.
- 1.2 Although the Government's broad expenditure proposals have been known for many months, the detailed position only became evident over the winter months, and even then there were still gaps to be filled and further clarification to be sought. However, what was evident was a reduction in formula grant of £8m in 2011/12, with a further £5m in the following year, and a reduction in specific grants and Area Based Grant (ABG) of £3.4m. Further reductions were expected in the remaining years of CSR, whilst the impact of changes to the LGFS itself are impossible to predict. The background is set out in Appendix 1.
- 1.3 Based on an assessment of the position as it stood in January, and the outcome of the provisional LGFS, the remaining budget gap to be bridged compared to that reported to Cabinet in December 2010, post the CSR announcement, was broadly as follows:

Forecast Budget Gap	11/12 £m	12/13 £m	13/14 £m	14/15 £m	Total £m
Outcome of CSR	1.1	5.9	1.8	11.8	20.6
Outcome of LGFS	0	6.1	2.1	12.0	20.2

- 1.4 These figures made no allowance for any rise in Council Tax, in addition 2011/12 assumed no rise as this was funded by the Council Tax freeze grant. The gap in the final CSR year, 2014/15, was due to the fact that no savings proposals had as yet been identified for that year. These figures reflect the two-year settlement announcement, and the anticipated position beyond it. However, given potential changes to the funding of local government – covered later in this report – and with some uncertainty over how changes to public

health services and their funding will impact in 2013/14, projections beyond 2012/13 must be treated with a degree of caution. Equally, this emphasises the importance of planning ahead as far as possible, and in refining the approach as circumstances unfold, which has been at the heart of the Council's financial strategy for a number of years.

- 1.5 When Cabinet agreed the first £19m of savings, given the remaining budget gap and level of uncertainties, Cabinet therefore agreed that a further report would be submitted dealing with the impact of any grant reductions and any other issues that came to light as further information on the LGFS became available. This would include any subsequent announcements on grants where these had not been made already and would also set out the Administration's proposals to bridge the remaining budget gap.

2. UPDATED POSITION

- 2.1 Further announcements on grant funding have continued, even beyond the date of the Council Tax setting meeting. One example is that Area Based Grant (ABG), which officers had been expecting to cease, reappeared, albeit briefly, through 3 new grants, though these have now been rebadged, so ABG has in fact now ceased. A considerable amount of work has been done on the impact of grant changes relating to the Early Intervention Grant (EIG), as this has been one of the biggest areas of change. These factors are now reflected in this report, as is the final position relating to the ELWA levy, the freedom pass contribution, and other minor factors.

- 2.2 Based on the settlement figures for 2012/13, and assuming that these do not change when the settlement is reviewed later this year, the budget gap has remained at a similar level to the original forecasts, although rising marginally to around £6.8m. No assumption had been made over any possible rise in Council Tax, but for illustrative purposes, a rise of 2.5% would reduce this gap by £2.7m, leaving £3.4m to be found in additional savings. The overall gap over the coming 3 years also remains at around £20m, although this is clearly a more volatile number, not only in scale but also in its phasing and again it takes no account of any possible Council Tax rises. A comparison of the latest position is shown in the updated table below:

Forecast Budget Gap	11/12 £m	12/13 £m	13/14 £m	14/15 £m	Total £m
Outcome of CSR	1.1	5.9	1.8	11.8	20.6
Outcome of LGFS	0	6.1	2.1	12.0	20.2
Updated position	0	6.8	1.9	11.6	20.3

- 2.3 Although there have been minor changes, this comparison emphasises the extent to which the assessment of the original CSR outcome accurately predicted the future position, and has formed the basis for the medium term strategy put in place. Equally, it should be borne in mind that these figures presuppose that the assumptions built into the earlier assessment around inflation levels, growth in adults budgets resulting from demographic changes, the freedom pass contribution, and the ELWA levy (as finally set), remain

unchanged. They also assume that all savings proposals already built into the budget for 2011/12, and those intended for 2012/13, will be delivered in full. Finally, these figures also assume that any adverse variances identified during the year, or possibly arising from 2010/11, will be absorbed within the overall budget including the contingency sum.

3. PROVISIONAL OUTTURN POSITION 2010/11 AND PROSPECTS FOR 2011/12

3.1 In considering the strategy for the remainder of the CSR period, due account needs to be taken of the Council's financial position in both the previous and current financial years. This will ensure that the strategy is developed in light of any issues that may or will affect the medium to long term financial position.

3.2 The provisional outturn position has therefore been taken into account in reviewing the council's financial position. A fuller explanation of the outturn position is set out in Appendix 2.

3.3 Though the Council under spent its budgets in 2010/11, this is partly due to the use of contingencies that had been set aside against specific risks being drawn down into the budgets. It is also due to the financial uncertainty during the year leading to a very risk adverse position being taken by service managers during a time of change and budget reduction, and finally due to the early delivery of savings. It is also due to the holding of vacancies during re-organisations to facilitate maximum redeployment opportunities. This is another good reason for placing more certainty over the budget position for the next three years so that managers can plan and spend up to their budget limits.

3.4 There are a number of volatile budgets that will continue to be areas of risk for the Council throughout the period under consideration, such as those within Social Care & Learning. A contingency sum of £2m to offset such items continues to be planned within these forecasts should actions to contain the risks not prove adequate. This preserves the level of contingency that has been in place for a number of years, and is as set out in the report to Cabinet and Council in February.

3.5 The ongoing pressures within budgets are being contained within this financial year though there is a significant risk that some of these are becoming ongoing budget issues and so the development of the savings proposals contained within this report has been mindful of these issues. Further work will be carried out over coming months, in the run-up to the 2012/13 budget setting process, to determine how any of these matters may need to be dealt with.

4. THE FUTURE OF LOCAL GOVERNMENT FUNDING – THE RESOURCE REVIEW

4.1 On the 28th of October 2010, the Coalition Government published a White Paper – “Local Growth: Realising Every Place's Potential”. As part of the White Paper, the Government considered the options of retaining locally raised

business rates. There is currently no certainty over how a revised scheme will operate and the current thinking is described in more detail in Appendix 3.

- 4.2 However, whatever the method chosen, it is not anticipated the redistribution of business rates in the short term will generate additional income to Havering. The Department of Communities and Local Government have indicated that no authority will have an increase in funding above the previous year. In addition, the coalition government's deficit proposal still needs to be fed into any new system along with a significant sum of raised business rates being transferred to other boroughs across London and redistribution to the rest of England and Wales.
- 4.3 Given the uncertainties created by the imminent change in the funding system for local government, some caution must be exercised over long-term financial planning. Whilst this report sets out proposals to address the forecast funding gap, this is reliant on assumptions made over the funding available to local authorities as part of the Comprehensive Spending Review. These assumptions carry a higher level of risk beyond 2012/13. Therefore, whilst it is prudent to identify measures designed to address the anticipated budget gap, and to put appropriate plans in place, it will be necessary to revisit these plans once the impact of the new funding regime becomes clearer. It is not clear at this stage whether this will be prior to the formal setting of the 2012/13 budget in February 2012. However, unless Havering were to become a major beneficiary under any new funding regimes, which is unlikely given the overall financial position in the UK, the savings set out in this report will be necessary.

5. IMPACT OF EIG GRANT REDUCTIONS

- 5.1 As set out in this report, the CSR and LGFS have led to major changes to and reductions in grant fundings. One of the specific consequences of this has been an overall reduction of £3.4m in grants now falling under the umbrella of the Early Intervention Grant (EIG), which has drawn together a number of previous specific grants and grants under ABG into a single place.
- 5.2 Whilst the reduction in funding was known at the point of setting the budget, and has in fact been reflected in the budget set by Council, this included an assumed reduction in spend to match the grant reduction. Savings of £1.6m in grant-related services had already been approved as part of the July 2010 report, in anticipation of such grant reductions, thus leaving a further £1.8m to be found. These savings were not part of the original assumed gap of £6.1m.
- 5.3 As the funding lies solely within Social Care & Learning, the service has drawn up a list of proposals, which are in the course of being implemented, in accordance with the decisions of Cabinet and Council as part of the budget-setting process. They are set out in Appendix 5 for Cabinet to note, as steps have been taken to implement these measures in accordance with the previous decisions of Cabinet and to ensure that service spending is in line with the approved budget and available funding.

6. PROPOSED STRATEGY FOR 2012/13 AND BEYOND

- 6.1 The proposed strategy for next year, and the two remaining CSR years thereafter, is broadly reflective of the approach adopted for 2011/12. Given the scale of the gap, set out earlier in the report, it is the Administration's view that an early start has to be made on developing and implementing detailed plans. The Administration is also mindful of its commitment to seek to hold Council Tax rises down to the lowest level feasible, bearing in mind the scale of the gap still to be bridged.
- 6.2 The approach to developing the strategy for the next three years has been to:
- Seek wherever possible to preserve the service levels currently delivered to residents and in particular to reflect the outcome of the recent residents survey (see section 7)
 - Seek to build on the existing savings plan agreed by Cabinet last July
 - Be mindful of the pressures encountered during 2010/11, especially where these are likely to recur in the current year
 - Ensure any proposals developed reflect the principles of being more efficient; focusing resources where they will do the most good and being fair to the residents who most rely on the Council for support
 - Minimise the potential impact on the most vulnerable members of our community
 - Take due account of potential equalities implications
 - Consider the potential impact of both the resource review and the impact of changes to the delivery of public health services.
- 6.3 A range of proposals has been developed and these are set out in Appendix 4. These have been developed to reflect the agreed revenue budget strategy, the outcome of the residents survey covered later in this report, and the Administration's prime objectives of allowing the redirection of resources to areas of higher priority, the preservation of priority services, and the minimisation of the impact of Council Tax on our local community.
- 6.4 The proposals set out are expected to deliver an overall savings package of around £16m over the next three years. Given the remaining budget gap set out above of around £20m, this savings package would largely meet the Authority's savings requirements without excessive Council Tax increases and not raising Council Tax above 2.5% throughout the life of this Administration. It would ensure a stabilised financial position with clear plans in place to meet the overall budget gap and bring as much certainty as possible to residents over both Council Tax levels – given the Administration's commitment to low increases – and the level of service they can expect.
- 6.5 The schedule set out in the Appendix identifies those proposals currently planned for implementation that will impact specifically on 2012/13. Adoption of these proposals should ensure that the Council achieves a balanced budget position for the second year of the existing – and last – local government financial settlement.

- 6.6 Beyond that, the financial position is less clear owing to the unknown impacts of a range of factors, including the resource review and public health factors. With this in mind, the proposals beyond 2012/13 have not been allotted to a specific financial year. Group Directors will be progressing plans to implement these measures, but these will need to be reviewed once the impact of these other factors on 2013/14 and beyond becomes clearer. Taking these steps at an early stage should avoid the need to identify further savings proposals, unless there are adverse outcomes from these other factors.
- 6.7 There are a number of proposals within the package of savings to slim down the Council's management structures. CMT will review when these specific proposals are brought forward within the period up to 2014, dependant upon the level of resources required to deliver the level of transformation and savings identified and having due consideration to the cross-service and directorate implications.
- 6.8 Once this latest set of proposals has been consulted on, due account will be taken of responses to this, and the developing national position, as part of the approach to developing the 2012/13 budget. This will also reflect the possible impact of pressures covered elsewhere in the report.

7. RESIDENTS SURVEY

- 7.1 Between January and February of this year, the Council carried out its largest ever survey of all households in the borough, which attracted over 11,500 responses. The survey asked residents for their top 5 factors for making their neighbourhoods good places to live, and for their top 5 priorities for improvement. We also asked residents to tell us what they thought of their local area as a place to live and how well they felt people got on together in their area.
- 7.2 The results were as follows:
- 75% of respondents were satisfied with their local area as a place to live
 - 70% said they felt people get on well together in their neighbourhood
 - The most important factors for making the local area a nice place to live, were:
 1. Health services (13% of respondents)
 2. Level of crime (12%)
 3. Clean streets (11.7%)
 4. Road and pavement repairs (9.4%)
 5. Public transport (7.9%)
 - Residents' top priorities for improvement in the borough, were:
 1. Road and pavement repairs (18%)
 2. Traffic congestion (9.5%)
 3. Activities for teenagers (8.8%)
 4. Clean streets (8.2%)

5. Level of crime (8.2%)

- 7.3 The results show high levels of satisfaction with rubbish collection (85%), doorstep recycling (83%), libraries (82%), the local tip (79%), and parks (76%).
- 7.4 Although we cannot directly compare satisfaction rates from this survey and the Place Survey which was carried out in 2009 under a different methodology, generally the results show an increase in satisfaction with most services since 2009, while general satisfaction with the area as a place to live has remained steady.
- 7.5 The views of residents highlighted by the survey have been taken into account when formulating the savings proposals set out in this report.

8. CONSULTATION

- 8.1 The 'Your Council, Your Say' survey has provided a very useful and robust steer as to how the residents of the borough review the services provided by the authority and their priorities for the future and was the most significant single piece of consultation undertaken by the Council for many years.
- 8.2 The proposals will be publicised and available on the Council's website. Comments from the public on the generality of savings proposals will be welcomed, but in a number of cases there will be the need for further formal consultation on specific proposals, once the details have been finalised.
- 8.3 The entirety of this programme will be considered by a special Joint Overview and Scrutiny Meeting on 28th July 2011.

9. CAPITAL PROGRAMME

- 9.1 A report on the 2011/12 capital programme was approved by Council in May. The budget set out an indicative programme for years beyond 2011/12 as shown in the table below, but this will need to be reviewed in the light of the anticipated level of resources within the Council (capital and Section 106 receipts) and announcements on future Government funding, in particular for schools' works. It will also need adjustment should the proposals for the Romford Leisure Centre be finalised as the large capital receipt to facilitate the development will need to be included with the proposals.

	2012/13 £000	2013/14 £000	2014/15 £000	Total £000
Total	7,208	6,500	6,300	20,008

- 9.2 However in line with residents' priorities and continuing the Administration's programme of investment, the future capital programme will continue to see investment of a minimum of £2m a year in pavement and road repairs.
- 9.3 The proposed approach to capital for 2012/13 and beyond will form part of the budget-setting process leading up to February 2012.

REASONS AND OPTIONS

Reasons for the decision:

Decisions to progress efficiency programmes and other savings measures set out in this report are required in view of the need for the Council to make substantial efficiency reductions over the coming financial years.

Other options considered:

Not taking action to bridge the large funding gaps which the Council will face over the coming years will leave the Council vulnerable to having to take reactive action that was not fully planned or thought through, which might endanger direct service provision in future. The measures outlined in this report will enable the Council to address predicted increases in demand for services by some of our most vulnerable residents whilst keeping to the Council Tax commitments of the Administration.

Not taking action, or deferring action to future years would also increase the uncertainty faced by residents and staff within the organisation. The measures outlined in this report will provide clarity and certainty regarding the savings required by the Council in order to meet the challenge of reduced funding.

IMPLICATIONS AND RISKS

Financial implications and risks:

The financial implications are set out in some detail in the report. Broadly, the Council is facing an estimated budget gap of around £40m over the next 4 years, starting in 2011/12. The strategy adopted so far has left the Council with a remaining gap of around £20m over the remaining 3 years of the CSR period. To maintain financial stability and ensure that the Council is able to set a robust budget, it is essential that steps are again taken as early as possible to identify and implement measures designed to reduce spend.

As with the proposals brought to Cabinet last year, the proposals contained within the report will impact on staffing levels within the Council. Whilst, as the report explains, job losses will be avoided wherever possible, it is inevitable that redundancies will occur. Provision has already been made within the corporate transformation reserve, as part of the decision made by Cabinet in February 2010, to fund redundancy costs arising from the proposals set out in this report. These will continue to be closely monitored by the Group Director Finance and Commerce.

There are a number of risks arising from the proposals contained within this report:

- No actions are taken to address known or potential budget gaps; this could lead to emergency measures being required, with major impacts on priority

services, and/or significant rises in Council Tax. Taking early action ensures that such a risk is minimised

- The proposals do not generate the anticipated level of savings; this is always a risk with such proposals, but having a long term plan and with the early start of development and implementation, coupled with ongoing monitoring, this risk can be mitigated
- The reduction in grant for 2012/13 differs from that set out in the LGFS. This is felt to be highly unlikely and in any event not expected to be material
- The factors used in assessing the budget gap change significantly, for example, interest rates remain low, or inflation rises higher than expected. This is more likely to impact on the longer term position and there should therefore be more time to both identify and respond to such changes.

Legal implications and risks:

In the event of redundancies being likely from any of the proposals the Council will need to comply with its legal obligations regarding any service of notice to the Secretary of State depending on the numbers of staff affected by the redundancy proposals, together with consultation with recognised trade unions and simultaneously with affected staff. There are likely to be a greater number of staff affected initially as being at risk of redundancy, than are actually made redundant as the Council will need to go through a process of assimilation etc. of staff before any redundancy notices are issued. Redundancy proposals will need to be tested against equalities obligations to ensure no inadvertent discrimination.

The Council's Constitution contains substantial powers to enter into and terminate contractual arrangements and this report builds upon those existing powers.

Some of the proposals will have a direct effect on particular groups of users and it is a requirement for the Council to undertake meaningful consultation with those users and to take into account their representations when coming to a decision. The Council must conduct any consultation processes meaningfully by (1) adopting a robust and transparent process, which has provided sufficient information and time for responses from all those potentially affected by the proposals as well as other stakeholders, and (2) by conscientiously taking into account the comments and representations made through the process.

Additionally there is the need to carry out equality impact assessments where proposals are likely to have an impact on residents/users/staff who have one of the protected equality characteristics and the results of that assessment need to be taken into account in the final decision on the implementation of that proposal.

A Council must act rationally, only taking relevant considerations into account, and excluding irrelevant considerations to ensure that its decision making is secure from challenge. If it does so conscientiously there is only a minimal risk of a successful legal challenge on the basis of a flawed consultation.

The Council now has a statutory duty to advance equality of opportunity for people with a protected characteristic as well as eliminate discrimination. Also it cannot discriminate in the removal of a service to a person with a protected characteristic. In the event that some of the proposals in Schedule 4 do potentially have an adverse

impact on a particular group, there will need to possibly amend the proposals to ensure that the Council does not breach its legal obligations.

The legal implications will be considered further together with any relevant Human Rights issues in the detail of any report requiring consultation.

Human Resources implications and risks:

The Council has worked closely with its staff and with Trades Unions to ensure that the effects on staff of the savings made have been managed in an efficient and compassionate manner. Lessons learned and shared with the trades unions will be used as the Council moves forward with these savings proposals. This will include serving the appropriate statutory consultation notices. A communications process and support mechanisms retained to support staff through the change process. The new staff/trade union consultation mechanism (the Transformation Consultation Forum (TCF)) that focuses on the transformation and other organisational change initiatives has proved effective and this will be kept in place. There are a number of management restructures itemised in Appendix 4. Given that some of these have cross directorate implications, CMT will determine the exact timing of these restructures over the next few months.

As previously, compulsory redundancies will be minimised wherever possible and the scale and level of redundancies, will be carefully monitored by the Group Director Finance and Commerce against the overall business case for the Council in terms of delivering the Transformation Strategy and budget savings targets. The best estimate so far is that the proposals contain savings elements which are likely to directly impact on 450 employees. This impact, however, does not correlate directly with the number of employees we are expecting to be at risk of redundancy or indicates the actual number of redundancies we are expecting to make. For example, from the proposals put forward in September, 500 staff were placed at risk of redundancy, in fact 74 redundancies actually took place including 37 voluntary redundancies.

All of these savings proposals will be managed in accordance with both statutory requirements and the Council's Managing Organisational Change & Redundancy policy.

Equalities implications and risks:

Equality Impact Assessments have been undertaken on all the policies and procedures used in staff and management restructurings. Reports on the impact of all restructures, redeployments and redundancies are reviewed by the People and Change Programme Board and the Transformation Consultation Forum.

The work programmes for each of the transformation programmes referred to below will include a high-level impact assessment process to identify and equality and fairness risks to future service delivery. Full Equality Impact Assessments will be completed where appropriate for all proposals, these will reflect the outcome of any consultation undertaken on specific proposals as well as responses to the broader consultation of this report.

Other Risks:

Given the risks facing the organisation, the Council has established some key measures to manage the risks. Among these measures is the formation of a central transformation team which oversees the delivery of programmes. The central transformation team has established robust governance around programme delivery including the escalation of risks and issues and regular reporting structures. The team challenges programme outputs ensuring quality assurance across every programme and monitors both spend and benefit realisation progress to highlight any anomalies early. In addition the team ensures that appropriate plans and risk logs are in place to manage and monitor delivery of each programme

BACKGROUND PAPERS

There are none.

BACKGROUND

Following the General Election in May, the new Coalition Government set out its major policies in its Coalition Agreement. This Agreement set out the Government's intention to take swift action to reduce the national deficit – with an emphasis on spending reductions in the public sector. The Agreement made clear that the Government's philosophy is to 'roll back' the state and bring about a 'Big Society' where communities take a greater responsibility for the future of their neighbourhoods and services.

The Government announced an initial £6.2billion reduction in Government spending in May, of which £1.165bn was directly allocated against Local Government funding. Details of the impact of this announcement on individual grant streams were released gradually since then. The Emergency Budget on 22nd June included further announcements that impacted on Havering's services and financial position.

In subsequent months, the Government has announced the outcome of its Comprehensive Spending Review (CSR), and then details of the Local Government Financial Settlement (LGFS) were released. The latter was accompanied by a variety of further announcements relating to grants, which have undergone a massive change since the previous settlement was released.

The impact of the initial announcements was reported to Cabinet in July 2010. Cabinet approved a range of measures designed to ensure financial stability whilst responding to the measures taken by the Government. The impact of the CRS was reported to Cabinet in December and provided Cabinet with an initial assessment of its potential impact on the Council's financial position, its budget, and the Council Tax setting process for the following year.

The provisional LGFS was announced in December, and details were included in a report to Cabinet in January. Finally, all of these factors were reflected in the budget report to Council in February.

Whilst the budget set for 2011/12 reflects the impact of changes in Government funding for that year, the Council had in keeping with its longer term approach agreed proposals the previous June running over a 3 year period. In the light of a 2 year LGFS and a 4 year CSR, the February report highlighted a remaining gap to be bridged, and Cabinet agreed to a further report in the Summer, setting out the proposed approach. This is contained in this report.

OUTTURN POSITION 2010/11

In considering the strategy for the remainder of the CSR period, due account needs to be taken of the financial position in both the previous and current financial years. This will ensure that the strategy is developed in light of any issues that may or will affect the medium to long term financial position.

The position at period 9 showed an overall net overspend of £230k, although this took no account of the potential application of available contingency funds to cover any adverse variances. The report went on to highlight four potential areas of overspend where contingency was expected to be allotted, two of which were of some significance; Asset Management £690k and Children's Services £478k. The report also proposed a small number of carry forward proposals, totalling £598k, arising where services were not expected to fully utilise their budgets by year end. Of these, several were related to grant funding streams.

The net effect of these was expected to produce an underspend of £810k, of which £302k was the unallocated balance of the contingency. The report also highlighted a number of remaining risks, but also advised that work was continuing within Social Care & Learning to seek to contain these risks within budget.

The provisional outturn for the year shows that there was an overall underspend of around £2.5m. Whilst there were significant overspends, as expected, in both Asset Management and Children's Services, the latter was broadly contained within service budgets, as the actions referred to above proved to be effective. There was also, as expected, an overspend within Human Resources (now subsumed within the Internal Shared Services structure).

A contingency allocation was made for both Asset Management (£485k) and HR (£149k) to cover uncontrollable overspends, but an unallocated balance of £908k remained at year end. There was a net underspend after contingency of around £1m across service budgets, and a further £500k from corporate provisions. There were a small number of additional budget carry forwards, including the balance on in-year allocations from the corporate transformation fund, and these are reflected in the net outturn position.

The underspend of £2.5m has been transferred into the corporate transformation fund to increase funds available in anticipation of the costs likely to be incurred in implementing the savings proposals contained within this report, such as covering the costs of unavoidable redundancies.

The net position includes a variety of adverse variances which are likely to recur in 2011/12, although these were absorbed within the overall outturn position for 2010/11. The most significant of these variances are:

Service Area	Variance £000
Learning Disabilities	828
Children's Placements	735
Surveying & Architectural Services	547
Physical Disabilities	395
Employee Relations	215
Parking Facilities	165
SEN Transport	155
Leaving Care	135

In the context of the current financial year, a number of these issues are likely to be ongoing – certainly those within Social Care & Learning. Both the HR and Surveying & Architectural Services items have been dealt with as part of the budget setting process for 2011/12.

Whilst it is anticipated that these potential pressures can be contained in-year – as they broadly were in 2010/11 – there is a significant risk that some of these are becoming ongoing budget issues. The development of the savings proposals contained within this report has been mindful of these issues. Further work will be carried out over coming months, in the run-up to the 2012/13 budget setting process, to determine how these matters need to be dealt with.

**THE FUTURE OF LOCAL GOVERNMENT FUNDING
THE RESOURCE REVIEW**

On the 28th of October 2010, the Coalition Government published a White Paper – “Local Growth: Realising every place’s potential”. As part of the white paper, the government considered the options of retaining locally raised business rates.

The Local Government Resource Review was scheduled to be launched in January 2011 however a delay resulted in only the terms of reference being released on the 17th March 2011. To date, the government has not published any detailed proposals on what this new funding mechanism would look like, however the timetabling for this is tight. It is a legal requirement to change the funding mechanism for local authorities in 2013/14 so legislation would need to be put to the House of Commons this autumn or early next spring at the latest.

There are a number of options available to government on how business rates could potentially be redistributed however ministers have also suggested that local authorities will not have the ability to change the poundage in calculating business rates. Based on the terms of reference provided by central government, the concept of self funding, equalisation and incentives to retain business rates is a key feature in any model.

One option available to government is a London wide scheme which would collect all business rates into a single pool and redistribute based on formulae. London Councils have formulated a model which would require all London Authorities to contribute to a London pool. A fixed fee would potentially be payable to London Councils over the life of the business rate revaluation period. This would be redistributed based on the 2012/13 formula grant to ensure no authority’s funding would dramatically change due to the new funding mechanism. Any business rate growth which is achieved over the revaluation period would be split between a retained share and a contribution to other authorities within London and the rest of the country. This has the potential to create a so called “free rider” situation where local authorities would not need to aim to promote growth but still receive substantial amount of income from the scheme by other local authorities’ business rates.

The think-tank Localis have also produced an option which would give local authorities the ability to “opt-out” of central government funding by paying a fixed fee directly to government. This fee would be used to redistribute to other authorities whilst a significant remaining share would be retained.

Either of these options could potentially have a detrimental impact to authorities with high business rate base as any fixed fee would still be required even if business rate yield decreases. There are also indications from ministers that any significant increase due to the change in funding mechanism will be addressed and it is expected no authority will have an increase in grant greater than the previous year.

Whatever system is created there will be winners and losers however until further details are released it is difficult to assess which option would be most beneficial to Havering. Any method of redistributing business rates based along the lines of the

previous formula grant would be detrimental to Havering as the indicators used do not reflect the demographics / pressures within the borough.

Regardless on the method of localising business rates which is put forward, there will still be a requirement to pay for the Business Rate Supplement to fund the Crossrail programme. In addition, depending on any legislation changes, local authorities would still need to allow / fund any business rate relief. Until the detail of any scheme is released, it is impractical to ascertain how this would work.

The redistribution of business rates in the short term will not generate additional income to Havering over the first years of the scheme. The Department of Communities and Local Government have indicated that no authority will have an increase in funding above the previous year. In addition, the coalition government's deficit proposal still needs to be fed into any new system along with a significant sum of raised business rates being transferred to other boroughs across London and the rest of England and Wales.

Given the uncertainties created by the imminent change in the funding system for local government, some caution must be exercised over long-term financial planning. Whilst this report sets out proposals to address the forecast funding gap, this is reliant on assumptions made over the funding available to local authorities as part of the Comprehensive Spending Review. These assumptions carry a higher level of risk beyond 2012/13. Therefore, whilst it is prudent to identify measures designed to address the anticipated budget gap, and to put appropriate plans in place, it will be necessary to revisit these plans once the impact of the new funding regime becomes clearer. It is not clear at this stage whether this will be prior to the formal setting of the 2012/13 budget in February 2012.

SAVINGS PROPOSALS

Item Number	Detail	Description	Lead	2012/13 £000	By 2014/15 £000	Consultation and Equality Impact Assessment
CULTURE & COMMUNITY						
CULTURE & LEISURE (C&L)						
1	Five a side centre	Maximise income from the new five a side football centre.	Simon Parkinson	30	80	Subject to EIA as set out in main body of report.
2	SLM contract	Make efficiency savings and renegotiate the contract at Chafford sports centre.	Simon Parkinson	0	140	Contract negotiation. No direct Equality impacts
3	Arts Service	Explore options to work with partners in order to reduce the running costs for the Arts service and review pricing structures.	Simon Parkinson	60	60	Partnership exploration not service reduction and therefore no direct equality impact.
4	Community Halls	Review management arrangements for C&L-managed community halls.	Simon Parkinson	60	107	Consultation required with existing hall users as a result of which an equality impact assessment

Item Number	Detail	Description	Lead	2012/13 £000	By 2014/15 £000	Consultation and Equality Impact Assessment
						will be undertaken.
5	Hornchurch Stadium	Review management arrangements for Hornchurch stadium.	Simon Parkinson	20	45	Subject to EIA as set out in main body of report.
6	Westland temporary camping site	Derive income from the promotion of a temporary camping site to cater for visitors to the borough throughout the period of the Olympic and Paralympic Games and consider the longer term use of such a site.	Simon Parkinson	0	50	Income generation from external users – no equality impacts
7	Grounds maintenance	Deliver efficiencies in grounds maintenance by changing maintenance schedules to reduce transport costs and introduce more wild meadows to our parks.	Simon Parkinson	62	62	Subject to EIA as set out in main body of report.
8	Parks commuter parking	Set fair parking charges in certain parks to prevent all-day commuter parking and ensure spaces are available for park visitors.	Simon Parkinson	20	40	Disabled drivers would be exempt from the scheme, but otherwise subject to EIA as set out in main body of report.

9	Countryside paths	Introduce new and more efficient management arrangement for countryside paths.	Simon Parkinson	26	26	Subject to EIA as set out in main body of report.
10	Libraries	Derive efficiency savings through better and more partnership working with other borough library services.	Simon Parkinson	50	80	Subject to EIA as set out in main body of report.
11	Marketing	Review publicity and marketing requirements for events and reduce staffing levels appropriately.	Simon Parkinson	0	20	Subject to EIA as set out in main body of report.
12	Efficiency savings	Make further efficiency savings across C&L.	Simon Parkinson	0	80	Subject to EIA as set out in main body of report.

REGENERATION & COMMUNICATIONS

13	Reduction in Regeneration posts.	Remove vacant posts and focus on the highest priority regeneration programmes.	Roger McFarland	80	130	Subject to EIA as set out in main body of report.
14	Management restructure of Community Functions.	Work more efficiently across a tightly defined set of priorities and deliver savings by streamlining management.	Roger McFarland	0	95	Subject to EIA as set out in main body of report.
15	Efficiency in spending grants budgets.	Focus our grants to where they are most needed and remove the non-recurring grant to Thames Chase Trust. Core grant remains in place.	Roger McFarland	37	37	Subject to EIA as set out in main body of report.

16	Efficiency savings through partnership working – Communications.	Explore options for working in partnership with other public bodies in order to deliver efficiency savings across communications activity.	Mark Leech	0	95	Subject to EIA as set out in main body of report.
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STREETCARE

17	Savings on environmental maintenance	Working more efficiently by using private companies for two minor areas of highway verge maintenance.	Bob Wenman	65	65	Contract matter, no equality impact.
18	Service Restructures to improve efficiency	Reduce bureaucracy by reviewing and restructuring the performance monitoring team, highways engineer team and parking management team.	Bob Wenman	110	210	Subject to EIA as set out in main body of report.
19	Parking	Ensure that car park charging and pricing is consistent throughout the borough and prevent commuters from out of the borough taking up car parking space.	Bob Wenman	100	100	Subject to EIA as set out in main body of report.
20	Increase income from services.	Encourage more people to recycle their green waste and increase the green bin sales. Apply a consistent charge to utility companies when failing to deliver services on time and as agreed.	Bob Wenman	100	100	Subject to EIA as set out in main body of report.
21	Waste Tonnage Reductions	Protect our weekly rubbish collection by working with residents to reduce the amount of household waste created in Havering.	Bob Wenman	0	100	Promotion to reduce waste – no equality impact.

HOUSING & PUBLIC PROTECTION						
22	Trading Standards - reorganisation	Ensure efficient and appropriate structures in place to deliver the service.	Sue Witherspoon	40	60	Subject to EIA as set out in main body of report.

CUSTOMER SERVICES						
23	Registrars income improvements	Promoting the services further and putting together commercial packages.	Jeff Potter	0	50	Subject to EIA as set out in main body of report.

DIRECTORATE WIDE						
24	Make further efficiency savings across C&C	As new working practices bed in further efficiency savings can be made.	Heads of Service	0	121	Subject to EIA as set out in main body of report.

SOCIAL CARE & LEARNING						
ADULT SOCIAL CARE						
25	Adult Social Care	Renegotiate the community equipment contract to drive through savings.	Joe Coogan	50	50	No service impact – efficiencies.
26	Supporting People	Focus our funding to where it will be most effective in protecting the Borough's vulnerable residents.	Joe Coogan	0	300	Separate EIAs may be needed depending on specific decision
27	Service review	Make savings by reducing bureaucracy in Mental Health services.	David Cooper	50	50	Subject to EIA as set out in main body of report.

28	Service review	Working more efficiently in preventative services.	David Cooper	50	50	Subject to EIA as set out in main body of report.
29	Day Opportunity commissioning	Changing how we deliver care and support to older people to ensure that it is effective and fair.	Joe Coogan	80	80	Full consultation will be undertaken with service users and a full equality impact assessment of detailed proposals undertaken.
30	ASC Commissioning - Domestic Violence	Cut bureaucracy by changing our current contract.	Joe Coogan	65	65	Contract change. No service change or detriment – no equality impact.
31	Reablement performance	Increase in 13 reablement beds at Royal Jubilee Court and increased commissioning of reablement services.	David Cooper	0	350	Service improvement budgeted at those most in need of assistance to recover from hospitalisation. Service will continually monitor that it is assisting the most

						vulnerable in the public and service users to take any action necessary to mitigate any equality impact.
32	Reducing demand - telecare investment	Focus our efforts to provide vulnerable patients with COPD telehealth monitoring systems to reduce the demand for residential nursing home placement.	David Cooper	100	150	As above
33	Reducing demand - telecare investment	Invest in technology that can help vulnerable residents live at home longer without needing Council care.	David Cooper	150	400	As above
34	Reducing demand - falls prevention	Focus on preventing falls among older and vulnerable residents in order to reduce the demand for costly full time care.	David Cooper	100	240	As above
35	Reducing demand - Hospital Admissions and Re-admissions	Establish a network of volunteers to support users with long term conditions. This will reduce the need for hospital admission and the need for residential homes.	Joe Coogan	60	60	As above
36	Reducing demand -Expansion of Integrated Case Management (ICM) Programme	Target support to those with high risk of A&E admission to keep residents live independently for longer.	Joe Coogan	100	150	As above

37	Reducing demand - transition planning	Working with families earlier to prevent the transfer of expensive (residential) care packages by earlier planned provision of community based solutions.	David Cooper	50	100	Full consultation with clients and their carers will be undertaken as usual on a case by case basis.
38	Reducing demand -Additional Support for People with Dementia and their Carers	Give support to people suffering with dementia and other long term conditions.	Joe Coogan	100	200	Service improvement budgeted at those most in need of assistance to recover from hospitalisation. Service will continually monitor that it is assisting the most vulnerable in the public and service users to take any action necessary to mitigate any equality impact.

39	Review of growth ASC	The planned future growth in the adult social care budget – based on the aging population of the borough – can be reduced in line with lower unit costs.	David Cooper	300	400	Reduction of provision – no equality impact.
40	Extra Care Housing	Increased availability of extra care units at Snowdon Court will reduce the demand for more costly residential care.	Joe Coogan	0	250	Service improvement budgeted at those most in need of assistance to recover from hospitalisation. Service will continually monitor that it is assisting the most vulnerable in the public and service users to take any action necessary to mitigate any equality impact.
41	Learning Disability services	Improved market management. Stimulate the local market to ensure commissioned services are both cost-effective and appropriate, in order to reduce unit costs.	David Cooper	400	1300	Contract Management negotiations will be focused and ensure the most

						appropriate provision to each individual client - hence no general equality impact. Though each case will be thoroughly assessed prior to action.
42	OP Residential Care	Reducing demand for residential care through prevention activity.	David Cooper	0	1000	As above
43	ASC charging	Further revision of the charging policy.	Joe Coogan	0	250	Full consultation will be undertaken when debating proposals and an equality impact assessment undertaken.

CHILDREN'S SERVICES AND LEARNING & ACHIEVEMENT

44	Restructure of Additional Educational Needs Service	Work more efficiently and restructure additional educational needs service.	Sue Butterworth	0	95	Subject to EIA as set out in main body of report.
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45	School Improvement Transformation	Change the way we deliver our educational improvement service following the changes to the arrangements between the local authority and schools.	Sue Butterworth	177	322	Subject to EIA as set out in main body of report. The service is to support schools not individuals. The Council will still be fulfilling its statutory obligations.
46	Traded services	Each of the ten services within Social Care and Learning that currently trade with and support school improvement are required to develop business models that enable them to recover all their costs by 2014.	Sue Butterworth	100	900	Provided the efficiency savings can be implemented in a phased way, any equality and diversity issues that may arise can be dealt with in a planned and cohesive manner and communicated accordingly

47	Adoption	A successful consortia arrangement has been in operation between Havering, Thurrock and Southend Councils for some time. This increases the chances of a successful match between children suitable for adoption and prospective parents. Efficiency savings would be achieved by having 1 manager, fewer panels, shared administration and shared systems and marketing.	Ave Price	0	250	Subject to EIA as set out in main body of report.
48	Information Advice and Guidance	This proposal seeks to establish a new more targeted approach to meeting careers/educational advice and guidance locally. A specific budget will be set ensuring that legal opinion supports the approach.	Ave Price	0	600	Specific proposals will be drawn up and consulted on and the relevant Equality Impact Assessment will be undertaken.
49	Children's Centres	Develop a new, vision for Children's Centres and maintain the current number, which will provide focused support where it is most needed and provide the best possible outcomes while reducing overall running costs.	Ave Price	100	200	Changes related to the Children's Prevention Strategy that have been approved by Council and subject to an

						Equality Impact Assessment. Any detailed consultation that is required will be undertaken and any Equality Impact Assessments necessary will be undertaken at that time.
50	Youth Service	Extend the current savings expectation resulting from the redesigning of the council's Youth offer, because the changes are ahead of target.	Ave Price	0	100	Equality Impact Assessments for Youth Services changes already undertaken.

51	Children's transformation	<p>Refocus spending within Children's Services on preventative, rather than reactive programmes – in line with the Council's Prevention Strategy.</p> <p>Investment will focus on those services which, most effectively prevent the need for expensive interventions by statutory services (for example, taking children into care). In order to do this we will shift resources away from those services that are neither statutory nor effectively preventing poor outcomes for children.</p>	Ave Price	0	1000	<p>Changes related to the Children's Prevention Strategy that have been approved by Council and subject to an Equality Impact Assessment. Any detailed consultation that is required will be undertaken and any Equality Impact Assessments necessary will be undertaken at that time.</p>
52	Move of staff from Midland and Portman Houses	Relocate staff into Mercury House or other Council owned properties and therefore save on leasing costs.	Ave Price	0	80	Staff changes to accommodation only no specific equality impacts.

53	Implementations of SEN Green Paper	Refresh the way the Council delivers SEN services in line with the SEN Green paper, launched in March 2011. Measures will include more partnership working with other agencies and the voluntary sector.	Ave Price	0	100	This is subject to changes in national legislation. Any required consultation and Equality Impact Assessment will be undertaken when details are known.
54	EIG Grant Savings	The early intervention grant funds a wide range of services and teams across children's services During 20011/12 all spend will be reviewed to ensure the outcomes are as expected and in line with the Council's Prevention Strategy.	Ave Price	130	130	Changes related to the Children's Prevention Strategy that have been approved by Council and subject to an Equality Impact Assessment. Any detailed consultation that is required will be undertaken and any Equality Impact Assessments necessary will

						be undertaken at that time.
55	Re-engineering of transitions process and structure	Evaluate the creation of a specific 'transitions team' that works with people from the age of 14 to 24. By strengthening this area it is possible to achieve savings in both adults and children's services.	Ave Price	0	100	Subject to EIA as set out in main body of report.

DIRECTORATE WIDE						
56	General	Review of structure.	Andrew Ireland	0	520	Subject to EIA as set out in main body of report.

FINANCE & COMMERCE						
ASSET MANAGEMENT						
57	Increased staff occupation density of Mercury House	Free up space through flexible working patterns and increased use of 'hot-desking', in order to reduce the Council's accommodation requirements.	Mark Butler	72	144	Subject to EIA as set out in main body of report.
58	Reduction in building cleaning	A reduction in the frequency for building cleaning, coupled with transferring additional duties to the building superintendents for rubbish removal would reduce the cleaning staff headcount.	Mark Butler	60	60	Subject to EIA as set out in main body of report.

59	Hornchurch Country Park – Ingrebourne Hill	A proposal exists for the Council in partnership with Ingrebourne Valley Ltd and The Forestry Commission to create a contoured landscape feature in Hornchurch Country Park with income being derived from the re-use of inert soil from development site serviced by IVL.	Mark Butler	225	300 reducing to 75	Any required consultation will be undertaken. No direct equality impact
60	Re-introduction of school swim transport	Re-introduction of the school swim transport offer to Havering schools.	Mark Butler	46	46	Better use of existing vehicles. No equality impact.
61	Deletion of post within Transport service	Deletion of a vacant 3 rd tier management post.	Mark Butler	62	62	Subject to EIA as set out in main body of report.
62	Staff car parking	Additional income is being generated from the new scheme recently implemented, coupled with a planned increase in public car parking on the Town Hall site.	Mark Butler	31	81	Subject to EIA as set out in main body of report
63	Reduction in courier service	Reduction in frequency of internal courier service serving Council buildings, including schools.	Mark Butler	25	25	Subject to EIA as set out in main body of report

64	Medium Term Management Rationalisation	This works with schedule 76 to rationalise management structures and explore options for working in partnership with other public bodies in order to deliver efficiency savings.	Mark Butler	0	60	Subject to EIA as set out in main body of report.
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BUSINESS SYSTEMS

65	Reduction in Business Systems management headcount	Business Systems is currently going through an organisational restructure which will enable headcount reductions to take place.	Geoff Connell	80	80	Subject to EIA as set out in main body of report.
66	Business Systems – Income Generation	£50,000 Income generation from Traded Services – Forensic and computer audit, Information Security Services, DBA service £50,000 Income generation from Shared Oracle Competency Centre.	Geoff Connell	100	100	Shared service saving. No equality impact.

FINANCE & PROCUREMENT/INTERNAL SHARED SERVICES (ISS)

67	Restructure of Internal Shared Services	Restructure of Internal Shared Services incorporating Corporate Finance team. The proposal is to reduce the overall organisational structure by reviewing both the strategic finance and operational finance functions.	Mike Stringer/Sarah Bryant	100	100	Subject to EIA as set out in main body of report.
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68	Reduction in external audit fees	The fees for the external audit service – which is currently provided by PwC – were subject to roughly a 10% reduction, equivalent to £40k for 2010-11. Given the imminent abolition of the Audit Commission, we anticipate a further 10% reduction of the same value.	Mike Stringer	40	40	External contracts. No equality impact.
69	Reduction in computer audit and other costs	The computer audit work is currently undertaken through an arrangement with Deloitte. Discussions are under way to deliver a service through another borough, which will save costs through the economies of scale.	Mike Stringer	5	10	As above
70	Strategic Finance	Restructure of the Finance function, to deliver a saving of £100k, augmented by increased income of £50k to the Internal Audit function, through providing a service to schools and Homes in Havering.	Mike Stringer	150	150	Subject to EIA as set out in main body of report.
71	ISS future phases (subject to shared services)	As further phases of shared services are introduced.	Sarah Bryant	0	150	Subject to EIA as set out in main body of report.

DEVELOPMENT & BUILDING CONTROL						
72	Emergency Planning shared services	Explore options for working in partnership with other public bodies in order to deliver efficiency savings across emergency planning activity.	Patrick Keyes	0	33	Subject to EIA as set out in main body of report.

LEGAL & DEMOCRATIC SERVICES						
73	Legal and Democratic Services	Better use of technology to reduce support levels and reduction in Mayoral activity outside the Borough.	Christine Dooley	0	68	Subject to EIA as set out in main body of report.
74	Mayoral car	Dispose of 2 nd mayoral car at end of lease.	Christine Dooley	5	5	Lease termination. No equality impact.
75	Community safety	Restructure and work more efficiently with a different section in the Council.	Christine Dooley	0	93	Subject to EIA as set out in main body of report.
76	Health and safety	This works with schedule 64 to rationalise management structures and explore options for working in partnership with other public bodies in order to deliver efficiency savings.	Christine Dooley	0	76	Subject to EIA as set out in main body of report.
77	Reduction in Cabinet Member	Reduction in line with council resource base.	Christine Dooley	0	35	Member change. No equality impact.
78	Road Safety	Reduce management. Look for shared options.	Christine Dooley	55	55	Subject to EIA as set out in main body of

						report.
79	Committee Services	Restructure.	Christine Dooley	0	100	Subject to EIA as set out in main body of report.
80	Members Allowances. Reduction in IT etc	Review on extent of members allowances and other costs, eg ICT support.	Christine Dooley	0	50	Member change. No equality impact.
81	CCTV reduced staffing	Savings from a shared service.	Christine Dooley	150	150	Subject to EIA as set out in main body of report.

CORPORATE ITEMS

82	Car pooling/car club	Introduction of a car club/pool car pilot to substitute the use of employee's own vehicles for business purposes, if successful will enable the review of essential or casual car allowances, plus additional capacity for paid parking.	Andrew Blake-Herbert	200	200	Subject to EIA as set out in main body of report.
83	Reduction in strategic provisions	These are corporately managed provisions created to address broad financial issues and to provide financial stability. The proposed saving arises mainly from provisions for freedom passes, the ELWA levy, and single status and the agency worker directive.	Andrew Blake-Herbert	1,250	1,550	Financial adjustment. No equality impact.

84	Reduction in Senior Management	Review of senior management structure of council with aim of reducing this in line with overall reduction in size of the council. Vacant posts and/or retirements offer opportunities to deliver savings.	Cheryl Coppell	140	500	Subject to EIA as set out in main body of report.
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PROPOSED SAVINGS ITEMS RELATING TO EARLY INTERVENTION GRANT

Service	2011/12 Saving	Rationale	Already in MTFS?	Consultation and Equality Impact Assessment.
Connexions - Prospects	Saving £408,000 From total: £1,700,000	In anticipation of a 24% cut in Area Based Grant in 2010/11 negotiations were held with the provider of Connexions services to reduce costs. The result of this has meant that contract costs can be met within a reduced budget funded from a reduced EIG.	No	Contract negotiated with service provider. Provider has made necessary changes to staffing structures and working practices.
Youth Grants	£210,000 From total: £955,398	A range of savings have been proposed for youth services in the MTFS for 2013/14. A number of these, funded through Early Intervention Grant, have been brought forward to 2011/12 in order to help to manage the budget shortfall.	Yes. There is a Youth service saving of £500k in the MTFS for 2013/14. Therefore an additional £210k will need to be saved from other areas by March 2013 to offset.	HR1 Process is underway and is being coordinated through the IYS Service Manager. Subject to EIA as set out in the main body of the report.
Contact Point	£83,503 From total: £83,503	Funding was not expected to continue as Contact Point has been cancelled by Government. Funding previously used internally – no impact for voluntary sector.	No	None required. No EIA required.
Foundation Learning	£49,730 From total:	Reduction to service that provided added value through contracts for external providers to deliver foundation learning.	No	There will be a new bidding process for the remaining £50k of funding.

Service	2011/12 Saving	Rationale	Already in MTFS?	Consultation and Equality Impact Assessment.
	£99,730	Contracts due to end in year – therefore reductions mean that they will not continue. However remaining funding will provide some legacy services.		This will commence shortly. No EIA required.
Early Years (Various)	£197,000 From total: £1,953,361	Services were previously funded through Sure Start Grant and have moved into Early Intervention Grant which has had a significant reduction. Savings have been made on the basis of a need for reduction, and targeted on those areas that will have the least impact on outcomes.	No	Changes related to the Children's Prevention Strategy that have been approved by Council and subject to an Equality Impact Assessment. Any detailed consultation that is required will be undertaken and any Equality Impact Assessments necessary will be undertaken at that time.
Children's Trust Fund	£3,262 From total: £3,262	Children's Trust Funds have ended for all children. These services were for trust funds for those children in the care of the Local Authority.	No	No activity required. Payments have ceased. No EIA required
Targeted Mental Health in Schools	£18,801 From total: £222,500	Reduction to funding for services, expected to be achieved through efficiency in the service model. Continuation of a reduced level of funding will help to maintain outcomes.	No	Service Managers are managing changes with their area of responsibility. No EIA required
Reablement	£142,000 From Adults Services	The home care service has been reviewed to develop a reablement service. This has been in light of the MTFS and adult transformation agenda. The changes lead to greater value for	Yes. There is a Reablement saving of £750k in the MTFS for 2013/14.	This is part of adult transformation and is being taken forward. HR1 currently being consulted upon and issues being dealt with as they

Service	2011/12 Saving	Rationale	Already in MTFS?	Consultation and Equality Impact Assessment.
	Budgets	money and will improve the independence of people presenting with social care needs.	Therefore an additional £142k will need to be saved from other areas by March 2013 to offset.	arise. Subject to EIA as per the main body of the report.
Traded Services	£65,000 From Education Traded Services budgets	Reduction to budgets in learning services to reflect savings achieved through the development of traded services.	No. Although part of a larger saving by 2014/15 as services achieve full cost recovery.	Corporate Finance is supporting the apportionment of budget reductions to services. Subject to EIA as per main body of report.
BSF Staffing	£154,883 From total: £154,883	Budget held for the post of the Head of Building Schools for the Future and admin support. These post are no longer required. One HOS post is vacant and the postholder of the admin post is currently deployed in transformation.	No	Restructure report to be included in July HR1s. Ongoing work to redeploy one officer. Subject to EIA as per main body of report.
Care Matters	£50,000 From total: £199,242	Continuation of reductions made in 2010/11 as result of planning for 24% ABG reduction. 2011/12 spending will remain consistent.	No	No specific actions. No special EIA required
LINKs	£53,000 From total: £132,145	Contract reduction to achieve greater value for money and reflect nature of the service. Role of LINKs is changing due to health reforms, new arrangement is fit for purpose during transition.	No	Contract reduction negotiated with the provider. Provider is making necessary changes. No specific EIA required.

Service	2011/12 Saving	Rationale	Already in MTFS?	Consultation and Equality Impact Assessment.
Commissioning Efficiencies – Adult Services	£450,000 From Adults services budgets	Saving achieved through negotiating rates to residential and domiciliary care.	No	Lead Member report. Engagement with providers. EIA. Confirmation of rates.
Total Saving	£1,885,179			
Children’s Fund	-£60,000 From total: £394,830	A £200k saving identified in MTFS would reduce this budget to £194,830. However, £60k has been reinstated by making reductions elsewhere, to reduce the impact on voluntary organisations and the children they support. This is funded from within the savings identified above.	Yes. A £200k saving has already been identified from this budget in 2011/12.	HR1 complete and staff member has left organisation. EIA completed for the changes. Proposed funding levels have been communicated to providers. Final confirmation to be given subject to feedback.
Youth Offending Service	-£23,120	This was previously funded through a grant from the DFE which has ceased. The funding of this service now needs to transfer to the EIG. This is funded from within the savings identified above.	No	None No specific EIA required.
Total Additional Pressures	-£83,120			
Net Total Savings	£1,802,059			

Explanatory Notes:

1. The £1.8m savings relates to the reduction in Early Intervention Grant that was allocated to the council. This was significantly higher than the national cut and would therefore have disproportionately affected local children. Therefore a strategic decision was taken in line with the council's Prevention Strategy to balance the reductions between adult service and children's (including areas not in EIG). This requires some funding to be moved from adult services accounts to children's. The total reduction from adult services is £645k out of £1.88m.
2. The total saving is £1,885,179 to reflect two "pressures" in addition to the £1.8m budget gap. This reflects the £200k MTFS saving against children's fund and £23k for Youth Offending Prevention Grant. The prevention grant was *mistakenly* left out of the Early Intervention Grant by the Government nationally and therefore Havering, as with all councils, has had to find the funding from the overall funding pot.
3. The reductions have been targeted to areas in which they will have the least negative impact on outcomes for children and young people. The principles used to determine this are those set out within the Children and Families Programme and the Prevention Strategy. In particular savings have focused on areas in which we can achieve greater efficiency, and trying to minimise the impact of the voluntary and community sector.
4. Two reductions, to Youth Grants and Reablement, have been included within the MTFS as savings for 2013/14. Making these reductions two years early has reduced the impact of reductions in the short-term and will enable us to make more measured and strategic decisions over a longer period. This will however mean that an additional £352k will be needed to be saved from other areas between now and March 2013.
5. The Children's Fund pressure is £60k to reinstate some of the £200k from the 11/12 MTFS saving of £200k. The £60k has been offset by other reductions within the overall package of savings. The rationale for this is that reviews demonstrated a number of services (including the Youth Inclusion Support Panel) funded by Children's Fund that have a highly significant impact on the lives of local children, and that fall clearly in line with our Prevention Strategy. We are very confident that by offsetting these reductions we have been able to reduce the negative impacts that children face – this is covered by an Equality Impact Assessment that has been undertaken.



7	
CABINET 13 July 2011	REPORT

Subject Heading:

**LOCAL IMPLEMENTATION PLAN
ANNUAL SPENDING SUBMISSION
2012/13**

Cabinet Member:

**COUNCILLOR BARRY TEBBUTT
COUNCILLOR ROBERT BENHAM
CYNTHIA GRIFFIN**

CMT Lead:

Report Author and contact details:

**DANIEL DOUGLAS
01708 433220
daniel.douglas@havering.gov.uk**

Policy context:

London Plan and London Mayor Transport Strategy (2010)
Havering 'Living Ambition' agenda
Havering Local Development Framework (2008)
Draft Havering Local Implementation Plan (2011/12 -2014 /15),and Council Regeneration Strategies (including Romford, Hornchurch, Harold Hill and Rainham)

Financial summary:

This report seeks Members' approval to the principles of Havering's LIP Submission to Transport for London for 2012/13 Financial Year, which has an indicative allocation of £3.074 million.

Is this a Key Decision?

THIS IS A KEY DECISION

Is this a Strategic Decision?

THIS IS A STRATEGIC DECISION

When should this matter be reviewed?

January 2013

Reviewing OSC:

Environment

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	[✓]
Excellence in education and learning	[]
Opportunities for all through economic, social and cultural activity	[✓]
Value and enhance the life of every individual	[✓]
High customer satisfaction and a stable council tax	[]

SUMMARY

The Council makes an annual Local Implementation Plan (LIP) Spending Submission to Transport for London (TfL) for funding transportation initiatives across the Borough. It must be consistent with the Mayor of London's Transport Strategy and the Council's own Local Implementation Plan (as approved by the Mayor of London following sign off by Cabinet). This report outlines the process for the Council preparing its LIP Annual Spending Submission for 2012/13.

The Council has been notified by TfL that it has been awarded an indicative amount of £3.074m LIP funding for the 2012/13 financial year which is broadly typical of most outer London boroughs. Later this year, it must submit to TfL how it plans to spend this, taking into account TfL's most recent LIP guidance. This report outlines the issues that must be addressed in the Council's Submission and how that will be progressed.

Following Cabinet, Officers will prepare the final detailed 2012/13 LIP Submission prior to forwarding it to TfL in October 2011. As in 2010, there will be consultation with the Highways Advisory Committee before the submission is finalised.

The report recommends that approval of the final LIP Submission is delegated to the Cabinet Member for Environment who has responsibility for strategic transport, and the Cabinet Member for Community Empowerment who has responsibility for local transport schemes. It is expected that TfL will issue final confirmation of the allocation to the Council in late 2011.

The report confirms that the Council will continue to explore additional opportunities for funding transport programmes/policies to supplement those from the LIP allocation such as other TfL funding streams e.g Biking Boroughs, other external funding sources and Section 106 contributions from development proposals.

RECOMMENDATIONS

1. That the guidance provided by TfL outlined in paragraphs 7 and 8, and other aspects to consider detailed in paragraph 9, and 12 in respect of Havering's Submission to TfL for LIP funding for 2012/13, be noted.
2. That development of the LIP Submission for 2012/13 having particular regard to the range of considerations set out in paragraph 12 be approved in principle.
3. That the advice of the Highways Advisory Committee be sought on the proposed LIP submission before it is finalised.
4. That approval of Havering's final LIP Funding Submission for 2012/13 to TfL be delegated to the Cabinet Members with responsibility for Environment and for Community Empowerment.
5. That it be noted that other opportunities for investment in transportation initiatives will continue to be sought from TfL outside the LIP Annual Submission process, and from other stakeholders and funding sources.

REPORT DETAIL

Background

1. The Council submits an annual bid to Transport for London (TfL) for funding for transportation-related initiatives across the Borough. The funding awarded from this Local Implementation Plan (LIP) bid remains the major source of capital monies for transport schemes and projects in the Borough.
2. The Submission requirements for 2012 / 13 broadly reflect those of last year. Most importantly, the overall principle remains that projects must conform to the Mayor of London's new Transport Strategy (MTS) which was published in May 2010. The Mayor's Transport Strategy can be accessed at <http://www.london.gov.uk/publication/mayors-transport-strategy>. It must also reflect the Council's own priorities and strategies including the draft Local Implementation Plan (LIP) for 2011/12 -2013/14 which demonstrates how the Council intends to address the MTS at a local level and sets out longer term transportation strategies, objectives and policies. The submission must reflect the Programme of Investment detailed within that document. (The draft LIP is currently being finalised following comments from TfL).

3. A procedural change from last year is that the two programme areas of “Corridors and Neighbourhoods” and “Smarter Travel” have now merged into one ‘block grant’ which has been renamed Corridors, Neighbourhoods and Supporting Measures. This results in three main LIP programmes : Corridors Neighbourhoods and Supporting Measures, Major Schemes and Maintenance. Officers expect that the Council will, subject to TfL’s agreement, still have a reasonable degree of flexibility in transferring funding between projects within the main LIP programme areas. This is helpful in the event that there are difficulties in progressing individual schemes or in the event that priorities are reviewed.

Havering’s Allocation for 2012/13

4. TfL notified the Council of its indicative LIP funding award for 2012/13 in May 2010. Havering’s indicative LIP funding allocation for 2012/13 is £3,074,000. For comparison, at this stage in the allocation process last year (ie the indicative funding for 2011/12), the Cabinet Report referred to a figure of £2.7 million. It will be seen that the indicative allocation for 2012/13 is almost £400,000 more and this is welcome. Officers would point out however that the £2.7million figure did not include any element for Principal Road Maintenance as this was not confirmed until mid 2010. It is also the case that year on year comparisons are difficult because they cannot reflect subsequent further in year allocations or indeed reductions as happened in Autumn 2010 at the time of the Comprehensive Spending Review (CSR). The indicative allocation for 2012/13 is broken down as follows:

- £2,483,000 for “**Corridors, Neighbourhoods and Supporting Measures**” projects which focuses on the development of holistic schemes and local area improvements. This covers bus priority, bus stop accessibility, cycling, walking, local safety schemes, schemes that smooth traffic flow, projects involving shared space, Controlled Parking Zones, 20 mph zones, schemes to assist freight, regeneration and accessibility and environmental improvements. This also covers ‘Smarter Travel’ schemes such as school and workplace travel plans, travel awareness initiatives, road safety education, training and publicity schemes.
- £491,000 for “**Principal Road Maintenance**”. This focuses on highway surface improvements to the Principal Road network within the borough. Officers consider that this is a very welcome and considerable increase on previous years. It reflects the Mayor’s concern about the importance of boroughs addressing road repairs following adverse winter weather. Members will be very aware that ensuring Havering’s roads and pavements are in a safe and well maintained condition was a particular priority identified by the community in the recent Your Council Your Say consultation. The increase will enable the Council to respond positively to the views of the community.

- £100,000 for “**Local Transport Funding**” (for spending on projects of the Council’s choice). Officers consider this should again be welcomed and suggest that the Mayor is again invited to increase the future discretion given to boroughs in deciding how to spend the LIP allocation in accordance with local priorities.
5. The LIP funding allocations for Bridge Strengthening and Assessment as well as for existing “Major Schemes” (covering town centre areas, and Station Access schemes and Streets for People) are excluded from the above. The funding submissions for these are conducted outside the normal LIP Process. Whilst boroughs are required to reference existing Major Schemes as part of its Annual Spending Submission and provide details of Bridge Strengthening proposals via the Borough Portal, no indicative allocations have been announced to boroughs.
 6. The allocation for Havering is broadly typical of the allocations to most outer London boroughs. It exceeds those for the LBs of Barking and Dagenham (£2,261,000), Waltham Forest (£2,962,000), and Sutton (£1,820,000).

TfL’s requirements for the Funding Submission for 2012/13

7. TfL requires the Council to submit a set of proposals for the Corridors, Neighbourhoods and Supporting Measures programme, and Local Transport Funding consistent with the amounts outlined above (see also paragraph 4). TfL have recommended that boroughs submit bids for Principal Road Renewal approximately 25% above the indicative funding to allow for possible reserve schemes to be brought forward. TfL will then assess all these proposals to ensure that they generally conform to the Mayor of London’s Transport Strategy. It will confirm the Council’s final allocations for all these programme areas before the end of 2011.
8. TfL’s Guidance on Developing Local Implementation Plans (May 2010) provides the framework for preparing the Annual Spending Submission and this has been supplemented by further LIP Guidance published in May 2011. Copies of these are in the Members’ Resource Room. Most importantly, when the Council develops its proposals for the Corridors Neighbourhoods and Supporting Measures programme, it must consider the goals, challenges and outcomes from the Mayor’s Transport Strategy as set out in Appendix A to this report. TfL also requires the Council to consider the potential impact of the proposals on Crossrail. Boroughs are encouraged to consider Crossrail related initiatives as part of their LIP Funding Submissions. Boroughs are asked not to undertake any works on any parts of the road network that need to be kept clear during the lead up to, operation and decommissioning of the Olympic Games and boroughs also have to notify TfL if any proposals require ‘signal’ slots. TfL’s Guidance also requires boroughs to identify how the scheme packages included will help deliver the Mayor’s high profile outputs which includes Cycle Superhighway

schemes, Cycle Parking, Electric Vehicle Charging Points, Better Streets, Cleaner Local Authority Fleets and Street Trees. Boroughs should also have regard to their Network Management Duty under the Traffic Management Act 2004 to manage their road network to secure expeditious movement of traffic, including pedestrians, on their network and to facilitate the same on the networks of other authorities.

9. Other important aspects to be taken into account include:

- Boroughs can continue to make funding submissions to TfL outside the annual LIP Submission for **new** Major Schemes. These are schemes that are expected to deliver transformational changes and assist in delivering the Mayor's 'Better Streets' agenda. They will normally comprise schemes of over £1million in total value (formally known as Area Based Schemes (ABS). This is done through a three stage process defined through separate TfL Guidance. Members will be aware that the Council has successfully progressed several ABSs in recent years including in Romford and Hornchurch and has included further proposals for Major Schemes in its draft LIP for 2011/12 - 2013/14.
- That funding for LIP schemes started in 2011/12 that are being phased over more than one year must be funded from the 2012/13 allocation. Several of the Council's schemes fall into this category reflecting the fact that TfL has encouraged such proposals.

Consultation with the Highways Advisory Committee

10. As previously, it is proposed to seek the Highways Advisory Committee's advice on the LIP Submission before it is finalised. It is recommended that approval for the formal submission of the final LIP Submission to TfL be subsequently, delegated to the Lead Members for Community Empowerment and Environment as they have responsibility for local transport and strategic transport, respectively, under the Council's constitution.

Havering's LIP Funding Submission for 2012/13

11. The proposed detailed Council LIP Submission for 2012/13 will be prepared following this Cabinet. Officers have begun to work up its potential components and further discussion involving officers and Members will continue to take place as the Submission is prepared. As referred to in paragraphs 7, 8, and 9 it will be essential for the Council's Submission to be 'balanced' in terms of meeting TfL and Mayoral requirements and current commitments from the 2011 / 12 allocation and 2011/12 "reserve" schemes.
12. Notwithstanding the above, officers consider that Havering's Submission for 2012/13 has the potential to address existing Council priorities, help deliver established regeneration priorities and respond to the views of the community. It is considered that it should be shaped as far as practicable with regard to:

- The aspirations of the Council's 'Living Ambitions' agenda which are underpinned by established land-use, transportation and planning objectives as set out in the Local Development Framework and Local Implementation Plan and other Council strategies.
- Ensuring that Havering's principal roads and pavements are in as good a condition as possible subject to resources and the relative priority for their maintenance
- Development of existing and future regeneration initiatives covering Hornchurch, Romford, Harold Hill, London Riverside and Rainham. Members will recall for example that the 2011/12 allocation includes projects for, Hornchurch Town Centre Major Scheme, South Street environmental improvements in Romford, Harold Hill (including Gooshays Drive and Gubbins Lane), and the Rainham Traffic Management scheme.
- Maximising value for money by linking schemes where feasible to projects involving investment of Havering's own capital budgets such as those for major street works enhancements and improvements. As far as possible within the constraints of the TfL LIP Guidance and funding allocations, every opportunity will be taken to make use of the LIP Funding in a way which safeguards the Councils' own scarce capital resources.
- Implementation of the Ingrebourne Valley Sustrans Connect2 project and other Greenways schemes.
- Havering's draft 2nd Local Implementation Plan which is in the process of being finalised following its submission to TfL in December 2010.
- Complementary to other initiatives and funding secured through the 'Biking Boroughs' work (see para. 13 below).
- Schemes that were included as "reserve" schemes as part of the 2011/12 submission process may be included as part of the main 2012/13 LIP Submission. These schemes received Lead Member approval in September 2010 as part of the 2011/12 LIP Submission process with the intention of being implemented in the event that other LIP schemes had to be dropped.

Additional funding opportunities

13. TfL's Major Schemes funding category is applicable to projects such as Town Centres, Streetscape and station accessibility improvements including "shared space" projects and public realm enhancements. It is intended to encompass schemes where the overall costs are more than £1 million. Officers will examine TfL's Guidance to ensure that future transportation projects covering these and other regeneration areas in the Borough are channelled through the mechanism most likely to maximise the total overall TfL funding to Havering to deliver them. Additionally, the Council will continue to work closely with TfL to deliver projects and programmes under the 'Biking Boroughs' 'brand.' Havering is one of 13 'Biking Boroughs' and was allocated £87.5k for 2011/12 under this in Spring 2011, and indicative allocations for 2012/13 and 2013/14 of £117,500 and £77,500 respectively. TfL will expect the detailed Submission for 2012/13 to encompass further works and programmes to facilitate the continued delivery of cycling initiatives.

14. Other possible funding streams such as Section 106 developer contributions, European initiatives and DfT/CLG funding opportunities will also be pursued as appropriate by officers. This is in line with TfL's requirement that Boroughs should not rely exclusively for their funding on TfL and should develop alternative complementary funding sources accordingly.

REASONS AND OPTIONS

Reasons for the decision:

15. The LIP Funding Submission is required annually to TfL in order to secure funding for a range of transportation-related initiatives in the Borough.

Other options considered:

16. There are no alternatives if the Council wishes TfL to confirm its LIP funding award to Havering for 2012/13.

IMPLICATIONS AND RISKS

Financial implications and risks:

17. The funding that the Council will obtain from TfL through the LIP Submission for 2012/13 will be the main source of capital funding for transportation projects and initiatives in the Borough. There is no indication at the time of preparing this report that there will be any significant change in the level of funding for 2012 / 13 but Members will be aware that the initial allocation for 2011/12 was subsequently reduced by £112k at the time of the Comprehensive Spending Review (CSR). Members will recall that they were advised in the Cabinet Report last year, which dealt with indicative funding for a three year period, that the position with regard to the indicative funding levels for subsequent years is less certain in the light of the wider economic circumstances and the cuts to public sector finance.
18. The schemes that will be recommended to be included in the Submission for 2012/13 will reflect Council priorities and, as far as is possible, their delivery will be programmed in line with these priorities should there be any reduction in the funding available. Additionally, every opportunity will continue to be taken to

secure funding from other sources and programme areas, including Section 106 contributions, to supplement this in line with TfL's requirement that boroughs should reduce their dependency on TfL funding. The need to minimise as far as practicable ongoing maintenance costs will be taken into account in all schemes that are awarded funding. New schemes have the potential to reduce or increase maintenance requirements, but this net effect will need to be contained within existing budgets.

19. The Council Capital Programme for 2012/13 is expected to include £2m to support capital investment in safety and other schemes. This budget is ongoing and will be available to support the 2012/13 schemes, subject to the necessary Council approval. As far as possible within the constraints of the TfL LIP Guidance and funding allocations, every opportunity will be taken to make use of the LIP Funding in a way which safeguards the Council's own scarce capital resources.

20. If the Submission is not made the Council will not receive its most significant funding for highways, road safety and other transportation planning projects. TfL is expected to confirm its approval of the make-up of Havering's Annual Spending Submission in December 2011.

Legal implications and risks:

21. Consideration of the Network Management Duty mentioned in Paragraph 8 is a statutory requirement. There are no other specific legal implications or risks arising from this report although further legal resources will need to be committed to bring into effect the measures for which funding is eventually sought.

Human Resources implications and risks:

22. Once schemes are selected a subsequent review will take place to consider the impact on existing resources and/or any subsequent or associated cost.

Equalities implications and risks:

23. An important factor in drawing up the funding Submission will be to improve the ease, convenience and safety of everyone in the Borough who needs to move around in the course of their day to day living and business. The Submission is anticipated to contain a range of measures supporting sustainable transportation modes such as cycling, walking and public transport which will benefit individuals and communities who would otherwise be potentially at risk of experiencing social exclusion. As the ultimately selected schemes are designed and developed full regard will be given to their implications for equalities and social inclusion.

BACKGROUND PAPERS

None.

Appendix A

High Level Mayoral Outcomes

Goals	Challenges	Outcomes
Support Economic development and population growth	Supporting population and employment growth	<ul style="list-style-type: none"> Balancing capacity and demand for travel through increasing public transport capacity and/or reducing the need to travel
	Improving transport connectivity	<ul style="list-style-type: none"> Improving employers' access to labour markets Improving access to commercial markets for freight movements and business travel
	Delivering an efficient and effective transport system for goods and people	<ul style="list-style-type: none"> Smoothing traffic flow (managing road congestion and reducing traffic journey time variability) Improving public transport reliability Reducing operating costs Bringing and maintaining all assets to a state of good repair
Enhance the quality of life for all Londoners	Improving journey experience	<ul style="list-style-type: none"> Improving public transport customer satisfaction Improving road user satisfaction Reducing public transport crowding
	Enhancing the built and natural environment	<ul style="list-style-type: none"> Enhancing streetscapes, improving the perception of urban realm and developing shared space initiatives
	Improving air quality	<ul style="list-style-type: none"> Reducing air pollutant emissions from ground-based transport, contributing to EU air quality targets
	Improving noise impacts	<ul style="list-style-type: none"> Improving perceptions and reducing impacts of noise
	Improving health impacts	<ul style="list-style-type: none"> Facilitating an increase in active travel
Improve the safety and security of all Londoners	Reducing crime, fear of crime and anti-social behaviour	<ul style="list-style-type: none"> Reducing crime rates (and improved perceptions of personal safety and security)
	Improving road safety	<ul style="list-style-type: none"> Reducing the numbers of road traffic casualties
	Improving public transport safety	<ul style="list-style-type: none"> Reducing casualties on public transport networks
Improve transport opportunities for all Londoners	Improving accessibility	<ul style="list-style-type: none"> Improving the physical accessibility of the transport system Improving access to jobs and services Ensuring the affordability of public transport fares
	Supporting regeneration and tackling deprivation	<ul style="list-style-type: none"> Supporting wider regeneration outcomes
Reduce transport's contribution to climate change, and improve its resilience	Reducing CO2 emissions	<ul style="list-style-type: none"> Reducing CO₂ emissions from ground based transport, contributing to a London-wide 60% reduction by 2025
	Adapting for climate change	<ul style="list-style-type: none"> Maintaining the reliability of transport networks
Support	Developing and	<ul style="list-style-type: none"> Supporting regeneration and convergence of social

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delivery of the London 2012 Olympic and Paralympic Games and its legacy	implementing a viable and sustainable legacy for the 2012 Games	and economic outcomes between the five Olympic boroughs and the rest of London <ul style="list-style-type: none">• Physical transport legacy• Behavioural transport legacy
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Source : Table 2.1 Mayor's Transport Strategy (May 2010)



CABINET

13 July 2011

REPORT

Subject Heading:

Requirement for additional burial ground

Cabinet Member:

Councillor Lesley Kelly

CMT Lead:

Cynthia Griffin

Report Author and contact details:

Sue Witherspoon
Head of Housing and Public Protection
01708 433747

Policy context:

The current level of available burial ground will run out in 2013. If the Council wishes to continue to offer burial within Havering, provision must be made for additional burial space.

Financial summary:

This report sets out the options for (a) ending the provision of cemetery land in Havering in 2013; (b) extending the existing cemetery land at Upminster and (c) the development of alternative sites within the Borough.

Is this a Key Decision?

Yes

Is this a Strategic Decision?

Yes

When should this matter be reviewed?

2013

Reviewing OSC:

Environment

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	X
Excellence in education and learning	<input type="checkbox"/>
Opportunities for all through economic, social and cultural activity	<input type="checkbox"/>
Value and enhance the life of every individual	X
High customer satisfaction and a stable council tax	X

SUMMARY

There are currently around 370 full burials and 150 cremated remains burials carried out in Havering each year. At this rate, the London Borough of Havering has sufficient burial ground until September 2013. Preparation and construction of appropriate facilities for the extension or development of additional burial space on average takes five years after the land is selected.

A project to extend Upminster Cemetery has completed the preparation phase. Subject to the decision of members, the final design and tender process can be scheduled for 2011 in readiness for construction from April 2012. Landscaping could be completed during spring 2013 in readiness for September 2013.

However, implementation costs have risen significantly above a previous cost forecast of £1m. The current actual budget provision made is only £457,000. Therefore decisions need to be taken on whether Havering wishes to continue to make provision for burials within the Borough, the number of years to be provided for and how to fund this.

RECOMMENDATIONS

1. That Members consider whether they wish to provide additional burial land in the borough and the implications of such choices.
2. That Members decide whether or not to proceed with the option to develop the site (Stage 1) at Upminster to provide sufficient land for burials until 2019, at an estimated cost of £1.733m with the additional expenditure to be met by prudential borrowing;
3. That Members note that no alternative sites to Upminster have been identified at a reasonable cost.
4. That Members agree in principle to implement a review of fees in September 2011 to generate the necessary additional resources to fund the development of additional burial land at Upminster.
5. That should Members decide to proceed with the Upminster site, that Members delegate authority to the Cabinet Members for Value and Housing and Public Protection to approve the detailed schedule of fees;
6. That Members agree the Chief Executive presenting a report to Council to revise the Cemetery Regulations to address the anomaly which enables non-residents of Havering who have died within the borough to claim the reduced cemeteries fees;

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7. That Members agree the Chief Executive presenting a report to Council to amend the Cemetery Regulations to require that the first burial in a standard grave to be for a full burial, rather than a burial of cremated remains;
8. That Members agree a temporary suspension in the option to pre-purchase graves in Upminster Cemetery until the revised grave purchase fees have been implemented and that this service is re-instated at the new fee level immediately after implementation.

REPORT DETAIL

1. Background

- 1.1 The London Borough of Havering currently has four cemeteries: at Rainham, Hornchurch, Romford and Upminster. The cemeteries at Rainham and Hornchurch have no new graves, and therefore burials can only take place in existing family graves. The cemetery at Romford has limited capacity which is only expected to provide graves for a further year. The last extension to Upminster Cemetery was completed in 2001. The cemetery at Upminster currently has sufficient space only for burials until September 2013. A range of measures are being considered to increase capacity in these cemeteries but it is not considered likely that this will provide a solution to the current problem. These matters may be the subject of a further cabinet report.
- 1.2 The 370 full burials each year results in families purchasing approximately 210 new graves. Approximately 160 full burials and 120 cremated remains burials take place in existing family graves each year, with a further 30 burials of cremated remains taking place in smaller cremated remains graves. Approximately 48% of these subsequent burials take place within 5 years and 84% within 10 years of the original burial.
- 1.3 The cemeteries generated income of approximately £595,761 in 2010/11 but operational costs of approximately £732,798 mean that the net cost of the service was £137,037.
- 1.4 The local authority has no legal obligation to provide cemeteries. Where a local authority chooses to provide cemeteries, then there are regulations and standards that have to be adhered to, set out in Local Authorities Cemeteries Order 1977 and subsequent amendment orders. The minimum legal obligation of a local authority is to make provision for burials of people who have no means to do so for themselves. This could be done by arranging and paying for burials in other local authority or private cemeteries.
- 1.5 There is clearly pressure on burial land in London, with a number of cemeteries running out of space, and many local authorities without the potential to expand as they do not have sufficient land available to

develop further provision. A previous scheme approved as part of the capital programme was established to extend the cemetery at Upminster. The costs of this option has increased from £1m to approximately £3m and this report identifies progress with that option and the other alternatives for Members to consider. These alternatives are: to decide not to provide more burial ground, to look at alternative ways, locations and strategies to resolve the problem and finally the costs and timescales associated with progressing the Upminster option.

2. Option Assessment

2.1 Option 1 - Make no further provision for burials in the borough.

The Council has sufficient land to offer burials until 2013. After that time, it would no longer be able to do so. Residents would need to seek burial ground elsewhere. At present, the costs of maintaining the borough's cemeteries (£732,798 actual costs in 2010/11) are offset by the income that this part of the service operates, leaving a £137,037 gap in 2010/11.

In terms of a forward financial strategy, the Council would need to move the service onto a full cost recovery basis. Even having taken this remedial action, a budget pressure of approximately £415,037 would materialise in 2013, reflecting the loss of income and would need to be neutralised by reducing related costs in the service and other expenditure reductions elsewhere. There would be a residual cost of maintaining the cemeteries, even if no new burials generating income were taking place. It is estimated that a reduced workforce could achieve some savings, but this is likely to be offset by further reductions in income, as fewer burials are carried out.

If the Council decided not to make any further provision for burials in Havering, there would be no requirement for the capital provision currently made to fund the cemetery extension. This means that the capital provision of £437,000 would be released, less the £143,000 of fees already incurred. The local authority could also release the land it had acquired in Upminster. The current costs incurred in developing the Upminster extension of £143k would need to be written off.

2.2 Option 2 – Examining alternative ways of providing additional burial space in the Borough

Given the costs of developing the Upminster cemetery extension, consideration has been given to identifying alternative, more cost effective, sites in the borough and other strategies that would reduce the cost/pressure to invest in additional burial land.

The cost of purchasing six hectares of land is approximately £250,000 - £500,000 if green belt land, or £1m per acre if development land. A review has recently been undertaken with property services to identify if the Council has any suitable land.

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All current sites of an appropriate size currently have alternative uses. Water table and soil type information indicates that these sites are likely to have similar groundwater issues to the Upminster site. A full evaluation of each site, including monitoring the water table would take time. There would also be a requirement to examine legal issues, such as title and covenants to ensure that the land is appropriate for cemetery use. Any new site would also require the construction of facilities for maintenance which currently exist at Upminster, but would need to be provided at any new site.

In addition to this, land adjacent to Romford cemetery has been examined. An informal view, given the proximity to water and history of the site, is that it is unlikely to meet the requirements of the legislation and therefore it has not been pursued. It does not appear at present that a suitable alternative site is available.

If alternative sites were to be explored then there is a likely indicative timetable, that would take the project beyond the date of September 2013. The following tasks would be required:

- 3 months desktop assessment/feasibility
- 1-2 years land repossession, applicable to most alternative sites.
- 1yr surveys (in parallel) - ecological, ordnance, flood RA, groundwater, traffic, topological, archaeological
- 1yr attenuation planning/design/Environment Agency liaison, if required
- 3 months design and costing
- 3 months corporate decision making - report prep
- 1 month final design
- 3 months planning
- 4 months tender prep, tender and evaluation
- 3 months pre-contract & mobilisation
- 7 months construction (12mths if buildings etc)
- 6-12mths land settling and landscaping

In addition, the costs of any alternative site would be approximately £2.25m, if no ground water remedial action is required. Any new site would need chapel, site storage and public toilets, as well as ground layout, paths, roads and headstone beams. It is unlikely that the costs of a new site would be less than the cost of extending the existing cemetery provision at Upminster. There would also need to be a further staff and equipment requirement in order to maintain a fifth cemetery in the borough.

Two other options are being explored at present. A review of the future prospects for the Bereavement Service has been commissioned and will report in October. This will recommend potential options on remaining "as is", seeking a partner or disposing of the business. Whilst this does not deal with the primary issue of concern to this report, it may provide some options on longer term funding and management of the service.

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The Greater London Council (General Powers) Act 1976 and the London Local Authorities Act 2007 allows the re-use of graves where the last burial was more than 75 years ago, subject to certain conditions. These include the requirement to advertise the intention to re-use the graves, and making efforts to contact the grave owner. If objections to re-use are received, then the grave cannot be re-used. Further re-use of graves legislation is expected which may enable a wider range of options.

The cemeteries in the London Borough of Havering are generally not very old. The oldest, Romford, was established in 1871, but it does have a current problem with the water table, as has been evidenced in both recent burials, and exhumations. It is also consecrated ground, and there would therefore be a requirement to obtain consent from the Diocese before any action could be taken to re-use the graves. The remaining cemeteries, Rainham and Upminster were established in 1902 and the most recent, Hornchurch was established in 1932, meaning that only the first four years of burials at Hornchurch would potentially available for re-use. It would be difficult to estimate what the potential for re-use is, as the graves may already have more than one interment in them, and therefore a grave by grave assessment would need to be undertaken to see whether there is capacity within existing graves, and secondly, whether any relevant graves are currently visited. Some of these graves will not have any available space above the last burial, and there will also be some grave owners of older graves not willing to agree to allow their graves to be re-used. The process is staff intensive, but there are precedents. Other London local authorities have attempted to adopt this course of action, but have encountered considerable opposition. Implementing re-use of graves would also require investment. This work will be undertaken as part of the Bereavement Services review, but is not likely to be a medium term solution to the shortage of burial land.

2.3 Option 3. Upminster Cemetery Option

The Council had previously decided to expand the cemetery at Upminster. A piece of land of 5.5 hectares was identified adjacent to the cemetery. This would have been able to provide 6,300 graves or 13,000 burials, sufficient based on current information for the next 30 years. The land was leased to a farmer and the lease was terminated and appropriate compensation paid. The full range of environmental surveys, as required by the regulation were undertaken. The intensive nature of surveys meant that they could not be undertaken whilst the land was leased out.

The surveys conducted by the Council's technical services partner, Jacobs, identified that the site had a high level of ground water and did not meet the Environment Agency requirement for the water table to be at least 1m below the bottom of a burial or for remedial action to be taken.

The Council asked its partner to look at the options for that remedial work and to cost them. Jacobs examined three options:

- Draining the land by pumping out water

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- Raising the level of the cemetery land
- Sealing the site and removing the ground water to permanently lower the water table

Of these options, the first was discarded because of the danger of contamination, and the running costs, and the second because of issues relating to the landfill (danger of contamination and settling time) and the prohibitive costs of building reinforced roadways made the project unaffordable.

The third option – sealing the site permanently, removing the ground water is a viable option. The table below shows that the scheme can be implemented in three stages, or a combination of Stages 1 & 2 first, followed by Stage 3 when required. This report recommends that if the option to continue with the extension project is agreed, then approval to proceed with Stages 1 alone should be adopted. Whilst there are advantages in implementing Stages 1 & 2 together, the borrowing costs of £317,000 a year would require a significant increase in fees straight away. Whilst the cost per grave does fall further if all three stages are developed together, the borrowing costs extend out to 30 years. Whilst it is likely that burial ground will be required for a further 30 years, there are increased risks associated with generating sufficient income to cover all these costs. It is therefore recommended that approval for Stage 1 alone is agreed now, and that a further review of the situation should be conducted in three years' time.

A more detailed explanation of how the option would work technically and a table showing the respective project costs of developing the different phases of the cemetery extension is set out at Appendix A. Appendix B shows a plan of the site and the proposed cemetery extension divided into three sections.

1. Approve Stage 1 at an additional cost of £280,765 per annum for the benefit of 6 years' grave provision;
2. Approve Stage 1 and 2 for simultaneous development at an additional cost of £317,272 per annum for the benefit of 17 years' graves provision;
3. Approve development of the whole site at an additional cost of £327,318 per annum for the benefit of 30 years' graves provision.

In view of the high costs of borrowing for the extension, and the uncertainties associated with future income for the whole service, it is recommended that approval is given to implementing Stage 1 now, and that a further review be conducted in 3 years' time.

Funding Mechanism & Fees

Consideration has been given to how best to fund the development of a cemetery extension should Members wish to proceed with it.

There is a provision of £457k in the capital programme and it was hoped to increase this sum to £1m within the Council's overall capital programme by making further provision within the appropriate element of the 8 year capital

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programme. The Council has had to review its future capital programme in light of a downturn in receipts due to the recession, withdrawal of grant funding and pressure on the general fund. Given that Bereavement Services are an income generating service, it is proposed that the cost of any development should be funded by prudential borrowing and the costs met through an increase in burial and other fees.

It has already been identified that the cemeteries part of the service is making a small loss based on current levels of burials and this needs to be addressed. However, the Crematorium makes a surplus on its activities, although the national fall in the death rate has reduced this surplus over the last few years.

The combination of the need to cover these shortfalls and meeting the cost of the borrowing would mean that revenue from burials would need to increase by some £420,000 a year. (See Appendix C)

There are two main areas of fee income: the cemeteries service, and the Crematorium. It is important that to retain the current level of usage of the Crematorium, when there are a number of other local providers, both public and private, that the fees should remain in line with neighbouring Crematoria. For the Cemeteries Service, the considerations are different. This is a loss making service, and the high costs of development and maintenance mean that it is possible to raise fees to cover the costs, as there is a shortage of burial land generally in London. It is possible that the increase in fees may lead to a reduction in the use of the burial service, but this is acceptable given that this is an expensive service to develop and maintain. It is also proposed to address the anomaly of non residents, who die within the Borough's hospitals benefiting from the non resident rate as part of this review. This can be dealt with by way of an amendment to the Cemetery Regulations (Recommendation 5). It is also proposed, that the Cabinet consider recommending an amendment to the Cemetery Regulations to require that the first burial in any plot should be a full burial. There are occasions when burial plots are purchased for the burial of cremated remains. This means that a large plot is taken up, where this amount of land is not required for the purpose. Both these amendments to the Cemetery Regulations would require full Council approval.

The schedule of fees is complex, reflecting the range of choices available to the bereaved. It is proposed that the decision to approve the increased level of fees for Bereavement Services should therefore be delegated to the Lead Members for Value and Housing and Public Protection.

REASONS AND OPTIONS

Reasons for the decision:

This decision is presented to Members in view of the fact that the London Borough of Havering will have insufficient burial grounds for those wishing to be buried in the borough, after September 2013. Members have to decide whether to invest in this service, in order to continue with the provision of burial ground for local residents.

Other options considered:

This report sets out three options for Members to consider.

IMPLICATIONS AND RISKS

Financial implications and risks:

This report considers a number of options in respect of the reported requirement for additional burial land. One option is to extend Upminster Cemetery, and finance this by prudential borrowing, which in turn would be financed from an increase in fees. The detailed business case for this, (including an assessment of the income risk), would need to be signed off by the Group Director Finance & Commerce.

Legal implications and risks:

The Council will need to comply with the various legal & technical regulations governing the creation of new burial grounds. The main issues are detailed elsewhere in this report. The value of the works are likely to be below the European procurement threshold but will still require a full tender procedure in accordance with the Council's own requirements.

Human Resources implications and risks:

There are no immediate Human Resources implications. The decision as to whether to continue to provide burial land after 2013 has an impact on staffing levels in this service area.

Equalities implications and risks:

The Council is a main, but not the only, provider of cemetery land in the Borough. There is separate provision within the Borough for other religions.

In view of the fact that the demographic population of Havering shows a profile that there is a higher than average older population, then the provision of good quality bereavement provision is essential to the Borough's services.

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The increase in fees will undoubtedly have an adverse effect on the older population, particularly where they already have members of their family within existing provision, and would wish to be buried with, or near to existing family members. This means that it is therefore essential to continue to provide cemetery land provision for the existing population. It would be impossible to continue to extend the land at Upminster, without sufficient income to cover the full costs of the capital, through borrowing. For those unable to pay the cost of full burial, there is a lower cost option, of cremation.

BACKGROUND PAPERS

Cemetery and Crematorium Fees and Charges 2010-11
London Fees Survey 2010
Technical Report – Groundwater analysis

Appendix A Upminster Cemetery extension option: further consideration of sub options

A technical option has been proposed, and accepted in principle by the Environment Agency, which is to seal the site and to de-water by pumping out and removing the existing groundwater to permanently lower the water table. Strategic spaces would be left in the perimeter barrier and the groundwater channelled across the site through gravel drains lain under the roads and paths so that the water enters and leaves the site in the current flow patterns, but at a significantly reduced water table level. A reed bed would be planted and a pond built on the north-west boundary of the site to manage fluctuations in water levels. Wells located within the site would allow water levels to be monitored and, if required, the water level reduced on an ad-hoc basis. The full capital costs for the whole site would be £3.9m. This report recommends that if Members choose to extend the Upminster Cemetery, that the sub-option of developing Stages 1 & 2 only should be adopted, at a cost of £3.1m.

	Stage 1	Stage 2	Stage 1 & 2 Combined	Stage 3	Whole Site ⁽²⁾	1,2,3 Separately Phased ⁽²⁾	1&2 Combined, followed by 3
Surveys - Archaeological Phases 1 & 2	12000	12000	15000	12000	18000	36000	27000
Planning Fees ⁽²⁾	2200	3300	5500	2000	8000	8000	8000
Construction cut-off wall, roads and drainage	1120497	1119123	2151772	754090	2792325*	2993710	2905862
Monitoring and dewatering Wells Installation	10714	14380	23594	13446	35793*	38540	37040
Landscaping	15000	15000	27000	15000	42000	45000	42000
Preparation of statutory maps & database set up	5000	7000	10000	7000	12000	19000	17000
Signage/Street furniture/water points etc	9000	8000	16000	5000	21000	22000	21000
General contingency at 15% ⁽³⁾	176162	176820	337330	121280	439368	474338	458685
Jacobs hydrogeological and civils design, QS, contract and supervision costs	219068	166939	342427	129089	400697	515096	471516
Project management, Marketing and Communications ⁽⁴⁾	20259	20334	38793	13947	50527	54549	52749
Total Capital Cost	1732990	1542896	3110506	1072852	3962800	4349323	4040852
Number of Graves	1300	2350	3650	2730	6380	6380	6380
Development cost per grave	1333	657	852	393	621	682	656
Approx number of years provision at 210 graves/annum	6.2	11.2	17.4	13.0	30.4	30.4	30.4
Prudential borrowing costs/annum	280765	173022	317272	100878	327318	360726	346432

Ref.

- 1 Topographical Survey, Environmental Impact Study, Flood Risk Assessment,

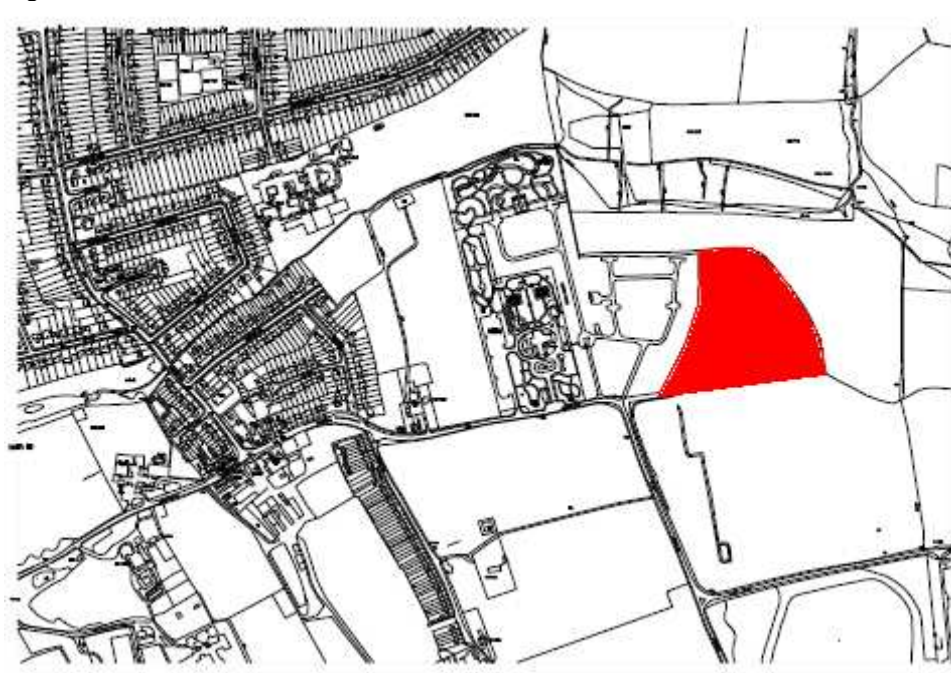
Cabinet, 13 July 2011

- Ecological survey
- Recommendation for Planning Consent to be obtained for whole site from outset
- 2 Risks until archaeological surveys/detailed design/EA approval/planning consent & conditions completed
- 3 Also includes Regulations review, Burial Policy preparation, Literature review,
- 4 Marketing, Opening & Dedication Ceremony

Appendix B

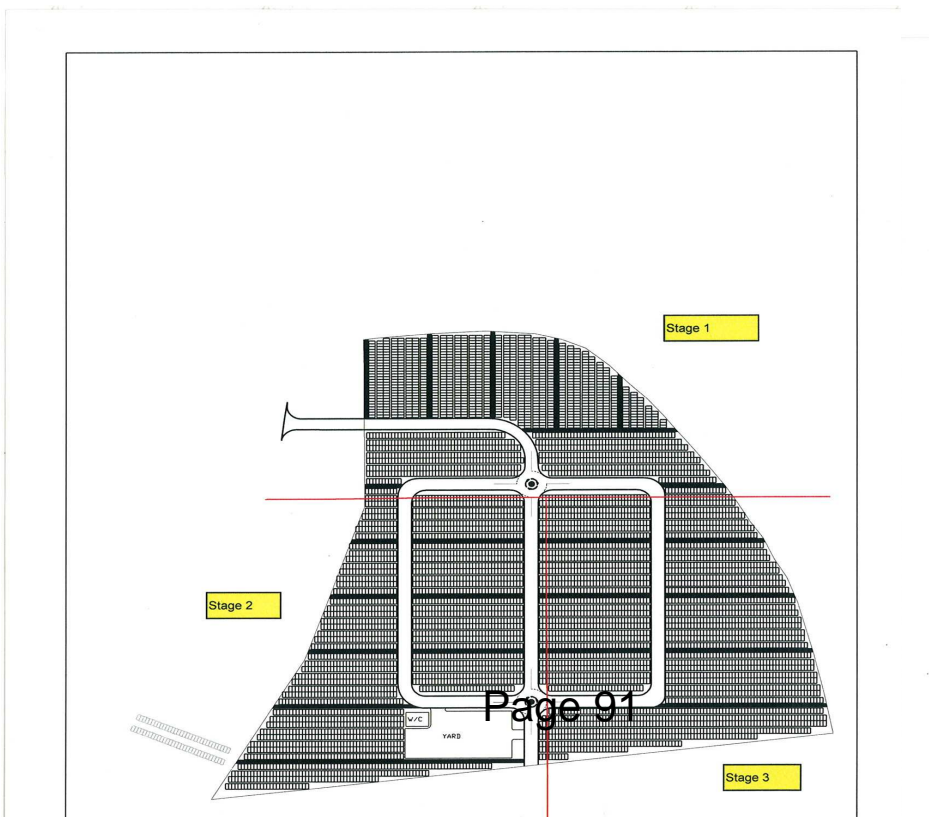
Site Plans

Figure 1 Site location



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Figure 2 Proposed Extension



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CABINET

13 July 2011

REPORT

Subject Heading:

Changes to London Borough Grant Scheme – Implications for Havering

Cabinet Members:

Councillor Roger Ramsey
Councillor Andrew Curtin

CMT Lead:

Cynthia Griffin, Group Director Culture and Community

Report Author and contact details:

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Policy context:

The Constitution
Havering COMPACT

Financial summary:

Havering contribution to the scheme is expected to reduce in 2011/12, leaving an unallocated balance to be used in accordance with Council priorities, which may include some grants to organisations losing funding from the London Borough Grants Scheme

Is this a Key Decision?

No

Is this a Strategic Decision?

No

When should this matter be reviewed?

n/a

Reviewing OSC:

Value
Towns and Communities

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	[]
Excellence in education and learning	[]
Opportunities for all through economic, social and cultural activity	[✓]
Value and enhance the life of every individual	[]
High customer satisfaction and a stable council tax	[]

SUMMARY

London Councils administers the London Borough Grants Scheme (LBGS) on behalf of the London boroughs, commissioning and grant-funding services provided by voluntary organisations. The operation of the LBGS has been amended and, with effect from 15 August 2011, the LBGS will only fund selected high priority London-wide services. Decisions about which other voluntary sector services should be grant-funded following 15 August have been devolved to individual boroughs to decide locally. These decisions will be required urgently by organisations which have relied on the central LBGS grant to enable them to deliver services.

The report therefore recommends a series of interim criteria for Havering Council to adopt when considering grant applications for the period up to 31 March 2012, from organisations which have until now received funding centrally from the LBGS. It recommends immediate consultation on the criteria with affected organisations, and that decisions on grant applications should be delegated to the relevant lead Cabinet Members following consideration of the interim criteria, any responses received from consultation, and the equalities and financial implications of each decision.

Because of the changes to the scope of the LBGS, borough contributions are likely to reduce in 2011/12 and subsequent years, but there is considerable uncertainty about the future budgetary position. The most appropriate use of any funds thereby released will need to be decided in the context of the overall financial constraints on the Council.

RECOMMENDATIONS

That Cabinet :

- (1) Notes the changes to the operation of the London Borough Grant Scheme and the implications for Havering;
- (2) Approves the interim criteria set out in paragraph 2.5 of the report for considering grant applications for the period up to 31 March 2012, from organisations whose grants from the London Borough Grant Scheme will be terminated on 15 August 2011;

- (3) Agrees to consult immediately on the interim criteria with organisations affected by the changes who are delivering a substantial level of service in Havering, and that any responses received from the consultation should be taken into account in reaching decisions on grant applications;
- (4) Delegates decisions on whether to approve any grant applications received, to the Cabinet Member for Value and the Cabinet Member for Towns and Communities (with the Leader of the Council acting in the place of either or both of those Members if they declare an interest in the decision), following consideration of the interim criteria, any responses received from consultation, and the equalities and financial implications of each decision.

REPORT DETAIL

1. Changes to the London Borough Grants Scheme (LBGS)

- 1.1 The London Borough Grants Scheme (LBGS) is a statutory scheme administered by London Councils through its London Borough Grants Committee. The LBGS commissions and grant-funds services from voluntary organisations in London, in priority areas agreed by London Councils.
- 1.2 The annual budget for the LBGS requires approval by two-thirds of boroughs, and if this approval is not secured the default position is that the previous year's budget is maintained. Each borough contributes to the LBGS an amount which is proportionate to the borough's population.
- 1.3 During 2010 London Councils undertook a major review of the LBGS with the objective of devolving much more decision-making locally to the boroughs. This process involved extensive consultation with the existing service providers. The review concluded that in future only London-wide priority services should be funded through the LBGS, leaving all other decisions about grants to the voluntary sector either to boroughs, or to sub-regional groupings of boroughs.
- 1.4 In December 2010 the Committee approved a categorisation of the services which were at that time supported by the LBGS into four categories:

Category A* – London-wide services which remained a high priority
Category A – London-wide services which were no longer a priority for LBGS
Category B – services which were sub-regional in nature
Category C – services which were local in nature
- 1.5 London Councils agreed that only category A* services should be funded in future by the LBGS, and that decisions on whether to continue funding the remaining services should be devolved to the boroughs. It proposed to

terminate the funding agreements on 30th June 2011 of all organisations except those delivering category A* services. The resultant 2011/12 budget for the LBGS was approved by the necessary majority of more than two thirds of boroughs.

- 1.6 London Councils' decisions were challenged by way of a judicial review brought by clients of the Roma Support Group who alleged that the decisions had not taken sufficient account of London Councils' equalities duties, and that the consultation process leading up to the decisions was flawed.
- 1.7 The Judge upheld the challenge in part, on the grounds that London Councils should have considered the equalities impacts of terminating individual service commissions rather than only service categories. He directed that those impacts should be reconsidered and that no commissions should be terminated until at least three months had elapsed following the reconsideration.
- 1.8 This process of reconsideration was duly undertaken, and in May 2011 London Councils approved a revised categorisation of services (A* / A / B / C), and the allocation of individual commissions to each of the four categories. It agreed that all commissions except those in category A* should be terminated on 15 August 2011, and recommended a supplementary budget to the boroughs to cover the additional costs arising from the judicial review and from the postponement of the original termination date, apart from those costs which were met from reserves.
- 1.9 London Councils will make the results of its equalities impact analysis available to the boroughs to assist them in deciding whether to continue to fund locally those voluntary organisations which will not be funded centrally by LBGS after 15 August.

2. Implications for Havering

- 2.1 The financial implications of the changes to the LBGS are set out in section 5 below, but in summary Havering Council will contribute £422,300 to the revised budget for the LBGS in 2011/12, compared with £795,100 in 2010/11. There will be further changes in 2012/13 as decisions are taken on whether to renew category A* commissions which are coming to an end, and because of the full year effect of the 2011/12 changes, and any other changes which may result from London Councils' decisions or external pressures. As a result there is considerable uncertainty about the 2012/13 budget position at this stage.
- 2.2 It is expected that at least some of the voluntary organisations who are currently funded by the LBGS in categories A, B and C will apply to Havering for continued funding after 15 August. It is important that the Council has clear, transparent, and justifiable criteria for deciding which organisations it intends to fund. These decisions will be required urgently by organisations

which have relied on the central LBGS grant to enable them to deliver services.

2.3 In this context, it should be noted that as part of the Administration Project on Community Action, there will be a full review of the support which the Council gives to the voluntary sector in the borough. It is therefore recommended that decisions on whether to fund organisations previously funded from the LBGS should be for the remainder of the 2011/12 financial year only at this stage.

2.4 Members are also advised that, of those organisations which will no longer be funded centrally from the LBGS after 15 August, only five have been identified which are currently known to be providing services for Havering's community:

- HAVCO (LBGS grant £89k, LBH pro rata share £23k) – providing a community accountancy service for voluntary organisations, primarily in the boroughs of Havering, Redbridge, and Barking & Dagenham;
- Queens Theatre (LBGS grant £32k, LBH pro rata share £4k) – providing educational programmes for young people to participate in arts and culture, across nine boroughs but based in Havering;
- Motorvations (LBGS grant £52k, LBH pro rata share £19k) – providing an holistic programme for young people to acquire skills and progress into employment, in the boroughs of Havering, Redbridge, and Barking & Dagenham;
- Studio 3 Arts (LBGS grant £54k, LBH pro rata share £14k) – promoting access to cultural activities and delivering specific projects across four boroughs including Havering, based in Barking & Dagenham;
- East London Network (LBGS grant £149k, LBH pro rata share £17k) – a sub-regional support network for voluntary sector consortia, based in Newham but potentially offering support across ten boroughs including Havering.

2.5 Members are recommended to adopt the following interim criteria for considering funding applications for the period up to 31 March 2012, pending a full review as part of the Community Action project later in 2011/12 which will be reported to Members in due course. These criteria are designed to ensure that any organisations receiving grants from the Council are delivering value-for-money services which substantially benefit Havering's community:

Havering Council will be willing to consider applications for grant funding from voluntary organisations which meet all the following criteria:

- a) the organisation is receiving grant funding from the London Borough Grant Scheme up until 15 August 2011;*
- b) the amount requested from the Council does not exceed the amount previously received from the London Borough Grant Scheme, pro rata to the length of the grant period and the population of the boroughs served, unless there are exceptional circumstances because the viability of the service is at risk and all other criteria are met;*

- c) *there is clear evidence that the organisation is delivering a service which is of substantial benefit to Havering's community, which can be delivered on the same basis as previously in terms of borough support, and that the grant awarded represents value for money in relation to that service;*
- d) *the organisation is willing to enter into a funding agreement with the Council to deliver the agreed service and to ensure satisfactory performance.*

- 2.6 In view of the short time before the current LBGS funding for these organisations ends, it is recommended that there should be immediate consultation on the interim criteria with organisations affected by the changes who are delivering a significant level of service in Havering, and that any responses to the consultation should be taken into account in reaching decisions on grant applications.
- 2.7 It is further recommended that decisions on whether to approve any grant applications received should be delegated to the Cabinet Member for Value and the Cabinet Member for Towns and Communities (with the Leader of the Council acting in the place of either or both of those Members if they declare an interest in the decision), following consideration of the interim criteria, any responses received from consultation, and the equalities and financial implications of each decision.

REASONS AND OPTIONS

3. Reasons for the decision:

- 3.1 The rationale for the changes to the LBGS is that boroughs are best placed to take decisions locally about whether to provide grant funding for all but category A* services. A number of voluntary organisations will have their funding agreements terminated on 15 August 2011, including some which are providing services in Havering. It is important that the Council has clear, transparent, and justifiable criteria for deciding which organisations it may fund, in the context of the Council's overall financial position.

4. Other options considered:

- 4.1 It would be possible to attempt to assess grant applications on their individual merits without setting a framework of criteria for assessing them, but this risks inconsistency and unfairness in the way applications are processed, and may mean that important considerations are not properly taken into account.

IMPLICATIONS AND RISKS

5. Financial implications and risks:

- 5.1 The LBGS is a statutory scheme under which, once the budget has been approved by the necessary majority of two thirds of London boroughs, each borough is individually required to contribute a share of the cost proportional to the borough's population size. In 2010/11 Havering's contribution was £795,100. Because of uncertainty at the time the budget was set, the same amount of £795,100 was included in the Council's budget for 2011/12.
- 5.2 However because the LBGS will be funding fewer services after 15 August 2011, the size of the LBGS budget has reduced this year, but by slightly less than was proposed prior to the judicial review. Havering's contribution to the LBGS in 2011/12 will be £422,300 (£399,800 original plus £22,500 supplementary budget), subject to any further changes which may arise in the remainder of the year. At this stage however it is anticipated that this will leave a sufficient balance to fund grant applications which may be approved from voluntary organisations meeting the interim criteria proposed in paragraph 2.5 above, because relatively few of the organisations previously funded by the LBGS were delivering services in Havering. The unallocated balance remaining after any Council grants have been made will be retained corporately and reviewed as part of the 2012/13 budget process.
- 5.3 There will be further changes to the LBGS budget in 2012/13 as decisions are taken on whether to renew category A* commissions which are coming to an end, and because of the full year effect of the 2011/12, and any other changes which may result from London Councils' decisions or external pressures. As a result there is considerable uncertainty about the 2012/13 budget position at this stage.
- 5.4 The proposals therefore aim to minimise, as far as possible, the risk of sudden unplanned disruption to services that need to be maintained in the borough, ahead of a more fundamental review for 2012/13.

6. Legal implications and risks:

- 6.1 The judicial review has clarified the process by which local authorities are legally entitled to review the financial support which is provided to the voluntary sector. The Council must have due regard to the equalities implications of its funding decisions, and must only make those decisions after it has consulted properly with the organisations who will be affected. These considerations are incorporated in the proposed decision-making process.

7. Human Resources implications and risks:

- 7.1 There are no direct human resources implications. The modest workload attached to considering grant applications will be managed within existing staff resources.

8. Equalities implications and risks:

- 8.1 See paragraph 6.1 above. The equalities impacts will be considered carefully before a decision is taken on any applications for grant funding from organisations funded from the LBGS until 15 August.

BACKGROUND PAPERS

None.