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**Haverling**  
LONDON BOROUGH

# CABINET

<b>7.30 pm</b>	<b>Wednesday 15 August 2012</b>	<b>Council Chamber - Town Hall</b>
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Members 10: Quorum 5

Councillor Michael White (Leader of the Council), Chairman

	<b>Cabinet Member responsibility:</b>
Councillor Steven Kelly (Vice-Chair)	(Deputy Leader) Individuals
Councillor Michael Armstrong	Transformation
Councillor Robert Benham	Community Empowerment
Councillor Andrew Curtin	Culture, Towns & Communities
Councillor Roger Ramsey	Value
Councillor Paul Rochford	Children & Learning
Councillor Geoffrey Starns	Community Safety
Councillor Barry Tebbutt	Environment
Councillor Lesley Kelly	Housing & Public Protection

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

**For information about the meeting please contact:**  
**Andrew Beesley 01708 432437**  
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**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 DISCLOSURE OF PECUNIARY INTEREST

Members are invited to disclose any pecuniary interest in any of the items on the agenda at this point of the meeting.

*Members may still disclose any pecuniary interest in an item at any time prior to the consideration of the matter.*

### 4 MINUTES (Pages 1 - 14)

To approve as a correct record the minutes of the meeting held on 11 July 2012, and to authorise the Chairman to sign them.

### 5 REPORTS OF THE CHILDREN & LEARNING OVERVIEW AND SCRUTINY COMMITTEE - REQUISITION OF CABINET DECISIONS CONCERNING THE FUTURE SHAPE OF EDUCATION SERVICES, AND THE COMMISSION SCHOOL PLACES STRATEGY 2012-16

Reports to follow if requisitions are upheld

### 6 REPORT OF THE TOWNS & COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE - REQUISITION OF EXECUTIVE DECISION CONCERNING CAR PARKING CHARGES IN PARKS AND OPEN SPACES

Report to follow if requisition is upheld

### 7 COMMISSION OF A LOCAL HEALTHWATCH SERVICE (Pages 15 - 32)

### 8 DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT WEEKLY COLLECTION SUPPORT SCHEME (Pages 33 - 40)

### 9 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 paragraphs 3 and 4 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 CHIEF EXECUTIVE'S REPORT CONTAINING EXEMPT INFORMATION** (Pages 41 - 54)

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**MINUTES OF A CABINET MEETING**  
**Council Chamber - Town Hall**  
**Wednesday, 18 January 2012**  
**(7.30 - 8.50 pm)**

**Present:**

Councillor Michael White (Leader of the Council), Chairman

Councillor Steven Kelly (Vice-Chair)

Councillor Andrew Curtin

Councillor Lesley Kelly

Councillor Roger Ramsey

Councillor Paul Rochford

Councillor Geoffrey Starns

Councillor Barry Tebutt \*

**Cabinet Member responsibility:**

(Deputy Leader) Individuals

Culture, Towns & Communities

Housing

Value

Children & Learning

Community Safety

Environment

Apologies were received for the absence of Councillors Michael Armstrong and Robert Benham

Councillors Clarence Barrett, Denis Breading\*, Wendy Brice-Thompson, Keith Darvill\*, David Durant, Linda Hawthorn, Paul McGeary, Pat Murray, Frederick Thompson and Jeffrey Tucker and 5 members of the public were also present.

\* For part of the meeting

**1 MINUTES**

The minutes of the meeting held on 16 May 2012 were confirmed as a correct record and signed by the Chairman.

**2 ROGER McFARLAND, HEAD OF REGENERATION, POLICY & PLANNING**

The Chairman referred to the forthcoming retirement from the Council's service of Roger McFarland, Head of Regeneration, Policy & Planning, and thanked him for his long service and the advice and assistance given to Members over the years.

Mr McFarland suitably responded.



- i) **Remodel the ground floor of each block to provide new homes and community space**
  - ii) **Carry out environmental improvements within the grounds of the blocks.**
- 3 That residents of both blocks be consulted on the proposal to add winter gardens to all flats as part of the Decent Homes upgrade programme**
  - 4 That leaseholders be not charged for the cost of the works above the Decent Homes Standard**
  - 5 To receive a further report on the outcome of the consultation.**

**4 LOCAL IMPLEMENTATION PLAN ANNUAL SPENDING SUBMISSION 2013/14**

*Councillor Barry Tebbutt (Cabinet Member for Environment) introduced the report*

Cabinet was reminded that the Council made an annual Local Implementation Plan (LIP) Spending Submission to Transport for London (TfL) for funding transportation initiatives across the Borough. The LIP had to be consistent with the Mayor of London's Transport Strategy and the Council's own adopted Local Implementation Plan.

As in previous years, the report now submitted outlined the process for the Council preparing its LIP Annual Spending Submission for the next financial year (2013/14). The Council had been awarded an indicative amount of £2,920,000 LIP funding for the 2013/14 financial year, broadly typical of most outer London boroughs, and later this year would need to tell TfL how it planned to spend the funds, taking into account TfL's LIP guidance.

Once approved in principle by Cabinet, a suggested detailed 2013/14 LIP Submission would be prepared for approval prior to going to TfL in October. As previously, the Highways Advisory Committee would be consulted before the submission was finalised. It was suggested that authority for final approval be delegated to the Cabinet Members for Environment and Community Empowerment, who had responsibility for strategic transport and local transport schemes respectively. TfL were expected to confirm the allocation to the Council in late 2012.

The Council would 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.

**Reasons for the decision:**

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

**Other options considered:**

There were no alternatives if the Council wished TfL to confirm its LIP funding award to Havering for 2013/14.

It was noted that, in developing schemes for inclusion in the LIP, the Council was obliged to bear in mind the Mayor of London's priorities. Funding could not be expected for schemes that conformed to the Council's strategies but not to those of the Mayor. In general, funding would have to be spent within the year allocated as agreement to carrying-forward could not be guaranteed.

**Cabinet agreed:**

1. **To note the guidance provided by TfL outlined in paragraphs 8, 9 and 10 of the report submitted and other aspects to consider detailed in its paragraph 11 in respect of Havering's Submission to TfL for LIP funding for 2013/14.**
2. **That development be approved in principle of the LIP Submission for 2013/14, having particular regard to the range of considerations set out in paragraph 14 of the report.**
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 2013/14 to TfL be delegated to the Cabinet Members for Environment and for Community Empowerment.**
5. **To note that other opportunities for investment in transportation initiatives would continue to be sought from TfL outside the LIP Annual Spending Submission process and from other stakeholders and funding sources.**

**5 AMENDMENT TO THE 2012/13 ANNUAL INVESTMENT STRATEGY**

*Councillor Roger Ramsey (Cabinet Member for Value) introduced the report*

The Council's investment policy was set out in the Treasury Management Strategy Statement, which was agreed by full Council as part of the budget setting process in February.



The Council's investment policy had regard to the Department for Communities and Local Government's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities were security first, liquidity second, then return.

The report proposed two amendments to the approved investment policy:

- (1) To amend the group limit for UK institutions to the higher of £25m or 25% of the investments' opening balance at the start of the month
- (2) To create an additional £5m overnight limit (in excess of any previously set limit) with the Council's banker to allow for late receipt of cash.

Hitherto, the group limit had been the lower of £25m or 25% of the investments' opening balance at the start of the quarter as, prior to the introduction of the HRA refinancing reform, traditionally the start of the quarter was always the highest cash position. With rental incomes being generated throughout the month this was no longer the position and changing the lending limit would allow flexibility should cash levels increase.

Should the additional overnight limit be used, the cash would be placed with a more suitable counterparty the following working day.

**Reasons for the decision:**

The statutory Codes require Member approval of any amendments to the Annual Investment Strategy for 2012/13.

**Other options considered:**

- 1) Not to implement the changes to the strategy: this would have meant that the Council would continue to utilise the Debt Management Office and other Local Authorities, often at a cost.
- 2) To increase the number of available counterparties used by the Authority: this would have meant using lesser-rated institutions or those that for various reasons do not appear on the Council's approved lending list. Officers were not prepared to recommend this approach to Members.

Members were advised that a need for flexibility in short-term investment had become more noticeable recently because of changes in housing finance, the flow of capital receipts and a reduction in the number of financial institutions that could be used.

**Cabinet approved the changes to the Annual Investment Strategy.**



It was affirmed that the previous review of primary places, which had resulted in a reduction in the number of classes and places across the borough, had been undertaken on the basis of then-known demographics and trends and that the current imbalance was the result of factors which could not have been foreseen at that time. Assurance was given that the strategy relied upon re-commissioning currently out-of-use accommodation and new building, and that use of "portakabins" would be avoided.

**Cabinet agreed:**

- 1 To approve the draft Commissioning School Places Strategy 2012/13-2016/17 (CSPS)**
- 2 To approve the circulation of the draft CSPS for consultation to all stake holders in school place planning**
- 3 To delegate the determination of the final CSPS jointly to the Cabinet Member for Children's Services and the Group Director for Children's Services.**
- 4 To note that a further report would be presented in September 2012, setting out the details of each expansion scheme, the consultation process and the indicative costs and funding for each scheme.**

**7 FUTURE SHAPE OF EDUCATION SERVICES**

*Councillor Paul Rochford (Cabinet Member for Children & Learning) introduced the report*

Proposals for the future delivery of education services from April 2013 were submitted, reflecting the Council's strategic aim to become a smaller, more streamlined organisation, which, as a consequence, would change the principles upon which services were delivered. It set out the national and local contextual factors which had been used to determine the future shape of the service.

It also acknowledged the importance of retaining services within the Council, which ensure that there is:

- A sufficiency of high quality early years and school places, and provision for vulnerable children and adults (up to the age of 25)
- Appropriate assessment and support for the Borough's most vulnerable children and young people
- A team to prevent school failure, by prompt and appropriate intervention
- Improving pupil outcomes by schools, so the council can strengthen the reputation it has within the business community as an attractive area to locate

The impact of a rapidly changing landscape of relationships between schools and the Local Authority was highlighted. It was noted that:

- Schools had the option to exercise greater freedoms and flexibilities through increased autonomy by conversion to Academy status
- There would subsequently be a reduction in the levels of funding received historically by the Council - in addition to the national 'deficit reduction' programme
- The role of the Council, through Children's Services, would be defined fundamentally by the delivery of its statutory functions
- Nationally, a network of Teaching Schools, National Leaders in Education and National Support Schools was in place. Schools were being encouraged to develop further the use of this school-to-school support function, particularly to take forward aspects of continuing professional development for staff, including support that was available locally through art, music and sports partnerships.

The report considered how statutory and essential in-house services could be reconfigured to reflect the new role of Local Authorities but at a reduced cost and with increased efficiency. It went on to suggest a number of options for some parts of the service that would no longer be delivered directly by the Council.

It was noted that the non-statutory education services (the Europa Centre, Catering Service, Adult College and the Music School), which provided support to children, families and schools, were not discussed and that a further report would be presented in due course, once final options and recommendations had been identified for those services.

**Reasons for the decision:**

To ensure that the Council would be able to meet its statutory obligations to support children, families and schools, within a reduced funding envelope, thereby ensuring the provision of high quality schooling to local residents and protecting the most vulnerable children and families.

**Other options considered:**

No longer to provide statutory services to schools but to operate a "free market", with the associated risks for the future lives of children and families in Havering and the long term reputation of Havering as a place to which businesses wish to locate and in which families wish to live.

**Cabinet agreed:**

- 1 To retain in-house a smaller number of teams with responsibility for delivering the Council's statutory duties to vulnerable children and families, and those relating to preventing school failure (to be implemented in April 2013)**

- 2 (a) To explore two options for the non statutory functions of a non statutory Havering School Improvement Service (Hsis) Trust during July:
  - the establishment of Hsis Trust with local schools
  - a “soft market testing” exercise to establish the level of external interest in running the service
- (b) That a final decision about the “destination” of this service be made following this work (to be implemented in April 2013)
- 3 To note that work continued to ensure that the non-statutory traded services of the Europa Centre, Catering Service, Adult College and the Music School meet their MTFs savings targets, while options continue to be explored for the future delivery of those services.

8 **"CREATING BRIGHTER FUTURES" - A VISION FOR THE FUTURE DELIVERY OF SERVICES FOR YOUNG PEOPLE IN HAVERING**

*Councillor Paul Rochford (Cabinet Member for Children & Learning) introduced the report*

A vision for the future delivery of youth services in Havering entitled “Creating Brighter Futures” was presented. It proposed a new approach to engaging with young people and supporting the Council, community, voluntary and business sectors to work more effectively with young people.

The vision defined a new Havering Assets Framework and described a new role for youth workers, including direct contact with young people, street projects and supporting the voice of young people in design delivery and governance of services. It also focused youth work on building the capacity and capability of local people, volunteers and community groups to offer better outcomes for young people. The aim was to make the most of the natural networks that young people experienced in their daily lives. It directly supported the government policy “Positive for Youth” in developing more positive and enterprising image and view of young people and their communities.

**Reasons for the decision:**

To offer a new vision and new direction for youth services and those organisations providing opportunities for young people.

To underpin the subsequent production of a strategy and action plan which would set out in detail how young people would secure better outcomes, in terms of employment, education, health and personal outcomes.



completed. The GLA had offered £2.2m grant funding specifically for the purpose of progressing the construction and the additional £1.8m investment from the Council would cover the remaining funding gap. There was an option for the Council to recoup this additional funding, if it chose to do so, from selling the residential units on the open market.

Tenders for the scheme having been sought at the end of 2011, they had expired but the preferred contractor had agreed to hold their current tender price in the short term, thereby avoiding the need to repeat the tendering exercise if the contract could be awarded shortly.

**Other options considered:**

Pre-sale of the residential units on the open market was the original proposal but was no longer viable as a result of changes in Social Housing Grant.

Pre-sale of the residential units to a private investor had stimulated little interest

It was noted that a decision as to whether the housing accommodation to be provided (without which the scheme would not be viable) would become part of the Council's housing stock or disposed of did not need to be taken yet.

**Cabinet agreed:**

1. **To note and accept the grant funding offer of £2.2 million from the GLA to support completion of the project.**
2. **To authorise the Head of Legal Services to execute all legal formalities once decisions have been made by those with delegated authority, in agreement with the Cabinet Member for Value, to enable the Council to proceed with the scheme including:**
  - **The main grant agreement between GLA and the Council**
  - **Award of the main construction contract to Roof Ltd**
3. **To recommend to Council that the Capital budget be increased by £1.8m funded through capital receipts, to secure development of the residential element of the Rainham Library scheme.**

10 **LOCALISATION OF COUNCIL TAX SUPPORT**

*Councillor Roger Ramsey (Cabinet Member for Value) introduced the report*

The Welfare Reform Act 2012 had abolished the national Council Tax Benefit scheme with effect from April 2013 and the Local Government Finance Bill

currently making its way through Parliament would require Local Authorities to design their own local council tax support schemes.

Eight options had been identified from which a local Council Tax Support Scheme could be developed. A key issue for the Council was developing and delivering a local scheme where the Government grant allocation had been reduced by 10% (£1.9 million).

Cabinet were now asked to consider and be aware of the implications and risks associated with all eight options and also the risks generally associated with a local scheme.

**Reasons for the decision:**

This report arose as a result of the Local Government Finance Bill, which required the Council to design a Local Council Tax Support Scheme to support people who were liable to pay Council Tax and were in financial need.

**Other options considered:**

The options available were summarised in the report.

It was noted that the final decision as to the Scheme would be a matter for full Council, possibly as part of the consideration of the Council Tax and budget for 2013/14.

**Cabinet agreed:**

- 1. To note the financial pressure of a £1.9m reduction in government grant for council tax support in 2013/4.**
- 2. To authorise consultation with the Greater London Authority on the Options, with the preferred option being Option 8.**

**11 APPROVAL FOR AWARD OF CONTRACT FOR REABLEMENT SERVICE**

*Councillor Steven Kelly (Cabinet Member for Individuals) introduced the report*

Approval was sought for the award of a five-year contract, following a competitive tender process, for the provision of reablement services to adults, commencing 1 November 2012.

The report set out the background and procurement process for the selection of the provider.

Tenders had been received from two bidders, referred to in these minutes as Bidder A and Bidder B. However, Bidder B had withdrawn from the tender



process. The Bidders are identified in the Appendix to these minutes, which is exempt and not available to the press or public.

**Reasons for the decision:**

There were clear policy objectives that had been set both nationally and locally for prevention, reablement and independence. The externalisation of the reablement service was intended to contribute to the implementation of these strategies by ensuring that reablement was available to a greater number of people, thereby increasing the independence and improving the health and wellbeing of adults in Havering.

Increasing numbers of people, particularly older people, would require a service in the future, placing significant increased pressure on budgets.

**Other options considered:**

The following options had been considered:

Retention of the existing service:

- The primary disadvantage of this would be that achievement of the required level of savings would be highly unlikely
- In 2011 a staffing and service restructure was implemented, which realised savings contributing towards the achievement of MTFs savings of £750k per annum. However, there was no further scope to reduce costs internally

Undertaking a phased externalisation:

- Based on the current level of staff turnover (10%), it was unlikely that sufficient staff would choose to leave the service to achieve the required amount of savings within the required timescales
- Corporate support and infrastructure e.g. management, payroll, HR, Finance etc. would still be required

Externalising partially:

The in-house service had been unable to meet all of the demand for re-ablement provision. Externalisation of the work to meet demand had therefore been considered. This would have enabled the Council to monitor external costs and quality before reviewing whether the entire service should be re-provided. However, it had not been possible to identify a local provider able to take on this work. Furthermore, it would not contribute directly to the required savings, and therefore wider action had been required.

Assurance was given that the new approach was unrelated to issues of discharge from hospital, although it would assist in bridging the gap between discharge and the availability of long-term care arrangements.



# CABINET

15 August 2012

Subject Heading:

Cabinet Member:

CMT Lead:

Report Author and contact details:

Policy context:

Financial summary:

Is this a Key Decision?

Is this a Strategic Decision?      Yes/No

When should this matter be reviewed?

Reviewing OSC:

# REPORT

Commissioning of a local Healthwatch service

Councillor Steven Kelly, Lead Member for Individuals and Deputy Leader

Lorna Payne, Group Director, Adults & Health

Lorna Payne, Group Director Adults and Health,

lorna.payne@havering.gov.uk  
01708 432488

The Health and Social Care Act 2012 requires the commissioning of a local Healthwatch service which will replace the LINK (Local Involvement Network) with some additional functions.

Indicative allocations for the different elements of the new service have been given for Havering for 2013/14. The funding is not expected to be confirmed until January 2013 but it has been announced that funding will not be ring fenced.

Yes

Yes

12-18 months from April 2013 (April 2014 – September 2014)

Individuals and Health

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

Ensuring a clean, safe and green borough	X
Championing education and learning for all	□
Providing economic, social and cultural activity in thriving towns and villages	□
Valuing and enhancing the lives of our residents	X
Delivering high customer satisfaction and a stable council tax	X

**SUMMARY**

- 1.1. The Health and Social Care Act 2012 places a duty on the Council (all councils with Social Service responsibilities) to commission a fully operational Healthwatch by April 2013.
- 1.2. Healthwatch is to be the new local Health and Social Care consumer champion and watchdog and will be required to represent the views of local residents of all ages, advocating and influencing the delivery and commissioning of Health and Social Care services.
- 1.3. The local representative of Healthwatch will have a statutory role on the new Health and Wellbeing Board from April 2013, ensuring that the voices of patients, users and the wider public are heard, and that the vision and objectives of the Health and Wellbeing Strategy reflect the priorities of local people.
- 1.4. The Council is keen to embrace the opportunities offered by the reconfiguration of health services locally and has been working closely with the Clinical Commissioning Group (CCG) for Havering to develop an ambitious set of priorities targeted on improving outcomes for patients and carers locally. The Council is therefore particularly keen to commission a Healthwatch function that will champion the views of patients, users and carers and improve public health and wellbeing as these new priorities are pushed forward.
- 1.5. Healthwatch will replace LINK (Local Involvement Network) and will have additional responsibilities.
- 1.6. A consultation paper has been issued which covers the commissioning options facing the Council with regard to the new Healthwatch function as the Council needs to decide how it wishes to commission Healthwatch in order for it to be in place in Havering by March 2013. It puts forward three possible models, subject to the consultation and legacy analysis.

MODEL A - Havering Healthwatch evolving from either the current LINK steering group or the host organisation

MODEL B - Havering stand-alone organisation procured by Havering Council

MODEL C - Shared Healthwatch 'Hub and Spoke' model, with joint commissioning led by Barking and Dagenham but with added local specification reflecting local priorities.

- 1.7. The closing date for the 21 day consultation is Friday 17<sup>th</sup> August 2012.

**RECOMMENDATIONS**

2. Cabinet is asked to:
  - 2.1 Note the consultation on models for the commissioning of a local Healthwatch service.
  - 2.2 Confirm the inclusion of the Independent Complaints' Advisory Service in the function to be carried out by Healthwatch.
  - 2.3 Agree to delegate the consideration of consultation responses, the LINKs legacy analysis, consultation with the host organisation and current chair/vice chair of LINK and selection of the appropriate commissioning route to the Lead Member for Individuals and Deputy Leader.
  - 2.4 Note that further work will be undertaken to draw up the specification and proposed operating model for Healthwatch in Havering once the procurement route has been established.

**REPORT DETAIL**

**3. BACKGROUND**

- 3.1 The Health and Social Care Act 2012 represents a watershed for how health services will be commissioned in England and Wales. In line with the Government's Localism agenda, particularly its vision for the NHS of "no decision about me without me", local communities are to have more of a say in the provision and quality of local health services.
- 3.2 Local Authorities will have new responsibilities in public health and a statutory responsibility to lead Health and Wellbeing Boards. Havering's Health and Wellbeing Board has been set up, in shadow form, and its statutory responsibilities will come into effect from April 2013. This will include agreeing with Havering's Clinical Commissioning Group and other health and social care commissioners what the health priorities are of the local population, to inform commissioning plans.
- 3.3 The Health and Wellbeing Board will agree a Health and Wellbeing Strategy for the borough, informed by the Joint Strategic Needs Assessment, which provides commissioners with an analysis of the health and wellbeing issues affecting the population.
- 3.4 Under the new arrangements, it will be vital to ensure the appropriate community engagement mechanisms are in place to capture the opinions of the public, patients, users and carers, so that their experiences of the local

health and social care system can be heard, and acted upon, to improve local services.

- 3.5 Going forward, we will therefore need to ensure that the Joint Strategic Needs Assessment and Health and Wellbeing Strategy reflects the views of the local population. Healthwatch will be a key engagement mechanism to enable this to happen.
- 3.6 'Healthwatch England' is to be the new Health and Social Care consumer champion and watchdog at a national level and will advise the NHS Commissioning Board, English local authorities, Monitor and the Secretary of State. It will also have the power to recommend that action is taken by the Care Quality Commission (CQC) when there are concerns about health and social care services.
- 3.7 It is envisaged that local Healthwatch organisations will have a reporting line into Healthwatch England and will be able to report concerns about the quality of health care to Healthwatch England, which can then recommend that the CQC take action.
- 3.8 A representative from Havering's local Healthwatch will have a statutory seat on the Health and Wellbeing Board, which will ensure the views of patients, users and carers influence the commissioning (and decommissioning) of services and that the vision and objectives of the Health and Wellbeing Strategy remains relevant and reflects the priorities of local people.

#### **4. HEALTHWATCH IN HAVERING**

- 4.1 The Health and Social Care Act 2012 places a duty on the Council (all councils with Social Services responsibilities) to commission a fully operational Healthwatch by April 2013.
- 4.2 Healthwatch will replace LINK (Local Involvement Network), hosted locally by the Shaw Trust, as the main organisation responsible for the voice of local patients of health and social care services, and the voice of the wider community. Healthwatch will also bring in the NHS advocacy service, currently provided across London by POhWER. The PALS (Patient Advice and Liaison Service) currently provided by PCTs will also transfer, with its funding, to the Council and become the Independent Complaints Advisory Service. This can either also be provided by Healthwatch or be commissioned as a separate service. It is proposed that it will be included in the Healthwatch functions. Unlike LINK which had to be hosted, the new service will be directly commissioned.
- 4.3 Healthwatch will have broader remit than LINK with the additional functions of:
- Advice and information about access to and choice of health and social care services

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- An advocacy service for people wishing to make an NHS complaint
- 4.4 Additional funding is to be made available for these functions; however, it will not be substantial and is not to be ring fenced.
- 4.5 In summary, Healthwatch will have seven main functions:
- Gathering views and understanding the experiences of patients and the public
  - Making people's views known
  - Promoting and supporting the involvement of people in the commissioning and provision of local care services and how they are scrutinised
  - Recommending investigations or special review of services via Healthwatch England or directly to the Care Quality Commission (CQC)
  - Providing advice and information about access to services and support for making informed choices
  - Making the views and experiences of people known to Healthwatch England and providing a steer to help it carry out its role as national champion
  - NHS complaints advocacy
- 4.6 The Council's vision for our local Healthwatch organisation is that it will represent the voice of **all** Havering residents in the improvement of local health and care services. The chosen provider will need to ensure it has the appropriate engagement mechanisms in place to allow the wider population of Havering to have their voice heard, and make special provision for ensuring the voices of disabled people and those with long term illnesses, older people, vulnerable adults and children, as well as carers.
- 4.7 Healthwatch will be a vital way of monitoring the real impact of the Health and Wellbeing Strategy on improving the quality of local health and care services, and ensure that the Health and Wellbeing Board is able to hear and respond to those messages.
- 4.8 The Health and Well Being Board is currently preparing this strategy, in close working partnership with Havering Clinical Commissioning Group. The strategy is linked to a wide range of other Council strategies, such as those for vulnerable adults, safeguarding children and culture. So far, priorities for health and wellbeing improvements have been agreed in line with the evidence available from the Council's Joint Strategy Needs Assessment of local people's health and well being needs and the following themes have emerged:

### **Theme 1: Prevention, keeping people healthy, early identification, early intervention and improving wellbeing**

#### **Priority 1: Early help for vulnerable people to live independently for longer**

Older and vulnerable people, especially those with long-term conditions, are the most intensive and costly users of health and social care services and there is a clear need for their experience and outcomes achieved to be improved. They account for half of all GP appointments, two thirds of all outpatient appointments and nearly three quarters of all inpatient bed days. As our older population continues to grow, we are faced with increasing demands on these services. By focusing on prevention and early intervention, we hope to relieve some of this pressure on services and enable more people to live independently and safely in their own homes for longer. We will:

- Help more vulnerable people, including those with long-term conditions and complex needs, maintain their independence in the community and reduce use of acute/complex services
- Tackle isolation and support vulnerable people to help maintain independent living
- Improve choice and control over the health and social care people receive
- Deliver more community based support, including volunteer-led services for people recently discharged from hospital and provision of reablement services to help them re-adjust to independent living.

**Priority 2: Improved identification and support for people with dementia**

Dementia is a clinical syndrome characterised by a widespread loss of cognitive function, including memory loss, language impairment, disorientation, change in personality, self neglect and behaviour that is out of character. It is an extremely distressing illness and a particularly pertinent issue for Havering due to our large, and growing, older population. We will:

- De-stigmatise dementia and ensure sufferers and their carers receive the best possible support in managing their condition
- Ensure high quality and accessible dementia information by improving data collection on the prevalence of dementia and data sharing between organisations
- Clinically train professionals to recognise the symptoms of dementia leading to earlier diagnosis and improved outcomes for sufferers and their carers
- Deliver more universal services and better quality of care for people with dementia.

**Priority 3: Earlier detection of cancer**

Cancer is a common disease, with about 1,200 people in Havering (one in every 200) diagnosed with some form of cancer each year. The cost of cancer care is high and national research has shown that more than 40% of cases are attributable to avoidable risk factors such as smoking, alcohol, poor diet and lack of exercise and could have been prevented if people lived more healthily. We will:

- Raise public awareness of the signs and symptoms of cancer, so that we can improve survival rates for those diagnosed with cancer
- Maintain excellent performance on waiting times between referral of patients with suspected cancer and first consultant contact



## **Cabinet, 15-August 2012**

- Improve access to optimal treatment, particularly radiotherapy and surgery for Havering residents
- Maximise uptake of cancer screening
- Improve assessment and detection/suspicion of cancer in primary care settings
- Improve quality of cancer care services.

### **Priority 4: Tackling obesity**

Being overweight or obese increases a person's risk of diabetes, cancer and cardiovascular disease. It can also restrict mobility and contribute to poorer mental health, which can limit a person's participation in their community and reduce their quality of life. Obesity is a complex issue that is affected by a range of behavioural, psychological, social, cultural and environmental factors. We will:

- Reduce obesity levels in adults and children
- Promote healthier lifestyles to maintain healthy weight
- Raise awareness of health risks associated with being overweight/obese.

## **Theme 2: Better integrated support for people most at risk**

### **Priority 5: Better integrated care for the 'frail elderly' population**

Havering's population is ageing and as a result the number of 'frail elderly' residents is increasing and placing huge pressure on our health and social care services. This very vulnerable group consumes a disproportionate amount of resources in terms of managing their care due to delays in hospital discharges, an overreliance on bed-based solutions and a high incidence of repeat hospital admissions. We will:

- Ensure with partners, seamless, integrated and efficient care pathways for 'frail elderly' people with care needs
- Improve pathways into and through community-based health services and general practice by working closely with the hospital and GPs
- Reduce the incidence and impact of falls leading to critical care/hospitalisation
- Enhance independence and capability of individuals to manage their circumstances/ conditions at home
- Improve outcomes and efficiency of care following injury as a result of a fall, including hip fracture
- Provide support to people within the community who have recently been discharged from hospital or who are at risk of admission/readmission
- Improve care in nursing and residential homes, including better management of demand to reduce avoidable hospital admissions
- Improve support to people not currently engaged with social care such as self funders and those with currently lower levels of need to ensure that greater opportunities to benefit from prevention, improved health and wellbeing and support are provided.

### **Priority 6: Better integrated care for vulnerable children**

Healthy, happy and educated children are more likely to become healthy happy and productive adult members of society. Setbacks experienced in childhood as a result of troubled family backgrounds can result in long-lasting harm that persists throughout life and has a spiral effect leading to significantly reduced outcomes for those young people. Vulnerable children, such as those in care or with learning disabilities, face particular, more complex, issues and our priority is to support them to realise the same positive and sustainable outcomes as the rest of the population. We will:

- Provide intensive, bespoke, support to families with multiple complex needs to address their problems earlier
- Improve the stability of care placements and reduce placement breakdown, including reducing the number of placements between foster care and adoption
- Improve health outcomes for children and young people, particularly those in care
- Reduce teenage conceptions, terminations and improve sexual health through the delivery of targeted campaigns that raise awareness of health risks
- Commission universal and targeted access to health visitors and schools' nurses as a basic entitlement
- Provide access to high-quality therapies for vulnerable children and young people.

**Priority 7: Reducing repeat hospital admissions**

Hospital admissions, especially unplanned and repeat admissions, are extremely costly to the NHS and disrupt the lives of those affected and cause distress to family and friends and can cause increased dependency and ill health through such events as infections and length of stays that reduce people's confidence to manage at home. We are keen to reduce unnecessary hospital admissions, particularly for ill-health or injury that could have been avoided and repeat hospital admissions where individuals are admitted into hospital on a frequent basis. We will:

- Manage the care of patients proactively in the community through integrated case management
- Increase independence skills of people within the community who have recently been discharged from hospital or who are at risk of admission/readmission
- Reduce delayed transfers of care and seek greater collaborative approaches to ensure that planning for discharges can take place closer to an individuals point of admission
- Ensure informed choice on end of life care through robust information and guidance for patients and carers.

4.9 Delivering these strategic ambitions will be challenging and it will be vital that Havering has an effective Healthwatch with the skills and expertise to work with the Health and Well being Board to ensure that there is effective monitoring and engagement of patient and carer views whilst the Council and the CCG work with other health service providers to deliver these improved outcomes.

4.10 Some of the strategic outcomes set out above will mean close working with parts of the health economy that do not serve Havering alone, such as BHRUT. The Council is therefore working closely with the other local authorities that are also served by BHRUT and NELFT to ensure that we can jointly manage the improvements we would all like to see. For example, an Integrated Care Commission has been set up to establish how we can improve care for frail elderly people in the hospital, primary care and social care system. In addition, the three Clinical Commissioning Groups that serve Havering, Redbridge, and Barking and Dagenham Councils have decided to share a Chief Operating Officer and some back office functions. For these reasons, for each of the structures it is considering as part of the new health environment, the council is exploring whether we can share any services with either or both of our neighbouring boroughs. There is no commitment to do so at this stage, but there is an agreement to consider shared options as part of the Council's decision making. One of the options with regard to Healthwatch is therefore to share a Healthwatch with the London Borough of Barking and Dagenham who have expressed a wish to explore this option with Havering. Havering Council has not taken a decision on this option, but it is included in the consultation paper to gather any external views on this proposition prior to a decision on a commissioning route being determined.

4.11 The consultation paper (See appendix A) covers the functions of the local Healthwatch, funding, and possible commissioning strategies for Havering.

4.12 It puts forward three possible models:

MODEL A - Havering Healthwatch evolving from either the current LINK steering group or the host organisation

MODEL B - Havering stand-alone organisation procured by Havering Council

MODEL C - Shared Healthwatch 'Hub and Spoke' model, with joint commissioning led by Barking and Dagenham but with added local specification reflecting local priorities

4.12 The attached paper (Appendix A) has been issued as part of a 21 day consultation, which will end on Friday 17th August 2012. Subject to the recommendation being approved, the responses will be reported to the Lead Member for Individuals and Deputy Leader for a decision on the arrangements for commissioning a local Healthwatch.

4.13 Following on from this consultation Local Authority will be carrying out a detailed analysis of the legacy of the LINK following a methodology supported by the LGA. The current host organisation, current chair and vice chair will also be consulted before planning the next steps to fulfil the requirement set out in National guidance to ensure Healthwatch benefits

fully from the foundation put in place by LINK Havering. Only then will the Council set out its detailed commissioning intentions for Healthwatch, including the form and shape of any future service to be developed.

- 4.14 The final operating model will take into account existing infrastructure that could support the success of Healthwatch locally to maximise its impact and profile. This could include support with premises, websites, customer insight information and marketing expertise.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

As previously explained, consultation is currently taking place on three options. The reasons for and against each of them are detailed in appendix A.

The timescales are short, but this needs to be balanced with the need for local people to influence the future shape of Healthwatch and ensure that the legacy of LINK forms a firm foundation to build upon. It is recommended to delegate the final decision on the arrangements for commissioning a local Healthwatch to the Lead Member for Individuals and Deputy Leader. This will allow the Lead Member to undertake further detailed work in relation to a detailed specification for future Healthwatch services.

## **IMPLICATIONS AND RISKS**

### **Financial implications and risks:**

Although the actual 2013/14 funding has still to be determined by central government, from April 2013 funding for Healthwatch will have two different elements:

- LINKs funding – DCLG Business Rates Retention Scheme (i.e. non ring-fenced part of the government funding provided to Havering to deliver all services)
- Additional Healthwatch funding – route still to be determined (Guide figure for Havering = £46,983)

In addition, there will be funding for the Independent Complaints Advocacy Service (Indicative grant allocation for Havering = £58,287)

In summary, in addition to the former LiNKs funding, the PALS/complaints functions are expected to transpose as additional budget of some £105k.

Funding for local Healthwatch will not be ring fenced as decisions on actual funding requirements are expected to be made by each local authority.

**Legal implications and risks:**

The Council has a duty to commission the functions previously the responsibility of the LiNKs and the Independent Complaint Advisory Service, but it has a degree of discretion in how it does so provided that the resulting Healthwatch is locally based. While there has been an assumption that the existing LiNK may form the basis of the new Healthwatch, it is not a forgone conclusion given the requirement to commission the work. There may be the need to consider the relevance of the limited EU procurement regime depending upon the exact format and length of the work commissioned.

**Human Resources implications and risks:**

There are no direct HR implications or risks for the Council that can be identified from the proposed actions in this report. The LiNK service is directly commissioned through a host organisation (Shaw Trust) and does not include any staff that are employed by the Council. The new local Healthwatch is to be commissioned from a social enterprise. The consultation paper refers to possible TUPE implications that may affect the current and new providers only. A dialogue with the host organisation needs to take place to progress this issue.

**Equalities implications and risks:**

An Equality Analysis and Impact has been produced. Based on the national EIA, it is unlikely the changes will have any effect on discrimination, harassment or victimisation nor are they expected to have a direct impact on particular equality groups.

**BACKGROUND PAPERS**

- “Supporting Healthwatch Pathfinders - Building Successful Healthwatch Organisations” Local Government Association, April 2012  
[http://www.local.gov.uk/c/document\\_library/get\\_file?uuid=c96a438b-dbb5-4cfa-8669-8c42a999cbdd&groupId=10171](http://www.local.gov.uk/c/document_library/get_file?uuid=c96a438b-dbb5-4cfa-8669-8c42a999cbdd&groupId=10171)
- “Local Healthwatch: a strong voice for local people – the policy explained” DH March 2012  
<http://healthandcare.dh.gov.uk/files/2012/03/Local-Healthwatch-policy.pdf>
- “How will local Healthwatch work?” DH webpage March 2012  
<http://healthandcare.dh.gov.uk/how-will-local-healthwatch-work/>

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### Consultation note on establishing a local Healthwatch

#### Purpose

- To outline the statutory requirements
- To outline the funding available
- To set out the current working arrangements, funding and staff of the existing Havering Links and PCT PALS service
- Summarise the issues facing Havering
- Identify the key priorities for Havering and issues requiring decisions
- Set out the options open to Havering with opportunities and risks

#### Background

Healthwatch is to be the new local Health and Social Care consumer champion and watchdog and will be required to represent the views of local residents of all ages, advocating and influencing the delivery and commissioning of Health and Social Care services.

The Health and Social Care Act 2012 places a duty on the Council (all councils with Social Service responsibilities) to commission a fully operational Healthwatch **by April 2013**.

Healthwatch will replace LINK (Local Involvement Network). It will also bring in the NHS advocacy service, currently provided across London by Pohwer. The PALS (Patient Advice and Liaison Service) currently provided by PCTs will also transfer, with its funding, to the Council and the Independent Complaints Advisory Service. This can either also be provided by Healthwatch or be commissioned as a separate service. It is proposed that it will be included in the Healthwatch functions. Unlike LINK which had to be hosted, in Havering's case by the Shaw Trust, the new service will be directly commissioned.

Healthwatch will have broader remit including providing information and signposting people to Health and Social Care services and promoting choice. Additional funding is to be made available for these functions; however, it will not be substantial and is not to be ring fenced.

In summary, local Healthwatch will have seven main functions:

- Gathering views and understanding the experiences of patients and the public
- Making people's views known
- Promoting and supporting the involvement of people in the commissioning and provision of local care services and how they are scrutinized
- Recommending investigations or special review of services via Healthwatch England or directly to the Care Quality Commission CQC)
- Providing advice and information about access to services and support for making informed choices
- Making the views and experiences of people known to Healthwatch England and providing a steer to help it carry out its role as national champion
- NHS complaints advocacy

The local Healthwatch will receive some support and guidance from Healthwatch England and will be expected feed up concerns and issues to the national level. Health watch England will be an independent statutory committee of the Care Quality Commission (CQC), the national regulator.

The main lessons from the Healthwatch pathfinders were that the development of successful local Healthwatch is dependent upon having a clear local vision and values, as well as understanding the local picture through engagement and mapping.

Each local authority area is, under the legislation to have a Healthwatch and Healthwatch will have a statutory place on each Health and Wellbeing Board.

### **Funding**

LINks funding is being carried forward as the baseline for local Healthwatch funding in 2012/2013. (DH provided direct grant funding for LINKs in 2010/11 through area based grant (£132k) but this year, funding is included in the DCLG formula grant). Current annual funding to Havering LINKs amounts to £60k (Cost of one member of staff, volunteer expenses and payment to host organisation). All LINKS will cease to exist on 31 March 2013, including the Havering LINKS.

Although the precise funding has still to be determined by central government, from April 2013/14 funding for Healthwatch will have two different elements:

- LINKs funding – DCLG Business Rates Retention Scheme (i.e. non ring-fenced part of the government funding provided to Havering to deliver all services)
- Additional Healthwatch funding – route still to be determined (Guide figure for Havering = £46,983)

In addition, there will be funding for the Independent Complaints Advocacy Service. (Indicative grant allocation for Havering = £58,287)

Funding for local Healthwatch will not be ring fenced and decisions are to be made by each local authority.

TUPE may apply to the current individual in the host organisation (the Shaw Trust) who provides administrative support to the Havering LINK, as the functions carried out will transfer to either the new Healthwatch organiser or a supplier to Healthwatch who provides that function. This can only be determined with certainty nearer the transfer date.

### **Key priorities for Havering and issues**

Some details of future operating arrangements for Healthwatch are still to be clarified at national level.

The service is being expanded to include responsibilities for **children's services** but unlike adults, will not include the ability to enter and view premises. The details are still being discussed with Ministers and Ofsted. The intention is that there is not duplication with Ofsted, the Children's commissioner / children's rights officers. It will be a **major challenge to provide a comprehensive service** which includes children and young people through a period of whole service review.

Current commissioning in Havering of preventative services for children and young people in social care is under going change with a shift towards a more holistic, whole family approach aimed at bringing about more sustainable solutions and care long-term. This includes a fully integrated health and social care package that is supported effectively through transition as well as better provisioning of therapies to families in need. Further challenges will come in involving numerous stakeholder groups that represent the views of young people as well as the young people themselves.

There is a **very short time scale** – the technical regulations will not be confirmed until November at the earliest and the new service has to be in place by April 2013.



Each local Healthwatch has to provide a member for the local **Health and Wellbeing Board** – the individual will have to cover a very broad brief.

The **funding** is likely to make it difficult to commission the required range of services. The local authority has a duty to ensure the local Healthwatch operates effectively and is value for money.

It has been stipulated that the local Healthwatch will be a **social enterprise ‘body corporate’**. The model raises a number of questions especially as the term social enterprise is not recognised in law, but it is anticipated that a Community Interest Company, Charitable Trust or similar organisation will fulfil this criteria.

Areas are taking different stances on the way they are setting up the new Healthwatch organisations. Some areas are commissioning new organisations while others want the new organisation to evolve from their existing LINKs. Regardless of which route is followed, if some of the staff involved in the new structures are sufficiently similar to the old roles of LINKs, **TUPE may apply**.

The legislation requires each Council to make contractual arrangements to carry out via a local Healthwatch body, which must be a social enterprise organisation, the involvement of local people in the commissioning, provision and scrutiny of local care services in its area. This was framed to ensure there were no gaps in provision across the country. The draft Bill originally was going to require there to be a local Healthwatch organisation in each local authority area, and this was reflected in the guidance issued by the Department of Health prior to the Bill becoming law. However, the provision for individual Healthwatches for each area was excluded from the final wording of the Act, and the most recent advice from the Department of Health has confirmed that ‘the policy position is that we recognise **cross boundary working** and as long as they meet the spirit of the Healthwatch vision i.e. that local people know how to access their Healthwatch, it is for the local authority to decide how best they think to meet this’.

Havering is aware that there are some considerable challenges within the health system in outer north east London. In particular there have been much publicised challenges with the Acute hospital Trust, BHRUT, both in terms of quality of service and budget viability and sustainability. Both Havering and its neighbouring boroughs of Barking and Dagenham and Redbridge recognise and share these concerns. The boroughs are working collectively to work in partnership to assist in redesigning the health system to better serve local people. The challenges remaining to BHRUT are still substantial and it is likely that improvement will be ongoing for some time. In addition, the hospital is the subject of reconfiguration plans which have yet to be fully delivered. In these circumstances it is crucial that there is a very strong voice on the part of patients and users and that there is a degree of co-ordination between the outer London boroughs in playing a significant part in the improvements that are still required.

Havering and its neighbouring boroughs also recognise there is a need to realign services to provide more preventative services and more services in the community to better align with the needs and aspirations for the community. To this end the three boroughs in outer north east London are engaged in an integrated care commission, alongside the CCGs and Trusts in order to develop improved outcomes for local people. Again this calls for a strong Healthwatch body to work alongside and champion the needs of patients and local people in this work.

The above response could enable Havering to proceed with a **shared service** with Barking and Dagenham (and possibly also with another neighbouring London borough). Barking and Dagenham council has confirmed an interest in such an arrangement and could take the commissioning lead for a ‘Hub and Spoke’ model (a central organisation with locality arrangements) which would ensure there was a local Havering service able to respond to local

priorities. Such an approach would require a competitive tender to secure innovative solutions, meet local requirements and secure value for money. It would have an annual budget of £158k of which Havering would contribute up to £60k. Arrangements would also be made for the PALS functions and complaints advocacy which would add an additional £105k to the commissioning pot.

#### Key issues about why the decision is urgent

- There is a statutory requirement to have a Healthwatch in place covering Havering by April 2013 – a very short lead-in time
- Healthwatch is to be a new organisation with a broader range of responsibilities than LINKs and Havering wants this in place as soon as possible to support the ongoing improvement work described above
- There is a low level of funding and there are similar concerns about the low level of funding for the other changes such as the transfer of Public Health to the council and therefore a decision about how to obtain the best value for money is needed
- The preferred model must ensure the new organisation provides value for money and is able to ‘hit the ground running’ by establishing early credibility and with the means to meet the agreed local outcomes
- There are high expectations of the new Health and Wellbeing Boards; the Healthwatch member of the Board must be able to make their mark as an effective consumer champion across the whole local system - working collaboratively to influence change but also to challenge poor quality services
- These challenges are greater than in most areas because of the ongoing concerns over BHRUT’s performance; this suggests that working closely with other local CCGs and councils covered by the Acute Trust will be essential.
- A service able to utilise a broader range of skills and knowledge through a shared arrangement is much more likely to have the critical mass and influence (with CQC and local stakeholders) to champion local service improvements.

## Possible models

### **MODEL A - Havering Healthwatch evolving from either the current LINK steering group or the host organisation**

For	Against
<ul style="list-style-type: none"><li>• Would provide continuity</li><li>• Local lobby for option</li><li>• Should reflect local priorities</li><li>• Should avoid TUPE costs</li></ul>	<ul style="list-style-type: none"><li>• Possible insufficient experience of broader responsibilities</li><li>• Missed opportunity to commission new service with appropriate skills</li><li>• Likely to be insufficient funding / not cost effective given level of funding available</li><li>• May not have required influence with CQC &amp; local stakeholders to champion essential service improvements</li><li>• Would need to put cross boundary linkages in place to have a consistent influence on health system overall and BHRUT position</li></ul>

### **MODEL B - Havering stand-alone organisation procured by Havering council**

For	Against
<ul style="list-style-type: none"><li>• Local lobby for this option</li><li>• Should reflect local priorities</li><li>• May avoid TUPE costs</li><li>• More likely to cover the range of skills required for the new Healthwatch responsibilities</li><li>• Focussed on Havering issues only</li></ul>	<ul style="list-style-type: none"><li>• May be TUPE costs</li><li>• Likely to be insufficient funding / not cost effective given level of funding available</li><li>• May not have required influence with CQC &amp; local stakeholders to champion essential service improvements</li><li>• Risk of not meeting timescales given Havering has not started commissioning process</li><li>• Would need to put cross boundary linkages in place to have a consistent influence on health system overall and BHRUT position</li></ul>

**MODEL C - Shared Healthwatch 'Hub and Spoke' model, with joint commissioning led by Barking and Dagenham but with added local specification reflecting local priorities**

For	Against
<ul style="list-style-type: none"> <li>• Already system has some shared arrangements with CCGs and possibly with Public Health</li> <li>• Share some NHS Trust services e.g. BHRUT</li> <li>• Some shared concerns about performance of services covering both areas</li> <li>• More likely to have required influence with CQC &amp; local stakeholders to champion essential service improvements</li> <li>• Most cost effective option with reduced spend on support costs</li> <li>• Barking &amp; Dagenham has procurement plan which would meet tight timescales</li> <li>• Low risk of service not being in place by April 2013</li> </ul>	<ul style="list-style-type: none"> <li>• May not reflect local priorities</li> <li>• Havering could be the 'poor relative'</li> <li>• May be TUPE costs.</li> <li>• May be opposition from local community &amp; voluntary sector</li> </ul>

A very early decision on the preferred model will be essential in order to meet the challenging timescale of having a local Healthwatch in place for April 2013. A 21 day consultation will be undertaken and a formal political decision made. Barking and Dagenham has developed an indicative tender timescale which would commence with advertising on 30 August, therefore Havering will need to make a decision before then.

# CABINET

15 August 2012

**Subject Heading:**

**Cabinet Member:**

**CMT Lead:**

**Report Author and contact details:**

**Policy context:**

**Financial summary:**

**Is this a Key Decision?**

**Is this a Strategic Decision?**

**When should this matter be reviewed?**

**Reviewing OSC:**

# REPORT

Department for Communities and Local  
Government Weekly Collection Support  
Scheme

Councillor Barry Tebbutt

Cynthia Griffin

Paul Ellis EX 2966

paul.ellis@havering.gov.uk

Waste and Recycling - Streetcare

This report seeks approval to submit two bids for grant funding. The Council is not committed to any financial risk over and above the level of the grants sought.

Yes

Yes

When a decision on if the bids have been successful has been made and the final details of the schemes have been confirmed – February 2013.

Environment

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

Ensuring a clean, safe and green borough	<input checked="" type="checkbox"/>
Championing education and learning for all	<input type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input type="checkbox"/>
Valuing and enhancing the lives of our residents	<input checked="" type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

**SUMMARY**

- 1.1** This report gives an overview of the Department for Communities and Local Government's (DCLG) Weekly Collection Support Scheme (Scheme) and seeks approval to submit two bids for the grant funding available.

Due to the tight time scales involved between feedback from DCLG and the deadline for submissions of the final bid this report was not included on the Forward Plan. Agreement has been sought and obtained from the Chairman of Environment Overview and Scrutiny Committee that the report be exempted from inclusion on the Forward Plan and that the item will be exempt from call-in to the Environment Overview and Scrutiny Committee.

**RECOMMENDATIONS**

It is recommended that:

- 2.1** Cabinet agree two grant funding bids are submitted to DCLG by the deadline of 17 August 2012.
- 2.2** Bid 1 - Green Rewards - Havering. A total grant of £1,008,557 over three years is sought.
- 2.3** Bid 2 - Havering Waste Prevention Campaign. Total Grant of £350,120 over three years is sought.
- 2.4** Cabinet commit to continue to provide a weekly waste collection for a minimum of five years from 2012/13 in accordance with the funding conditions of the DCLG Support Scheme.

**REPORT DETAIL**

**3.0 Background**

- 3.1** The Department for Communities and Local Government is making available up to £250 million to English local authorities over three years; £50 million in 2012/13, £100 million in 2013/14 and £100 million in 2014/15.
- 3.2** Local Authorities that successfully bid for funding will be offered a Section 31 grant payment that they can use for either revenue or capital expenditure.

**3.3** The aim of this scheme is to support local authorities to:

a) Introduce, retain or reinstate a weekly collection of residual household waste. or

b) propose improvements to an existing waste service which is already centred around a weekly residual collection, for example by improving environmental performance, increasing the affordability or sustainability of that service; or

c) Add a weekly food waste (or organic waste) service to an existing fortnightly collection of residual household waste

The Government is particularly keen to promote new technologies, the use of incentives ('reward' schemes) and promote better procurement and joint working.

**3.4** There are three core criteria which each bid must satisfy in order to be considered successful. Each proposal must:

- deliver a weekly collection of residual household waste
- deliver value for money (in terms of cost effectiveness); and,
- deliver an environmental benefit over current performance

**3.5** All bids need to provide reasonable evidence that funding will support additional activity, rather than activity that would progress anyway and the Scheme will only award funding to local authorities that commit to weekly collections for (a minimum of) five years from 2012/13 (or the first year of the bid).

**3.6** The project needs to be financially sustainable beyond the 3 years of Central Government funding and final bids must be submitted to DCLG by 17 August. DCLG expect to make an announcement on successful bids in October 2012.

#### **4.0 Haverling Bids**

Two bids have been developed which meet the Schemes criteria and satisfy the funding stipulations.

**4.1 Green Rewards - Haverling.**

**4.2** A total grant of £1,008,557 over three years is sought.

- 4.3** The schemes objective is to reduce the amount of waste sent for disposal by encouraging greater use of the 3R's – Reduce, Reuse and Recycling
- 4.4** Green Rewards - Havering will engage and motivate households to reduce their weekly residual waste and increase their weekly recycling through a proactive programme of communications and incentives and rewards. With the introduction of this project our aim is to move the Councils household waste recycling and composting performance towards 40%.
- 4.5** All households in the Borough will receive a welcome pack with information on how they can reduce waste and increase recycling. This will invite residents to activate their account. Once the account is activated household will receive a welcome letter and an activation card which can be used to obtain discounts from local retailers who have signed up to the scheme thereby helping to boost the local economy. This could operate in a similar way to the Havering card or the possibility of merging both cards could be explored. This is an inclusive scheme with no restriction on property types and houses and flats are both included.
- 4.6** "Green Rewards – Havering" will utilise tonnage data already available from the weekly collection rounds and reward both registered households and communities that reduce their waste and/or increase recycling on a collection round basis. The scheme will be organised around our current collection rounds and there will be no changes to collection days.
- 4.7** Through the scheme households that have activated their accounts will be able to donate any rewards earned from performance improvements to local charity projects there by supporting their communities or spend them on eco-friendly products and experiences. This will create an engaged local community with a common aim to contribute towards the environmental benefits being sought and improve performance.
- 4.8** This bid will generate considerable environmental benefits as well as helping to build a stronger sense of community cohesion and participation. Ongoing communications will include door stepping, quarterly eNewsletters', and the provision of a web platform and a contact centre throughout the duration of the scheme. This communications platform could also be used to highlight other environmental service improvements and how the Council has responded to residents concerns.
- 4.9** The project will be managed by Green Rewards and fully funded from the grant.
- 5.0** **Havering Waste Prevention Campaign**

Total Grant of £350,120 over three years is sought



- 5.1** The second funding bid is seeking support to help reduce household waste over the next five years in order to reduce costs, reduce waste and contribute towards meeting the Mayor's recycling and waste targets.
- 5.2** Effective communications are key to reducing waste tonnages and this funding would be used to develop a full campaign for waste prevention. As well as reducing the amount the Council pays for waste disposal preventing waste will also save residents money. The campaign will attempt to fully utilise local organisations: schools, community groups, charities, etc as delivery partners and will build on the already successful Love Food Hate Waste campaign, promoting home composting, Re use and other ways of preventing waste.
- 5.3** External organisations such as Waste Watch would be commissioned to help deliver the scheme and the funding would also be used to undertake waste composition analysis to monitor the impacts of the campaign, and ensure residents could be provided with all important feedback on results, as well as enable us to focus on the correct areas as the campaign progresses.

## **REASONS AND OPTIONS**

- 6.0** **Reasons for the decision:**
- 6.1** Final bids for the grant funding need to be submitted to DCLG by 17 August 2012. Because the funding sought is over one million pounds a Cabinet decision is required.
- 7.0** **Other options considered:**
- 7.1** There is no obligation to bid for funding under the DCLG scheme.

## **IMPLICATIONS AND RISKS**

- 8.0** **Financial implications and risks:**
- 8.1** Both of the final bids must be signed off by the Councils Section 151 Officer.

- 8.2** The Founder and Director of Green Rewards has given a commitment to finance a scaled down version of the Green Rewards scheme for the two years following the DCLG funding in line with the grant conditions and reduced ongoing costs associated with the Havering Waste Prevention Campaign will be met from established budgets and resources.
- 8.3** Finance officers have reviewed the bids and are satisfied that there are no financial risks to the Council associated with the grant funding applications. The conditions of the grant have also been reviewed and no concerns noted. Careful management of the proposed scheme will need to be in place to ensure that spend is contained within any approved grant sums.
- 9.0 Legal implications and risks:**
- 9.1** While the government has not yet provided the terms & conditions for the grants, it is probable that the commitment to weekly bin collections will be a condition with financial penalties, potentially including claw back of grant, if the condition is breached. The terms & conditions will be reviewed when received and if particularly onerous referred to Members for consideration of acceptability.
- 9.2** The value of the contract to deliver the incentives and rewards scheme is subject to European procurement legislation advertising requirements. The Councils contracts procedure rules will be followed throughout the tendering process should this bid be awarded grant funding.
- 9.3** Should the Green Rewards - Havering bid be successful a contract which sets out how the partnership will work and the payment arrangements will need to be negotiated.
- 10.0 Human Resources implications and risks:**
- 10.1** Any additional support to manage the introduction of the Havering Waste Prevention Campaign will be sourced from external organisations that specialise in waste related communications so there will be no direct recruitment by Havering.
- Green Rewards will manage all staffing resources associated with this bid.
- 11.0 Equalities implications and risks:**
- 11.1** All sections of the community will be eligible to take part in the Green Rewards Incentive Scheme and will benefit from the advice on how to reduce their waste.

- 11.2** A full Equality Assessment of both schemes will be undertaken when and if funding is awarded and prior to the implementation of the schemes to ensure all equality issues are fully considered.

**BACKGROUND PAPERS**

*DCGL Prospectus and Bidding form for applicants*

*DCLG Weekly Collection Support Scheme – Overview and guidance note*

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