



Haverling

LONDON BOROUGH

OVERVIEW & SCRUTINY BOARD AGENDA

7.30 pm

Thursday
6 February 2020

Council Chamber -
Town Hall

Members 16: Quorum 6

COUNCILLORS:

Conservative Group (8)

Philippa Crowder
Judith Holt
Robby Misir
Dilip Patel
Nisha Patel
Bob Perry
Christine Smith
Maggie Themistocli (Vice-Chair)

Residents' Group (2)

Ray Morgon
Barry Mugglestone

Upminster & Cranham Residents' Group(2)

Linda Hawthorn
Christopher Wilkins

Independent Residents' Group (2)

Natasha Summers
Graham Williamson

Labour Group (1)

Keith Darvill

North Haverling Residents Group(1)

Darren Wise (Chairman)

For information about the meeting please contact:

Richard Cursons 01708 432430
richard.cursons@oneSource.co.uk

Overview & Scrutiny Board, 6 February 2020

Protocol for members of the public wishing to report on meetings of the London Borough of Havering

Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.

OVERVIEW AND SCRUTINY BOARD

Under the Localism Act 2011 (s. 9F) each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements.

The Overview and Scrutiny Board acts as a vehicle by which the effectiveness of scrutiny is monitored and where work undertaken by themed sub-committees can be coordinated to avoid duplication and to ensure that areas of priority are being reviewed. The Board also scrutinises general management matters relating to the Council and further details are given in the terms of reference below. The Overview and Scrutiny Board has oversight of performance information submitted to the Council's executive and also leads on scrutiny of the Council budget and associated information. All requisitions or 'call-ins' of executive decisions are dealt with by the Board.

The Board is politically balanced and includes among its membership the Chairmen of the six themed Overview and Scrutiny Sub-Committees.

Terms of Reference:

The areas scrutinised by the Board are:

- Strategy and commissioning
- Partnerships with Business
- Customer access
- E-government and ICT
- Finance (although each committee is responsible for budget processes that affect its area of oversight)
- Human resources
- Asset Management
- Property resources
- Facilities Management
- Communications
- Democratic Services
- Social inclusion
- Councillor Call for Action

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



AGENDA ITEMS

1 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

3 DISCLOSURE OF INTERESTS

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

Members may still disclose any 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 of the Board held on 8 October 2019 and to authorise the Chairman to sign them.

5 2020/21 BUDGET SETTING CYCLE (Pages 15 - 422)

Covering report and five DRAFT reports attached, namely:

- Havering and Wates Regeneration LLP Business Plan and Budget 2020/2021
- HRA Budget for 2020/2021 and HRA Major Works Capital Programme 2020/21 – 2024/25
- 2020/21 Capital Programme and Strategy
- Treasury Management Strategy Statement (TMSS) 2020/21 and Annual Investment Strategy (AIS) 2020/21, Treasury Indicators and Minimum Revenue Provision Policy Statement for 2020/21, and
- 2020/21 Budget and 2020-2024 Medium Term Financial Strategy

6 COMBINED CORPORATE PERFORMANCE REVIEW OF 2019/20 PERFORMANCE INDICATORS FROM THE OVERVIEW AND SCRUTINY SUB-COMMITTEES - QUARTER ONE AND TWO (Pages 423 - 456)

Quarter One and Quarter Two performance update reports attached.

Andrew Beesley
Head of Democratic Services

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Public Document Pack Agenda Item 4

**MINUTES OF A MEETING OF THE
OVERVIEW & SCRUTINY BOARD
Havering Town Hall, Main Road, Romford
8 October 2019 (7.30 - 9.20 pm)**

Present:

COUNCILLORS

Conservative Group	Philippa Crowder, Judith Holt, Robby Misir, Dilip Patel, Nisha Patel, Bob Perry, Christine Smith and Maggie Themistocli (Vice-Chair)
Residents' Group	Ray Morgon and +Gerry O'Sullivan
Upminster & Cranham Residents' Group'	Linda Hawthorn and +Ron Ower
Independent Residents' Group	Natasha Summers and Graham Williamson
Labour Group	Keith Darvill
North Havering Residents' Group	Darren Wise (Chairman)

Apologies were received for the absence of Councillors Barry Mugglestone and Chris Wilkins.

+Substitute members: Councillor Ron Ower (for Chris Wilkins) and Councillor Gerry O'Sullivan (for Barry Mugglestone).

The Chairman reminded Members of the action to be taken in an emergency.

1 DISCLOSURE OF INTERESTS

Councillors Osman Dervish, Robert Benham and Damian White declared a prejudicial interest in item 5 on the agenda as being Cabinet members and that they were originally part of the decision making process.

2 CALL-IN OF A CABINET DECISION RELATING TO PUBLIC REALM TRANSFORMATION

The report before Members detailed the call-in of a Cabinet decision relating to the Public Realm Transformation. A requisition signed by Councillors

Morgon, Darvill, Hawthorn, Mugglestone, Wilkins and Williamson had called-in the Cabinet decision. The grounds for the call-in were as follows:

- 1) To review and give greater scrutiny of the preferred option of 'outsourcing' the services currently provided 'in house'.
- 2) To review and scrutinise the alternative options set out in the report to Cabinet('the Report')
- 3) To examine how the proposal will improve the delivery of services.
- 4) To examine how the proposal will improve the way in which Havering looks and feels.
- 5) To review and consider the Cost Modelling & Financial Assessment set out in Part 11 of the Report.
- 6) To review and consider the assessment of qualitative factors and risks set out in Part 12 of the Report.
- 7) To review and consider the implications and risks set out in Part 13 of the Report.
- 8) To review and consider the Human Resources implications and risks set out in Part 15 of the Report.
- 9) To understand and evaluate the specification used in the soft market testing, in particular the proposed Service Level Agreement and the intended measured performance targets.
- 10) To understand and evaluate the Governance arrangements between the council and the contractor, together with how the contract will be managed by the streamlined Client team.
- 11) To understand and evaluate the interfacing of IT systems between the council and the contractor and how performance will be self-monitored by the use of effective technology.
- 12) To understand and evaluate the anticipated efficiency savings.
- 13)To understand and evaluate the payment by performance mechanism and how in the contract this will be articulated.
- 14) To understand and evaluate the roles of staff who will remain employed by the council after the proposed contract commences.
- 15) To understand the breakdown between statutory and non-statutory services proposed in the contract.

- 16) To evaluate and review the benchmarking data for the council against other London Councils.
- 17) To evaluate and review the information and data collated by Eunomia, in particular a full breakdown of cost assumptions.
- 18) To understand and evaluate increased income generation from the contract.
- 19) To identify and evaluate the stopping of lower priority activities.
- 20) To understand and evaluate the data provided to potential bidders.
- 21) To understand and review the wider corporate cost implications if the contract is outsourced, including existing depots, vehicles and equipment.
- 22) To understand and review the impact on operational managers and the Client Team in the event of the contract being outsourced.
- 23) To understand and evaluate the impact on the Pension Fund if the contractor achieves Admitted Body Status.
- 24) To understand and evaluate which services will be retained and which services will be outsourced, together with the rationale for this proposal.
- 25) To understand and evaluate what opportunities were provided to in-house staff to bid for the contract.

The following response to the questions, had prior to the meeting, been submitted to Members:

- 1) To review and give greater scrutiny of the preferred option of 'outsourcing' the services currently provided 'in house'.

Many of the outcomes to be obtained through the contract are not currently known or are not quantifiable until Competitive Dialogue has been completed as it is too early in the process to predict specific outcomes. The Competitive Dialogue procedure is selected as the technical specification cannot be defined with precision and the requirements may necessitate and involve innovative solutions which can be best delivered with the input of the market. As the Council is proposing to create a newly integrated contract for the Public Realm services, the Competitive Dialogue procedure offers significant flexibility as the Council can continue with the process until it is satisfied that a solution (or solutions) is available within the Council's budget that is capable of meeting the Council's needs has been identified.

The Council is to specify an 'outcome-based' contract, outlining to bidders of the service standards that must be met without defining the methods of delivery needed to achieve these outcomes. This allows bidders greater

flexibility to decide how and when to deliver the services and encourages keenly priced innovation. Approval for final award is a Cabinet decision.

Public Realm over the past two years has already delivered significant saving (£500k) through internal transformation. Public Realm is required to deliver another £500k as outlined in the current MTFs. As summarised at the All Member Briefing in November 2018, remodelling in-house services further would most likely lead to deleting many posts across the services resulting in reduced service standards such as less frequent road sweeping, fewer grass cuts, less shrub pruning, etc. These reduced standards are not acceptable to Members and residents. The alternative was to consider other options, including outsourcing models.

As outlined in the Cabinet report three options were explored in greater depth to deliver savings while protecting or enhancing services standards. These were:

1. Outsourcing the services to one external contractor to deliver the Public Realm services.
2. Keeping and bringing all the services in-house so that the Public Realm services are delivered directly by employees of the council.
3. Deliver the Public Realm services through a Local Authority Company either by setting up a new company or use an existing company founded by the Council to deliver the services.

A detailed analysis of the risks, benefits and potential savings, as outlined in the Business Case (exempt Appendix 1 of the Cabinet report), concluded that the option 1 (outsourcing) was the recommended model for the way forward that would achieve the desired outcomes.

Further discussion about the costs analysis and benefits of the programme will need to be held in a closed session as the detail refers to the information provided in Appendix 1 and Appendix 2 of the Cabinet report, both that are exempt as disclosure of this information may reduce the competitive nature of the process, particularly the financial analysis undertaken and the assessment of the market.

2) To review and scrutinise the alternative options set out in the report to Cabinet ('the Report')

As question 1 above

3) To examine how the proposal will improve the delivery of services.

Improved service delivery of an integrated contract will provide:

1. The potential to deliver better co-ordinated management of the Public Realm services as all services will be managed by one contractor, removing contractual barriers to service delivery

2. The potential to deliver a uniformed approach to service delivery, shared processes, procedures and contract monitoring systems.
3. One single brand, unifying the approach to the delivery of the Public Realm services with a local identity
4. The potential to lead to the development and retention of a multi skilled workforce, as the integrated solution may present more opportunities for staff that wish to develop their professional careers
5. Contribute towards other Council strategies such as improved air quality, social values and community benefits
6. The new contract will develop ICT systems to monitor contract performance that will enable to contractor to respond to services issues rapidly, offering residents improved services; this in turn will improve the way in which Havering looks and feels, helping residents feel better about their surroundings. The performance data collected by the contractors will be shared with the Council.

The detail of these outcomes will become more apparent after the competitive dialogue stages as it is currently too early in the process to predict outcomes.

4) To examine how the proposal will improve the way in which Havering looks and feels.

As question 3 above, and;

The procurement of the new contract contributes to achieving a number of the Council's objectives. The aim for the new contract is to improve the delivery of the services through an integrated approach, improving the look and feel of the local environment. This in turn will help residents feel better about their surroundings whilst contributing to the Council's savings programme.

5) To review and consider the Cost Modelling & Financial Assessment set out in Part 11 of the Report.

The cost modelling and financial appraisal is considered in depth in both Appendix 1 and Appendix 2. Cost modelling shows that the best value option is to outsource an integrated public realm contract that will deliver at least the savings required in the current MTFs (£500k).

Further discussion about the costs analysis and benefits of the programme will need to be held in a closed session as the detail refers to the information provided in Appendix 1 and Appendix 2 of the Cabinet report, both that are exempt as disclosure of this information may reduce the competitive nature of the process, particularly the financial analysis undertaken and the assessment of the market.

6) To review and consider the assessment of qualitative factors and risks set out in Part 12 of the Report.

As outlined in the Business Case the assessment concluded that the outsourced option would provide best value/VfM as, through the tendering process, the council would be able to ensure costs are kept competitive while benefiting from innovation and best practice that the private sector can offer.

Alongside the financial assessment of the main commissioning options, officers undertook an assessment of qualitative factors associated with each option, including:

- The ability to exert control over the contract through good contract management and KPI's
- The degree of financial risk transfer to an external provider and protection of the council's financial position
- The ability to transfer operational risk onto a contractor and reliance on the capability and experience of the service provider

These factors were considered significant features to favour the Outsourcing commissioning route.

7) To review and consider the implications and risks set out in Part 13 of the Report.

As question 5 above

Further discussion about the costs analysis and benefits of the programme will need to be held in a closed session as the detail refers to the information provided in Appendix 1 and Appendix 2 of the Cabinet report, both that are exempt as disclosure of this information may reduce the competitive nature of the process, particularly the financial analysis undertaken and the assessment of the market.

8) To review and consider the Human Resources implications and risks set out in Part 15 of the Report.

The staff impacted in this programme are employed in grounds maintenance, gully cleansing, elements of parks development and street cleansing. These services employ 162 staff directly, with additional seasonal agency workers as required.

Staff directly employed by the Council will be transferred to the new provider. The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) applies. As employees of the Council would TUPE, their terms and conditions will be protected in law. Staff working in services that are already outsourced may also TUPE. This is a matter yet to be determined and agreed with individual contractors.

Three change management programmes, following the Council's policies, will also take place before the contract starts. These are:

1. Creating a robust client team. There is already a Client team to manage the waste collection, weed control and tree maintenance contracts. A new team will be created reflecting the skills, knowledge and experience necessary to client the new contract. The client team will be resourced to undertake its function robustly.
2. Current caretaking staff clean and maintain the internal and external features of housing estates. Only some of the external cleaning functions are to be included in the contract. The change management programme will assign posts and functions to internal and external functions. All grounds maintenance functions will be managed by the contractor.
3. Some posts that are in the Park Development team are likely to be assigned to the TUPE list; others will not as they will remain directly employed by the Council to deliver internal requirements. Posts that remain will continue to be employed by the Council.

The detail of these programmes have not yet been established and to some extent the final position will not be known until the end of the dialogue process. Staff and Trade Unions have been kept abreast and updated about this programme since the programme was discussed at the All Members Briefing in November 2018, before soft market testing commenced (see question 9 below).

9) To understand and evaluate the specification used in the soft market testing, in particular the proposed Service Level Agreement and the intended measured performance targets.

After advertising the Prior Information Notice (PIN) in the Official Journal of the European Union (OJEU), five companies requested to meet with the council as part of the soft market testing exercise. All companies were offered exactly the same confidential information, and asked to consider delivering services to the same specification as currently delivered. Information provided included:

- Havering's Vision
- List of services to be included in a possible future contract
- Number of staff in total working in these services (provided for in-house services only, across the whole of public realm (not broken down into the various services))
- Number of vehicles (provided for in-house services only)
- Current standards
- List of Council Depots
- Background to waste collection and disposal
- Overall budget for Public Realm and associated services (not broken down into the various services) included in the programme.

It was agreed with all participating companies that the information gathered during this exercise would not be shared as it was commercially sensitive. This exercise demonstrated the markets' appetite to participate in a future

tendering exercise and gave an indication to the potential models and savings that may be available.

10) To understand and evaluate the Governance arrangements between the council and the contractor, together with how the contract will be managed by the streamlined Client team.

As question 8 and;

An internal change management programme is yet to be undertaken. The client team's function will be 'streamlined', working smarter taking advantage of improved technology and ICT systems that are potentially available through the contract. The numbers of staff is likely to increase; the client team will be resourced to undertake its function robustly.

11) To understand and evaluate the interfacing of IT systems between the council and the contractor and how performance will be self-monitored by the use of effective technology.

It is too early in the process to predict what ICT systems will be offered. This will become more apparent after the competitive dialogue stages.

12) To understand and evaluate the anticipated efficiency savings.

As question 1, 9 and:

The programme will deliver savings of at least £500k, as outlined in the current MTFS.

Further discussion about the costs analysis and benefits of the programme will need to be held in a closed session as the detail refers to the information provided in Appendix 1 and Appendix 2 of the Cabinet report, both that are exempt as disclosure of this information may reduce the competitive nature of the process, particularly the financial analysis undertaken and the assessment of the market.

13) To understand and evaluate the payment by performance mechanism and how in the contract this will be articulated.

It is too early in the process to predict how the payment by performance mechanism will be implemented into the new proposed integrated contract. This will become more apparent after the competitive dialogue stages. The council will provide a baseline position for the payment mechanism during the competitive dialogue process and the bidders will be provided with opportunities to comment on the proposed mechanism. The new Contract will be largely self-monitoring and guided by the use of effective technology to measure performance. A concise number of KPIs, focusing on the strategic aspects of the services, will be included within the payment mechanism. The payment mechanism will describe, once agreed at the conclusion of the competitive dialogue process, the mechanism for the calculation of the invoice, the application of any performance deductions in

the event that KPI's are not achieved, and the application of, if relevant, any performance incentives.

14) To understand and evaluate the roles of staff who will remain employed by the council after the proposed contract commences.

As question 8 and;

It is too early in the process to predict the roles of staff remaining within the employee of the council. This will become more apparent after the competitive dialogue stages.

15) To understand the breakdown between statutory and non-statutory services proposed in the contract.

All statutory public realm functions will be contained within the contract as will several non-statutory services. These will be outlined in the specification as outlined in question 20 below.

16) To evaluate and review the benchmarking data for the council against other London Councils.

Benchmarking with other local authorities was undertaken informally. Comparing their services to Havering's it was apparent from conversations that tendering for an integrated contract rather than dividing responsibilities or tendering in lots would deliver greater efficiencies and improved outcomes. This conclusion was reinforced through soft market testing undertaken by the Council with industry market leaders (see question 9).

17) To evaluate and review the information and data collated by Eunomia, in particular a full breakdown of cost assumptions.

The modelling detail of the commissioning option assessment is commercially sensitive given that the modelling tools and techniques are the property of the consultants. The broad stages of the modelling undertaken, including the information and data collated, were as follows:

- The consultants requested operational information and financial data from the council in order to determine a baseline cost of the services.
- The information and data provided included all the services under assessment.
- Where financial information was not directly available for components of individual services, the consultant used assumptions. These assumptions were validated by reference to other existing contracts and discussed with officers to ensure relevance to the local circumstances.

- Consistent assumptions were applied to each of the three commissioning options, primarily for the following cost categories: pension costs and contributions, corporate overheads and profit.
- The soft market testing information concluded that an integrated service delivery model would achieve further efficiency. The companies involved in the soft market testing provided a range of financial savings. The most conservative amount of these savings was applied to all three commissioning options to determine a financial comparison of the options.

18) To understand and evaluate increased income generation from the contract.

It is too early in the process to predict if there is the potential for income opportunities that may be generated through this contract. This will become more apparent after the competitive dialogue stages.

19) To identify and evaluate the stopping of lower priority activities.

All current services delivered by Public Realm and associated services will continue. An 'as is' contract is specified as outlined in question 20 below. No activities are to cease.

20) To understand and evaluate the data provided to potential bidders.

The contract documents are still being produced. The services contained within the specification are:

- caretaking (litter picking and waste clearance from some external housing estate cleansing only)
- grounds maintenance
- gully cleansing
- elements of parks development
- park gates locking
- street cleansing
- tree maintenance
- winter maintenance
- waste and recycling collection
- weed control

The information provided in the service specification seeks to provide for at least an 'as is' service; i.e. the current standards are to be maintained or improved. The significant difference is where possible, an outcome is required for the contractor to deliver; the council will not be prescriptive about the way that services are delivery. Therefore, for example, the specifications requires waste to continue to be collected weekly but seeks for streets to be kept clean to a specified standard rather than the Council specifying the frequency of the service.

21) To understand and review the wider corporate cost implications if the contract is outsourced, including existing depots, vehicles and equipment.

There may be opportunities to make additional savings in the future after the contract is awarded. It is too early in the process to predict if there will be any additional savings. This will become more apparent after the competitive dialogue stages. The cost implications for the depot and vehicles are contained with Appendix 2 of the Cabinet report.

Further discussion about the costs analysis of the programme will need to be held in a closed session as the detail refers to the information provided in Appendix 2 of the Cabinet report, that is exempt as disclosure of this information may reduce the competitive nature of the process, particularly the financial analysis undertaken and the assessment of the market.

22) To understand and review the impact on operational managers and the Client Team in the event of the contract being outsourced.

It is too early in the process to predict the roles of staff and the Client Team. This will become more apparent after the competitive dialogue stages.

23) To understand and evaluate the impact on the Pension Fund if the contractor achieves Admitted Body Status.

Employees who are currently in the LGPS will have the option to remain in the fund if they TUPE transfer to the new employer. This will have the advantage of the Fund retaining the membership and be able to continue receiving employee and employer contributions, which will be set by the Fund's Actuary. Admittance to the Fund will be on the basis that the contractor meets all the regulatory requirements which include signing an admittance agreement and agreeing to have appropriate guarantees in place to mitigate the risk of the contractor failing to honour its commitments to the Pension Fund.

The risk impacts are not known at this stage and this will be drawn out during the negotiations with the contractor during the Competitive Dialogue stages.

24) To understand and evaluate which services will be retained and which services will be outsourced, together with the rationale for this proposal.

As questions 3 & 20 and;

Services to be retained are:

- Internal cleansing of estates, to include drying areas, gardens, etc. This is to be retained as the service is bespoke and does not feature in public realm contracts of this nature
- Elements of Parks Development. This is to be retained to continue develop parks management plans and improvement strategies.

25) To understand and evaluate what opportunities were provided to in-house staff to bid for the contract

The tendering process has not started yet. A company owned or partially owned by staff is able to bid for the contract if they so wish. All bidders will be required to satisfy the tendering criteria that will be available when the OJEU Contract Notice is published.

During the debate Members raised the following points:

Members were advised that Public Realm had already found £500,000 of savings but were required to find another £500,000 of savings.

A number of options had been considered including outsourcing, keeping services in-house and the formation of a local authority company, following investigations it had been decided that to maximise savings then the outsourcing option was the most viable.

Soft market testing had taken place to ascertain the appetite from external companies who would be prepared to provide the services that the Council required.

Members were advised that through economies of scale external companies providing the services would have better buying powers and be able to provide staff and replace fleet at more competitive prices.

Discussions had taken place with a number of other authorities that had gone through a similar process these included Brent, Bromley, Waltham Forest and Sutton who were in a four borough contract with Croydon, Merton and Kingston.

Members agreed that monitoring of the contract was key and needed to be robust.

Officers cited the refuse collection service which had been outsourced a number of years ago and was robustly monitored by officers which in turn led to very few complaints from residents.

Members were advised that the contract was weighted 50/50 in terms of cost and service provision.

Members commented that it was important that there was clear links between the Council and the contractor and also with residents by means of software and IT. It was envisaged that there would be a mobilisation period of about 12 months to implement the new systems.

Members also agreed that it was important the Councillors were kept up to date with the progress of reported works so that residents could be kept up to date.

Members were advised that approximately a year ago the Council launched the service level reviews and that this piece of work was probably the largest service review that had taken place. The idea of the reviews was to look at what the Council did at present and compare it with other models across the country.

Members were advised that going forward there would be improvements to the Council's Customer Relationship Management (CRM) system which in turn would lead to greater feedback to residents.

The Overview & Scrutiny Sub-Committees would be able to call in contractors to their meetings to discuss Key Performance Indicators and service provision. An example of this already in place was representatives of the refuse management contractor (SERCO) attending meetings of the Environment O&S Sub-Committee.

Members felt it would be useful if benchmarking information could be provided to the Sub-Committees and the Board of how other boroughs performed with in-house or outsourced public realm provision.

Members were advised that the procurement process would be designed to go through at least three or four gateways including publication of the notice, initial selection stage, detailed stage, final stage and then the contract award which would be a decision made by Cabinet.

In response to a question relating to future pre-Cabinet scrutiny of the process Members were advised they could contact officers to ascertain the optimum time for Member involvement in the process as it progresses.

With regard to sports facilities the proposed arrangements would not impact on fees and charges that would still be set by the Council.

At this point the Cabinet Member for Environment, any other Cabinet Members and supporting officers present left the meeting.

The Board voted to dismiss the call-in by 9 votes to 7.

Councillors Crowder, Holt, Misir, N Patel, D Patel, Perry, Smith, Themistocli and Wise voted to dismiss the requisition.

Councillors Morgon, O'Sullivan, Hawthorn, Ower, Summers, Williamson and Darvill voted to uphold the requisition.

RESOLVED

That the requisition of the Cabinet decision dated 18 September be dismissed.

The reasons for the dismissal were summarised as follows:

Much of the detail relating to innovation, monitoring and KPIs would be captured as part of the competitive dialogue process and Members would expect to see those details at a later stage and therefore do not wish to refer the matter back to Cabinet at this stage.

Chairman

OVERVIEW AND SCRUTINY BOARD

Subject Heading:	2020/21 Budget Setting Cycle
SLT Lead:	Jane West
Report Author and contact details:	Jane West, Chief Operating Officer, 01708 431994
Policy context:	The Council sets its General Fund Revenue and Capital Budgets every February. The draft finance reports for 2020/21 are provided to the Overview and Scrutiny Board for consideration.
Financial summary:	The financial implications are set out in the attached draft reports.

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

There are five DRAFT Cabinet reports being presented to the Overview and Scrutiny Board for consideration:-

- Havering and Wates Regeneration LLP Business Plan and Budget 2020/2021
- HRA Budget for 2020/2021 and HRA Major Works Capital Programme 2020/21 – 2024/25
- 2020/21 Capital Programme and Strategy

- Treasury Management Strategy Statement (TMSS) 2020/21 and Annual Investment Strategy (AIS) 2020/21, Treasury Indicators and Minimum Revenue Provision Policy Statement for 2020/21, and
- 2020/21 Budget and 2020-2024 Medium Term Financial Strategy

The five draft Cabinet reports are attached to this cover report.

The final Cabinet reports will be published on 4th February 2020, prior to the Overview and Scrutiny Board, and will be received by the Cabinet at their meeting on 12th February 2020. The Cabinet will pass its recommendations through to the Council Tax Setting Council meeting on 26th February 2020.

Although the reports are still being finalised for Cabinet, it is not anticipated that there will be any substantial changes but more exemplification may be added. Therefore it may be useful for Members of the Overview and Scrutiny Board to have the final Cabinet reports to hand at the meeting.

RECOMMENDATIONS

Members of the Overview and Scrutiny Board are invited:

1. to consider, review and scrutinise the content of the five reports
2. to prepare a reference to Cabinet for their meeting on 12th February 2020, if thought appropriate.

REPORT DETAIL

The report detail is contained within the attached reports.

IMPLICATIONS AND RISKS

Financial implications and risks

These are contained within the attached reports.

Legal implications and risks:

These are contained within the attached reports.

Human Resources implications and risks:

These are contained within the attached reports.

Equalities implications and risks:

These are contained within the attached reports.

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CABINET

12th February 2020

Subject Heading:

**Havering and Wates Regeneration LLP
Business Plan and Budget 2020/2021**

Cabinet Member:

Councillor Damian White- Leader of the Council and Portfolio Holder for Regeneration.

SLT Lead:

Neil Stubbings - Director of Regeneration

Report Author and contact details:

Maria Faheem - Regeneration Client Manager
Maria.Faheem@havering.gov.uk
01708 434 379

Policy context:

Havering Housing Strategy 2014-2017
National Planning Policy Framework 2012
Draft London Plan 2017
Emerging Havering Local Plan 2017
HRA Business Plan 2017-2047
Romford Housing Zone - Overarching Borough Agreement with the GLA
Havering Local Development Framework and Romford Area Action Plan 2008
Romford Development Framework 2015

Financial summary:

Is this a Key Decision?

This is a key decision

When should this matter be reviewed? Autumn 2020

Reviewing OSC: Towns and Communities OSC

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

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input checked="" type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

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SUMMARY

The council's overarching vision for setting up the Havering and Wates Joint Venture (HWR) was to facilitate the regeneration of key areas of the borough; to kick-start renewal of key town centres and estates; and deliver truly affordable homes for local people. In addition, the aim is to ensure good quality design of buildings and places by being a joint owner of the development company, thus giving greater control over the design process and ensure delivery of key infrastructure requirements. Any returns to the council are being identified to fund future regeneration programmes across the borough and help fund renewal of our cherished town centres across the borough at a time when the traditional high streets are under significant threat from changing consumer habits.

Through the significant development value generated by this initiative, (approximately £1.5bn) many local businesses and residents will see economic benefits as there will be a focus on maximising the number of contracts awarded to those local companies. A secondary impact of the schemes will also be to support local businesses on those high streets where the developments take place by creating greater "spending power" for those businesses to take advantage of.

When Cabinet agreed to establish the Joint Venture (JV), this was on the basis that there would be regular (annual) reviews and Cabinet would be asked to agree material changes to the business plan on an annual basis, in line with the annual budget setting process. This is the second review following establishment of the JV in April 2018.

The key inputs into the financial models have been reviewed and externally validated. The key inputs are construction costs, expected sales revenues, land values plus other costs such as expectation on s106 and CIL payments. Areas of non-residential use have been updated as the design and planning process proceeds. This incorporates the inclusion of the impact of consultation and engagement events through the planning process.

In addition, the proposed developments have changed with stakeholder engagement to include specific changes as identified below;

- An increase in the affordable housing numbers.
- An increase in the amount of family sized affordable housing.
- Improved build quality of the developments.
- Enhanced design requirements.
- Provision of efficient energy provision.
- Improved specification for the underground refuse storage system.
- Upgraded fire safety specification, including more 'fire lifts'.
- Enhanced social value offering.
- The use of British materials and components where possible.

The resulting increase in affordable housing is significant, rising from 1,186 at the bid stage of the JV to 1,624 as part of this annual review. This is an increase of 438 affordable homes at affordable prices for local people.

The Council, through its involvement in the JV is committed to the delivery of the highest quality homes and places for our residents to live in. The goal is to set a high standard for other developers to follow. This is being achieved as evidenced in paragraph 2.2 below.

The increase in affordable housing and good quality design is being achieved at a time when land values and therefore the inherent value in development has been reducing. Housing values have not increased for the last couple of years whilst construction cost inflation has continued. In the current housing market climate, most developers would halt work or prolong the program until the housing market improves. Moreover, developers would normally look to reduce affordable housing and family housing to protect profits. However with the Councils support, the Joint Venture has continued with the programme dedicated to providing good quality affordable family housing with enhanced design. The additional funding identified within the report shows how these changes are being delivered.

As an estate regeneration programme, the wishes of those moving off the estates remain paramount. Good progress continues to be made on re-housing residents from the estates, with an excess of 98% satisfaction from residents with their new home and the rehousing process.

The updating of these numbers in the viability models and then into the Councils financial dashboards means that this report is able to inform Cabinet of any changes to the expected outputs from the JV as well as informing Cabinet of any changes in the financial position of the JV and our financial commitments to the JV as an investor. This report not only informs Cabinet of changes but also seeks approval of the new Business Plan and the expected financial commitments.

The original decision to set up the JV was informed by key indicators on the viability and outputs. Those key indicators were: Overall % return, Overall financial return, initial stake (Equity: borrowing and land value), impact on the MTFs from the cost of borrowing in the early years, total number of units, number of affordable housing units. These metrics are considered to be the key indicators to identify the viability, outputs and potential financial risks.

The development is currently forecast to receive £60 million development return in revenue to the HRA from year 5 to 15 (see paragraph 6.15). This figure is built into the HRA Business Plan and Rent Setting report also being presented to Cabinet and is not included within the calculations for the average cost of an affordable housing unit within this report.

The table below details those key metrics as reported to Cabinet in the 2019/20 Business Plan and Budget Review and compares them with the numbers in this Business Plan. The table also provides a brief explanation for any changes;

Indicator	Bid Position	Year 1 Review	Year 2 Review	Movement Bid – Year 2	Commentary
% return (profit on cost)	12.2%	12.8%	11.6%	-0.6%	
Equity stake (£)	£63.3m	£41.2m	£36.0m	-£27.3m	MTFS impact of equity investment. Increased level of forward funding and affordable housing, reduces equity requirement.
Equity stake (Land value)	£59.7m	£24.8m	£4.7m	-£55.0m	Changes to specification and tenure mix have eroded Phase 1 land value.
MTFS Revenue Impact 2018-2023 (£)	£0.0m	£9.9m	£6.5m	+£6.5m	MTFS impact of equity investment. Increased level of forward funding and affordable housing, reduces equity requirement.
Total affordable units	1,186	1,599	1624	+438	Increased provision of affordable housing despite reduction in overall unit numbers.
Total Open Market Sale	1926	2152	2094	+168	Addition of NNP Blue Line and Chippenham Road, removal of Delta Estate. Majority of 3 bed units have been reverted to affordable housing product in Phase 1.
Total units	3,112	3,936	3,718	+606	Changes through the planning process and the addition of a further site
% Affordable	38%	41%	44%	+6%	

RECOMMENDATIONS

That Cabinet:

1. **Agree** to endorse and recommend the inclusion of a budget of £121.6m equity for the 12 Sites scheme together with a budget of £76.4m (including £19.6m Napier New Plymouth Blue Line) for potential land acquisition/CPO costs within the proposed HRA capital programme that will be considered by Cabinet in February 2020 in the annual rent setting and capital programme report and that this is recommended to Council for final approval in February 2020.
2. Subject to the approval of the required budget and funding referred to at recommendation 1 **approve** the Havering and Wates Regeneration Joint Venture Business Plan dated January 2020, as attached at the exempt agenda report.
3. Subject to the approval of the required budget and funding referred to at recommendation 1 **agree** to forward fund phase 1 of the 12 Site Programme up to £45.4 million for the development of Napier and New Plymouth (£14.9 million), Solar, Serena and Sunrise Courts (£15.9 million) and the Waterloo Estate (£14.6 million **and authorise** the Director of Regeneration to enter into the necessary forward funding agreements.
4. **Authorise** the Director of Regeneration to consider the appropriation of land at the appropriate time in work package one from the Housing Revenue Account (HRA) to the General Fund, for planning purposes and to consider the appropriation of land at the appropriate time in work package one back to the HRA .
5. **Authorise** the Director of Regeneration to enter into the build licence or build lease (as is appropriate) for sites within work package one of the 12 site regeneration programme, once the Council has met the Conditions Precedent for individual sites.
6. **Approve** the budget of up to £8million for the demolition of the Waterloo Estate and **Agree** for the Director of Regeneration in consultation with the Director of Legal and Governance to enter into contract with the Havering and Wates JVLLP to carry out the demolition of the Waterloo Estate, subject to approval of the demolition application.
7. **Agree** the land assembly budget and proposed redevelopment of the Farnham and Hilldene Estate as part of the Harold Hill District Town Centre Regeneration Project.

8. **Approve** the removal of the Delta Estate from the 12 site regeneration programme.
9. **Authorise** the Director of Regeneration to enter into variations of any of the existing joint venture documentation which is required to implement any of the recommendations contained in this report.

REPORT DETAIL

1.0 **Background**

- 1.1 In June 2016 and October 2016, Cabinet received reports which proposed to increase the number of affordable homes on housing sites owned by the Council. As a result of the information provided to Cabinet, 12 sites vested in the HRA were identified for regeneration.
- 1.2 Key requirements of the project are for the Council to retain the long-term freehold of the land; retain management of the affordable housing; jointly deliver the new developments and to aim to double the amount of affordable housing on the sites while of increasing and maximising the supply of new mixed tenure housing. The objectives for the programme were presented in the Business Case that was agreed by Cabinet in January 2018.
- 1.3 In January 2018, following a Competitive Dialogue procurement process, Cabinet agreed to the formation of HWR; a joint venture established with Wates Residential by entering into a Members' Agreement for the purpose of meeting the Council's regeneration objectives for the 12 HRA sites, on the basis of the Business Case and Legal Summary contained in the Exempt Agenda Report.
- 1.4 HWR has been established as a long-term development partnership to facilitate a programme of residential-led regeneration and estate renewal across an initial tranche of 12 Council-owned housing sites. The joint venture partnership enables both partners to share costs and long term financial risk associated with development whilst retaining a degree of control, ensuring that social and economic benefits remain a focus.
- 1.5 The Council has the right to acquire any affordable housing at a pre-agreed value and allocate those properties via the Council's Housing Register in accordance with its Allocation Policy.
- 1.6 The Council's objectives for this programme have been enshrined into the Members Agreement between the JV partners as objectives for HWR. As a development company HWR will procure design, obtain planning permission, develop, market and sell/let each scheme for the best value achievable.

- 1.7 On 13th February 2019, the first review on the JV's Business Plan was reported to and approved by Cabinet. The review was reported on the basis of updated assumptions which were reflected, scrutinised and verified via updated site development appraisals and the JV's employed agent.
- 1.8 In particular, the report focussed on the progress made on the schemes within Work Package One (WP1) of the 12 Site Programme, which includes Napier and New Plymouth House, Solar, Serena and Sunrise Courts and the Waterloo Estate. Since the last business plan, work has continued to maximise the level of affordable, family sized housing across these schemes as part of the pre-application planning process and expedite the delivery of new homes where possible.
- 1.9 The last business plan also introduced the development prospects identified in Harold Hill, including the redevelopment of the Chippenham Office site as a potential precursor to the wholesale development of the Farnham and Hilldene Estate. This report will inform Cabinet of the progress that had been in assessing the feasibility of delivering this project as part of the 12 site regeneration programme.
- 1.10 The Development Agreement provides that, following the satisfaction of the pre-conditions for a site, the Council will grant and the LLP will accept a building licence unless the parties agree that the Council will grant a building lease because it is a requirement of a lender, it would mitigate any tax liability or the parties agree it would be beneficial or preferable in the circumstances. Whether a building licence or a building lease should be granted will need to be considered by the Council and the LLP each time the conditions are satisfied.

2.0 Progress

2.1 Planning and Design Development

Design development as part of the pre-application planning process has continued for the sites in WP1. Good design has been a key aspect in the evolution of the schemes since establishing the JV, ensuring that each scheme acts as an exemplar housing development within the borough.

- 2.2 As part of the pre-application planning process, consultation has continued with residents, the Local Planning Authority, Strategic Planning Committee, independent Quality Review Panel and other key stakeholders. Each scheme has evolved to design quality environments and homes where residents want to live in and public realm that support community living. Place-making has been a key objective for the Council and each site in WP1 is being designed to meet this objective:

- Napier New Plymouth will set the standard for new homes in Rainham, being a marker of quality for apartment living. The homes will be bright and warm with sunlit courtyards for residents to enjoy the outdoors. The

central park will bring people together, through the careful design of bike and pedestrian paths and children's play spaces. The Majors Panel has commented that "Napier New Plymouth is an exemplar design and has set the standard for Havering going forward".

- Solar Serena Sunrise will be a place with vibrant community spirit, bringing new and existing neighbours together. This flagship retirement village will be home for the active older person. Facilities designed to encourage a range of activities, from a gentle stroll through the central landscaping, or a cycle through Harrow Lodge Park. The new neighbourhood has been carefully designed to create an inclusive and fully accessible environment for residents and visitors. Communal, social open spaces and central garden to support healthy active lifestyles will make this a unique retirement village in Havering. The scheme is committed to enhance flexible space and has dedicated the ground floor of block C to a new flexible communal space.
- The Waterloo Estate will be a destination where everyone is welcome. Residents and the community will feel safe and at home, with front doors lining the streets in a clean and tidy local environment. Biodiversity will return to the town centre. Residents will feel in touch with nature, with ample tree planting, garden beds and places for children to play. Local businesses will thrive in the commercial space fronting Waterloo Road and Adaptable community space will be a focal point for all. The Quality Review Panel has commented that "the reduction in off street parking and the vehicular movement through the development creates a more generous public space within the development".

2.3 The JV is obliged to deliver each scheme in accordance with the Key Requirements set out in the Development Agreement. These requirements set out the parameters for a planning application and include:

- The number of units to be delivered across the development
- The housing bed size and tenure mix
- A requirement for non-residential uses such as commercial and retail.

The Key Requirements for each site may vary as a result of stakeholder consultation and planning policy but will always be required to meet the Council's objectives for the Regeneration Programme. The key requirements of work package one sites have been reviewed to ensure each site meets the Council's objectives and are reported to Places Theme Board prior to a planning application being submitted and are incorporated in the body of the report.

2.4 As part of the review of the key requirements for each scheme in WP1, officers completed a review of the level of affordable housing and bed sizes of the homes being delivered across the sites.

- 2.5 As evidenced below, in comparison to the information extracted from the Local Planning Authority, each site in WP1 is delivering above the average level of affordable housing on major development sites (above 10 units) approved from 2014-18.

Affordable Rent	282	6%
Intermediate	366	8%
Market	4041	85%
Not Known	60	1%
Total	4749	100%

- 2.6 Since bid stage, levels of affordable housing has increased in line with the Council's objectives to maximise the delivery of affordable housing across each site.

Site	Affordable Housing – Bid Stage	Affordable Housing – Year 2 review
Napier and New Plymouth	77.7%	64%
Solar, Serena, Sunrise	25.8%	77%
Waterloo Estate	38.5%	40%
WP1 Total	41.3%	46.4%

- 2.7 The introduction of more affordable housing across WP1 and the provision of private rented housing on the Waterloo Estate has removed £8million worth of cross-subsidy from the financial model. As a result, the development of the retirement village and Waterloo stages one to four will be funded through forward funding from the Council, instead of external debt funding.

- 2.8 In addition to the review of the level of affordable housing, the bed size mix of affordable homes has also been a part of the review process. The Draft Local Plan requires affordable housing to be delivered according to the bed-size mix in the table below. Amongst other sources, this mix has been influenced by the Strategic Housing Market Assessment, which was carried out in 2016, and provides a longer term assessment of housing need, from 2011 – 2033.

Bed-size	1-bed	2-bed	3-bed	4-bed +	Total
	10%	40%	40%	10%	100%

- 2.9 A key requirement for each site within the 12 site programme is that new homes not only meet a demonstrable housing need, but also facilitates the Right to Return for Council tenants that have been rehoused away from a regeneration site. The table below demonstrates that across WP1, the highest level of demand, derived from the Right to Return, is for one bedroom homes.

Right to return requirement	1-bed	2-bed	3-bed	4-bed	Total	
	%	%	%	%	No.	%
Waterloo Estate	32%	32%	35%	1%	171*	100%

Napier and New Plymouth House	64%	30%	6%	0%	87	100%
Total	43%	31%	25%	<1%	258	100%

*no re-provision of Sheltered Housing provision at Queen Street

- 2.10 In addition to the Right to Return, the Council's housing register provides a reference to identify an immediate need for affordable housing provision in the borough, based on those households that present themselves to the local authority. Data from August 2019 shows that in comparison to the Local Plan prescription, a higher proportion of one-bedroom affordable units are required to meet the demand of Havering households. The table below shows bed-size need for the people on the housing register:

Housing Register demand by bed-size	1-bed	2-bed	3-bed	4-bed	5-bed	Total	
	%	%	%	%	%	No.	%
	25%	37%	33%	5%	<1%	1956	100%

- 2.11 The affordable housing demand emanating from the Right to Return and the Housing Register have been imperative in determining the bed-size mix of the affordable homes that will be delivered across WP1. Changes to the proposed housing mix as a result of the data above, are demonstrated below.
- 2.12 Whilst this data supports the delivery of one-bedroom affordable homes across General Needs sites, the provision of affordable and oversized one-bedroom homes at the Solar, Serena Sunrise retirement village was deemed to be the most appropriate solution to meet the housing needs of the over 55's, by providing an affordable home with the flexibility of extra care provision where required.

Bed size	Affordable bed size mix – Bid Stage				Affordable bed size mix – Year 2 review			
	1	2	3	4	1	2	3	4
Napier and New Plymouth	35%	50%	15%	0	44%	42%	14%	0
Solar, Serena, Sunrise	61%	39%	0	0	86%	14%	0	0
Waterloo Estate	43%	50%	7%	0	45%	35%	20%	0
WP1 Total	43%	49%	8%	0	51%	33%	16%	0

- 2.13 In October 2019 the planning application for the redevelopment of Napier and New Plymouth House was approved by the Council's Strategic Planning Committee. This scheme will deliver 197 new homes, 64% of which will be affordable, delivering 126 affordable residential units, including 87 as part of the 'right to return' re-provision for previous Council Tenants.

- 2.14 The planning application for the redevelopment of Solar, Serena Sunrise Courts was submitted in November 2019. Following market research and

refined design principles, greater provision has been made for flexible communal areas to meet the needs of residents and facilitate social inclusion within the local community.

- 2.15 In addition to this, a greater provision of affordable housing has been attained, increasing the affordable provision from 55 homes for affordable rent to a total of 134 affordable homes amounting to an affordable provision of 77%; 80 homes for affordable rent and 54 homes for low cost home ownership.
- 2.16 Low cost home ownership was deemed to be a necessary tenure for the over 55's, enabling a current homeowner to downsize as well as providing an opportunity for them to gain financial flexibility. In line with the GLA Capital funding guide, the shared owners' maximum equity share will be 75% of the property's value.
- 2.17 Some cost increases have resulted from the requirements from the GLA building specification such as the energy centre on Waterloo Estate or through the up-grading of fire protection design in the wake of the Grenfell fire and are specified in the report.
- 2.18 As reported previously, the Waterloo Estate will be developed in a phased approach due to the quantum of homes on the new development. In total, the redeveloped scheme will deliver 1378 new homes. Stage one of the development will include the delivery of 371 homes.
- 2.19 Following stakeholder consultation and design development, a review of the affordable housing that will be delivered across the Waterloo Estate has been reviewed and this has been incorporated within the report. The provision of affordable housing has increased to 40%, from 520 affordable homes to 556. As part of the review, the proportion of homes within the affordable tenure available for rent has risen from 55% to 73%. The number of 3 bedroom affordable homes has increased, from 57 to 110.
- 2.20 The planning processes for Work Package One sites will continue through the business plan period until an implementable planning consent is achieved. The table below shows planning and development milestones for the sites that have been progressed since the last business plan as well as a forecast for the remaining sites in the 12 site programme.

	Submission of Planning Application	Resolution to Grant	1st Completions	Site Completions
Work Package One				
Napier and New Plymouth House	Apr-19	Oct-19	Jan-22	Jun-22
Solar, Serena, Sunrise	Nov-19	Mar-20	Aug-22	Dec-22

Waterloo Estate	May-20	Nov-20	Sep-22	Jan-30
Work Package Two, Three and Four				
Chippenham Rd	Sep-20	Jan-21	Oct-22	May-23
Farnham and Hilldene	Dec-21	Mar-22	Autumn 2024	Spring 2027
Brunswick Court	Dec-21	Mar-22	Spring 2024	Spring 2024
Maygreen Crescent	Dec-23	Mar-24	Summer 2026	Autumn 2027
Delderfield House	Dec-23	Mar-24		Winter 2025
Dell Court	Dec-23	Mar-24		Spring 2026
Oldchurch Gardens	Dec-25	Mar-26	Summer 2028	Summer 2029
Royal Jubilee Court	Dec-25	Mar-26	Spring 2028	Winter 2029
Napier and New Plymouth Blue Line	Dec-25	Mar-26	Autumn 2028	Summer 2030

2.21 Vacant Possession

The estate regeneration program continues to move forward with the requirements of the existing residents being paramount. A significant effort has been made to ensure those people moving out of their homes find suitable alternative homes that meet their needs and that they are supported through the moving process. A full support and compensation package is available and moving residents have been able to take advantage of this and the services of dedicated council offers to arrange moves. We continue to seek feedback from people who have moved and the satisfaction level with the move and new home is at just over 98%.

Council tenants, Leaseholders and freeholders have all received the appropriate support to assist with moves. Council Officers have continued to work with residents to either move them to a new home or purchase their property. The table below shows that good progress has been made regarding the ongoing Council tenant decant programme and leaseholders/freeholders buyback programme. In addition to the Solar, Serena, Sunrise sheltered scheme, Napier and New Plymouth is now completely vacant. This has afforded us the opportunity to begin demolition on these sites.

Demolition of Solar, Serena, Sunrise has now been completed and Napier and New Plymouth nears completion.

Site	Vacant Properties	Temporary Accommodation residents		No. of Council Tenants		Leasehold/freehold purchases		Total	
		Tenants matched	Tenants remaining	Tenants matched	Tenants remaining	Purchases Underway or Agreed	Negotiation Yet to start or Ongoing		
General Needs	Waterloo Estate	268	2	1	3	0	11	6	291
	Chippenham Road	22	0	0	0	0	2	8	32
	Farnham and Hilldene	13	0	70	5	15	0	17	117
	Maygreen Crescent (& Park Lane)	9	0	87	3	7	1	4	111
	Oldchurch Gardens	10	0	55	1	7	1	11	84
Sheltered	Brunswick Court	27	0	0	9		0	0	36
	Delderfield House	2	10	0	0		0	0	12
	Dell Court	2	0	0	11		0	0	13
	Royal Jubilee Court	8	0	0	26		0	0	34
Total	361	225		87		61		734	

2.22 Vacant possession across regeneration sites has been aligned with the strategy to reduce the homelessness pressure on the General Fund. Properties vacated by secure tenants and leaseholders across the regeneration programme have been used as temporary housing for homeless households. As the demolition target date for each site approaches, Housing Services will work to find these households suitable alternative accommodation.

It is the Councils sole responsibility to demonstrate good title and deliver vacant possession on each of the 3 sites. In order that we can extinguish existing development rights, the sites will be appropriated under the Town and Country Planning Act into the General Fund and subsequently returned to the HRA. Any claims for compensation arising from extant rights or Right of Light issues are to be borne by the Council (HRA).

2.23 The expedited delivery of new homes has been a priority for the Council and the JV. Due to the progress of the vacant possession programme at the Waterloo Estate, as demonstrated in the table above, it was proposed by the development team and agreed in principle by the JV Board that the site be considered for demolition, prior to satisfying the conditions precedent, as stipulated by the JV's Development Agreement.

2.24 Two options for demolition have been considered for the Waterloo Estate – single-phase demolition and multi-phase demolition. Evaluation of both options determined that single phase demolition would best meet the Council’s regeneration objectives by delivering:

- £5m savings in comparison to the phased option.
- Accelerated delivery of the development programme by approximately one year.
- Reduced security and estate management costs.
- Reduced disruption to surrounding residents and businesses.

2.25 To facilitate the demolition of the Waterloo Estate the Council will enter into a demolition contract with the JV, and fund the demolition to the cost of up to £8million.

3.0 Scheme Review

3.1 The current scheme design and development financial model anticipates that 1,750 new homes will be delivered in Work Package One, 98 fewer homes than reported at bid stage.

3.2 In line with the Council’s objective to maximise the number affordable homes across its regeneration programmes, through further design development, updated financial appraisals and consultation, 97 more homes will be available on an affordable tenure. This has increased the proportion of affordable homes from 41% to 46%.

3.3 The increase in affordable housing has resulted in the reduction of the number of homes for open market sale, and therefore the financial subsidy that those units provide for the delivery of affordable homes. The movement schedules contained within the exempt agenda demonstrates how the financial model has been affected by the increased proportion of affordable homes.

Site	Demolitions		Proposed					% affordable Housing
	Social Rent	Leasehold/ Freehold	Affordable Rent	LCHO	PRS	Open Market Sale	Total	
Work Package One								
Napier and New Plymouth House	87	10	126	0	0	71	197	64%
Solar, Serena, Sunrise	55	0	80	54	0	41	175	77%
Waterloo	202	71	407	149	0	822	1378	40%

Cabinet, 12th February 2020

Estate (and Queen Street)									
Work Package Two									
Chippenham Road	20	12	115	25	0	66	206	48%	
Farnham and Hilldene	90	27	145	0	0	395	540	27%	
Brunswick Court	47	0	54	0	0	0	54	100%	
Work Package Three									
Maygreen Crescent	88	23	94	24	0	177	295	40%	
Delderfield House	14	0	22	0	0	0	22	100%	
Dell Court	29	0	29	0	0	51	80	36%	
Work Package Four									
Oldchurch Gardens	64	22	122	0	0	184	306	40%	
Royal Jubilee Court	79	0	53	0	0	99	152	35%	
Napier and New Plymouth Blue Line	0	51	63	62	0	188	313	40%	
Subtotals	775	216	1310	314	0	2094	3718	44%	
Total	991		3718						

3.4 Based on the 3,718 model, the 12 site programme would deliver 44% affordable housing, whilst more than doubling the number of occupied affordable homes across the sites. These figures are summarised for comparison in the table below:

	Now	Future	Change
Total number of homes	991	3718	+275%
Occupied General Needs homes	551	1123	+104%
Occupied Sheltered rented homes	224	187	-17%
Low Cost Home Ownership	0	314	+314
RTB losses	217	0	-217
Total occupied affordable homes	775	1624	+110%

- 3.5 In February 2019, Chippenham Road was identified as an opportunity site for regeneration, given its close proximity to the proposed Farnham and Hilldene Estate development and the closure of the Council Housing Office.
- 3.6 Since the decision to include Chippenham Road in the 12 site programme, consultation has been carried out with key stakeholder groups. Evident from this has been the necessity for strategic alignment between the Chippenham Road and Farnham and Hilldene sites in order to develop a vibrant district Town Centre in Harold Hill.
- 3.7 It is envisaged that a comprehensive Harold Hill town centre development would be a flagship, place-making community-led regeneration programme that supports the socio-economic aspirations of the local community. Investment in this area would seek to get the most out of local community assets, with the intention of creating public spaces that promote health, happiness, wellbeing of residents and opportunities for growth for local businesses.
- 3.8 Initial appraisals on the proposal for comprehensive redevelopment in Harold Hill have been carried out and are being refined to reflect feedback received during initial consultations with stakeholders and principles of good place-making established during the planning process of WP1. In Spring 2020 a report will ask Cabinet to consider a proposal for comprehensive redevelopment, including targets for delivery such as cost and units. One option for the scheme would be development through the Havering and Wates JV.
- 3.9 The updated financial model assumes the removal of Delta Estate from the 12 Site Regeneration Programme. Our original proposal for the Delta Estate proposed that up to 495 new homes could be developed across the estate and presented a good opportunity to intensify affordable housing in close proximity to the upcoming Crossrail station at Gidea Park.
- 3.10 However, through further consultation and after revisiting the original capacity studies, carrying out more technical surveys and planning feasibilities of the area, it was determined that the proposed scheme would not meet the regeneration objectives agreed by the Council, nor the aspirations of local residents.
- 3.11 Work has continued to develop the additional opportunity and “blue line” sites. Based on the capacity studies carried out on these seven opportunities and blue line sites, an additional 1,293 new homes could be delivered, 44% of which would be affordable.
- 3.12 It is therefore proposed that the Council agree to move forward with the Napier and New Plymouth blue line opportunity, in place of the Delta Estate. Characteristically, blue line sites present a development opportunity in close proximity to the sites that have already been approved by Cabinet.

3.13 As presented above, capacity studies and preliminary planning assessments indicate a scope to deliver 313 new homes on the Napier and New Plymouth Blue Line site, 40% of which would be affordable. This site will be subject to an extensive site assembly programme, requiring the acquisition of 51 freehold properties.

4.0 Financial Review

4.1 The business case assumptions have been updated to reflect anticipated economic conditions and design development including enhanced design features and the reduction in open market housing cross subsidy due to the increased provision of affordable housing.

4.2 Key changes are summarised in the following text and in the exempt agenda report.

4.3 **Unit Numbers** – The financial review assumes that 606 more homes will be delivered across the 12 site programme than that which was anticipated at bid stage. This is mainly attributable to the introduction of the Chippenham Road and Napier and New Plymouth Blue line sites.

4.4 **Affordable Housing** – The updated financial model assumes an additional 438 affordable units across the 12 sites since bid stage. This is the result of increased affordable provision across WP1, in addition to the high proportion of affordable housing proposed on the Chippenham Road site.

4.5 **Price per Affordable Rented Unit** – At bid stage an average offer price of £172,000 per plot for the affordable rented units. Forward funding has effectively increased this to £222,317 per plot as a result of: build cost inflation, design and development enhancements, reduction in private sale cross subsidy and the impact of providing more affordable housing and more family sized accommodation.

4.6 **Demolition of the Waterloo Estate** – It is proposed that the Council will enter into contract with the JV for the demolition of the Waterloo Estate, prior to meeting the Condition Precedent as set out in the Development Agreement. The anticipated costs of demolition is up to £8m.

4.7 Forward Funding

In February 2019, it was reported to Cabinet that due to the splitting of WP1 and effective removal of the cross-subsidy from Waterloo Estate, Napier and New Plymouth House would require forward funding to enable its development. The Council is essentially providing a grant to the LLP to fund the delivery of affordable housing and part of the development cost to deliver the scheme of Napier and New Plymouth. Following the financial review of this business plan, the forward funding requirement has increased from £12.3m to £14.9m as a result of design enhancements.

- 4.8 The forward funding agreement will be contracted in the form of a grant agreement between the Council and the JV LLP for the amount of £14.9m. The grant will be delivered in staged payments, certified by Ikon – the Council’s employed agent and can only be used to deliver the development as per the planning permission and London Design Guide and Specifications. The JV will be required to monitor the development costs on a quarterly basis as part of the agreement.
- 4.9 Key changes to the Solar, Serena, Sunrise and Waterloo Estate schemes mean that forward funding is also required in order to unlock the development of these sites:
- Solar, Serena, Sunrise retirement village – an increased number of affordable homes, reduction in subsidy from open market sales, larger provision of communal spaces and design enhancements have led to an increase in the cost of delivering the scheme. The requirement of forward funding from the Council for this site is £15.9m.
 - Waterloo Estate - an increased provision of affordable and 3 bed affordable homes, reduction in cross subsidy due to the reduction of homes for open market sale, enhanced provision of public realm and building designs have led to an increase in the cost of delivering the scheme. The requirement of forward funding from the Council for this site is £14.6m.
- 4.10 The financial figures identified in this report represent a point in time, and it is anticipated that as the development progresses, the housing market will revert to a period of growth in house prices, which will enhance the value of the scheme. Had the housing market performed in line with historic trends, it is estimated that open market and shared ownership revenues to HWR would have increased by £49 million, effectively eliminating the requirement for forward funding. The blended average cost to the HRA including shared ownership units is £180k per unit. This represents good value is significantly below what can be delivered from the market, other development partners and delivery models.

REASONS AND OPTIONS

- 5.0 **Reasons for the decision:**
- 5.1 To incorporate revised assumptions an updated programme into the Business Plan for the period 2019-20.
- 5.2 To continue to secure the Councils regeneration objectives for the 12 Site Regeneration Programme.

5.3 The optimisation of affordable housing provision to be purchased by the HRA, on advantageous terms via a Joint Venture vehicle, to help sustain the HRA long term.

5.4 To maximise the level of family housing and retirement provision in the borough.

5.5 **Other options considered:**

The adoption of the Business Plan is a consent matter. Without the Council's approval, as a Member of the LLP, the revised Business Plan could not be adopted and the current Draft Business Plan would be maintained. The Council is in contract with Wates as a commercial partner for the delivery of the regeneration of sites within work package one and share the associated costs. These commitments will need to be upheld.

5.6 Not approving the revised Business Plan may have a negative impact on the

Council's ability to continue funding land acquisition which in turn will have implications with delivery targets including affordable housing delivery and achieving targets agreed with GLA in the Overarching Borough Intervention Agreements.

Not adopting the revised Business Plan may also give rise to negative market sentiment with a consequential impact on the wider development market that this scheme would otherwise seek to stimulate.

IMPLICATIONS AND RISKS

6.0 **Financial implications and risks:**

6.1 Detailed Financial information is contained within the exempt appendices.

10.0 **Legal implications and risks:**

10.1 This report follows a number of previous reports to Cabinet including the report in February 2019 which considered the first JV business plan.

10.2 The Council is being asked to approve the business plan dated 3 December 2019, which includes a number of changes from the previous business plan that was approved.

10.3 The Council has entered into the joint venture LLP with Wates pursuant to a number of powers including the Housing Act 1985, the Housing and Regeneration Act 2008, the Local Government Act 1972 and the general power of competence in section 1 Localism Act 2011. The general power of

competence will enable the Council to enter into the contract required with the JV LLP to carry out demolition works at the Waterloo Estate.

10.4 The Council is now contractually committed to progress the project in accordance with the agreements that have been entered into with Wates and the JV LLP, unless variations are agreed by the parties.

10.5 This report seeks approval for an amended work package one and sets out the financial and other implications of proceeding with the scheme.

10.6 More detailed legal advice is contained within the exempt appendices.

11.0 Human Resources implications and risks:

11.1 There appear to be no HR implications or risks arising that impact directly on the Councils workforce.

12.0 Equalities implications and risks:

12.1 The public sector equality duty under section 149 of the Equality Act 2010 (“PSED”) requires the Council when exercising its functions to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and to foster good relations between those who have protected characteristics and those who do not. ‘Protected characteristics’ include: gender, race and disability, sexual orientation, age, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment. The Council is committed to improving the quality of life for all, and supports wider social and economic growth through social and physical regeneration.

12.2 The wider implications associated with the project are addressed in the overarching Equalities Impact Assessment (EIA) appended to the January 2018 Cabinet report - 12 HRA Sites JV Procurement – Entering into a Limited Liability Partnership. Consequently all matters associated as a result of entering this agreement are addressed.

12.3 Officers are about to embark on a commissioning process to update site specific EIAs to re-evaluate the need of individuals and households affected by this regeneration programme. This will also include a site specific EIA for the Napier New Plymouth Blue Line site.

BACKGROUND PAPERS

None

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CABINET

12 February 2020

Subject Heading:

HRA Budget for 2020/2021 and HRA Major Works Capital Programme 2020/21 – 2024/25

Cabinet Member

Councillor Joshua Chapman – Lead Member for Housing

SLT Lead:

Patrick Odling-Smee, Director of Housing

Report Author and contact details:

Patrick Odling-Smee, Director of Housing
Patrick.Odling-Smee@havering.gov.uk

Rita Bacheta
Strategic Finance Business Partner
Regeneration and Housing
01708 432924
rita.bacheta@onesource.co.uk

Martin Fahy
Interim HRA Accountant
01708 432651
martin.fahy@havering.gov.uk

John Price
Finance Business Partner
01708 433595
j.price@havering.gov.uk

Policy context:

This report presents the HRA Budget recommendations for agreement by Cabinet and recommendation on to Council for consideration and approval.

Financial summary:

The Council is required to set an annual HRA Revenue Budget for 2020/21. This report includes recommendations to agree the HRA revenue spend budget, the rents and other charges, the HRA Major Works Capital programme, detailed in Appendix 1a and the Business Plan projections as outlined in Appendix 2a and 2b.

Is this a Key Decision?

Yes

Is this a Strategic Decision?

Yes

When should this matter be reviewed?

September 2020

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

This report sets a budget for the Council's Housing Revenue Account (HRA) and HRA Major Works and Capital Programme. An update on the HRA Business Plan is also provided.

Cabinet should note that during 2019/20 the Housing department became a new directorate reporting directly to the Chief Executive of the Council, led by a newly created Director of Housing and newly appointed senior management team.

The HRA remains a ring-fenced account that is used to manage and maintain the Council's own housing stock. The proposed budget will enable the Council to manage the stock to a good standard, maintain the existing stock to a decent standard and provide funding for a significant acquisition, new build and estate regeneration programme. It further sets rents, service charges and other charges for Council tenants and leaseholders for the year 2020/21.

As part of the new regulatory framework for local government housing services, following the Housing Green paper, councils are now subject to the Regulator of Social Housing's (RSH) Rent Standard. This has ended the annual 1% reduction that has applied for the past 4 years and re-established the CPI + 1% increase.

In order to change any HRA rent liability, the local authority must notify tenants and give 28 days' notice of any change after the authority has made a properly constituted decision of that change. This means that, following a Cabinet decision on rent levels to be charged in any year, the local authority must write to all tenants to advise them of the new rent liability for the following 12 months.

Should the Cabinet adopt the recommendations, a notification will be sent to tenants in the first week of March 2020, in order to make the new charge effective from the first week of April 2020.

RECOMMENDATIONS

That Cabinet:

1. **Approve** the Housing Revenue Account Budget as detailed in paragraph 3.6.
2. **Agree** that the rents chargeable for tenants in general needs Council properties owned by the London Borough of Havering be increased by 2.7% from the week commencing 6th April 2020.

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3. **Agree** that the rents chargeable for tenants in supported housing Council properties, such as sheltered housing and hostels, owned by the London Borough of Havering, are increased by 2.7% from the week commencing 6th April 2020
4. **Agree** the four rent-free weeks for 2020/21 as being: week commencing 19th August 2020, the two weeks commencing 14th and 21st December 2020, and the week commencing 29th March 2021.
5. **Agree** that service charges and heating and hot water charges for 2020/21 are as detailed in paragraph 2.4.2 of this report.
6. **Agree** that the service charges for homeless households accommodated in the Council's hostels in 2020/21 are as detailed in paragraph 2.6.1 of this report.
7. **Agree** that charges for Houses in Multiple Occupation (HMO) leased and managed by the Council (General Fund) are set at the LHA Single Room Rate Applicable on the 6th April 2020. See para 2.3.2.
8. **Agree** that charges for garages should be increased by 2.7% in 2020/21 as detailed in paragraph 2.2.1 of this report.
9. **Agree** that the service charge for the provision of intensive housing management support in sheltered housing for 2020/21 shall be as detailed in paragraph 2.5.1 of this report.
10. **Agree** that the Careline support charge should be increased by 2.7% for 2020/21 as detailed in paragraph 2.5.4 of this report.
12. **Agree** that the Telecare support charges should be increased by 2.7% for 2020/21 as detailed in paragraph 2.5.4 of this report.
13. **Approve** the HRA Major Works Capital Programme, detailed in **Appendix 1a** of this report and refer it to full Council for final ratification.
14. **Approve** the HRA Capital expenditure and financing for the 12 Sites Joint Venture and other acquisition and regeneration opportunities detailed in paragraphs 3.5.1 to 3.5.21 and **Appendix 1b** of this report and refer it to full Council for final ratification.

REPORT DETAIL

1. BACKGROUND

- 1.1 As reported previously to Cabinet, the Localism Act 2011 changed the financial system for the management of council housing. The new system has provided freedom and independence for the local management of council housing finance by comparison to the previous national subsidy system.
- 1.2 The new system started in April 2012, and the Housing Revenue Account (HRA) business plan is designed to provide long-term management of the Council's housing assets. The Council has freedom to direct our resources to the best and most cost effective management of the Council's housing stock. However, we do not have complete freedom – some aspects remain centrally controlled, such as the

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use of capital receipts and rent setting - as highlighted by the mandated 1% reduction in rent that has been in place for the last 4 years.

- 1.3 This report sets out what HRA income the Council has available to spend on housing, the current HRA financial position and the proposed spending plans for 2021/22.
- 1.4 The regulation of the social housing has changed as a result of the Grenfell Tower disaster and the Housing Green Paper of 2019. The Government has instructed the Regulator of Social Housing to take a more proactive role in the implementation of the standards and quality of management of council housing. In particular, they are consulting on a new Home Standard that will specify the quality and safety of local authority housing. They have also implemented a new rent standard for all social housing and issued guidance to local authorities on the implementation of this standard.
- 1.5 The Council recognises that there is a need for good quality affordable homes, especially for vulnerable residents such as the elderly, those on low income and first time buyers, and has set out its ambition to meet these needs by using resources generated through the Housing Revenue Account Business Plan. The formula for setting social rent should enable registered providers, including councils, to set rents at a level that allows them to meet their obligations to their tenants, maintain their stock (to at least Decent Homes Standard) and continue to function as financially viable organisations.
- 1.6 However, there are many influences on the resources available to the HRA. These are all identified and quantified within the HRA Business Plan (HRA BP). The Business Plan is composed of various income and expenditure lines. Some of the lines are under the complete control of the Council, whilst some are affected by market conditions, government policy and legislation.

The lines in the business plan that have a direct impact on the income into the HRA BP include:

- Any capping of Local Housing Allowance (LHA) levels.
- Rent policy regarding supported housing rents.
- Service charge recovery.

The lines in the business plan which affect the levels of expenditure in the HRA BP include:

- Planned maintenance to existing stock.
- Responsive repairs costs to existing stock.
- Delivery of new build homes.
- Staffing costs.
- Financing costs of the borrowing in the HRA.
- Losses from bad debts, voids etc.

- 1.7 The first part of the enquiry into the Grenfell Fire was released in October and the recommendations have been incorporated into the council new fire safety strategy. While it is still not clear which of these recommendations will be implemented by the government the potential costs of implementing these recommendations have been included with the capital and revenue budgets for 2020/21 and into the business plan for future years as a precaution and to ensure that we fulfil our obligations as a good landlord to maintain the safety of tenants and leaseholders.

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2. INCOME

2.1 Rents

- 2.1.1 The previous Government required Councils to reduce rents by 1% against July 2015 levels for four years. This reduced the rental income available to the HRA over the four years of the reduction by just below £8m. This significantly reduced the income in the business plan model by £68m over 10 years and this loss can never be recovered. From 2020/21, the HRA will revert to the original rent setting formula of up to CPI +1% for 5 years. CPI for September 2019 was 1.7% so the rent increase for 2020/21 will be 2.7%. The council does have discretion to set a lower rent however, given the increase comes after 4 years of rent cuts, it is recommended to implement the maximum increase allowed. This provides certainty for rents in council housing up to 2025.
- 2.1.2 Following the implementation of Universal Credit new social housing rents caps at LHA levels was introduced in 2019/20 to replace "limit rents". In Havering, the LHA levels for each bedroom size is above the levels of the 2020/21 social rents and so there is no impact on the HRA BP. The LHA levels have been frozen for many years, until this year, however this will also have no financial impact on the HRA BP as council rents are below existing LHA levels. Future announcements on LHA levels may have a future impact and this will be kept under review and reported annually as part of the rent setting report.
- 2.1.3 The 2020/21 average weekly rent, applying the 2.7% increase to all General Needs properties and Sheltered Housing units is £98.51. Individually, the average weekly rent for the General Needs properties is £99.61 and £84.43 for the Sheltered Housing units.
- 2.1.4 The rent charged to hostel residents will be increased in line with new general needs rents for 2020/21 – 2.7%.

2.2 Garages

- 2.2.1 It is proposed to increase the level of charges for garages in 2020/21 by 2.7%. There are currently a range of charges for garages within the high, medium and low demand bands. Currently over one third of our garages have low rates of occupancy. This is due to a combination of poor condition and low marketability. There is significant investment needed to bring the buildings and sites up to a good standard that will enable better utilisation of these assets and increase revenue whilst at the same time improving the amenities for residents. The increased charges will enable revenue to be raised to carry out a number of much needed improvements and support a review of the garages and parking arrangements. This issue is one of our tenants' key priorities. The increase means that the average charge for a high-demand garage will be £15.34 per week (£14.94 in 2019/20), £14.29 per week (£13.92 in 2019/20), for a medium demand garage and £11.12 per week (£10.83 in 2019/20) for a low-demand garage.
- 2.2.2 These charges compare favourably with charges in the private market which range from £15.63 per week to £31.25 per week depending on location, size and condition.

2.3. Temporary Accommodation Rents and Charges

2.3.1 **Shared HMO Properties.** The charges for HMO properties leased and managed by the council has been historically set at the one bedroom LHA (£149) rates however since the implementation of Universal Credit residents have only been able to claim the single room rate (£79.72). This has meant many residents are not able to afford to pay the charge. It is therefore recommended that the single room rate is charged from 6th April 2020.

2.4 Service charges

2.4.1 The aim of the Council is to recover the costs of providing a service. We also ensure that the services they receive are value for money. There will continue to be a regular programme of reviews of services to make sure we deliver value to tenants and leaseholders.

2.4.2 The basis for calculation of service charges to ensure full recovery of the cost of the service is accepted practice where landlords are able to fully justify the cost base and calculation method and conforms to our legal requirements. It also maintains equality of charging between leaseholders and tenants. As a result of the restructuring that took place in 2019/20 there have been a review of management overheads on service costs. This has resulted in an increase for some services however, so in order to ensure any increased are affordable to tenants, a limit of 25% has been applied to the increases on each service charge line which has followed the practice adopted in the previous five years. On that basis, the service charges and heating and hot water charges for 2020/21 are detailed in the following table:

Service Charges	2019/20 Weekly charge (£)	2020/21 weekly charge (£)
Caretaking	4.86	4.97
Internal Block Cleaning	2.85	2.74
Bulk Refuse Collection	0.60	0.71
CCTV - Mobile Service	0.76	0.76
CCTV - Static Service	1.70	1.70
Community Wardens	1.12	
HRA Enforcement Services (replacing community wardens)		1.12
Door Entry	0.35	0.32
Grounds Maintenance	4.38	4.64
TV access	1.88	1.82
Heating	6.39	5.60
Heating and Hot Water	9.89	8.99

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2.4.3 The Heating Service Charge has reduced slightly, due to the cost of fuel being lower.

2.4.4 The Council has recently undertaken consultation on changes to a new enforcement service, replacing the former community warden service. Residents have been advised that the charge will remain on the same as the previous cost as a result of the reorganisation and the service they receive from the new service will be enhanced.

2.5 Sheltered Intensive Housing Management Charge

2.5.1 The sheltered housing service directly engages with residents in schemes and in their homes. Following the modernisation programme over the last 2 years, the sheltered schemes are provided with direct intensive services and well-designed communal facilities. A recent review of service charges has shown that the service charge needs to reflect the full cost of providing the service. Therefore, charges in relation to Sheltered Intensive Housing Management service will increase from £8.83 to £11.04. This has been capped so the increase does not exceed 25% in line with previous commitments.

Service Charges	2019/20 Weekly charge (£)	2020/21 weekly charge without the 25% cap (£)	2020/21 weekly charge with the 25% cap. (£)
Sheltered Cleaning	7.00	9.81	8.75
Sheltered Intensive Housing Management	8.83	15.84	11.04

2.5.2 There are individual charges for sheltered schemes which will be levied separately so that residents will pay for services they use directly. This includes mobile scooter storage, which are lockable containers. There are several residents who do not use mobile scooters. A laundry token system will be introduced which will charge according to actual usage. Laundry facilities are based on commercial laundry equipment with renewal and replacement programmed each year.

2.5.3 Service charges – Careline and Telecare support

2.5.4 It is proposed that the Careline and Telecare service charges will be increased by 2.7% for 2020/21 as detailed below:

Service	2019/20 Weekly charge (£)	2020/2021 Weekly charge (£)
Careline – sheltered tenants	4.87	5.00
Careline – community users	5.20	5.35

Service	2019/20 Weekly charge (£)	2020/21 Weekly charge (£)
Telecare – base unit plus two sensors	7.56	7.76
Additional Telecare sensor	1.25	1.28

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2.6 Hostels in the HRA

- 2.6.1 There are two hostels in the housing revenue account. Following a review of service charges there is a need to increase the charges to ensure full cost recovery. The service incurs significant costs due to security and facilities costs across 24-hour coverage. It is proposed to limit the increase to no more than 25%.

Additional Hostel Support

Service	2019/20 Weekly charge (£)	2020/21 Weekly charge (£)
Hostels - Additional Staffing Support (ASS)	13.28	16.60
Hostels – Service Charges (HSC)	26.68	34.47

3. THE HRA BUDGET 2020/21

- 3.1 The major expenditure from the HRA Business Plan is the investment in existing stock or the capital programme. The level of expenditure is controlled by each local authority and is dependent on the investment levels in the Asset Management Strategy (AMS). During 2020/21, the council will carry out a new stock condition survey, the results of which will inform investment decisions as part of a new Asset Management Strategy.
- 3.2 As detailed in the AMS, this level of expenditure allows decent homes levels to be maintained and all health and safety requirements to be met. In order to meet the decent homes target, planned expenditure on new kitchens, bathrooms and electrical systems remain at previous levels.
- 3.3 As the main level of income to the HRA BP comes from rents, it is imperative that the number of rental properties is maximised. The current HRA BP expects to lose 65 properties per year through RTB and other stock due to regeneration. This reduces rental income by around £0.168m per year, assuming a full year loss of income per property. Rent loss will also be incurred from the loss of properties through the regeneration programme. These losses have been factored into the business plan income projections.
- 3.4 Capital funded by revenue, has reduced from £5.0m to £1.917m, in line with the Business Plan requirements.
- 3.5 It is anticipated that an additional interest payment of £0.813m will be required, to cover the borrowing level necessary to fund the 2020/21 capital investment.

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3.6 Draft HRA Budget 2020/21

	2019-20 Final Budget	2020-21 Final Budget	Variance
Income and Expenditure		£	£
Income			
Dwelling rents	(45,125,040)	(46,099,240)	(974,200)
Garages	(326,280)	(326,280)	0
Charges for services and facilities - Tenants	(6,042,560)	(5,816,040)	226,520
Charges for services and facilities - Leaseholders	(1,574,340)	(1,574,340)	0
Shared ownership	(142,530)	(142,530)	0
Other	(578,080)	(859,670)	(281,590)
Total Income	(53,788,830)	(54,818,100)	(1,029,270)
Expenditure			
Repairs and maintenance	7,304,380	7,216,180	(88,200)
Supervision and management plus recharges	24,869,680	24,844,330	(25,350)
Depreciation and impairment	16,590,400	16,590,400	0
Debt management costs	47,820	47,820	0
Bad debt	665,000	665,000	0
Total Expenditure	49,477,280	49,363,730	(113,550)
Net cost of HRA services	(4,311,550)	(5,454,370)	(1,142,820)
Interest payable and similar charges	6,262,090	7,075,000	812,910
Interest and investment income	(64,810)	(64,810)	0
Surplus or deficit for the year on HRA services	1,885,730	1,555,820	(329,910)
Statement on movement of HRA balances			
Surplus or deficit for the year on HRA services	1,885,730	1,555,820	(329,910)
Capital expenditure funded by the HRA	5,000,000	1,917,000	(3,083,000)
Reversal of impairment charge	(7,285,720)	(7,285,720)	
Net (income)/Expenditure	(399,990)	(3,812,900)	(3,412,910)

3.7 Capital programme

3.7.1 12 Sites Joint Venture Funding

The remaining provisions for expenditure below relate to the 12 sites joint venture proposals. A report on the revised Havering and Wates Regeneration Joint Venture (HWR JVLLP) Business Plan and Budget 2020/2021, is presented elsewhere on this Cabinet agenda. One of the recommendations on this report is:

That Cabinet agree:

Agree and Endorse the inclusion of a budget of £121.6m equity for the scheme together with a budget of £76.4m for potential land acquisition/CPO costs within

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the proposed HRA capital programme that will be considered by Cabinet in February 2020 in the annual rent setting and Capital Strategy and Programme report and this is recommended to Council for final approval in February 2020.

- 3.7.2 The update of the HWR JVLLP business plan has significant financial implications for the Housing Revenue Account and Capital Programme.
- 3.7.3 The following summarises the potential key changes that have been incorporated into the latest refresh of the HWR JVLLP Business Plan and Opportunity Site Assessments.
- 3.7.4 **Delta Estate**
It is proposed that the development of the Delta Red Line site is withdrawn from the scope of the 12 Estates programme. The scheme was earmarked to deliver 198 units of affordable housing at a cost of £19.0m, with a gross equity requirement of £14.7m and vacant possession costs of £5.9m.
- 3.7.5 **New sites**
It is proposed that HWR JVLLP formally adopt the Napier New Plymouth Blue Line site, with a gross equity requirement of £9.0m and vacant possession costs of £19.6m to deliver 125 units of affordable housing at a cost of £19.0m.
- 3.7.6 Napier & New Plymouth House (NNP) would require the Council to fund £14.9m. This would be in the form of a grant from the HRA to HWR JVLLP. Cabinet set an allocation of £12.3m aside in February 2019. Therefore, a further uplift of £2.6m is required.
- Solar, Serena and Sunrise Estates (SSS) would require the Council to fund the value of the site £15.9m. This would be in the form of a grant from the HRA to HWR JVLLP.
- Waterloo Estates (WQS) would require the Council to fund the value of the site £14.6m. This would be in the form of a grant from the HRA to HWR JVLLP.
- It is proposed that the Council enter into contract with HWR for the demolition of Waterloo Estate, prior to meeting the Conditions Precedent as set out in the Development Agreement. The anticipated costs of demolition is up to £8.0m. This is in addition to the £4.1m set aside by Cabinet in February 2019 to bring forward the demolition of the Napier New Plymouth and Solar Serena Sunrise estates.
- 3.7.7 The current proposals for the 12 Sites require £121.6m to meet the Council contribution to the HWR JVLLP. Part of the equity would be in the form of HRA land, the net value of which is currently estimated at £4.7m (all 12 sites plus Chippenham Road), with the remaining £116.9m as cash funding. Cabinet approved an allocation of £117.9m in February 2019.
- 3.7.8 It should be noted that the Council is committed to achieving vacant possession for all 12 sites. Cabinet set an allocation of £79.9m aside in February 2019, including £20.0m for the acquisition of the land interests on the NNP blue line site.
- 3.7.9 As outlined above, an allocation of £287.7m should be set aside for the cost of acquiring the affordable housing developed by the HWR JVLLP (1,310 rented

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units). Cabinet set an allocation of £235.5m aside in February 2019, therefore an uplift of £52.2m is required.

- 3.7.10 The Council has secured £30.3m of GLA grant funding for phase 1 (the first four sites) and a further allocation of £11.4m to fund the development of Chippenham Road. On Work Packages 2, 3 and 4, it is currently assumed that grant funding would be secured on Royal Jubilee Court, Brunswick Court and Dell Court, with no assumption for grant on the remaining red line sites due to the GLA requirement for a successful tenant ballot on regeneration sites.
- 3.7.11 Grant is assumed for the blue line sites at the rates specified in the recent GLA Building Council Homes for Londoners funding prospectus.
- 3.7.12 The HWR JVLLP will develop 314 shared ownership units, with an assumption of buyers taking a 40% interest, with the exception of Solar, Serena, Sunrise, where it is forecast that HWR would yield an average receipt of 70% OMV. The Council, as freeholder, will take the residual interest at no direct cost. In effect, this value has been deducted from the valuation of the sites, when granting the build licence/lease to the HWR JVLLP.
- 3.7.13 It is intended that the HRA will purchase the shared ownership and social rent properties built by the HWR JVLLP. This will require a payment to the HWR JVLLP from the HRA of £287.7m which will be met within the HRA Revenue Budget, Capital Programme and associated business plan. It will also be necessary to make provision of £2.7m to cover the potential Stamp Duty Land Tax liabilities. In addition, the revised Solar, Serena, Sunrise proposal makes provision for 41 units of open market sale, yielding £15.2m to HWR. Given the nature of older person housing, and the relatively slow level of sales, it will be necessary to provide a longstop arrangement with HWR aside for the Council (HRA) to acquire any open market units remaining unsold after the agreed longstop date.
- 3.7.14 Bridge Close Joint Venture – Acquisition of Affordable Dwellings**
- 3.7.15 It is intended that the HRA will purchase the shared ownership and social rent properties built by the Joint Venture. This will be subject to review of the HRA Business Plan and any necessary approvals by Cabinet and/or Council of the revised Housing Capital Programme. The units will be purchased on completion. This will require a payment to the Joint Venture from the HRA of £94.7m which can be met within the HRA business plan, along with estimated SDLT costs of £4.7m. This contribution will be reflected in the updated HRA Business Plan, subject to progression of this scheme.
- 3.7.16 Regulations applying to RTB receipts allow the use of right-to-buy (RTB) receipts to fund the provision of affordable rented units – these will be used to help meet the HRA's acquisition costs in respect of this project, £6.7m. The RTB agreement with the Secretary of State allows the HRA to fund up to 30% of the costs of acquisition of social units from these receipts. In the regulations, "social" means that the units are for rental at a discount to the market rent. RTB receipts cannot be used in conjunction with GLA grant. Therefore, any units purchased with the help of RTB receipts cannot have had GLA grant used to part fund their build.

3.7.17 Acquisition of Affordable Dwellings

- 3.7.18 It is proposed that the HRA will purchase the shared ownership and social rent properties built by the North West Romford Development Vehicle (NWRDP). This will be subject to review of the HRA Business Plan and any necessary approvals by Cabinet and/or Council of the revised Housing Capital Programme. The units will be purchased on completion. This will require a payment to NWRDP from the HRA of £145.9m which will be paid from the within the HRA business plan, along with estimated SDLT costs of £5.9m. This contribution will be reflected in the updated HRA Business Plan, subject to progression of this scheme.

Grant is assumed for the blue line sites at the rates specified in the recent GLA Building Council Homes for Londoners funding prospectus. In addition, the shared ownership housing will be marketed to qualifying households. Receipts yielded from the initial disposal will augment grant funding secured to minimise the overall borrowing requirement.

3.7.19 Crow Lane Development

It is intended that the HRA will purchase 38 large family affordable homes from Hollybrook Ltd at the site at Crow Lane/Sandgate Close, Romford. The total cost of the 38 units is £15.356m, the use of right to buy receipts will reduce the cost of borrowing required for the scheme to and therefore, the net payment to Hollybrook Ltd from the HRA is £10.749m. The cost to the General Fund is £14.285m, for the remaining 44 units.

- 3.7.20 £26m over the next two years has been provided for additional acquisition opportunities that present good value for money for the HRA in the provision of affordable housing. These will each be subject to a detailed business case and formal approval.
- 3.7.21 Following the success of the scheme, with the purchase 33 properties in 2019/20, £13m has been provided for the buy-back of former council properties for use as social housing. This includes the contribution of right to buy receipts.
- 3.7.22 £13.9m over three years has been provided for to develop a new high quality welcome and assessment centre for homeless families subject to a detailed business case.

4. Major Works Budget – HRA 2020/21 – 2024/25 major works resources and proposed spend.

- 4.1 There has been considerable work carried out in the Property & Land Service to ensure that the current budget provision is sufficient to maintain the stock on an ongoing, timely basis and fulfil the Council's landlord obligations, particularly around health and safety.
- 4.2 For this year's budget setting, we have included an allocation of £0.75m for a one-off asset survey exercise to update and validate 25% of the housing stock condition data. This will enable more precise targeting of future financial investment and inform the 30-year business plan. This will also include an assessment of the need for future investment in estate and other environmental improvements.

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- 4.3 The planned maintenance programme has also taken account of the need for additional investment in the Council's plant to ensure that replacements are programmed well in advance of components such as lifts and communal boilers reaching the end of their useful life. Overall, the planned maintenance replacement programme consists of £1.018m additional re-profiled expenditure.
- 4.4 Property and Land Services are also responsible for the direct delivery of new Council housing where the Council oversees the development and building of new council homes on land owned by the HRA. A new project identified to increase unit numbers on an existing block by utilising unused loft space is included for 2020/21. £0.85m build costs with the remaining £0.1m being on-costs for surveys and professional fees
- 4.5 As well as the direct delivery of new council homes, the HRA must make an ongoing capital contribution to ensure the timely maintenance of existing council housing and fulfil landlord obligations around the health and safety of residents. Primary amongst these considerations is an effective fire safety management regime, particularly in light of the tragic Grenfell Tower fire and the requirement to meet the Homes Standard.
- 4.6 The Council has reviewed its fire risk management strategy that is supported by an ongoing rolling programme of type 4 fire risk assessments. A budget of £2.235m has been allocated for works associated with fire risk such as upgrading fire doors, door surveys and fire prevention works. This funding will support the officer resources required to carry out the rolling programme of FRAs.
- 4.7 A review of the Council's asbestos programme has identified an additional requirement for asbestos surveys to be carried out in both communal areas and individual properties to ensure that the Council's asbestos register is kept up to date. This is an additional budget requirement of £0.35m that covers removal works and surveys to support the year's capital programme.
- 4.8 Additional budget of £1.5m has been allocated for improved inspection and works for communal electrical maintenance, emergency lighting, fire alarm & lightning protection installations and upgrades to ensure we are compliance with the latest guidance and the Regulator of Social Housing's Home Standard.
- 4.9 An additional provision of £0.03m has been requested for a new vehicle for the telecare service, on top of the usual £0.05m allocation for HRA equipment upgrades.
- 4.10 An additional £0.3m for upgrades of equipment associated with Door Entry, CCTV & communal electronic doors.
- 4.11 An additional £0.45m to complete the replacement of wooden balconies to the Hitchin & Sevenoaks Close estate.
- 5. 30 year Business Plan 2018/19 to 2047/48**
- 5.1 Attached at Appendix 2a and 2b are extracts from the reworked HRA 30-year Business Plan financial model. Year 1 of the business plan is based on the 2020/21 budget.

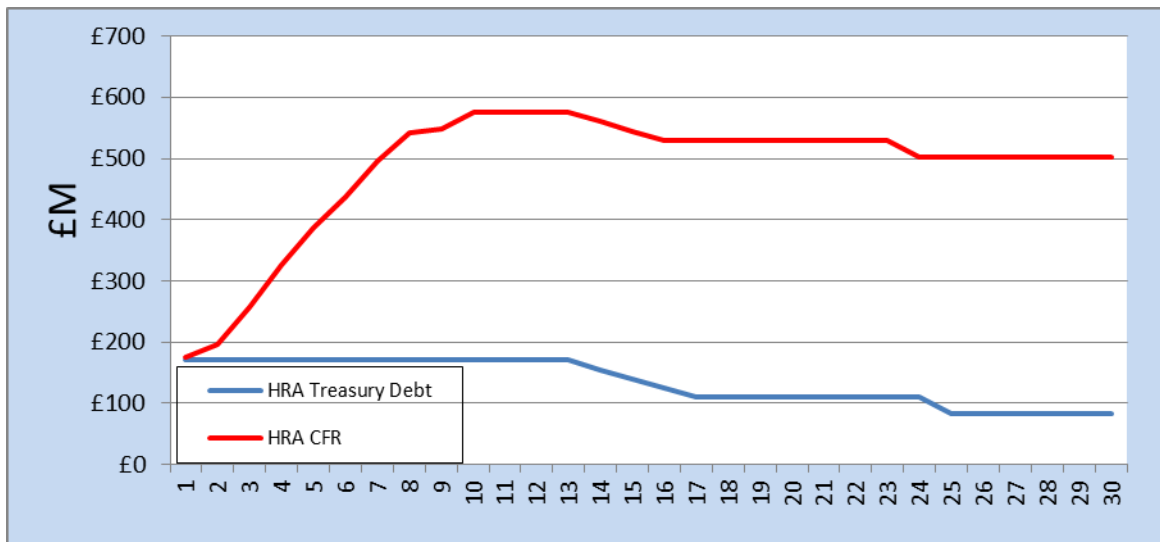
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- 5.2 The plan for the HRA is based on keeping a minimum of £10m in working balances and using current reserves above this figure to invest in the major works programme. It has been assumed that all available resources over and above those required for revenue spend, payment of interest on debt and maintaining reserves at £10m, are available for major works, for as long as the stock condition survey requires it.
- 5.3 The Business Plan projections are based on the following assumptions:
- Right to Buy of sales completed above that originally anticipated and is projected at 65 in 2020/21 reducing to 50 per year from 2021/22.
 - Majority of borrowing (self-financing debt) fixed at 3.26%
 - Rental income is based on CPI +1 for the next 5 years then CPI onwards.
 - Stock numbers based on the losses and increases according to the Regeneration programme.
 - No repayment of debt with the 30-year business plan period.
- 5.4 In October 2018 the Government announced the immediate removal of the HRA borrowing cap (from 29th October 2018). This means the Council can borrow against the HRA assets to fund new development as long as the prudential borrowing rules are followed. The Business Plan assumes borrowing of £400m over and above the current £176m treasury debt. The borrowing is against the following projects, some of which is funded by HRA reserves, land and reinvestment of capital receipts.

<u>Scheme</u>	<u>Capital £m</u>
12 Estates	336
Bridge Close	105
NW Romford	154
HRA Acquisitions Fund	20
Reactive Acquisition Fund	26
Hostel Reprovision	14
Borough (South) Development Opportunities	8
Total	663

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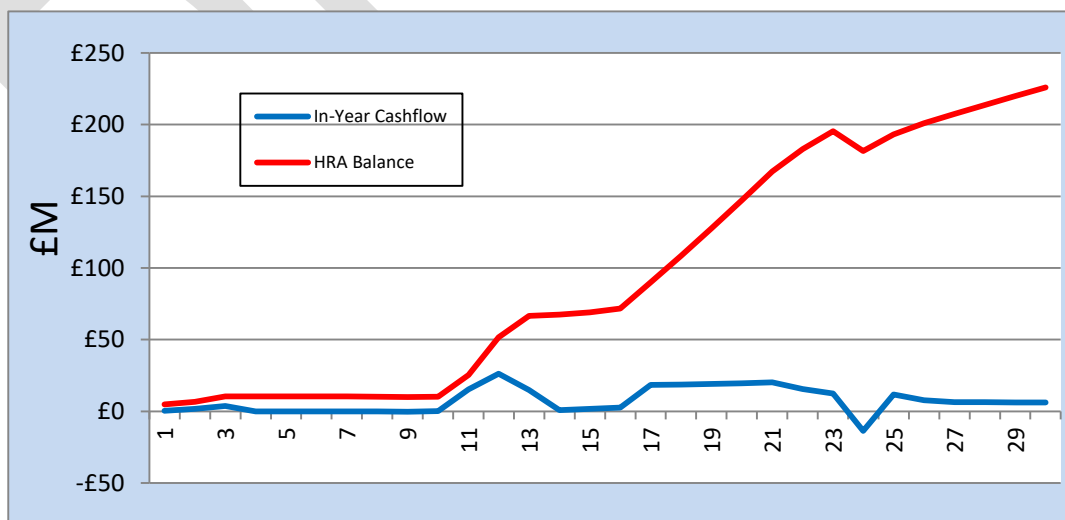
5.5 The HRA continues to increase borrowing until 2027/28, at which point the debt peaks at £576m with total additional borrowing of £400m.



CFR = Capital Finance Requirement

5.6 From 2041/42, the HRA debt remains at £502m and the annual cost of servicing this debt is £16m against a rental income of £82m. This is because the debt is made up of long-term loans that are not repaid until after the 30-year plan. There is enough income to cover the cost of debt but to note gross debt levels are over four times the total income levels. However, it also assumed that the value of stock does exceed the value of debt with the current Red Book valuation of approximately £555m.

5.7 The Business Plan makes provision for the repayment of some of treasury debt to leave an outstanding balance of £82m from 2043/44. It would be prudent, in future Business Plans, once projects have been completed, to make provision to reduce debt levels. This level of debt needs to be sustainable in the long term and supported through the Council’s Treasury Management policy.



5.8 As the graph above demonstrates the balances recover from year 11 (2028/29) and therefore it is proposed to implement a HRA debt management strategy from 2028/29 that will ensure the debt is maintained at sustainable level to deliver on-

going investment in the existing stock and the new build. The stock condition survey referred to in paragraph 4.4 will form the basis of a long term asset management strategy that will inform the investment needs of the stock in the new business plan period. Specialist business planning advice will be sought and a report brought back to Cabinet with recommendations in 2020/21.

6. CONCLUSION

- 6.1 The Self-Financing Business Plan extracts (Appendix 2a and 2b) show that the Council is able to maintain and improve its stock and provide good quality housing services over the next 5 years. The Housing Revenue Account budget, which is set out in this report is designed to maintain a good level of service, and inject further resources into a programme of major investment in the housing stock that will maintain the Homes Standard of existing housing stock and provide significant funding for wide-ranging estate regeneration programmes. The long-term implications of this investment needs to be assessed when considering the viability and affordability of future investments.

REASONS AND OPTIONS

Reasons for the Decision

The Council is required to set the housing rent, service charges and a budget in accordance with the Local Government and Housing Act 1989 and set a budget that is not in deficit.

Alternative Options Considered

There are no alternative options in so far as setting a budget is concerned. However, there are options in respect of the various elements of the budget. These are considered in preparing the budget and cover such things as the rent and service charge increases, budget growth and major works programme proposals. The rationale for the levels of investment and levels of charges are contained within the body of this report.

IMPLICATIONS AND RISKS

Financial implications and risks:

HRA Revenue

This report largely concerns the financial implications and risks concerning the setting of the HRA budget for 2020/21 and the revision of the figures for the 30-year Business Plan. The HRA is sufficiently robust to generate a minimum estimated annual working balance reserve of £10m at the end of 2020/21 and for the following 3 years.

In addition to £10m reserves on the HRA, there is a bad and doubtful debt provision of £3.328m.

HRA Investment Capital Budget

Appendix 1a sets out the Major Works Programme 2020-21. This is funded from resources available for housing expenditure, which is summarised in the table below: -

	20/21	21/22	22/23	23/24	24/25	5 yr totals
Funded By	£m	£m	£m	£m	£m	£m
Major Repairs Reserve	9.235	9.235	9.235	9.420	9.608	46.733
Right to Buy Receipts	1.460	1.460	1.053	1.053	1.053	6.079
Borrowing	41.759	68.121	60.192	52.046	57.663	279.781
Other receipts and grants	33.488	23.026	36.266	41.837	26.080	160.698
HRA Reserves	9.345	4.330	1.950	4.541	6.297	26.462
RCCO	1.917	7.424	7.527	10.685	18.033	45.586
	97.204	113.596	116.223	119.581	118.734	565.339

The capital programme incorporates the HRA capital funding requirements for the 12 Estates HWR JVLLP and sets aside sufficient capital resources to fund the acquisition of 321 affordable dwellings (30% affordable) from the Bridge Close HWR JVLLP. These commitments will require the Council (HRA) to borrow an additional £356m by the close of 2024/25.

Risks

Legal implications and risks:

Under Part VI of the Local Government and Housing Act 1989, any local authority that owns more than 200 units of housing stock is obliged to maintain a Housing Revenue Account. The HRA is a record of revenue expenditure and income in relation to an authority's own housing stock. The items to be credited and debited to the HRA are prescribed by statute¹. It is a ring-fenced account within the authority's General Fund, which means that local authorities have no general discretion to transfer sums into or out of the HRA.

By section 76 of the Local Government and Housing Act 1989, the Council is required in January and February each year to prepare, and make available for public inspection, proposals relating to the income of the authority from rents and other charges, expenditure in respect of repair, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be made on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance. The report sets out information relevant to these considerations.

Section 76 also places a duty on local housing authorities: (a) to ensure that the annual budget for their HRA avoids a deficit; (b) to review and if necessary, revise that budget from time to time and (c) if it seems that an end-of-year deficit may occur, to take all reasonably practicable steps to avoid it. The proposed HRA budget fulfils these requirements.

The report seeks approval for major investment estimates in relation to a variety of schemes. In compliance with Section 151 of the Local Government Act 1972, the Council has in place Financial Regulations and Financial Procedures that provide appropriate arrangements for the approval of major works estimates. The various major works

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schemes must be capable of being carried out within the Council's statutory powers. To the extent that the details of the schemes appear from the body of the report, it does appear that the proposed works meet this requirement. In particular the maintenance and repair of dwellings may be considered consistent with the Council's repairing obligations under Sections 9Aⁱⁱ and 11 of the Landlord and Tenant Act 1985.

The regulator may under section 194(2A) of the Housing and Regeneration Act 2008 set standards for registered providers requiring them to comply with specified rules about their levels of rent (and the rules may, in particular, include provision for minimum or maximum levels of rent or levels of increase or decrease of rent).

The Equality Act 2010 requires the Council to have due regard to the public sector equality duty when carrying out its functions and have due regard to the need to eliminate discrimination and advance equality of opportunity. They must also show they have carried out an Equality Impact Assessment in reaching such decisions as introducing charges *to tenants*.

Human Resources implications and risks:

There are no HR implications arising from this report.

Equalities implications and risks:

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An equalities impact assessment has been carried out. Of note, central government influences rent levels and the rent increases proposed within this report will be affordable to households on welfare benefits. Furthermore, best practice and guidance dictates that service charges should be set at a level that covers the cost of providing the service to which the charge relates. Therefore, the Council cannot operate in an unfettered way within regard to the rents and service charges it sets. That said, the Council has examined the proposals in this report from an equalities perspective.

60% of council tenants are in receipt of Housing Benefit. The proposed rents and service charges eligible for housing benefit are within the housing benefit caps for Havering,

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therefore those in most financial hardship, which can include particular minority groups, will be protected.

The investment in new homes through the HRA will benefit those in housing need in the borough and will therefore have a positive impact on households with protected characteristics.

The Council will monitor the impact of the increase across protected characteristics. We will ensure that anyone affected by the increase has equal access to advice and information in relation to income maximisation should they be unable to meet their rent/service charge liabilities. We will follow the guidelines set out in the income maximisation policy. The EIA will be updated in 6 months with information provided through the monitoring process and if required further activity will be undertaken to mitigate any adverse impact.

BACKGROUND PAPERS

1. *Policy statement on rents for social housing*, MHCLG 2019

Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/781746/Policy_Statement.pdf

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Appendix 1a – Draft 2020/21 – 2024/25 HRA Major Works Capital

	20/21	21/22	22/23	23/24	24/25	5 yr totals
New Build Programme	£M	£M	£M	£M	£M	£M
New Build Programme already funded	3.708		0	0	0	3.708
Total	3.708	0	0	0	0	3.708
	20/21	21/22	22/23	23/24	24/25	5 yr totals
Stock Upkeep works to maintain standards including Major Repairs	£M	£M	£M	£M	£M	£M
Major Voids	0.450	0.450	0.450	0.450	0.450	2.250
Major Voids (Regen Moves)	0.300	0.300	0.300	0.300	0.300	1.500
Structural	0.150	0.500	0.500	0.500	0.500	2.150
Laterals & electrical risers	0.500	0.100	0.100	0.100	0.100	0.900
Emergency Lighting, Fire Alarms Upgrades, Lightning Protection	1.000	1.000	1.000	0.250	0.250	3.500
Commercial Communal Electrical Testing & Upgrades	0.060	0.060	0.060	0.060	0.060	0.300
Legionella	0.170	0.170	0.170	0.170	0.170	0.850
Fencing / Boundary Walls	0.060	0.060	0.060	0.060	0.060	0.300
Drainage/Sewers	0.050	0.050	0.051	0.052	0.050	0.253
Asbestos Work	0.650	0.650	0.650	0.650	0.650	3.250
External Redecorations	0.818	0.818	0.818	0.818	0.818	4.090
Careline equipment	0.080	0.050	0.050	0.050	0.050	0.280
Stock Condition Surveys	0.750	0.000	0.000	0.000	0.000	0.750
Aids and Adaptations	0.550	0.550	0.561	0.572	0.550	2.783
Door Entry, Satellite TV, CCTV & Automatic Doors	0.300	0.300	0.300	0.300	0.300	1.500
Total	5.888	5.058	5.07	4.332	4.308	24.656

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	20/21	21/22	22/23	23/24	24/25	5 yr totals
	£M	£M	£M	£M	£M	£M
Stock Upkeep works to maintain standards including Major Repairs						
Bathrooms	0.880	0.880	0.880	0.880	0.880	4.400
Kitchens	0.379	0.379	0.379	0.379	0.379	1.895
Roof Replacements	1.250	1.650	1.650	1.650	1.650	7.850
Boiler Replacements (Domestic)	1.500	1.500	1.500	1.500	1.500	7.500
Boiler Plant Upgrades (Communal)	1.200	1.200	1.200	1.200	1.200	6.000
Windows (Domestic)	0.500	0.375	0.375	0.375	0.375	2.000
Windows (Communal)	0.275	0.275	0.275	0.275	0.275	1.375
Electrical Testing & Assoc. Upgrades (Domestic)	0.800	0.800	0.800	0.800	0.800	4.000
Passenger Lift Upgrades	0.500	0.000	0.250	0.900	0.000	1.650
Kitchen/Bathrooms at Void stage (Routine)	0.270	0.270	0.270	0.270	0.270	1.350
Kitchen/Bathrooms at Void stage (Decant Voids)	0.210	0.210	0.000	0.000	0.000	0.420
Sheltered Housing Refurbishments	0.120	0.000	0.000	0.000	0.000	0.120
Total	7.884	7.539	7.579	8.229	7.329	38.56
	20/21	21/22	22/23	23/24	24/25	5 yr totals
	£M	£M	£M	£M	£M	£M
Contingency for Fire and Compliance Work	3.275	4.015	3.425	3.425	3.665	17.805
Total	3.275	4.015	3.425	3.425	3.665	17.805
TOTALS	20.755	16.612	16.074	15.986	15.302	84.729

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Appendix 1b - 2020/21 – 2024/25 HRA Regeneration and Acquisition Programme.

	20/21	21/22	22/23	23/24	24/25	5 yr totals
	£m	£m	£m	£m	£m	£m
12 Estates						
Affordable Housing (inc SDLT)	10.059	31.792	42.457	41.179	40.558	166.045
Partner Loan (Land)	0.000	0.590	1.208	0.479	0.616	2.893
Partner Loan (Cash)	10.651	22.010	16.573	7.125	11.643	68.002
NNP Gap Funding	10.695	16.034	9.746	4.262	0.000	40.738
Vacant Possession	10.812	4.219	1.677	7.841	12.086	36.635
Tenant Compensation	0.825	0.767	0.725	0.725	0.725	3.767
Demolition (NNP and SSR)	7.800	0.000	0.000	0.000	0.000	7.800
Bridge Close						
Affordable Housing (inc SDLT)	0.000	0.000	13.900	22.918	22.922	59.739
Acquisitions (Residential Properties)	0.000	3.009	0.000	0.000	0.000	3.009
North West Romford						
Affordable Housing (inc SDLT)	0.000	0.000	4.000	15.180	14.882	34.061
HRA Acquisitions Fund						
Affordable Housing (inc SDLT)	10.000	0.000	0.000	0.000		10.000
Reactive Acquisition Fund						
Affordable Housing (inc SDLT)	14.607	11.540	0.000	0.000	0.000	26.147
Hostel Reprovision						
Hostel reprovision	1.000	7.021	5.900	0.000	0.000	13.921
Rainham Opportunity Site						
Affordable Housing (inc SDLT)	0.000	0.000	3.965	3.887	0.000	7.852
Proposed Capital Programme (Including New Build and Funded Schemes)	76.449	96.982	100.150	103.596	103.432	480.609
	20/21	21/22	22/23	23/24	24/25	5 yr totals
Funded By	£m	£m	£m	£m	£m	£m
Major Repairs Reserve	9.235	9.235	9.235	9.420	9.608	46.733
Right to Buy Receipts	1.460	1.460	1.053	1.053	1.053	6.079
Borrowing	41.759	68.121	60.192	52.046	57.663	279.781
Other receipts and grants	33.488	23.026	36.266	41.837	26.080	160.698
HRA Reserves	9.345	4.330	1.950	4.541	6.297	26.462
RCCO	1.917	7.424	7.527	10.685	18.033	45.586
	97.204	113.596	116.223	119.581	118.734	565.339

Appendix 2a: Draft HRA Projections from Business Plan - Years 1-10, 20 and 30.

Year	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2040.41	2050.51
£'000													
INCOME:													
Rental Income	47,355	49,352	51,995	53,412	56,825	58,364	60,674	62,721	65,022	68,014	70,380	81,998	95,009
Void Losses	-1,058	-1,026	-998	-1,030	-1,098	-1,133	-1,180	-1,225	-1,272	-1,333	-1,381	-1,624	-1,900
Service Charges	8,042	8,179	8,342	8,509	8,679	8,853	9,030	9,210	9,395	9,583	9,774	11,915	14,524
Non-Dwelling Income	333	458	1,380	2,164	2,750	3,210	3,868	4,244	5,118	5,439	5,667	5,701	5,530
Grants & Other Income	381	2,223	1,343	4,905	11,184	2,581	15,524	6,977	5,295	13,749	462	564	687
Total Income	55,052	59,187	62,062	67,960	78,339	71,875	87,916	81,928	83,557	95,452	84,903	98,554	113,850
EXPENDITURE:													
General Management	-25,381	-25,817	-26,473	-27,088	-27,806	-28,486	-29,138	-29,913	-30,610	-31,434	-32,180	-39,237	-47,810
Special Management	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Management	0	0	0	0	0	0	0	0	0	0	0	0	0
Rent Rebates	-130	-134	-138	-142	-146	-149	-152	-155	-158	-161	-164	-200	-244
Bad Debt Provision*	-674	-698	-730	-744	-783	-797	-823	-841	-867	-899	-926	-1,073	-1,237
Responsive & Cyclical Repairs	-7,341	-7,430	-7,546	-7,665	-7,831	-7,982	-8,233	-8,434	-8,739	-8,995	-9,221	-11,415	-13,358
Total Revenue Expenditure	-33,525	-34,079	-34,886	-35,638	-36,566	-37,413	-38,346	-39,344	-40,373	-41,490	-42,491	-51,925	-62,648
Interest Paid	-7,075	-8,975	-10,957	-12,702	-14,305	-15,933	-16,987	-17,239	-17,830	-17,805	-17,773	-16,328	-15,359
Finance Administration	-49	-50	-51	-52	-53	-54	-56	-61	-63	-63	-65	-72	-88
Interest Received	521	584	503	450	242	176	140	121	161	343	511	1,131	1,522
Depreciation	-9,235	-9,235	-9,235	-9,420	-9,608	-9,800	-9,996	-10,196	-10,196	-10,196	-10,196	-10,196	-10,196
Net Operating Income	5,690	7,432	7,436	10,598	18,048	8,851	22,671	15,209	15,257	26,240	14,890	21,164	27,080
APPROPRIATIONS:													
FRS 17 /Other HRA Reserve Adj	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Provision (HRACFR)	0	0	0	0	0	0	0	0	0	0	0	0	-463
Revenue Contribution to Capital	-1,917	-7,424	-7,527	-10,685	-18,033	-8,964	-22,891	-15,028	0	0	0	-8,715	-15,131
Total Appropriations	-1,917	-7,424	-7,527	-10,685	-18,033	-8,964	-22,891	-15,028	0	0	0	-8,715	-15,594
ANNUAL CASHFLOW	3,773	8	-91	-87	16	-113	-220	181	15,257	26,240	14,890	12,449	11,486
Opening Balance	6,685	10,458	10,466	10,375	10,288	10,304	10,191	9,971	10,152	25,408	51,648	182,899	248,721
Closing Balance	10,458	10,466	10,375	10,288	10,304	10,191	9,971	10,152	25,408	51,648	66,538	195,348	260,207

Appendix 2b: Draft HRA Capital Investment Requirement Projection from Business Plan

Year	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2040.41	2050.51
£'000													
EXPENDITURE:													
Planned Variable Expenditure	0	0	0	0	-93	-150	-406	-558	-913	-1,168	-1,358	-2,917	-3,462
Planned Fixed Expenditure	-28,735	-35,964	-31,155	-20,890	-24,854	-19,668	-25,907	-21,026	-8,895	-10,038	-10,611	-11,915	-16,663
Disabled Adaptations	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital Expenditure	-25,680	-20,049	-13,171	-7,687	-3,738	-3,813	-3,889	-3,967	-4,046	-4,127	-4,210	-5,132	-6,256
New Build Expenditure	-63,087	-57,582	-71,897	-91,005	-90,048	-75,750	-56,027	-48,481	-38,637	-17,254	-15,745	0	0
Procurement Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Previous Year's B/F Shortfall	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Expenditure	-117,502	-113,595	-116,223	-119,581	-118,733	-99,382	-86,229	-74,032	-52,492	-32,587	-31,924	-19,964	-26,380
FUNDING:													
Major Repairs Reserve	9,235	9,235	9,235	9,420	9,608	9,800	9,996	10,196	-8,136	9,262	-4,017	10,196	10,196
Right to Buy Receipts	1,460	1,460	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053
HRA CFR Borrowing	62,057	68,121	60,192	52,046	57,663	45,403	6,489	27,616	0	0	0	0	0
Other Receipts/Grants	33,488	23,026	36,266	41,837	26,080	30,549	44,249	19,540	59,172	22,178	34,888	0	0
HRA Reserves	9,345	4,330	1,950	4,541	6,297	3,612	1,552	599	403	95	0	0	0
Revenue Contributions	1,917	7,424	7,527	10,685	18,033	8,964	22,891	15,028	0	0	0	8,715	15,131
Total Capital Funding	117,502	113,595	116,223	119,581	118,733	99,382	86,229	74,032	52,492	32,587	31,924	19,964	26,380

CABINET

12 February 2020

Subject Heading:

2020/21 Capital Programme and Strategy

Cabinet Member:

Councillor Damian White, Leader

SLT Leads:

Jane West
(Chief Finance Officer)

Report Author and contact details:

Mark White
Capital Finance Manager
01708 433624
mark.white@onesource.co.uk

Policy context:

This report presents the Council's Capital Strategy and associated Capital Programme for agreement by Cabinet and recommendation on to Council for consideration and approval.

Financial summary:

The Council is required to approve the Capital Strategy as per the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice. The Council is required to set a balanced budget and the capital strategy and subsequent capital programme form part of this process. The financial implications of this strategy are included as part of the 2020/21 Budget Medium Term Financial Strategy report elsewhere on this agenda.

Is this a Key Decision?

Yes

When should this matter be reviewed?

Annually

Reviewing OSC:

Overview and Scrutiny Board

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

The Council is required by statute (the Prudential Code for Capital Finance in Local Authorities, 2017 Edition) to agree the capital programme and associated capital strategy. Local authorities are required to have regard to the current editions of this code by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) Regulations 2003 [SI 3146].

This report sets out the Authority's Capital Strategy and presents the Council's proposed capital budget for 2020/21 and the medium term.

RECOMMENDATIONS

Cabinet is asked to:

1. **Recommend to Council for consideration and approval** the 2020/21 and ongoing Capital Programme (subject to business cases for the regeneration schemes being approved in line with the governance process)
2. **Agree** that the Chief Financial Officer be authorised to allocate funding from the Capital Contingency included within the draft Capital Programme.
3. **Agree** that externally funded schemes can be added to the capital programme up to £500k as and when funding is confirmed. Any external funding over £500k will be subject to approval by the Chief Financial Officer.
4. **Agree** that the relevant Cabinet Member, together with the Cabinet Member for Finance and Property be delegated authority to commence tender processes and accept tenders for capital schemes included within the approved programme under the block programme allocations or delegation arrangements set out in this report.
5. **Approve** the capital strategy contained within this report noting its impact on both the capital programme and overall contribution to the setting of the revenue budget for 2020/21 and beyond
6. **Note** the capital prudential indicators included within the capital strategy when approving the capital programme to ensure affordability.

REPORT DETAIL

1. Capital Strategy

1.1 Overview

1.1.1 This capital strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It should be read in conjunction with the following reports, all of which can be found elsewhere on this agenda:

- Treasury Management Strategy Statement (TMSS)
- Medium Term Financial Strategy (MTFS)
- HRA Business Plan and rent setting report
- Investment and Regeneration Business Cases

The capital strategy is underpinned by the strategic aims of the Council as outlined in the Corporate Plan – Cleaner, Safer, Prouder, Together. The Corporate Plan is being updated for 2020/ 21. The future capital investment will be focused into the delivery of these objectives for the Council.

1.1.2 The Corporate Plan includes the four objectives below;

- Opportunities – Making life better
- Place – Great place to live
- Connections – Making life easier
- Communities – A helping hand

The Council is investing in major developments across the Borough as part of the Regeneration schemes and Mercury Land Holdings portfolio, planning to deliver new and replacement affordable homes and enabling self-sustaining communities to grow.

1.1.3 The capital programme includes a continuing investment in the core infrastructure of carriageways and footways, and the capital programme recognises the commitment to managing the performance, risk and expenditure on its infrastructure assets.

1.1.4 The asset management investment focuses on maintaining the core assets including the office estate, schools and other operational buildings against an

asset management plan. The Council is currently undertaking an Accommodation Strategy refresh and looking at rationalising its estate and maximising the utilisation of those assets. A paper is being produced for Cabinet setting out the Council's Asset Management Strategy. The Council has brought together its budgets in relation to its operational asset management into a Corporate Landlord function which prioritises repairs and maintenance across the office estate and operational buildings. Ongoing repairs and maintenance budgets, including funding for health and safety work, are built into both the revenue budget and capital programme.

1.2 Governance of capital approvals

- 1.2.1 The capital programme, which is updated for new proposed schemes, revised profiling, slippage and changes in expenditure projections is presented to full Council every year for approval. Council approval of the programme gives an allocation to budget managers in the capital programme. Separate approval is required in line with the financial regulations, delegations and approved budget envelopes. The capital programme reported here covers the current MTFS reporting period of four years, However with the Council's engagement in longer term capital investments the timeframe over which the capital programme and financing costs are monitored extend beyond this period.
- 1.2.2 The process for including new schemes in the 2020/21 capital programme was undertaken as part of corporate budget setting, with a standardised bidding process. Project outlines were considered in terms of delivery of corporate objectives or operational plans, and a shortlist of schemes were approved for the production of outline business cases for consideration by Cabinet.
- 1.2.3 Any bids for capital funding outside the approved capital programme in year would need to include a business case demonstrating either a clear link to corporate objectives or the requirement to meet an operational imperative, establish the funding source to meet the cost and follow approval processes laid down in the Council's standing orders and financial regulations.
- 1.2.4 There is an established methodology for the development of project documentation and business cases, overseen by the corporate Programme Management Office. There is a corporate system which holds the key programme performance and delivery information used to manage and monitor the milestones, risk and outcomes of the programmes.
- 1.2.5 The above investments and processes are taking place against a background of austerity and significant uncertainty in the future sources of funding for local government. It is therefore a key aim of the Council's capital strategy that it delivers a financial return on investment, such as capital receipts and new revenue streams, or delivers key strategic priorities.

1.2.5 Value for money (VFM) is a key component of capital projects. As part of the business case development and evaluation process, projects will need to show that all options have been considered and that the option that has been chosen is cost efficient and effective. The monitoring and management of these projects against the business case assumptions ensures that the focus on value for money remains for the life of the project.

1.2.6 The Council has chosen not to invest in purely commercial projects. Its capital investment is primarily related to increasing and improving the provision of a rich mix of housing tenures that help to address the acute housing need in the borough. There is a commercial return built into a number of the schemes but this is not the predominant focus for the Council.

2. 2020/21 – 2024/25 General Fund (GF) Capital Programme

2.1 Overview

2.1.1 After taking into consideration the existing approved capital programme, new bids and the capital investment plans, the full proposed capital programme has been developed for Members to approve.

2.1.2 Requirements under the Prudential Code require the Council to separate out its main Capital Programme from its Capital Investments.. The following sections of this report set out:-

- the existing main programme (section 2.2)
- the new bids proposed for the main programme (section 2.3)
- The revised Regeneration Programme (section 2.4)

2.1.3 The capital budgets submitted for approval of expenditure are presented excluding anticipated slippage from the existing capital programme. Actual slippage will be reported and rolled forward into 2020/21 as part of the closure of the 2019/20 accounts.

2.1.4 The 2020/21 GF Capital Programme does not include HRA capital spend which is approved through the HRA Business plan report.

2.2 Existing Capital Programme

2.2.1 Table 1 below splits out the existing already approved capital programme by key themes whilst Appendix 1 sets out the full 2020/21 and beyond existing capital programme, revised to reflect the current position on the existing schemes e.g. to incorporate slippage and in-year budget virements.

Table 1 - Existing Capital Programme & Funding

Summary of Existing Approved GF Capital Programme	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m
Adults				
Adults Services Other	2.650	0.000	0.000	2.650
Adults Total	2.650	0.000	0.000	2.650
Asset Management				
Corporate Buildings	3.932	0.000	0.000	3.932
Health & Safety	0.106	0.000	0.000	0.106
Libraries	0.285	0.000	0.000	0.285
Pre Sale Expenses	0.250	0.000	0.000	0.250
Schools Building Maintenance	1.041	0.000	0.000	1.041
Schools Expansions Programme	37.874	0.824	0.000	38.698
Asset Management Total	43.487	0.824	0.000	44.311
Bereavement Services				
Cemeteries & Crematoriums	2.067	0.000	0.000	2.067
Bereavement Services Total	2.067	0.000	0.000	2.067
Childrens				
Childrens Services Other	3.515	0.000	0.000	3.515
Childrens Total	3.515	0.000	0.000	3.515
Customer & Communications				
Art & Culture	0.313	0.000	0.000	0.313
Libraries	0.008	0.000	0.000	0.008
SLM	5.907	0.854	0.485	7.246
Customer & Communications Total	6.228	0.854	0.485	7.567
Environment				
Environment Services	0.020	0.000	0.000	0.020
Highways	12.000	2.000	2.000	16.000
Parking	0.900	0.000	0.000	0.900
Street Lighting	0.196	0.000	0.000	0.196
Environment Total	13.116	2.000	2.000	17.116
ICT Services				
ICT Infrastructure	0.620	0.620	0.620	1.860
ICT Services Total	0.620	0.620	0.620	1.860
Regeneration				
Bridge Close - Other Schemes	8.289	7.188	5.323	20.800
Regeneration - Economic Development	1.058	0.000	0.000	1.058
TFL	0.525	0.000	0.000	0.525
Regeneration Total	9.872	7.188	5.323	22.383
Total GF Capital Expenditure	81.556	11.486	8.428	101.469
Funding				
Capital Receipts	7.006	0.000	0.000	7.006
Revenue and Reserve Contributions	0.146	0.000	0.000	0.146
Grants & Other Contributions	41.044	0.824	0.000	41.868
Borrowing	33.359	10.662	8.428	52.449
Total Funding	81.556	11.486	8.428	101.469

2.3 New Capital Bids

2.3.1 In addition to the existing capital programme there has also been a review of the future capital requirements undertaken across the business. The updated new bids are shown in Table 2 below. Cabinet is asked to recommend these bids to Council for approval as part of the approval of the total Capital Programme.

Table 2 – New Capital Programme for approval

Table 2 - New GF Capital Schemes

Internally Funded Schemes Presented for Approval	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Bereavement Services					
Cemetery Extension - Additional Funding	3.100	0.000	0.000	0.000	3.100
Cremator Replacement	1.250	0.000	0.000	0.000	1.250
Customer & Communications					
Coronation Gardens Wall	0.030	0.000	0.000	0.000	0.030
Park Improvements	1.750	0.500	0.500	0.500	3.250
Gate Improvements	0.020	0.000	0.000	0.000	0.020
Play Area Improvements	0.100	0.000	0.000	0.000	0.100
Libraries (Public PC's, Network and Self Service Kiosks)	0.375	0.000	0.000	0.000	0.375
Sports Centre	3.328	2.062	0.000	0.000	5.390
Langtons	0.500	0.500	0.000	0.000	1.000
Bretons	2.625	0.000	0.000	0.000	2.625
Childrens Services					
Youth Offending Service - 10 Headley Close	0.100	0.000	0.000	0.000	0.100
ICT Services					
IT Devices Refresh	0.040	0.100	0.250	1.750	2.140
Server Infrastructure	0.000	0.120	0.050	0.050	0.220
Data Centre Improvements	0.040	0.020	0.020	0.010	0.090
Networking (Core & Campus)	0.530	0.080	0.080	0.080	0.770
WiFi Infrastructure	0.030	0.030	0.050	0.300	0.410
Audio Visual Equipment	0.100	0.050	0.010	0.010	0.170
Skype to MS Teams Migration	0.000	0.100	0.000	0.000	0.100
CRM Top Up	2.660	0.000	0.000	0.000	2.660
Regeneration					
Strategic Investment Pot	15.000	0.000	0.000	0.000	15.000
Total Internally Funded Schemes	31.578	3.562	0.960	2.700	38.800
Externally Funded Schemes Presented for Approval					
Asset Management					
Schools Conditions Programme (indicative)	2.015	0.000	0.000	0.000	2.015
Adults					
Better Care Fund/ Disabled Facilities Grant (indicative)	1.813	0.000	0.000	0.000	1.813
Environment					
TFL - Core Local Implementation Plan (indicative)	1.918	0.000	0.000	0.000	1.918
TFL - Local Transport Funding (indicative)	0.100	0.000	0.000	0.000	0.100
Total Externally Funded Schemes	5.846	0.000	0.000	0.000	5.846
TOTAL NEW GF CAPITAL PROGRAMME	37.424	3.562	0.960	2.700	44.646

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* The indicative schools conditions programme is set out in detail in appendix 2. If the grant differs from the indicative allocation the schemes will be adjusted accordingly.

The proposed funding of the new bids is set out as follows:

Funding Sources of Schemes Presented for Approval	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Capital Receipts	15.000	0.000	0.000	0.000	15.000
Revenue and Reserve Contributions	0.000	0.000	0.000	0.000	0.000
Grants	5.846	0.000	0.000	0.000	5.846
Section 106/ CIL	0.000	0.000	0.000	0.000	0.000
Borrowing	16.578	3.562	0.960	2.700	23.800
TOTAL FUNDING	37.424	3.562	0.960	2.700	44.646

2.3.4 As can be seen from the above tables the majority of the internally funded new capital projects are funded from prudential borrowing. This will have the result of additional capital financing costs over the life of the assets. These costs are factored into the MTFs and where possible off set against income generation. The capital financing costs as a result of the additional borrowing for the additional projects are set out below:

Project	Total Capital Financing Costs (incremental)				
	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Cemetery Extension - Additional Funding	46.500	201.500	0.000	0.000	0.000
Cremator Replacement	18.750	68.750	0.000	0.000	0.000
Coronation Gardens Wall	0.450	1.650	0.000	0.000	0.000
Park Improvements	26.250	103.750	35.000	35.000	27.500
Gate Improvements	0.300	1.100	0.000	0.000	0.000
Play Area Improvements	1.500	5.500	0.000	0.000	0.000
Youth Offending Service - 10 Headley Close improvements	1.500	4.000	0.000	0.000	0.000
IT Devices Refresh	0.600	10.100	25.250	80.000	376.250
Server infrastructure	0.000	1.800	26.550	11.500	10.750
Data Cente Improvements	0.600	8.900	4.600	4.450	2.150
Networking (core & campus)	7.950	115.150	18.400	18.400	17.200
Wi-Fi	0.450	6.900	7.200	15.250	64.500
Audio Visual Equipment	1.500	22.250	10.900	2.300	2.150
Skype to MS Teams Migration	0.000	1.500	21.500	0.000	0.000
Libraries (Public PC's, Network & Self Service Kiosks)	5.625	80.625	0.000	0.000	0.000
Sports Centre (South of Borough)	49.920	164.050	82.480	0.000	0.000
CRM Top Up	39.900	571.900	0.000	0.000	0.000
Langtons	7.500	27.500	20.000	0.000	0.000
Bretons	39.375	105.000	0.000	0.000	0.000
Total	248.670	1,501.925	251.880	166.900	500.500

2.3.5 Whilst these costs are factored into the MTFs for prudent financial planning purposes, alternative funding sources will be investigated and used where possible to mitigate these costs, delivering a saving on the revenue budget.

2.4 Regeneration Programme

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2.4.1 Included within the Capital Programme are a number of Regeneration schemes that because of their treatment as capital investments, as part of the new prudential code requirements are reported separately in the authority's capital programme. Each scheme has an individual business case setting out the risks and merits which have either been reviewed or are in the process of being reviewed by Members. The capital strategy brings all these schemes, along with the Council's full capital programme together but Members are asked to review the individual business cases for a full understanding of each of the schemes.

2.4.2 Table 4 below shows the current spending plans (based on latest business plans) for all of the regeneration schemes being proposed

	Previous years	Forecast 2019/20	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Regeneration Programme									
Joint Ventures									
Rainham & Beam Park Housing Zone	0.000	0.000	1.916	3.886	0.955	6.435	1.072	2.693	16.957
Rainham & Beam Park (potential CPO's funded from asset sales to JV)	0.000	0.000	35.000	15.000	0.000	0.000	0.000	0.000	50.000
Bridge Close	3.289	3.281	14.915	5.810	5.699	2.956	10.505	0.000	46.454
Bridge Close - land transfer	1.867	0.000	0.000	0.000	0.000	6.535	7.783	0.000	16.185
Bridge Close (potential CPO's funded from asset sales to JV)	0.000	0.000	30.000	0.000	0.000	0.000	0.000	0.000	30.000
Provision for Future Regeneration Opportunities	0.000	0.000	30.000	40.000	30.000	40.000	0.000	0.000	140.000
Mercury Land Holdings									
North Street - loans	3.628	5.806	0.218	0.000	0.000	0.000	0.000	0.000	9.652
Hornchurch Opportunities - equity (borrowing)	0.000	0.000	0.825	0.000	0.000	0.000	0.000	0.000	0.825
Hornchurch Opportunities - equity (land)	0.000	0.000	2.250	0.000	0.000	0.000	0.000	0.000	2.250
Hornchurch Opportunities- loans	0.000	0.000	2.875	4.500	0.330	0.000	0.000	0.000	7.705
Homelessness - equity	0.000	5.590	8.323	2.571	0.000	0.000	0.000	0.000	16.484
Homelessness - loan	0.000	8.385	12.485	3.856	0.000	0.000	0.000	0.000	24.726
Rainham Opportunity Site - equity	0.000	0.000	1.720	0.307	1.513	0.000	0.000	0.000	3.540
Rainham Opportunity Site - equity (funded from land sales)	0.000	0.000	1.000	0.000	0.000	0.000	0.000	0.000	1.000
Rainham Opportunity Site - loans	0.000	0.000	9.395	3.496	0.168	0.000	0.000	0.000	13.059
Quarles - Equity	0.000	0.000	6.199	0.000	0.000	0.000	0.000	0.000	6.199
Quarles Loans	0.000	0.000	0.893	4.599	4.430	0.142	0.000	0.000	10.064
Crow Lane Equity	0.000	2.575	0.000	0.000	0.000	0.000	0.000	0.000	2.575
Crow Lane Loans	0.000	2.460	2.744	0.501	0.000	0.000	0.000	0.000	5.705
St Georges Equity	0.000	0.000	3.693	0.000	0.000	0.000	0.000	0.000	3.693
St Georges Loans	0.000	0.000	14.937	0.724	0.766	0.164	0.000	0.000	16.591
Waterloo Equity	0.000	0.000	16.506	0.000	0.000	0.000	0.000	0.000	16.506
Waterloo Loans	0.000	0.000	7.575	12.961	13.442	9.747	0.000	0.000	43.725
Reactive Acquisition Fund Equity	0.000	0.000	5.600	0.000	0.000	0.000	0.000	0.000	5.600
Reactive Acquisition Fund Loan	0.000	0.000	14.400	0.000	0.000	0.000	0.000	0.000	14.400
TOTAL CAPITAL PROGRAMME	8.785	28.097	223.468	98.212	57.303	65.979	19.360	2.693	503.896

2.4.3 The proposed funding of these schemes is as follows

Funding Sources	Previous years	Forecast 2019/20	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Capital Receipts	0.000	0.000	98.250	55.000	30.000	46.535	7.783	0.000	237.568
Revenue and Reserve Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Section 106/ CIL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Borrowing	8.785	28.097	125.218	43.212	27.303	19.444	11.577	2.693	266.328
TOTAL FUNDING	8.785	28.097	223.468	98.212	57.303	65.979	19.360	2.693	503.896

2.4.4 Details of the regeneration schemes being requested as part of the Capital Programme are:

- Rainham & Beam Park Housing Zone

This scheme was originally approved for progression at Cabinet on 13 December 2017 with capital expenditure forecasts based on the original business plan. Since the original approval the project has developed with the capital expenditure above based on latest business plans.

- Bridge Close

This scheme was originally approved for progression at Cabinet on 15 November 2017 and again was based on the original business case for the project. Like with Rainham & Beam Park the scheme has developed and the latest capital expenditure forecasts are based on the new business plan.

- Mercury Land Holdings

The original business plan was approved at Cabinet on 15 November 2017. Since this approval new schemes and opportunities have been identified and this new capital programme includes a number of new projects. Inclusion in the capital programme ensures that the capital expenditure approvals are in place subject to the full business cases being approved setting out the individual projects and their risks and benefits associated with them.

2.4.5 As with the new capital projects, if these regeneration schemes are approved and progress then additional prudential borrowing will be required. This borrowing will result in revenue capital financing costs over the profile of the schemes as shown below. Whilst these costs are factored into the MTFs for prudent financial planning purposes, alternative funding sources will be used where possible to mitigate these costs, delivering a saving on the revenue budget.

2.4.6 It is important to acknowledge that once the developments move into the delivery phase, the costs of the programmes become more significant, including for example the costs of borrowing or the costs of maintaining an operational construction site. Therefore any delays in the programme that add time into the development phase plans will bring with it additional material costs over and above these business plan assumptions.

2.4.7 It should also be acknowledged that as these regeneration ventures progress, there are costs incurred in the preparation of the schemes and the establishment of the delivery vehicles that are sunk costs, and have occurred in this or previous years. If any of the schemes at any stage in the future do not progress to final delivery and completion, then these costs could fall to the Council with no mechanism for recovery.

	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Rainham & Beam Park Housing Zone	0.029	0.183	0.267	0.159	0.434
Bridge Close	0.437	1.057	0.463	0.415	0.350
Mercury Land Holdings	2.451	4.272	0.956	0.536	0.151
	2.917	5.511	1.686	1.110	0.935

2.4.8 The primary reason for undertaking these schemes, and therefore including these projects in the capital programme, is regeneration. However, the business cases have identified a number of additional benefits arising alongside the regeneration. One of the benefits is the estimated financial return to the Council that will arise as a result of the delivery of the projects. The return generated from these

regeneration projects will offset the budget pressure arising from the capital financing costs of borrowing and provide future funds for reinvestment. There will also be a return to support the Council's MTFs from MLH as a result of the Council making loans to the company. Full details of the additional pressures and savings for the individual schemes are included in the Medium Term Financial Strategy.

2.4.9 In addition to the income streams, dividends will also be payable from MLH, although at present it is assumed these are reinvested in further regeneration schemes.

2.4.10 The primary existence of these regeneration projects are for regeneration purposes and it's important to acknowledge that these income stream can be more volatile than other investments made solely for treasury purposes (details of which are set out in the TMSS elsewhere in the agenda). Members are reminded that over reliance on these income streams should not be made when setting a balanced budget and that by approving these schemes, Members are happy with the overall balance of income that these projects contribute to the budget setting process.

2.5 2019/20-2024/25 General Fund (GF) Capital Programme

2.5.1 Taking into consideration the existing capital programme, new bids and the regeneration programme (as all set out above) the total GF capital programme and associated funding sources are:

Table 8 – Total Havering GF capital

Summary of Capital Programme	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2024/25 £m	Total £m
Adults Services	4.463	0.000	0.000	0.000	0.000	0.000	4.463
Asset Management	45.502	0.824	0.000	0.000	0.000	0.000	46.326
Bereavement Services	6.417	0.000	0.000	0.000	0.000	0.000	6.417
Childrens Services	3.615	0.000	0.000	0.000	0.000	0.000	3.615
Customer & Communications	14.956	3.916	0.985	0.500	0.000	0.000	20.357
Environment	15.134	2.000	2.000	0.000	0.000	0.000	19.134
ICT Services	4.020	1.120	1.080	2.200	0.000	0.000	8.420
Regeneration	24.872	7.188	5.323	0.000	0.000	0.000	37.383
Sub Total	118.979	15.048	9.388	2.700	0.000	0.000	146.115
Regeneration Programme	223.468	98.212	57.303	65.979	19.360	2.693	467.014
Total Capital Expenditure	342.447	113.260	66.691	68.679	19.360	2.693	613.129
Funding							
Capital Receipts	120.256	55.000	30.000	46.535	7.783	0.000	259.574
Revenue and Reserve Contributions	0.146	0.000	0.000	0.000	0.000	0.000	0.146
Grants & Other Contributions	46.890	0.824	0.000	0.000	0.000	0.000	47.714
Borrowing	175.155	57.436	36.691	22.144	11.577	2.693	305.695
Total Funding	342.447	113.260	66.691	68.679	19.360	2.693	613.129

2.6 Capital Expenditure and Financing - Prudential Indicators

2.6.1 Capital expenditure is incurred where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans

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and grants to other bodies enabling them to buy assets. Details of the Council's policy on capitalisation can be found in the Council's accounting policies.

2.6.2 In 2020/21, Including the Housing Revenue Account, the Council is planning capital expenditure of £409.963m as summarised below:

Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2018/19 actual £m	2019/20 Forecast £m	2020/21 Forecast £m	2021/22 Forecast £m	2022/23 Forecast £m
General Fund Services	30.275	116.080	118.979	15.048	9.388
Council Housing (HRA)	33.677	136.080	97.224	113.596	116.223
Regeneration Programme	7.635	31.097	223.468	98.212	57.303
Total	71.588	283.257	439.671	226.856	182.914

The main General Fund capital projects include highways, schools maintenance and expansions, IT infrastructure and leisure, and these can be seen in the detailed capital programme section of this report.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. The HRA capital programme supports the ongoing capital maintenance of the housing stock, the delivery of decent homes standards alongside a significant investment in the 12 Estates regeneration programme and the acquisition of affordable homes across other regeneration schemes. The HRA business plan (which includes the proposed HRA capital programme) is an item elsewhere on the agenda.

2.6.3 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

	2018/19 actual £m	2019/20 actual £m	2020/21 actual £m	2021/22 actual £m	2022/23 actual £m
Capital Receipts	20.547	45.391	121.716	56.460	31.053
Revenue Contributions & Reserves	23.996	98.089	20.643	20.989	18.712
Grants & Other Contributions	16.296	45.391	80.378	23.850	36.266
Borrowing	10.748	94.386	216.934	125.557	96.883
Total	71.588	283.257	439.671	226.856	182.914

2.6.4 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from

revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. The Council's full minimum revenue provision statement is available as part of the Treasury Management Strategy Statement.

2.6.5 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £207.899m during 2020/21. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31/3/2019 actual £m	31/3/2020 forecast £m	31/3/2021 forecast £m	31/3/2022 forecast £m	31/3/2023 forecast £m
General Fund services	72.185	105.360	152.225	163.405	169.187
Council Housing (HRA)	174.669	203.288	240.149	311.189	381.735
Regeneration Programme	26.489	56.985	181.158	214.454	229.156
Total CFR	273.343	365.633	573.532	689.048	780.078

2.6.6 The previous tables cover the overall capacity and control of borrowing but within the prudential framework indicators are required to assess the affordability of the capital investment plans. One such indicator is the estimate of the ratio of financing costs to net revenue stream which can then be split between GF, HRA and Capital Investments. This indicator identifies the trend on the cost of capital against the net revenue stream.

Prudential Indicator: Ratio of Financing costs to Net Revenue Stream

	2018/2019 actual	2019/2020 forecast	2020/2021 forecast	2021/2022 forecast	2022/2023 forecast
General Fund services	2.47%	3.24%	5.24%	5.47%	5.95%
Council Housing (HRA)	3.81%	4.44%	5.25%	6.80%	8.34%
Regeneration Programme	0.85%	1.62%	6.53%	8.73%	9.45%
Total CFR	7.13%	9.30%	17.02%	21.00%	23.73%

3. Flexible Use of Receipts

3.1 Approved within the 2019/20 capital programme were the Oracle Cloud Enterprise Resource Planning System (Fusion) and the Customer Relationship Management system (CRM). These had budgets approved of £4.5m and £1.8m respectively and the intention was to fund these schemes through the flexible use of receipts directive. Therefore approval of these schemes was sought via the 2019/20 capital programme.

The budgets approved by Council are set out below:

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Flexible Use of Receipts	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Oracle Cloud Enterprise Resource Planning System	4.500	0.000	0.000	0.000	0.000	4.500
Customer Relationship Management System	1.800	0.000	0.000	0.000	0.000	1.800
Total Funding from Flexible Use of Receipts	6.300	0.000	0.000	0.000	0.000	6.300

A year on and with the projects now underway the projects have a revised profiling as follows:

Flexible Use of Receipts	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Oracle Cloud Enterprise Resource Planning System	3.130	1.370	0.000	0.000	0.000	4.500
Customer Relationship Management System	0.678	1.122	0.000	0.000	0.000	1.800
Total Funding from Flexible Use of Receipts	3.808	2.492	0.000	0.000	0.000	6.300

* The existing CRM budget is in addition to the top up sum of £2.660m included in the new capital bids as outline in table 2 earlier in the report

4. Disposals

4.1 The Council has pursued a policy of selling surplus sites for many years to finance the capital programme and keep borrowing costs down. As a result of this strategy it has become increasingly difficult to identify new sites for disposal.

5. Investments in the Regeneration Programme

5.1 Overview

5.1.1 With central government financial support for local public services declining, the Council has invested in a number of joint ventures and subsidiaries.

5.1.2 Mercury Land Holdings (MLH) is the Council's wholly owned property development company established to:

- Make use of existing Council capital assets
- To contribute to dealing with the housing supply issue in the Borough
- Ensure a mix of housing in terms of type, size and tenure best matched to the needs of Havering
- To support the Council's regeneration and growth aim
- Generate a financial return to support front line services

The Council's investment in MLH in terms of loans and equity are included in the capital programme. The investment is managed via a shareholder's board arrangement and MLH submit a business plan each year with investment plans for consideration and approval by Cabinet.

5.1.3 In addition the Council is the partner in three other regeneration vehicles. One has been established to regenerate the Council's own housing provision, predominantly within the HRA. The other two are to support regeneration and bring in new affordable housing across Havering.

- 12 Estates programme
- Bridge Close
- Beam Park

5.1.4 With regeneration being the key objective, the Council accepts higher risk on capital investments in the Regeneration Programme than with treasury investments where the emphasis is on Security, Liquidity and Yield (SLY) in that order. The principal risk exposures for each regeneration scheme are set out in the individual business cases but include risks such as fall in capital values, inflation and interest rate risk. These risks are managed through the individual business cases which show detailed modelling of the risk factors and their impact. In order that commercial investments remain proportionate to the size of the authority, whilst there is no overall maximum investment limit, every business case is reviewed with the full impact of the decision assessed before a decision to proceed or abandon the scheme being made.

5.1.5 Further details on the capital expenditure plans and the associated prudential indicators which include the commercial activities can be found in the Treasury Management Strategy Statement. The Council's capital expenditure plans are the key driver of treasury management activity with the output of these plans reflected in the TMSS and prudential indicators. These are designed to assist Member's overview and confirm capital expenditure plans.

5.2 Risk Management and Mitigation

5.2.1 Specific risks for individual schemes are contained within the project business cases. The scale and importance of the project will dictate the level of business case evaluation. Sound business case protocols can mitigate the risk of business case collapse with appropriate levels of contingency being built into the business case to mitigate risks.

5.2.2 In addition to specific risks associated with projects there are a number of cross cutting risks that apply to all capital investments.

- Interest Rate Risk - This is managed indirectly through the TMSS and through our treasury advisers Link Asset Services
- Inflation Risk – Whilst we are in a period of low inflation, inflation risk should always be a concern as slippage can potentially decrease the purchasing power. This can be mitigated by good project management and clearly identified cash flow projections.
- Legal Risk – Capital schemes need to comply with the latest relevant regulations which can change and lead to an impact on construction costs

for example. This is mitigated by awareness of pipeline changes and through contingencies

- Market health and commercial values – when projects are entered, the business case often depends on key assumptions or estimates of future market positions. Should market movements mean that these assumptions are inaccurate then this may lead to a change in the project financials. This risk can be mitigated through performance monitoring and contingencies.
- Supplier financial stability – To mitigate this, the Council considers the financial robustness of all contractors and partners and requests appropriate financial standing assurance.
- Reputational Risk – This is particularly relevant to the public sector and can result in the public losing faith in the organisation. The risk can be mitigated by good project management and communication with clear expectations of all stakeholders being key.
- Financial risk due to programme delay – as the schemes progress into delivery phase the costs of the programmes become more significant, including the costs of any borrowing, of the holding costs of construction sites and the operating costs of the joint venture partners, which will be incurred even during times of delay. This can occur for external reasons – e.g. inclement weather that stops work on site – or reasons internal to the council – e.g. delays from slipped planned phasing or decision making deadlines. Many external causes can be mitigated by insurance cover or contingency sums, and close contract management with partners. The internal process risk can be mitigated by clear planning and timetabling of key decisions and project approval phasing, and monitoring and management of the project plans against those deliverables.

5.3 Knowledge and Skills

- 5.3.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council also has a training and development programme to support staff to study towards relevant professional qualifications.
- 5.3.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 5.3.3 Member training was undertaken as part of the induction programme following the last election, and training and advice is provided to relevant cabinet portfolio members.

REASONS & OPTIONS

Reasons for the Decision

The Council is required to approve the Capital Strategy as per the 2017 updates to the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice.

Alternative Options Considered

There are no alternative options in so far as approving the capital strategy and setting the capital programme. However, there are options in respect of the various elements of the capital programme.

IMPLICATIONS & RISKS

Financial Implications and Risks

The existing Capital Programme has historically been largely funded from the use of capital receipts however going forward it is acknowledged that the capital ambition of the Council will exceed the potential capital receipts available and will therefore require the Council to plan for the inclusion and cost of prudential borrowing for prioritised schemes.

The Council needs to manage and control its future capital programme and investment very carefully to ensure that it meets its fiduciary responsibilities. It will need to carefully prioritise future capital investment to deliver optimum outcomes as resources become increasingly scarce. A number of new schemes rely upon borrowing which creates a long term budgetary commitment for the Council for which it anticipates that it will receive financial returns of income in addition to meeting the primary objectives of economic development and regenerations. It is therefore essential that there is robust and proactive management of all capital projects going forward in order to deliver the financial plans set out in each approved business case. In particular, the delivery of income streams due from the series of Regeneration led projects for housing development are crucial and underpin the Council's ability to meet the cost of this capital investment and generate future revenue returns to support the delivery of the MTFs. Failure to deliver to plan could result in significant financial pressures for the Council and therefore robust programme and project governance will be essential. This framework and the expected returns on investment will be included in the revised Capital Strategy.

In allocating funding to these proposals, the principle of financing capital expenditure from prudential borrowing as a last resort, was used. Going forward, the use of external funding sources will be maximised, pulling together the co-ordination of grant funding, s106 and any future CIL payments and the use of capital receipts, revenue and reserves.

Legal Implications and Risks

There are no apparent direct legal implications of this report.

Human Resource Implications and Risks

There appear to be no HR implications or risks arising directly that impact on the Councils workforce.

Equalities Implications and Risks

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce.

Health and Wellbeing Implications and Risks

The Council is committed to improving the quality of life and wellbeing for all Havering employee's and residents in respect of socio-economics and health determinants. Whilst there are no direct implications to the Council's workforce and residents health and wellbeing as a result of this report the way councils spends its budgets on facilities and services does have the potential to impact on our overall health and wellbeing.

For example Investment in social infrastructure for public services is likely to have a positive impact on health and wellbeing in terms of providing facilities and services, social connectivity, skills improvement, employment and wealth creation. If social infrastructure is not invested and there is a lack of good quality roads, paths and public buildings the aesthetic quality of the environment can impact negatively on both physical and mental health and wellbeing.

Sitting behind this strategy are a number of processes to assess and improve the health impacts of the projects being proposed. For example, any capital building works such as the 12 estates regeneration project will be subject to the new local plan which includes a new policy requirement for development applications of 10 units or more to have a commensurate scale health impact assessment. This will highlight any positive impacts of

the development on improved health and wellbeing and look for ways to mitigate any negative impacts.

In addition where appropriate, individual projects/programmes within this strategy will themselves be subject to a separate equalities and health impact assessment (EqHIA) which will identify in more detail potential negative impacts for mitigation or positive impacts.

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Project Organization	Programme Area	Project	2020 Budget	2021 Budget	2022 Budget and Beyond
Adults Services	Adults Services Other	A2816 Adults Learning Disabilities Provision Build	2,650,000	0.00	0
Adults Services	Adults Services Other Total		2,650,000	0.00	0
Adults Services Total			2,650,000	0	0
Asset Management	Corporate Buildings	A2827 Central Depot Expansion	512,015	0.00	0
Asset Management	Corporate Buildings	A3116 Smart Working	3,300,000	0.00	0
Asset Management	Corporate Buildings	A3105 Air Conditioning - Corporate Landlord	60,000	0.00	0
Asset Management	Corporate Buildings	A2237 Corporate Buildings Replacement of Safety Film to Glass	59,500	0.00	0
Asset Management	Corporate Buildings Total		3,931,515	0.00	0
Asset Management	Health & Safety	A1200 H&S Fire Extinguisher Acquisitions	6,000	0.00	0
Asset Management	Health & Safety	A1801 H&S Corporate Buildings - Legionella Assessments	20,000	0.00	0
Asset Management	Health & Safety	A3087 H&S Corporate Buildings - Fire Risk Assessments	50,000	0.00	0
Asset Management	Health & Safety	A3088 H&S Corporate Buildings - Fire Doors	25,000	0.00	0
Asset Management	Health & Safety	A3089 H&S Corporate Buildings - Asbestos	5,000	0.00	0
Asset Management	Health & Safety Total		106,000	0.00	0
Asset Management	Libraries	A1000 Harold Hill Library Prgm, Harold Hill Projects: 2012-13 (Community Hubs)	284,631	0.00	0
Asset Management	Libraries Total		284,631	0.00	0
Asset Management	Pre-Sale Expenses	A2973 Pre-Sale Expenses - Land at Hall Lane Pitch & Putt (P01139)	250,000	0.00	0
Asset Management	Pre-Sale Expenses Total		250,000	0.00	0
Asset Management	Schools Building Maintenance	A2249 Royal Liberty Sch - Electrical Upgrade phase 2	85,636	0.00	0
Asset Management	Schools Building Maintenance	A2549 Emergency Condition Works to Education Buildings	600,000	0.00	0
Asset Management	Schools Building Maintenance	A2552 DDA Works 2017/18	50,000	0.00	0
Asset Management	Schools Building Maintenance	A2872 Branfil School Replace Flat Roof over Girls Toilet Area	10,470	0.00	0
Asset Management	Schools Building Maintenance	A2877 Ardleigh Green Junior Replace Pipeworks and Emitters	20,000	0.00	0
Asset Management	Schools Building Maintenance	A3020 Ardleigh Green Jr Sch Replace pipework & emitters phase 1	50,000	0.00	0
Asset Management	Schools Building Maintenance	A3026 James Oglethorpe Sch Window Replacement	5,270	0.00	0
Asset Management	Schools Building Maintenance	A3031 Mead Sch Windows Replacement Junior block	80,000	0.00	0
Asset Management	Schools Building Maintenance	A3032 Mead Sch Structural Repairs underpinning	50,000	0.00	0
Asset Management	Schools Building Maintenance	A3033 Nelmes Sch Upgrade lighting & ceiling tiles	55,000	0.00	0
Asset Management	Schools Building Maintenance	A3038 Rainham Village Sch Hot and Cold water pipework replacement	15,000	0.00	0
Asset Management	Schools Building Maintenance	A3040 Scotts Sch Emergency Lighting	20,000	0.00	0
Asset Management	Schools Building Maintenance Total		1,041,376	0.00	0
Asset Management	Schools Expansion Phase 3	A2330 Crownfield Jr Expansion 3FE to 4FE - Phase 3	500,000	0.00	0
Asset Management	Schools Expansion Phase 3	A2331 Broadford Sch Expansion 2FE to 3FE - Phase 3	35,000	0.00	0
Asset Management	Schools Expansion Phase 3	A2393 Hylands Prim Expansion 2 to 3 FE Phase 3	50,000	0.00	0
Asset Management	Schools Expansion Phase 3	A2394 Rainham Village Sch Expansion 2 to 3 FE Phase 3	100,000	0.00	0
Asset Management	Schools Expansion Phase 3	A2401 Brady Primary Expansion - 1 to 2 FE Phase 3	1,686,411	472,430.00	0
Asset Management	Schools Expansion Phase 3 Total		2,371,411	472,430.00	0
Asset Management	Schools Expansion Phase 4	A2604 Mead Sch 1FE Expansion Phase 4	996,854	0.00	0
Asset Management	Schools Expansion Phase 4	A2611 Marshalls Park Academy 6 to 8 Phase 4	2,575,000	0.00	0
Asset Management	Schools Expansion Phase 4 Total		3,571,854	0.00	0
Asset Management	Schools Expansions Unallocated	A2603 Phase 4 Expansions Unallocated	8,707,280	351,446.00	0
Asset Management	Schools Expansions Unallocated	A2947 SEN Unallocated Monies	970,334	0.00	0
Asset Management	Schools Expansions Unallocated	A2972 Nelmes Primary School - SEN Places	300,000	0.00	0
Asset Management	Schools Expansions Unallocated	A3007 Schools Basic Needs 2020/21	21,953,000	0.00	0
Asset Management	Schools Expansions Unallocated Total		31,930,614	351,446.00	0
Asset Management Total			43,487,401	823,876	0
Bereavement Services - Cems & Crems	Cemeteries & Crematorium	A2829 Replacement Programmable Logic Controllers & Analysers for Cremators	37,000	0.00	0
Bereavement Services - Cems & Crems	Cemeteries & Crematorium	A2832 Cemetery Expansion Phases 2 & 3	2,030,000	0.00	0
Bereavement Services - Cems & Crems	Cemeteries & Crematorium Total		2,067,000	0.00	0

Bereavement Services - Cems & Cems Total			2,067,000	0	0
Childrens Services	Childrens Services Other	A2814 Children with SEND Residential Provision - Build	1,350,000	0.00	0
Childrens Services	Childrens Services Other	A2815 Childrens Residential and Attached Semi Independent Provision Home	1,900,000	0.00	0
Childrens Services	Childrens Services Other	A2817 Refurbishment of Widecombe Close and Park End Road	150,000	0.00	0
Childrens Services	Childrens Services Other	A2936 Locality Based Childrens Centres Transformation	115,082	0.00	0
Childrens Services	Childrens Services Other Total		3,515,082	0.00	0
Childrens Services Total			3,515,082	0	0
Customer & Communications Service	Art & Culture	A2831 Queens Theatre - Addressing items identified through a condition survey	313,000	0.00	0
Customer & Communications Service	Art & Culture Total		313,000	0.00	0
Customer & Communications Service	Libraries	A2213 Libraries CCTV Replacement	8,331	0.00	0
Customer & Communications Service	Libraries Total		8,331	0.00	0
Customer & Communications Service	SLM	A2686 SLM - Central Park Leisure Centre - Refurbishment	296,962	90,000.00	149,916
Customer & Communications Service	SLM	A2687 SLM - Hornchurch Sports Centre - Redevelopment	5,399,250	764,000.00	255,084
Customer & Communications Service	SLM	A2688 SLM - Sapphire Ice & Leisure - Fit Out	210,664	0.00	80,000
Customer & Communications Service	SLM Total		5,906,876	854,000.00	485,000
Customer & Communications Service Total			6,228,207	854,000	485,000
Environment	Environment	A2957 Rise Park Flood Alleviation Scheme	20,000	0.00	0
Environment	Environment Total		20,000	0	0
Environment	Environment Highways	A3000 Highways Infrastructure Investment Programme	10,000,000	0.00	0
Environment	Environment Highways	A2821 Five Year Carriageway Resurfacing Programme	1,000,000	1,000,000.00	1,000,000
Environment	Environment Highways	A2856 Five Year Footway Resurfacing Programme	1,000,000	1,000,000.00	1,000,000
Environment	Environment Highways Total		12,000,000	2,000,000	2,000,000
Environment	Parking	A3001 Parking Investment	900,000	0.00	0
Environment	Parking Total		900,000	0	0
Environment	Street Lighting	A3106 Street Lighting LED Lantern Upgrades	196,000	0.00	0
Environment	Street Lighting Total		196,000	0	0
Environment Total			13,116,000	2,000,000	2,000,000
ICT Services	ICT Infrastructure	A2818 Infrastructure Improvements and Resilience	620,000	620,000.00	620,000
ICT Services	ICT Infrastructure	Axxxx Smarter Working - IT Equipment	0	0.00	0
ICT Services	ICT Infrastructure Total		620,000	620,000	620,000
ICT Services Total			620,000	620,000	620,000
Regeneration	Bridge Close	A3003 Bridge Close - School	8,289,000	4,910,000.00	2,455,000
Regeneration	Bridge Close	A3004 Bridge Close - Medical Facility	0	2,278,000.00	2,868,000
Regeneration	Bridge Close Total		8,289,000	7,188,000	5,323,000
Regeneration	Regeneration Eco Development	A2359 Romford Market Physical Works	708,350	0.00	0
Regeneration	Regeneration Eco Development	A1139 Romford Associated Projects	55,876	0.00	0
Regeneration	Regeneration Eco Development	A1296 Rainham Marshes Nature Reserve, Access and Development, Regen: 2013-14	158,307	0.00	0
Regeneration	Regeneration Eco Development	A1558 Rainham To Purfleet Path Phs 1, Regen: 2008-09	3,132	0.00	0
Regeneration	Regeneration Eco Development	A1805 Town Centre Regeneration - Local Improvement Projects (2014/15 core programme)	32,152	0.00	0
Regeneration	Regeneration Eco Development	A1956 Romford Town Centre	100,000	0.00	0
Regeneration	Regeneration Eco Development Total		1,057,817	0	0
Regeneration	TFL	A2900 Beam Parkway Major Scheme (Match funding commitment) LIP 18-19 TFL	525,079	0.00	0
Regeneration	TFL Total		525,079	0	0
Regeneration Total			9,871,896	7,188,000	5,323,000
Grand Total			81,555,586	11,485,876	8,428,000

* In October 2016, Cabinet approved phases 3 and 4 of the schools expansion programme as part of the Council's commissioning plan for education provision. A total of 19 schools have been expanded which has created an additional 3,106 permanent primary and secondary school places in the borough. The above programme includes a number of virements to the expansions schemes funded from external grants that are now no longer progressing or the scope of the project has changed

2020/21 DRAFT CONDITION PROGRAMME

2020/21		
Branfil	Roof 1	£100,000
Clockhouse	Roofs 5, 6	£80,000
Crownfield Infants	Replace lighting	£30,000
Crowlands	Windows Hall KS2	£10,000
Engayne	Roofs 3, 5	£130,000
Gidea Park	Heating and Controls	£120,000
Harold Court	Roofs 1,2,3,4,5,7	£250,000
Harold Wood	Upgrade switchgear/ main distribution works	£40,000
Hildene	Roofs 1,3,10	£180,000
Hildene	Fire alarm and emergency lighting	£55,000
Hildene Nursery	Fire alarm and emergency lighting	£55,000
James Oglethorpe	Main distribution works	£50,000
James Oglethorpe	Roof 15	£60,000
Langton Infants	Hot water classrooms	£20,000
Mead	Replace ceiling and lights Hall Inf and Jnr	£45,000
Nelmes Junior	Lighting upgrade 1st Floor	£20,000
Parkland Infants	Replace Switchgear	£30,000
Parklands	Renewal of rear access roadway	£25,000
Parklands Juniors	Replace switchgear	£30,000
Parklands Juniors	Roof 1	£80,000
Parsonage Farm	Roofs 3, 4, 5	£100,000
RJMitchell	Emergency lighting	£20,000
Squirrels Junior	Roofs	£145,000
Squirrels Inf & Junior	Windows Hall and kitchen	£25,000
Squirrels Junior	Lighting upgrade	£25,000
Towers Infants	Roofs 4, 8, 10	£140,000
Various schools bid	Fire doors	£150,000
Total 2020/21		£2,015,000

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CABINET

12th February 2020

Subject Heading:

Treasury Management Strategy Statement (TMSS) 2020/21 and Annual Investment Strategy (AIS) 2020/21, Treasury Indicators and Minimum Revenue Provision Policy Statement for 2020/21

Cabinet Member:

Councillor Roger Ramsey
Cabinet Member for Finance & Property

SLT Lead:

Jane West
(Chief Operating Officer)

Report Author and contact details:

Zainab Roberts / Stephen Wild
Zainab.Roberts@havering.gov.uk
Stephen.Wild@onesource.co.uk
01708 434 306 / 0203 373 3881

Policy context:

The code of practice on treasury management 2017 recommends that the Treasury Management Strategy and Minimum Revenue Provision Statement are reported to a scrutiny committee for effective scrutiny.

Financial summary:

The Treasury Management Strategy forms part of the Council's overall budget strategy and financial management framework.

Is this a Key Decision?

Yes

When should this matter be reviewed? **Bi-Annually**

Reviewing OSC: **Overview and Scrutiny Board**

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

Communities making Havering	□
Places making Havering	□
Opportunities making Havering	□
Connections making Havering	□

SUMMARY

The TMSS and AIS are part of the Council’s reporting procedures and are recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on treasury management and its prudential code for capital finance in local authorities. The Local Government Act 2003 requires councils to comply with both codes.

This report fulfils the Authority’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the DCLG Guidance, and it covers:

- The Borrowing and Investment Strategies
- Treasury Management Indicators
- A Minimum Revenue Provision Policy (the means by which capital expenditure which is financed from borrowing is paid for by council tax payers)

RECOMMENDATIONS

Cabinet is asked to:

1. Approve the Treasury Management Strategy Statement (TMSS) 2020/21.
2. Approve the Treasury Management set out in Appendices 1 and 2 of this report.

3. Approve the Annual Minimum Revenue Provision (MRP) Statement for 2020/21 set out in Appendix 7 of this report.
4. Recommend the annual TMSS and MRP statements 2020/21 to Council for approval.
5. Delegate future changes required to this Strategy to the Chief Operating Officer in the consultation with the Cabinet Member for Finance and Property. This will provide the additional flexibility to swiftly respond to changing financial markets.

REPORT DETAIL

1. Introduction

- 1.1 The Authority is required to set a balanced budget each financial year, which broadly means that income received during the year will meet its operational expenditure. As part of the overall financial management arrangements, a primary objective of the Treasury Management service is to ensure that the Authority's cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Authority's appetite for risk and liquidity requirements, as priorities before considering investment return.
- 1.2 Revised reporting is required for the 2020/21 reporting cycle due to revisions of the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011.

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

1.3 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities. This expenditure is shown throughout this report as “regeneration programme”.

1.4 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans, (including prudential indicators);
- (MRP) policy, (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
- an investment strategy, (the parameters on how investments are to be managed).

b. A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.5 The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit Committee.

2. Key Considerations and Sustainability

2.1 Treasury Management Strategy for 2020/21

2.1.1 The strategy for 2020/21 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators;

- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position; see table 1 below
- treasury indicators which limit the treasury risk and activities of the Council; Appendix 2
- prospects for interest rates; Appendix 3
- the borrowing strategy;
- policy on borrowing in advance of need; Appendix 4
- debt rescheduling;
- the investment strategy;
- creditworthiness policy;
- the policy on use of external service providers.

2.1.2 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

2.2 Training

2.2.1 One of the main requirements of the Treasury Code is the increased Member consideration of treasury management matters, and the need to ensure officers dealing with treasury management and investment are trained and keep their skills up to date. The Council addresses this important issue by:

- Providing training sessions, briefings and reports on treasury management and investment issues to those Members responsible for the monitoring and scrutiny of treasury management.
- This requires all relevant Officers to keep their skills up to date by utilising both external and internal training, workshops and seminars, and by participating in the CIPFA Treasury Management Forum and other relevant local groups and societies.

2.3 Treasury Management Consultants

2.3.1 The Council uses Link Asset Services as its external treasury management advisers. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external service providers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills

and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are agreed and subjected to regular review.

3. Service Delivery and Performance Issues

3.1 The Council’s capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, shown in Appendix 1, which are designed to assist Members’ overview and confirm capital expenditure plans.

3.2 Current Portfolio Position

3.2.1 The overall treasury management portfolio as at 31 March 2019 and the position as at 31st December 2019 are shown below for both borrowing and investments.

Table1: Current Portfolio Position

TREASURY PORTFOLIO				
	Actual 31/3/19 £m	Actual 31/3/19 %	Current 31/12/19 £m	Current 31/12/19 %
Treasury Investments				
Banks & Building Societies	60.100	32	60.000	38
Government (including Local Authorities)	109.000	58	85.000	53
Money Market funds	14.490	8	10.880	7
Bonds	3.000	2	3.000	2
Total Treasury Investments	186.590	100	158.880	100
Treasury External Borrowing				
Local Authorities				
PWLB	203.235	96	203.235	96
LOBO loans from banks	7.000	3	7.000	3
Other loans	0.351	1		1

			0.351	
Total External Borrowing	210.586	100	210.586	100
Net Treasury Investments/(Borrowing)	(23.996)		(52.586)	

3.2.2 The Council's forward projections for borrowing are summarised below in Table 2. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Table 2: Capital Financing Requirement (CFR)

£m	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
External Debt					
Debt at 1 April	241	210	273	366	574
Expected change in Debt	(31)	63	93	208	115
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Actual gross debt at 31 March	210	273	366	574	689
The Capital Financing Requirement	273	366	574	689	780
Under / (over) borrowing	63	93	208	115	91

3.2.3 Within the above figures the level of debt relating to regeneration activities is detailed in table 3 below

Table 3: Regeneration Programme debt

	2018/19	2019/20	2020/21	2021/22	2022/23
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	Actual	Estimate	Estimate	Estimate	Estimate
Actual debt at 31 March £m	26	57	181	214	229
Percentage of total CFR %	9	15	31	31	29

3.2.4 Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits – see Appendix 1

3.2.5 The Chief Operating Officer reports that the Council complied with the prudential indicator that the Council's gross borrowing in the current year does not exceed its CFR and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.3 Prospects for Interest Rates

3.3.1 Current Forecasts are shown in Appendix 3

3.3.2 The forecast anticipated consumer price inflation to remain around or slightly below 2% along with the expectation that the Bank of England will keep interest rates on hold at 0.75% until the situation on both Brexit and the global economy is clearer.

Our central case is that the EU withdrawal agreement will be approved by Parliament by the end of January 2020. The forecast assumes the Bank of England will raise interest rates to 1% in March 2021.

3.4 Borrowing Strategy

3.4.1 Caution will be adopted with the 2020/21 treasury operations. The Chief Operating Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

3.4.2 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

3.4.3 On the 9th October the PWLB unexpectedly announced that it was increasing its interest rates across all its new loans by 1% with immediate effect. Against this background and the risks within the economic forecast, caution will be adopted with the 2020/21 treasury operations. The Chief Operating Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- If it was felt that there was a significant risk of a sharp fall in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- If it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

New Borrowing

3.4.5 The council's borrowing strategy will give consideration to the following forms of borrowing to finance capital requirements:

- Internal borrowing: The need to undertake external borrowing can be reduced by the temporary use of internal balances held for provisions and reserves within the Council's accounts and cashflow movements on a day-to-day basis. The option of postponing borrowing and running down investment balances may provide short term revenue savings and reduce investment risk. The use of internal balances, however, must be monitored in order to mitigate the risks arising from the need to externally refinance when rates are unfavourable;
- Temporary Borrowing: from the money market or other local authorities;
- Shorter Term Borrowing (1 – 5 years): from non PWLB and other sources;
- Long Term Market Debt: where rates are significantly below those offered by the PWLB for an equivalent maturity period, and to provide diversity within the debt portfolio;
- PWLB: borrowing for periods across all durations where rates offer best value;

- Other borrowing arrangements: such as the use of leasing may be more cost efficient for some types of capital expenditure such as for vehicles and equipment.

3.4.6 The council will continue to borrow in respect of the following:

- Maturing debt;
- Approved (prudential) capital expenditure / capital investment;
- To finance short-term cashflow fluctuations.

3.4.7 The type, period, rate and timing of new borrowing will be determined by the Chief Operating Officer under delegated powers, taking into account the following factors:

- Expected movements in interest rates as outlined above;
- Maturity profile of the debt portfolio;
- The impact on the medium term financial strategy;
- Prudential indicators and limits.

Treasury Management Limits on borrowing activity

3.4.8. There are three debt related treasury activity limits. The purpose of these are to manage the activity of the treasury function within a flexibly set remit for risk management, yet not impose undue restraints that constrict opportunities for cost reduction or performance improvement. The indicators are:

- Upper limits on variable interest rate exposure net of investments;
- Upper limits on fixed interest rate exposure;
- Maturity structure of borrowing to manage refinancing risk.

3.4.9. The proposed indicators are set out in Appendix 2.

Policy on borrowing in advance of need

3.4.10. This is set out in Appendix 4 of this report.

Debt Rescheduling

3.4.11 All rescheduling will be reported to the Cabinet at the earliest meeting following its action.

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these

savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- The generation of cash savings and / or discounted cash flow savings;
- To fulfil the treasury strategy;
- To enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).
- Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

3.5 Annual Investment Strategy

3.5.1 The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report) which will be considered at the same meeting.

3.5.2 The Council’s investment policy has regard to the following: -

- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2018.

3.5.3 The key intention of the Guidance is to maintain the requirement for councils to invest prudently and that priority is given to the security and liquidity of investments before yield.

The Council’s objective is therefore to achieve, within this constraint, the optimum return on its investments with the appropriate levels of security and liquidity.

Within the prudent management of its financial affairs, the Council may temporarily invest funds that are borrowed for the purpose of expenditure expected to be incurred in the reasonably near future. Borrowing purely to invest or on-lend for speculative purposes remains unlawful and the Council will not engage in such activity.

- 3.5.4 The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk, its minimum credit criteria is set out in Appendix 5.
- 3.5.5 The Council will consider placing longer term treasury deals while investment rates are at historically low levels and where attractive interest rates with high quality counterparties become available.
- 3.5.6 Investments will make reference to the core balance, cash flow requirements and the outlook for short and medium term interest rates.
- 3.5.7 Credit ratings should not be the sole determinant of the quality of an institution, this Council is not bound by the agency with the lowest rating and, importantly, officers will continually assess and monitor the financial sector and the economic/political environment in which institutions operate.
- 3.5.8 Treasury investment instruments identified for use in the financial year are listed in Appendix 6 under the 'specified' and 'non-specified' investment categories.
- 3.5.9 The Chief Operating Officer will, on advice, make operational changes to these limits in response to prevailing market conditions and regulatory changes.
- 3.5.10 All investments will be denominated in sterling.
- 3.5.11 As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.
- 3.5.12 Following the consultation undertaken by the MHCLG on IFRS 9 the Government introduced a mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds. This was effective from 1 April 2018. The statutory override applies for five years from this date. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.
- 3.5.13 The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), were required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing".

Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up.

3.5.14 Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank (RFB) will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

3.5.15 Whilst the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

3.5.16 This Authority will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

3.5.17 The local benchmark for investment is the 3 month LIBOR rate.

3.6 Loans to Third Parties

3.6.1 The Authority may borrow to make grants or loans to third parties for the purpose of capital expenditure, as allowable under paragraph 25 (1) (b) of the Local Authorities (Capital Financing and Accounting) (England) Regulations 2003 (Statutory Instrument No. 3146). This facility is likely to be used to support local economic regeneration and development activity but not limited to those purposes. The additional capital expenditure may be funded by external borrowing. Loans for working capital or revenue purposes are permitted as long as these are funded from the Council’s internal cash balances as external borrowing is not permitted in such circumstances.

3.6.2 **Pension Fund Cash** - The Local Government Pension Scheme (Management and Investment) Regulations 2016 requires the Council to maintain a separate bank account for the Pension Fund. For the

management of Pension Fund cash, there is in place an agreement to pool internally held pension fund balances (working cash and those pending external investment) with the investment balances of the Council. These balances are invested in accordance with the Council's Treasury Management Strategy.

The Pension Fund receives interest annually on their cash balances at a rate commensurate with that received by the Council. Pension Fund cash balances may be withdrawn anytime. In the event of loss of any investment, this will be borne on a pro rata basis equivalent to the value of each party's contribution to the investment which incurred the loss.

3.6.3 Pension Fund Prefunding – The Council can choose to enter into an agreement to made advance payment to fund the employee pension contribution for up to 3 years. The benefit of this is to take advantage of discount rate provided by the Pension Fund Actuary which will results in cash saving for the Council. The Council has not previously adopted such advance payments.

3.7 Treasury Indicators

3.7.1 The indicators cover 2018/19 -2022/23. The CIPFA Prudential Code and the TM code requires authorities to set treasury indicators and these are set out in Appendix 2. No breaches in the indicators are expected in 2019/20.

3.8 Minimum Revenue Provision (MRP)

3.8.1 The MRP Policy Statement 2020/21 is set out in Appendix 7 of this report.

3.9 Policy on the use of external service providers

3.9.1 The Council uses Link Asset Services as its external treasury management advisors.

3.9.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.



REASONS AND OPTIONS

Reasons for the decision:

The statutory Codes set out that the Council ought to approve a Treasury Management Strategy Statement, the MRP Strategy and the Prudential Indicators.

Other options considered:

The MHCLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Operating Officer, having consulted the Cabinet Member for Finance and Property, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain

IMPLICATIONS AND RISKS

Financial implications and risks:

The Treasury Management Strategy Statement is a key part of the overall budget strategy and financial management framework and governs the strategic and operational treasury management activities throughout each financial year in order to manage the Council's financial risks associated with cash management via borrowing and investments.

For the financial year 2020/21, the budget for investment income has been set at £1.7m, based on an average interest rate of 0.8%. However this may need to be revised down during the year depending on the balance between internal and external borrowing with any corresponding offset made to the interest payable budget.

The budget for long term debt interest payable in 2020/21 has been increased from £10.5m to £13.2m. This is based on the existing average long term debt portfolio of £210m at an average interest rate of 3.6% and has been adjusted for anticipated borrowing for the 2020/21 capital programme.

Of the existing £210m of long term debt, £174m is in relation to the HRA, with a budget for debt interest payable of £5.8m.

The General Fund Budget for debt interest on external debt has been increased from £2.4m to £5.1m to allow for external borrowing to be undertaken should it be considered necessary in 2020/21 to fund the cost of borrowing for the increased capital programme.

If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different. Variance from budget will be reported on a bi-annual basis to full Council.

Legal implications and risks:

The Council must comply with its duty under section 3 Local Government Act 2003 to keep under review the amount of money the Authority can afford to borrow. Regulation 2 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003/3146 requires the Authority to have regard to the code of

practice entitled the “Prudential Code for Capital Finance in Local Authorities” published by CIPFA when considering its duty under section 3.

The Council has fiduciary duties toward its tax payers to act in good faith in the interests of those tax payers with the considerable sums of money at their disposal. The Strategies being proposed for approval seek to discharge those duties in a reasonable and prudent fashion and therefore there is a low risk of successful challenge.

Otherwise there are no apparent legal implications arising as a result of this Report.”

Human Resources implications and risks:

There are no direct Human Resources implications arising as a result of this report

Equalities Implications and Risks:

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce.

There are no equalities implications within this report

Health and Wellbeing Implications and Risks:

The Council is committed to improving the quality of life and wellbeing for all Havering employee’s and residents in respect of socio-economics and health determinants. There are no direct implications to the Council’s workforce and residents health and wellbeing as a result of this report.

BACKGROUND PAPERS

NONE:

- London Borough of Havering – Treasury management strategy 2020/21 and MRP Policy statement.

Appendix 1

PRUDENTIAL INDICATORS

Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2018/19 Actual	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget
Non-HRA	30.275	116.080	118.979	15.048	9.388
HRA	33.677	136.080	97.224	113.596	116.223
Regeneration Programme *	7.635	31.097	223.468	98.212	57.303
Total	71.588	283.257	439.671	226.856	182.914

* these activities relate to areas such as capital expenditure on investment properties, loans to third parties etc.

Other long-term liabilities - The above financing need excludes other long-term liabilities that already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
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£m					
Capital receipts	20.547	45.391	121.716	56.460	31.053
Capital grants	16.296	45.391	80.378	23.850	36.266
Revenue and Reserves	23.996	98.089	20.643	20.989	18.712
Net financing need for the year	10.748	94.386	216.934	125.557	96.883

The net financing need for regeneration programme activities included in the above table against expenditure is shown below:

Regeneration Programme £m	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Capital Expenditure	8.785	28.097	223.468	98.212	57.303
Other Sources of Financing	0	0	98.250	55.000	30.000
Net financing need for the year	8.785	28.097	125.218	43.212	27.303
Percentage of total net financing need %	81.74	29.77	57.72	34.42	28.18

The Council’s borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council’s Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council’s indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for (e.g. by capital grants), through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (OLTL) which relates to PFI scheme and finance leases. The Council currently has no such liabilities within the CFR.

The Council is asked to approve the CFR projections below:

£m	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Capital Financing Requirement					
CFR – non housing	72.185	105.360	152.225	163.405	169.187
CFR – housing	174.669	203.288	240.149	311.189	381.735
CFR – Regeneration Programme	26.489	56.985	181.158	214.454	229.156
Total CFR	273.343	365.633	573.532	689.048	780.078
Movement in CFR	16.969	92.290	207.899	115.516	91.030

Movement in CFR represented by					
Net financing need for the year	10.748	94.386	216.934	125.557	96.883
Less MRP and other financing movements	1.875	2.096	9.035	10.041	5.853
Movement in CFR	8.873	92.290	207.899	115.516	91.030

A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position. The capital expenditure figures and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Authority's remaining activity.

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and the following two financial years. This allows some flexibility for limited early borrowing for future years,

but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Chief Operating Officers reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.).

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicator:

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

%	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non-HRA	2.47	3.24	5.24	5.47	5.95
HRA	3.81	4.44	5.25	6.80	8.34
Regeneration Programme	0.85	1.62	6.53	8.73	9.45
Total	7.13	9.30	17.02	21.00	23.73

Prior to 2018/19 regeneration programme activities are not shown separately in this table

The estimates of financing costs include current commitments and the proposals in this budget report.

Appendix 2

TREASURY INDICATORS

The Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) in the preceding year plus the estimates of any additional CFR for 2019/20 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The operational boundary

This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £m	2019/20 Limit (actual)	2020/21 Limit	2021/22 Limit	2022/23 Limit
Debt	293	459	551	624
Other long term liabilities	10	10	10	10
Regeneration Programme	46	145	171	183
Total	349	614	732	817

The authorised limit for external debt

This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2019/20 Limit	2020/21 Limit	2021/22 Limit	2022/23 Limit
Debt	439	688	827	936
Other long term liabilities	10	10	10	10
Regeneration Programme	68	217	257	275
Total	517	915	1094	1221

Treasury Management Limits on Activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair opportunities to reduce costs/improve performance.

The Code requires that for LOBO loans the maturity date is now deemed to be the next call date.

The indicators are:

Maturity structure of borrowing

These gross limits are set to reduce the Council's exposure of large fixed rate sums falling due for refinancing; these have been kept deliberately wide to provide flexibility for any restructuring that might be carried out to de-risk the debt portfolio.

Maturity structure of fixed interest rate borrowing 2020/21		
	Lower	Upper
Under 12 months	0%	40%
12 months to 2 years	0%	60%
2 years to 5 years	0%	70%
5 years to 10 years	0%	80%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

Maturity structure of variable interest rate borrowing 2020/21		
	Lower	Upper
Under 12 months	0%	90%
12 months to 2 years	0%	90%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

Investment treasury indicator and limit

Total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days			
£m	2019/20	2020/21	2021/22
Principal sums invested for longer than 365 days	£75m	£75m	£75m

Appendix 3

PROSPECTS FOR INTEREST RATES

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their central view.

Bank Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%
Capital Economics	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	-	-	-	-	-
5yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.20%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.20%	3.20%
Capital Economics	2.20%	2.40%	2.50%	2.50%	2.60%	2.60%	2.80%	2.80%	2.90%	-	-	-	-	-
10yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.44%	2.70%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%
Capital Economics	2.44%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%	-	-	-	-	-
25yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	3.00%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.10%
Capital Economics	3.00%	3.10%	3.10%	3.20%	3.20%	3.20%	3.30%	3.30%	3.40%	-	-	-	-	-
50yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.85%	3.20%	3.30%	3.30%	3.40%	3.50%	3.60%	3.60%	3.70%	3.80%	3.90%	3.90%	4.00%	4.00%
Capital Economics	2.85%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%	3.40%	3.50%	-	-	-	-	-

The Bank of England Monetary Policy Committee (“MPC”) has held its main interest rate steady at 0.75% with its rate-setting committee voting 7-2 in favour of keeping the current level.

The central bank maintained the dovish stance exhibited after its previous meeting, commenting in an accompanying statement: “If global growth fails to stabilize or Brexit uncertainties remain entrenched, monetary policy may need to reinforce the expected U.K. recovery.”

Its forecast for U.K. GDP (gross domestic product) growth in the fourth quarter of 2019 was cut to +0.1% from the November forecast of +0.2%, reflecting the weakening of economic conditions shown in recent data.

Two MPC policymakers, Jonathan Haskel and Michael Saunders, voted to cut the main interest rate to 0.5%, as was also the case in November.

On the U.S.-China trade war, the Bank of England noted the “partial de-escalation of the U.S.-China trade war gives some additional support to the outlook” but highlighted that the continued sign of loosening in the U.K. labour market was another potential headwind.

The central bank has been grappling with uncertainty over Brexit for the past three years, and their focus now switches to what kind of trade deal the U.K will negotiate with the EU.

Following the Conservative Party's election victory, which all but ensures the U.K. will leave the EU before the January 31 deadline, Prime Minister Johnson has vowed to block any extension to the post-exit transition period beyond the end of 2020.

After raising rates in August 2018 to 0.75%, the MPC voted unanimously to hold rates during their September 2019 Policy meeting, reaffirming its pledge to gradual and limited rate rises under the assumption of a smooth Brexit and some recovery in global growth.

In August's Inflation Report, the BoE predicted a gradual increase in inflationary pressures, reaching above the inflation target of 2% by Q4 2020, and they forecast GDP growth to reach around 2.5% in 2022. Meanwhile, unemployment is expected to increase steadily up until Q3 2020, gradually decreasing from then on.

The US economy grew by an annualised 2.0% in Q2 2019, slightly below a preliminary estimate of 2.1% percent and following a 3.1% expansion in the previous three-month period, the second estimate showed.

The Fed decided to cut rates further by 25bps, lowering their target range to 1.75-2.00% during its September meeting, amid concerns about slowing global growth and trade wars.

On the 9th October 2019, the PWLB unexpectedly announced that it was increasing its interest rates across all its new loans by 1% with immediate effect.

While the Council's treasury management strategy permitted borrowing from a number of sources "it was not anticipated that any alternatives to PWLB would be utilised given the low cost of PWLB funding previously".

A further attraction of the PWLB had been "the low administration cost associated with raising funding, which was done by a simple phone call from officers when new borrowing was arranged".

The "significantly elevated resourcing requirement" of dealing with other lenders would depend on whether the currently underdeveloped market for lending to councils expanded now that the PWLB's rates were less attractive.

"The market which provides alternative funding to the PWLB for local authorities is not well developed,".

“Only a handful of authorities have raised funds via alternative routes, as PWLB rates have previously been at levels that competitors could not offer. This is now likely to change, and the market is likely to reassess the possibility of lending to councils.”

The treasury team is liaising with LINK (the Council’s Treasury Advisers) for alternative options to PWLB. e.g Pension Fund, LA to LA market, SPV etc.

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POLICY ON BORROWING IN ADVANCE OF NEED

The Council must ensure that its total debt does not, except in the short-term, exceed the total of the CFR in the preceding year i.e. 2020/21, plus the estimates of any additional CFR for the year 2019/20 and the following two financial years. This allows some flexibility for early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

Any decision to borrow in advance will be considered carefully to ensure that value for money can be demonstrated, and that the Council can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Council will:

- Ensure that the ongoing revenue liabilities created, and the implications for future capital plans and budgets have been considered;
- Evaluate economic and market factors that might influence the manner and timing of the decision to borrow;
- Consider the pros and cons of alternative forms of funding, interest rate structures and repayment profiles;
- Consider the positive and negative impacts of borrowing in advance of need on the Council's cash balances, in particular the increased exposure to credit risk that will arise as a result of investing this additional cash in advance of need.

The Council's minimum credit ratings criteria

Credit Rating: Investment decisions are made by reference to the lowest appropriate published credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Within the parameters set out below the Council works together with Link Asset Services (the treasury management advisor) to establish an operational lending list using Link's creditworthiness methodology.

The notes below should be read in conjunction with table 1 overleaf.

- 1. Banks (Unsecured) and Building Societies:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

For non UK Banks, the Authority's credit criteria will require that banks from AA+ rated countries and above can be used.

Current bank accounts: the Authority's own banker, Should the credit rating fall below A-, for liquidity purposes the Authority may continue to deposit surplus cash with the group providing that investments can be withdrawn on the next working day. Balances will be reviewed on a daily basis to assess their appropriateness.

Banks (secured): Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.

The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

2. **Rated Building Societies** - The Authority's credit rating criteria for UK Building Societies in 2019/20 will continue to limit deposits to those UK Building Societies that meet the credit criteria in table 1 below.
3. **Non Rated Building Societies** – The criteria in table 1 overleaf will apply.
4. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
5. **Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made following an external credit assessment as part of a diversified pool in order to spread the risk widely.
6. **Registered providers:** Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing and, as providers of public services, they retain the likelihood of receiving government support if needed.
7. **Residential Mortgage Based Schemes** - Investment will be restricted to AAA rated funds with only UK exposure. These funds offer stronger risk-adjusted returns whilst maintaining high daily liquidity with time plus two days (T+2) access.
8. **Pooled funds:** Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee.
9. **Money Market Funds (MMF):** The Authority will continue to use MMF's, which provide lower interest returns but do provide a highly liquid, diversified investment via a highly credit-rated pooled investment vehicle.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their

performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Table 1: Approved investment counterparties and limits

Credit rating	Banks unsecured*	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£35m 5 years	£35m 20 years	£35m 50 years	£15m 20 years	£15m 20 years
AA+	£35m 5 years	£35m 10 years	£35m 25 years	£15m 10 years	£15m 10 years
AA	£35m 4 years	£35m 5 years	n/a	£15m 5 years	£15m 10 years
AA-	£35m 3 years	£35m 4 years	n/a	£15m 4 years	£15m 10 years
A+	£35m 2 years	£35m 3 years	n/a	£25m 3 years	£15m 5 years
A	£35m 13 months	£35m 2 years	n/a	£25m 2 years	£15m 5 years
A-	£35m 6 months	£35m 13 months	n/a	£15m 13 months	£15m 5 years
None	£1m 6 months	n/a	n/a	£5m 5 years	£10m 5 years
	UK Local Authorities £35m per authority; 50 years				
Pooled funds	£25m per fund These include Bond Funds, Gilt Funds, Equity, Enhanced Cash Funds, Mixed Asset Funds and Money Market Funds, Residential Mortgage Based Schemes (RMBS)				

* Includes Building Societies

Investment Limits

The Authority further proposes the investment limits as set out in the table below to protect the security of its investments. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 2: Investment limits

	Cash limit
UK Central Government	unlimited
Any single organisation, except the UK Central Government	£35m each
Any group of organisations under the same ownership	£35m per group
Any group of pooled funds under the same management	£35m per manager
Financial instruments held in a broker's nominee account	£50m per broker
Foreign countries	£35m per country
Registered providers	£35m in total
Unsecured investments with building societies	£50m in total
Loans to unrated corporates	£35m in total
Money Market Funds	£50m in total
UK Residential Mortgage Backed Securities (RMBS)	£25m in total

Specified and Non Specified Investments

Specified investments:

The MHCLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Limits on specified investments are shown in table 1 below.

Table 1: Specified Investments

Instrument	Institution Type	Instrument Minimum 'High' Credit Criteria	Limits	Max. Maturity Period
Accounts, deposits, certificates of deposit and senior unsecured bonds with banks other than multilateral development banks, UK Government Gilts.	UK Banks and UK Banking Groups ¹	per Appendix 5, Table 1	£35m	per Appendix 5, Table 1
	UK Building Societies	per Appendix 5, Table 1	£35m	per Appendix 5, Table 1
	Non UK Banks	Sovereign Rating of AA+ and above and meet Credit Criteria in Appendix 5, Table 1	£35m	per Appendix 5, Table 1
Covered bonds, floating rate notes, reverse repurchase agreements and other collateralised arrangements with banks and building societies	UK Banks and Building Societies and Non UK Banks	Per Appendix 5, Table 1 (and Sovereign Rating of AA+ minimum for Non UK Banks)	See Note 2	per Appendix 5, Table 1
Term Deposits	Local Authorities and other	UK Sovereign Rating	£35m	per Appendix 5, Table 1

	Public Institutions			
Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing.	Registered Social Housing Providers	per Appendix 5, Table 1		per Appendix 5, Table 1
Money Market Fund		AAA ³	£25m	
Enhanced Cash Funds		AA/Aa ⁴	£25m	
Residential Mortgage Based Schemes (RMBS)		UK AAA	£25m	
1. £35m Limit per bank / banking group.				
2. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.				
3. Investments will be made with those MMF's which have a rating of AAA				
4. Minimum of Fitch / Standard & Poor's AA or Moody's Aa rating				

NON SPECIFIED INVESTMENTS

Instruments	Non Specified Investments	Institution Type	Minimum Credit Criteria	Maximum Duration	Cash limit
Accounts, deposits, certificates of deposit, structured deposits and senior unsecured bonds with banks other than multilateral development banks. Covered bonds, reverse repurchase agreements, and other collateralised arrangements with banks and building societies. Short Dated Bond Funds, Diversified Growth Funds, Absolute Return Funds and Property Funds. Unrated Bonds.	Total long-term investments (investments over 1 year)	UK and Non UK Banks and Building Societies, Rated Registered Social Housing Providers (RSP)	Per Appendix 5, Table 1	10 yrs.	£75m
	Total investments without credit ratings or rated below A- (except UK Government and local authorities)	Unrated Registered Social Housing Providers (RSP), Unrated Banks and Building Societies	N/A	5 yrs.	£20m
	Total Investments made in pooled investment vehicles.			7 yrs.	
	Total Investments made in un-rated bonds.				
	Total non-specified investments				£95m

Non-specified investments:

Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality.

Limits on non-specified investments are shown in table 2 below.

Table 2: Non-specified investment limits

	Cash Limit £m
Total long-term investments	75
Total Investments without credit ratings or rated below A- (subject to due diligence)	20
Total non-specified investments	95

Minimum Revenue Provision Policy Statement

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP). Although there has been no statutory minimum provision requirement since 2008, The Local Government Act 2003 requires the Authority to have regard to the MHCLG *Guidance on Minimum Revenue Provision* updated in 2018.

The broad aim of the MHCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement only incorporates options recommended in the Guidance.

For capital expenditure incurred before 1st April 2008, MRP will be determined in accordance with the former regulations that applied on 31st March 2008, incorporating an "Adjustment A" of £2.9m on a reducing balance method

For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant assets in equal instalments, but under exceptional circumstances MRP the annuity or equal instalments method may apply. Furthermore, where appropriate provision of MRP will commence in the year after the asset becomes operational.

Estimated life periods will be determined under delegated powers. The Council may defer to the estimated useful economic life periods specified in the MRP guidance, but reserves the right to determine such periods and prudent MRP.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of

expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

For assets acquired by finance leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

No MRP will be charged in respect of assets held within the Housing Revenue Account.

Third party loans – Under statutory requirements the payment of the loan will normally be treated as capital expenditure. The subsequent loan repayments, (which are treated as capital receipts under statutory requirements), will be used to reduce the long term liability and consequently the CFR. As a result MRP will not generally be charged on the loan as it is not appropriate to do so.

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CABINET

Subject Heading:

2020/21 Budget and 2020-2024 Medium Term Financial Strategy

SLT Lead:

Jane West
Chief Financial Officer

Report Author and contact details:

Richard Tyler
Finance Strategy Manager, oneSource
01708 433 957

Richard.Tyler@oneSource.co.uk

Policy context:

This report sets out the Council's revenue budget requirement for 2020/21 and MTFS for the following three years. It makes proposals regarding the level of Council Tax required to meet the budget requirement. The report also provides an update on the outcome of the 2020/21 local government financial settlement.

Financial summary:

This report includes:

- the approach to setting the Council's 2020/21 budget and MTFS for the following three years
- the outcome of the local government finance settlement
- recommended Council Tax level for 2020/21.

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

EXECUTIVE SUMMARY

The report sets out the Council's current financial situation and its approach to achieving financial balance over the period 2020/21 to 2023/24.

The Council has faced a very challenging ten years since the government's austerity agenda was launched in 2010. Back in 2010, the Council received £67 million in general government grant whereas this year we received nothing and next year we will only receive £1.4 million. The Council has had to face very difficult decisions over the last ten years to ensure it remains financially sustainable.

This challenge has been greater for Havering than many other London Boroughs. The formula used to calculate the general grant settlement has largely been frozen since 2013 and population growth has not been recognised by government since then. There is also a perversity in the system which has meant that Havering receives lower government grant simply because it has a higher Council Tax. The Council continually lobbies government that this is a major flaw in its methodology for allocating a number of grants.

Dealing with this unfair situation has had the benefit of making Havering the fifth most productive council in the country and the most productive in London and the south east for the second year running (IMPOWER Index 2019).

The new government has promised an end to austerity but unfortunately the recently announced Local Government Finance Settlement for 2020/21 still presents the Council with a challenge. There has been some additional funding provided for Social Care (£3.7 million) but this does not begin to meet the increase in costs the Council faces; driven not just by increases in both the elderly and child population but also by the complexity of the needs of the most vulnerable residents in the borough for example the aging population.

The government has offered a partial mitigation in that the Council has been given permission to increase its Council Tax by 2% as an Adult Social Care Precept. This report proposes that to avoid further cuts to Council services that this 2% increase is implemented.

But even beyond the Adult Social Care Precept, the Council is facing further budget pressures and it is proposed in this report that Council Tax is raised by a further 1.95% ie the total Council Tax increase proposed is 3.95%. This is just below the government's limit of 4% beyond which a Council Tax Referendum would be necessary (2% ASC precept plus 2% general Council Tax). The total of the 3.95% Council Tax increase raises just under £5 million.

The full extent of the budget pressures faced by the Council are set out in the table below. For next year, the pressures total £23.190 million.

Cabinet February 12th 2020

Corporate Pressures	2020/21	2021/22	2022/23	2023/24	4 Year Plan
	£m	£m	£m	£m	£m
Future Contribution to Pension Fund	0.000	1.000	0.000	0.000	1.000
Assumed Loss of Grants (Including New Homes Bonus)	2.111	4.392	0.867	0.000	7.370
Change to Business Rate Pool Arrangement	1.500	0.000	0.000	0.000	1.500
Revenue Cost of Financing Capital Programme	4.983	7.029	2.299	0.167	14.478
Cost of Levies and freedom pass	-0.046	0.681	1.238	0.927	2.800
Growth (Libraries, Talent Hub and Local Plan)	0.976	-0.357	0.000	0.000	0.619
Corporate Risk and General Balances/Reserves	3.228	2.815	1.114	0.000	7.157
Demographic Pressures	8.056	3.131	5.026	4.923	21.136
Inflationary Pressures	2.382	2.187	2.207	2.227	9.003
TOTAL PRESSURES	23.190	20.878	12.751	8.244	65.063

The Council's overall financial position has been balanced for 2020/21 as shown in the table below. Further proposals will need to be developed during 2020 to balance the later years.

Funding the MTFS	2020/21	2021/22	2022/23	2023/24	4 Year Plan
	£m	£m	£m	£m	£m
TOTAL PRESSURES	23.190	20.878	12.751	8.244	65.063
Funded By					
Updated savings previously agreed	-7.438	-9.853	-7.440	-0.500	-25.231
New Savings Proposals	-7.079	-2.667	-1.535	-2.293	-13.574
New Social Care Grant	-3.732				-3.732
Adult Social Care Precept	-2.500				-2.500
1.95% Council Tax Increase	-2.441				-2.441
FINAL POSITION	0.000	8.358	3.776	5.451	17.585

Despite these financial challenges, there are a range of service improvements built into the new MTFS. These include the reversal of the libraries savings included in last year's budget report, plus additional funding to extend opening hours. There is new capital investment eg in the public ICT facilities in libraries, improvement in parks, to build a new sports centre in Rainham and establish a major investment to be spent on Town Centre regeneration to support local business.

The Council continues to protect valued services such as the weekly bin collection and invest in additional policing. It is well on track to deliver the four year £40 million roads investment (2019/20- 2022/23) which has already seen over 1,000 potholes filled. The transformation programme is delivering improvements to services such as the new Local Area Co-ordinators being recruited in Harold Hill as well as cash savings through efficiency.

This report consists of the following sections:

- Policy and Strategic Context (Section 1)
- Background to the budget process and details of the local government finance settlement (Section 2)
- In-year financial position, consultation process, savings proposals and recommendations on Council Tax levels (Section 3)
- Update on the Medium Term Financial Strategy (Section 4)
- Impact of proposals on Council Tax levels (Section 5)
- Proposed Fees and Charges (Section 6)
- Contingencies and General Balances (Section 7)
- Update on the Capital Programme (Section 8)
- Budget risks and uncertainties (Section 9)
- Chief Financial Officer statement regarding the robustness of the budget (Section 10)
- Discount for Council Tax Payers Paying in Full (Section 11)
- Council Tax Support Scheme 2020/21 (Section 12)

RECOMMENDATIONS

Cabinet is asked to:

- Agree the Council's General Fund Budget Requirement for 2020/21 to be set at £130.104m as set out in paragraph 5.3.2 and Appendix E of the report;
- The Delegated Schools' draft budget set out in section 2.3 of this report;
- Agree a 1.95% increase in Council Tax for 2020/21 as set out in paragraph 5.1;
- Agree an additional 2% Adult Social Care Precept as in paragraph 5.1;
- Note the Medium Term Financial Strategy position as set out in Section 4
- Agree the fees and charges schedule as set out in Section 6 and Appendix F
- Note the budget and risks as set out in Section 9

- Approve the Council's approach to general balances as set out in paragraph 7.3
- Note the requirements of S106 of the LGA 1992 Act as set out in Section 1
- Agree that if there are any changes to the GLA precept and/or levies, the Chief Financial Officer be authorised to amend the recommended resolutions accordingly and report these to the next Council meeting as required.
- Agree that to facilitate the usage of un-ringfenced resources, the Chief Financial Officer in consultation with Service Directors will review any such new funds allocated to Havering; make proposals for their use; and obtain approval by the Leader and the Cabinet Member for Finance and Property.
- Delegate to the Chief Financial Officer in consultation with Service Directors the authority to make any necessary changes to service and the associated budgets relating to any subsequent specific grant funding announcements, where delays may otherwise adversely impact on service delivery and/or budgetary control, subject to consultation with Cabinet Members as appropriate.
- Delegate authority to the Cabinet Member for Adult Social Services and Health and the Leader to approve an annual spend plan for the Public Health grant.
- Delegate to the Directors of Children's and Adults authority to agree inflation rates with social care providers for 2020/21.
- Read the Equalities Impact Assessment in respect of the CTS Scheme as set out in Appendix J to this report.
- Read the draft summary version of the Council Tax Support Scheme for 2020 as set out in Appendix K to this report.

Cabinet is asked to recommend to Council for consideration and approval:

- The Council's General Fund Budget Requirement for 2020/21 to be set at £130.104m as set out in paragraph 5.3.2 and Appendix E of the report;
- The Delegated Schools' draft budget set out in section 2.3 of this report;

- A 1.95% increase in Council Tax for 2020/21 as set out in paragraph 5.1;
- An additional 2% Adult Social Care Precept as in paragraph 5.1;
- That it pass a resolution as set out in section 11 of this report to enable Council Tax discounts to be given at the 2019/20 level.
- Agree that Havering joins the 67% London Business Rate Pool for 2020/21 and agrees the Memorandum of Understanding (MOU) as set out in paragraph 3.3.5 and Appendix L despite it representing a reduction in revenue of £1.5m compared to the previous 75% pool.
- Recommend to Full Council that the Council Tax Support Scheme 2019/20 is adopted for 2020/21 as set out in Section 12 of this report
- Recommend to Full Council that the financial procedures for virements are updated as set out in paragraph 7.4 and Appendix M

REPORT DETAIL

1. Policy and Strategic context

- 1.1 This report presents the proposed 2020/21 budget and also an update of the Medium Term Financial Strategy (MTFS) between 2020/21 and 2023/24 that will support the delivery of the Council's objectives and priorities. The report includes a recommendation to increase Council Tax levels by 3.95% (including the Adult Social Care precept) in order to meet the new budget requirement whilst maintaining tight financial control and ensuring prudent levels of reserves and balances are maintained.

Councillors are reminded that Section 106 of the Local Government Finance Act 1992 requires any Member who is two months or more in arrears on their Council Tax to declare their position and not to vote on any issue that could affect the calculation of the budget or the Council Tax. Any Member affected by Section 106 who fails to declare could be subject to prosecution.

- 1.2 The Council's Corporate Plan sets out the Council's strategic direction for the next year. The Council's budget is directly linked to the delivery of the Council's vision – Cleaner, Safer, Prouder, Together
- 1.3 The Corporate Plan which is currently being updated for 2020 has four cross-cutting priorities:

Communities

Helping young and old fulfil their potential through high-achieving schools and by supporting people to live safe, healthy and independent lives.

- Healthy and active
- Best start to life
- Achievement at school
- Families and communities look after themselves and each other
- Supporting our most vulnerable

Places

Making sure that our neighbourhoods are great places to live by investing in them and keeping them clean, green and safe with access to quality parks and leisure facilities.

- Keeping Havering clean and safe
- Quality Housing
- Delivering excellent leisure facilities
- Award winning parks

Opportunities

Helping people get on in life by creating jobs and skills opportunities and building genuinely affordable homes.

- Helping our businesses grow
- Helping people succeed in life
- Genuinely affordable quality homes
- Delivering value for money

Connections

Making it easy for people to get around and get online by investing in road, transport links, faster internet and free Wi-Fi in town centres.

- Smart Havering
- Improving Havering's roads and pavements
- Making it easier to get around

- 1.4 In summary, the Corporate Plan puts the focus for the next year and beyond onto continuing our investment in our roads and pavements, and maintaining weekly bin collections and making sure our streets remain clean and safe. We will invest more in our libraries to extend opening hours and increase the number of activities offered to users. We have invested in our leisure facilities and will invest in our town centres to make them more attractive places to both visit and attract investment in, creating employment

and other opportunities for residents. Alongside this we will continue to offer value for money and keep the Council Tax as low as possible.

2. Background

2.1 Budget progress to date

On 18th September 2019, Cabinet was updated on the latest position on the medium term financial strategy. This showed a gap of £15.9m in the 2020/21 budget proposals. That report recommended consultation on a number of choices to reduce costs and make savings. In this report it is recommended that Council adopt a series of savings measures following a consultation process during the autumn months. These proposals together with the other updates set out in section 3 will balance the budget for 2020/21.

2.2 National Outlook and the 2019 General Election

The General Election on December 12th has resulted in a majority Conservative Government. The resulting Queen's Speech to open the new parliamentary session contained the following pledges relevant to the Public Sector

- The Government will embark on an ambitious programme of domestic reform that delivers on the people's priorities. For the first time, the National Health Service's multi-year funding settlement, agreed earlier this year, will be enshrined in law. Steps will be taken to grow and support the National Health Service's workforce and a new visa will ensure qualified doctors, nurses and health professionals have fast-track entry to the United Kingdom. Hospital car parking charges will be removed for those in greatest need.
- The Government Ministers will seek cross-party consensus on proposals for long term reform of social care. They will ensure that the social care system provides everyone with the dignity and security they deserve and that no one who needs care has to sell their home to pay for it. Ministers will continue work to reform the Mental Health Act.
- The Government will bring forward measures to support working families, raising the National Insurance threshold and increasing the National Living Wage.
- The Government will take steps to support home ownership, including by making homes available at a discount for local first-time buyers.

- New laws will require schools, police, councils and health authorities to work together to prevent serious crime. The Government will ensure those charged with knife possession face swift justice and that the courts work better for all those who engage with them, including victims of domestic abuse. Legislation will be brought forward to support victims of crime and their families.

2.3 The Local Government Financial Settlement

The Provisional Local Government finance settlement was announced on 20th December 2019. The announcement confirmed the position which had been indicated in both the 2019 Spending Review and the October technical consultation on the finance settlement

The main points of the settlement are set out below:

- **The 2020/21 local government finance settlement is for one year only.** It is based on the Spending Round 2019 funding levels, with individual authority allocations based upon Spending Review 2015 and subsequent funding announcements.
- **Council Tax** – As previously announced at Spending Round 2019, the council tax referendum limit will be 2% for local authorities with social care authorities allowed a 2% social care precept.
- **Business Rates Retention** – The three elements of the Business Rates Retention system (Baseline Need, NNDR Baseline and Tariff / Top Up amounts) have all increased by 1.63%, in line with the September 2019 CPI inflation figure. It is assumed that the Government will meet the loss of income resulting from new small business rate reliefs through additional section 31 grant.
- **Revenue Support Grant** – As outlined in the technical consultation, RSG has increased in line with the Business Rates Retention system (+1.63%).
- **New Homes Bonus** – The 2020/21 allocations have been announced. These will be paid with the legacy payments due from previous years (2017/18 to 2019/20). As previously announced, there will be no legacy payments for the 2020/21 in year allocations. Havering's taxbase increase was under the threshold to qualify for new NHB so Havering only received an extra £17,850 of new NHB based on the number of new affordable homes built.
- **Top Up/Tariff Adjustments (Negative RSG)** – As in previous years, the government has decided to eliminate the negative RSG amounts.

- **Social Care Funding** – Originally announced at Spending Round 2019, with further details provided in the technical consultation, the provisional settlement confirms the previously proposed national amounts and allocation methodologies. Havering has received an additional £3.732m of Social Care grant for 2020/21.
- **Rural Services Delivery Grant** – The 2020/21 allocation of £81m and methodology for distribution remain unchanged from 2019/20. Havering does not benefit from this grant.
- **Business Rates Pilots** – As expected, no new business rates pilots were announced for 2020/21, with all areas (aside) from the original 2017/18 pilot areas reverting back to the 50% scheme. The London pilot ended for 2020/21

Core Spending Power

The Government likes to use the term Core Spending Power to exemplify the increased level of funding available to councils for the forthcoming year. The table below sets out Core Spending Power increases for Havering.

The table shows that Havering's Core Spending Power has gone up by £9.584m (5.5%). The largest element of this increase relates to notional local decisions on Council Tax increases (2% ASC Precept and 2% General Council Tax).

Havering – Core Spending	2019-20	2020-21
	£m	£m
Settlement Funding Assessment	35.379	35.955
Under-indexing business rates multiplier	1.108	1.385
Council Tax / ASC Precept	124.813	131.910
Improved Better Care Fund	5.618	6.624
New Homes Bonus	2.957	0.859
Winter pressures Grant	1.006	-
Social Care Support Grant	1.718	5.450
Core Spending Power	172.599	182.183
Change %		5.5%

Specific Grant allocations within the Core Spending Power 2020/21

Havering	2019-20	SR19	2020-21
	£m	£m	£m
Improved Better Care Fund	5.618	1.006	6.624
Winter Pressures Grant	1.006	-1.006	0
Social Care Support Grant	1.718	3.732	5.450
Total	8.342	3.732	12.074

Winter Pressures Grant

In 2019/20, £240m of additional funding was provided to councils to spend on adult social care services to alleviate winter pressures on the NHS. This was allocated using the existing Adult Social Care Relative Needs Formula. The funding was ringfenced to support the NHS in dealing with Winter Pressures and pooled into the Better Care Fund. For 2020/21, the winter pressures funding has been incorporated into the Improved Better Care Fund line and must therefore form part of local authorities' contribution to the BCF. Havering received £1.006m for winter pressures in 2019/20.

Improved Better Care Fund.

The Improved Better Care Fund allocations have not changed for 2020/21. The overall amount within the Core Spending Power now includes the £240m Winter Pressures Grant Funding (previously shown separately). Havering received £5.618m IBCF in 2019/20. This has now been merged with the winter pressures fund giving a new 20/21 grant of £6.624m

Social Care Support Grant

In 2019/20, £410m of additional (non-ringfenced) funding was allocated for use for adult and children's social services. This was allocated using the existing Adult Social Care Relative Needs Formula and will also be used to distribute this Social Care Support Grant funding. For 2020/21, as announced in Spending Round 2019, an additional £1bn of funding was added to this grant.

The additional £1bn has been allocated as per the technical consultation, this being:

- £850m to be allocated using the Adult Social Care Relative Needs Formula, as per the existing Social Care Support Grant (i.e. the £410m allocated in 2019-20); and
- £150m to equalise the impact of the distribution of the adult social care council tax precept, using the current Improved Better Care Fund equalisation methodology.

Havering is disadvantaged by the decision to split this funding as it both pre-judges local decisions on the precept and penalises authorities who have high reliance on Council Tax for funding. The Council will continue to lobby to get the whole grant distributed by a formula reflecting relative need.

The funding is also for general social care including children's services. It is therefore disappointing that the formula does not reflect an element based on the pressures in this area which are chronic in London in particular

Independent Living Fund: Following the closure of the Independent Living Fund (ILF) in June 2015, the government agreed to continue funding pre-existing ILF arrangements until the end of 2019/20, through the Former ILF Recipient Grant. The ministerial statement confirmed that the former ILF Recipient Grant will continue to be paid to local authorities in 2020/21. The total value of the grant in 2020/21 will be maintained at the 2019/20 value (£585k for Havering).

Funding for the Troubled Families programme: The Government has announced nationally £165m to continue the troubled families programme for 2020/21. This funding will help more people in need get access to the early, practical and coordinated support to transform their lives for the better.

Dedicated Schools Grant and Schools Funding

The Dedicated Schools Grant (DSG) is a ring-fenced grant that is allocated to local authorities to meet their responsibilities for early years' education, the funding of schools and for provision and support for pupils with special educational needs and disabilities and for pupils requiring alternative provision. The grant is allocated in four "blocks" and the Havering's allocation for financial year 2020-21 is shown in table 1 below.

In September 2019, the Secretary of State for Education announced that funding for schools and high needs would rise by £2.6bn in 2020/21, plus £1.5bn to fund additional pension costs for teachers. Announcements followed in October confirming various elements and provisional allocations. Funding for early years provision has increased by £66m. The Government has now announced updated calculations reflecting the latest pupil numbers (using the January and October 2019 census data). Each local authority will, as usual, receive funding in four blocks, all of which have now been confirmed for 2020/21 (prior to recoupment of funding for Academies, which will be finalised in the coming months):

Table 1 - Havering's DSG allocation

	Schools Block				High Needs Block	Early Years	Central School Services Block	Total DSG
Year	Funding per pupil (£)	Pupil number allocation (£m)	Premises, pupil growth, falling rolls (£m)	Total Schools Block (£m)	Allocation (£m)	Allocation (£m)	Allocation (£m)	Allocation (£m)
2020-21	4,805.76	177.17	3.94	181.11	29.62	19.28	1.53	231.54
2019-20	4,623.49	169.06	4.66	173.72	25.29	17.63	1.57	218.21
Diff	182.27	8.11	-0.72	7.39	4.33	1.65	-0.04	13.33

Notes:

1. All of the above figures are before recoupment by the DfE for pupils attending academies, non maintained special schools and post 16 special educational needs provision.
 2. The additional Schools Block funding includes funding for an increase of 302 pupils in Havering schools.
 3. The funding for premises (business rates) pupil growth and falling rolls includes a reduction of £869k in the allocation of pupil growth/falling rolls funding from the DfE as a result of the introduction of a formulaic distribution of the funding nationally.
 4. The Early Years block is indicative and will be recalculated based on the January 2020 and 2021 early years censuses.
- **Schools Block** - The allocations to local authorities include a 4% increase in the formula factor rates within the national funding formula and meet the Conservative Manifesto commitment to provide at least £5,000 for every secondary school pupil, and £3,750 per primary pupil. Local authorities are required to ensure that these minimum per pupil levels are delivered in constructing their local funding formula although many schools will already be above these levels. In Havering this applies to only two primary schools and one secondary school.

Following agreement with the Schools Funding Forum and consultation with all schools, Havering is able to apply the national funding formula in full with a minimum 0.5% per pupil increase for all mainstream schools and academies with a cap of 4% for schools that would have otherwise have received a higher per pupil increase.

The effect on Havering schools of implementing the NFF in 2020-21 is as follows:

	No of schools receiving the minimum 0.5% increase per pupil	No of schools receiving an increase between 0.5% and 4% per pupil	No of schools receiving the maximum 4% increase per pupil
Infant	1	7	4
Junior	0	4	8
Primary	1	18	18
Secondary	3	10	5
Total	5	39	35
	6%	49%	44%

Although this provides an increase in funding for all schools in Havering, many will continue to struggle to set balanced budgets as a result of past and continuing financial pressure in having to fund national pay awards, incremental progression, increases in employer national insurance and pension contributions and inflationary increases on goods and services. School governors and head teachers are therefore continuing to implement efficiencies in the costs of running of their schools in an attempt to avoid falling into deficit.

In agreeing to the formula for distribution of funding to schools in 2020-21 the Schools Funding Forum has also agreed to use £0.8m of the Schools Block to meet commitments in pupil growth and falling rolls following the reduction in funding from the DfE. Also agreed was a transfer of £0.5m to support the High Needs Block, which, in spite, of the £4m increase in 2020-21 is coming under increasing pressure from an increasing number of children with Education Health and Care plans and a greater complexity of need.

- **Early Years Block** – the additional £66m has been allocated to local authorities by increasing by 8 pence the hourly rates used to fund parents' free entitlement to early years provision for 2 year olds and 3 and 4 year olds which is to passed on to providers.

Havering's rates of funding are as follows:

	2 year olds	3 & 4 year olds
2019-20	£5.66	£5.28
2020-21	£5.74	£5.36
Increase	£0.08	£0.08

From a local authority's allocation, the pass-through rate to providers is 95% including contingencies and an inclusion fund to support access for children with special educational needs and disabilities. The remaining 5% is for local authorities to carry out their statutory duty to ensure sufficiency of provision, quality assurance, the funding of providers, data management control and business support.

Consultation with early years providers is currently underway to confirm Havering's funding arrangements for 2020-21.

- **High Needs Block** – as with schools' funding, the distribution of funding from central to local government is through a national formula. The formula for High Needs funding includes a number of factors including historic funding, pupil population, deprivation and the number of pupils attending special schools and post 16 provision. In 2020-21 the allocations include a minimum 8% increase in the funding for pupil population.

In common with many other local authorities, Havering will have difficulty in containing its expenditure with the allocation of funding because of an increasing number of pupils and students with Education, Health and Care plans and increasing complexity of need.

- **Central School Services Block** - this block is to fund some of the statutory education functions of local authorities that in previous years has been funded from the Schools Block and an Education Services Grant. This block also allocates funding for an LA's historic commitments previously funded within the Schools Block. Statutory functions include school admissions, the funding of national copyright licences, servicing the Schools Forum and other statutory duties previously funded from an Education Services Grant.
- **Education Services Grant (ESG)** The ESG ceased from September 2017 and local authorities now receive funding on a per pupil basis through the Central Schools Services Block of the Dedicated Schools Grant. The reduction in grant leaves a shortfall against the cost of providing LA statutory services in spite of the savings made centrally and a contribution from LA maintained schools to meet the cost of central services relating only to that sector.

Table 2 – Shortfall in funding	£m
Estimated service costs in 2020/21	1.769
DSG Central Services Block for LA central duties (previously ESG grant)	(0.576)
Contribution from schools	(0.305)
Shortfall	0.888

The intention is to manage the shortfall in funding as part of the ongoing transformational review of the service. The service will come forward with longer-term proposals for implementation aimed at minimising the future funding gap. In the meantime, a contribution from the reserves held to support

the investment in education traded services will be used to supplement the funding already earmarked corporately to cover the shortfall shown above.

2.5 Future Funding beyond 2020/21

The Government announced a one year spending review in September 2019 to cover 2020/21. This has been backed up by the 2020/21 provisional settlement. The position thereafter is less clear and is subject to the forthcoming 2020 Spending review and other reforms of Local Government Funding.

The Government have indicated the following process for future years.

- **Spending Review 2020**

This is probably the most significant financial announcement for local government in 2020. The Spending Review will determine the overall funding levels for government departments for the spending period. This will therefore set the total amount to be spent on public finance for 2021/2022 and future years.

- **Future Arrangements for Adult Social Care**

The Government has been silent on previous commitments to produce an Adult Social Care Green paper. The Government has confirmed that the £1bn new funding for Social Care will be continued across the lifetime of the parliament. This will only partially mitigate pressures facing Adult Social Care up to 2025 and the funding gap will need to be closed. There is clearly a potential significant pressure on local authorities depending on the path the government chooses to take on funding.

- **The Fair Funding Review**

The Fair Funding Review is likely to be implemented for the 2021/22 settlement with the aim to review all the distribution formulae and data used for allocating funding to individual authorities. This will include population data, deprivation indices, sparsity and density factors and a whole series of other datasets including area cost adjustments used to distribute funding. The outcome of this review is likely to result in significant distributional changes between local authorities across the country. All London Boroughs and London Councils have lobbied hard to ensure that population growth, cost of living and deprivation factors experienced in London are fully reflected in the new formula.

- **Business Rate Reform**

The Government has ended the current pilot London pool for business rates. The Government is however committed to 75% business retention in the future.

- **Rebasing of funding**

One of the features of the previous four year settlement was the announcement of grant figures for four years up to and including 2019/20. Whilst this has provided stability up until now it does equally create significant uncertainty looking forward. As an example the Council currently receives S31 grants to compensate for losses to business rates through national initiatives. It is expected that these will be discontinued when the whole finance system is rebased for 2021/22.

In 2019/20 Havering has received £5.6m in Improved Better Care Funding (IBCF). The 2019 Spending Review commits to a further year of funding at a similar level. It is expected that updates on IBCF or its replacement will be included in the Adult Social Care future proposals for 2021/22 onwards but at the moment there is no clarity to give confidence for future planning.

3. In-year financial position, consultation process, savings proposals and recommendations on Council Tax levels

3.1 Current Financial Position 2019/20 Revenue Monitoring

The development of the 2020/21 budget and MTFs has fully taken account of the financial position being reported for 2019/20. The period 7 monitoring report reported an overspend across Council service departments of £1.750m for 2019/20. The Senior Leadership Team has continued to focus on measures to contain expenditure within the approved budget in order to ensure financial stability as a basis for the 2020/21 budget and beyond.

The main areas of overspend at period 7 are Children's Services (£0.9m), Neighbourhoods (£0.8m) and Adults (£1.0m). However these overspends are expected to be offset by Corporate underspends. Services are working hard to develop ongoing mitigating actions for these overspends.

The monitoring position will be improved at year end by a projected underspend of £0.95m on capital financing and treasury budgets and unspent central contingency balancing the overall position. Further mitigations will be sought over the final months of the year to reduce the service overspends where possible.

The month 7 reported position for **Children's Directorate** is an overspend of £0.9m. The main areas of pressure continue to be staffing budgets in social care and placement costs primarily for looked after children and children with disabilities, along with increasing pressures in Primary and Special Home to School transport. The service continues to work hard to develop plans and mitigating actions in order to reduce the overspend.

The period seven year end position for **Neighbourhoods** is forecast to overspend by £0.8m. The overspend mainly relates to slippage in the delivery of some elements of the Keep Havering Moving Programme.

The **Adults** budget is forecasting an overspend of £1.0m. Adults continues to experience increases in demand particularly in complex cases and ones requiring one to one support. The service has mitigated the 2019/20 position using one off funds and the MTFs addresses and recognises the ongoing pressures faced by the service. The position beyond 2020/21 is less clear and it is hoped the SR2020 will finally address the chronic funding shortages in this area.

3.2 Proposals to close the 2020/21 financial gap

In February 2019 Full Council set a balanced budget for 2019/20 and was presented with a medium term forecast gap of £16.598m for the three years 2020-2023. The medium term planning process is a live process taking account of changes to forecasted pressures and updated savings proposals. An update on the plan was presented to September Cabinet setting out the latest pressures and forecasted financial gap (see table below).

Description	2020/21	2021/22	2022/23	2023/24	4 Year Plan
	£m	£m	£m	£m	£m
Corporate Pressures	8.316	9.460	5.304		23.080
Assumed Central Grant loss	8.175	0.358	0.000		8.533
Demographic and Inflationary Pressures	4.920	3.435	3.592		11.947
Savings agreed at February Council	-8.626	-9.849	-8.487		-26.962
OPENING MTFs	12.785	3.404	0.409	0.000	16.598
Updates to the plan since February					
Revision to Projected Grant position	-5.179	2.442	0.432	0.000	-2.305
Discontinued/unachievable savings	2.951	1.041	1.370	0.000	5.362
Replacement savings (Appendix A)	-1.685	-0.025	0.000	0.000	-1.710
Local Plan costs	0.557	-0.357	0.000	0.000	0.200
Additional Demographic Pressures	7.503	2.623	0.664	4.023	14.813
Revision to Corporate pressures	-1.040	0.000	0.000	2.300	1.240
POSITION at SEPT CABINET	15.891	9.128	2.875	6.323	34.217

This identified that a gap of £15.9m needed to be closed in order to balance the 2020/21 budget. This has been achieved in a number of ways.

3.3 Proposals to close budget gap for 2020/21

New Savings £7.1m in 2020/21 rising to £13.6m by 2023/24

A wide range of new savings proposals have been identified to help balance the budget. Business cases were developed to support these proposals and the budget consultation between September and November 2019 sought the opinion of the public and key stakeholders. It is recommended that savings proposals totalling £7.1m in 2020/21 rising to £13.6m by 2023/24 are

incorporated in to the Council's budget for next year. These proposals are listed at **Appendix B**.

Consultation process:

The September Cabinet paper included an Appendix listing a number of areas to consider for efficiencies and savings. These ideas were consulted on between September and November reaching out to the public and key stakeholders. **Appendix C** sets out the results of the consultation.

The main outcomes were as follows:

The three services that were most important to respondents are:

- Community Safety
- Care and support for older and disabled people
- Child protection and safeguarding

The latter two services are invested in heavily by the Council. Community Safety has received additional funding recently eg. to fund additional local police officers in the borough until 2024.

In 2018, 'Refuse Collection – domestic waste and recycling' was the third most important service and is now 4th.

A few respondents stated that it was 'difficult' to choose which services are the most important as they are all 'vital to living in a decent community'.

The three services that were least important to respondents are:

- Garden waste collection
- Cultural facilities (e.g. theatres and arts centres)
- Major public events (e.g. Christmas events, Havering show)

The Council's budget already reflects these lower priorities with charges in place to recover much of the cost of garden waste collection (although not all) and limited funding invested in cultural facilities and events.

Most income generating ideas were favourable received. Lower numbers of positive responses were received in relation to Cremation Fees (24%) and Premium Saturday Appointments Fees (42%) and this is reflected within the comments where a number of respondents were displeased about the Council charging people whilst they were grieving. For Saturday appointments, individuals stated that this penalises the Monday-Friday 9-5 worker who can only do Saturdays. However, the Council's proposals are reflective of charging by other providers.

The following proposals were suggested by respondents:

- Reviewing the image of a modern town centre
- Use of more online services
- Rental of council spaces
- Fees and licenses
- Enforcement (litter, yellow box junctions etc.)
- Providing training and support to staff to reduce consultancy / agency spend
- Reviewing fraudulent claims
- Centralising staff and promoting working from home.

All these areas are currently under review within the Council to deliver better efficiency ie. the same service or even improved services at lower cost to the council tax payer.

Respondents are concerned about the reduction of services (including the number of restructures) and impact this will have on service delivery. This is unsurprising given the reductions in government funding and the growth in demand that the Council has had to manage over the last 10 years. However, it may be the worst is over with some positive news in the recent Spending Review and the fact Havering is much less dependent on government funding now than it was a decade ago.

A few individuals stated that they felt little or no impact from council reductions but a number of respondents felt there was an impact on the following services:

- Libraries
- Pavements, bridleways, footpaths and roads
- Crime and Community Safety
- Parking
- Street cleaning
- Mental Health and Social Care support

The Council continues to do what it can to find space in the budget for service improvements. There are a range of new initiatives built into the budget proposals from 2020/21. These include the reversal of the libraries savings included in last year's budget report, plus additional funding to extend opening hours. The consultation activity across the borough over the summer, including public meetings in the libraries, demonstrated that residents value their local libraries particularly as places to go to meet with others in their neighbourhood. The Transformation Programme includes proposals to pilot Community Hubs in Harold Hill Library and Rainham Library.

There is new capital investment built into the budget. The public ICT facilities in libraries will be replaced to improve digital access for visitors. There will be new investment in parks starting with removing the silt from the lake at Harrow Lodge Park. Following a 'community conversation', Cabinet has

approved plans for a new sports centre in Rainham. A major investment pot of £15 million has been built into the capital programme to be spent on Town Centre regeneration to support local business.

The Council continues to protect valued services such as the weekly bin collection and invest in additional policing. It is well on track to deliver the four year £40 million roads investment (2019/20- 2022/23) which has already seen over 1,000 potholes filled. The Transformation Programme is delivering improvements to services such as the new Local Area Co-ordinators being recruited in Harold Hill as well as cash savings through efficiency.

Spending Review (Social Care and Demographics)

On September 4th the Government announced a one year Spending Review to cover the 2020/21 financial year. The Spending Review provided a promise of new funding for Social Care including the option for a 2% precept for Adult Social Care. The Government has indicated that this level of funding will continue for the rest of this parliament. The new funding is welcomed and has helped reduce the financial gap for 2020/21. The funding will help mitigate the current pressures both Adults' and Children's social care are reporting in the revenue monitoring report. The funding will also help mitigate further demographic and inflationary pressures built into the MTFs which will be ongoing as client numbers continue to rise.

Spending Review (Business Rate Pooling)

The 2019 Spending Review has also indicated the end of the Londonwide 75% pilot business rate pool. This is very disappointing as the London pilot is one of the best examples of collaborative working between councils and between tiers of government. London has expended a significant amount of capital in forging agreement not only between the 32 boroughs and the City of London Corporation that make up London Councils, but also between London Councils and the Mayor of London and GLA and its functional bodies. The scheme balances a range of objectives and incentives for individual authorities, groups of councils and London overall and reflects the sort of imperatives that Ministers also pressed for. Havering had previously benefitted by £1.8m through this arrangement.

Proposed new 67% London Business Rates Pool

London Boroughs are now proposing a new 67% pool which is a decision outside the Government's pilot pool arrangements. The potential financial benefits of London pooling under the 67% scheme are not as great as under the current 75% retention pilot. Firstly, there would be less growth retention (67% versus 75%), and, secondly, there would be a lower saving on levy payments, as the pool would pay a levy on growth (as all tariff areas would normally do). The financial benefit comes from the pool overall paying less in

levy than the London tariff authorities would have paid individually. It is estimated that this pool will provide £300k of benefit to Havering which will partially compensate for the Government's decision to discontinue the 75% pool.

It is recommended that Havering joins the new London-wide Business Rate Pool for 2020/21 and signs and approves the Memorandum of Understanding (MOU) set out in Appendix L.

Reduction in the East London Waste Levy

At its recent meeting in early December the East London Waste Authority (ELWA) announced a reduction to the projected levy for next year. The change in the projected levy relates to returned unused surpluses from 2018/19 and a reduction in the projected tonnages for 2020/21. Previously ELWA were forecasting a £1m increase in our levy. There will now be a small reduction in the levy resulting in a £1.3m improvement in the planned forecast.

Change to the forecasted pension fund contributions

Havering has recently received the outcome of its latest tri-ennial review of the pension fund. The actuaries have recommended no change in our assumptions for 2020/21 and an extra £1m be added from 2021/22 but no further increases in 2022/23. As a result there is a reduction to assumptions from 2021-2024 across the medium term plan.

Potential Cost of additional Capital expenditure

The medium term financial projections presented to Cabinet in September fully incorporated the financial implications of the capital programme agreed in February 2019.

There are also a number of new Capital bids for inclusion in the revised programme from 2020/21 onwards. These bids are listed at **Appendix D** and if approved will have revenue implications including a £0.3m pressure in 2020/21.

Further Announcements

The Government has only just formed and as such is still in the process of making announcements on its plans for next year. There is significant uncertainty regarding 2021/22 and the impact of funding reforms to local government generally and London in particular. To help safeguard against this risk it is recommended that any one off funding surpluses that may emerge in the final budget setting are added to the business risk reserve and held centrally for future use.

Recommended increase in Council Tax level

The items listed above will significantly reduce the forecast budget gap for 2020/21. In order to balance the budget it is recommended in addition the Council implement the 2% Adult Social Care Precept and that the general Council Tax is increased by 1.95%.

The table below sets out the financial implications of these changes

Description	2020/21	2021/22	2022/23	2023/24	4 Year Plan
	£m	£m	£m	£m	£m
POSITION at SEPT CABINET	15.891	9.128	2.875	6.323	34.217
New Savings Proposals following consultation	-7.079	-2.667	-1.535	-2.293	-13.574
Spending Review (Additional Social Care Funding)	-3.732	0.000	0.000	0.000	-3.732
Spending Review (End of the 75% Business Rate Pilot)	1.500	0.000	0.000	0.000	1.500
Spending Review (Adult Social Care Precept)	-2.500	0.000	0.000	0.000	-2.500
Funding for extra hours in Libraries	0.200	0.000	0.000	0.000	0.200
Update to demographic pressures	-1.669	0.180	1.634	1.500	1.645
Updated Growth and Pressures	0.927	0.892	0.612	0.127	2.588
Reduction in projected ELWA Levy cost	-1.346	-0.619	-0.062	-0.373	-2.400
Cost of New Capital Bids (Appendix D)	0.249	1.444	0.252	0.167	2.112
Proposed Council Tax Increase 1.95%	-2.441	0.000	0.000	0.000	-2.441
REVISED POSITION	0.000	8.358	3.776	5.451	17.585

3.4 Budget Process

The process to set the budget and medium term financial strategy is an ongoing process and in effect starts at the beginning of the financial year. The process is robust and fully takes account of the following factors:

- Inflation Rates
- Demographic Assumptions
- Interest Rates and the cost of borrowing
- Current in-year pressures
- Implications of the future Capital programme
- Prudent levels of balances and reserves

The Section 151 officer oversees the budget process at all times and is therefore able to produce a statement of robustness of the budget which is set out in Section 10 of this report.

3.5 Provision is made in the budget for increases in major contracted services. The proposed increases for contracted services, which mainly

relate to contracts based on an RPI index, are broadly in line with that level, but subject to the specific circumstances applicable to each individual contract. For social care, negotiations are underway with providers, within the broad parameters set for the overall budget, and these are likely to be agreed prior to the start of the financial year. To enable these negotiations to progress, it is recommended that Cabinet delegates authority to the Directors of Children’s and Adults’ services to agree inflation rates with social care providers.

3.6 Each year the Government allocates a public health grant to be spent on a series of health pressures and initiatives. It is recommended that the Council delegate authority to the Cabinet Member for Adult Social Services and Health and the Leader to approve an annual spend plan for the Public Health grant.

4 The Medium Term Financial Strategy 2020-2024

The proposals in section 3 will balance the 2020/21 budget. There is however still a gap of £17.6m over the remaining 3 years of the medium term financial strategy.

The table below sets out the current Medium Term Financial Strategy

Medium Term Financial Strategy	2020/21	2021/22	2022/23	2023/24	4 Year Plan
	£m	£m	£m	£m	£m
Corporate Pressures	12.752	15.560	5.518	1.094	34.924
Demographic Pressures	8.056	3.131	5.026	4.923	21.136
Inflationary Pressures	2.382	2.187	2.207	2.227	9.003
TOTAL PRESSURES	23.190	20.878	12.751	8.244	65.063
Funded By					
Updated savings previously agreed	-7.438	-9.853	-7.440	-0.500	-25.531
New Savings Proposals	-7.079	-2.667	-1.535	-2.293	-13.574
New Social Care Grant	-3.732				-3.732
Adult Social Care Precept	-2.500				-2.500
1.95% Council Tax Increase	-2.441				-2.441
REVISED POSITION	0.000	8.358	3.776	5.451	17.585

4.1 Closing the Medium Term Financial Gap

At this stage it is prudent to flag the continuing risks for 2021/22 in particular but there is work ongoing which it is expected will close the gap for that year during 2020. This includes:

- Spending Review

There is the potential for an improvement in the funding position following the Spending Review 2020

There is still considerable uncertainty about future external support from 2021/22 onwards so the Council has sensibly adopted a cautious position in its medium term planning. It is possible that the Spending Review expected later in 2020 will give assurity on some funding streams and allow the medium term assumptions to be reviewed.

Announcements on the future of Social Care funding are expected in 2020 and will hopefully provide some clarity on the options the Government are considering to fund this sector. It is anticipated that the future proposals will confirm the continuation of external funding to support Adult Social Care.

- Further transformation savings

The transformation programme was created to support, develop and enhance efficiency and improvement across the Council in a wide range of areas. The programme acts as a conduit bringing together cross council initiatives and developing joined up service delivery. The transformation programme has made significant savings already over the last two years. Further service reviews and procurement initiatives are planned to help ameliorate the future year pressures in the MTFS.

- Updated Capital Financing Assumptions

The medium term financial strategy assumes a prudent position on the major regeneration schemes. If the schemes are able to progress as forecasted in the business plans then the level of income generated will potentially exceed the current planned position.

5 Total Council Tax Impact

5.1 Havering is proposing to increase Council Tax by 1.95%. It is proposed in addition to increase the Council Tax by a further 2% via the Adult Social Care Precept.

5.2 As set out in the section below the Mayor is proposing to increase the GLA precept by 3.60%. This gives a total net increase in Council Tax of 3.89% as shown in the table below:

	2019/20	2020/21	2020/21	2020/21
	HAVERING	HAVERING	GLA	TOTAL
Band A	938.77	975.85	221.38	1197.23
Band B	1095.23	1138.48	258.28	1396.76
Band C	1251.69	1301.14	295.17	1596.31

Band D	1408.15	1463.77	332.07	1795.84
Band E	1721.07	1789.05	405.86	2194.91
Band F	2033.99	2114.32	479.66	2593.98
Band G	2346.92	2439.61	553.45	2993.06
Band H	2816.30	2927.54	664.14	3591.68

GLA Council Tax Proposals

The GLA have published a draft budget. This will be included in this section of the report. They have indicated that the precept will rise by 3.60%. The Mayor’s budget and precept will be presented to the London Assembly on 24th February for approval.

5.3 Budget Requirement, Council Tax resolution and Taxbase

The budget requirement, taxbase and Council Tax Resolution is set out in full at Appendix E.

5.3.1 Taxbase:

The 2020/21 Council Tax Base is calculated as;

90,054 Band D equivalents
 98.70% Assumed Collection Rate
 88,883 Total Council Tax Base

5.3.2 Budget Requirement

That the following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a)	£513,738,222	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	(£383,633,853)	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£130,104,269	being the amount by which the aggregate at 5(a) above exceeds the aggregate at 5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
(d)	£1,463.77	being the amount at 5(c) above divided by the taxbase, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

5.4 The new Council Budget for 2020/21 is set out in Appendix F.

6 Fees and Charges

6.1 The Council annually reviews its fees and charges to customers. **Appendix G** sets out the proposed fees and charges for 2020/21. In setting the fees and charges the Council takes account of:

- Full Cost recovery where appropriate
- Statutory Fees
- Inflation
- Benchmarking and other market comparators
- Delivery costs for social care providers.

7 Contingency, Reserves and Balances and update to Financial Procedures

7.1 The Council maintains a £1m central contingency budget as a sensible and prudent measure to mitigate unforeseen in-year events. When departments show an in-year overspend position the expectation is that they will develop an action plan to mitigate the pressure. The medium term financial strategy recognises demographic and inflationary pressures so the central contingency is maintained purely for unforeseen events.

7.2 Earmarked Reserves

Earmarked Reserves are time limited reserves for specific purposes. Some reserves such as the Insurance Fund will need to be replenished each year in line with projected future claims whilst others will be expected to be spent over the next four years. The Council makes decisions to set up reserves where funding is required in future years as projects are identified.

It should be noted that the Council will always seek to contain costs and minimise the need to draw on the planned reserves where possible. The Council reviews reserves through the year and particularly at year end in order to ensure appropriate funds are set aside for future year projects and requirements and funds are released where they are no longer required.

7.3 General Balances

The Council's currently holds £12.2m in general balances. This figure is assessed annually at year end based on the inherent risks facing the authority and is reviewed as part of the external audit process. With the uncertainty of the current economic situation and also more generally the

continuing impact of the previous 10 years of austerity the MTFS makes provision to increase balances over the life of the medium term plan.

The historic rule of thumb from the now defunct Audit Commission was that 5% of net budget should be held as a General Reserve that should be untouchable except in major emergencies. The Council holds slightly more than this at 7% of net budget. However, the volume and complexity of the issues facing local government and the level of public expectation of councils from their residents suggests this is no longer sufficient. Many London Boroughs hold 14% and some significantly more. The events at Grenfell have made all councils reconsider the reserves they hold. It is recommended that a number of additions are made to the Council's reserves over the next four years to build them up towards £20 million or 14% by 2023/24.

7.4 Update to Financial Procedures

The Council periodically reviews its financial procedures and rules to reflect the appropriate levels of authorisation for senior officers and cabinet members. **Appendix M** sets out the recommended levels of authorisation for virements for approval by Council and adoption into the Council's financial regulations, in line with the key decision level.

8 The Capital Programme and Strategy

- 8.1 The Capital Strategy and Programme is presented in a separate report on this agenda. The Medium Term Financial Strategy takes full account of the interest and borrowing cost of the proposed programme. This includes the revenue implications of a number of new bids which are included for approval by Council.

The Table below sets out the proposed General Fund Capital Programme for the next five years.

Summary of Capital Programme	2020/21	2021/22	2022/23	2023/24	2024/25	2024/25	Total
	£m	£m	£m	£m	£m	£m	£m
Adults Services	4.463	0.000	0.000	0.000	0.000	0.000	4.463
Asset Management	45.502	0.824	0.000	0.000	0.000	0.000	46.326
Bereavement Services	6.417	0.000	0.000	0.000	0.000	0.000	6.417
Childrens Services	3.615	0.000	0.000	0.000	0.000	0.000	3.615
Customer & Communications	14.956	3.916	0.985	0.500	0.000	0.000	20.357
Environment	15.134	2.000	2.000	0.000	0.000	0.000	19.134
ICT Services	4.020	1.120	1.080	2.200	0.000	0.000	8.420
Regeneration	24.872	7.188	5.323	0.000	0.000	0.000	37.383
Sub Total	118.979	15.048	9.388	2.700	0.000	0.000	146.115
Regeneration Programme	223.468	98.212	57.303	65.979	19.360	2.693	467.014
Total Capital Expenditure	342.447	113.260	66.691	68.679	19.360	2.693	613.129
Funding							
Capital Receipts	120.256	55.000	30.000	46.535	7.783	0.000	259.574
Revenue and Reserve Contributions	0.146	0.000	0.000	0.000	0.000	0.000	0.146
Grants & Other Contributions	46.890	0.824	0.000	0.000	0.000	0.000	47.714
Borrowing	175.155	57.436	36.691	22.144	11.577	2.693	305.695
Total Funding	342.447	113.260	66.691	68.679	19.360	2.693	613.129

9 Budget Risks and Uncertainties

9.1 There are a number of risks and uncertainties which could potentially impact on the 2020/21 budget and also medium term forecasting. This section summarises those risks. **Appendix H** sets out these risks in more detail.

- **Spending Review 2020:**

The Government is proposing a multi year Spending Review in 2020. The spending review is likely to set the overall financial envelope for local government from 2021/22 onwards, although at this stage it is not clear how many years it will cover.

- **Reform of Adult Social Care:**

The Government is expected to set out the national funding position for adult social care over the medium term. It is unclear at present the extent to which local government and indeed local taxation will be expected to foot this bill.

- **Fair Funding Review**

The Fair Funding Review outcomes will be built into the 2021/22 budget. The review is expected to be wide ranging and will cover all cost drivers for local authorities. It is unclear at present how the government will choose to weight the various formulae and datasets available. There is therefore a direct risk to Havering's funding if the demographic pressures the borough is facing are not fully reflected in the revised formula.

- **Potential implications from the change in the relationship between the UK and the EU**

The potential implications of the UK leaving the EU remain unclear. There is the potential for changes to the strength of the pound, interest rates and inflation in terms of goods, services and staffing. There may be additional short term costs.

- **Loss / Reduction in Business Rates**

In 2020/21 the 75% Londonwide business rate pool pilot will end. Localised business rates allows boroughs to benefit from any growth but also brings the risk of losses from non collection and successful business rate appeals. This risk needs close monitoring through the year.

- **New Legislation/Burdens**

The Government periodically reviews national service provision and can transfer new burdens onto local government. When this happens there is always a risk that either the amount or the funding mechanism results in a new pressure for authorities.

- **Changes to Interest Rates/ Inflation**

The national economic situation is uncertain. As a result changes to interest rates and inflation levels are possible. An increase in inflation will potentially result in pressures on both pay and price locally and nationally.

- **Demographic pressures**

Increased population has resulted in demographic pressures over a number of years. Demographic pressures continue to be a significant risk both through government underfunding and accelerated population growth in the borough.

- **Pension Fund Performance**

The medium term financial strategy takes account of the latest triennial actuarial review of the pension fund. There will be a further review in 2022 and there is a risk of increased general fund and HRA contributions if the deficit has increased on the fund.

- **In-year pressures and overspends**

The 2020/21 budget is a robust balanced budget that takes account of all known pressures facing services. There remains a risk however that increased demand over forecasts will result in service overspend next year.

- **Future waste disposal arrangements**

The current contractual arrangements with Renewi expire in 2027. ELWA are planning significant investment to secure future arrangements after that date. Future potential costs are therefore volatile and subject to those negotiations.

- **Risks associated with the delivery of the regeneration programme**

The Council has an ambitious and far reaching regeneration programme which will rejuvenate key areas of the borough. There are however associated risks with the programme which are set out in detail in the business cases of the various schemes. The risks include:

- **Cost of delays:** Delays to the programme result in some work needing to be repeated and updated and the cost of finance being incurred before it is required
- **Additional cost of re-design and changing plans:** If the plans are changed significantly this causes both delay costs as described above and potentially abortive costs on the original plans.
- **Impact of a downturn in housing prices:** The schemes assume sales valuations in order to achieve returns on investment. Clearly a downturn in the Housing market, eg due to delays in Crossrail, will affect these assumptions.
- **Impact of inflation:** The models assume costs over the medium term. If inflation increased significantly this would have a direct impact on these costs.
- **Changing build costs/variations:** As the schemes progress it is possible that variations to the original specifications or additionality is required to deliver the required outcomes
- **Changes in legislation:** All assumptions are based on current regulations. Should any national legislation change regarding building works then this could affect the overall costs
- **Issues with land eg. contamination:** There are currently no expected issues with any of the land involved in the various regeneration schemes. It is possible albeit unlikely that an issue may emerge as the projects progress.
- **Overall financial risk:** The Council will invest significantly in the early years of these schemes with a return on investment in some cases maturing only in the medium term. Adverse movement in the assumptions caused by any of the above reasons will affect the financial modelling set out in the business cases and is therefore a material risk to the Council.

In mitigation, the Regeneration Joint Ventures include a number of mechanisms for the partners to exit from arrangements where schemes become unviable.

10 Chief Financial Officer (S151 Officer) statement regarding the robustness of the budget and MTFS

- 10.1 Section 25 of the Local Government Act 2003 requires Chief Financial Officers to report to their authorities about the robustness of estimates and the adequacy of reserves when determining their budget and level of council tax. Authorities are required to consider their Chief Financial Officer's report when setting the level of council tax.

10.2 **Robustness of Reserves and Balances**

The budget has been prepared using a four year Financial Strategy agreed by Council in February 2019 as its starting point. This Strategy has been developed through:

- The forecast position as set out in the Cabinet report in September 2019
- The outcome and forecast impact on the Council of the Provisional Local Government Financial settlement as presented in this report.
- The Spending Review announced in September 2019.

As the development of the budget for 2020/21 has progressed, the position has been the subject to review and challenge with Heads of Service, the Senior Leadership Team, the Leader of the Council and Cabinet Members. Due consideration has been given to the the delivery of corporate priorities in this challenge process and this is reflected in the detailed budget proposals.

Budget proposals have been developed within the context of current and future service plans. The Council has reviewed its pressures using the latest demographic and inflationary trends. In respect of savings, the proposals have been risk assessed and will be monitored closely during the year. A review of legislation takes place on an ongoing basis as part of the budget development process to assess possible implications.

At a more detailed level, budgets have been built having due regard to:

- Staffing changes incorporating proposed restructures
- Inflation
- Contractual commitments
- Existing budgets
- The proposals for budget adjustments and savings
- The impact of changes to specific grants.

The budget includes a contingency that will provide a reasonable level for unforeseen issues that could arise during the year. This has had due regard to a risk assessment. Further information on the basis of this is set out later in this statement.

A review of the 2019/20 significant budget variances has taken place to assess any impact on the 2020/21 budget outside of the proposals in order to:

- Ensure action plans are in place where a possible adverse variance could occur;
- Ensure use of any possible additional favourable variance is considered in the context of the overall strategy;
- Inform the risk assessment of contingency and reserves.

10.3 The Adequacy of Estimates Reserves and Balances

Local authorities are required to maintain adequate balances to deal with unforeseen demands upon financial resources. It is the responsibility of each authority to set its level of reserves based on local conditions, but taking into account national factors. Although a view can be sought from the external auditors it is not their responsibility to prescribe or recommend the appropriate level. In setting the level, the Authority should take into consideration the advice of their Chief Financial Officer (CFO), taking into account all local relevant circumstances.

The General Fund Balance stood at £12.2m at 31 March 2019. An annual review of the balance has taken place as part of the budget setting process. It is recommended that the Council consider increasing its level of reserves. The historic rule of thumb from the now defunct Audit Commission was that 5% of net budget should be held as a General Reserve that should be untouchable except in major emergencies. The Council holds slightly more than this at 7% of net budget. However, the volume and complexity of the issues facing local government and the level of public expectation of councils from their residents suggests this is no longer sufficient. Many London Boroughs hold 14% and some significantly more. The events at Grenfell have made all councils reconsider the reserves they hold. It is recommended that a number of additions are made to the Council's reserves over the next four years to build them up towards £20 million or 14% by 2023/24. This includes £500k added into the base budget in 2020/21 and then a further £1.5 million built into the base in 2021/22.

Members will be aware that the working balances provide protection against unforeseen events that could impact on the authority. Reserves must be used carefully and can be used only once. As reflected in the revenue budget strategy, the Council will not utilise General Fund Balances to subsidise its budget or suppress council tax increases. Further it will not use any specified or earmarked reserves to subsidise its budget or to suppress council tax increases on an on-going basis as this is neither financially sustainable nor prudent.

It may, in exceptional circumstances, utilise appropriate specified or earmarked reserves to bridge short term forecast budget shortfalls to facilitate delivery and implementation of projects and service initiatives that will generate additional income or reduce on-going expenditure to achieve a balanced budget. Approval of decisions to utilise reserves in this manner will require the appropriate approval of a robust business case including implementation plan.

The Council maintains a number of earmarked funds for specific purposes and their use is planned and approved for these purposes. Often they are used to comply with accounting policies, manage arrangements across financial years, or to fund known future commitments.

The sums established within earmarked reserves were agreed by the Senior Leadership Team as at 1st April 2019 and were fully allocated to projects or liabilities. Other reserves continue to be expended/ planned in accordance with their specific approved purpose. A review is planned to take place as part of the accounts closure process over the next few months. The working balances of the HRA are also subject to a risk assessment; this is included in a report on the HRA budget for 2020/21 elsewhere on this Cabinet agenda.

10.4 Opportunity Cost of Reserves

Holding general reserves to meet unexpected events or emergencies is a necessary requirement. However, there are opportunity costs and benefits of holding cash balances, which can be measured in different ways, depending on what these resources were alternatively to be used for. For example, holding cash gives a financial benefit in contrast to using the cash to fund capital expenditure. The financial benefit would be the difference between the investment return and the total borrowing cost. At the current time due to low interest rates, these are in fact broadly neutral. However, a cost of around 4% will be incurred in respect of a requirement make revenue provision to repay debt.

On this basis, for every £1m of cash held, the purely financial benefit could be deemed to be £0.040m per annum or approximately £0.400m per year for balances of £10 million. This is dependent on prevailing money market conditions, which in the current economic climate can fluctuate significantly. Using the balances to repay debt earlier would not achieve a matching saving given the costs around early redemption and the similarity in short-term lending rates and long-term borrowing rates. For information, £1.2m equates very approximately to 1% on the level of Band D Council Tax.

If, however, this is considered in the context of using these balances to fund one off expenditure, then the opportunity cost is the improvements that would accrue from that expenditure. This might for example be improvements in services, increased performance or some other measure and would be assessed via a business case. Such items have been considered by officers during the course of developing the MTFs, but these have not generally been included within the final proposals or the detailed budget given the broad financial constraints within which Havering is operating.

Should these items be included within the budget, they would obviously provide a basis for additional and/or improve services; with the need to appreciate that reserves exist for various reasons, and once expended, either have to be replenished, or the funding terminated. This is the opportunity that is being potentially foregone by holding general reserves. However this is only relevant to the extent that such proposals align to Council's priorities and Medium Term Financial Strategy.

It is important that in considering the level of working balances that the issue of the opportunity costs and benefits of such an approach is also considered and that Members weigh up the potential benefits against the risks. The other important factor in making this judgement is to consider is that balances can as indicated only be spent once, and can realistically only be used to support one off expenditure, or to allow time for management action to be implemented to address ongoing expenditure requirements.

As stated above, the use of significant levels of balances to fund ongoing spending or reductions in Council Tax can pose material financial risks, especially given that the Council's ability to generate funds to replenish reserves through Council Tax is severely restricted by the Council Tax capping regime. Hence the level of reserves held overall requires a balance to be struck between the opportunity cost of holding balances against the unknown risks facing the Council and the need to safeguard the provision of local services if such risk were to crystalize.

10.5 Review of Reserves and Contingency

The assessment of the sums required for reserves and contingency purposes is reviewed regularly, taking into account the various risks facing the Council, the level of risk, the actions taken to mitigate risk, and the financial assessment of the risk. The review include consideration of the Corporate Risk Register, with the objective of ensuring that all such risks having a potential financial impact are covered in the reserves and contingency assessment.

The Corporate Risk Register is kept under review by the Senior Leadership Team, so any changes are then reflected when the reserves and contingency assessment is updated.

10.6 Summary of Robustness of the Budget and MTFS

The 2020/21 budget and 2021/24 MTFS has been prepared taking into account the following:

- The estimated impact of inflationary pressures and pay awards. Allowance has been made for cost increases over and above the general rate of inflation where these are known;
- The estimated impact of demographic change and the effect of increasing demands on services where these are unavoidable;
- Provision for legislative change and changes to the Council's statutory responsibilities;
- The estimated impact of underlying cost pressures, evidenced by financial monitoring reports in the current year;

- The estimated impact of Capital financing charges for the Capital programme including regeneration and highways schemes
- Provision for the impact of government grant changes across the lifetime of the MTFs and the continued risk of further tightening of finances in future years.

Furthermore, taking into account the budget risks and uncertainties, and assuming that the recommendations set out above are agreed, the Council's contingencies and balances are considered prudent. The S151 Officer is therefore of the view that the budget is robust. However, Members' attention is drawn to the need for close monitoring of the budget and, in particular, the achievement of the targets for savings. It will be essential for firm financial management to be exercised throughout the year to ensure that expenditure is contained within budget and targets for service improvements are met.

11 Discount for Council Tax Payers Paying in Full

11.1 The Council has agreed in the past, to offer a discount to Council Tax payers who pay their Council Tax in full. It is necessary for Cabinet to recommend Council to agree a specific resolution for this purpose or for any change proposed as the current assumption is that the discount remains at 1.5%. Cabinet should note that a similar discount is not permitted under business rate regulations.

11.2 Resolution

"Any Council Tax payer who is liable to pay an amount of Council Tax to the authority in respect to the year ending on 31 March 2021, who is served with a demand notice under Article 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 and who makes payment to the authority of the full balance of the estimated amount shown on that demand by 1 April 2020, may deduct a sum equivalent to 1.5% from the estimated amount and such reduced amount shall be accepted in full settlement of that estimated amount".

11.3 Resolution for Council Tax

The Council meeting in February will receive a resolution in the form required reflecting the recommendations of Cabinet.

12 Council Tax Support Scheme 2020/21

The local Council Tax Support (CTS) Scheme in Havering has been in place since April 2013. The scheme is designed to help residents on low incomes pay their Council Tax.

Council Tax Support rules for claimants of pensionable age are prescribed in law can cover up to 100% of the Council Tax due. For working age claimants with disabilities and claimants without disabilities, they can receive up to 80% and 75% respectively off their Council Tax bill. The rules within the CTS scheme for working age applicants have been designed by the Council. The Council proposes to maintain the current CTS Scheme for 2019 and putting forward no amendment to that scheme in 2020. A copy of the 2019 Council Tax Support Scheme can be found at: https://www.havering.gov.uk/downloads/download/367/havering_local_council_tax_support_scheme

In accordance with Schedule 1A of the Local Government Finance Act 1992, Full Council is required to endorse the Council Tax Scheme for 2020 before 31 March 2020. The Council also has due regard for the Equality Act 2010 and the need to eliminate unlawful discrimination. Consequently an Equalities Analysis is attached to this report at **Appendix J**. An Equality Analysis was also completed in November 2018 and this can be found at: <https://www.havering.gov.uk/ctaxeia2018>

A draft summary version of the Council Tax Support Scheme for 2020 is contained within **Appendix K**. A full version of the draft CTS 2020 scheme can be found at: <https://www.havering.gov.uk/draftctsscheme2020>

REASONS AND OPTIONS

Reasons for the decision:

The Council is required to set a balanced budget in advance of the beginning of each financial year. This report sets out the process to reach a balanced budget for 2020/21 and sets out the Council's future plans for balancing the budget in the medium term from 2021/22 to 2023/24.

Other options considered:

The report outlines all the options identified for balancing the 2020/21 budget. Officers will continue to seek further options for balancing the budgets for 2021/22 to 2023/24.

IMPLICATIONS AND RISKS

Financial Implications and Risks

The financial implications of the Council's MTFs are the subject of this report and are therefore set out in the body of this report.

Legal Implications and Risks

Under S151 of the Local Government Act 1972 a local authority has to make proper arrangements for the administration of its financial affairs.

Under S28 of the Local Government Act 2003 a local authority has to review its budget calculations from time to time during the financial year and take appropriate action if there is any deterioration in its budget.

The Council is also required to set a balanced budget, taking into account a range of factors, including consultation feedback, and decisions must also be taken in accordance with the Council's duties under the Equality Act 2010.

The budget consultation and approval process is separate from individual decisions which may need to be taken for example in relation to service delivery; these may require a separate consultation process and equality impact assessment before a final decision is taken.

Human Resource Implications and Risks

The Council continues to work closely with its staff and with Trades Unions to ensure that the effects on staff of the savings required have been managed in an efficient and compassionate manner. All savings proposals or changes to the funding regime that impact on staff numbers, will be managed in accordance with both statutory requirements and the Council's Managing Organisational Change & Redundancy policy and associated guidance.

Equalities and Social Inclusion Implications and Risks

Havering has a diverse community made up of many different groups and individuals. The Council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, gender, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

Any decisions which need to be taken in furtherance of the budget proposals will be undertaken in accordance with the duty set out in Section 149 of the Equality Act 2010 and where appropriate full Equality Assessments will be undertaken and form part of the decision making process.

Health and Wellbeing Implications and Risks

The Council considers health and wellbeing implications in all the decisions it takes. The impact on general health and wellbeing is fully considered in developing the savings proposals in this report and in setting the Councils budget each year

BACKGROUND PAPERS

September 2019 MTFS report to Cabinet

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APPENDIX A - REPLACEMENT SAVINGS	2020/21	2021/22	TOTAL
Reduction in audit fees budget	(0.100)		(0.100)
Reduction in legal fees budget	(0.100)		(0.100)
Review of staffing and running costs across the Chief Operating Officers budgets	(0.245)		(0.245)
Sponsorship opportunities for funded events	(0.025)		(0.025)
Digital Officer to be converted to an Apprentice post	(0.020)		(0.020)
Fostering recruitment and retention	(0.250)		(0.250)
Early Help and education inclusion	(0.100)		(0.100)
SEND passenger transport (existing MTFS saving).	(0.100)		(0.100)
Conversion of agency staff to ASYE	(0.050)		(0.050)
Demand management at the edge of care – expanding the reach of the service to focus on older children aged 15 and over.	(0.050)		(0.050)
Highways/Parking Team Review	(0.200)		(0.200)
Increase income from Building Control	(0.050)		(0.050)
Increase income from licensing street trading including tables and chairs	(0.060)		(0.060)
Staffing changes in the Neighbourhoods Team	(0.200)		(0.200)
Advertising on Street Assets	(0.025)		(0.025)
Increased income from enforcement fines	(0.025)		(0.025)
Additional Cremation Fee rise in line with other providers.	(0.040)		(0.040)
Premium Saturday Appointment Fee - Registrars	(0.015)		(0.015)
Fee increase – Building Services & Regulations	(0.030)		(0.030)
Legal deed of name change service, subject to customer demand	0.000	(0.025)	(0.025)
Replacement savings	(1.685)	(0.025)	(1.710)

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NEW SAVINGS PROPOSALS - APPENDIX B	2020/21	2021/22	2022/23	2023/24	4 Year Plan
NRPF reduction in costs	(0.103)				(0.103)
Early Intervention to prevent eviction of families from Council properties leading to additional costs for the Council.		(0.095)			(0.095)
Better use of Temporary Accommodation	(0.169)				(0.169)
Review of Fostering recruitment and retention		(0.250)	(0.250)	(0.250)	(0.750)
Business Intelligence Projects	(0.200)	(0.200)	(0.300)	(0.300)	(1.000)
Further efficiency savings through becoming a Digital Council	(0.150)	(0.500)	(1.000)	(1.000)	(2.650)
Introduction of a Charity Lottery	(0.015)				(0.015)
Review of contractual financing				(0.443)	(0.443)
Extending the savings in relation to contracts and procurement	(0.500)				(0.500)
Efficiency through modernisation of IT systems	(0.190)	(0.025)			(0.215)
Improved utilisation of external funds	(0.470)				(0.470)
People Strategy	(0.900)				(0.900)
Process Redesign	(0.200)				(0.200)
Debt Enforcement	(0.200)				(0.200)
Review of Corporate budgets	(0.250)				(0.250)
Extending the targets for increasing income through Full Cost Recovery	(0.050)				(0.050)
Review of business systems support	(0.100)				(0.100)
Review of programme and project management	(0.100)				(0.100)
Review of complaints members enquiries and FOI	(0.100)				(0.100)
Review of Communications	(0.130)				(0.130)
Review of member support	(0.165)				(0.165)
Review of Business Support across the Council	(0.085)	(0.250)			(0.335)
Stretch targets for Service Reviews	(0.400)	0.200	0.200		0.000
Review of Supplies and Services costs and subscriptions	(0.300)				(0.300)
Shared services opportunities with other boroughs			(0.300)	(0.300)	(0.600)
Review of administrative building costs	(0.455)		0.115		(0.340)
Area Based Planning and Place Shaping		(1.500)			(1.500)
Review Childrens Centres provision	(0.047)	(0.047)			(0.094)
Implement Vacancy Factor across salary budgets	(1.500)				(1.500)
Insurance - reduce contribution following review	(0.300)				(0.300)
NEW SAVINGS PROPOSALS	(7.079)	(2.667)	(1.535)	(2.293)	(13.574)

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Haverling
LONDON BOROUGH

**Budget Consultation 2019
Results and Analysis
Appendix C**

The budget consultation for Havering Council was conducted between 3rd October and 10th November 2019. Respondents were asked questions regarding the following:

- The overall budget
- Savings
- Income generation proposals for 2020/21

192 responses were received:

- 178 identified as residents of the borough AND/OR
- 3 representing / owning a local business
- 26 working for Havering Council
- 2 representing a public sector organisation

The three services that were most important to respondents are:

- Community Safety
- Care and support for older and disabled people
- Child protection and safeguarding

Breakdown according to gender also supported these three as the top priorities, except in the case of 'preferred not to say' where refuse collection was considered as one of the top three.

Question 4 – Most important services (weighted ranking)

Most important services (all respondents)

Page 174

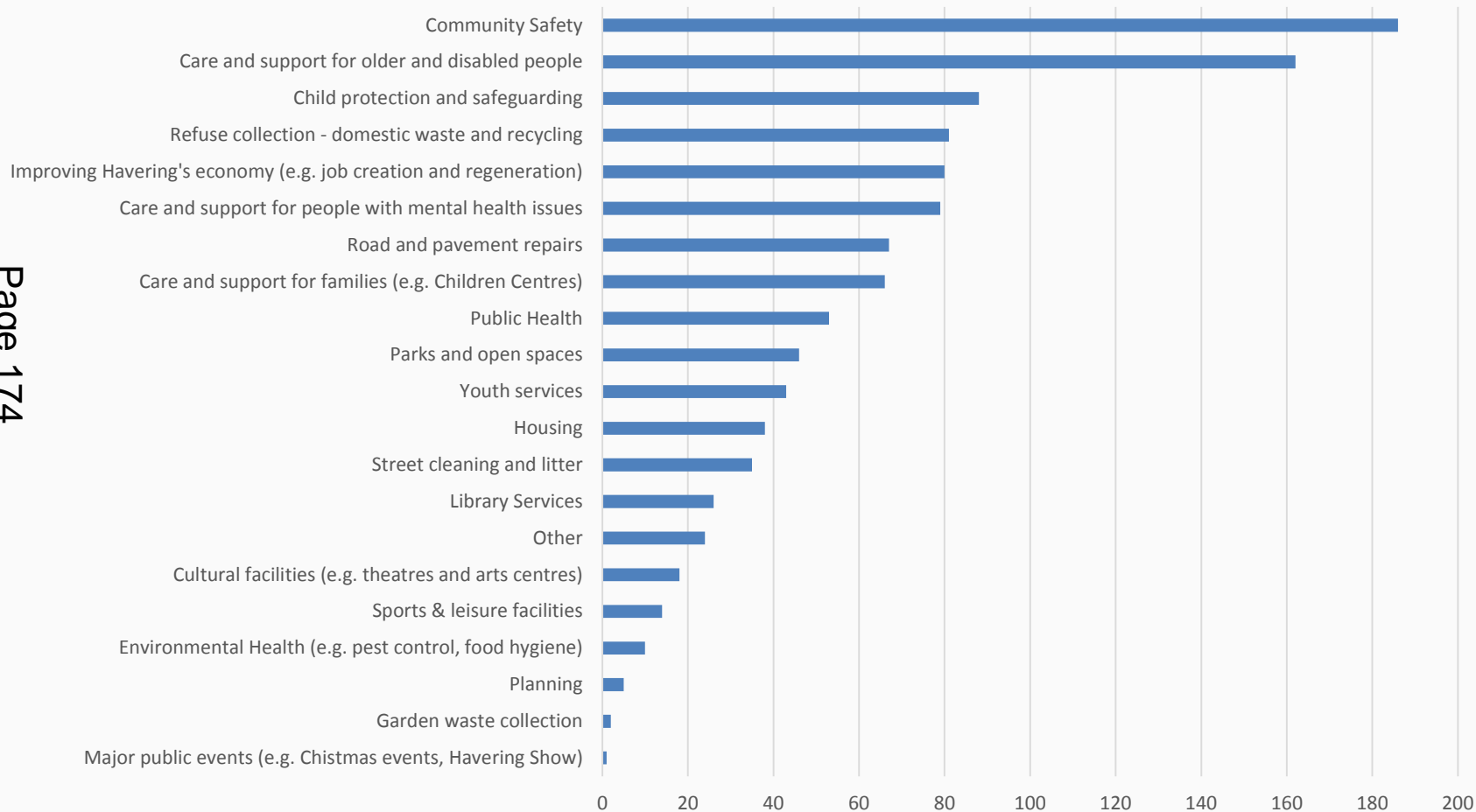
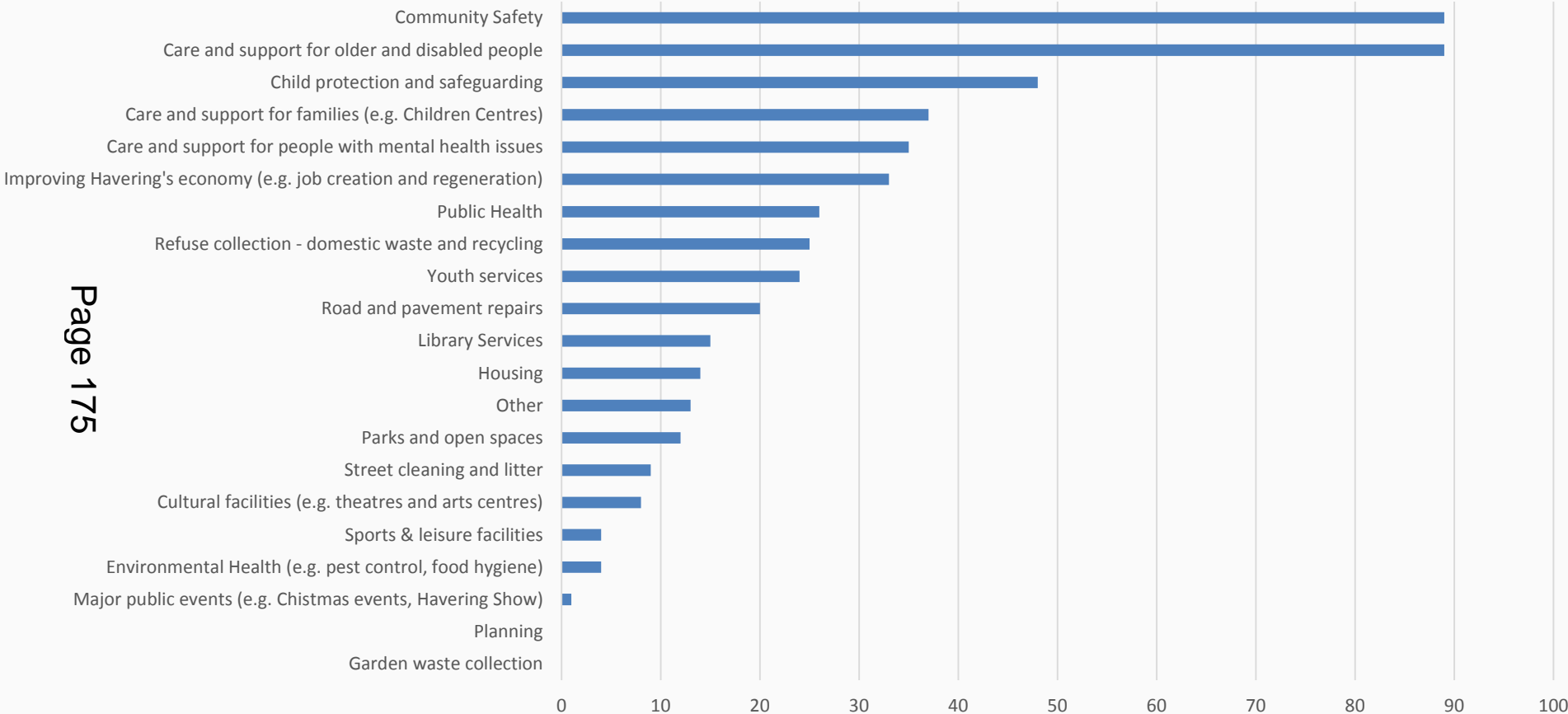


Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Most important services (female respondents)



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Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Most important services (male respondents)

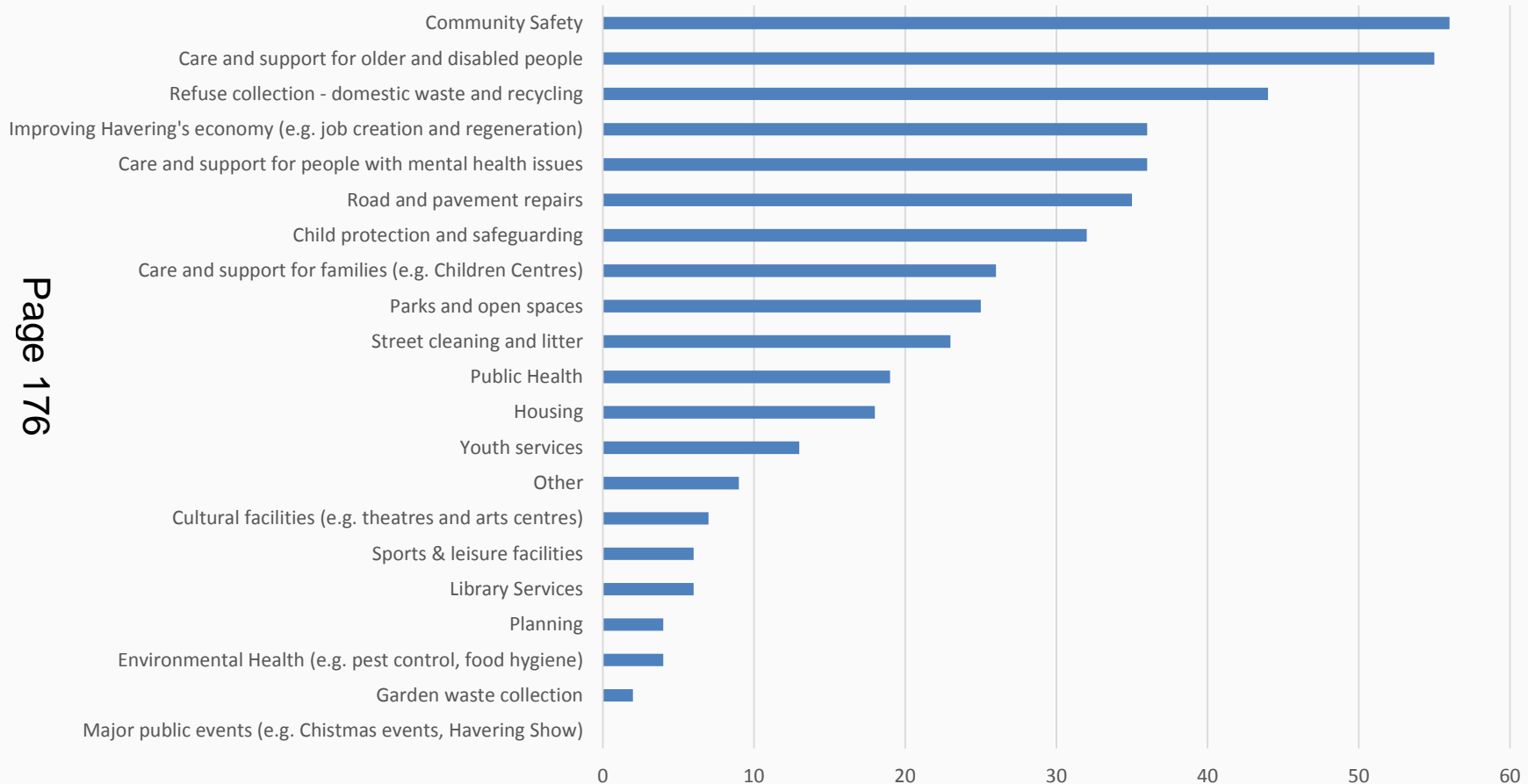


Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Most important service (prefer not to say respondents)

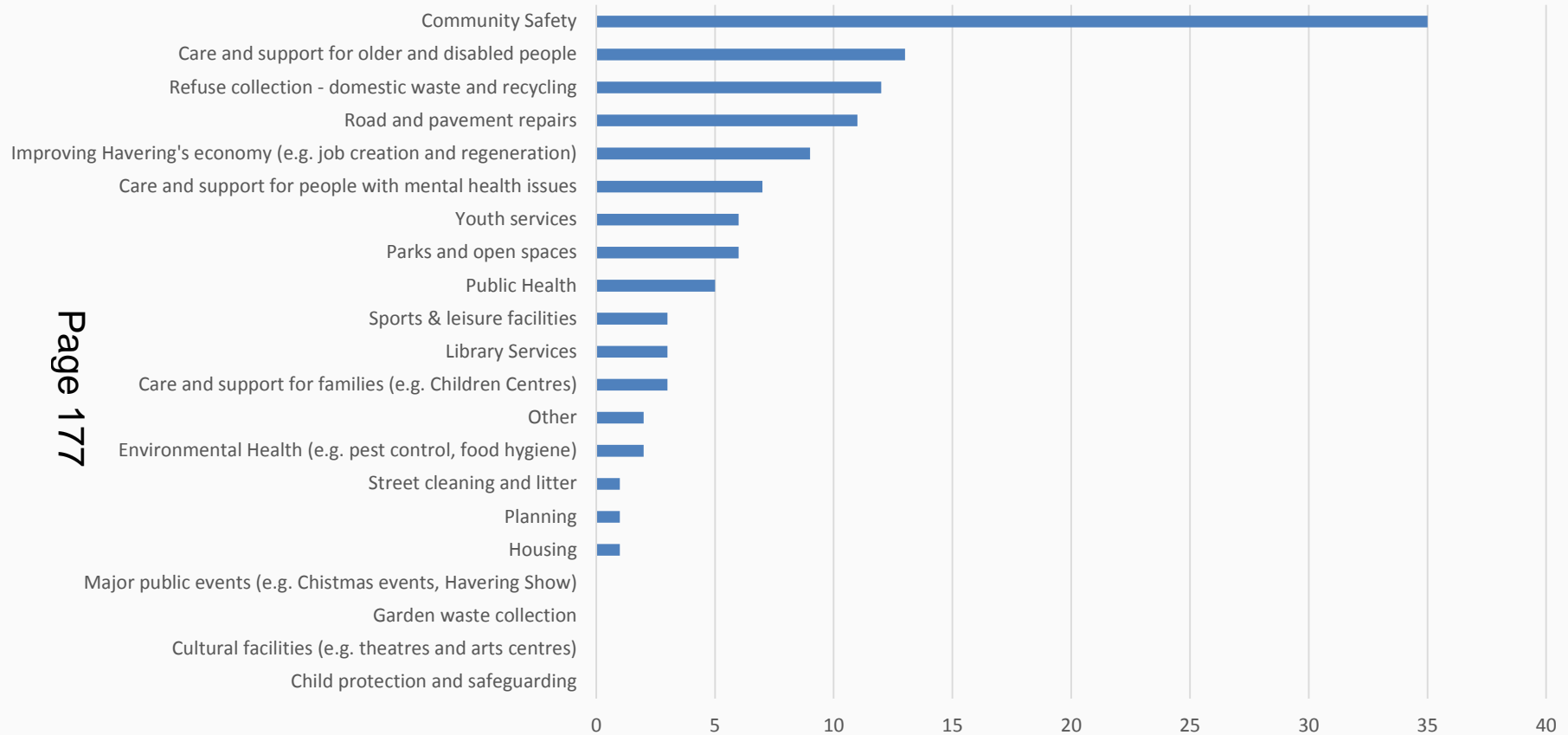


Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

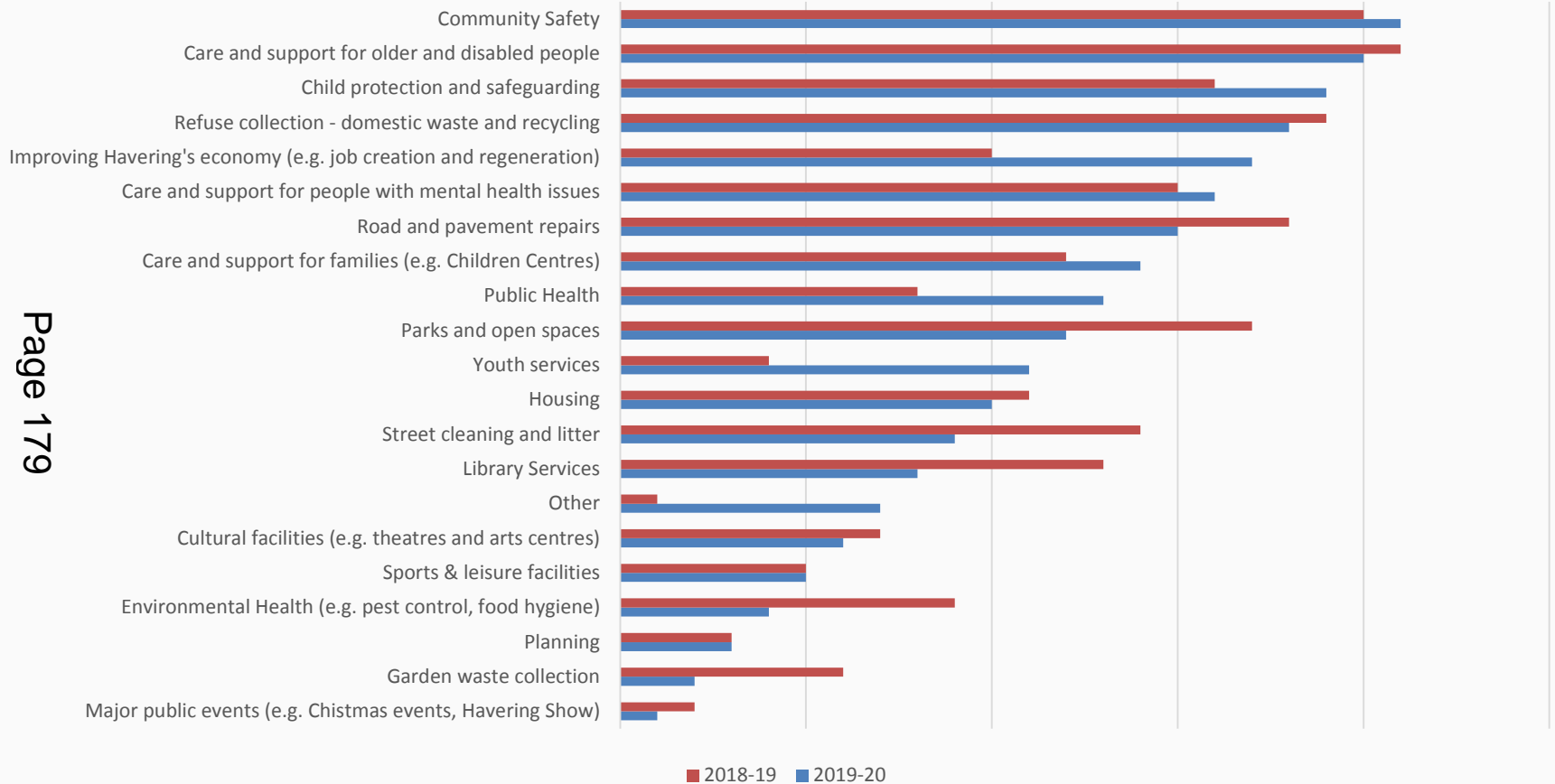
Two of the services remain rated as most important this year:

- Community Safety
- Care and support for older and disabled people

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In 2018, 'Refuse Collection – domestic waste and recycling' was the third most important service and is now 4th.

Services rates as most important



Page 179

Chart shows weighted scores

Other services that respondents considered most important include:

- Parking
- Voluntary Services

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A few respondents stated that it was 'difficult' to choose which services are the most important as they are all 'vital to living in a decent community'.

The three services that were least important to respondents are:

- Garden waste collection
- Cultural facilities (e.g. theatres and arts centres)
- Major public events (e.g. Christmas events, Havering show)

Least important service (all respondents)

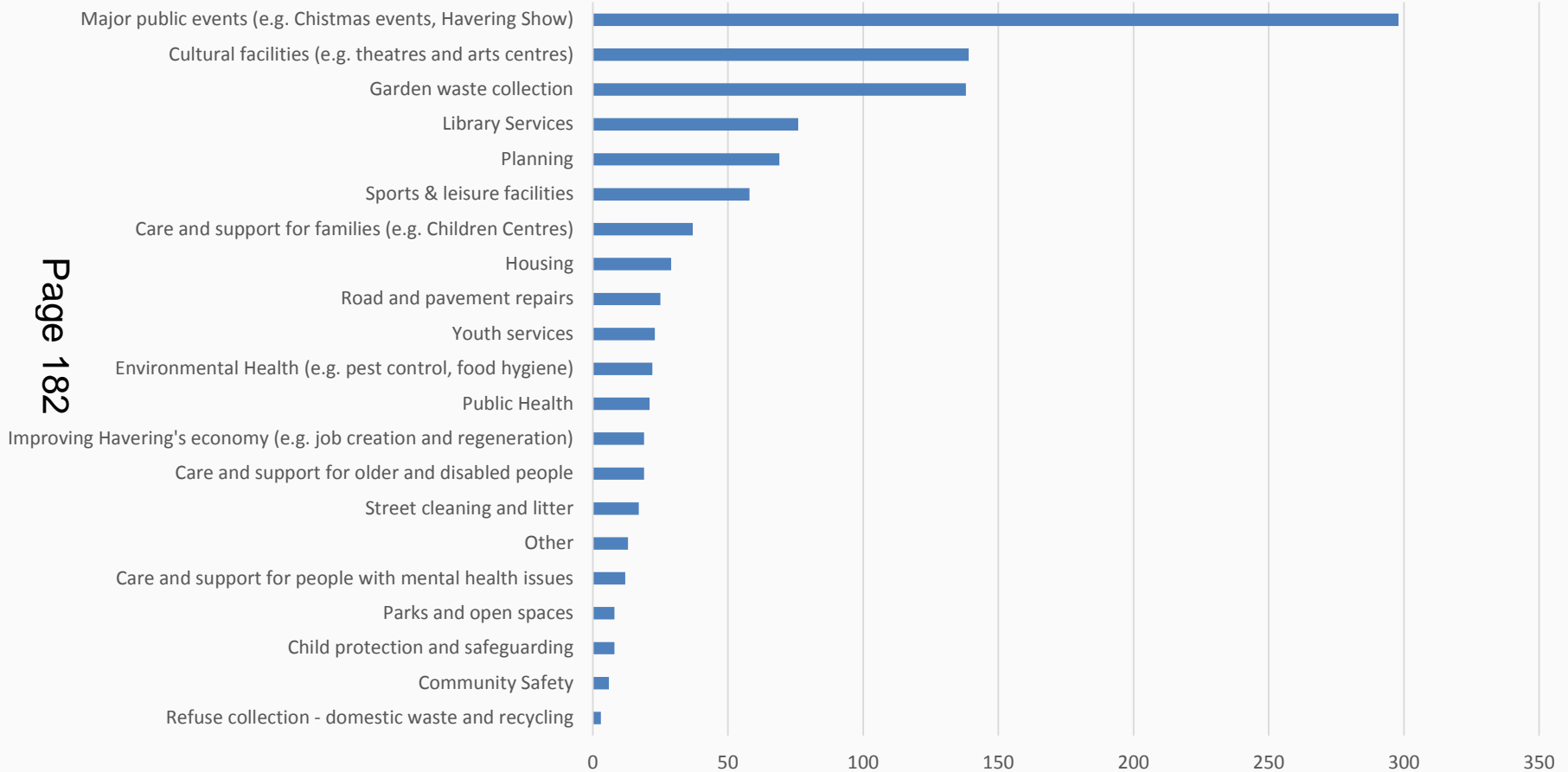
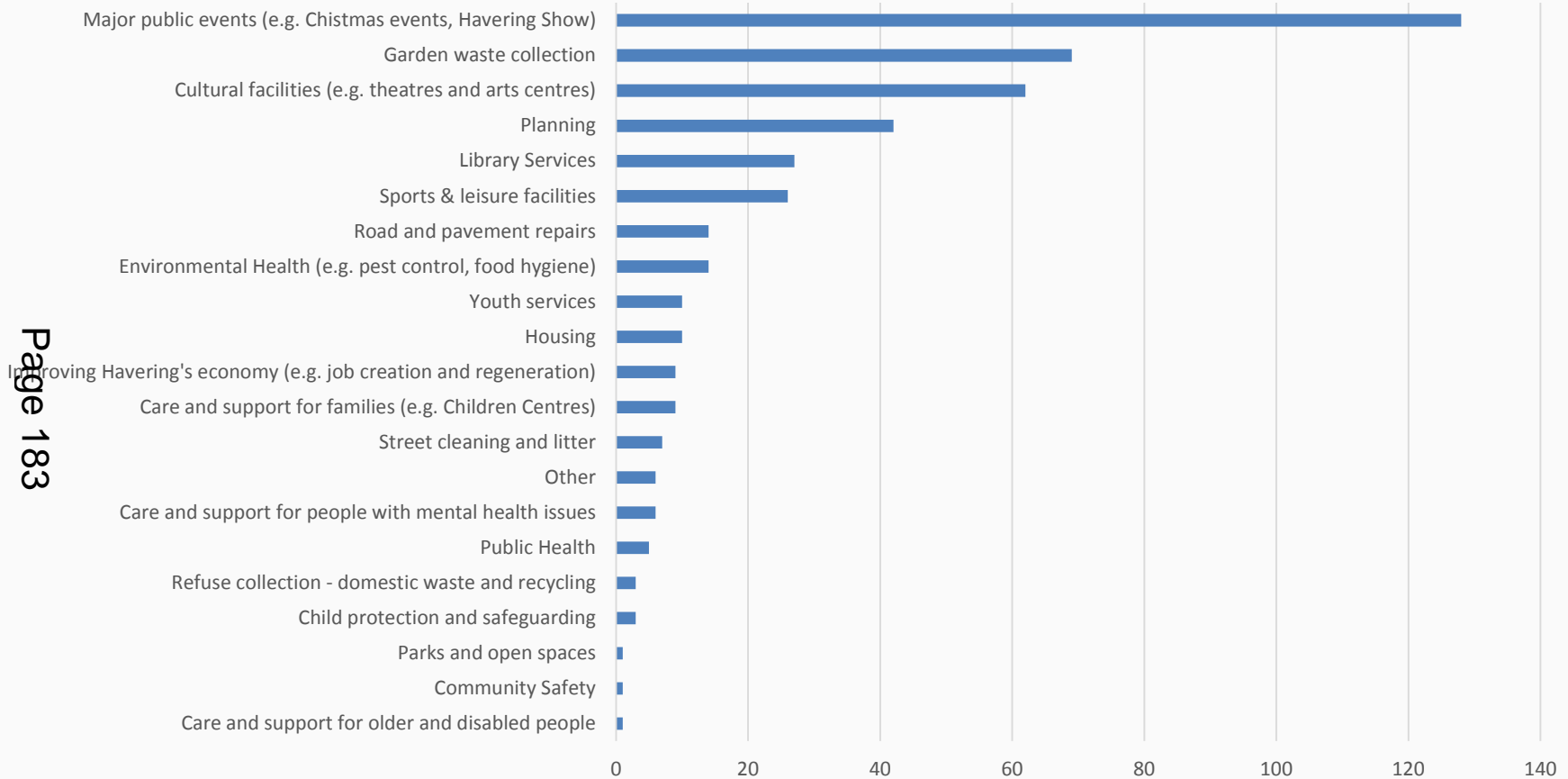


Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Question 5 – weighted ranking (female respondents)

Least important services (female respondents)

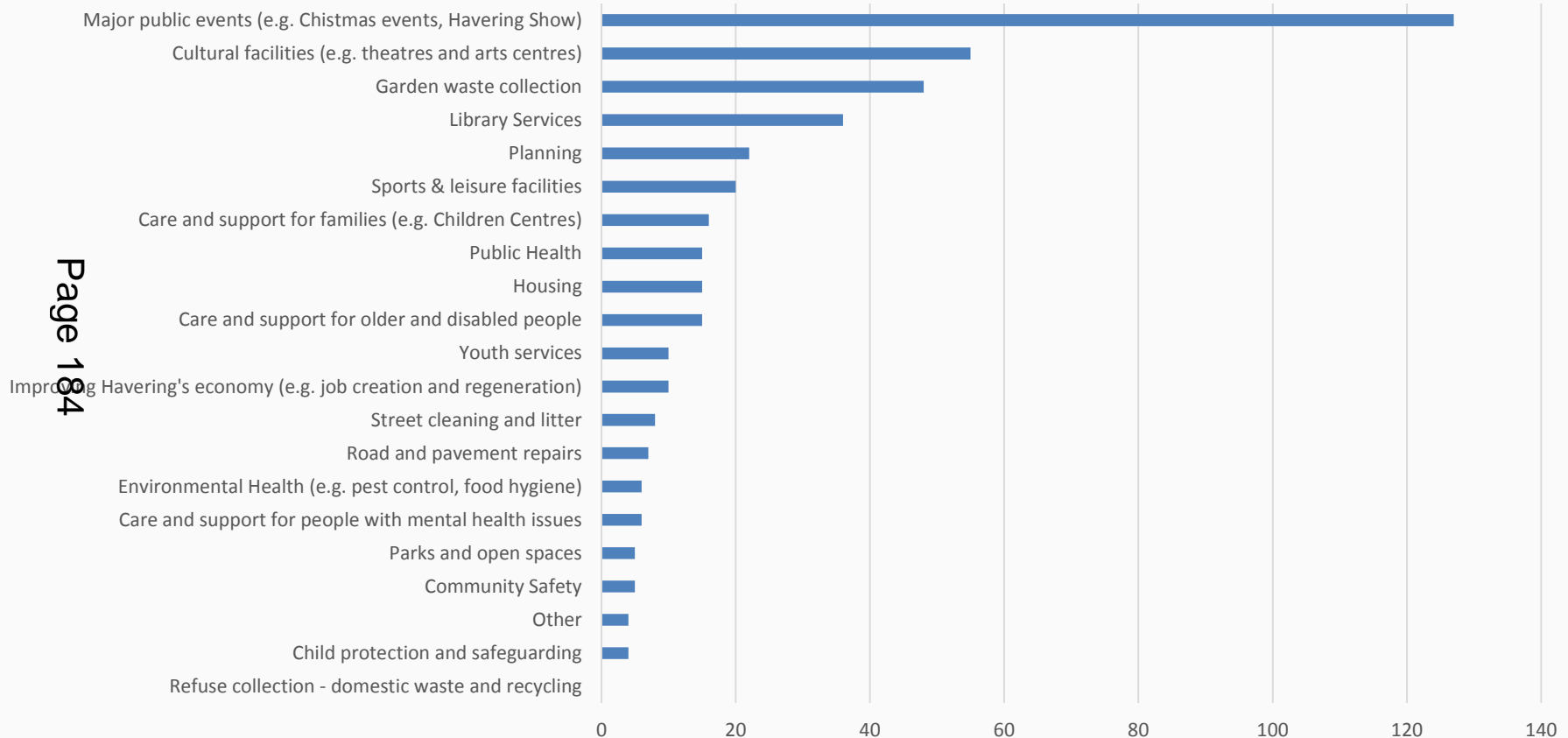


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Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Question 5 – weighted ranking (male respondents)

Least important service (male respondents)

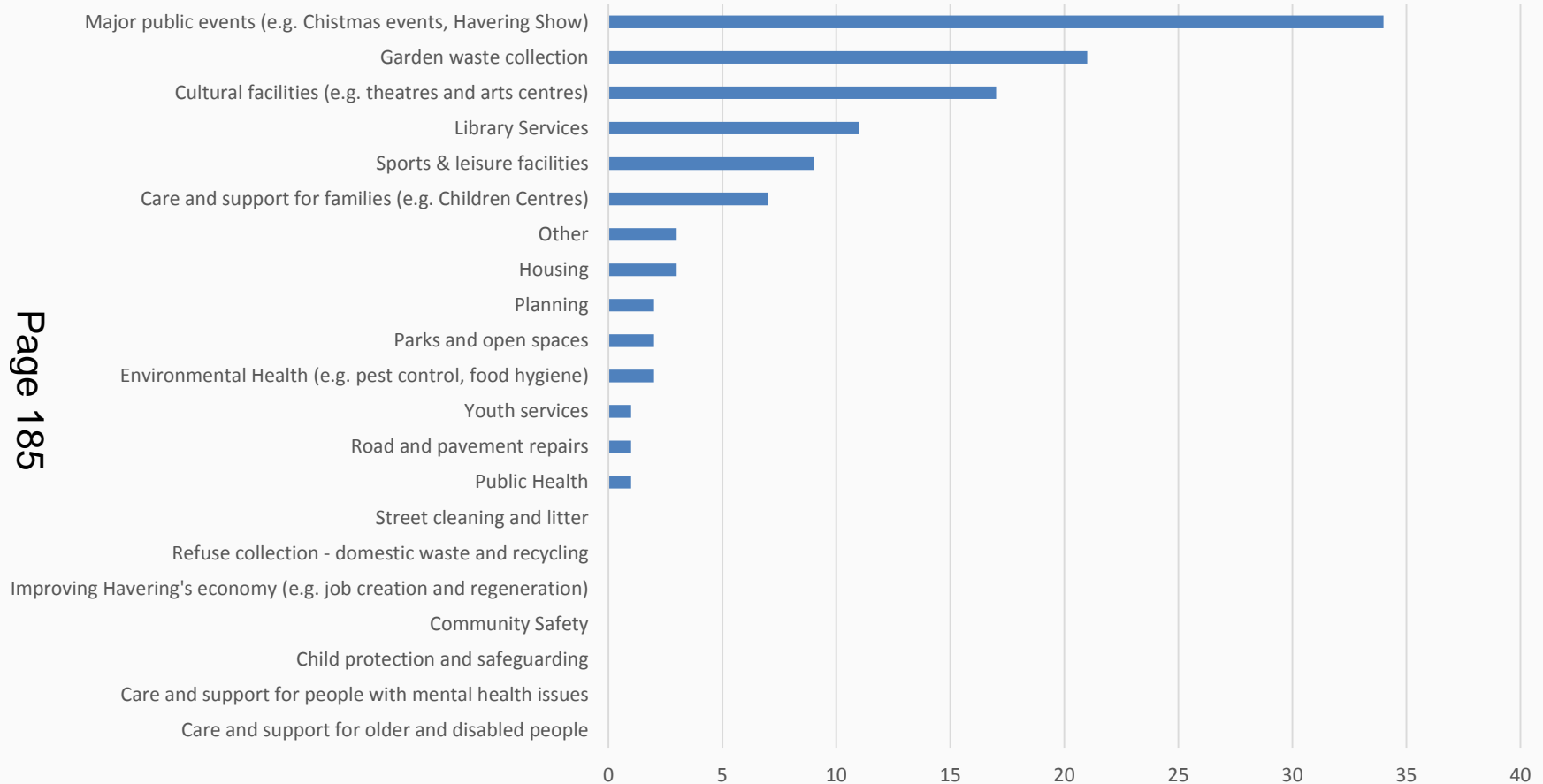


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Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Question 5 – weighted ranking (prefer not to say)

Least important services (prefer not to say respondents)



Page 185

Chart shows weighted scores where rank 1 = 3 points, rank 2 = 2 points and rank 3 = 1 points.

Other services that respondents suggested themselves least important include:

- Salary increases senior management
- Flowers (e.g. reducing amount of money spent on planting / re-planting flowers around council grounds, entering flower competitions)
- Providing housing for those outside the borough

Page 186

A few respondents stated that it was ‘impossible’ to choose which services are the least important as they are all major priorities.

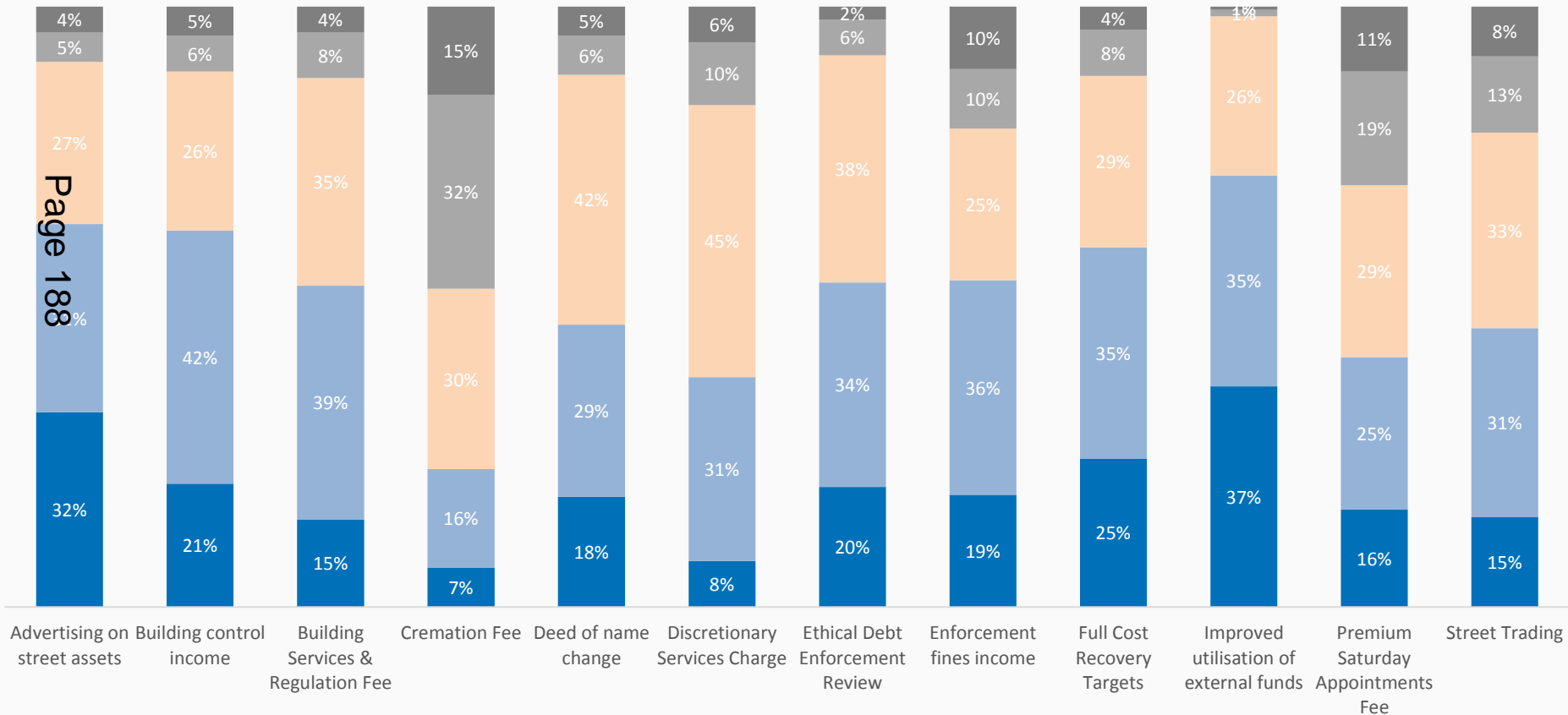
The following proposals were highly rated:

- Improved utilisation of external funds (72%)
- Advertising on street assets (64%)
- Building control income (62%)

Page 187
Cremation Fee (24%) and Premium Saturday Appointments Fee (42%) received the most negative response, and this is reflected within the comments where a number of respondents were displeased in charging people whilst they were grieving. For Saturday appointments, individuals stated that this penalises the Monday-Friday 9-5 worker who can only do Saturdays.

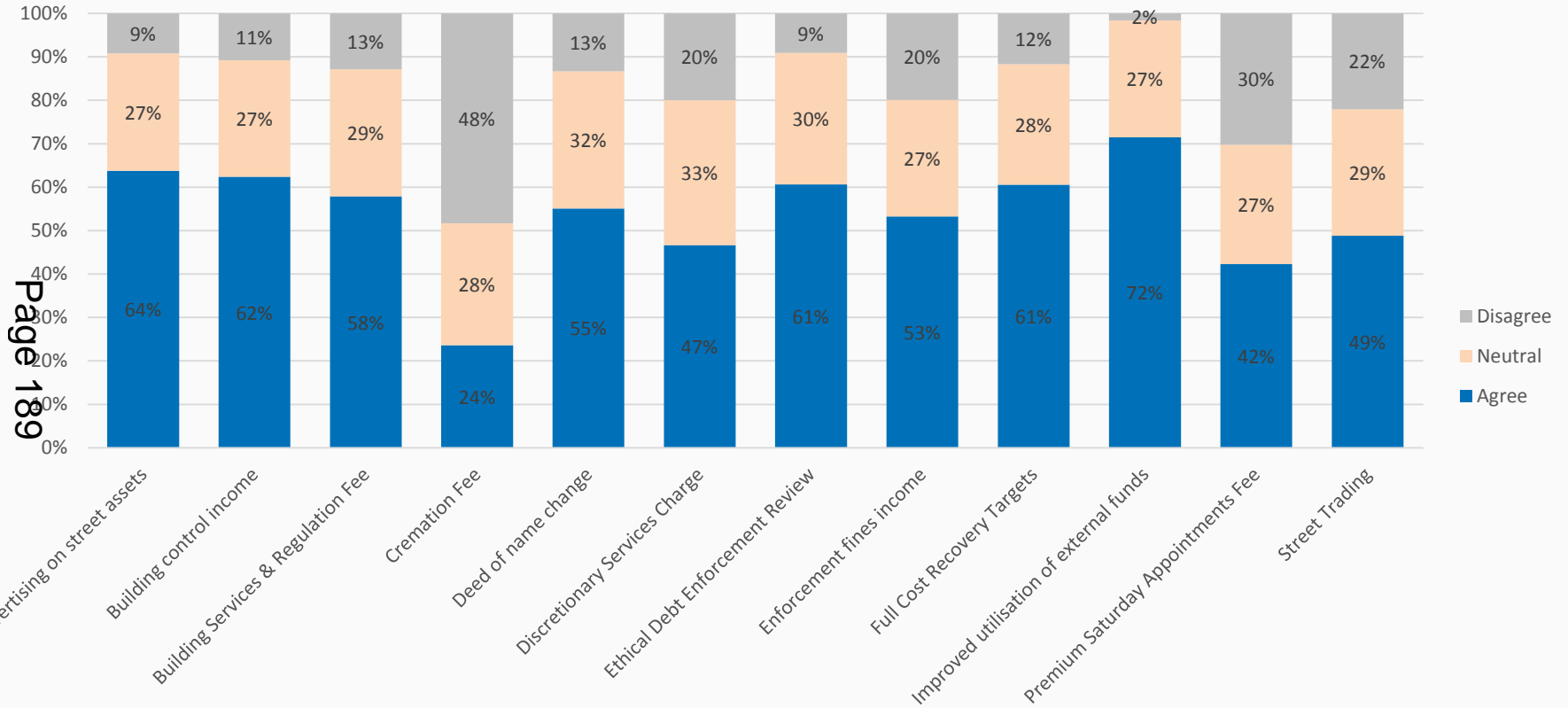
Income Generation Proposals breakdown

■ Strongly Agree
 ■ Agree
 ■ Neutral
 ■ Disagree
 ■ Strongly Disagree



**Please note percentages are taken from total of responses given to each question and exclude blank responses*

Income Proposals



**Please note percentages are taken from total of responses given to each question and exclude blank responses*

The following proposals were suggested by respondents:

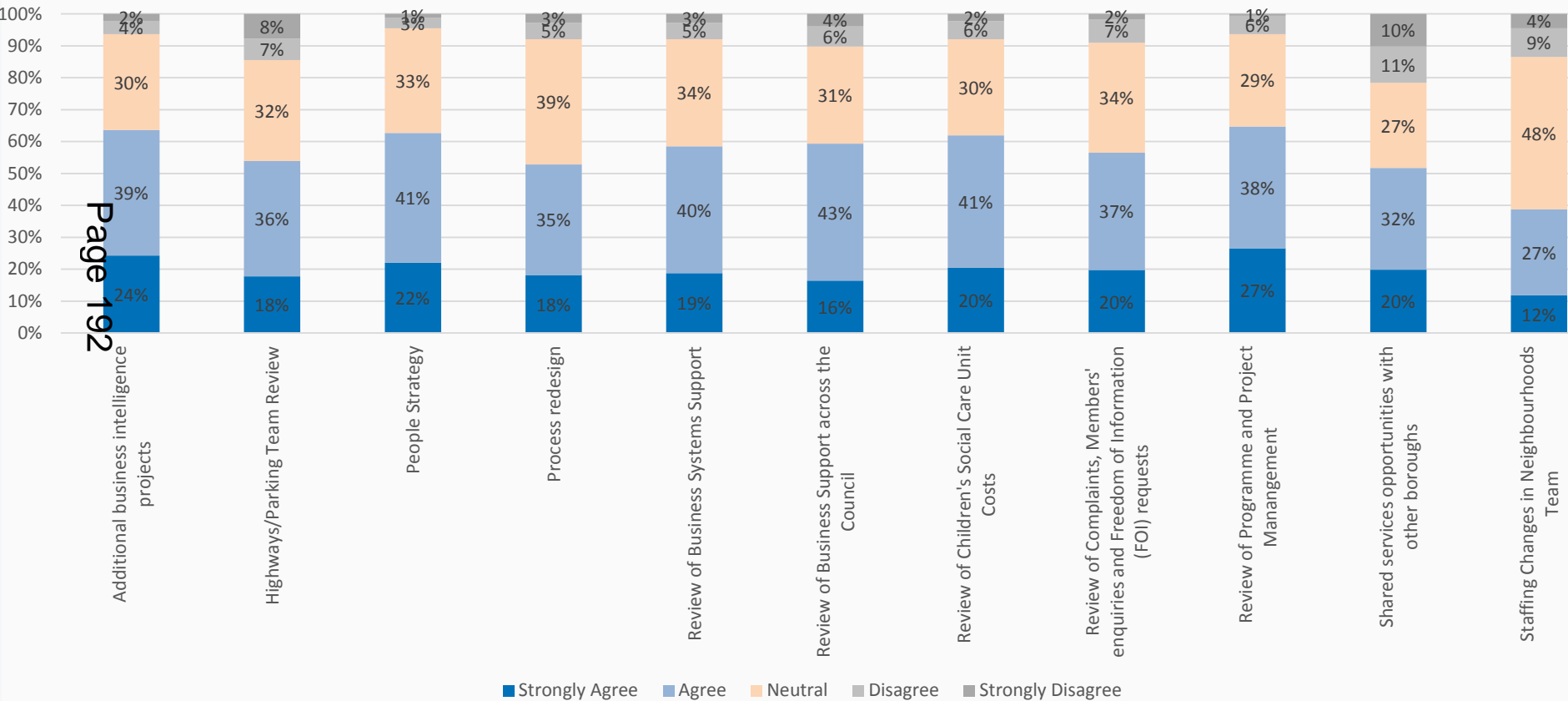
- Reviewing the image of a modern town centre
- Use of more online services
- Rental of council spaces
- Fees and licenses
- Enforcement (litter, yellow box junctions etc.)

The following proposals were highly rated:

- Review of Programme and Project Management (65%)
- Additional business intelligence projects (64%)
- People Strategy (63%)

Most of the Transformation proposals achieved support from over 50% of respondents. Only Staffing changes in Neighbourhoods Team had less than 50% support (39%)

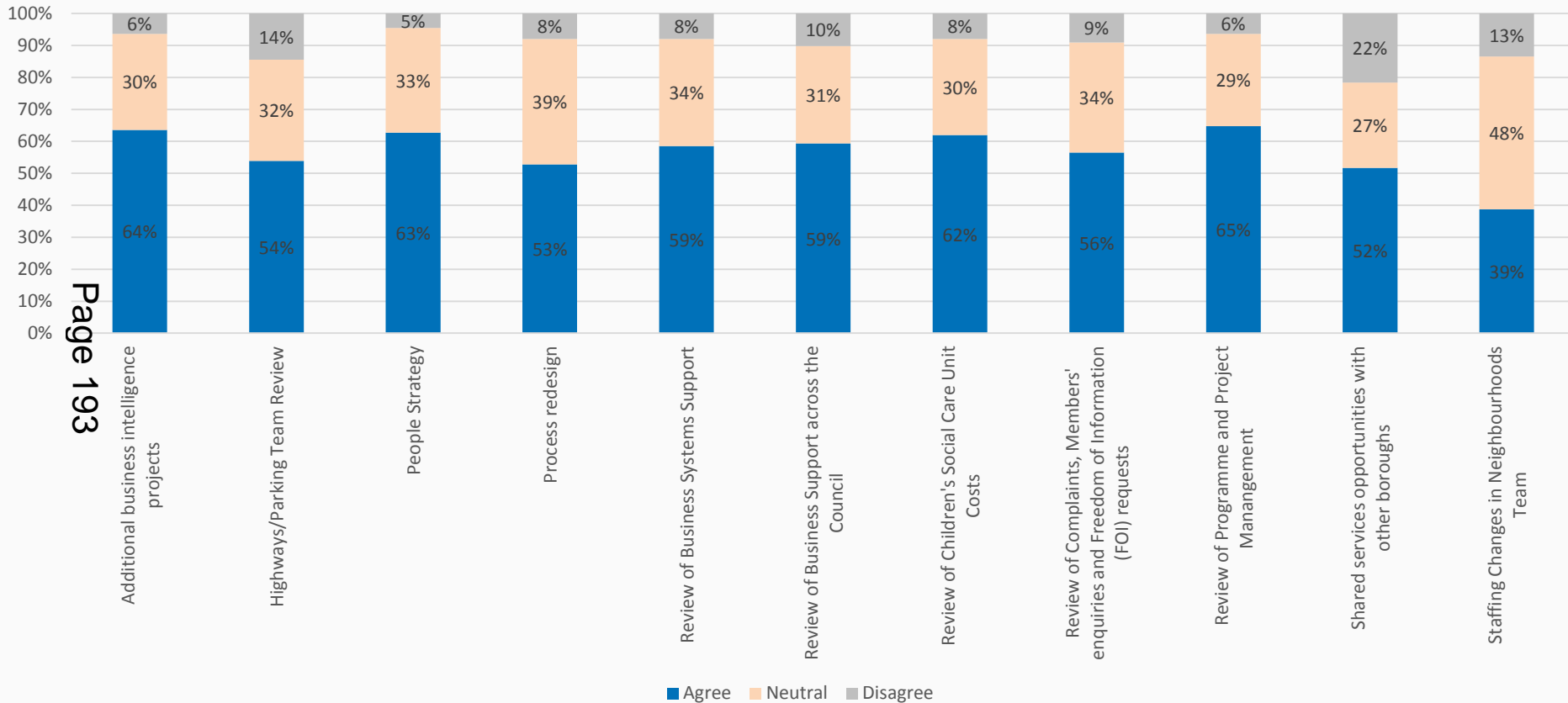
Transformation Proposals Breakdown



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**Please note percentages are taken from total of responses given to each question and exclude blank responses*

Transformation Proposals



Page 193

**Please note percentages are taken from total of responses given to each question and exclude blank responses*

The following proposals were suggested by respondents:

- Providing training and support to staff to reduce consultancy / agency spend
- Reviewing fraudulent claims
- Centralising staff and promoting working from home

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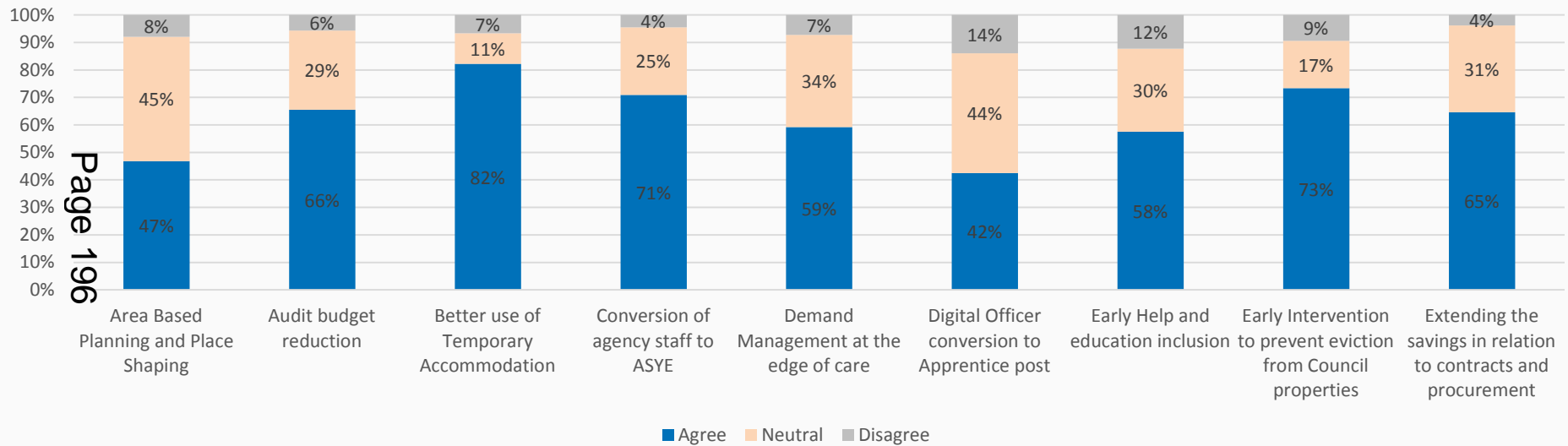
Respondents are concerned about the reduction of services (including the number of restructures) and impact this will have on service delivery.

The following proposals were highly rated:

- Better use of temporary accommodation (82%)
- Modernisation of IT systems (76%)
- Sponsorship opportunities (75%)

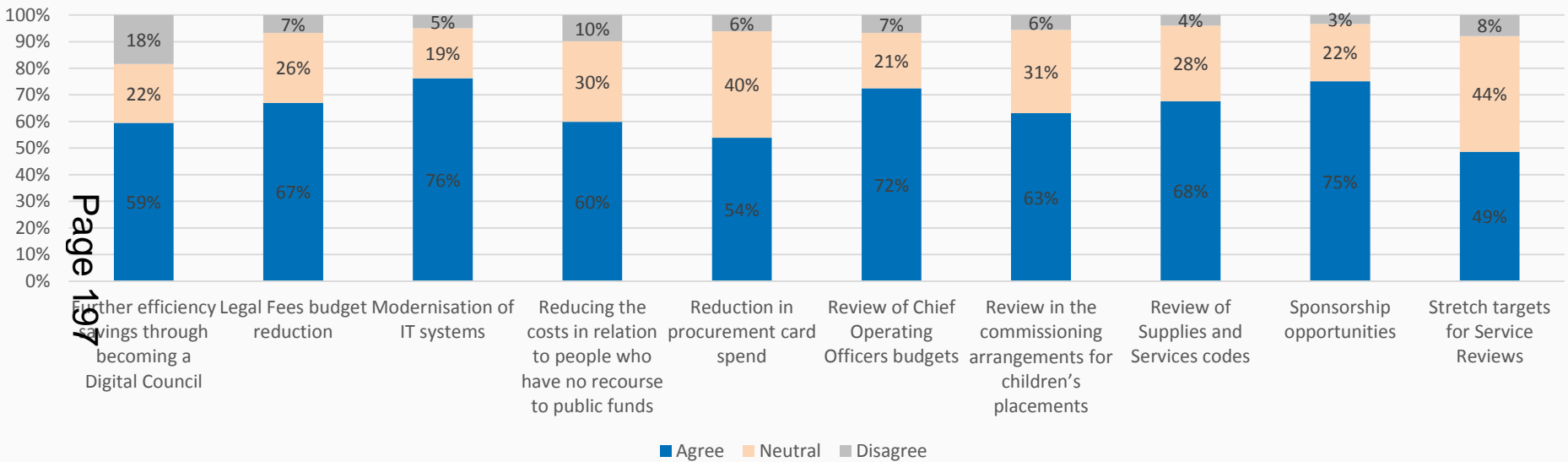
The proposal with the least agreement from respondents is Digital Officer conversion to Apprentice post, where only 42% agreed with this.

Cost Reduction Proposals



**Please note percentages are taken from total of responses given to each question and exclude blank responses*

Cost Reduction Proposals



Page 197

**Please note percentages are taken from total of responses given to each question and exclude blank responses*

The following suggestions were made by respondents:

- Reduction on consultancy spends
- Reduction on wasteful spending e.g. events
- Not signing into expensive, inefficient IT contracts
- Investment in digitisation

The following concerns were highlighted by respondents regarding the transformation proposals:

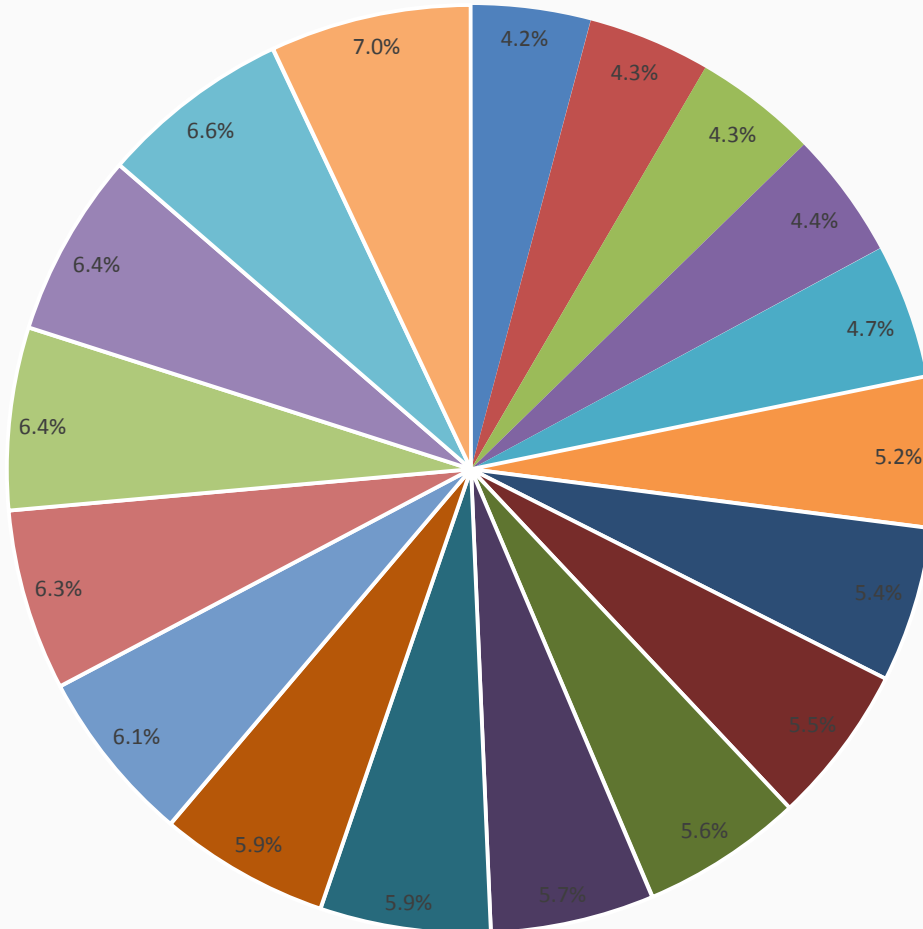
- Isolation / reduced access of individuals to council services due to the 'Digital Council' agenda
- Reduction of staff impacting on service delivery

The following suggestions were made by respondents:

- Private rental of properties
- Parking / Safer Road enforcement around school areas during drop off / pick up
- Reduction of councillors
- Reduction of senior managers
- Scheme for staff to buy extra leave or temporarily reduce hours for reduction in salary
- Consideration of spaces (e.g. use library spaces as community centres offering classes and space)

- Improving communications and raising awareness with residents regarding reduced service provision and working with them in planning and delivering.
- Delivering services in-house
- Review funding of services and the council
- Collaborating with other boroughs or agencies

- Respondents were asked 'how would they allocate fund to each of the services if they had £1m?'
- The results correlated with the most important services with most spending prioritised on:
 - Community Safety
 - Care and support for older and disabled people
 - Care and support for families (e.g. Children's Centres)
- The services with the least apportioned spending are:
 - Garden waste collection
 - Cultural facilities (e.g. theatres and arts centres)
 - Libraries



- Garden waste collection
- Cultural facilities (e.g. theatres and arts centres)
- Library services
- Planning
- Sports & leisure facilities
- Youth Services
- Environmental Health (e.g. Pest Control Food hygiene)
- Improving Havering's economy (e.g. job creation and regeneration)
- Street cleaning and litter
- Parks and open spaces
- Public Health
- Refuse collection – domestic waste and recycling
- Road and pavement repairs
- Care and support for people with mental health issues
- Housing
- Community Safety
- Care and support for families (e.g. Children's Centres)
- Care and support for older and disabled people

Chart shows weighted scores where rank 1 = 18 points, rank 2 = 17 points etc.

A few individuals stated that they felt little no impact from council reductions. A number of respondents felt there was an impact on the following services:

- Libraries
- Pavements, bridleways, footpaths and roads
- Crime and Community Safety
- Parking
- Street cleaning
- Mental Health and Social Care support

Respondents consider ‘make Council services more efficient’ and ‘investigate better use of our assets and other ways to generate income’ as the most important priorities.

Most important priorities

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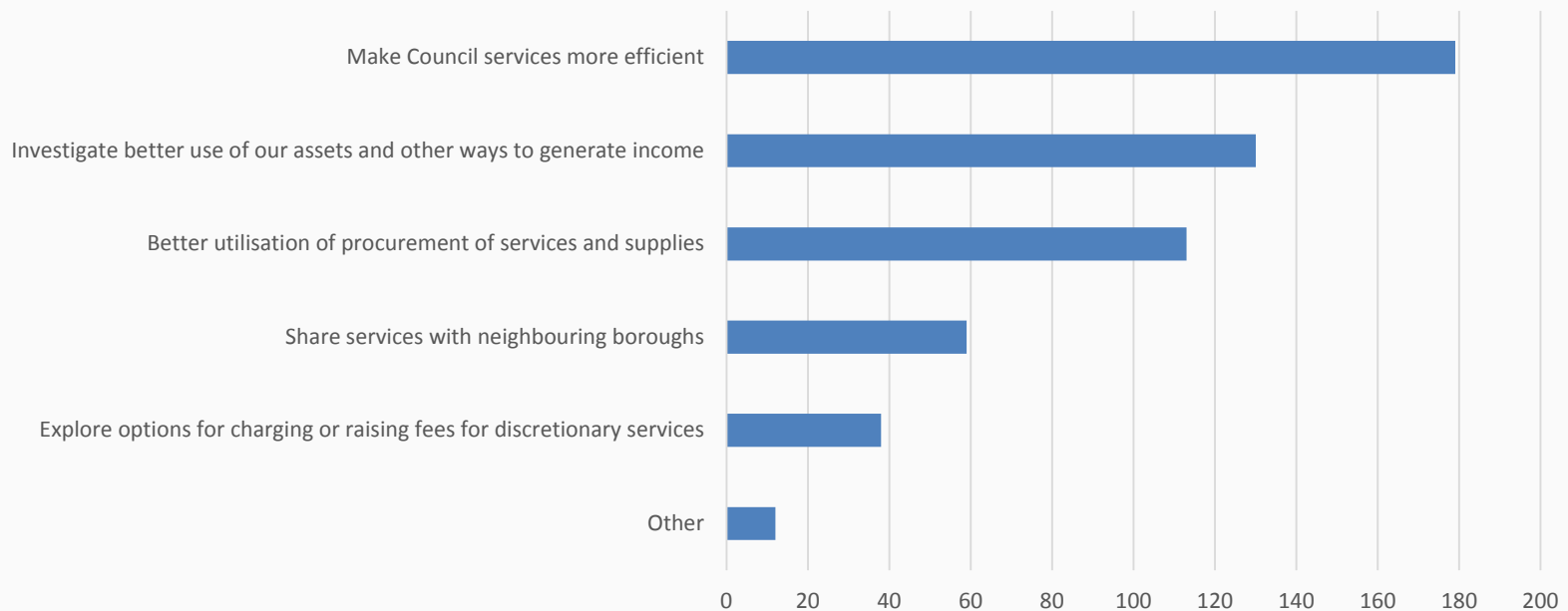
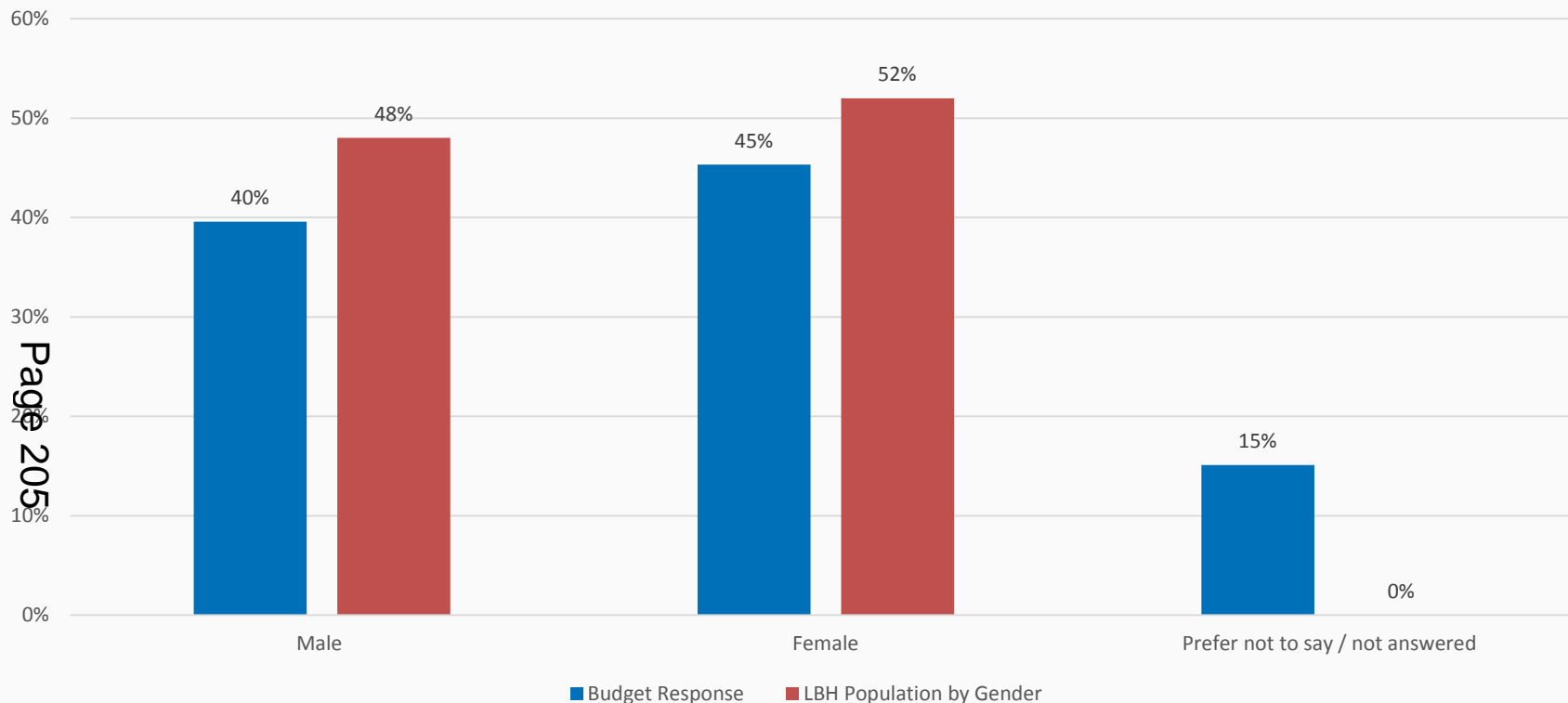


Chart shows weighted scores where rank 1 = 2 points and rank 2 = 1 points

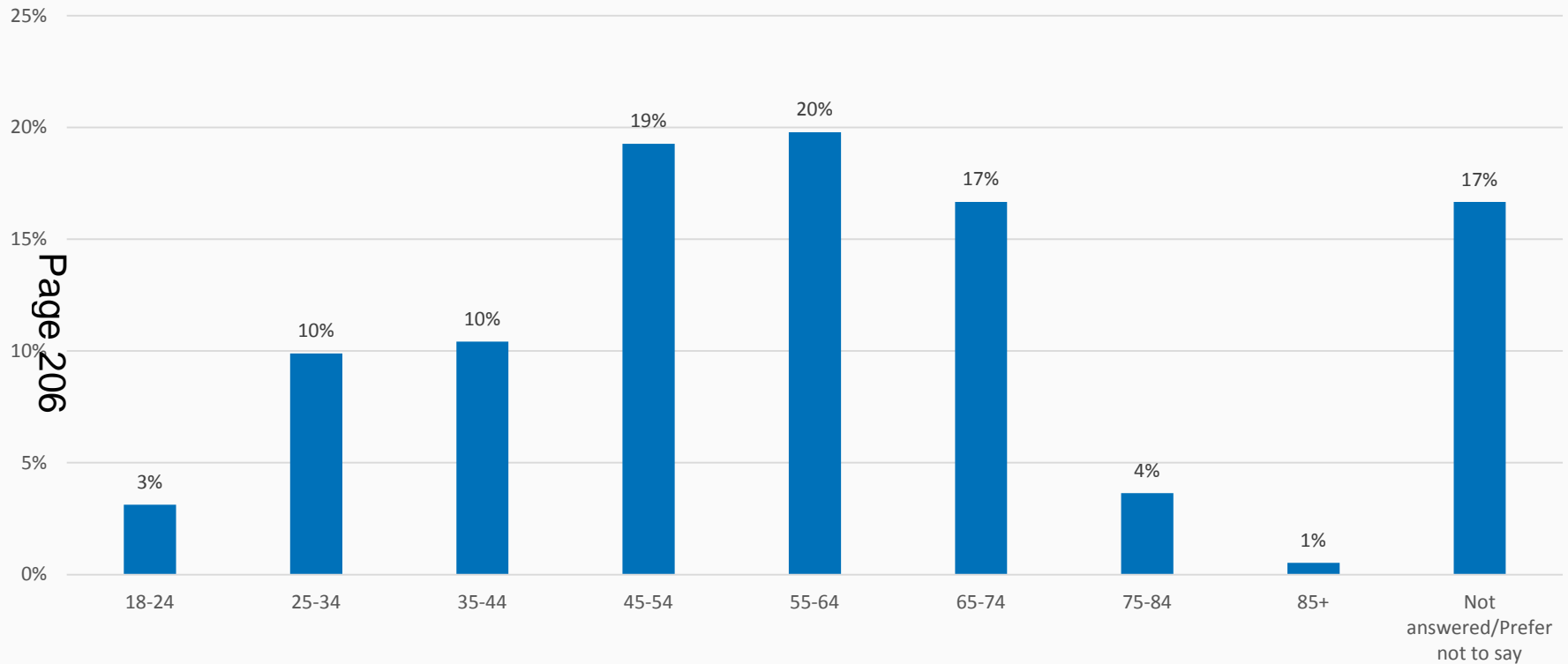
Equalities Analysis - gender



Responses from female residents and male residents (if non-responses were excluded) is 53% and 47% respectively. This is in line with the Havering average. 29 respondents did not answer this question.

• *Havering population estimate by gender taken from 2018 Havering Intelligence Hub.*

Equalities analysis - age



32 respondents did not answer this question.

Equalities analysis – disability

18% of respondents to the budget consultation considered themselves to have a disability, impairment or health condition. This is compared to 19% Havering average for working-age residents*. It is likely that the higher number is due to responses from residents greater than working age.

Source: ONS Annual Population Survey (Jan 2015-Dec 2015).

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Which description best describes your impairment? This information will help us improve access to our services.	
Long-term Illness / Health Condition – e.g. cancer, HIV, diabetes, chronic heart disease, stroke	40%
Other (please specify)	10%
Sensory – e.g. mild deafness; partially sighted; blindness	10%
Mental Illness – e.g. bi-polar disorder; schizophrenia; depression	17%
Physical – e.g. wheelchair user	14%
Developmental – e.g. autistic spectrum disorders (ASD); dyslexia and dyspraxia	7%
Learning Disability / Condition – e.g. Down’s syndrome; Cerebral palsy	2%

157 respondents did not answer this question.

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NEW BIDS APPENDIX D	Asset Life	Capital Expenditure				Total Capital Financing Costs (incremental)			
		2020/21	2021/22	2022/23	2023/24	2020/21	2021/22	2022/23	2023/24
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cemetery Extension - Additional Funding	20	3,100	0	0	0	46.50	201.50	0.00	0.00
Cremator Replacement	25	1,250	0	0	0	18.75	68.75	0.00	0.00
Coronation Gardens Wall	25	30	0	0	0	0.45	1.65	0.00	0.00
Park Improvements	25	1,750	500	500	500	26.25	103.75	35.00	35.00
Gate Improvements	25	20	0	0	0	0.30	1.10	0.00	0.00
Play Area Improvements	25	100	0	0	0	1.50	5.50	0.00	0.00
Youth Offending Service - 10 Headley Close improvement	40	100	0	0	0	1.50	4.00	0.00	0.00
IT Devices Refresh	5	40	100	250	1,750	0.60	10.10	25.25	80.00
Server infrastructure	5	0	120	50	50	0.00	1.80	26.55	11.50
Data Cente Improvements	5	40	20	20	10	0.60	8.90	4.60	4.45
Networking (core & campus)	5	530	80	80	80	7.95	115.15	18.40	18.40
Wi-Fi	5	30	30	50	300	0.45	6.90	7.20	15.25
Audio Visual Equipment	5	100	50	10	10	1.50	22.25	10.90	2.30
Skype to MS Teams Migration	5	0	100	0	0	0.00	1.50	21.50	0.00
Libraries (public PC's & Network)	5	375	0	0	0	5.63	80.63	0.00	0.00
Sports Centre (South of Borough)	40	3,328	2,062	0	0	49.92	164.05	82.48	0.00
CRM Top Up	5	2,660	0	0	0	39.90	571.90	0.00	0.00
Langtons	40	500	500	0	0	7.50	27.50	20.00	0.00
Bretons	40	2,625	0	0	0	39.38	105.00	0.00	0.00
Strategic Investment Pot	40	15,000	0	0	0	0.00	0.00	0.00	0.00
Total		31,578	3,562	960	2,700	249	1,502	252	167

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Council Tax Resolution and Tax base

Council Tax Resolution

That the following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a)	£513,738,222	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	(£383,633,853)	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£130,104,269	being the amount by which the aggregate at 5(a) above exceeds the aggregate at 5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
(d)	£1,463.77	being the amount at 5(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in the table below as the amounts of Council Tax for 2020/21 for each of the categories of dwellings.

Valuation Bands London Borough of Havering			
	Havering	Adult Social Care	Total
	£ p	£ p	£ p
A	888.18	87.67	975.85
B	1,036.20	102.28	1,138.48
C	1,184.23	116.90	1,301.14
D	1,332.26	131.51	1,463.77
E	1,628.32	160.73	1,789.05
F	1,924.37	189.96	2,114.32
G	2,220.43	219.18	2,439.61
H	2,664.52	263.02	2,927.54

That it be noted for the year 2020/21 the major precepting authority (the GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below as proposed by the Mayor.

Valuation Bands Greater London Authority	
	£ p
A	221.38
B	258.28
C	295.17
D	332.07
E	405.86
F	479.66
G	553.45
H	664.14

That, having calculated the aggregate of the above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings shown below:

Valuation Bands	£ p
A	1,197.23
B	1,396.76
C	1,596.31
D	1,795.84
E	2,194.91
F	2,593.98
G	2,993.06
H	3,591.68

The effect of adopting this resolution would be to set the Council Tax for a Band D property at £1,795.84

That Council having considered the principles approved under the Local Government Finance Act 1992 by the Secretary of State for Communities and Local Government concludes that the Council's basic relevant amount of Council Tax for 2020/21 is not excessive.

Calculation of the Tax Base - 'The Band D Equivalent'

The Council Tax regime covers eight bands of property. Each band has an arithmetic relationship with the other - and all bands are related to Band D for charge purposes as follows:

Band	Proportion of Band D Charge	
A	$\frac{6}{9}$	of Band D
B	$\frac{7}{9}$	of Band D
C	$\frac{8}{9}$	of Band D
D	$\frac{9}{9}$	of Band D
E	$\frac{11}{9}$	times Band D
F	$\frac{13}{9}$	times Band D
G	$\frac{15}{9}$	times Band D
H	$\frac{18}{9}$	times Band D

It is therefore, possible to work out a tax base by multiplying the number of properties in each of the bands by the relevant proportion (see Annexe A). Known single person discount properties and student properties are also taken into account in arriving at this figure.

Certain other factors also have to be taken into account. These are:

- Number of properties that are yet to be listed in the appropriate band for all or part of the coming year.
- Properties Eligible for the Long Term Empty Premium
- A reduction for the number of properties that attract disabled relief, which for Bands B-H receive a charge relating to one band lower than the band allocated to the property. Properties in Band A are also entitled to disabled relief, thereby reducing the charge to 5/9ths of a Band D property charge.
- A reduction for the estimated number of successful appeals against the banding allocated for individual properties.
- A reduction for the estimated number of properties becoming subject to single person discount, and student discount during the year.
- A reduction for the estimated number of properties eligible for Council Tax Support

The net effect of these adjustments is incorporated in a single figure called the Band D equivalent figure. Thereafter, the estimated effect of possible non collection also has to be considered, the effect of which is to reduce the equated number of properties taken into account in setting the Council Tax and this final figure is the "Council Tax base".

Assessed Level of Non Collection

The estimated non collection level for 2018/19 was 1.25%. This was reviewed in 2018/19 and increased from 1.25% to 1.30%. As at period eight, the council tax forecast is on budget and on track for delivery. After a review of the Council Tax arrears, the collection rate is recommended to remain the same for 2020/21.

Detail of the Calculation of the Council Tax Base

Section 33 of the Local Government Finance Act 1992 has been expanded via an amendment to the Act to accommodate the changes to the taxbase in calculating the final taxbase figure - item T.

The manner of calculation of the Council Tax base is set out in the local Authorities (Calculation of Council Tax Base) (England) Regulations 2012

'T' is determined by the formula:

$$A \times B$$

Where: -

A is the total of the relevant amounts for that year for each of the valuation bands which is shown or is likely to be shown for any day in that year in the Council's valuation list as applicable to one of more dwellings situated in its area (i.e. the Band D equivalent).

B is the Council's estimate of its collection rate for that year.

The regulations lay down a formula for the calculation of A and these are attached at Annexe A.

The calculations are as follows: -

$$\begin{aligned} A &= 90,054 \\ B &= 98.70\% \\ T &= 88,883 \end{aligned}$$

Calculation of the Council Tax Base for 2020/21 for Part of the Area

A further calculation is needed to deal with the levies in respect of the Anglian and Thames Regions of the Environment Agency affecting part of the Council's area for Land Drainage purposes. These are derived from the above figures. The formula is shown on Annexe B.

TP is the amount of the Council Tax base for the relevant part of its area.

The calculations shown on Annexe B give rise to the following figures for TP for each of the Environment Agency regions:

Thames	83,711
Anglia	6,343

**COUNCIL TAX BASE CALCULATION 2020/21
THE BAND D EQUIVALENT**

Item A is found by applying the formula $((H+Q+J+E)+Z)F/G$ to each of the Council Tax bands and totalling the amounts calculated

Where	A1*	A	B	C	D	E	F	G	H	Total
H is the number of properties in the valuation list - Regulation 4(2) as at 30th November	0	5,445	11,000	27,998	35,951	15,322	6,413	3,052	337	105,518
Less										
the number of properties exempt from a charge - Regulation 4(2)	0	-145	-215	-348	-471	-232	-64	-32	-2	-1,509
Property Base - Item H	0	5,300	10,785	27,650	35,480	15,090	6,349	3,020	335	104,009
Q Is the factor to take account of discounts	-2	-763	-1,449	-2,380	-2,277	-845	-281	-113	-10	-8,119
J is the expected change to the property tax base during the year Regulations 4(6) to 4(8)										
Additions	9	86	155	392	363	166	71	31	3	1,277
Reductions	0	-97	-123	-173	-254	-131	-71	-49	-17	-915
Z Is the estimate reduction in relation to claimants receiving Council Tax Support	-1	-1,289	-2,090	-2,857	-2,020	-513	-105	-32	-1	-8,908
Total tax base adjustment	8	-1,300	-2,058	-2,638	-1,911	-477	-105	-50	-15	-8,546
Total projection per band	5	3,288	7,172	22,427	31,279	13,767	5,970	2,859	301	87,068
F Is the proportion of each band in relation to band D	5	6	7	8	9	11	13	15	18	
G Is the proportion specified for band D	9	9	9	9	9	9	9	9	9	
$((H+Q+J) +Z) \times F/G =$	4	2,158	5,661	20,117	31,293	16,828	8,614	4,762	619	90,054
The Band D equivalent item A is therefore										90,054
* Band A Disability Adjustment										

December 2018: Item TP for each levy affected is calculated as follows:

$$TP = M \times \frac{N}{M + O}$$

where

	<u>Thames</u>	<u>Anglian</u>
M is the unscaled Council Tax Base for a part of the authority's area, calculated according to the number of dwellings situated in that part of the authority's area (in total that is the band D equivalent figures for the Council, 90054)	83711	6343
N is the authority's Council Tax Base (90054) (1.30%)	88883	88883
O is the unscaled Council Tax Base for the remaining part of the authority's area	6343	83711

Thus the calculation for each region is:

Thames	83711 x	$\frac{88883}{6343 + 83711}$	=	82622
Anglian	6343 x	$\frac{88883}{6343 + 83711}$	=	6261
				<hr style="width: 100px; margin-left: auto; margin-right: 0;"/> 88883

Thus, the total for both regions (88883) equates to the Council's Tax Base.

**LONDON BOROUGH OF HAVERING
PROVISIONAL COUNCIL TAX STATEMENT – 2020/21 BUDGET**

2019/20 £	Havering's Expenditure	Estimate 2020/21 £	
154,136,854	Service Expenditure	159,380,567	
1,000,000	General Contingency	1,000,000	
155,136,854	Havering's Own Expenditure	160,380,567	a
	Levies		
17,049,000	East London Waste Authority	16,703,000	Provisional
187,511	Environment Agency (Thames)	191,242	Estimate
21,470	Environment Agency (Anglia)	22,114	Estimate
210,627	Lee Valley Regional Park Authority	210,627	Estimate
304,549	London Pensions Fund Authority (LPFA)	304,549	Estimate
17,773,157	Sub Total – Levies	17,431,533	b
(13,516,393)	Unringfenced Grant	(13,887,480)	c
159,393,618	Sub Total – Total Expenditure	163,924,620	d=a+b-c
	External Finance		
3,369,857	Business Rates Top-up	(9,944,857)	Provisional
0		(1,398,077)	Provisional
(38,074,634)	National Non Domestic Rate	(23,808,558)	Final
(34,704,777)	Sub Total – External Finance	(35,151,492)	e
(461,196)	Council Tax Deficit/(Surplus)	0	Final
585,138	Business Rates Deficit/(Surplus)	1,331,141	Final
124,812,783	Havering's Precept on the Collection Fund	130,104,269	h=d+e+f+g

2019/20		£ p		The Collection Fund Expenditure		Estimate 2020/21	
				Precepts			
						£ p	
115,652,253	1,304.80			London Borough of Havering		118,415,266	1,332.26
9,160,530	103.35			Adult Social Care		11,689,003	131.51
124,812,783	1,408.15			Total London Borough of Havering	h	130,104,269	1,463.77
28,408,724	320.51			Greater London Authority (Provisional)		29,515,378	332.07
38,074,634	429.56			London Borough of Havering Retained Business Rates		23,808,558	267.86
20,855,692	235.30			Greater London Authority - Retained Business Rates		20,855,692	234.64
271,673	3.07			Cost of NNDR collection		266,826	3.00
212,423,506	2,396.58			Total Expenditure	i	204,550,723	2,301.35
				Total Income			
(59,201,999)	(667.92)			National Non-Domestic Rate		(44,931,076)	(505.51)
153,221,507	1,728.66			NNDR receivable	j	159,619,647	1,795.84
88,636				COUNCIL TAX per Band D property	k=i-j	88,883	

Council Tax percentage change 3.89%

Valuation as at 1/4/91		£ p		Council Taxes Per Property Band		Change	
						£ p	
Under £40,000	1,152.44	Band A		1,197.23		44.79	
£40,000 - £52,000	1,344.51	Band B		1,396.76		52.25	
£52,001 - £68,000	1,536.59	Band C		1,596.31		59.72	
£68,001 - £88,000	1,728.66	Band D		1,795.84		67.18	
£88,001 - £120,000	2,112.81	Band E		2,194.91		82.10	
£120,001 - £160,000	2,496.95	Band F		2,593.98		97.03	
£160,001 - £320,000	2,881.10	Band G		2,993.06		111.96	
Over £320,000	3,457.32	Band H		3,591.68		134.36	

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GENERAL FUND BUDGET	2020/2021	2019/2020
	Net	Net
	Exp	Exp
	£000	£000
Planning & Economic Development	436	(1,797)
Roads, Pavements & Car Parking	921	746
Education	41,090	41,118
Rubbish, Waste Collection & Street Cleaning	6,275	6,152
Environmental Health & Trading Standards	1,969	2,358
Housing (General Fund Only)	4,562	4,129
Culture and Leisure	5,313	5,039
Social Services	63,429	58,110
Public Health	(1,657)	(1,651)
Other Services	37,043	39,907
Total - all services	159,381	154,111
Contingency and Provisions	1,000	1,000
HAVERING'S NET EXPENDITURE	160,381	155,111
Levies		
East London Waste Authority	16,703	17,049
Environment Agency - Thames Region	191	187
Environment Agency - Anglian Region	22	21
Lee Valley Regional Park Authority	211	211
London Pension Fund Authority	304	304
Unringfenced Grants	(13,887)	(13,516)
TOTAL EXPENDITURE	163,925	159,367

Change in Council's Expenditure

	£m
2020/21 Budget	163.9
2019/20 Budget	159.4
Net Total Change	4.5
Budget Pressures	20.8
Inflation	2.4
Increase in Levies	0.0
Provisions & Other Issues (including Grant & Funding Changes)	(3.0)
Sub Total	20.1
Efficiencies/Savings	(15.6)
Net Total	4.5

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**Schedule
of
Fees and Charges**

Adults Adult Services

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
1 Respite Care Weekly charges* Age over Pension Credit age Age 25 up to Pension Credit age Age 18 to 24 Annual increase subject to DWP minimum income allowance Net of personal expense allowance set by DOH * These charges will change in Jan/Feb 2019 when the new benefit, pension, and personal expense allowance rates are announced.	125.65 81.75 66.55	tbc tbc tbc	09/02/18 09/02/18 09/02/18	L L L

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

Adults Adult Services

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
2 Court of Protection				
Annual charges - Fixed Costs as directed by Court of Protection*				
1 Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs	745.00	745.00	01/04/17	Court Direction
Annual management fee where the court appoints a local authority deputy for property and affairs, payable on the anniversary of the court				
2a for the first year:	775.00	775.00	01/04/17	Court Direction
2b for the second and subsequent years:	650.00	650.00	01/04/17	Court Direction
Where the net assets are below £16,000, an annual management fee not exceeding 3.5% of net assets on the anniversary of the court order appointing the local authority as deputy				
3 Annual property management fee to include work involved in preparing property for sale, instructing agents, conveyancers, etc or the ongoing maintenance of property including management and letting of a rental property	300.00	300.00	01/04/17	Court Direction

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

Adults Adult Services

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
2 Court of Protection (cont)				
4 Preparation of Annual Report for the Public Guardian	216.00	216.00	01/04/17	Court Direction
5 Preparing basic HMRC tax return	70.00	70.00	01/04/17	Court Direction
6 Preparing complex HMRC tax return	140.00	140.00	01/04/17	Court Direction
7 Travel time £40 per hour in units of £10/15 mins	40/hour	40/hour	01/04/17	Court Direction
8 Recoup of Application fee paid from HMRC Account	385.00	365.00	24/07/18	Court Direction
Increase subject to Court of Protection/Direction and the 2017 Rate is the 1st increase since 2011				

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

Adults Adult Services

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Burials & Cremations (Public Health Act 1984 Section 46)				
1 Administration of arrangements to Bury/Cremate -Liaison with Hospital Bereavement Team -Investigation to trace next of kin -Liaison with various friends of the deceased, regarding funeral arrangements -Death Registration and purchase of certificates -Liaison with Funeral Directors and Travel -Liaison with the Local Authority Housing Department, regarding termination of tenancy and property clearance -Referral to Treasury Solicitor -Investigation of assets and liaison with financial institutions by post and in person	745.00	745.00	01/04/17	Section 46 of the Public Health Act (Point 5)
2 Forensic searches of property with 2 staff	300.00	300.00	01/04/17	Section 46 of the Public Health Act (Point 5)

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

Adults Adult Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2019) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
1. Personal care and Support Provision of homecare delivery to Service Users Homecare rate - hourly charge; per minute of actual care <i>The individual contribution is subject to the individual means test assessment</i> Homecare rates are currently subject to review and may change following the publishing of these fees and charges	17.50	tbc	01/04/19	D/L
2. Care home Provision of care home delivery to Service Users Care home rate based on authority's 'usual costs' -weekly charge Residential Frail Residential Dementia Nursing Frail Nursing Dementia Care home rates are currently subject to review and may change following the publishing of these fees and charges	538.00	tbc	01/04/19	L
	604.00	tbc	01/04/19	L
	550.00	tbc	01/04/19	L
	589.00	tbc	01/04/19	L
3. Day Centre Day care delivery to Service Users Day Centre daily rate Transport to Day Centre (inclusive of return journey)	40.00	40.00	07/04/14	L
	10.00	10.00	07/04/14	L

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

Adults Adult Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2019) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
4. Extra Care Housing				
Dreywood Court - hourly rate	15.28	15.56	01/04/20	I/L
St Ethelburga Court - hourly rate	15.28	15.56	01/04/20	I/L
Paines Brook Court - hourly rate	15.28	15.56	01/04/20	I/L
5. Deferred Payment Admin fees				
Initial set-up fee	658.00	658.00	11/04/16	L
Annual review charge	89.00	89.00	11/04/16	L

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

**Chief Operating Officer
Culture and Customer Access**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
FAIRKYTES				
Off Peak: Mon-Fri** up to 6pm*** (per hour unless otherwise stated)				
Main Room	19.00	20.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	42.00	43.00	01/04/20	I/N/P
Room 12	15.50	16.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	33.00	34.00	01/04/20	I/N/P
Room 13	12.00	12.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	26.00	27.00	01/04/20	I/N/P
Room 9	12.00	12.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	26.00	27.00	01/04/20	I/N/P
Art Room	15.00	15.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	31.00	32.50	01/04/20	I/N/P
Sculpture (includes access to Kiln Room when available)	12.00	12.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	25.00	26.50	01/04/20	I/N/P
Studio 1	28.00	29.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	60.00	62.00	01/04/20	I/N/P
Studio 2	18.50	19.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	41.00	42.00	01/04/20	I/N/P

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**Chief Operating Officer
Culture and Customer Access**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Off Peak: Mon-Fri** up to 6pm*** (continued) (per hour unless otherwise stated)				
Studio 3	12.00	12.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	25.00	26.50	01/04/20	I/N/P
Billet Studio 1	18.50	19.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	41.00	42.00	01/04/20	I/N/P
Billet Studio 2	13.00	13.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	26.50	28.00	01/04/20	I/N/P
Gallery Studio	16.00	17.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	36.00	37.50	01/04/20	I/N/P
Peak rate: Mon-Fri 6pm*** to close, all day Sat,Sun,public holidays (per hour unless otherwise stated)				
Main Room	23.00	24.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	49.50	51.00	01/04/20	I/N/P
Room 12	19.00	20.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	41.00	42.50	01/04/20	I/N/P
Room 13	15.50	16.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	33.00	34.00	01/04/20	I/N/P
Room 9	15.00	15.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	31.00	32.50	01/04/20	I/N/P

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Peak rate: Mon-Fri 6pm*** to close, all day Sat,Sun,public holidays (per hour unless otherwise stated)				
Art Room	19.00	20.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	41.00	42.50	01/04/20	I/N/P
Sculpture (includes access to Kiln Room when available)	13.00	13.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	27.00	28.00	01/04/20	I/N/P
Studio 1 ****	37.00	38.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	78.00	80.00	01/04/20	I/N/P
Studio 2	21.50	22.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	47.00	48.50	01/04/20	I/N/P
Studio 3	14.00	14.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	30.00	31.00	01/04/20	I/N/P
Billet Studio 1	21.50	22.50	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	47.00	48.50	01/04/20	I/N/P
Billet Studio 2	15.50	16.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	32.00	33.50	01/04/20	I/N/P
Gallery Studio	20.00	21.00	01/04/20	I/N/P
<i>Three hour hire discounted rate</i>	45.00	46.50	01/04/20	I/N/P

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Peak rate: Mon-Fri 6pm*** to close, all day Sat,Sun,public holidays (per hour unless otherwise stated)				
Private Studio/Workshop/Office (flat rate per calendar month)	201.00	208.00	01/04/20	I/N/P
Private/Commercial Function Rates in Studio 1 (Main Hall)****				
(The below charged at a flat rate per hire including staffing charge)				
Saturday 6.00pm - 11pm †	290.00	300.00	01/04/20	I/N/P
Sunday & Public Holidays 6.00pm - 10.30pm †	260.00	270.00	01/04/20	I/N/P
Friday 6.00-10.30pm †	201.00	210.00	01/04/20	I/N/P

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HORNCHURCH STADIUM				
Weekday Use by Athletics Clubs (excluding training session)*				
Half Day*	87.00	89.50	01/04/20	I/N/P
Full Day*	164.00	169.00	01/04/20	I/N/P
Saturday Use by Athletics Clubs (excluding training session)*				
Half Day*	109.00	112.50	01/04/20	I/N/P
Full Day*	202.00	208.00	01/04/20	I/N/P
Sunday Use by Athletics Clubs (excluding training session)*				
Half Day*	143.00	147.50	01/04/20	I/N/P
Full Day*	274.00	282.00	01/04/20	I/N/P
Use by Schools (excluding training session)**				
Half Day**	104.00	107.00	01/04/20	I/N/P
Full Day**	214.00	220.50	01/04/20	I/N/P
Schools Training Sessions (per hour Inc. equipment)**	39.00	40.00	01/04/20	I/N/P
Occasional use - Football - without lights Seniors (3 hours)**	202.00	208.00	01/04/20	I/N/P
Occasional use - Football - without lights Juniors (2.5 hours)**	111.00	114.50	01/04/20	I/N/P
Occasional use - Football - with lights Seniors (3 hours)**	316.00	325.50	01/04/20	I/N/P
Occasional use - Football - with lights Juniors (2.5 hours)**	140.00	144.00	01/04/20	I/N/P
* VATable unless block (10 or more) booking				
** VATable unless block (10 or more) booking or Havering schools				

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Marketing Advertising in Fairkytes and other culture publications				
Full page (A4)	258.00	265.00	01/04/20	I/N/P
Full page (A5) or Half page (A4)	129.00	133.00	01/04/20	I/N/P
Half page (A5) or Quarter page (A4)	67.00	69.00	01/04/20	I/N/P
Quarter page (A5) or Eighth page (A4)	36.00	37.00	01/04/20	I/N/P
Online ticket sales 10% of ticket price to be added to the charge for Culture Events when sold on-line	10% of ticket price	10% of ticket price	01/04/16	L

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LIBRARY SERVICES:				
Fines (per item, per day)				
Adults	0.39	0.40	01/04/20	N/L
Children	No charge	No charge	01/04/14	L
Spoken Words	0.39	0.40	01/04/20	N/L
Lost Tickets	4.30	4.30	01/04/20	L
Lost Items - Replacement Cost (Minimum charge £10 + fines)	Cost + fines	Cost + fines	01/04/14	L
Pre Overdue by email	Cost + fines	Cost + fines	01/04/14	L
Overdue notifications				
1st Overdue (E-Mail)	No charge	No charge	01/04/14	L
1st Overdue (Text/Telephone)	No charge	No charge	01/04/19	L
No charge to the service as part of the overall LSP package - therefore no charge to customer				
Reservations				
Adult (E-mail)	No charge	No charge	01/04/19	L
Adult (Text/Te)	No charge	No charge	01/04/19	L
Children	No charge	No charge	01/04/14	L

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Items not held within borough				
Adult - Items within the London Library Consortium (LLC)	2.94	1.40	01/04/20	D/L
British Library Loans (plus postage)	13.60	Quoted	01/04/20	L
Children	No charge	No charge	01/04/14	L
CDs				
Per week:				
Singles	1.40	1.50	01/04/20	I/N/P
Sets	2.40	2.50	01/04/20	I/N/P
Per 3 weeks:				
Spoken Word	1.30	No charge	01/04/19	L
DVDs (per week)	3.35	3.50	01/04/20	I/N/P
Music Scores (3 Months)				
Cost to be agreed with customer before progressing order	Quoted	Quoted	01/04/15	L
Computer Use				
IT Hub - reservation fee per computer, per hour	No charge	No charge	01/04/15	L

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Photo Copies				
B/W A4	0.35	0.35	01/04/19	L
B/W A3	0.40	0.40	01/04/19	L
Colour A3	2.20	2.20	01/04/19	L
Colour A4	1.55	1.55	01/04/19	L
Photocopying single sided	0.35	0.35	01/04/19	L
Photocopying double sided	0.54	0.54	01/04/19	L
People's Network - Printing				
B/W A4 (Printout per page)	0.35	0.35	01/04/19	L
Colour A4 (Printout per page)	1.55	1.55	01/04/19	L
Library Space				
2 hours for sole & guaranteed use of specific space, to include use of a desk/table & chair(s) to organisations for activities that benefit their members or participants, or where "drop in" services are being offered	11.00	15.00	01/04/20	D/P
Office Space in libraries	11.00	15.00	01/04/20	D/P

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Community Group Room Hire	20% discount	20% discount	01/04/17	D/P
Elm Park Library Elm Park Meeting Room per hour (Equiv. Hornchurch CR2)	17.00	18.00	01/04/20	D/P
Harold Hill Library Harold Hill Meeting Room per hour Harold Hill Office Space per hour	22.00 16.00	23.00 16.50	01/04/20 01/04/20	D/P I/N/P
Hornchurch Library Hornchurch Large meeting room - First Hour Hornchurch Large meeting room - Additional Hours Hornchurch - After 10pm, locking up fees Hornchurch Class Room One, per hour Hornchurch Class Room Two, per hour Hornchurch Office Space per hour	27.00 22.00 27.00 22.00 17.00 11.00	28.00 23.00 28.00 23.00 18.00 12.00	01/04/20 01/04/20 01/04/20 01/04/20 01/04/20 01/04/20	D/P D/P D/P D/P D/P D/P
Upminster Library - No longer available, currently long term let Upminster Meeting Room per hour Upminster - After closing time £26.25 locking up fees	N/A 27.00	N/A N/A	01/04/19 01/04/19	I/N/P I/N/P

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Rainham Library				
Rainham Library Meeting Room 1 (large room) First Hour	27.00	28.00	01/04/20	D/P
Rainham Library Meeting Room 1 (large room) Additional Hours	22.00	23.00	01/04/20	D/P
Rainham Library Meeting Room 2 per hour	22.00	23.00	01/04/20	D/P
Rainham Library Meeting Room 3 per hour	22.00	23.00	01/04/20	D/P
Rainham Library Meeting Room 4 per hour	16.50	17.50	01/04/20	D/P
Rainham Library Meeting Room 5 per hour	16.50	17.50	01/04/20	D/P
Rainham - After closing time, locking up fees	27.00	28.00	01/04/20	D/P
Nursery Room	22.00	23.00	01/04/20	D/P
Romford Library - No longer available, currently long term let				
Romford Large meeting room - First Hour	27.00	N/A	01/04/19	I/N/P
Romford Large meeting room - Additional Hours	22.00	N/A	01/04/19	I/N/P
Romford Second meeting room per hour	22.00	N/A	01/04/19	I/N/P
Romford - After closing time £26.25 locking up fees	27.00	N/A	01/04/19	I/N/P
South Hornchurch Library				
South Hornchurch Library Room 1 per hour	11.00	12.00	01/04/20	D/P
South Hornchurch Library Room 2 per hour	11.00	12.00	01/04/20	D/P
South Hornchurch Library Room 3 per hour	16.50	17.50	01/04/20	D/P
Harold Wood Library				
Harold Wood Library Meeting Room per hour	16.50	17.00	01/04/20	I/N/P

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<p>Room Hire Cancellation</p> <p>Notice of cancellation of room hire under 24 hours</p> <p>Notice of cancellation of room hire 1-3 days</p> <p>Notice of cancellation of room hire 3-7 days</p>	<p>75% of room hire fee</p> <p>50% of room hire fee</p> <p>25% of room hire fee</p>	<p>75% of room hire fee</p> <p>50% of room hire fee</p> <p>25% of room hire fee</p>	<p>01/04/14</p> <p>01/04/15</p> <p>01/04/15</p>	<p>P</p> <p>P</p> <p>P</p>

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Exhibitions (per week)				
Upminster at exhibitors liability for one week	No charge	No charge	01/04/12	L
Hornchurch at exhibitors liability for one week	No charge	No charge	01/04/12	L
Cost of Recovery - No longer charged				
Accounts owing up to £99.00	10.61	No charge	01/04/19	I/N/P
Accounts owing £100.00 plus	21.22	No charge	01/04/19	I/N/P
Cost of Digital images				
Image on disc (including disc)	3.85	4.00	01/04/20	I/N/P
Image on USB (excluding USB)	3.85	4.00	01/04/20	I/N/P
Image on Paper price on application plus postage	Quoted	No charge	01/04/20	D/P
Commercial Reproduction price on application	Quoted	No charge	01/04/20	D/P
Hourly rate for project work +	New Charge	15.00	01/04/20	D

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MUSIC SCHOOL:				
Peripatetic tuition in schools and colleges (per hour pro rata)				
Academies and non-LA				
Basic	44.25	45.50	01/04/20	I/N/P
Over 15 hours per week	43.25	44.50	01/04/20	I/N/P
LA schools in Havering				
Basic	44.00	45.50	01/04/20	I/N/P
Over 15 hours per week	43.00	44.50	01/04/20	I/N/P
Over 25 hours per week	42.00	43.50	01/04/20	I/N/P

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MUSIC SCHOOL:				
Direct Debit (weekly cost, charged monthly over 52 weeks)				
Bronze (36 shared 20mn lessons, Musicianship & 30mn Ensemble)				
First instrument	7.00	7.20	01/04/20	I/N/P
Second instrument	5.54	5.77	01/04/20	C/L
Third instrument	4.85	5.25	01/04/20	C/L
Silver (36 shared 30mn lessons, Musicianship, 60mn Ensemble & Summer School)				
First instrument	11.65	12.00	01/04/20	I/N/P
Second instrument	8.88	9.12	01/04/20	I/N/P
Third instrument	6.46	6.92	01/04/20	C/L
Gold (36 individual 30mn lessons, Musicianship, unlimited Ensembles & Summer School)				
First instrument	17.20	19.27	01/04/20	C/L
Second instrument	13.75	15.12	01/04/20	C/L
Third instrument	12.00	13.21	01/04/20	C/L

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MUSIC SCHOOL:				
Direct Debit (continued)				
Kindergarten	3.46	3.58	01/04/20	I/N/P
One Ensemble only	3.46	3.58	01/04/20	I/N/P
Unlimited Ensembles only	6.28	6.46	01/04/20	I/N/P
Note: DDs are charged monthly and the weekly DD amounts are set to make the monthly figures rational.				

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MUSIC SCHOOL:				
Remissions Scheme charges (reduced fees)				
Pupil Premium students:				
Bronze first instrument	2.58	2.65	01/04/20	I/N/P
Silver first instrument	4.18	4.32	01/04/20	I/N/P
Gold first instrument	6.70	6.92	01/04/20	I/N/P
Kindergarten	1.55	1.62	01/04/20	I/N/P
One Ensemble only	1.55	1.62	01/04/20	I/N/P
Unlimited Ensembles only	2.58	2.65	01/04/20	I/N/P
Instrument Hire (annual charge)	10.00	10.00	01/04/19	L
Looked After Children (all services in scope of Remissions Scheme)	No charge	No charge	01/04/16	L
Eligibility for reduced fees for children aged 5-18: Students school receive pupil premium for child or child is LAC Current Free School Meals eligibility or similar				
One package fee remitted but Music School Manager retains discretion, e.g. where existing multi-instrumentalist becomes eligible for remission.				

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- D - Increase recommended by Head of Service

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**Chief Operating Officer
Culture and Customer Access**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
MUSIC SCHOOL:				
Associate Ensemble Membership (termly charge) Associate Member (Adult)	51.00	52.50	01/04/20	I/N/P
Hire of Instruments (annual charge)	40.00	41.00	01/04/20	I/N/P
Administration fees				
Examination entries	2.00	2.00	01/04/17	L
Assisted Instrument Purchase Scheme	6.00	6.50	01/04/20	C/L
Timetable changes	20.00	20.00	01/04/18	L
Exam fees				
Including piano accompaniment as required (most instruments except piano/guitar/percussion) collected on a cost recovery basis	Cost recovery	Cost recovery	01/04/17	L

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Childrens Services Learning and Achievement

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
1 Non Attendance and Holiday Fines				
1a Penalty Notices				
Penalty Notice paid within 21 days	60.00	60.00	01.09.12	
Penalty Notice paid after 21 days	120.00	120.00	01.09.12	
Charges are per child, per parent				
Fines must be paid within 28 days to avoid prosecution				

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Childrens Learning & Achievement

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
1 Schools Meals				
1a Primary School Meal	2.20	2.25	01.09.19	D/L
1b Secondary School Meal	2.50	2.50	01.09.16	C/L
1c Special Infant	2.20	2.25	01.09.19	D/L
Special Junior	2.20	2.25	01.09.19	D/L
Adult	3.35	3.35	01.09.16	C/L

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Childrens Childrens Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
MY PLACE: (All charges are for 1hr unless stated otherwise)				
Off Peak (Mon - Fri 9am - 6pm)				
Performance Hall	23.00	23.75	01/04/20	I/N/P
Performance Hall with sound and lighting:	29.50	30.50	01/04/20	I/N/P
Performance Hall with staging 4 hrs (if stage erected by myplace staff)	141.00 *	145.00	01/04/20	I/N/P
Music Studio 1 hr	11.50 *	11.75	01/04/20	I/N/P
Technician	23.75 *	24.50	01/04/20	I/N/P
Games Room	18.00	18.50	01/04/20	I/N/P
Art Room	10.00	10.50	01/04/20	I/N/P
Health Room	8.50	8.75	01/04/20	I/N/P
IAG Room	8.00	8.25	01/04/20	I/N/P
Counselling Room	8.00	8.25	01/04/20	I/N/P
Large Meeting Room	15.00	15.50	01/04/20	I/N/P
<p>N.B The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.</p>				

Basis of Increase:

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Childrens Childrens Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Off Peak (Mon - Fri 9am - 6pm)				
Small Meeting Room	10.50	10.75	01/04/20	I/N/P
Bike Workshop	13.50	14.00	01/04/20	I/N/P
IT Hub - reservation fee per computer	No charge	No Charge	No Charge	I/N/P
Peak (Mon - Fri after 6pm)				
Performance Hall	28.00	28.75	01/04/20	I/N/P
Performance Hall with sound and lighting:	41.00	42.25	01/04/20	I/N/P
Performance Hall with staging				
4 hrs (if stage erected by myplace staff)	197.00 *	203.00	01/04/20	I/N/P
Music Studio				
1 hr	14.50 *	15.00	01/04/20	I/N/P
Technician	23.75 *	24.50	01/04/20	I/N/P
Games Room	24.50	25.25	01/04/20	I/N/P
Art Room	13.50	14.00	01/04/20	I/N/P
Health Room	11.50	11.75	01/04/20	I/N/P
IAG Room	11.00	11.25	01/04/20	I/N/P
N.B The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.				

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Childrens Childrens Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Peak (Mon - Fri after 6pm)				
Counselling Room	11.00	11.25	01/04/20	I/N/P
Large Meeting Room	18.50	19.00	01/04/20	I/N/P
Small Meeting Room	13.00	13.50	01/04/20	I/N/P
Bike Workshop	17.00	17.50	01/04/20	I/N/P
IT Hub - reservation fee per computer	No charge	No charge	No Charge	I/N/P
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Childrens Childrens Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Saturday and Sunday				
Performance Hall	74.50	76.75	01/04/20	I/N/P
Performance Hall with sound and lighting:	97.00	100.00	01/04/20	I/N/P
Performance Hall with staging 4 hrs (if stage erected by myplace staff)	437.00 *	450.00	01/04/20	I/N/P
Music Studio 1 hr	48.50 *	50.00	01/04/20	I/N/P
Technician	29.00 *	30.00	01/04/20	I/N/P
Games Room	73.50	75.75	01/04/20	I/N/P
Art Room	54.00	55.50	01/04/20	I/N/P
Health Room	50.50	52.00	01/04/20	I/N/P
IAG Room	49.00	50.50	01/04/20	I/N/P
Counselling Room	50.50	52.00	01/04/20	I/N/P
Large Meeting Room	62.00	64.00	01/04/20	I/N/P
Small Meeting Room	52.50	54.00	01/04/20	I/N/P
Bike Workshop	59.50	61.25	01/04/20	I/N/P
IT Hub - reservation fee per computer	No charge	No charge	No Charge	I/N/P
N.B The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.				

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Childrens Childrens Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Weekly Charges Storage Charge for Hirers (per week)	5.00	5.25	01/04/20	I/N/P
<p>N.B The above room hire charges are maximum charges that are to be applied. Managers will have the discretion to negotiate lower charges per hour/session if a hirer pays in advance and commits to a long term hire, with such discounts to be agreed by the Head of Service.</p>				

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
BEREAVEMENT SERVICES:				
Interments				
Cemeteries (fees doubled for non-residents of LBH)				
Over 16 years	1,360.00	1,380.00	01/04/20	D/L
2 simultaneous full body interments aged over 16 years	2,040.00	2,060.00	01/04/20	D/L
Cremated remains	258.00	260.00	01/04/20	D/L
Surcharge for cremated remains in full coffin	230.00	240.00	01/04/20	D/L
Extra depth (each interment over two) or casket/walled grave per depth	245.00	252.00	01/04/20	D/L
Resident child not over 16 Years	No Charge	No Charge	01/04/20	
Non resident stillborn to 1 month in child's grave or public grave	245.00	252.00	01/04/20	D/L
2 simultaneous non resident stillborn/to 1 month in child's or public grave	368.00	380.00	01/04/20	I/N/P
Non resident child not over 10 years in child's grave or public grave	378.00	390.00	01/04/20	I/N/P
Non resident child not over 16 years in child's grave	2,567.00	2,645.00	01/04/20	D/L
Use of chapel without organist	95.00	150.00	01/04/20	I/N/P
Hospital Contract NVB(Non Viable baby) burials	248.00	255.00	01/04/20	I/N/P
Exclusive Right of Burial (50 years with option of further 10 years)				
Lawn Section grave	2,132.00	2,140.00	01/04/20	D/L
Traditional Grave	3,306.00	3,320.00	01/04/20	D/L
Children's section (under 10)	440.00	455.00	01/04/20	I/N/P
Children's section (under 16)	880.00	910.00	01/04/20	I/N/P

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Surcharges				
Saturday full burial surcharge	680.00	700.00	01/04/20	I/N/P
Sunday full burial surcharge	1,360.00	1,400.00	01/04/20	I/N/P
Adult Weekend cremated remains surcharge	258.00	260.00	01/04/20	D/L
Funeral After Published Time or 48 hours of booking	320.00	330.00	01/04/20	I/N/P
Booking cancelled after 48 hours of booking	320.00	330.00	01/04/20	I/N/P
Booking cancelled within 48 hours of burial	320.00	330.00	01/04/20	I/N/P
Extension of Right of Burial for 10 years				
Lawn Section Grave	526.00	530.00	01/04/20	D/L
Traditional Grave	660.00	680.00	01/04/20	I/N/P
Children's Section (under 10)	115.00	118.00	01/04/20	D/L
Children's Section (under 16)	237.00	245.00	01/04/20	D/L
Walled graves	1,260.00	1,298.00	01/04/20	I/N/P
Other Charges				
Transfer of Exclusive Rights by Will, Letters of Administration or Assignment	52.00	54.00	01/04/20	D/L
Transfer of Exclusive Rights by Statutory Declaration or combination of methods	95.00	98.00	01/04/20	I/N/P
Certified extract from Burial Register	62.00	64.00	01/04/20	I/N/P

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Other Charges (continued)				
Staff attendance to select a new grave by appointment	49.00	50.00	01/04/20	D/L
Exhumation of cremated remains resident	258.00	260.00	01/04/20	D/L
Exhumation of cremated remains non-resident	516.00	520.00	01/04/20	D/L
Permit Charge				
Clean and Renovate/ NAMM fixing	No Charge	No Charge	01/04/20	
Lawn (Standard) Headstone & kerb/Additional Memorial	131.00	135.00	01/04/20	I/N/P
Additional Inscription on headstone or permit for a vase only/ Lawn kerb	88.00	90.00	01/04/20	D/L
Full kerb Traditional Grave	337.00	347.00	01/04/20	I/N/P
Grave Maintenance Fees				
Bi annual Spring and Summer planting Service	268.00 *	276.00 *	01/04/20	I/N/P
Annual maintenance clean and tidy Service	167.00 *	172.00 *	01/04/20	I/N/P
Turfing (Winter months only after grave has settled)	108.00	111.00	01/04/20	I/N/P
Cremated Remains Burial Plots				
Purchase of exclusive rights (25 year term)	620.00	630.00	01/04/20	D/L
Extension of exclusive rights of burial for 10 years flat stone cremated remains plot	366.00	376.00	01/04/20	D/L
Tablet with First inscription	473.00	480.00	01/04/20	D/L

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Cremated Remains Burial Plots (continued)				
Additional / subsequent inscriptions	152.00	156.00	01/04/20	D/L
Blank stone	357.00	367.00	01/04/20	I/N/P
Photograph fixed to memorial	315.00	316.00	01/04/20	D/L
Granite memorial vases for use with cremated remains tablets (includes 45 letters)	360.00	360.00	01/04/20	I/N/P
Regilding or additional letter on granite vase	3.60	3.70	01/04/20	I/N/P
South Essex Crematorium				
Cremation includes organ/organist/polytainer or biodegradable casket:				
Over 16 years	905.00	955.00	01/04/20	D/I/P
Resident child not exceeding 16 years	No Charge	No Charge	01/04/20	
Non resident to 6 years but not exceeding 16 yrs	216.00	225.00	01/04/20	D/I/P
Non resident up to 6 years	110.00	115.00	01/04/20	D/I/P
Hospital Contract Non-viable foetus cremation	78.00	80.00	01/04/20	I/N/P
Weekend cremation (Subject to availability)	1,358.00	1,672.00	01/04/20	D/L
Sunday Cremation (subject to availability)	1,810.00	1,864.00	01/04/20	D/L
Unattended Cremation (adult)	550.00	560.00	01/04/20	D/L
Early Adult Cremation 15 minute service	725.00	750.00	01/04/20	I/N/P

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Additional Services and Surcharges				
Bookings cancelled after 10am one working day before reserved time	266.00	275.00	01/04/20	I/N/P
Surcharge for services over-running	266.00	275.00	01/04/20	I/N/P
Surcharge for Cremation after 4pm	266.00	275.00	01/04/20	I/N/P
Surcharge for unattended cremation and use of chapel at a different time - NEW	100.00	130.00	01/04/20	D/L
Use of chapel for private memorial service or extra time	266.00	275.00	01/04/20	I/N/P
CD recording of service	87.00 *	90.00 *	01/04/20	I/N/P
CD discs 2-10	25.00 *	26.00 *	01/04/20	I/N/P
DVD recording of service	106.00 *	109.00 *	01/04/20	I/N/P
DVD discs 2-10	32.00 *	33.00 *	01/04/20	I/N/P
Webcast of service	112.00 *	115.00 *	01/04/20	I/N/P
Visual Tributes 10 photographs	48.00 *	49.00 *	01/04/20	I/N/P
Visual Tributes per additional 5 photographs	18.00 *	19.00 *	01/04/20	I/N/P
Per minute of video used plus set up cost	14.00 *	15.00 *	01/04/20	I/N/P
Tributes embedded into DVD recording of the service	120.00 *	123.00 *	01/04/20	I/N/P
DVD or USB of Visual Tribute only (first disc) - NEW	62.00 *	64.00 *	01/04/20	I/N/P
DVD or USB of Visual Tribute only (disc 2 -10) - NEW	42.00 *	43.00 *	01/04/20	I/N/P
Strewing (burial) of cremated remains from elsewhere	113.00	116.00	01/04/20	I/N/P
Witness Committal	54.00	56.00	01/04/20	D/L
Weekend Witness committal	108.00	112.00	01/04/20	D/L

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

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Additional Services and Surcharges (continued)				
Storage of cremated remains after one month per quarter	56.00 *	57.00 *	01/04/20	D/L
Storage of cremated remains after one month per year	130.00 *	134.00 *	01/04/20	I/N/P
Genealogy Searches per search not through Deceased Online	27.00 *	28.00 *	01/04/20	I/N/P
Containers				
Bronzed metal urns	73.00 *	75.00 *	01/04/20	I/N/P
Standard wooden or metal casket	90.00 *	90.00 *	01/04/20	D/L
Juvenile caskets	35.00 *	36.00 *	01/04/20	I/N/P
Various Decorative urns/caskets (new charge)	RRP *	RRP *	01/04/20	-
Dedicated Hymn Book	85.00 *	87.00 *	01/04/20	I/N/P
Various keepsake memorials made from or to contain cremated remains including diamonds, paperweights, jewellery	RRP *	RRP *	01/04/20	-
Memorials				
Kerb Plaques				
Perspex Plaque only	124.00 *	127.00 *	01/04/20	D/L
Bronze Plaque only	249.00 *	250.00 *	01/04/20	D/L
Rights to second dedication (plus cost of plaque)	118.00	119.00	01/04/20	D/L
Kerb plaque Rights or Renewal	247.00	248.00	01/04/20	D/L
Single motif on a perspex or bronze plaque	29.00 *	30.00 *	01/04/20	I/N/P
Two motifs on a perspex or bronze plaque	54.00 *	56.00 *	01/04/20	I/N/P

Basis of Increase:

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Memorials (continued)				
Bronze Wall Plaque				
Bronze wall plaque only	249.00 *	250.00 *	01/04/20	D/L
Bronze wall plaque renewal	247.00	248.00	01/04/20	D/L
Large Wall Plaques				
Single Slate or Large Bronze Wall Plaques				
Single plaque only (slate or bronze tablet)	333.00 *	334.00 *	01/04/20	D/L
Single plaque - Rights or Renewal fee for 10 years	247.00	250.00	01/04/20	D/L
Double Slate Wall Plaque single inscription	500.00 *	501.00 *	01/04/20	D/L
Double Slate Wall Plaque double inscription	806.00 *	810.00 *	01/04/20	D/L
Double Slate Wall Plaque second inscription within 1 year of original dedication	179.00 *	180.00 *	01/04/20	D/L
Double Plaque - Rights or Renewal 10 year renewal	495.00	500.00	01/04/20	D/L
Wall Niche for 10 years				
Renewal or Pre-purchase for Single Niche for 10 years	876.00	880.00	01/04/20	D/L
Renewal for Single Niche for 5 years	535.00	536.00	01/04/20	D/L
Replacement single plaque	589.00 *	590.00 *	01/04/20	D/L
Renewal Rights or Pre-purchase for Double Niche for 10 years	1,772.00	1,780.00	01/04/20	D/L

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Neighbourhoods Bereavement Services

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Wall Niche for 10 years (continued)				
Renewal for Double Niche for 5 years	980.00	981.00	01/04/20	D/L
Replacement double plaque	910.00 *	912.00 *	01/04/20	D/L
Wall Niche rights for second inscription	150.00	151.00	01/04/20	D/L
Wall Niche Additional Items:				
Motif (optional)	93.00	95.00	01/04/20	D/L
Additional Bud Vase	32.00	33.00	01/04/20	I/N/P
Additional Inscription	272.00	280.00	01/04/20	I/N/P
Casket including nameplate	95.00	98.00	01/04/20	I/N/P
Photograph	315.00	316.00	01/04/20	I/N/P
Sanctum ii Vaults for 10 years				
Second Interment	165.00	170.00	01/04/20	I/N/P
Sanctum Second inscription	556.00 *	572.00 *	01/04/20	I/N/P
Sanctum Plaque	444.00 *	457.00 *	01/04/20	I/N/P
10 Year Rights or Renewal	1,128.00	1,130.00	01/04/20	D/L
5 Year Renewal	657.00	658.00	01/04/20	D/L
Regilding (Inc. postage)	120.00 *	123.00 *	01/04/20	I/N/P
Replacement vase	19.00 *	20.00 *	01/04/20	D/L

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Vase Blocks and Tablets (includes Scented Garden Memorials)				
Vaseblock tablet	266.00	273.00	01/04/20	I/N/P
Vaseblock Rights or Renewal for 10 years	579.00	580.00	01/04/20	D/L
Memorials				
Summer House Memorial				
Floris plaque only	165.00 *	170.00 *	01/04/20	I/N/P
Floris plaque Renewal Rights for 10 years	247.00	250.00	01/04/20	D/L
Posy Holder rights or Renewal for 10 years	154.00	156.00	01/04/20	D/L
Posy Holder Memorial	20.00 *	21.00 *	01/04/20	I/N/P
Shrub, Rose or Tree with 10 Year dedication				
Shrub or Rose (including Bronze Stem Plaque)	250.00 *	257.00 *	01/04/20	I/N/P
Shrub 10 Year Rights or Renewal (also applies to vase block with rose)	663.00	665.00	01/04/20	D/L
Shrub 5 Year Renewal Rights (also applies to vase block with rose)	427.00	430.00	01/04/20	D/L
Tree (including bronze Stem or Strap plaque)	249.00 *	256.00 *	01/04/20	I/N/P
Tree 10 Year Rights or Renewal	800.00	810.00	01/04/20	D/L
Tree 5 Year Renewal Rights	495.00	500.00	01/04/20	D/L

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Benches and Chairs - 10 Year dedications				
Bench / Replacement Bench	1,236.00 *	1,240.00 *	01/04/20	D/L
Chair / Replacement Chair	721.00 *	725.00 *	01/04/20	D/L
Bench 10 Year Rights or Renewal	1,127.00	1,130.00	01/04/20	D/L
Chair 10 Year Rights or Renewal	995.00	1,000.00	01/04/20	D/L
Regular maintenance (per 2 years of remaining lease if not purchased or renewed since 1/1/2001)	49.00 *	51.00 *	01/04/20	D/L
Renovation of Bench	216.00 *	222.00 *	01/04/20	I/N/P
Renovation of Chair	138.00 *	142.00 *	01/04/20	I/N/P
Replacement Summerhouse Chair	710.00 *	731.00 *	01/04/20	I/N/P
Summerhouse Chair Renewal Rights	474.00	488.00	01/04/20	I/N/P
Bench, Tree & Shrub Additional dedications				
Rights to second dedication within 1 year of original (plus cost of plaque)	118.00	121.00	01/04/20	I/N/P
Rights to second dedication after 1 year of original or renewal per remaining year of lease (plus cost of plaque)	22.00	23.00	01/04/20	D/L
Rights to 2nd Dedication Life time of item (plus cost of plaque)	475.00	489.00	01/04/20	I/N/P
Replacement bronze plaque	249.00 *	250.00 *	01/04/20	D/L
Replacement Perspex plaque	124.00 *	127.00 *	01/04/20	I/N/P

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Neighbourhoods Bereavement Services

(B) Charges determined by Committee

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Miscellaneous Memorials				
Mallard Bridge	336.00 *	346.00 *	01/04/20	I/N/P
Admin Fee for private purchase of plaque (plus cost of plaque)	27.00 *	50.00 *	01/04/20	D/L
Replacement metal vase	19.00 *	20.00 *	01/04/20	D/L
Floral arrangements stand - plus cost of flowers	32.00 *	34.00 *	01/04/20	D/L
Hanging baskets (per year)	134.00 *	138.00 *	01/04/20	I/N/P
Sculpture Garden Memorial	266.00	273.00	01/04/20	I/N/P
Sculpture Garden Rights	579.00	580.00	01/04/20	D/L
Birdbath Rights	579.00	580.00	01/04/20	D/L
Books of Remembrance				
2 line entry	110.00 *	113.00 *	01/04/20	I/N/P
3 - 5 lines	158.00 *	162.00 *	01/04/20	I/N/P
6 - 8 lines	228.00 *	235.00 *	01/04/20	I/N/P
Cards of Remembrance & Additional Entries in existing miniature books				
2 line entry	39.00 *	40.00 *	01/04/20	I/N/P
3 - 5 lines	68.00 *	70.00 *	01/04/20	I/N/P
6 - 8 lines	106.00 *	109.00 *	01/04/20	I/N/P

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Miniature Triptych of Remembrance/Book of Remembrance				
2 line entry	78.00 *	80.00 *	01/04/20	I/N/P
3 - 5 lines	110.00 *	113.00 *	01/04/20	I/N/P
6 - 8 lines	144.00 *	148.00 *	01/04/20	I/N/P
Book of Remembrance Sundries				
Motif	82.00 *	84.00 *	01/04/20	I/N/P
Triptych photograph	82.00 *	84.00 *	01/04/20	I/N/P
Mini Headstone Cremated Remains Burial Plots				
Purchase of exclusive rights (25 year term)	1,080.00	1,100.00	01/04/20	D/L
Extension of exclusive rights of burial for 10 years mini headstone cremated remains plot	458.00	460.00	01/04/20	D/L
Memorial and installation with first 60 characters	1,158.00	1,170.00	01/04/20	D/L
Additional inscription rate per letter	3.60	3.70	01/04/20	I/N/P
Blank headstone only	288.00	296.00	01/04/20	I/N/P
Photograph fixed to memorial	315.00	316.00	01/04/20	I/N/P
Replacement Granite memorial vase only for Mini Headstone Only	74.00	76.00	01/04/20	I/N/P
Inscription first 60 characters on a pre purchased memorial	256.00	263.00	01/04/20	I/N/P
Blank memorial headstone only	844.00	850.00	01/04/20	D/L

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Mini Headstone Cremated Remains Burial Plots (continued)				
Stone chippings per bag	58.00	60.00	01/04/20	I/N/P
Flower Holder	20.00	21.00	01/04/20	D/L
Book of Remembrance Memorial Tree				
Memorial Tree leaf 10 Year Rights or Renewal	239.00	246.00	01/04/20	I/N/P
Memorial Tree leaf plaque	154.00 *	158.00 *	01/04/20	I/N/P
Rights for 2nd inscription - Rights remain the same (plus cost of plaque)	115.00	118.00	01/04/20	I/N/P
Advertising fees - pre funeral brochure				
Display Advertisement Quarter A4 page	639.00 *	639.00 *	01/04/19	I/N/P
Display and Directory Entry Quarter A4 page and directory entry	798.00 *	798.00 *	01/04/19	I/N/P
Display Advertisement half A4 page	850.00 *	850.00 *	01/04/19	I/N/P
Display and Directory Entry half A4 page and directory entry	1,009.00 *	1,009.00 *	01/04/19	I/N/P
Display Advertisement Full A4 page	1,040.00 *	1,040.00 *	01/04/19	I/N/P
Display and Directory Entry Full A4 page and directory entry	1,195.00 *	1,195.00 *	01/04/19	I/N/P
Display Advertisement Full inside back A4 page	1,277.00 *	1,277.00 *	01/04/19	I/N/P
Display and Directory Entry Full inside back A4 page and directory entry	1,432.00 *	1,432.00 *	01/04/19	I/N/P
Copy design simple half page	52.00 *	52.00 *	01/04/19	I/N/P
Copy design complex full page	77.00 *	77.00 *	01/04/19	I/N/P
All fees discounted by 10% for repeat customers				

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Arboria Plaques				
Arboria Plaque with text only	185.00 *	185.00 *	01/04/19	D/L
Arboria Plaque with text and engraved motif	215.00 *	215.00 *	01/04/19	D/L
Arboria Plaque with text and engraved and painted motif	245.00 *	245.00 *	01/04/19	D/L
Arboria Plaque with text and ceramic photo	295.00 *	295.00 *	01/04/19	D/L
Arboria Plaque Rights or Renewal for 10 years	239.00	246.00	01/04/20	D/L

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Table 1:
Charges for New Dwellings <150m²

New Houses and Blocks of Flats on the same site constructed at the sametime

Number of Dwellings	Total
1	£1,042.00
2	£1,391.00
3	£1,621.00
4	£1,968.00
5	£2,200.00
6	£2,546.00
More than 6 - Please contact Building Control for individually assessed charges	

Table 2:
Charges for: Extensions, Garage Conversions and Loft Conversions

Separate Extensions constructed at the sametime may be aggregated together

Type of work	Total
1. Detached non-habitable building having a floor area not exceeding 40m ² in total	£540.00
2. Garage Conversions where the total floor area does not exceed 30m ² , including means of access and work in connection with that extension.	£540.00
3. Any extension or Loft Conversion where the total floor area of which does not exceed 30m ² , including means of access and work in connection with that extension.	£690.00
4. Any extension or Loft Conversion where the total floor area of which exceeds 30m ² but does not exceed 60m ² , including means of access and work in connection with that extension.	£950.00
5. Any extension or Loft Conversion where the total floor area of which exceeds 60m ² but does not exceed 100m ² , including means of access and work in connection with that extension.	£1,129.00
6. Extension etc >100m ² - Please refer to Table 3 otherwise contact Building Control for Individually assessed charges	

Table 3:
Charges for other work

For all other work not covered in Tables 1 or 2

Estimated Cost of Work	Total
£0-2,000	£249.00
£2,000-5,000	£372.00
£5,000-10,000	£540.00
£10,000-20,000	£706.00
£20,000-30,000	£858.00
£30,000-40,000	£985.00
£40,000-50,000	£1,111.00
£50,000-60,000	£1,204.00
£60,000-70,000	£1,297.00
£70,000-80,000	£1,389.00
£80,000-90,000	£1,495.00
£90,000-100,000	£1,598.00
£100,000-120,000	£1,708.00
£120,000-140,000	£1,847.00
£140,000-170,000	£1,957.00
£170,000-200,000	£2,183.00
Over £200,000 - Please contact Building Control for individually assessed charges.	

The Building Regulation charges are the same for corresponding building work for a: Full Plans Application; Building Notice; Regularisation Application; and, Reversion Application (refer to note 7 for Partnership Applications). All charges are shown with VAT at 20%. Only a charge for a Regularisation Certificate and a Reversion Certificate are exempt VAT however it is subject to a 20% uplift therefore the total fee is equivalent to all other Building Control Charges for corresponding building work.

Explanatory Notes

1. Before you build, extend or convert, you or your Agent must advise your Local Authority either by submitting Full Plans or a Building Notice. The Charge payable depends on the type of work, the number of dwellings in a building and/or the total floor area. The following tables (which are an integral part of this Schedule) may be used in conjunction with the current Charge Scheme to calculate the Charges. If you have any difficulties calculating the Charges please consult building control.

2. **Table 1:** Charges for new dwellings e.g. certain houses and flats - applicable where the total internal floor area of each dwelling, does not exceed 150m² and the building has no more than three storeys. Excluding dwellings with a basement level for basements and any other case, Table 3 applies.

3. **Table 2:** Loft conversion – For the purpose of calculating charges a reference to an extension includes a room or rooms in the roof space (including access) of an existing building not exceeding three storeys in height. Where work comprises more than one extension which is to be constructed at the same time (including rooms in roofs and associated access in buildings of three storeys or less) the total internal floor areas of all storeys of all the extensions shown on the application may be added together to determine the relevant Charge. If the extension(s) exceed 100m² or three storeys in height then Table 3 applies. All work contained within the footprint of an extensions or loft conversion is included in the fee but does not include work outside the footprint of the extension or loft conversion. For additional internal or external alterations Table 3 should be used. For multiple work that is to be carried out at the same time and falls into Table 3 as well as Table 2 the Table 3 fee may be discounted by 25%.

4. **Table 3:** Applicable to all other building work not covered by Tables 1 or 2. Total estimated cost means an estimate accepted by the local authority of a reasonable cost that would be charged by a person in business to carry out the work shown or described in the application, excluding VAT, and any professional fees paid to an architect, engineer or surveyor etc, and also exc

5. **Disabled Persons:** Building works to provide access and/or facilities for disabled people to existing dwellings and buildings to which the public have access may be exempt from Charges.

6. **Supplementary Charges:** The Building (Local Authority Charges) Regulations 2010 allow a local authority to make supplementary charges if additional costs arise as a result of confirming compliance with the Building Regulations. Such supplementary charges may be considered if costs result from: consultant costs; inaccurate/incomplete plans; revised schemes; work not being ready for inspection or additional site inspection; and, non compliant work etc.

7. **Partnership Applications:** Proposed building work outside the boundaries of the London Borough of Havering will be subject to a plan fee equating to 25% of the full plans application charge. Partnership Applications for building work checked by a Partnering Authority will be subject to an inspection fee equating to 75% of the full plans application charge.

8. **Making a Payment:** Payment can be made by credit/debit card by telephoning 01708 432700 (please note there is a 1.5% surcharge for credit card payments) or by cheque, made payable to - The London Borough of Havering.

Building Control may be contacted by telephone: 01708 432700 or by e-mail at: buildingcontrol@havering.gov.uk
Further information on submitting a Building Control application is available on our website at:

www.havering.gov.uk/buildingcontrol

Table 3:
Charges for other work
For all other work not
covered in Tables 1 or 2

Estimated Cost of Work	Total
£0-2,000	£228.00
£2,000-5,000	£339.00
£5,000-10,000	£493.00
£10,000-20,000	£646.00
£20,000-30,000	£784.00
£30,000-40,000	£901.00
£40,000-50,000	£1,017.00
£50,000-60,000	£1,102.00
£60,000-70,000	£1,187.00
£70,000-80,000	£1,271.00
£80,000-90,000	£1,367.00
£90,000-100,000	£1,462.00
£100,000-120,000	£1,563.00
£120,000-140,000	£1,690.00
£140,000-160,000	£1,790.00
£160,000-180,000	£1,891.00
£180,000-200,000	£1,997.00
Over £200,000 - Please	

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Borough Roads:				
Note: Unlicensed Skips/Materials will be on the spot fined & removed @ £620	620.00	639.00	01/04/20	I/N/P
Each Skip / Builders materials on public highway				
Up to first 14 days	75.00	77.00	01/04/20	I/N/P
Each additional period of up to 7 days	65.00	67.00	01/04/20	I/N/P
Structures / Hoardings / Scaffolds				
Bond				
£105 per linear metre - Minimum 6 Metres	630.00	649.00	01/04/20	L
Licence				
Each additional period of up to 28 days/occasion				
£78.00 per linear metre - minimum 6 metres up to 28 days	468.00	482.00	01/04/20	L
£195 for 3 x NRSWA inspections @ £65 each inspection	195.00	201.00	01/04/20	D/L
Minimum charge length 6 mtrs & combined inspection = Total £663.00 min	663.00	683.00	01/04/20	D/L
(ii) Vehicle Crossovers (per square metre)				
Non refundable charge for assessing applications	163.50	168.00	01/04/20	I/N/P
Waste disposal surcharge	100.00	103.00	01/04/20	D/L
	18.50 per sq.m	18.50 per sq.m	01/04/20	D/L

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Neighbourhoods Environment

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
(iii) Road Closures (per road)	2,150.00	2215.00	01/04/20	I/N/P
(iv) Clearance of Blocked Drains (Vatable unless working under Statutory power)	126.00	150.00	01/04/20	I/N/P
(v) Parking Bay suspensions price per parking space per day (1 - 14 days)	35.00	36.00	01/04/20	L
price per parking space per day (15th and subsequent days)	40.00	41.00	01/04/20	L
(vi) Crane license (charges based on TMA 2004 permitted charges) Minimum	315.00	324.00	01/04/20	D/L
Maximum	570.00	587.00	01/04/20	I/N/P
(vii) Section 50 Licence (private individual to place/maintain apparatus in highway)	775.00	798.00	01/04/20	D/L
(£195 for 3 x NRSWA inspections @ £65 each inspection)	195.00	201.00	01/04/20	D/L
Total of Section 50 licence and inspections	970.00	999.00	01/04/20	D/L

Basis of Increase:

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Refuse Collection:				
(i) Bulky Household Refuse				
1 to 3 items	42.00	43.00	01/04/20	I/N/P
Each additional item	11.00	11.00	01/04/19	I/N/P
(ii) Compostable garden refuse sacks				
(Year's supply of 5 rolls of 10 sacks per roll)				
Standard	55.00	55.00	01/04/18	L
Top up roll (10 sacks)	11.00	11.00	01/04/18	L
Top up roll delivery	5.00	5.00	01/04/19	I/N/P
(iii) Green Waste Collection Service (per annum) (Wheeled bin hire included)				
Full year	55.00	55.00	01/04/18	L
Late payment charge	5.00	5.00	01/04/16	L
Late payment charge after bin collection	11.00	11.00	01/04/18	L
Replacement bin charge	28.00	29.00	01/04/20	L

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(iv) Trade Refuse Collection Service				
From 1st April 2015 this service has been independently operated by Serco. These charges will only apply if a business within the borough exercises its legal right to require the Council to undertake the collection.				
Trade refuse sacks (pack of 26)	157.00	162.00	01/04/20	I/N/P
Trade refuse sacks (pack of 26) for Charity shops	123.00	127.00	01/04/20	I/N/P
Cardboard Collection	6.00	6.00	01/04/19	I/N/P
Container emptying and disposal:				
1100 / Palladin / 660 litre bin -1st bin per visit	34.00	35.00	01/04/20	I/N/P
2nd & subsequent bins	33.00	34.00	01/04/20	I/N/P
360 litre wheeled bin	28.00	29.00	01/04/20	I/N/P
Charity shops	28.00	29.00	01/04/20	I/N/P
LBH Schools	28.00	29.00	01/04/20	I/N/P
2nd collection from residential blocks per bin	10.00	10.00	01/04/19	I/N/P

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(iv) Trade Refuse Collection Service (continued)				
Container hire (per annum):				
Eurobins:				
1100 litres	234.00	241.00	01/04/20	I/N/P
660 litres	174.00	179.00	01/04/20	I/N/P
Chamberlains:				
940 litres	174.00	179.00	01/04/20	I/N/P
Palladin:				
940 litres	174.00	179.00	01/04/20	I/N/P
Container Sale				
360 litres recycling	83.00	85.00	01/04/20	I/N/P
(v) Collection & disposal of trade clinical waste (per bag / box)	14.00	14.00	01/04/19	I/N/P
(vi) Special clearances of rubbish:				
Up to 30 minutes on site	109.00	112.00	01/04/20	I/N/P
Up to 1 hour on site	217.00	224.00	01/04/20	I/N/P
Each 15 minute thereafter	55.00	57.00	01/04/20	I/N/P

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
FOOTBALL AT PARKS WITH CRICKET (28 WEEKS)				
Pavilion with washing facilities				
Adult				
Each Saturday or Sunday during Season**	Withdrawn	1,778.00	01/04/20	L
Each alternate Saturday or Sunday during Season**	863.00	889.00	01/04/20	I/N/P
Junior (under 18)				
Each alternate Saturday or Sunday during Season**	321.00	Withdrawn	01/04/20	I/N/P
No Pavilion Facilities				
Junior (under 18)				
Each Saturday or Sunday during Season**	478.00	515.00	01/04/20	I/N/P
Each alternate Saturday or Sunday during Season**	Withdrawn	294.00	01/04/20	L
**Bookings of less than 10, will attract a VAT charge.				

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FOOTBALL AT PARKS WITH CRICKET (32 WEEKS)				
Pavilion with washing facilities				
Adult				
Each Saturday or Sunday during Season**	1,986.00	2,046.00	01/04/20	I/N/P
Each alternate Saturday or Sunday during Season**	994.00	1,024.00	01/04/20	I/N/P
Junior (under 18) 7v7 & 9v9				
Each Saturday or Sunday during Season**	Withdrawn	672.00	01/04/20	L
Each alternate Saturday or Sunday during Season**	Withdrawn	336.00	01/04/20	L
Junior (under 18) 11v11				
Each Saturday or Sunday during Season**	544.00	610.00	01/04/20	D/L
Each alternate Saturday or Sunday during Season**	Withdrawn	305.00	01/04/20	L

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FOOTBALL AT WESTLANDS FIELD				
Pavilion with washing facilities				
Adult				
Each Saturday or Sunday during Season**	2,079.00	2,400.00	01/04/20	L
Each alternate Saturday or Sunday during Season**	1,087.00	1,200.00	01/04/20	L
MINI SOCCER				
1 Hour Slots (during season)				
Each Saturday or Sunday**	365.00	390.00	01/04/20	L
Alternate Saturday or Sunday**	181.00	195.00	01/04/20	L
CRICKET				
No Pavilion Facilities				
Adults Each Saturday or Sunday during Season**	1,573.00	1,620.00	01/04/20	I/N/P
Pitches with Pavilions				
Adults Each Saturday or Sunday during Season**	2,824.00	2,909.00	01/04/20	I/N/P

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BOOT CAMPS & PERSONAL TRAINING (annual licence)				
1-5 clients 1- 3 sessions per week	576.00	593.00	01/04/20	I/N/P
1-5 clients 4 - 7 sessions per week	1586.00	1634.00	01/04/20	I/N/P
6-20 clients 1-3 sessions per week	1071.00	1103.00	01/04/20	I/N/P
6-20 clients 4-7 sessions per week	2946.00	3034.00	01/04/20	I/N/P
<i>charges based on previous year's fee x median no. sessions x 40(weeks)</i>				
ALLOTMENTS				
Land charge per acre	201.00	207.00	01/04/20	I/N/P
Plot Rent (This fee is set by the Allotment Society and therefore is not published in the Councils fees and charges)				
WEDDING PHOTOGRAPHY				
Exclusive use of area of a park for wedding photography	55.00	57.00	01/04/20	I/N/P
FUNFAIRS & CIRCUSES (Circuses were charged a flat rate in 2014/15)				
Ground rent per day of operation (up to 7 rides / 500 seating capacity)	500.00	550.00	01/04/20	L
Ground rent per day of operation (more than 7 rides /500 seating capacity)	1000.00	1115.00	01/04/20	L
Returnable deposit per visit.		Negotiated according to the size of the event		
Additional ground rent for extra non-operational days spent on site	371.00	382.00	01/04/20	D/L

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FUNFAIRS & CIRCUSES (continued)				
PARKS (all events and activities are subject to appropriate licence fees at a separate charge)				
Minimum charge for the hire of park & open space <i>Charges to be negotiated with organiser based on details of event provided on the application . Factors to be considered are the type of organisation/individual, park and area being used, is it exclusive use of the space, time of usage, and scale of the event</i>	91.00	94.00	01/04/20	I/N/P
Mobile catering unit (per month)	258.00	266.00	01/04/20	I/N/P
Raphael Park Meeting Room (charge per hour)	16.00	22.00	01/04/20	I/N/P
Westlands Pavilion hire (charge per hour)	21.00	22.00	01/04/20	I/N/P
	By Negotiation	By Negotiation	01/04/20	I/N/P

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CHARGES FOR NON SCHEDULED WORKS				
Week day rates				
18 tonne grab lorry and driver per hour	163.00 *	168.00 *	01/04/20	I/N/P
2 staff & a van (includes tools & machinery) per hour	79.00 *	81.00 *	01/04/20	I/N/P
1 staff & a van (includes tools & machinery) per hour	46.00 *	47.00 *	01/04/20	I/N/P
Tractor & implement, or trailer with operator per hour	50.00 *	52.00 *	01/04/20	I/N/P
Ride on mower & operator per hour	46.00 *	47.00 *	01/04/20	I/N/P
Member of staff per hour (standard hours)	33.00 *	34.00 *	01/04/20	I/N/P
Charge hand per hour (standard hours)	42.00 *	43.00 *	01/04/20	I/N/P
Supply & plant memorial tree (up to 2metre football Inc. stakes & ties)	314.00 *	323.00 *	01/04/20	I/N/P
Initial mark - rugby pitch per pitch per occasion	129.00 *	133.00 *	01/04/20	I/N/P
Re-mark - rugby pitch per pitch per occasion	46.00 *	47.00 *	01/04/20	I/N/P
Initial mark – football pitch per pitch per occasion	117.00 *	121.00 *	01/04/20	I/N/P
Re-mark football pitch per pitch per occasion	40.00 *	41.00 *	01/04/20	I/N/P
Initial mark six lane 400 metre running track per occasion	511.00 *	526.00 *	01/04/20	I/N/P
Re-mark six lane 400 metre running track per occasion	117.00 *	121.00 *	01/04/20	I/N/P
Initial mark hockey pitch per occasion	79.00 *	81.00 *	01/04/20	I/N/P
Re-mark hockey pitch per occasion	27.00 *	28.00 *	01/04/20	I/N/P
Remove or install goal post socket each (excludes socket)	79.00 *	81.00 *	01/04/20	I/N/P

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Week day rates (continued)				
Preparation of new or renovation of shrub beds per m2	54.00 *	56.00 *	01/04/20	I/N/P
Shrub bed planting (five 3 litre container grown shrubs) per m2	48.00 *	49.00 *	01/04/20	I/N/P
Shrub bed mulching (using composted whole tree mulch) per m2	4.00 *	4.00 *	01/04/20	P
Hedge cutting per linear metre	9.00 *	9.00 *	01/04/19	P
Prepare ground, supply & lay turf per m2	9.00 *	9.00 *	01/04/19	P
Prepare ground, supply and sow grass seed per m2	6.00 *	6.00 *	01/04/19	P
Saturday rates				
1 staff & a van (includes tools & machinery) per hour	62.00 *	64.00 *	01/04/20	I/N/P
2 staff & a van (includes tools & machinery) per hour	112.00 *	115.00 *	01/04/20	I/N/P
Member of staff per hour (standard hours)	50.00 *	52.00 *	01/04/20	I/N/P
Charge hand per hour (standard hours)	61.00 *	63.00 *	01/04/20	I/N/P

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(A) Statutory and Nationally Agreed Charges -

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ENVIRONMENTAL HEALTH (Fees below set by statute)				
Defra				
Stray Dog Service - Environmental Protection (Stray Dogs) Regulation 1992				
Impounding fee per dog	25.00	25.00	01/04/92	P
Gambling Act 2005				
Bingo club - Gambling Act 2005 Dept. of Culture and Media and Sport				
Copy licence	25.00	25.00	01/10/06	P
Notification of change	50.00	50.00	01/10/06	P
Betting shop - Dept. of Culture and Media and Sport				
Copy licence	25.00	25.00	01/10/06	P
Notification of change	50.00	50.00	01/10/06	P
Betting premises tracks - Dept. of Culture and Media and Sport				
Copy licence	25.00	25.00	01/10/06	P
Notification of change	50.00	50.00	01/10/06	P

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Family entertainment centres - Dept. of Culture and Media and Sport				
Application to vary	1,000.00	1,000.00	01/10/06	P
Copy licence	25.00	25.00	01/10/06	P
Notification of change	50.00	50.00	01/10/06	P
Adult gaming centres - Dept. of Culture and Media and Sport				
Application to vary	1,000.00	1,000.00	01/10/06	P
Copy licence	25.00	25.00	01/10/06	P
Notification of change	50.00	50.00	01/10/06	P
Lottery - Dept. of Culture and Media and Sport				
New registration	40.00	40.00	01/10/06	P
Annual re registration	20.00	20.00	01/10/06	P
Permit fees - Dept. of Culture and Media and Sport				
Notification of right of licensed premises to have 2 gaming machines	50.00	50.00	01/10/06	P
Family entertainment centre - Dept. of Culture and Media and Sport				
New application	300.00	300.00	01/10/06	P
Change of name	25.00	25.00	01/10/06	P
Copy of permit	15.00	15.00	01/10/06	P

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Prize Gaming permit (S 16) Dept. of Culture and Media and Sport				
New application	300.00	300.00	31/03/05	P
Change of name	25.00	25.00	31/03/05	P
Copy of permit	15.00	15.00	31/03/05	P
Licensed premises gaming machine permit - Dept. of Culture Media and Sport				
New application (new operator)	150.00	150.00	31/03/05	P
New application (existing operator)	100.00	100.00	31/03/05	P
Vary a permit	100.00	100.00	31/03/05	P
Transfer application	25.00	25.00	31/03/05	P
Annual fee (1st fee payable within 30 days of issue)	50.00	50.00	31/03/05	P
Change of name	25.00	25.00	31/03/05	P
Copy of permit	15.00	15.00	31/03/05	P

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Club gaming machine permit - Dept. of Culture and Media and Sport				
New application	200.00	200.00	31/03/05	P
Renewal	100.00	100.00	31/03/05	P
New application (existing operator)	100.00	100.00	31/03/05	P
Vary a permit	100.00	100.00	31/03/05	P
Copy of permit	15.00	15.00	31/03/05	P
Annual fee (1st fee payable within 30 days of issue)	50.00	50.00	31/03/05	P
Environment Protection Act (Defra)				
Application Fee				
Standard Process	1,650.00	1,650.00	01/04/18	P
Additional fee for operating without a permit	1,188.00	1,188.00	01/04/18	P
Reduced fee activities (except VRs)	155.00	155.00	01/04/19	P
Service stations PVR I/dry cleaner/ waste oil burner <0.4MW	Withdrawn	Withdrawn	01/04/18	P
Vehicle refinisher	362.00	362.00	01/04/18	P
Reduced fee activities: Additional fee for operating without a permit.	99.00	99.00	01/04/19	P

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Environment Protection Act (Defra) (continued)				
Service station PVR I& II combined	257.00	257.00	01/04/18	P
Additional fee for operating without a permit	Withdrawn	Withdrawn	01/04/19	P
Mobile screening and crushing plant	1,650.00	1,650.00	01/04/18	P
For the third to seventh applications	985.00	985.00	01/04/18	P
For the eight and subsequent applications	498.00	498.00	01/04/18	P
Note: Where an application for any of the above is for a combined Part B and waste application, add an extra £310 to the above amounts	No Charge	No Charge	01/04/18	P
Annual subsistence charge				
Standard process Low (+£103*)	772.00	772.00	01/04/18	P
Standard process Medium (+£156.00*)	1,161.00	1,161.00	01/04/18	P
Standard process High (+£207*)	1,747.00	1,747.00	01/04/18	P
<i>(+) to be added when the above standard process is for combined part B and waste site</i>				
Service stations PVR I/dry cleaner/ waste oil burner <0.4MW				
Low	79.00	79.00	01/04/18	P
Medium	79.00	79.00	01/04/18	P
High	237.00	237.00	01/04/18	P

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Environment Protection Act (Defra) (continued)				
Vehicle refinisher				
Low	228.00	228.00	01/04/18	P
Medium	365.00	365.00	01/04/18	P
High	548.00	548.00	01/04/18	P
Service station PVRI and II combined				
Low	113.00	113.00	01/04/18	P
Medium	226.00	226.00	01/04/18	P
High	341.00	341.00	01/04/18	P
Odourising of natural gas				
Low	79.00	79.00	01/04/19	P
Medium	158.00	158.00	01/04/19	P
High	237.00	237.00	01/04/19	P
Mobile screening and crushing plant For the first and second plants				
Low	646.00	646.00	01/04/19	P
Medium	1,034.00	1,034.00	01/04/18	P
High	1,506.00	1,506.00	01/04/19	P

Basis of Increase:

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Environment Protection Act (Defra) (continued)				
For the third to seventh applications				
Low	385.00	385.00	01/04/18	P
Medium	617.00	617.00	01/04/18	P
High	924.00	924.00	01/04/18	P
For the eighth and subsequent applications				
Low	198.00	198.00	01/04/18	P
Medium	316.00	316.00	01/04/19	P
High	473.00	473.00	01/04/18	P
Transfer and Surrender of a permit				
Standard process transfer	169.00	169.00	01/04/18	P
Standard process partial transfer	497.00	497.00	01/04/18	P
New operator at low risk reduced fee activity	78.00	78.00	01/04/18	P
Surrender: all Part B activities	No Charge	No Charge	01/05/12	P
Transfer : Service Stations and Waste Oil burners <0.4MW	No Charge	No Charge	01/05/12	P
Reduced fee activities: Transfer	No Charge	No Charge	01/05/12	P
Reduced fee activities: partial transfer	47.00	47.00	01/04/18	P

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- S - An increase above inflation in line with a corporate saving plan
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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Transfer and Surrender of a permit (continued)				
Temporary				
First transfer	53.00	53.00	01/04/19	P
Transfer for mobiles				
Repeat transfer	11.00	11.00	01/04/19	P
Repeat following enforcement or warning	53.00	53.00	01/04/19	P
Substantial changes to s10 and s11				
One off annual payment				
Standard process	1,050.00	1,050.00	01/04/18	P
Standard process where the substantial change results in a new PPC activity	1,650.00	1,650.00	01/04/18	P
Reduced fee activities	102.00	102.00	01/04/18	P
Note: Reduced fee activities are; Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil burners under 0.4MW				

Basis of Increase:

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Environmental Protection Act (DEFRA): LAPPC mobile plant charges				
Number of Permits				
1 Low	646.00	646.00	01/04/19	P
1 Medium	1,034.00	1,034.00	01/04/19	P
1 High	1,506.00	1,506.00	01/04/19	P
2 Low	646.00	646.00	01/04/19	P
2 Medium	1,034.00	1,034.00	01/04/19	P
2 High	1,506.00	1,506.00	01/04/19	P
3 Low	385.00	385.00	01/04/19	P
3 Medium	617.00	617.00	01/04/19	P
3 High	924.00	924.00	01/04/19	P
4 Low	385.00	385.00	01/04/19	P
4 Medium	617.00	617.00	01/04/19	P
4 High	924.00	924.00	01/04/19	P
5 Low	385.00	385.00	01/04/19	P
5 Medium	617.00	617.00	01/04/19	P
5 High	924.00	924.00	01/04/19	P
6 Low	385.00	385.00	01/04/19	P
6 Medium	617.00	617.00	01/04/19	P
6 High	924.00	924.00	01/04/19	P

Basis of Increase:

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Environmental Protection Act (DEFRA): LAPPC mobile plant charges (continued)				
7 Low	385.00	385.00	01/04/19	P
7 Medium	617.00	617.00	01/04/19	P
7 High	924.00	924.00	01/04/19	P
8 and over Low	198.00	198.00	01/04/19	P
8 and over Medium	316.00	316.00	01/04/19	P
8 and over High	473.00	473.00	01/04/19	P
<p>Note: Subsistence charges can be paid in four equal quarterly instalments paid on 1st april, 1st July, 1st October and 1st January. Where paid quarterly the total amount payable to the local authority will be increased by £36.</p>				
Payment in 4 equal instalments (1st April, 1st July, 1st October, 1st January)				
Standard process	Withdrawn	Withdrawn	01/04/19	P
Standard process where the substantial change results in a new PPC activity	Withdrawn	Withdrawn	01/04/19	P
Service stations/Dry cleaners /waste oil burner <0.4MW/ vehicle re-sprayers	Withdrawn	Withdrawn	01/04/19	P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Licensing Act 2003 fees set by Home Office				
Application for the grant or renewal of a personal licence	37.00	37.00	01/11/05	P
Temporary event notice	21.00	21.00	01/11/05	P
Theft, loss, etc. of premises licence or summary	21.00	21.00	01/11/05	P
Application for a provisional statement where premises being built etc.	10.50	10.50	01/11/05	P
Notification of change of name or address	10.50	10.50	01/11/05	P
Application to vary licence to specify individual as premises supervisor	23.00	23.00	01/11/05	P
Application for transfer of premises licence	23.00	23.00	01/11/05	P
Interim authority notice following death etc. of licence holder	10.50	10.50	01/11/05	P
Theft, loss etc. of certificate or summary	23.00	23.00	01/11/05	P
Notification of change of name or alteration of rules of club	23.00	23.00	01/11/05	P
Change of relevant registered address of club	23.00	23.00	01/11/05	P
Theft, loss etc. of temporary event notice	10.50	10.50	01/11/05	P
Theft, loss etc. of personal licence	10.50	10.50	01/11/05	P
Duty to notify change of name or address	10.50	10.50	01/11/05	P
Right of freeholder etc. to be notified of licensing matters	10.50	10.50	01/11/05	P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Main Fee Levels				
Based on non domestic rateable value:				
Band A £0 - £4,300				
Band B £4,301 - £33,000				
Band C £33,001 - £87,000				
Band D £87,001 - £125,000				
Band E £125,001 and over				
Premises Licences				
New Applications and variation				
Band A	100.00	100.00	01/11/05	P
Band B	190.00	190.00	01/11/05	P
Band C	315.00	315.00	01/11/05	P
Band D	450.00	450.00	01/11/05	P
Band E	635.00	635.00	01/11/05	P
Multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises (bands D & E only)				
Band D x 2	900.00	900.00	01/11/05	P
Band E x 3	1,905.00	1,905.00	01/11/05	P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Premises Licences (continued)				
Annual maintenance fee to keep premises licence current.				
Band A	70.00	70.00	01/11/05	P
Band B	180.00	180.00	01/11/05	P
Band C	295.00	295.00	01/11/05	P
Band D	320.00	320.00	01/11/05	P
Band E	350.00	350.00	01/11/05	P
Annual charge multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises (bands D & E only)				
Band D x 2	640.00	640.00	01/11/05	P
Band E x 3	1,050.00	1,050.00	01/11/05	P
Additional Fees				
There are additional fees for premises licence applications, and the annual fee for exceptionally large scale events (5000+), unless certain conditions apply. Please read Regulation 4(4) and 4(5) of the licensing Act (Fees) Regulations 2005.				

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Additional Premises licence fee				
Numbers in attendance at any one time				
5,000 - 9,999	1,000.00	1,000.00	01/11/05	P
10,000 - 14,999	2,000.00	2,000.00	01/11/05	P
15,000 - 19,999	4,000.00	4,000.00	01/11/05	P
20,000 - 29,999	8,000.00	8,000.00	01/11/05	P
30,000 - 39,999	16,000.00	16,000.00	01/11/05	P
40,000 - 49,999	24,000.00	24,000.00	01/11/05	P
50,000 - 59,999	32,000.00	32,000.00	01/11/05	P
60,000 - 69,999	40,000.00	40,000.00	01/11/05	P
70,000 - 79,999	48,000.00	48,000.00	01/11/05	P
80,000 - 89,999	56,000.00	56,000.00	01/11/05	P
90,000 and over	64,000.00	64,000.00	01/11/05	P

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- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Additional annual maintenance fee payable (if applicable)				
Numbers in attendance at any one time				
5,000 - 9,999	500.00	500.00	01/11/05	P
10,000 - 14,999	1,000.00	1,000.00	01/11/05	P
15,000 - 19,999	2,000.00	2,000.00	01/11/05	P
20,000 - 29,999	4,000.00	4,000.00	01/11/05	P
30,000 - 39,999	8,000.00	8,000.00	01/11/05	P
40,000 - 49,999	12,000.00	12,000.00	01/11/05	P
50,000 - 59,999	16,000.00	16,000.00	01/11/05	P
60,000 - 69,999	20,000.00	20,000.00	01/11/05	P
70,000 - 79,999	24,000.00	24,000.00	01/11/05	P
80,000 - 89,999	28,000.00	28,000.00	01/11/05	P
90,000 and over	32,000.00	32,000.00	01/11/05	P

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Neighbourhoods Environment

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Club premises certificates				
New application variation				
Band A	100.00	100.00	01/11/05	P
Band B	190.00	190.00	01/11/05	P
Band C	315.00	315.00	01/11/05	P
Band D	450.00	450.00	01/11/05	P
Band E	635.00	635.00	01/11/05	P
Annual maintenance fee				
Band A	70.00	70.00	01/11/05	P
Band B	180.00	180.00	01/11/05	P
Band C	295.00	295.00	01/11/05	P
Band D	320.00	320.00	01/11/05	P
Band E	350.00	350.00	01/11/05	P
Fireworks Explosives Regulations 2014 (set by HSE)				
Registration (Unlimited) initial application	500.00	500.00	01/04/17	P
Renewal Withdrawn 2019/20	552.00	Withdrawn	01/04/17	P
Licence (limited) to store explosives (fireworks)				
New Application 1 year Withdrawn	109.00	Withdrawn	01/04/17	P
Renewal 1 year Withdrawn	52.00	Withdrawn	06/04/16	P
Renewal 3 year Withdrawn	120.00	Withdrawn	01/04/17	P

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- S - An increase above inflation in line with a corporate saving plan
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*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Explosives Regulations 2014				
Fireworks Explosives Regulations Health & Safety and Nuclear (Fees)				
Regulations 2016				
Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to the 2014 Regulations, no minimum separation distance or a 0 metres separation distance is prescribed: (Storage of up to 250kg NEQ)				
New				
New application 1 year	109.00	109.00	01/04/17	C/L
New application 2 years	141.00	141.00	01/09/19	C/L
New application 3 years	173.00	173.00	01/09/19	C/L
New application 4 years	206.00	206.00	01/09/19	C/L
New application 5 years	238.00	238.00	01/09/19	C/L
Renewals				
Renewal 1 year	54.00	54.00	01/09/19	C/L
Renewal 2 years	86.00	86.00	01/09/19	C/L
Renewal 3 years	120.00	120.00	01/04/17	C/L
Renewal 4 years	152.00	152.00	01/09/19	C/L
Renewal 5 years	185.00	185.00	01/09/19	C/L

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- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Explosives Regulations 2014 (Cont)				
Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is required: (Storage between 250kg and 2,000kg NEQ)				
<u>New</u>				
New application 1 year	185.00	185.00	06/04/16	C/L
New application 2 years	243.00	243.00	01/09/19	C/L
New application 3 years	304.00	304.00	01/09/19	C/L
New application 4 years	374.00	374.00	01/09/19	C/L
New application 5 years	423.00	423.00	01/09/19	C/L
<u>Renewals</u>				
Renewal 1 year	86.00	86.00	06/04/16	C/L
Renewal 2 years	147.00	147.00	01/09/19	C/L
Renewal 3 years	206.00	206.00	06/04/19	C/L
Renewal 4 years	266.00	266.00	01/09/19	C/L
Renewal 5 years	326.00	326.00	01/09/19	C/L
<u>Varying a licence</u> (For any other variation-the reasonable cost to the licensing authority of having the work carried out)				
Varying the name of licensee or address of site	36.00	36.00	06/04/16	C/L
Transfer of licence	36.00	36.00	06/04/16	C/L
Replacement of licence if lost	36.00	36.00	06/04/16	C/L

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- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
ENVIRONMENTAL HEALTH:				
Keeping of dangerous wild animals (Dangerous Wild Animals Act 1976)				
New application Part A	340.00	350.00	01/04/20	I/N/P
New application Part B	103.00	106.00	01/04/20	I/P
Note: total fee for new application £456				
Renewal Part A	340.00	350.00	01/04/20	I/N/P
Renewal Part B	103.00	106.00	01/04/20	I/P
Note: total fee for renewal £456				
Duplicate	45.00	46.00	01/04/20	D/L

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- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
ENVIRONMENTAL HEALTH:				
Animal Welfare Licences (The Animal welfare (Licensing of Activities Involving Animals) England) Regulations 2018				
These fees are set by statute				
Providing and arranging boarding for cat/dog kennels, home boarding for dogs				
New Application Part B (Issue Fee)	360.00	360.00	01/04/20	D/L
Renewal Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for new application £540				
Renewal Part A (Application Fee)	330.00	330.00	01/04/19	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £450				
Dog Daycare				
Dog Daycare Part A (Application Fee)	360.00	360.00	01/04/20	D/L
Dog Daycare Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for new application £540				
Renewal Part A (Application Fee)	330.00	330.00	01/04/19	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £450				

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- S - An increase above inflation in line with a corporate saving plan
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Neighbourhoods Environment

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Animal Welfare Licences (continued)				
Dog Breeding				
Dog Breeding Part A (Application Fee) (plus vet visit fee)	390.00	390.00	01/04/20	D/L
Dog Breeding Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for new application £570				
Renewal Part A (Application Fee)(plus vet fee visit fee)	330.00	360.00	01/04/20	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £480				
Pet Shop Operation				
Pet Shop Operation Part A (Application Fee)	360.00	360.00	01/04/20	D/L
Pet Shop Operation Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for Pet Shop Operation £540				
Renewal Part A (Application Fee)	330.00	330.00	01/04/19	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £450				

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Animal Welfare Licences (continued)				
Hiring of Horses				
Hiring of Horses (riding and/or instruction) Part A (Application Fee) (plus vet visit fee)	390.00	390.00	01/04/20	D/L
Hiring of Horses (riding and/or instruction) Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for Hiring of Horses £570				
Renewal Part A (Application Fee)(plus vet fee visit fee)	330.00	360.00	01/04/20	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £480				
Keeping or Training of Animals for Exhibitions				
Keeping or training of animals for exhibition Part A (Application Fee)	360.00	360.00	01/04/20	D/L
Keeping or training of animals for exhibition Part B (Issue Fee)	180.00	180.00	01/04/19	D/L
Note: total fee for Keeping or training of animals for exhibition £540				
Renewal Part A (Application Fee)	330.00	330.00	01/04/19	D/L
Renewal Part B (Issue Fee)	100.00	120.00	01/04/20	D/L
Note: total fee for renewal application £450				
Variation of Licence	300.00	300.00	01/04/20	D/L
Re-rating of Premises	270.00	270.00	01/04/19	D/L
Amendment Fee/Replacement Licence for a lost or defaced Licence	45.00	46.00	01/04/20	D/L
Transfer Fee	New charge	180.00	01/04/20	D/L

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Neighbourhoods Environment

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Special treatment establishments (London Local Authority Act 1991)				
High risk single treatment New Part A	525.00	541.00	01/04/20	I/N/P
High risk single treatment New Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for new application £701				
High risk Multiple treatment New Part A	649.00	668.00	01/04/20	I/N/P
High risk Multiple treatment New Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for new application £828				
High risk renewal single treatment Part A	155.00	160.00	01/04/20	I/N/P
High risk renewal single treatment Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for renewal £320				
High risk Renewal multiple treatment Part A	216.00	222.00	01/04/20	I/N/P
High risk Renewal multiple treatment Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for renewal £382				
Variation (additional treatment High risk)	309.00	318.00	01/04/20	I/P

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Neighbourhoods Environment

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Special treatment establishments (Cont)				
<p>**surcharge to be paid for renewal applications that are received within 30 days from the date the licence lapsed. Any renewal applications received after that period will not be accepted and a new application and associated fee will be required.</p> <p style="padding-left: 40px;">low risk single treatment New Part A</p> <p style="padding-left: 40px;">low risk single treatment New Part B</p> <p>Note: total fee for new application £510</p> <p style="padding-left: 40px;">low risk multiple treatment New Part A</p> <p style="padding-left: 40px;">low risk multiple treatment New Part B</p> <p>Note: total fee for new application £638</p>	<p style="text-align: right;">340.00</p> <p style="text-align: right;">155.00</p> <p style="text-align: right;">464.00</p> <p style="text-align: right;">155.00</p>	<p style="text-align: right;">350.00</p> <p style="text-align: right;">160.00</p> <p style="text-align: right;">478.00</p> <p style="text-align: right;">160.00</p>	<p style="text-align: center;">01/04/20</p> <p style="text-align: center;">01/04/20</p> <p style="text-align: center;">01/04/20</p> <p style="text-align: center;">01/04/20</p>	<p style="text-align: center;">I/N/P</p> <p style="text-align: center;">I/N/P</p> <p style="text-align: center;">I/N/P</p> <p style="text-align: center;">I/N/P</p>

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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Special treatment establishments (Cont)				
Low risk renewal single treatment Part A	103.00	106.00	01/04/20	I/N/P
Low risk renewal single treatment Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for renewal £266				
Low risk renewal multiple treatment Part A	155.00	160.00	01/04/20	I/N/P
Low risk renewal multiple treatment Part B	155.00	160.00	01/04/20	I/N/P
Note: total fee for renewal £320				
Variation (additional treatment low risk)*	155.00	160.00	01/04/20	I/N/P
Change of details/transfer	103.00	106.00	01/04/20	I/N/P
Late renewal surcharge**	41.00	42.00	01/04/20	I/N/P
Change of Therapist	New Charge	30.00	01/04/20	I/N/P
Duplicate	45.00	46.00	01/04/20	D/L
* if the additional treatment is high risk the higher fee must be paid.				

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- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Neighbourhoods Environment

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Zoo Licensing (Zoo Licensing Act 1981)				
New Application Part A (Part B no charge) (plus vet visit fee)	649.00	668.00	01/04/20	I/N/P
Renewal (no change) Part A fee plus vet inspection fee	464.00	478.00	01/04/20	I/N/P
Alteration Part A plus vet inspection fee	567.00	584.00	01/04/20	I/N/P
Sex Establishment Licensing (Local Govt. Miscellaneous Provisions Act 1982)				
New application Part A (Part B no charge)	2,101.00	2,164.00	01/04/20	I/N/P
Renewal Part A fee	309.00	318.00	01/04/20	I/P
Renewal Part B fee	103.00	106.00	01/04/20	I/P
Note: total fee for renewal £424				
Hypnotism consent (Hypnotism Act 1952)				
New application Part A	309.00	318.00	01/04/20	I/P

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- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
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Neighbourhoods Environment

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Street Trading Licences (London Local Authorities Act 1990)				
Subject to review and a separate consultation for proposed street trading				
Trading between 05:00 - 20:00				
Seven days per week	2,165.00	2,230.00	01/04/20	I/N/P
Six days per week	1,856.00	1,912.00	01/04/20	I/N/P
Five days per week	1,552.00	1,599.00	01/04/20	I/N/P
Four days per week	1,238.00	1,275.00	01/04/20	I/N/P
Three days per week	931.00	959.00	01/04/20	I/N/P
Two days per week	619.00	638.00	01/04/20	I/N/P
One day per week	311.00	320.00	01/04/20	I/N/P
Trading between 20:00 - 02:00				
Seven days per week	2,680.00	2,760.00	01/04/20	I/N/P
Six days per week	2,298.00	2,367.00	01/04/20	I/N/P
Five days per week	1,915.00	1,972.00	01/04/20	I/N/P
Four days per week	1,533.00	1,579.00	01/04/20	I/N/P
Three days per week	1,148.00	1,182.00	01/04/20	I/N/P
Two days per week	760.00	783.00	01/04/20	I/N/P
One day per week	381.00	392.00	01/04/20	I/N/P
These can be paid annually in advance				

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Neighbourhoods Environment

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Temporary Street Trading Licences (up to 6 months)				
Trading between 05.00 and 20.00				
Seven days per week	1,084.00	1,117.00	01/04/20	I/N/P
Six days per week	930.00	958.00	01/04/20	I/N/P
Five days per week	762.00	785.00	01/04/20	I/N/P
Four days per week	619.00	638.00	01/04/20	I/N/P
Three days per week	466.00	480.00	01/04/20	I/N/P
Two days per week	310.00	319.00	01/04/20	I/N/P
One day per week	157.00	162.00	01/04/20	I/N/P
Temporary Street Trading Licences (up to 6 months) (continued)				
Trading between 20.00 and 02.00				
Seven days per week	1,341.00	1,381.00	01/04/20	I/N/P
Six days per week	1,152.00	1,187.00	01/04/20	I/N/P
Five days per week	959.00	988.00	01/04/20	I/N/P
Four days per week	766.00	789.00	01/04/20	I/N/P
Three days per week	575.00	592.00	01/04/20	I/N/P
Two days per week	384.00	396.00	01/04/20	I/N/P
One day per week	200.00	206.00	01/04/20	I/N/P

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Daily Temporary Licence for special events	45.00	46.00	01/04/20	I/N/P
Duplicate Licence	48.00	49.00	01/04/20	I/N/P
Variations to existing Licences	102.00	105.00	01/04/20	I/N/P
Advertisement A Boards				
Removal cost	119.00	123.00	01/04/20	I/N/P
Storage cost per week	11.00	11.00	01/04/19	L
Disposal cost	33.00	34.00	01/04/20	I/N/P
Return cost (collection only)	60.00	62.00	01/04/20	I/N/P
Total cost if not collected within 14 days	217.00	224.00	01/04/20	I/N/P
Abandoned Shopping Trolleys				
Collection fee	32.00	33.00	01/04/20	I/N/P
Storage fee per week/part week	22.00	23.00	01/04/20	I/N/P
Administration fee	27.00	28.00	01/04/20	I/N/P
Disposal of unwanted trolleys	27.00	28.00	01/04/20	I/N/P

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Stray Dog Service				
Administration Fee	11.00	11.00	01/04/19	L
Weekdays 09:00 - 16:59	54.00	56.00	01/04/20	I/N/P
Weekdays 17:00 - 21:59	69.00	71.00	01/04/20	I/N/P
Weekdays 22:00 - 08:59	75.00	77.00	01/04/20	I/N/P
Weekends 09:00 - 16:59	75.00	77.00	01/04/20	I/N/P
Weekends 17:00 - 08:59	75.00	77.00	01/04/20	I/N/P
Bank Holidays	75.00	77.00	01/04/20	I/N/P
Charge per day per dog/part day	15.00	15.00	01/04/19	L
Land Quality Reports				
Written report that takes less than 2 hours to complete:				
a) 5 working day response (where available and on request)	542.00 *	558.00	01/04/20	I/N/P
b) 20 working day response	299.00 *	308.00	01/04/20	I/N/P
For every hour over 2 hours	88.00 *	91.00	01/04/20	I/N/P
To respond to specific questions on land quality hourly rate	88.00 *	91.00	01/04/20	I/N/P

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
5 – Year Licence Mandatory HMO Licensing (Housing Act 2004) Additional HMO Licence has a fixed fee of £900 and its usually valid for 5 years Part A Part B	New New	550.00 350.00	01/04/20 01/04/20	L L

Basis of Increase:

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Housing Act 2004: Mandatory Housing of Multiple Occupation (HMO)				
New Licence Application up to 5 rooms/units Part A	650.00	670.00	01/04/20	D/L
New Licence Application up to 5 rooms/units Part B	500.00	515.00	01/04/20	D/L
Note: Total fee for new application is £1,150				
New Licence Application for each room above 5 Part A	50.00	52.00	01/04/20	D/L
New Licence Application for all rooms above 5 Part B	50.00	52.00	01/04/20	D/L
Additional Licensing for Housing of Multiple Occupation (HMO) Licensing				
New Licence Application Part A	566.00	583.00	01/04/20	D/L
New Licence Application Part B	361.00	372.00	01/04/20	D/L
Note: Total Fee for new application is £927				
Note: If Landlord is accredited by a recognised body there is a discount of £35 off the Part B fee. Additional HMO Licence for all rooms above 5 Part B				
	36.00	37.00	01/04/20	D/L
Caravan site licence (Caravan Sites and Control of Development Act 1960)	389.00	401.00	01/04/20	I/N/P

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Gambling Act 2005 Bingo Club premises				
Fees set by LA (subject to maxima set by Govt.)				
New premises application	3,447.00	3,500.00	01/04/20	I/N/P
Annual fee	695.00	716.00	01/04/20	I/N/P
Application to vary	1,155.00	1,190.00	01/04/20	I/N/P
Application to transfer	584.00	602.00	01/04/20	I/N/P
Gambling Act 2005 Bingo Club premises (continued)				
Fees set by LA (subject to maxima set by Govt.)				
Application for reinstatement	905.00	932.00	01/04/20	I/N/P
Application for a provisional statement	1,208.00	1,244.00	01/04/20	I/N/P
License application (provisional statement holders)	905.00	932.00	01/04/20	I/N/P

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Betting shop				
New premises application	1,185.00	1,221.00	01/04/20	I/N/P
Annual fee (set by statute)	600.00	600.00	01/04/20	I/P
Application to vary	887.00	914.00	01/04/20	I/N/P
Application to transfer	584.00	602.00	01/04/20	I/N/P
Application for reinstatement	906.00	933.00	01/04/20	I/N/P
Application for a provisional statement	1,209.00	1,245.00	01/04/20	I/N/P
License application (provisional statement holders)	906.00	933.00	01/04/20	I/N/P
Betting premises tracks				
New premises application	2,655.00	2,500.00	01/04/20	I/N/P
Annual fee	915.00	942.00	01/04/20	I/N/P
Application to vary	1,167.00	1,202.00	01/04/20	I/N/P
Application to transfer	584.00	602.00	01/04/20	I/N/P
Application for reinstatement	876.00	902.00	01/04/20	I/N/P
Application for a provisional statement	2,655.00	2,500.00	01/04/20	I/N/P
License application (provisional statement holders)	876.00	902.00	01/04/20	I/N/P

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Family Entertainment centres				
New premises application	1,587.00	1,635.00	01/04/20	I/N/P
Annual fee	696.00	717.00	01/04/20	I/N/P
Application to vary (set by statute)	1,030.00	1,000.00	01/04/20	I/P
Application to transfer	584.00	602.00	01/04/20	I/N/P
Application for reinstatement	876.00	902.00	01/04/20	I/N/P
Application for a provisional statement	1,622.00	1,671.00	01/04/20	I/N/P
License application (provisional statement holders)	911.00	938.00	01/04/20	I/N/P
Adult gaming centres				
New premises application	1,610.00	1,658.00	01/04/20	I/N/P
Annual fee	696.00	717.00	01/04/20	I/N/P
Application to vary (set by statute)	1,062.00	1,000.00	01/04/20	I/N/P
Application to transfer	584.00	602.00	01/04/20	I/N/P
Application for reinstatement	876.00	902.00	01/04/20	I/N/P
Application for a provisional statement	1,607.00	1,655.00	01/04/20	I/N/P
License application (provisional statement holders)	876.00	902.00	01/04/20	I/N/P

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Scrap Metal Dealers Act 2013				
Application for a new scrap metal site licence	882.00	908.00	01/04/20	I/N/P
Application for a new scrap metal collectors licence	284.00	293.00	01/04/20	I/N/P
Application for a variation of an existing licence	143.00	147.00	01/04/20	I/N/P
Site licence to a collectors licence				
Application for a variation of an existing licence	744.00	766.00	01/04/20	I/N/P
Scrap Metal Dealers Act 2013 (continued)				
Collectors licence to a site licence				
Application for a variation of an existing licence not listed above	197.00	203.00	01/04/20	I/N/P
Renewal application for a site licence under Scrap Metal Dealers Act 2013	882.00	908.00	01/04/20	I/N/P
Renewal application for a collectors licence under Scrap Metal Dealers Act 2013	266.00	274.00	01/04/20	I/N/P
Lost licence replacement	26.00	27.00	01/04/20	I/N/P

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- D - Increase recommended by Head of Service

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- P - The Corporate Charging Policy
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Neighbourhoods Environment

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Marriage Act 1949				
Wedding Registration				
New application Part A fee	695.00	716.00	01/04/20	I/N/P
New Application Part B fee	185.00	191.00	01/04/20	I/N/P
Note: Total fee parts A and B £880				
Renewal of Premises Licensing				
Renewal Part A fee	201.00	207.00	01/04/20	I/N/P
Renewal Part B fee	185.00	191.00	01/04/20	I/N/P
Note: Total fee parts A and B £386				
Primary Authority				
Annual Fee, pays for 20 hours work (Enterprise and Regulatory Reform Act)	1,273.00	1,311.00	01/04/20	I/N/P
Hourly rate, agreed in advance for work beyond 20 hours.	64.00	66.00	01/04/20	I/N/P
Food				
Health Export Certificates				
(these are issued on request to food businesses who wish to export foodstuff outside the EU. They are provided to assist local exporters in meeting the food safety requirements. Only the local authority can provide them). Food Hygiene Rating Requested rerating inspection,	54.00	56.00	01/04/20	I/N/P
New charge for 2017. Can only be supplied by the local authority by the Enterprise Act. No Vat applicable	208.00	214.00	01/04/20	I/N/P

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Note: Total fee parts A and B £880				
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Note: Total fee parts A and B £386				
Primary Authority				
Annual Fee, pays for 20 hours work (Enterprise and Regulatory Reform Act)	1,273.00	1,311.00	01/04/20	I/N/P
Hourly rate, agreed in advance for work beyond 20 hours.	64.00	66.00	01/04/20	I/N/P
Food				
Health Export Certificates				
(these are issued on request to food businesses who wish to export foodstuff outside the EU. They are provided to assist local exporters in meeting the food safety requirements. Only the local authority can provide them). Food Hygiene Rating Requested rerating inspection,	54.00	56.00	01/04/20	I/N/P
New charge for 2017. Can only be supplied by the local authority by the Enterprise Act. No Vat applicable	208.00	214.00	01/04/20	I/N/P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
ENVIRONMENTAL ENFORCEMENT				
Environmental offences				
Fixed penalty notices				
(Levels set by the department for environment, food and rural affairs depending on the offence, councils can charge penalties within certain limits)				
Fly Tipping	400.00	400.00	01/04/19	P
Fail to produce Waste Transfer Notes	300.00	300.00	01/04/19	P
Litter	80.00	150.00	01/04/19	D
Fail to comply requirement or condition in Abatement Notice	110.00	110.00	01/04/19	P
Fail to comply Community Protection Notice	100.00	100.00	01/04/19	P
Fail to comply Public Space Protection Order	100.00	100.00	01/04/19	P
Fail to produce authority to carry waste	300.00	300.00	01/04/19	P
Fail to comply with receptables notice (Commercial)	100.00	110.00	01/04/19	D
Unlicensed Street Trading	150.00	150.00	01/04/19	P
Fail to comply conditions Street Trading License / temp License	100.00	100.00	01/04/19	P
Fail to produce a Street Trading Licence / Temp Licence on demand	100.00	100.00	01/04/19	P
Making a false statement to obtain a Street Trading Licence	125.00	125.00	01/04/19	P
Resisting or obstructing an authorised officer	250.00	250.00	01/04/19	P
Nuisance Vehicles exposed for sale Unlicensed Trade	150.00	150.00	01/04/19	P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Fixed penalty notices (Continue)				
Abandoned Vehicles	200.00	200.00	01/04/19	P
Fail to comply dog control / CPN	80.00	80.00	01/04/19	P
Unauthorised distribution of printed matter	75.00	75.00	01/04/19	P
Fly Posting	75.00	150.00	01/04/19	D
Display advertisement in contravention of regs	75.00	75.00	01/04/19	P
Graffiti	75.00	150.00	01/04/19	D
Marks / picture/ sign on highway or highway furniture	100.00	100.00	01/04/19	P
Wilful obstruction	100.00	100.00	01/04/19	P
Erect building / fence / hedge on highway	100.00	100.00	01/04/19	P
Deposit skip on highway without authority	100.00	100.00	01/04/19	P
Deposit skip on highway failure to light or sign	100.00	100.00	01/04/19	P
Deposit skip on highway failure to display name and address	100.00	100.00	01/04/19	P
Deposit skip on highway fail to remove	100.00	100.00	01/04/19	P
Deposit skip on highway fail to comply conditions / permit	100.00	100.00	01/04/19	P
Deposit skip on highway fail to remove / reposition	100.00	100.00	01/04/19	P
Deposit material on made up carriageway	100.00	100.00	01/04/19	P
Deposit material within 15 feet of centre carriageway	100.00	100.00	01/04/19	P
Deposit material on highway to interruption of user	100.00	100.00	01/04/19	P
Pitching booths / stalls / stands / camp on highway	100.00	100.00	01/04/19	P

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Neighbourhoods Environment

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Fixed penalty notices (Continue)				
Fail to prevent soil / mud / refuse escape to sewer / road	100.00	100.00	01/04/19	P
Fail to remove projection	100.00	100.00	01/04/19	P
Fail to prevent door etc, opening onto street	100.00	100.00	01/04/19	P
Deposit things on highway which cause injury or danger	100.00	100.00	01/04/19	P
Erect scaffold or structure on highway w/o licence ftc condition	100.00	100.00	01/04/19	P

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Neighbourhoods Planning

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
LOCAL LAND CHARGES:				
Certain fees are laid down in regulations made under the Local Land Charges Act 1975.				
Fees for Official Local Land Charge Certificates				
Registration of a charge in Part II of the registers	91.00	94.00	01/04/20	I/P
Official search (including issue of official certificate of search)				
a) in only part of the register (one parcel)	9.00	9.50	01/04/20	I/P
b) in only part of register (each additional parcel thereafter),	2.50	3.00	01/04/20	I/P
c) in the whole of the register - post or fax (one parcel)	21.50	23.50	01/04/20	I/P
d) in the whole of the register - post of fax (each additional parcel thereafter)	5.50	6.00	01/04/20	I/P
e) in the whole of the register - where the requisition is made by electronic means in accordance with rule 16 (one parcel)	21.50	23.50	01/04/20	I/P
f) in the whole of the register - where the requisition is made by electronic means in accordance with rule 16 (each additional parcel thereafter)	5.50	6.00	01/04/20	I/P
Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)	1.80	2.00	01/04/20	I/P

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Neighbourhoods Planning

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Office copy of any plan or other document filed pursuant to these rules:				
Personal Searches in whole or part of the Register	No Charge	No Charge	01/07/10	L
Extract of register in place of personal search				
First Page	2.30	2.50	01/04/20	I/P
Subsequent pages	0.30	0.50	01/04/20	I/P
CON29(R) Enquiries				
One parcel of land	109.00 *	112.00*	01/04/20	I/P
Several parcels of land				
Each additional (fees that exceed 100 to be fixed by arrangement)	47.00 *	48.00*	01/04/20	I/P
Update Search Fee	77.50 *	80.00*	01/04/20	I/P
Part 2 Enquiries				
Each printed enquiry	22.50 *	23.00*	01/04/20	I/P
With exception to Question 4	34.50 *	36.00*	01/04/20	I/P
With exception of surrounding area enquiries	38.50 *	39.50*	01/04/20	I/P
Provision of access data to external body to answer CON29(R) and (O) questions Data for CON 29(R) questions	No Charge	No Charge	01/07/10	L

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Neighbourhoods Planning

(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Copying Charges - Legal Documents				
Certified Copy of Land Search - Paper Copy	16.00	16.50	01/04/20	I/P
First Page	2.50	3.00	01/04/20	I/P
Subsequent pages	0.30	0.50	01/04/20	I/P
Certified copy of extract of Highways Register (letter and extract)	32.00	33.00	01/04/20	I/P
Certified copy of extract of Highways Register (extract only and collection only)	16.00	16.50	01/04/20	I/P
New Residential Addresses - (building names included) in an existing road				
1 dwelling	64.00	66.00	01/04/20	I/P
2 - 5 dwellings	85.00	87.50	01/04/20	I/P
6 - 25 dwellings	101.00	104.00	01/04/20	I/P
26 - 45 dwellings	207.00	213.00	01/04/20	I/P
46 - 100 dwellings	441.00	454.00	01/04/20	I/P
100+ plots (plus an extra fee of £95 for each additional 10 dwellings (or part thereof))	743.00	765.00	01/04/20	I/P
	101.00	104.00	01/04/20	I/P

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Neighbourhoods Planning

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
New Residential Addresses (building names included) plus single road name				
1 - 5 dwellings	144.00	148.00	01/04/20	I/P
6 - 25 dwellings	165.00	170.00	01/04/20	I/P
26 - 45 dwellings	265.00	273.00	01/04/20	I/P
46 - 100 dwellings	499.00	514.00	01/04/20	I/P
100+ plots (plus an extra fee of £155 for each additional 10 dwellings (or part thereof)	801.00	825.00	01/04/20	I/P
	165.00	170.00	01/04/20	I/P
For each additional road name	69.00	71.00	01/04/20	I/P
New Commercial/Industrial Addresses (building name included) in an existing road				
1 unit	64.00	66.00	01/04/20	I/P
2 - 5 units	85.00	87.50	01/04/20	I/P
6 - 10 units	101.00	104.00	01/04/20	I/P
11 units plus	143.00	147.00	01/04/20	I/P

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Neighbourhoods Planning

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New Commercial/Industrial Addresses (building name included) plus a single road name				
1 unit	85.00	87.50	01/04/20	I/P
2 - 5 units	101.00	104.00	01/04/20	I/P
6 - 10 units	122.00	125.00	01/04/20	I/P
11 units plus	165.00	170.00	01/04/20	I/P
For each additional road name	69.00	71.00	01/04/20	I/P
New street name without any new dwellings or units	69.00	71.00	01/04/20	I/P
Naming of land parcel	69.00	71.00	01/04/20	I/P
Renaming of existing road or building (residential, commercial or industrial)	69.00	71.00	01/04/20	I/P
(plus an extra fee of £21.50 for each additional dwelling or building affected)	21.50	22.00	01/04/20	I/P
Research time: flat fee for research into possible street names	42.50	44.00	01/04/20	I/P
Non-refundable in the event that the suggested name(s) are not selected. One set of research to be undertaken.				

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Neighbourhoods Planning

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<u>Planning Performance Agreements</u>				
Strategic Applications Early Principles/Introductory Meeting	NEW	1,030.00	01/04/20	I/P

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PLANNING AND BUILDING CONTROL:				
Photocopying per A4 and A3 sheet (minimum charge £1)	0.30 *	0.30	01/04/19	I/P
Photocopying of plans (per sheet)	20.25 *	21.00	01/04/20	I/P
Other Planning requests - per hour (minimum 1/2 hour)	77.00	79.00	01/04/20	I/P
Other Building Control requests - per hour	77.00	79.00	01/04/20	I/P
[The Building (Local Authority Charges) Regulations 2010] Committee reports (available from website for free)				
Section 106 Monitoring - A percentage of the total tariff payment required under the Council's Planning Obligations Supplementary Planning Document. For further details please contact the Planning service.				
Demolition Notices (Per Site) (larger sites will be assessed separately, customers are invited to contact Building control for a bespoke price)	242.00	249.00	01/04/20	I/P
Building Control - Dangerous Structure charge				
8am - 5pm - per hour	80.00	82.50	01/04/20	I/P
5pm - 8am - per hour	80.00	82.50	01/04/20	I/P
(Travelling costs will also be charged as appropriate as well as Dangerous Structures Consortium Contractors Costs)				

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Pre-Application advice				
Pre-Application advice				
Householder/Small Business - Face to Face	55.00 *	57.00	01/04/20	I/P
Householder/Small Business - Written Response	88.00 *	91.00	01/04/20	I/P
Change of Business Premises up to 99 sq.m	164.00 *	169.00	01/04/20	I/P
Pre-Application advice - Residential units/Commercial or Industrial Floor space				
1 residential unit	164.00 *	169.00	01/04/20	I/P
1 residential unit - Follow up advice	33.00 *	34.00	01/04/20	I/P
2-3 residential/100-499sq m floor space	328.00 *	338.00	01/04/20	I/P
2-3 residential/100-499sq m floor space - Follow up advice	65.50 *	67.50	01/04/20	I/P
4-9 residential/500-999 sq. m floor space	874.25 *	900.50	01/04/20	I/P
4-9 residential/500-999 sq. m floor space - Follow up advice	216.50 *	223.00	01/04/20	I/P
10-24 residential/1000-1999 sq.m floor spc/telecoms	1,640.00 *	1,689.00	01/04/20	I/P
10-24 residential/1000-1999 sq.m floor spc/telecoms - Follow up advice	325.00 *	335.00	01/04/20	I/P

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Planning Performance Agreements (PPA)				
Initiation Fee	5,000.00	5,150.00	01/04/20	I/P
Residential 25-49 Dwellings, Non-residential Up to 3000 sq m	20,000.00	20,600.00	01/04/20	I/P
Residential 50-100 dwellings, Non-residential Up to 3001 - 5000 sq m, Mineral extraction up to 10 hectares	30,000.00	30,900.00	01/04/20	I/P
Residential 101-150 dwellings, Non-residential 5001-10000 sq m, Mineral extraction 10.1- 20 hectares	40,000.00	41,200.00	01/04/20	I/P
Residential 151-300 dwellings, Non-residential Up to 20,000 sq m, Mineral extraction 20.1 – 30 hectares	50,000.00	51,500.00	01/04/20	I/P
Residential 301-600 dwellings, Mineral extraction more than 30 hectares	70,000.00	72,100.00	01/04/20	I/P
Residential 601-900 dwellings	90,000.00	92,700.00	01/04/20	I/P
Residential 901+ dwellings	100,000.00	103,000.00	01/04/20	I/P
Research, retrieval and copy of one document for domestic properties	42.50	43.75	01/04/20	I/P
Research, retrieval and copy of one document for non-domestic properties	64.00	66.00	01/04/20	I/P
For each additional document	20.50	21.00	01/04/20	I/P
Planning Condition History Search (30 minutes)	38.50	39.50	01/04/20	I/P
Additional research time (per 15 minutes)	19.25	19.75	01/04/20	I/P

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Neighbourhoods Planning

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Supply of letter detailing inspections (where no completion certificate exists) per hour	120.00	123.50	01/04/20	I/P
Request for written confirmation that Enforcement Notice complied with or of no effect	148.50	153.00	01/04/20	I/P
Request to withdraw Enforcement Notice where no longer of effect	848.72	874.20	01/04/20	I/P
High Hedge Complaint	515.00	530.50	01/04/20	I/P

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Neighbourhoods Registrars (A) - Statutory

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Registrar of Births, Deaths and Marriages and Civil Partnerships:				
Places of Worship Registration Act 1855 Section 5 Certification of place of meeting for religious worship	29.00	29.00	01/09/14	P
Marriage Act 1949:				
Section 27 (6) Entering a notice of marriage in a marriage notice book				
(A) Where both parties to the proposed marriage are exempt persons within the meaning of section 49 Immigration act 2014	35.00	35.00	01/04/12	P
(B) In any other cases from 2nd March 2014	47.00	47.00	02/03/15	P
Section 41 (6) Registration of building for solemnization of marriages	123.00	123.00	01/09/14	P
Section 51 Fee of registrar for attending marriage/civil partnership:				
(i) At a register office	46.00	46.00	01/04/12	P
(ii) At a registered building or at a place where the house hold or detained person usually resides	86.00	86.00	01/09/14	P
(iii) Fee of Superintendent Registrar for attending marriage/civil partnership at the place where:				
a) Housebound or	84.00	84.00	01/09/14	P
b) Detained person usually resides	94.00	94.00	01/09/14	P

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(A) Statutory and Nationally Agreed Charges -

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Immigration Act 2016 :				
Consideration by a Superintendent Registrar of a divorce/civil partnership dissolution obtained outside of the British Isles (from 01/11/17)	50.00	50.00	01/04/18	P
Consideration by the Registrar General of a divorce/civil partnership dissolution obtained outside of the British Isles (from 01/11/17)	75.00	75.00	01/04/18	P
Consideration of a reduction in the 28 day notice to marry or form a civil partnership (from 01/11/17)	60.00	60.00	01/04/18	P
Marriage Act 1949 (continued):				
Section 64(1)				
Certified copy of entry issued under the subsection:				
(i) When application is made at the time of registering	11.00	11.00	16/02/19	P
(ii) After the time of registration	11.00	11.00	16/02/19	P
Certified copy of entry for Civil Partnerships:				
(i) At the time of registration	11.00	11.00	16/02/19	P
(ii) After the time of registration	11.00	11.00	16/02/19	P

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(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Marriage Act 1949 (continued):				
Section 64(2) General search of indexes of register of books kept by superintendent registrars	18.00	18.00	01/04/04	P
Certified copy of entry issued under that sub-section	11.00	11.00	16/02/19	P
Section 65(2) Certified copy of entry ,following search of indexes kept at General Register Office	11.00	11.00	16/02/19	P
Births, Deaths Registration Act 1953:				
At the time of registration	11.00	11.00	16/02/19	P
After the time of registration	11.00	11.00	16/02/19	P
Section 30(2) certified copy of entry following search of indexes kept at General Register Office	11.00	11.00	16/02/19	P

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Neighbourhoods Registrars (A) - Statutory

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Immigration Act 2016 :				
Fees for corrections to Initial Registration				
Forename added within 12 months of birth registration	40.00	40.00	01/11/17	P
Consideration by Registrar/Superintendent Registrar of a correction application (from 01/11/17)	75.00	75.00	01/11/17	P
Consideration by Registrar General of a correction application	90.00	90.00	01/11/17	P
Priority Certificate Fee 24 hr service	35.00	35.00	16/02/19	P
Fees for conversion of a Civil Partnership into Marriage				
Conversion of a civil partnership into marriage At the Register Office	45.00	45.00	01/11/17	P
Two stage procedure on other premises				
Completing the declaration	27.00	27.00	01/11/17	P
Signing the declaration in a religious building registered for the marriage of same sex couples	91.00	91.00	01/11/17	P

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Neighbourhoods Registrars - Non Statutory

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
REGISTRAR OF BIRTHS, DEATHS, MARRIAGES AND CIVIL PARTNERSHIPS:				
Off site attendance to officiate at an approved premise wedding/civil partnership:				
Monday to Friday	605.00	635.00	01/04/20	S/P
Saturday	720.00	750.00	01/04/20	S/P
Sunday/ Bank Holiday	735.00	765.00	01/04/20	S/P
On site attendance to officiate at a wedding/civil partnership held in Langtons Hall/Orangery				
Monday to Thursday	545.00	560.00	01/04/20	I/N/P
Friday (Inc. red carpet)	660.00	680.00	01/04/20	I/N/P
Saturday (Inc. red carpet)	905.00	905.00	01/04/19	L
Sunday/ Bank Holiday (Inc. red carpet)	840.00	915.00	01/04/20	S/P
On site attendance to officiate at a wedding/civil partnership at Langtons House				
Monday to Thursday	300.00	350.00	01/04/20	S/P
Frid Friday	485.00	550.00	01/04/20	S/P
Sat Saturday	600.00	685.00	01/04/20	S/P
Sun Sunday/ Bank Holiday	735.00	765.00	01/04/20	S/P

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(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Other Civil Ceremonies				
Welcoming Ceremonies / Re-affirmation of vows (* prices include VAT) Held in Langtons Wedding Rooms				
Monday to Thursday	300.00 *	350.00 *	01/04/20	S/P
Friday	485.00 *	550.00 *	01/04/20	S/P
Saturday	600.00 *	685.00 *	01/04/20	S/P
Sunday	735.00 *	765.00 *	01/04/20	S/P
Welcoming Ceremonies / Re-affirmation of vows (* prices include VAT) Held in Langtons Hall				
Monday to Thursday	545.00 *	560.00 *	01/04/20	I/N/P
Friday	660.00 *	680.00 *	01/04/20	I/N/P
Saturday	905.00 *	905.00 *	01/04/19	L
Sunday	840.00 *	915.00 *	01/04/20	S/P
(An additional amount is charged if any ceremony falls on the following three days: Valentine's Day, Christmas Eve or New Year's Eve)	118.00	120.00	01/04/20	I/N/P

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Individual Citizenship Ceremony	180.00	190.00	01/04/20	S/P
Wedding Rehearsal fee (per half hour)	57.00	58.00	01/04/20	I/N/P
Wedding Packages				
Silver Wedding Package/Civil Partnership Package (Friday)	2,000.00	2,000.00	01/04/17	L
Gold Wedding Package/Civil Partnership Package (Sunday)	3,000.00	3,500.00	01/04/20	S/P
Saturday Winter Wedding Package	Withdrawn	Withdrawn	01/04/19	
Surcharge for evening weddings at 5pm & 6pm on Thursdays & Fridays (includes Langton's House and Approved Premises)	205.00	205.00	01/04/19	L
Surcharge for candlelit weddings between October-March in addition to an evening wedding option	205.00	205.00	01/04/19	L
Payment in advance of a non-refundable booking fee for Register Office Weddings only (in line with statutory fee for Register Office wedding)	57.00	57.00	01/04/19	L
Change of ceremony appointment fee	57.00	57.00	01/04/19	L

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Neighbourhoods Registars - Non Statutory

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Premium Appointment Service (additional casual registrars used to cover up to one hour)	47.00	50.00	01/04/20	S/P
Non-Refundable booking fee for Notice of Marriage (applies to non-attendees only - in line with statutory fee for notice of marriage)	35.00	35.00	01/04/19	L
Langtons Hall Hire (Hourly)				
Monday - Friday 9.00-17.00	41.00	45.00	01/04/20	S/P
Monday - Thursday 17.00-24.00	52.00	60.00	01/04/20	S/P
Friday Evening, Saturday and Sunday (A discount of 20% applies for bookings of more than 6 hours for Friday evening and the weekend)	95.00	95.00	01/04/17	L
Damage deposit for Langton's Hall function bookings	250.00	250.00	01/04/16	L
Langtons Room Hire (Hourly Minimum 2 hours)				
Room Hire Monday - Sunday 09.00 - 21.00	41.00	42.00	01/04/20	S/P
Charity Room Hire Monday - Thursday 09.00 - 21.00 (A discount of 40% applies for Charity/Community groups by application)	16.40	16.80	01/04/20	S/P

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Sponsorship for Langtons Ceremony Brochure				
Whole A5 page - Portrait	770.00 *	770.00 *	01/04/19	L
Half A5 Page - Landscape	432.00 *	432.00 *	01/04/19	L
Quarter A5 Page - Portrait	267.00 *	267.00 *	01/04/19	L
Back Cover - Whole A5 Page - Portrait	1,200.00 *	1,200.00 *	01/04/19	L
Inside Front and Back Cover - Whole A5 Page - Portrait	1,134.00 *	1,134.00 *	01/04/19	L
Postage Costs:				
Marriage Authorities to other Districts by 1st class recorded delivery	Withdrawn	Withdrawn	01/04/19	L
Copy certificates by 1st class recorded delivery	5.00	5.00	01/04/16	L

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Neighbourhoods Environment

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TRADING STANDARDS:				
Trading Standards NE London Metrology Partnership Income Income is credited to the joint trading account				
Section 11 (4) of the Weights and Measures Act 1985				
Measuring Instruments:				
(a) Linear (with or without divisions/sub divisions)				
First Tape	13.00 *	13.00	01/04/19	I/N/P
(b) Capacity (without divisions, not exceeding 1 litre) - each measure				
	11.00 *	11.00	01/04/19	I/N/P
(c) Cubic ballast				
Other than brim (each measure)	218.00 *	225.00	01/04/20	I/N/P
Brim/bucket type (each measure)	96.00 *	99.00	01/04/20	I/N/P
1. Liquid capacity measures for making and checking average quantity purchases each measure	34.00 *	35.00	01/04/20	I/N/P

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Measuring Instruments (continued):				
2. Templates (per scale)	60.00 *	62.00	01/04/20	I/N/P
First item	24.00 *	25.00	01/04/20	I/N/P
Second and subsequent items				
(d) Liquid fuel, Lubricants etc. (each instrument)				
1. Container type (not sub-divided)	112.00 *	115.00	01/04/20	I/N/P
2. Other types (multi-outlets)				
1 meter tested	145.00 *	149.00	01/04/20	I/N/P
Each additional meter tested	89.00 *	92.00	01/04/20	I/N/P
3. Test of peripheral equipment on separate visit	112.00 *	115.00	01/04/20	I/N/P
4. Test of credit card acceptor	112.00 *	115.00	01/04/20	I/N/P
5. MID verification				
1 meter tested	182.00 *	187.00	01/04/20	I/N/P
Each additional meter	112.00 *	115.00	01/04/20	I/N/P

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Measuring Instruments (continued):				
(e) Intoxicating liquor (each instrument)				
Not exceeding 150ml (individual submissions)	22.00 *	23.00	01/04/20	I/N/P
Other	26.00 *	27.00	01/04/20	I/N/P
(g) Each weight (stamping)				
1. Weights exceeding 5kg or not exceeding 500mg, 2cm	12.00 *	12.00	01/04/19	I/N/P
2. Other weights	9.00 *	9.00	01/04/19	I/N/P
3. Other weights (more than one submitted)	8.00 *	8.00	01/04/19	I/N/P
4. Adjusting weights (per hour)	113.00 *	116.00	01/04/19	I/N/P
(h) Verification - Weighing Machines / Weighing Equipment				
1. Calibrated to weigh only metric:				
Not exceeding 15kg	37.00 *	38.00	01/04/20	I/N/P
Exceeding 15kg to 100kg	53.00 *	55.00	01/04/20	I/N/P
Exceeding 100kg to 250kg	88.00 *	91.00	01/04/20	I/N/P
Exceeding 250kg to 1 tonne	127.00 *	131.00	01/04/20	I/N/P
Exceeding 1 tonne to 10 tonne	204.00 *	210.00	01/04/20	I/N/P
Exceeding 10 tonnes to 30 tonnes	427.00 *	440.00	01/04/20	I/N/P
Exceeding 30 tonnes to 60 tonnes	637.00 *	656.00	01/04/20	I/N/P

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Measuring Instruments (continued):				
2. When testing instruments incorporate peripherals such as remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged at the standard hourly rate:	114.00 *	117.00	01/04/20	I/N/P
3. Medical weighing scales				
Not exceeding 15kg	37.00 *	38.00	01/04/20	I/N/P
Exceeding 15kg to 100kg	53.00 *	55.00	01/04/20	I/N/P
Exceeding 100kg to 250kg	88.00 *	91.00	01/04/20	I/N/P
Exceeding 250kg to 1 tonne	127.00 *	131.00	01/04/20	I/N/P
Certificate of errors				
For supplying a certificate containing results of errors found on testing (certificate supplied upon request of the submitter, fee applies when no other fee is payable)	50.00 *	52.00	01/04/20	I/N/P
Measuring Instrument Directive				
Measuring Instruments for liquid fuel and lubricants (initial verification not re-verification) (surcharge over fee listed above)	10% Surcharge *	10% Surcharge	01/04/20	L

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Measuring Instruments (continued):				
Other Weighing or Measuring Equipment				
Brake tester/spring balance type	60.00 *	62.00	01/04/20	I/N/P
For equipment other than the categories specifically described above, or equipment submitted for testing by means of statistical sampling techniques, or in pursuance of a Community obligation other than EEC. Initial or partial verification per man hour spent at place of submission of equipment etc. (pro rata for one quarter hour periods)	114.00 *	117.00	01/04/20	I/N/P
Standards Services provided to Other Local Authorities				
Testing and Associated Services (per hour)	95.00	98.00	01/04/20	I/N/P
Collection Delivery charge (price shown is per mile) return trip + congestion charge where applicable	0.76	1.00	01/04/20	I/N/P
Inspections during standard office hours, including travelling time	95.00	98.00	01/04/20	I/N/P
Block Booked and Pre-paid Inspections totalling more than £5,000 (per hour)	65.00	67.00	01/04/20	I/N/P

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Section 76 of the 1985 Act				
For other services or facilities provided, or for authorisation, certificates or other documents issued in pursuance of a community obligation				
Per man hour spent at place of providing the service, facility etc. (pro rata of one quarter hour periods)	95.00	98.00	01/04/20	I/N/P
UKAS Laboratory				
Charge for calibration to M1 level 25kg - 1mg (Incl. cert where total order over £100)				
One weight submitted	21.00 *	22.00	01/04/20	I/N/P
Certificate where total order is less than 100	33.00 *	34.00	01/04/20	I/N/P
Charge for calibration to F2 level 20kg - 1mg (Incl. cert where total order over £100)				
One weight submitted	50.00 *	52.00	01/04/20	I/N/P
Certificate where total order is less than £100 (Where multiple weights are submitted of the same nomination a 10% reduction may apply)	33.00 *	34.00	01/04/20	I/N/P

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*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
GLC (General Powers) Act 1985 Competitive Bidding - Licence Registration fee	366.00	377.00	01/04/20	I/N/P
Financial Investigation by Accredited Financial Investigator (LA) Where no individual agreement exists, per hour spent by AFI	70.00	72.00	01/04/20	I/N/P
'PASS' Alcohol awareness retailer training fee (per delegate - Inc. VAT)	68.00 *	70.00	01/04/20	I/N/P

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- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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- L - A local charging policy that deviates from the Corporate Charging Policy

Neighbourhoods Environment

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(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
TRAFFIC & PARKING CONTROL:				
Parking Facilities				
Penalty Charge Notices				
(Levels set by London Councils and agreed by the Mayor of London and endorsed by the Secretary of State)				
Less Serious Contravention Band A	80.00	80.00	01/04/11	P
Less Serious Contravention Band A if paid within 14 days	40.00	40.00	01/04/11	P
Serious Contravention Band A	130.00	130.00	15/04/11	P
Serious Contravention Band A paid within 14 days	65.00	65.00	15/04/11	P
Less Serious Band B	60.00	60.00	01/04/11	P
Less Serious paid within 14 days	30.00	30.00	01/04/11	P
Serious Band B	110.00	110.00	15/04/11	P
Serious Band B if paid within 14 days	55.00	55.00	15/04/11	P
Vehicle Clamping and Removal				
Vehicle Immobilisation release fee	70.00	70.00	01/04/11	P
Vehicle Pound release fee (if clamped)	200.00	200.00	01/04/11	P
Disposal Fee	70.00	70.00	01/04/11	P
Vehicle Pound storage fee (per day)	40.00	40.00	01/04/11	P

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Neighbourhoods Environment

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
TRAFFIC & PARKING CONTROL:				
PARKING FACILITIES				
Romford Area Car Parks - Mixed Tariff				
Monday to Saturday (Period Hours)				
0 - 1	1.50 *	1.50 *	01/04/19	C/L
1 - 2	2.50 *	2.50 *	01/04/19	C/L
2 - 3	3.50 *	3.50 *	01/04/19	C/L
3 - 4	4.50 *	4.50 *	01/04/19	C/L
4 - 5	5.50 *	5.50 *	01/04/19	C/L
5 - 6	6.50 *	6.50 *	01/04/19	C/L
6 - 7	10.50 *	10.50 *	01/04/19	C/L
7 - 8	11.50 *	11.50 *	01/04/19	C/L
over 8	12.50 *	12.50 *	01/04/19	C/L
Lost Ticket	12.50 *	12.50 *	01/04/19	C/L
Solo Motorcycle	No Charge *	No Charge *	01/04/19	C/L
Sunday (Flat Fee)	1.50 *	1.50 *	01/04/19	C/L
Overnight (Period Hours)	1.50 *	1.50 *	01/04/19	C/L

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Market Place (Non-market days)				
0 - 1	1.50 *	1.50 *	01/04/19	L
1 - 2	2.50 *	2.50 *	01/04/19	L
Sunday (Flat Fee)	1.50 *	1.50 *	01/04/19	C/L
Overnight (Non-market days & Period Hours)	1.50 *	1.50 *	01/04/19	C/L
¹ Pay by Phone Convenience Fee for transactions £1.00 and under £0.05	0.00 *	0.00 *	01/04/17	L
¹ Pay by Phone Convenience Fee for transactions over £1.00 £0.10	0.00 *	0.00 *	01/04/17	L
¹ Pay by Phone Text Messages £0.10	0.00 *	0.00 *	01/04/11	L
<p>Pay by Phone Convenience Fee is currently £0.05 for tariff less than £1.00 and £0.10 for tariff above £1.00</p> <p>¹This charge is levied by an external supplier and is not received by the the Council. It is an independent service fee included here for transparency.</p>				

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Neighbourhoods Environment

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Car Parks excluding Romford Area Car Parks - Mixed Tariff				
Monday to Friday (Period Hours)				
0 - 30 minutes	Withdrawn *	Withdrawn *	01/04/19	L
30min - 2	Withdrawn *	Withdrawn *	01/04/19	L
2 - 3	Withdrawn *	Withdrawn *	01/04/19	L
3 - 4	Withdrawn *	Withdrawn *	01/04/19	L
4 - 5	Withdrawn *	Withdrawn *	01/04/19	L
5 - 6	Withdrawn *	Withdrawn *	01/04/19	L
6 - 7	Withdrawn *	Withdrawn *	01/04/19	L
7 - 8	Withdrawn *	Withdrawn *	01/04/19	L
8 - 12	Withdrawn *	Withdrawn *	01/04/19	L
Solo Motorcycles	Withdrawn	Withdrawn	01/04/19	L
6pm to 7am	Withdrawn	Withdrawn	01/04/19	L

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- I - Based on relevant inflationary change
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- S - An increase above inflation in line with a corporate saving plan
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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Hornchurch & Upminster Area Car Parks				
Monday to Saturday (Period Hours)				
0 - 1	1.50 *	1.50 *	01/04/19	C/L
1 - 2	2.50 *	2.50 *	01/04/19	C/L
2 - 3	3.50 *	3.50 *	01/04/19	C/L
3 - 4	4.50 *	4.50 *	01/04/19	C/L
4 - 5	5.50 *	5.50 *	01/04/19	C/L
5 - 6	6.50 *	6.50 *	01/04/19	C/L
6 - 7	10.50 *	10.50 *	01/04/19	C/L
7 - 8	11.50 *	11.50 *	01/04/19	C/L
8 - 12	12.50 *	12.50 *	01/04/19	C/L
Solo Motorcycles	No Charge *	No Charge *	01/04/19	C/L
Sunday (Flat Fee)	1.50 *	1.50 *	01/04/19	C/L
Overnight (Period Hours)	1.50 *	1.50 *	01/04/19	C/L

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- S - An increase above inflation in line with a corporate saving plan
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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Collier Row, Cranham, Elm Park, Gidea Park & Rainham Area Car Parks				
Monday to Saturday (Period Hours)				
0 - 30 mins	No Charge *	No Charge *	01/04/19	C/L
30 min - 1	1.50 *	1.50 *	01/04/19	C/L
1 - 2	2.50 *	2.50 *	01/04/19	C/L
2 - 3	3.50 *	3.50 *	01/04/19	C/L
3 - 4	4.50 *	4.50 *	01/04/19	C/L
4 - 5	5.50 *	5.50 *	01/04/19	C/L
5 - 6	6.50 *	6.50 *	01/04/19	C/L
6 - 7	10.50 *	10.50 *	01/04/19	C/L
7 - 8	11.50 *	11.50 *	01/04/19	C/L
8 - 12	12.50 *	12.50 *	01/04/19	C/L
Solo Motorcycles	No Charge *	No Charge *	01/04/19	C/L
Sunday				
0 - 30 mins	No Charge *	No Charge *	01/04/19	C/L
Over 30 Mins	1.50 *	1.50 *	01/04/19	C/L
Overnight (Period Hours)	1.50 *	1.50 *	01/04/19	C/L

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Season Tickets				
Romford Central Area				
All car parks:				
Per quarter	210.00 *	210.00 *	01/04/19	I/N/P
Per month	75.00 *	75.00 *	01/04/19	I/N/P
Outside Romford Central Area				
5 Day season – Balgores Square:				
per quarter	210.00 *	210.00 *	01/04/19	I/N/P
per month	75.00 *	75.00 *	01/04/19	I/N/P
All other car parks:				
per quarter	170.00 *	170.00 *	01/04/19	I/N/P
per month	65.00 *	65.00 *	01/04/19	I/N/P

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(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
On Street Pay and Display				
Upminster Road South Monday to Saturday (Maximum Stay 1 hour)				
0 - 30 mins	No Charge	No Charge	06/04/15	L
30 min - 1 hour	1.50	1.50	01/04/19	L
Sunday				
0 - 30 mins	No Charge	No Charge	01/04/19	C/L
Over 30 mins	1.50	1.50		
Overnight (Period Hours)	No Charge	No Charge	01/04/19	C/L
Romford, Hornchurch & Upminster Town Centres. Monday to Saturday (Maximum Stay 3 hours)				
0 - 1	1.50	1.50	01/04/19	C/L
1 - 2	2.50	2.50	01/04/19	C/L
2 - 3	3.50	3.50	01/04/19	C/L
Sunday (Flat Fee)	1.50	1.50	01/04/19	C/L
Overnight (Period Hours)	No Charge	No Charge	01/04/19	C/L

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
On Street Pay and Display (continued)				
Ardleigh Green, Collier Row, Cranham, Elm Park, Gidea Park, Harold Hill, Harold Wood & Rainham Monday to Saturday (Maximum Stay 3				
0 - 30 mins	No Charge	No Charge	01/04/19	C/L
30 min -1 hour	1.50	1.50	01/04/19	C/L
1 - 2 hours	2.50	2.50	01/04/19	C/L
2 - 3 hours	3.50	3.50	01/04/19	C/L
Sunday				
0 - 30 mins	No Charge	No Charge	01/04/19	C/L
Over 30 mins	1.50	1.50	01/04/19	C/L
Overnight (Period Hours)	No Charge	No Charge	01/04/19	C/L

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(B) Charges determined by Committee

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Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Controlled Parking Zones				
Resident's parking permit (per annum)				
1st Permit per household	35.00	35.00	03/04/17	L
2nd Permit per household	60.00	60.00	03/04/17	L
3rd Permit per household	85.00	85.00	03/04/17	L
Resident's visitor permits (book of 10)	13.00	13.00	01/04/18	L
Resident's All Day visitor permits (book of 10)	39.00	39.00	01/02/18	L
Resident's Hourly visitor permits (book of 10)	10.00	10.00	01/04/18	L
Business parking permits (per annum)	200.00	200.00	01/04/16	L
Commuter Bays (per annum)	500.00	500.00	01/04/16	L
Domestic Carer Permit (per annum)	40.00	40.00	01/04/16	L
Amendment to existing permit	25.50	25.50	01/04/16	L
Cancellation of permit	15.00	15.00	07/02/11	L
Other Miscellaneous Charges				
Waiver	20.00	20.00	06/04/15	L
Health and Homecare Permit (per annum)				
Amendment to existing permit	60.00	60.00	01/04/16	L
Cancellation of permit	22.50	22.50	06/04/15	L
Cancellation of permit	15.00	15.00	07/02/11	L
License Holder Car Parks (per annum)	200.00 *	200.00 *	01/04/19	D/L

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Disabled Blue Badge (per 3 years)	10.00	10.00	01/01/12	L
Car Parking in Parks and Open Spaces Effective 01/04/2015 Maximum Stay 5 hours				
Mon - Friday 8.00am to 6.30pm.				
0 - 3 hours	Withdrawn *	Withdrawn *	01/04/19	L
3 - 5 hours	Withdrawn *	Withdrawn *	01/04/19	L
Mon - Saturday 8.00am to 6.30pm.				
0 - 1	1.50	1.50	01/04/19	C/L
1 - 2	2.50	2.50	01/04/19	C/L
2 - 3	3.50	3.50	01/04/19	C/L
3 - 4	4.50	4.50	01/04/19	C/L
4 - 5	5.50	5.50	01/04/19	C/L
Sundays	1.50	1.50	01/04/19	C/L
Blue Badge holders (for up to 5 hours)	No Charge	No Charge	01/04/19	C/L
VEHICLE PARKING - WITHIN PARKS AND OPEN SPACES ONLY				
Release of vehicles that have been locked in a car park	80.00	80.00	01/04/18	L
Fee for vehicle left in car park overnight	107.00	107.00	01/04/18	L

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Events Charging For Traffic Management and Parking				
0 - 50 attendees	103.00 *	103.00 *	01/04/19	I/N/P
51 - 100 attendees	206.00 *	206.00 *	01/04/19	I/N/P
101 - 1000 attendees	515.00 *	515.00 *	01/04/19	I/N/P
1001+ attendees	1,030.00 *	1,030.00 *	01/04/19	I/N/P
plus hourly rate of £67 per hour	67.00 *	67.00 *	01/04/19	I/N/P
NRSW (Mayrise) fees and charges apply				
Road closure per road	2,150.00 *	2,150.00 *	01/04/19	I/N/P

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**oneSource
Asset Management**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Licenced Trader Market Charges				
Monthly Charges (Includes Weds, Fri & Sat Markets)				
Market - All Locations				
Ground space/6ft frontage	171.00	171.00	01/04/15	L
Electricity Charge per Ground Space/6ft frontage <i>(Electricity Charges will be applied to all licences other than to</i>	11.70	11.70	01/04/15	L
<i>Extra Land (Daily Charge)</i>	5.35	5.35	01/04/15	L
Other one-off charges				
Nomination of Licence	255.00	255.00	01/04/15	L
Nomination of Licence to member of Family	185.00	185.00	01/04/15	L
Other alterations to Licences	42.50	42.50	01/04/15	L
Casual Trader Market Charges				
Daily Charges				
Saturday Market – Ground Space/6ft frontage including electricity	27.00	27.00	01/04/15	L
Wed or Friday Market – Ground Space/6ft frontage including electricity	19.00	19.00	01/04/15	L
Extra Land (Daily Charge)	5.35	5.35	01/04/15	L

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**oneSource
Asset Management**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Extra Market Days – At Christmas/Sundays/Banks Holidays				
Daily Charges				
Market - All Locations				
Licenced Traders - Ground space/6ft frontage including electricity (Must have held a Licence for at least 2 mths to qualify for this rate)	18.00	18.00	01/04/15	L
Casual Traders - Ground space/6ft frontage including electricity	24.00	24.00	01/04/15	L
Extra Land (Daily Charge)	5.35	5.35	01/04/15	L

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oneSource
Exchequer and Transactional Services

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Legal Fees				
Recovery of Rates/Community Charge/Council tax				
Summons Council Tax (inc £3 paid to the court)	105.00	105.00	01/04/11	P
Liability Order	10.00	10.00	01/04/10	P
Summons NNDR (inc £3 paid to the court)	180.00	180.00	01/04/11	P
Liability Order NNDR	47.00	47.00	01/04/11	P
Means Enquiry Summonses Council Tax (£245.00 paid to the court)	305.00	305.00	22/04/14	P
Arrest Warrants with Bail Council Tax (inc. £75 paid to the court)	145.00	145.00	22/04/14	P
Arrest Warrants without Bail Council Tax (inc. £75 paid to the court)	130.00	130.00	22/04/14	P

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- G - An increase below inflation in line with a corporate growth plan
- I - Based on relevant inflationary change
- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

Basis for setting charge increase above complies with either:

- P - The Corporate Charging Policy
- L - A local charging policy that deviates from the Corporate Charging Policy

**oneSource
Legal & Governance**

(A) Statutory and Nationally Agreed Charges -

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Electoral Registration				
Sale of Electoral Registers				
Data format	20.00	20.00	01/02/01	P
Additional charge per 1000 entries	1.50	1.50	01/02/01	P
Paper format	10.00	10.00	01/02/01	P
Additional charge per 1000 entries	5.00	5.00	01/02/01	P

Basis of Increase:

- C - An increase dependent on committee approval
- G - An increase below inflation in line with a corporate growth plan
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- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
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**oneSource
Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Electoral Registration				
Registration Certificate	0.00	0.00	01/04/19	P
Charge for each additional year checked	0.00	0.00	01/04/18	P
Ward Map	4.10	4.20	01/04/20	I/N/P
Photocopying:				
First page	2.35	2.40	01/04/20	I/N/P
Cost per additional page	0.35	0.36	01/04/20	I/N/P

Basis of Increase:

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Legal & Governance

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Legal & Democratic Services				
Licences to Assign (Seal)	773.00	796.00	01/04/20	I/N/P
Licence to Alter	773.00	796.00	01/04/20	I/N/P
Sale of Council Houses - Mortgage Fees	143.00	147.00	01/04/20	I/N/P
Mortgage Redemption Fees:				
Early redemption	130.00	134.00	01/04/20	I/N/P
Complete term	68.00	70.00	01/04/20	I/N/P
Deeds of release for pre-emption discount repayment	151.00	156.00	01/04/20	I/N/P
Release from Mortgage Covenant	98.00	101.00	01/04/20	I/N/P
Second Charge Questionnaire	102.00	105.00	01/04/20	I/N/P
Enquiries re: Discount repayment from Commercial sources	73.00	75.00	01/04/20	I/N/P
Administration fee re:enquiries from commercial sources on 2nd charges	54.00	56.00	01/04/20	I/N/P

Basis of Increase:

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**oneSource
Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Reserve/Access Licences: Single payment Annual payment	58.00 21.00	60.00 21.00	01/04/20 01/04/14	I/N/P P
Lease of shops/offices: Town centre Other	1,500.00 1,000.00	1,545.00 1,030.00	01/04/20 01/04/20	C/P C/P
Complex Commercial Leases (fees dependent on complexity, urgency and time)				
Sale of surplus land/property N.B. All other conveyancing costs where Council can charge when terms so provide are by agreement in terms of solicitors Remuneration Order 1972.				

Basis of Increase:

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- N - A nominal adjustment e.g. due to rounding of charge
- S - An increase above inflation in line with a corporate saving plan
- D - Increase recommended by Head of Service

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Legal & Governance

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Planning Agreements (Section 106 Town & Country Planning act 1990)	£144 - £237 ph	£148- £244 ph	01/04/20	I/N/P
Unilateral Undertaking	£144 - £237 ph	£148- £244 ph	01/04/20	I/N/P
Legal Charges				
S38 Highways Act 1980 Supervision	£144 - £237 ph	£148- £244 ph	01/04/20	I/N/P
Section 278 Highways Act 1980	£144 - £237 ph	£148- £244 ph	01/04/20	I/N/P
Highway Agreements (Minimum Fee)	546.00	562.00	01/04/20	I/N/P

Basis of Increase:

- C - An increase dependent on committee approval
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- I - Based on relevant inflationary change
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- S - An increase above inflation in line with a corporate saving plan
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**oneSource
Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Use of Council Chamber and Committee Rooms – Town Hall				
Council Chamber				
Monday to Friday - per whole day	368.00	379.00	01/04/20	I/N/P
Monday to Friday - per half day	184.00	190.00	01/04/20	I/N/P
Weekends - per whole day	509.00	524.00	01/04/20	I/N/P
Weekends - per half day	256.00	264.00	01/04/20	I/N/P
Evenings - after 6pm (Fridays and weekends only)	222.00	229.00	01/04/20	I/N/P
Committee Room 3				
Monday to Friday - per whole day	229.00	236.00	01/04/20	I/N/P
Monday to Friday - per half day	114.00	117.00	01/04/20	I/N/P
Monday to Friday - per 2 hour session	87.00	90.00	01/04/20	I/N/P
Evening - after 6pm (Fridays and weekends only)	114.00	117.00	01/04/20	I/N/P
Other Committee Rooms - per hour (daytime & evening)				
Room 1	35.00	36.00	01/04/20	I/N/P
Room 2	35.00	36.00	01/04/20	I/N/P
Room 4	35.00	36.00	01/04/20	I/N/P
Lettings to Charities and Voluntary Organisations				
Lettings to charities and voluntary organisations will usually attract a				

Basis of Increase:

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- S - An increase above inflation in line with a corporate saving plan
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Basis for setting charge increase above complies with either:

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**oneSource
Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Land and Property Services Various charges for services to private sector				
Democratic Services Copies of the Constitution	31.00	32.00	01/04/20	I/N/P
All Departments Local Government (Access to Information) Act 1985 Inspection of papers in background paper list				
Copying				
Supply of photocopies of background papers				
First page	2.00	2.00	01/04/15	L
Cost per additional page	0.20	0.20	01/04/15	L

Basis of Increase:

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Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Admission appeals				
Per appeal withdrawn before processing	No charge	No charge	01/04/14	
Per processed appeal withdrawn less than three weeks before hearing	160.00	165.00	01/04/20	I/N/P
Per appeal withdrawn once papers for hearing have been distributed	194.00	200.00	01/04/20	I/N/P
Per appeal heard	258.00	266.00	01/04/20	I/N/P
Per appeal referred to the Secretary of State alleging maladministration	Charge to be	Charge to be	01/04/20	I/N/P
Per appeal subject to judicial review proceedings	agreed on basis	agreed on basis	01/04/20	I/N/P
Fixed Term Contract(min 2 yrs)	210 per appeal	210 per appeal	01/04/20	C/P
Exclusion reviews				
Per review withdrawn before processing	No charge	No charge		
Per processed review withdrawn less than three weeks before hearing	156.00	161.00	01/04/20	I/N/P
Per review withdrawn once papers for hearing have been distributed	185.00	191.00	01/04/20	I/N/P

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Legal & Governance**

(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Education Appeals:				
Per review heard				
For first hour of hearing and up to four hours of the clerk's time after the	305.00	314.00	01/04/20	I/N/P
For each subsequent hour or part of an hour of hearing; plus	69.00	71.00	01/04/20	I/N/P
For each subsequent hour or part of an hour of clerk's time	48.00	49.00	01/04/20	I/N/P
Per review referred to the Secretary of State alleging maladministration	Charge to be	Charge to be	01/04/20	I/N/P
Per review subject to judicial review proceedings	agreed on basis of work required	agreed on basis of work required	01/04/20	I/N/P
Applications to correct the Registers of Common Land and Town and				
Declaration of entitlement to exercise a right of common	35.00	36.00	01/04/20	I/N/P
Creation of a right of common resulting in the registration of new common	No charge	No charge		
Creation of a right of common over existing common land	137.00	141.00	01/04/20	I/N/P
Variation of a right of a common	137.00	141.00	01/04/20	I/N/P
Apportionment of a right of common	137.00	141.00	01/04/20	I/N/P
Attachment of a right of common	No Fee	No Fee		
Re-allocation of attached rights	137.00	141.00	01/04/20	I/N/P
Transfer of a right in gross	56.00	58.00	01/04/20	I/N/P

Basis of Increase:

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(B) Charges determined by Committee

*VAT inclusive

Income Source	Charges 2019/20 (from April 2019) £	Charges 2020/21 (from April 2020) £	Operative Date of Latest Notified Charge	Basis of Increase and Charging Policy
Surrender or extinguishment of a right of common	100.00	100.00	15/12/14	L
Statutory disposition pursuant to section 14 of the 2006 Act (including the exchange of land for land subject to a statutory disposition)	205.00	211.00	01/04/20	I/N/P
Registration of a new town or village green other than by owner	No charge	No charge	15/12/14	
Registration of a new town or village green by the owner	No charge	No charge	15/12/14	

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Basis of Increase:

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CORPORATE RISK REGISTER

Appendix H

Reference	Title	Description	Value	Likelihood	Impact
C1	Spending Review 2020	The Spending Review will determine the control totals Local Government have available over the next few years. There is a risk that the spending review will result in an adverse outcome for Havering.	Unclear - Last spending round reduced funding by approx £5m per year	2	2
C2	Outcome of Fair Funding Review	In 2021-21, the government will implement the outcome of the fair funding review. There is a significant risk that the revised formula will redistribute funds from London to other areas in the country.	Unclear	3	2
C3	Impact of Leaving the EU	The potential implications of leaving the EU are wide ranging on local authorities including interest rates, the value of the pound and the costs of products, services and staffing.	Unclear	3	1
C4	Loss/reduction in Business Rates	In recent years, a number of local businesses have failed. One impact of austerity is failure of local businesses. Business rates are in part locally retained meaning that significant downturn in yield will have a direct impact. The London wide pool will smooth this effect but could also result in a far more significant impact if some larger businesses in central London closed.	Unclear	2	2
C5	Affordability of Capital Programme	The Capital programme is based on a robust funding strategy. Significant overspends or enhancements to projects will result in a revenue pressure through increased contributions on higher borrowing and MRP costs	Unlikely to be significant	1	1
C6	New Legislation	The Government could at any time introduce new legislation or transfer new burdens to local government. History has shown that frequently new legislation is not accompanied by enough associated funding	Unlikely to be significant	2	1
C7	The impact of delays, changes, and market fluctuations to the Regeneration Programme	The regeneration models contained in the business cases make assumptions regarding inflation, interest rates and the property market. Changes to these factors could affect the expected yields. There is also a significant cost associated with delays to the programme either caused by changes to proposals or any other reason	Could be significant	2	3
C8	Interest Rate change	An increase in interest rates will have a direct impact on the Council's treasury strategy. Potential increases in borrowing will directly impact on the Council's MTFP and affordability decisions on major future Capital plans	£1m per 1%	2	1
C9	Higher than expected inflation	If there was a significant increase in inflation this would result in cost of services increasing and potential pay awards all of which would be a direct pressure on the MTFP.	£1.5m per 1%	2	2
C10	Higher than expected population growth/ demographics	The Council's plans recognise the effect of population growth and the demographic pressures that brings particularly to Social Care. If either the population increased at a higher rate or factors such as poverty and deprivation resulted in increased demand above current planned amounts then this would have a direct impact on the MTFP	Unclear	1	2
C11	IBCF and other Grants	The 2021 settlement announced a continuation of grant funding in line with the previous 4 year settlement. Funding from 2021-22 onwards is far less clear and whilst this is taken into account in the MTFP a loss of smaller grants will impact on planning.	Unlikely to be significant	2	1
C12	Pension Fund Performance/Actuarial Review	A downturn in the performance of the pension fund could result in increased contributions being required at the next triennial review. This will have a direct impact on the MTFP assumptions	Unlikely to be significant	1	2
C13	Budget Failure/ Overspends	The MTFP allows for any recognised ongoing budget pressures. Unbudgeted overspends will depleted general and earmarked reserves. This could lead to future year budget pressures either through planned contributions to reserves or through continued overspends.	Unlikely to be significant	1	2
C14	IT System Failure	Significant IT failure could result in loss of service provision, potential loss of data and additional repair or replacement costs	Unclear	1	3
C15	Future Waste disposal arrangements	There are already significant sums built into both the ELWA budget and the Council's MTFP to cover the preparations for the end of the waste contract in 2027. These costs however could easily increase as 2027 gets nearer.	Unlikely to be significant	1	2
C16	Adverse Weather/Cold winter	A cold or wet winter can result in increased environmental costs through gritting or possibly flood alleviation. Freezing weather also can break up road surfaces resulting in emergency repairs	Unclear	2	1
C17	Fraud	The Council has measures in place to minimise the risk of fraud. If a major financial fraud were discovered this could have a reputational risk and result in additional costs both to improve systems and to mitigate any uninsured losses.	Unclear	1	2
C18	JV Failure	The JV's all have business cases with returns on investments at various points to the Council. Failure of a JV could be for a number of reasons but will result in both additional costs and loss of income to the Council	Significant - several £m	1	3
C19	Collection Rates	Council Tax is set on assumed collection rates. Failure to achieve those rates will have an impact on the collection fund and the level of bad debt provision required. Both of these items will impact on future planning.	Unlikely to be significant	1	1
C20	Public Health Joint Funding	The Public Health Grant has reduced over the last two years and is quite likely to continue to be squeezed. This could potentially impact on the future funding of Council Services	Unclear	1	1

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Equality Impact Assessment (EIA)

Document control

Title of activity:	Council Tax Support Scheme 2020
Type of activity:	This is a scheme which provides assistance to people on low incomes to help them pay their Council Tax.
Lead officer:	Chris Henry, Head of Council Tax & Benefits, Exchequer & Transactional Services, oneSource
Approved by:	Sarah Bryant, Director of Exchequer & Transactional Services
Date completed:	December 2019
Scheduled date for review:	December 2020

Did you seek advice from the Corporate Policy & Diversity team?	Yes
Does the EIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No

1. Equality Impact Assessment Checklist

The Equality Impact Assessment (EIA) is a tool to ensure that your activity meets the needs of individuals and groups that use your service. It also helps the Council to meet its legal obligation under the [Equality Act 2010 and the Public Sector Equality Duty](#).

Please complete the following checklist to determine whether or not you will need to complete an EIA. Please ensure you keep this section for your audit trail. If you have any questions, please contact the Corporate Policy and Diversity Team at diversity@havering.gov.uk

About your activity

1	Title of activity	Council Tax Support Scheme 2020
2	Type of activity	This is a scheme which provides assistance to people on low incomes to help them pay their Council Tax.
3	Scope of activity	<p>The Council Tax Support (CTS) Scheme helps many working age people on low incomes pay their Council Tax bills.</p> <p>While Government funding is insignificant, the Council is committed to maintaining the current 2019 CTS scheme in 2020.</p> <p>The proposed scheme will continue to protect pensioners by law who will get the same level of council tax support as they do now which be up to 100%.</p> <p>Disabled working age applicants can have up to 80% off their Council Tax Bill. Working age applicants can have up to 75% off their Council Tax bill.</p> <p>It is proposed the CTS 2019/20 Scheme remains unchanged for working age and pension age claimants in 2020/21.</p>
4a	Is the activity new or changing?	No
4b	Is the activity likely to have an impact on individuals or groups?	No
5	If you answered yes:	

Completed by:	Chris Henry, Head of Council Tax & Benefits
----------------------	---

Date:

December 2019

2. Equality Impact Assessment

Background:

The Council has a statutory obligation to provide a local Council Tax Support Scheme under the Local Government Act 2012. .

The Council proposes to maintain the Council Tax Support (CTS) Scheme in place since April 2019/20 for 2020/21. The scheme provides assistance to people on low incomes to help them pay their Council Tax.

The 2020 scheme will continue to protect pensioners who will get the same level of Council Tax Support as they do now.

In respect of working age claimants, the 2020 scheme will provide the same level of support as it does now. This can provide up to 100% off their Council Tax bill.

Disabled working age applicants can have up to 80% off their Council Tax Bill. Working age applicants can have up to 75% off their Council Tax bill.

At 31 October 2019, 8,476 working-age claimants and 5,796 pensionable age claimants were in receipt of Council Tax Support.

Support remains in place through the Council Tax Discretionary policy for those who suffer hardship. Support workers and advisors continue to direct customers where appropriate to the online application which is available on the Havering website.

In terms of the number of Council Tax Support Claimants and their household and personal status, the overall total, compared to last year, has reduced from 15,578 to 14,272 (Oct 2019).

<u>Council Tax Support Case Group Descriptions</u>	<u>Count</u>
Elderly - Non-Passported - Carer	125
Elderly - Non-Passported - Child Under 5	0
Elderly - Non-Passported - Enhanced Disability	0
Elderly - Non-Passported - Family Premium	4
Elderly - Non-Passported - Family Premium - 1 Child	4
Elderly - Non-Passported - Family Premium - 2 Child	0
Elderly - Non-Passported - Family Premium - 3 Child	1
Elderly - Non-Passported - Non Dependant	331
Elderly - Non-Passported - Other	1582
Elderly - Non-Passported - Severe Disability	431
Elderly - Non-Passported - War Pensioners	

<u>Council Tax Support Case Group Descriptions</u>	<u>Count</u>
	13
Elderly - Non-Passported - Working	70
Elderly - Passported - Carer	159
Elderly - Passported - Child Under 5	1
Elderly - Passported - Enhanced Disability	0
Elderly - Passported - Family Premium	4
Elderly - Passported - Family Premium - 1 Child	11
Elderly - Passported - Family Premium - 2 Child	3
Elderly - Passported - Family Premium - 3 Child	1
Elderly - Passported - Family Premium - 4 Child	0
Elderly - Passported - Non Dependant	405
Elderly - Passported - Other	1821
Elderly - Passported - Severe Disability	818
Elderly - Passported - Working	12
TOTAL (Elderly) = 5796 (41%)	
Working Age - Non-Passported - Carer	234
Working Age - Non-Passported - Child Under 5	320
Working Age - Non-Passported - Disability	183
Working Age - Non-Passported - Disabled Child Premium	46
Working Age - Non-Passported - Enhanced Disability	217
Working Age - Non-Passported - Family Premium	116
Working Age - Non-Passported - Family Premium - 1 Child	716
Working Age - Non-Passported - Family Premium - 2 Child	512
Working Age - Non-Passported - Family Premium - 3 Child	197
Working Age - Non-Passported - Family Premium - 4 Child	43
Working Age - Non-Passported - Family Premium - 5 and above	5
Working Age - Non-Passported - Lone Parent Child Under 5	619
Working Age - Non-Passported - Non Dependant	44
Working Age - Non-Passported - Other	261
Working Age - Non-Passported - Severe Disability	274
Working Age - Non-Passported - War Pensioners	3
Working Age - Non-Passported - Working	663
Working Age - Passported - Carer	418
Working Age - Passported - Child Under 5	16
Working Age - Passported - Disability	115
Working Age - Passported - Disabled Child Premium	18
Working Age - Passported - Enhanced Disability	994
Working Age - Passported - Family Premium	31
Working Age - Passported - Family Premium - 1 Child	203
Working Age - Passported - Family Premium - 2 Child	88
Working Age - Passported - Family Premium - 3 Child	24
Working Age - Passported - Family Premium - 4 Child	5
Working Age - Passported - Family Premium - 5 and Above	2
Working Age - Passported - Lone Parent Child Under 5	439
Working Age - Passported - Non Dependant	170

<u>Council Tax Support Case Group Descriptions</u>	<u>Count</u>
Working Age - Passported - Other	482
Working Age - Passported - Severe Disability	997
Working Age - Passported - Working	21
TOTAL (Working Age) = 8,476 (59%)	
Grand Total Working Age & Elderly)	14272

Age: Consider the full range of age groups	
<i>Please tick (✓) the relevant box:</i>	
Positive	<p>Overall impact:</p> <p>There are no changes proposed to the CTS 2020 Scheme.</p> <p>The impact of this scheme, as compared to the current scheme will remain the same as in the Equality Impact Analysis prepared in July 2018.</p> <p>Legislation means that the 2019/20 scheme will continue to protect pensioners by law. Consequently the pension age scheme and the working age scheme have become more disparate overtime.</p> <p>Within the scope of the 2020 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts.</p>
Neutral	
Negative	
Evidence:	
Sources used:	

Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions	
<i>Please tick (✓) the relevant box:</i>	
Positive	<p>Overall impact:</p> <p>There are no changes proposed to the CTS 2020 Scheme.</p> <p>The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. Link to EIA 2019/20</p> <p>Within the scope of the 2020 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts.</p> <p>The Recovery Policy also consider sensitively consider vulnerable persons under whom disabled CTS applicants are categorized, in the</p>
Neutral	
Negative	

		collection of Council Tax.
Evidence:		
Sources used:		

Sex/gender: Consider both men and women		
<i>Please tick (✓) the relevant box:</i>		Overall impact: There are no changes proposed to the CTS 2020 Scheme.
Positive		The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Neutral	✓	
Negative		
		Within the scope of the 2020 scheme, there continues to be a Council Tax Discretionary policy to enable the Council to consider cases of hardship which will help mitigate any negative impacts.
Evidence:		
Sources used:		

Ethnicity/race: Consider the impact on different ethnic groups and nationalities		
<i>Please tick (✓) the relevant box:</i>		Overall impact: There are no changes proposed to the CTS 2020 Scheme.
Positive		The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Neutral	✓	
Negative		
Evidence:		
Sources used:		

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Religion/faith: Consider people from different religions or beliefs including those with no religion or belief	
<i>Please tick (✓) the relevant box:</i>	Overall impact: There are no changes proposed to the CTS 2020 Scheme.
Positive	The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Neutral	
Negative	
Evidence:	
Sources used:	

Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual	
<i>Please tick (✓) the relevant box:</i>	Overall impact: There are no changes proposed to the CTS 2020 Scheme.
Positive	The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Neutral	
Negative	
Evidence:	
Sources used:	

Gender reassignment: Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth	
<i>Please tick (✓) the relevant box:</i>	Overall impact: There are no changes proposed to the CTS 2020 Scheme.
Positive	The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Neutral	
Negative	
Evidence:	

Sources used:

Marriage/civil partnership: Consider people in a marriage or civil partnership

<i>Please tick (✓) the relevant box:</i>		Overall impact: There are no changes proposed to the CTS 2020 Scheme. The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20
Positive		
Neutral		
Negative		

Evidence:

Sources used:

Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave

<i>Please tick (✓) the relevant box:</i>		Overall impact: There are no changes proposed to the CTS 2020 Scheme. The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis prepared in July 2018. . Link to EIA 2019/20 The Recovery Policy also consider sensitively consider vulnerable persons under whom disabled CTS applicants are categorized, in the collection of Council Tax.
Positive		
Neutral		
Negative		

Evidence:

Sources used:

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

<i>Please tick (✓) the relevant box:</i>		Overall impact: There are no changes proposed to the CTS 2020 Scheme. The impact of this scheme, as compared to the scheme available in 2019/20, will remain the same as in the Equality Impact Analysis
Positive		
Neutral		

Negative	prepared in July 2018.. Link to EIA 2019/20
Evidence:	
Sources used:	

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Action Plan

In this section you should list the specific actions that set out how you will address any negative equality impacts you have identified in this assessment.

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring	Timescale	Lead officer
All	✓	<p>Monitor implication of change in Council Tax Support.</p> <p>Opportunities with the Ctax Support Scheme to challenge amount of benefit through internal/external</p>	<p>We will monitor the impact of the continuing scheme and take-up of hardship funds as part of our performance and quality checking systems. The performance data collated, including satisfaction surveys and community profile monitoring will form part of regular reporting arrangements to senior management and members.</p> <p>Citizens' Advice Bureau commissioned to assist provides debt counselling and advice.</p>	December 2020	Debbie Wheatley

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring	Timescale	Lead officer
		<p>review procedures to maximize support.</p> <p>Availability of the Emergency Assistance Scheme in LB Havering delivered by DABD</p>	<p>Applications monitored & awards recorded by Disability Association of Barking & Dagenham (DABD)</p>	December 2020	Debbie Wheatley
All	✓	The Council Tax Discretionary Policy	<p>The policy is available on the Internet for any claimant struggling to pay their Council Tax. 58 applications were received & awarded in 2018/19. The majority being from Havering care leavers.</p> <p>The Discretionary Policy is promoted by several internal departments and external organizations who engage with vulnerable residents.</p>	December 2020	Chris Henry

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring	Timescale	Lead officer
Disability	✓	International Day of the Disabled Person	This is a practical event planned for International Day of the Disabled Person to engage with and advance the rights and wellbeing of persons with disabilities. The agenda will include public Speakers, open forum discussions and opportunities to develop and contribute local policy.	3 December 2020	Vernal Scott
		Ctax Recovery Policy. Individual circumstances taken into account.		December 2020	Chris Henry
Age	✓	Referral to Havering Works to assist careers advice & getting back into employment	Positive outcomes recorded by Havering Works	Ongoing through life of the project	Debbie Wheatley
Socio-Economic	✓	Referral to external bodies for income maximization		December 2020	Council Tax & Benefit Services,

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring	Timescale	Lead officer
		and debt advice eg CAB, Peabody, The Money Advice Service, Stepchange etc			Housing

Review

The EIA will be reviewed on bi-annual basis.

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London Borough of Havering

Summary: Council Tax Support Scheme 2020/21

Introduction

Each local authority is required by Section 9 of the Local Government Finance Act 2012 (the Act) to produce a scheme to reduce the Council Tax liability of working age applicants whom it considers to be in financial need.

This document summarises the proposed Council Tax Support Scheme (2020 scheme) from 1 April 2020 which the Council has produced in accordance with Schedule 4 of the Act.

The Council has adopted its own scheme since 1 April 2013 which has due regard to the Ministry of Housing, Communities and Local Government's policy intentions. The current and proposed scheme unequivocally protects pensioners.

Havering's Local Council Tax Support scheme has been interpreted and applied in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 which set out what must be included in the scheme.

Summary of Council Tax Support Scheme from April 2020

The 2020/21 scheme will adopt the existing Council Tax Support scheme in place at 31 March 2020 including the following amendments in place since 1 April 2019:

1. The maximum Council Tax Support is 75% of the Council Tax due for working age claimants who are not considered disabled. This means that every working age household that is not considered disabled will continue to pay a minimum charge of 25% towards their Council Tax bill.
2. The maximum Council Tax Support is 80% of the Council Tax due for working age claimants who are considered disabled. This means that every working age household that is considered disabled continues to pay a minimum charge of 20% towards their Council Tax Bill

Disabled claimants for the purposes of the scheme are defined as people who have a disability income that entitles them to one of the following premiums: disability, severe disability, enhanced disability, disabled child and/or carer when calculating their benefit.

Havering's Local Council Tax Support Scheme

In this document 'the current scheme' means Havering's existing Council Tax Support scheme which was adopted in January 2013 and then amended with effect from April 2014, 2015 and again with effect from April 2019.

Unless expressly stated otherwise, the provisions outlined below relate solely to working age applicants under the current scheme.

This document summarises the Council's proposed Scheme for eligible working age Council Tax payers to receive Council Tax Support.

The scheme applicable to pensioners is defined in The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, Part 3, and Schedules 1 to 6, which is adopted within this scheme.

The procedure for the application and calculation of the 2019 scheme is summarised below and is made in accordance with Schedules 7 and 8 of the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012.

The principles embodying the Local Council Tax Support Scheme include:

- Local authorities will be expected to manage significant reductions in subsidised expenditure.
- Regulations have been set to protect claimants of state pension credit age.
- Local authorities will consult on their schemes with precepting authorities and the public.
- The Council will adopt the final scheme before 31 March 2020 or the default scheme will apply.
- Local authorities should aim to protect vulnerable groups.
- In developing schemes, local authorities should consider incentivising claimants into work.

The Local Council Tax Support Scheme includes the following:

- Introduction and definitions
- Prescribed of persons
- Provisions relating to entitlement under the scheme
- Applicable amounts
- Maximum Council Tax Reduction
- Amount of reduction under the scheme
- Assessment of Income and Capital under the scheme
- Students
- Applications
- Extended reductions
- Period of entitlement and changes of circumstances
- Schedules

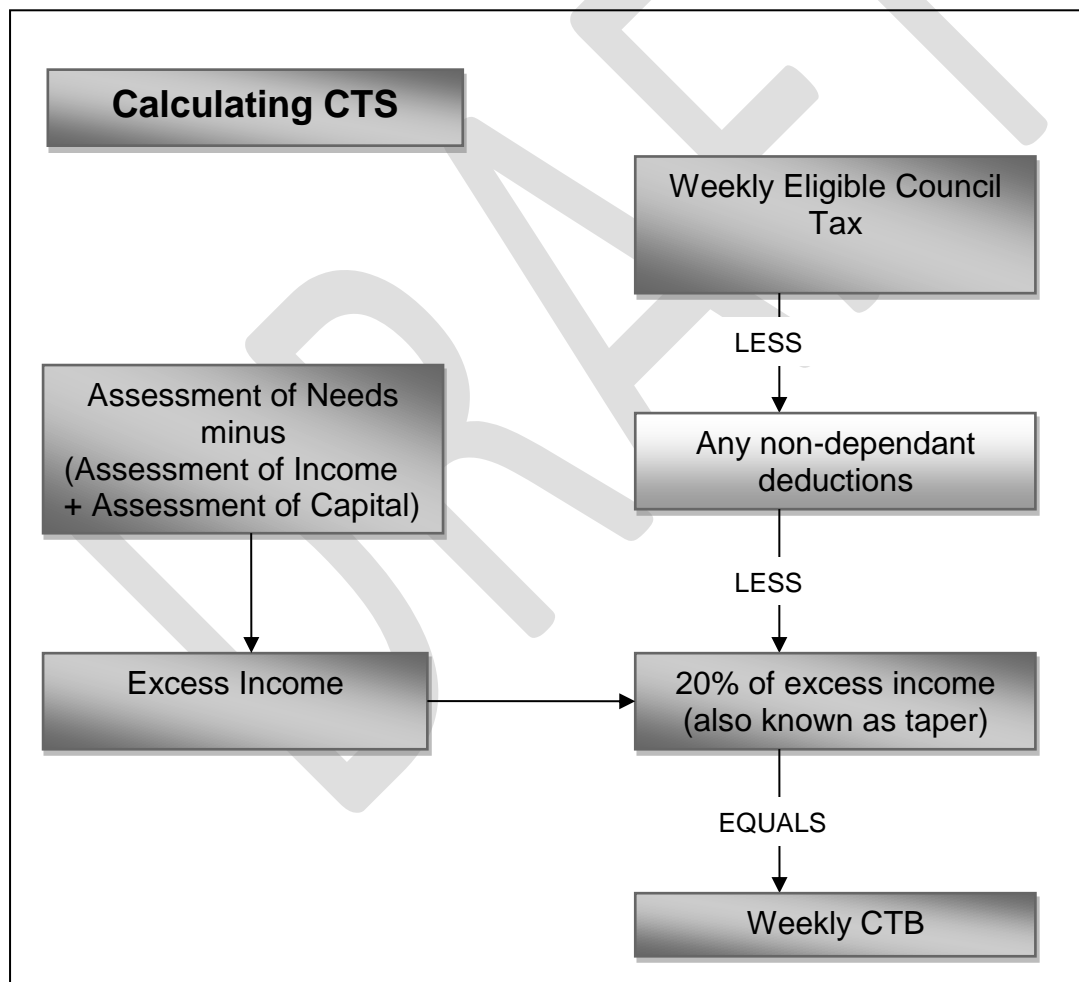
The Council Tax Support Calculation

The starting point for all calculations of Council Tax Support is the claimant's 'maximum benefit'. This is the claimant's weekly eligible Council Tax less any non-dependant deductions that apply.

Income and capital are compared to the claimant's applicable amount. Any income over the applicable amount is known as the Excess Income.

The claimant qualifies for maximum support less 20% of any excess income figure. The 20% reduction to the maximum benefit is known as a taper.

Claimants in receipt of Job Seeker's Allowance, Income Support or Universal Credit have already been assessed by the Department for Work and Pensions (DWP) as having income lower than their applicable amount and so will receive maximum Council Tax Support less any non-dependant deductions.



Non-dependant deductions

A non-dependant deduction is an amount of Council Tax that is due from the CTS claimant because there is another adult (non-dependant), who is not the claimant's partner, living in the household who receives an income. This reduces the amount of

CTS a claimant will receive which is described in paragraph 30A of the 2019 scheme as follows:

- (1) Subject to the following provisions of this regulation, the non-dependant deductions in respect of a day referred to in regulation 29A (maximum Council Tax benefit) shall be—
 - (a) in respect of a non-dependant aged 18 or over in remunerative work, $\text{£}20.00 \times \frac{1}{7}$;
 - (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, $\text{£}6.00 \times \frac{1}{7}$.
- (2) In the case of a non-dependant aged 18 or over to whom paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—
 - (a) Less than $\text{£}207.70$, the deduction to be made under this regulation shall be that specified in paragraph (1)(b);
 - (b) Not less than $\text{£}207.70$ but less than $\text{£}360.10$, the deduction to be made under this regulation shall be $\text{£}9.00$;
 - (c) Not less than $\text{£}360.10$ but less than $\text{£}447.40$, the deduction to be made under this regulation shall be $\text{£}15.00$.

Since 1 April 2014, the eligible weekly Council Tax used to calculate Council Tax Support shall be no higher than the weekly Council Tax Band D value for a property in Havering.

Paragraph 29A (1) of the CTS scheme 2019/20 provides that:

- (1) Subject to paragraphs (2) to (5), the amount of a person's maximum Council Tax benefit in respect of a day for which he is liable to pay Council Tax, shall be 85 per cent of the amount A/B where—
 - (a) A is the amount set by the appropriate authority as the Council Tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
 - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under regulation 58 (non-dependant deductions).
- (2) In calculating a person's maximum Council Tax benefit any reduction in the amount that person is liable to pay in respect of Council Tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.
- (3) The level of any Council Tax Support awarded shall be restricted to the level of band D
- (4) Subject to paragraph (5), where a claimant is jointly and severally liable for Council Tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the claimant who is a student to whom regulation 45(2) (students who are excluded from entitlement to Council Tax benefit) applies, in determining the maximum Council Tax benefit in

his case in accordance with paragraph (1), the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

- (5) Where a claimant is jointly and severally liable for Council Tax in respect of a dwelling with only his partner, paragraph (4) shall not apply in his case.

From April 2019 onwards, Maximum Council Tax Support for working age claimants is 25% (previously 15%). The exception is working age claimants classified as disabled for the purposes of the CTS scheme where maximum Council Tax Support is reduced by 20% (previously 15%).

This means that working age households (not disabled) continue to pay a minimum charge of 25% of their Council Tax Bill and working age disabled households continue to pay a minimum charge of 20% of their Council Tax bill.

Paragraph 29A of the CTS scheme 2020/21 provides that:

(1) Subject to sub-paragraphs (2) to (5), for persons in classes D to E in this scheme a person's maximum Council Tax reduction amount in respect of a day is 75 per cent for working age (not disabled) & 80% for working age (disabled) of the amount A/B where—

(a) A is the amount set by the authority as the Council Tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30A (non-dependant deductions: persons who are not pensioners) and any award restricted to the level of Band D

From April 2015 onwards, the amount of savings and investments people are allowed to have and still be entitled to claim CTS was reduced from £16,000 to £6,000.

The CTS scheme 2013/14 and 2014/15 did not accept claims from applicants who have savings and investments of more than £16,000. These individual were not entitled to any CTS.

From April 2015, applicants who have more than £6,000 in savings or investments are not eligible to claim and therefore have no entitlement to CTS.

Paragraph 23 of the CTS scheme 2020/21 states that:

- (1) The class of person described in this paragraph consists of -
- (a) Persons in class A and B whose capital exceeds £16,000
 - (b) Persons in class D and E whose capital exceeds £6,000.

From April 2015 onwards, Second Adult Rebate was abolished.

Second Adult Rebate supported working age Council Tax payers whose income was too high in their own right for Council Tax Support but who had other adults living in the household whose income was low.

Applications for Council Tax Support

This part applies to both pension-age and working-age applicants

The following procedure has been set in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, referred to as 'the Regulations' below.

Entitlement to CTS is dependent on an application being made in the following way:

An application may be made:

- (a) In writing
- (b) By means of an electronic communication or
- (c) By telephone following publication by the Council of a number for this purpose.

The form provided by the Council for this purpose must be properly completed, and the Council may require the applicant to complete the form in the proper manner, and may further require that further information and evidence is provided by the applicant.

An application will be made defective if the applicant does not provide all of the information the Council requires.

Applications made by telephone will only be accepted if the applicant provides a written statement of their circumstances in the format required by the Council.

The Council will allow a certain length of time for applicants to correct any defects in their application.

The Regulations provide for which classes of people are eligible to make application for Council Tax Support.

Evidence and information

Any person who makes an application or any person to whom a reduction under the CTS scheme 2020/21 has been awarded shall furnish such certificates, documents, information and evidence in connection with the application or award, or question arising out of it as may reasonably be required by the Council in order to determine the person's entitlement. Where the Council requests information it shall inform the applicant or person of their duty to notify the Council of any change of circumstances and shall indicate the kind of changes of circumstances which are to be notified.

Matters related to the electronic communication of information, proof of delivery and content of information will be determined in accordance with Part 4 of Schedule 7 of the Regulations.

Where the person is a pensioner paragraph 7(4) (5) (6) and (7) of Schedule 8 of the Regulations apply which specify matters relevant to evidence and information related to pensioners.

Amendment and withdrawal of applications

Any person who has made an application may amend it at any time before a decision had been made by serving a notice in writing to the Council in accordance with paragraph 8 of Schedule 8 of the Regulations.

Decisions by the Council

The Council will make a decision in respect of any application for a reduction under this scheme in accordance with the criteria set out within the CTS scheme 2020 rules.

The decision will be made within 14 days or as soon as reasonably practicable of the Council receiving at its designated office the properly completed application or the information requested to complete it or the evidence required. The date upon which the Council is deemed to have received the properly completed application shall be determined in accordance with paragraphs 6 of Schedule 1, paragraph 7 and Part 1 of Schedule 7 of the Regulations being satisfied, or as soon as reasonably practicable thereafter.

The Council will notify the applicant or any person affected by its decision under the scheme in writing forthwith, or as soon as reasonably practicable.

Any person affected to whom the Council sends or delivers a notification of a decision to may, within one month of the notification of the decision, request in writing from the Council a statement setting out the reasons for its decision on any matter set out in the notice.

Following receipt of a request for a written statement the Council will provide this within 14 days or as soon as reasonably practicable thereafter.

Where an award or payment of reduction is made the time and manner of granting the reduction under the scheme will be in accordance with Part 5 of Schedule 8 of the Regulations.

Change of circumstances

For persons who are not pensioners the date on which changes of circumstances are to take effect will be determined in accordance with paragraph 4 of Part 2 of Schedule 8 of the Regulations.

Procedure for making an appeal

Any applicant who is not in agreement with the decision of the Council taken under this scheme may service a notice in writing on the Council setting out their reasons and grounds upon which they believe the Council has made the wrong decision.

Following receipt of an appeal in writing the Council will:

- (1) Consider the appeal
- (2) Notify the applicant in writing of the following:
 - (i) Any decision not to uphold the appeal and the reasons for that; or
 - (ii) That steps are being taken to proceed with the appeal and set out what steps.

Where an applicant remains dissatisfied following receipt of any written notice sent by the Council in response to their appeal, they may within two months of the service of that notice, appeal to the valuation tribunal.

Applications for further discretionary reductions

Under Section 13A(1)(c) of the Local Government Finance Act 1992 and The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, the Authority will consider applications for a further reduction in Council Tax.

There will be financial implications in that the cost of any reduction will be a direct cost to the Council. The cost of any discretionary reduction will, therefore, have to be met by the rest of the Council Taxpayers.

Applications must be made in writing or by prescribed electronic communications.

The Council will, in making decisions for further discretionary reductions, have due regard to its duties under The Child Poverty Act 2010, The Housing Act 1996, and The Equality Act 2010.

The Council will review all relevant matters when deciding whether to award a reduction including, but not limited to:

- The circumstances of any other person with whom the applicant is jointly and severally liable for Council Tax.
- The overall financial situation of the applicant and the applicant's family.
- The effect the council believes making an award will have on the applicant and any members of the applicant's family.
- Protecting the public purse and maintaining financial budgets.

A person who applies for a discretionary reduction may request that the Council review its decision. Any such request must be made in writing and be received within one month of the date the notification of the decision.

If practicable, another more senior officer, will reconsider the decision in light of all available evidence and, if appropriate amend it. Any change may lead to either a reduction or an increase in any award.

A further right of review will be available against the decision as reviewed which will be considered by a manager but only against the legality of the decision and not the actual outcome.

dated 2020

The Greater London Authority
and
The London Boroughs
and
City of London Corporation
(together the Participating Authorities)

Memorandum of understanding

in relation to Extended London Business Rates Pool 2020/21

Trowers & Hamlins LLP
3 Bunhill Row
London
EC1Y 8YZ
t +44 (0)20 7423 8000
f +44 (0)20 7423 8001
www.trowers.com

LG Futures Limited
11 Media Village
Liscombe Park
Leighton Buzzard
LU7 0JL
t 01908 410 811
www.lgfutures.co.uk

1 **Background**

1.1 This Memorandum of Understanding (**MOU**) and the appendices which form part of the MOU sets out the basis on which the Participating Authorities have collectively agreed to continue to operate a Business Rates Pool across London and distribute the Financial Benefit. No provision within this MOU is intended to create any legal relations between the Participating Authorities.

1.2 The Participating Authorities agree to act collaboratively and to co-operate with each other in utmost good faith.

1.3 The Government designated a pan-London business rates pool in 2018-19, which piloted 100% retention in that year, and was revised to pilot 75% retention in 2019-20 (the Business Rates Pilots). It confirmed in September 2019 its intention not to renew the London pilot in 2020-21, and for London to revert back to the pre-existing 2017-18 67% retention scheme (which was a partial pilot, reflecting the incremental impact of the rolling in of the Greater London Authority's (**GLA**) Revenue Support Grant (**RSG**) and the Transport for London investment grant).

2 **Aim/Rationale of the Pool**

2.1 The Pool continues to aim to improve the well-being of the communities served by the Participating Authorities in London. By working together, they can retain a greater proportion of business rates Growth within London, providing additional resources to support local communities and strengthen financial resilience following a decade of significant funding reductions.

3 **Principles of the Pool**

3.1 The Participating Authorities hereby confirm their agreement to continue to participate in compliance with this MOU and confirm that they have resolved or intend to duly and

properly resolve to accept the Designation Order in satisfaction of Schedule 7B, Paragraph 34(2) of the Local Government Finance Act 1988 (**LGFA 1988**) and to enter into this MoU.

3.2 From 1 April 2020 the Participating Authorities shall retain 67% of their Non-Domestic Rating Income. The Participating Authorities shall also continue to receive Section 31 Grant from the Government in respect of changes to the business rates system. Section 31 Grant shall amount to 100% of the value of the lost income so will also be calculated on a 67% retention basis.

3.3 In returning to 67% rates retention, the Ministry of Housing, Communities and Local Government (**MHCLG**) will once again pay RSG to the Participating Authorities in 2020-21 with tariffs and top-ups reverting back to the levels calculated by government within the 2020-21 Local Government Finance Settlement that reflect the underlying 50% retention scheme, with a borough share of 30%. The GLA's tariff will be calculated based on its partial pilot of 37% retention, to reach the total 67% retention scheme.

3.4 The Safety Net level of the pool will be 92.5% of the aggregate Baseline Funding Level of the pool, and the Levy rate (reflecting the relative scale of the pool's aggregate Business Rates Baseline and Baseline Funding Level) is estimated to be 19 pence in the pound (the Final Local Government Finance Settlement will formally confirm the levy rate).

3.5 This Pool shall have no impact on Enterprise Zones or "designated areas" where the designations made by the Secretary of State came into force on or before 1 April 2020, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the City of London Corporation (**COLC**), as currently contained in Part II of Schedule 7 to the LGFA 1988 and paragraph 1(2) of Schedule 1 to the Non-Domestic Rating (Rates Retention) Regulations 2013/452.

4 **Term of MOU**

4.1 Subject to clause 4.2, this MOU comes into effect for the Non-Domestic Rating Income on 1 April 2020 and terminates on 31 March 2021 (the **Term**), unless otherwise agreed in writing by all the Participating Authorities or unless terminated in accordance with paragraph 9 below ("Dissolution of the Pool") or extended on the same basis for 2021-22.

4.2 Notwithstanding termination or expiry of the MOU Participating Authorities will continue to implement / operate any outstanding Activities agreed for the Term till such time as the Activities are complete, the annual report is issued and the final Reconciliation Payments are settled by the Lead Authority.

5 **Distribution of any Financial Benefit or Deficit**

5.1 This MOU shall constitute the agreement for the operation of the Pool in which:

5.1.1 Where there is sufficient retained income in the pool to guarantee it, each of the Participating Authorities shall receive at least as much from the Pool as they would have individually received under the non-pooled 67% retention scheme;

5.1.2 Any Financial Benefit will be distributed through the Redistribution Pots agreed by Participating Authorities in the former Business Rates Pilots. However, London Councils Leaders' Committee and the Mayor of London agreed to remove the Strategic Investment Pot (**SIP**) as a redistribution pot. The Financial Benefit will therefore be apportioned using the three remaining Redistribution Pots, in in the agreed proportions set out in clause 5.1.3 below

5.1.3 The distribution of Financial Benefit arising from the pooling arrangement will be allocated to Billing Authorities on the basis of the following proportions:

- (a) Incentives Pot: 18% of the Financial Benefit to incentivise Growth by allowing the Billing Authorities where Growth occurs to keep a proportion of the additional funds retained as a result of the Pool. The proportion shall reflect, for authorities with Growth, each Billing Authority's share of the total Growth prior to Levy;
- (b) Needs Pot: 41% of the Financial Benefit to reflect, as proxy for need, each Billing Authority's share of the total the Settlement Funding Assessment for the London Billing Authorities;
- (c) Population Pot: 41% of the Financial Benefit according to each Billing Authority's per capita formulation as calculated by the most recent available ONS projection for 2020 at the time of distribution.

5.1.4 The GLA will be included in the 2020-21 pool. However, the GLA shall not receive Financial Benefit arising from pooling (as discussed at the London Councils Leaders' Committee and with the Mayor of London in October 2019).

5.1.5 In the event of the Pool generating a Financial Deficit (being in a worse financial position than the aggregate position had Participating Authorities not agreed to pool), any Participating Authority who would have qualified for a Safety Net payment had they not been part of the Pool will be guaranteed to retain a level of business rates equal to their Safety Net level as calculated by government. The remaining net Financial Deficit will be shared among all Participating Authorities in accordance with approach agreed, with the GLA funding 36% of the Financial Deficit and the Billing

Authorities who would not have qualified for a Safety Net payment had they not been part of the Pool (the Remaining Billing Authorities) funding the remaining 64% of the Financial Deficit The distribution to the Remaining Billing Authorities of their 64% of a Financial Deficit will reflect the following proportions:

- (a) 50% of the Remaining Billing Authorities' share of a Financial Deficit according to each Remaining Billing Authority's share of the total Settlement Funding Assessment for the Remaining Billing Authorities (Needs Pot);
- (b) 50% of the Remaining Billing Authorities' share of a Financial Deficit according to each Remaining Billing Authority's per capita formulation as calculated by the most recent available ONS projection for 2020 at the time of distribution (Population Pot).

6 Lead Authority

6.1 COLC, as the Lead Authority, shall continue to act as the accountable body to Government and administer the Pool. The Participating Authorities hereby acknowledge that the Lead Authority is carrying out valuable services on behalf of the Participating Authorities, and that it is entitled to reimbursement of its reasonable costs and expenses in providing those services. This MOU makes provision for the reimbursement in the calculation of Financial Benefit.

6.2 The GLA shall provide transactional support to the Lead Authority, including administering and operating treasury management and making any monetary transfers between Participating Authorities in respect of the Pool on behalf of the Lead Authority including any sums due to the GLA.

6.3 These monetary transfers between Participating Authorities will be collected or paid by the GLA on the basis of a schedule of payments which will be determined by the GLA

in consultation with the COLC, reflecting the Government's Payment Requirements and scheduled instalment dates. which are prescribed in secondary legislation. (This reflects the fact that the GLA already has the systems in place to manage payment flows to and from Billing Authorities for the existing business rate retention scheme).

6.4 The GLA shall also transfer any sums required to COLC based on the schedule of instalments agreed with MHCLG so that COLC as Lead Authority can pay the net Tariff payment payable by the Pool as approved in the Local Government Finance Settlement.

6.5 COLC shall also transfer any sums COLC receives from MHCLG in Safety Net payments to the GLA so that the GLA can distribute this to Participating Authorities if applicable.

6.6 The Lead Authority's responsibilities shall include:

6.6.1 all accounting for the finances of the Pool and the balance of SIP funds remaining from prior years including payments to and from the Government;

6.6.2 management and administration of the Pool;

6.6.3 receiving payments from Participating Authorities and making payments to Government on behalf of Participating Authorities on time;

6.6.4 maintaining a cash account on behalf of the Pool and paying Interest on any credit balances;

6.6.5 liaising with and completing any formal Pool returns to central government;

6.6.6 administering the schedule of payments between Participating Authorities in respect of the financial transactions that form part of the Pool's resources;

- 6.6.7 providing the information required by Participating Authorities in preparing their annual statement of accounts in relation to the activities and resources of the Pool;
 - 6.6.8 leading on reporting to understand the Pool's position during and at the end of the financial year;
 - 6.6.9 responsibility for the Pool's net Tariff payment to Government as well as the Tariff and Top up payments to and from the Participating Authorities individually;
 - 6.6.10 all audit requirements in relation to the Pool;
 - 6.6.11 production of an annual report (**Annual Report**) of the Pool's Activities following final allocation of funds for the year, which along with any final reconciliation payments required, concludes the rights and obligations of the Participating Authorities under this MoU (unless it has been extended for a further financial year);
 - 6.6.12 the administration of the dissolution of the Pool;
 - 6.6.13 all communications with the MHCLG including year-end reconciliations;
 - 6.6.14 convening a Technical Group to advise the Lead Authority and Participating Authorities on the implications of the Pool and other proposed changes to business rates retention;
 - 6.6.15 the collation and submission of information required for planning and monitoring purposes.
- 6.7 The Lead Authority may resign from its role on 3 months' written notice to all the Participating Authorities (or longer if required by the Government or where another

Participating Authority is neither ready nor willing to assume the role of Lead Authority).

6.8 Transfers outside the pool relating to retained business rates (e.g. Section 31 Grant Payments, MHCLG's share of individual Billing Authority collection fund surpluses or deficits, MHCLG's share of business rates income and transitional protection payments) will continue to be made between MHCLG and Participating Authorities.

7 **Governance**

7.1 The Participating Authorities have resolved, if required, to delegate Administrative Functions in respect of their Powers in Relation to Business Rates Retention to COLC as the Lead Authority.

8 **Participating Authorities' responsibilities**

8.1 Each of the Participating Authorities shall promptly provide the Lead Authority with full and accurate relevant information (the "**Reporting Information**") in order to enable the Lead Authority to make payments to Government and to and from the Participating Authorities.

8.2 The Lead Authority shall request the Reporting Information and each Participating Authority shall provide timely Reporting Information to the Lead Authority.

8.3 Each Participating Authority shall make or receive payments to or from the Lead Authority based on the schedule of payments dates referred to in paragraph 6.2 and as required after the end of the financial year to settle any outstanding balances under this MOU.

9 **Dissolution of the Pool**

9.1 The pool is presumed to continue to operate for 2020-21 only in respect of which the Government Designation Order continues in force. These Designation Orders are made and remain in force until revoked.

- 9.2 Any Participating Authority seeking to leave the Pool should inform MHCLG and all other Participating Authorities as soon as possible. In the event of one or more Participating Authorities leaving the Pool, this Pool would cease to operate at the end of 31st March of that year and the Pool would be dissolved in accordance with the provisions of this MOU. Once the Pool has been established, any Participating Authority leaving the Pool must notify the other Participating Authorities by 30th September in any year, to allow the remaining Participating Authorities time to seek designation of a new pool for the following year.
- 9.3 The Lead Authority shall make the necessary calculations and submit the required returns associated with the dissolving of the Pool in accordance with paragraph 9.2.
- 9.4 In the event that the Pool is dissolved in accordance with paragraph 9.2, the Lead Authority shall distribute to the Participating Authorities any resources held on behalf of the Pool in accordance with the distribution formula set out at paragraph 5.1.2 above. The final balance of SIP funds shall be allocated in a further round, once the financial year of dissolution is completed and the amount finalised.
- 9.5 Subject to paragraph 6.7, COLC shall continue to act as Lead Authority for as long there are any outstanding responsibilities under this MoU.
- 9.6 The remaining Participating Authorities of the Pool may in their discretion agree to form a new pool and, if they wish, include new members for the following year (subject to a new Designation Order being made by the Secretary of State).
- 9.7 This MOU may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of the MOU.

Appendix 1

Glossary

Activity/ies	the activities and responsibilities of each of the Lead Authority and Participating Authorities as set out in this MOU.
Administrative Functions	the granting by one Participating Authority to another the authority to exercise its powers, pursuant to s101 Local Government Act 1972 or Section 9EA(1) of the Local Government Act 2000 where the Participating Authorities operate executive arrangements.
Annual Report	the annual report of the Participating Authorities' activities produced by the Lead Authority in accordance with clause 6.6.11.
Baseline Funding Level	the minimum funding level required for the relevant year in accordance with the Non-Domestic Rating (Levy and Safety Net) Regulations 2013 as amended.
Billing Authorit(y/ies)	the relevant billing authority, as defined by the Local Government Finance Act 1992 in London for a local area.
Business Rates Baseline	the anticipated business rates to be collected by an Participating Authority for the relevant year in accordance with the Non-Domestic Rating (Levy and Safety Net) Regulations 2013 as amended.
Business Rates Pilot	the pilot programme of Government aimed at increasing the level of business rates retained by local government.
Business Rates Pool	a collection of the combined business rates income and any growth by the Participating Authorities.
COLC	City of London Corporation.
Designation Order	an order made by the Secretary of State pursuant to paragraph 35, Part IX, Schedule 7B of The Local Government Finance Act 1988.

Enterprise Zones	areas designated by the Government across England (and for the purposes of this MOU in London specifically) that provide tax breaks and Government support.
Financial Benefit or Deficit	<p>is the total of:</p> <p>The Lead Authority's reasonable costs of supporting the Pool, accounted for on an accruals basis in accordance with the Code of Practice on Local Authority Accounting.</p> <p>The difference between the total of the Participating Authorities' retained rates income, calculated in accordance with the <i>Non-Domestic Rating (Levy and Safety Net) Regulations 2013 (as amended)</i> (the level they would have had had there been no Pool) and the total applicable to the Pool, similarly calculated.</p>
GLA	Greater London Authority.
Government	Her Majesty's Government in the United Kingdom.
Growth	the amount equal to the difference between a Participating Authority's retained rates income (as defined by the <i>Non-Domestic Rating (Levy and Safety Net) Regulations 2013 (as amended)</i>) and its business rates baseline (as similarly defined).
Interest	interest at such rate as is achieved during the relevant period by the Lead Authority, operating according to the treasury management strategy set by its members.
Lead Authority	COLC or such authority as may succeed COLC following a resignation by COLC pursuant to 6.7.
Levy	the amount (up to 50%) of the Growth due to Government from an authority or pool, calculated according to the <i>Non-Domestic Rating (Rates Retention and Levy and Safety Net) Regulations 2013/737 as amended</i> , and at the rate determined therein.
LGFA 1988	the Local Government Finance Act 1988 (as

	amended).
Local Government Finance Settlement	the annual determination by the Government of funding to local government, published pursuant to Schedule 7B, paragraph 5 of LGFA 1988.
Local Share	as described in Schedule 7B of the LGFA 1988, is the amount of non-domestic rating income retained by billing and precepting authorities in a geographical area, as opposed to returned to MHCLG via the Central Share.
MHCLG	the Ministry of Housing, Communities and Local Government.
Non-Domestic Rating Income	the Participating Authority's business rates income for the purposes of calculating the Safety Net and Levy, as defined in the Non-Domestic Rating (Rates Retention) Regulations 2013 (SI2013/452) (as amended).
Non-Domestic Rating Levy Regulations	the Non-Domestic Rating (Rates Retention and Levy and Safety Net) Regulations 2013/737 as amended.
Non-Domestic Rating (Rates Retention) Regulations 2013	Non-Domestic Rating (Rates Retention) Regulations 2013/452 as amended.
ONS	Office for National Statistics.
Participating Authorities	all the Authorities that are party to this MOU.
Payment Requirements	the schedule of payments described in Regulation 15 to the Non-Domestic Rating (Rates Retention) Regulations 2013/452 (as amended) or agreed between Participating Authorities in accordance with those regulations.
Pool	the specific Business Rates Pool as set out in this MOU.
Powers in Relation to Business Rates Retention	for Billing Authorities, powers under the Non-Domestic Rating (Rates Retention) Regulations 2013 to COLC acting as the Lead Authority; and for the GLA as a major precepting authority

Reconciliation Payment

under s.39(1)(aa) of the Local Government Finance Act 1992.

such payments as are required to adjust the amounts paid based on the GLA schedule as set out in clause 6.3 and the final amounts shown in the Annual Report.

Redistribution Pots

the four elements of the redistribution mechanism agreed between the Participating Authorities for the 2018-19 and 2019-20 Pilots:

- The **Incentives Pot** to incentivise growth by allowing the Billing Authorities where growth occurs to keep a proportion of the additional resources retained as a result of the Pool;
- The **Needs Pot** to reflect relative need for resources, using each Billing Authority’s share of the total the Settlement Funding Assessment for the London Billing Authorities as a proxy;
- The **Population Pot** to reflect the size of the communities served by Participating Authorities.
- The **Strategic Investment Pot** to meet the commitment to Government to joint strategic investment by the Participating Authorities.

Remaining Billing Authority

means those Billing Authorities who would not have received a Safety Net payment had they not been in the Pool as set out in clause 5.1.6.

% Retention

is the proportion of non-domestic rating income retained under the *Non-Domestic Rating (Rates Retention) Regulations 2013 (as amended)*. At its outset, this allowed London Billing Authorities to retain 30% and the GLA, as preceptor, to retain 20%, a Local Share of 50%.

Revenue Support Grant or RSG

Revenue Support Grant, pursuant to Part V of

Safety Net

the LGFA 1988.

the amount due from Government to an Authority or Pool, calculated according to the Non-Domestic Rating (Rates Retention and Levy and Safety Net) Regulations 2013/737 as amended, to ensure that the income of the Authority or Pool does not fall below the threshold determined, usually 92.5% of Baseline Funding Level.

Section 31 Grant

the additional funding available for local authorities towards expenditure pursuant to section 31 of the Local Government Act 2003.

Settlement Funding Assessment

the funding assessed as available to an individual authority by Government, published each year as part of the Local Government Finance Settlement.

Strategic Investment

is that which will contribute to the sustainable growth of London's economy or support the delivery of new infrastructure, housing or employment, which leverage funding from other public and private sources (e.g. the local authority, planning obligations etc), and lead directly to or are expected to facilitate an increase in London's overall business rates income.

Strategic Investment Pot / SIP

the pot of funds for Strategic Investment under previous Business Rates Pilots.

Tariff or Top Up

the amount due to or from an authority or pool determined (under Schedule 7B, Paragraph 12 of LGFA 1988) by the Secretary of State, and published in the Local Government Finance Settlement, being the difference between its Baseline Funding Level and its Business Rates Baseline for the year.

Technical Group

a group of primarily finance and revenues professionals, membership to be agreed by the Lead Authority in consultation with the Participating Authorities, convened by the Lead Authority to advise on the implications of the Pool and other proposed changes to business rates retention.

Term

The term of this MOU as set out in clause 4.1.

10 **Signatories for and on behalf of the Participating Authorities below in their official capacity**

Greater London Authority	Name..... Position.....
The Common Council of the City of London	Name..... Position.....

The following London Boroughs:

London Borough of Barking and Dagenham	Name..... Position.....
London Borough of Barnet	Name..... Position.....

London Borough of Bexley	Name..... Position.....
London Borough of Brent	Name..... Position.....
London Borough of Bromley	Name..... Position.....
London Borough of Camden	Name..... Position.....
London Borough of Croydon	Name..... Position.....
London Borough of Ealing	Name..... Position.....

London Borough of Enfield	Name..... Position.....
London Borough of Greenwich	Name..... Position.....
London Borough of Hackney	Name..... Position.....
London Borough of Hammersmith and Fulham	Name..... Position.....
London Borough of Haringey	Name..... Position.....
London Borough of Harrow	Name..... Position.....

London Borough of Havering	Name..... Position.....
London Borough of Hillingdon	Name..... Position.....
London Borough of Hounslow	Name..... Position.....
London Borough of Islington	Name..... Position.....
London Borough of Kensington and Chelsea	Name..... Position.....
London Borough of Kingston upon Thames	Name..... Position.....

London Borough of Lambeth	Name..... Position.....
London Borough of Lewisham	Name..... Position.....
London Borough of Merton	Name..... Position.....
London Borough of Newham	Name..... Position.....
London Borough of Redbridge	Name..... Position.....
London Borough of Richmond upon Thames	Name..... Position.....

London Borough of Southwark	Name..... Position.....
London Borough of Sutton	Name..... Position.....
London Borough of Tower Hamlets	Name..... Position.....
London Borough of Waltham Forest	Name..... Position.....
London Borough of Wandsworth	Name..... Position.....
City of Westminster	Name..... Position.....

**VIREMENT AND CONTINGENCY RULES
PART 4 : RULES OF PROCEDURE
CONSTITUTION OF LONDON BOROUGH OF HAVERING**

Virements

Virement is the ability to meet increased expenditure or reduced income under one service's budget head from savings in another. Virements may be used for both revenue and capital budgets.

Any decisions taken by the Executive shall not exceed those budgets allocated to each relevant budget head. Members do not have authority to create budgets.

Approval of virements must comply with the limits laid down in the Financial Procedure Rules (FPR).

Budget virements are required when a change to Council policy and/or service delivery requires resources to be reallocated, or when additional resources are received, or to meet any anticipated budgetary shortfalls.

All virements, whether revenue or capital, are subject to the following authorisation process as set out in the FPR, under Financial Planning and Financial Management, Section 6 of the FPR:

- (a) Virements in excess of £1 million will require Cabinet approval.
- (b) Virements between £500,000 and up to £999,999 will require approval by the relevant Cabinet Members.
- (c) All other virements will need to comply with procedures specified by the Chief Financial Officer.

The cumulative value of virements for the year should be considered when deciding whether the various thresholds have been reached. The Chief Financial Officer will take the final decision as to whether a number of smaller virements need to be grouped together for threshold calculation purposes.

Use of Contingency Funds

The Chief Financial Officer may set up a central contingency fund. There will only be one such fund for the entire Council.

The Chief Financial Officer is authorised to release sums from the contingency if:

- (a) the amounts fall within the normal delegation arrangements, and
- (b) the item is deemed by them as unforeseen and a relevant use of the contingency, or
- (c) if the item is urgent (e.g. an emergency or threat to life) and there is insufficient time to consult with the relevant Cabinet Member.

The relevant Cabinet Member can release all other sums from the contingency if:

- (a) the item is deemed by the Chief Financial Officer as unforeseen and a relevant use of the contingency, or

- (b) the item is urgent (e.g. an emergency or threat to life) after consultation with the Chief Financial Officer.

The Chief Executive has power to incur expenditure from the Contingency Budget without any further approval in exercise of their powers under paragraph 3.2 of part 3 of the Constitution to incur expenditure in connection with an emergency or disaster within the borough.

The Chief Financial Officer will also provide for a level of contingency for capital projects that is appropriate in their view, taking into account the level of risk associated with the capital programme. Sums will be released in accordance with the capital virement rules set out in the Financial Procedure Rules.

OVERVIEW AND SCRUTINY BOARD

6 February 2020

Subject Heading:

Quarter 1 Corporate Performance Report (2019/20)

SLT Lead:

Jane West, Chief Operating Officer

Report Author and contact details:

Sandy Hamberger, Assistant Director of Policy, Performance and Community (01708 434506)
sandyhamberger@havering.gov.uk

Policy context:

The report sets out Quarter 1 performance against each of the strategic goals set out in the Corporate Plan and against the more operational performance indicators monitored by the six overview and scrutiny sub-committees.

Financial summary:

There are no direct financial implications arising from this report which is for information only. Adverse performance against some corporate performance indicators may have financial implications for the Council.

All service directorates are required to achieve their performance targets within approved budgets. The Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience financial pressure from demand led services.

Is this a Key Decision?	No
Is this a Strategic Decision?	No
When should this matter be reviewed?	The Corporate Performance Report will be brought to Overview and Scrutiny Board at the end of each quarter, with an annual report brought at the end of Quarter 4.
Reviewing OSC:	The overview and scrutiny sub-committees have each selected a basket of indicators that they will track performance against throughout the year, some of which are also reported in the Corporate Performance Report.

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

The Corporate Performance Report provides an overview of the Council's performance for each of the strategic goals in the 2019/20 Corporate Plan and highlights good performance and potential areas for improvement. As agreed in the Overview and Scrutiny Board terms of reference, the Corporate Performance report is presented for information.

Also included is an overview of the more operational performance indicators monitored by the overview and scrutiny sub-committees. At the time of reporting for Quarter 1, the Health Overview and Scrutiny Sub-committee had not selected a set of indicators for regular monitoring in 2019/20. Instead, the sub-committee requested that relevant performance information be presented within three presentations, from North East London Foundation Trust (NELFT), Barking, Havering and Redbridge University Trust (BHRUT) and the council's Health and Wellbeing Manager. From these presentations, some areas for monitoring have been identified and these will be considered at the next meeting.

RECOMMENDATIONS

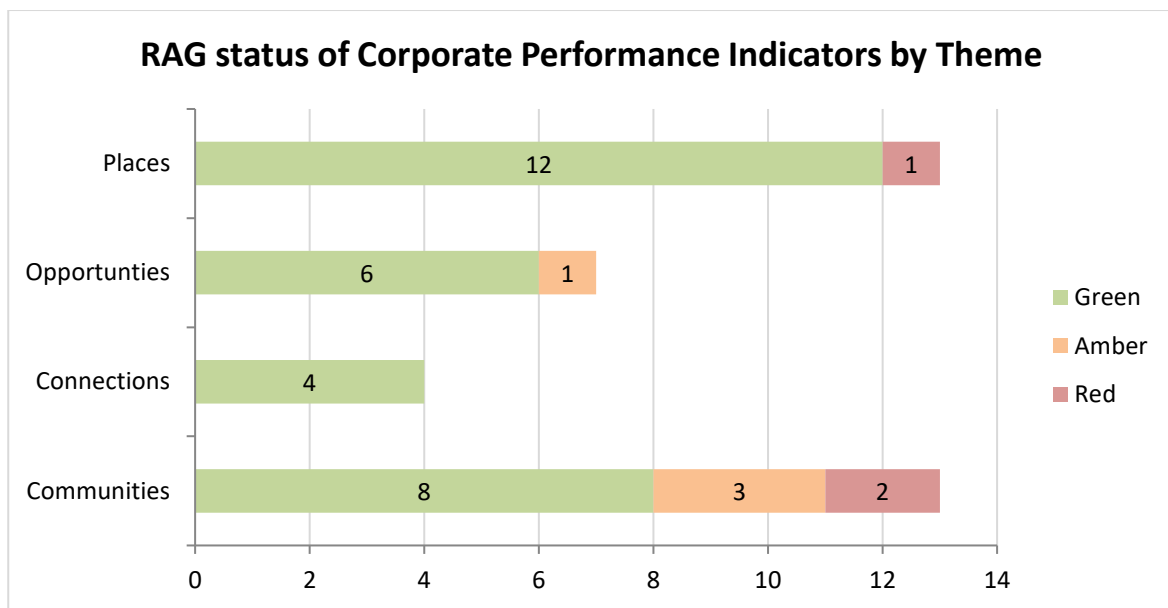
That Members of the Overview and Scrutiny Board:

Review the performance set out in **Appendix 1** and **Appendix 2** and the corrective action that is being taken to improve this where necessary.

REPORT DETAIL

Corporate Performance Report Quarter 1 2019/20 Summary

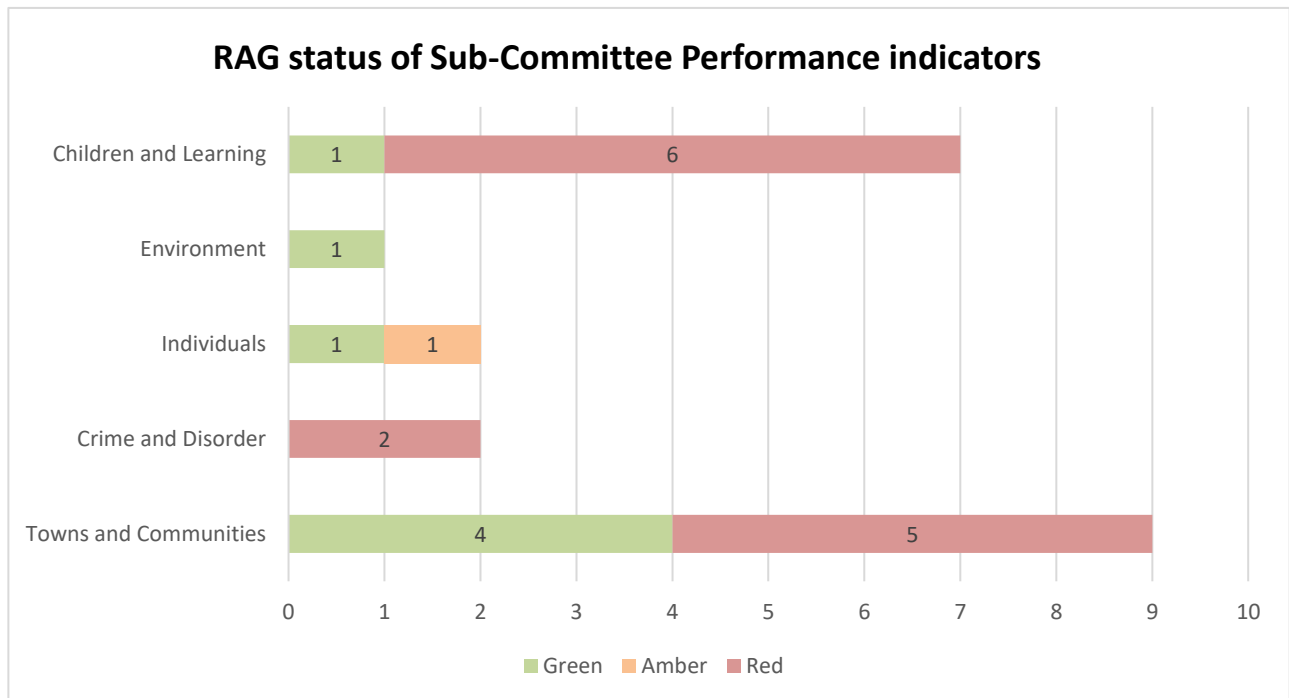
1. For Quarter 1, a RAG status has been provided for 37 of 47 Corporate Performance Indicators.



2. In summary, of those corporate performance indicators that have been RAG rated:

- **30** (81%) have a **Green** (on track) status
- **4** (11%) have an **Amber** status
- **3** (8%) have a **Red** (off track) status

Summary of Overview and Scrutiny Sub-Committee Performance Reports Quarter 1 2019/20



3. In total, 30 Performance Indicators have been included in the Quarter 1 2019/20 report. Of these 21 have been assigned a RAG status.
4. In summary, of those PIs with a target set against them:
 - **7** (33%) have a RAG status of **Green** (on target).
 - **1** (5%) has a RAG status of **Amber** (off target but within the agreed tolerance)
 - **13** (62%) have a RAG status of **Red** (off target and outside the agreed tolerance).
5. It is worth noting that when selecting indicators for monitoring in 2019/20, the Children and Learning Overview and Scrutiny Sub-Committee adopted indicators which were challenging in the previous financial year and where members therefore felt that additional focus was required. As such, six of these have a RAG status of red as at the end of Quarter 1.
6. The Fire Risk Assessment indicator is currently under review and will be reported once that has been completed.

The full Quarter 1 performance report is attached as **Appendix 2**.

REASONS AND OPTIONS

Reasons for the decision: To provide Overview and Scrutiny Board Members with an update on the Council's performance during Quarter 1 2019/20.

Other options considered: N/A

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications arising from this report. Whilst it is expected that targets will be delivered within existing resources, it should be noted that adverse performance against some indicators may have financial implications for the Council. However, officers regularly review the level and prioritisation of resources required to achieve the targets agreed by Cabinet at the start of the year.

Robust ongoing monitoring is undertaken as part the established financial and service management processes and the Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience significant financial pressures in relation to a number of demand led services such as housing and children's services and adults' social care. SLT officers are focused upon controlling expenditure within approved directorate budgets and within the total General Fund budget through the delivery of savings plans and mitigation plans to address new pressures that are arising within the year.

Human Resources implications and risks:

There are no Human Resources implications or risks arising directly from this report.

Legal implications and risks:

Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan on a regular basis.

Equalities implications and risks:

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The following Corporate Performance Indicators rated as 'Red' could potentially have equality and social inclusion implications for a number of different social groups if performance does not improve:

- % of Havering parents receiving an offer of their first preference secondary school
- % of care leavers (aged 19-21) in education, employment or training
- The level of waste per head of population presented to the East London Waste Authority (ELWA)

The following overview and scrutiny sub-committee performance indicators currently rated as 'Red' could potentially have equality and social inclusion implications for a number of different social groups if performance does not improve:

- % of Housing services complaints answered within target time
- % of all repairs completed within target Main Contractor(s) (cumulative)
- % HRA Gas servicing compliance (General needs & Sheltered)
- % of arrears over debit
- Average days re-let time of ALL HRA Voids
- % of "I" calls responded to within target
- % of "S" calls responded to within target
- Number of apprentices aged 16-18 recruited in the borough
- Number of apprentices aged 19+ recruited in the borough
- Percentage of Initial Child Protection conferences held within 15 days
- Percentage of looked-after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order)
- Number of new in-house foster carers (cumulative)
- Percentage of care leavers (aged 19-21) in education, employment or training

The commentary for each indicator provides further detail on steps that will be taken to improve performance and mitigate these potential inequalities.

BACKGROUND PAPERS

None

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RAG Rating	Description
GREEN	On track
AMBER	Worse than target but within target tolerance
RED	Worse than target and outside tolerance
N/A	Information not available due to: -Only reported annually -Information not provided -Cannot be RAG rated as volumetric: does not have a target / not a performance indicator but outcome

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 1 Performance	RAG Rating	Comment
CM1	Community	Families and communities look after themselves and each other	The number of instances where an adult patient is ready to leave hospital for home or move to a less acute stage of care but is prevented from doing so, per 100,000 population (delayed transfers of care)	Lower is better	7	5.72	GREEN	There has been a significant improvement in the outturn for this indicator. To date there has been an average of 11.4 delays to discharges per month, at the same stage last year there were 15. The vast majority of delays continue to be in the acute sector and are the responsibility of Health.
CM2	Community	Families and communities look after themselves and each other	Increase residents using next generation assistive technology	N/A	OUTCOME	ON TRACK	GREEN	A six weeks trial is in the pipeline, this summer, for Havering Council to provide digital technology to a handful of residents already known to Adult Social Care. This trial is being planned as a 'proof of concept' (PoC) that the next generation of assistive technology will deliver better outcomes for service users and residents in Havering, reducing the need for other services across health and social care. The PoC will allow us to test how we can apply new technology to improve independence and quality of care. It should also allow residents to remain at home for longer. The technology also provides opportunity for better care in community and improved technology for family or friends that care for the resident on a day to day basis. This is not a 'one size fits all' trial, initially these residents will be provided with equipment that will suit their lifestyle needs and circumstances. With consent, varying data and information will be collected to determine if their care and support outcomes and needs can be met and potentially improved upon. These residents will also be offered the opportunity to continue to utilise the equipment after the six weeks trial has been completed.
CM3	Community	Families and communities look after themselves and each other	Community hub usage	N/A	OUTCOME	ON TRACK	GREEN	Consultation and Engagement for Libraries, Children Centre and Community hubs has started and finishes on 18th September. The consultation has already generated a wealth of good suggestions from residents which will be analysed this autumn in order to inform the Council's future plans.
CM4	Community	Families and communities look after themselves and each other	Percentage of homeless preventions and reliefs (homelessness resolved without the provision of temporary accommodation)	Higher is better	70%	88.80%	GREEN	The focus on prevention activities by intervening at the earliest possible stage has resulted in improved prevention outcomes. In addition to this, housing advice was also provided to a further 111 households
CM5	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference primary school	Higher is better	87%	87.50%	GREEN	Havering once again achieved strong performance in 2019 in relation to the percentage of parents receiving an offer of their first preference school. For primary schools we have comfortably met the target set.
CM6	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference secondary school	Higher is better	80%	76.70%	RED	For secondary schools, while we have seen a slight reduction on the previous year and not met the challenging target we set ourselves, our performance remains the highest in London. Data for the September 2020 intake will be available for reporting in the fourth quarter.
CM7	Community	Giving children the best start in life	Children's services rated as Good with Outstanding features by 2022	N/A	OUTCOME	ON TRACK	GREEN	Following Children's Services being inspected in June 2018 and receiving an overall judgement of Good, an improvement programme has been developed consisting of seven individual projects, which collectively respond to the feedback from Ofsted. Delivery of the projects is overseen by a Transformation and Improvement Board, which receives regular highlight reports and over the coming months will conduct 'deep dives' on each of the projects in turn. Deliverables reported to the board at its last meeting include: <ul style="list-style-type: none"> • Implementation of a new Quality Assurance Framework, with associated tools and training, which have been well received by the service; • The interim appointment of a Social Work Practice Development Manager to provide further capacity around practice development; • Development of a Case Recording Principles document to assist with improvements in the quality and timeliness of recording; and • Commenced pilot of new social work supervision template across social care services. A set of performance indicators have also been agreed for the projects and progress against these will be monitored by the Board from September.
CM8	Community	Communities: Havering residents are healthy and active	School readiness - % of children achieving a good or better level of development at age 5 (EYFSP)	Higher is better	74%	72%	AMBER	Standards for children in reception classes (five year olds) in Havering were average when compared to all children in England in 2018. The proportion of children achieving a Good Level of Development (GLD) in Havering remained at 72% in 2018 – exactly the same as the national average. Data for the 2019 academic year will be available for reporting in Quarter 2.
CM9	Community	Havering residents are healthy and active	Reducing % of physically inactive adults	Lower is better	23%	22.37%	AMBER	22.4% of Havering adults surveyed in Sport England's 2017/18 Active Lives survey reported that they engage in less than 30 minutes of physical activity per week. Compared to regional and national averages in 2017/18, Havering is similar to London (22.0%) and England (22.2%). The survey methodology for this measure changed in 2016 and thus trend data is not available.
CM10a	Community	Havering residents are healthy and active	Number of settings registered with Healthy Early Years London	Higher is better	N/A	45	N/A	As at June 2019, 45 settings in Havering were registered with the Healthy Early Years London programme. Of the Havering settings registered, 26 have achieved the HEYL First Steps award, 8 the HEYL Bronze award, 6 the HEYL Silver award and 0 the HEYL Gold award. The Healthy Early Years London Programme provides support and resources which encourage settings to reflect on their practice and introduce initiatives to address health inequalities and ensure all children have a healthy start in life. In Havering, support to achieve the awards is freely available to settings, and is provided by the Health and Wellbeing Advisor (Education) in the Public Health team and The Early Years Quality Assurance Team.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 1 Performance	RAG Rating	Comment
CM10b	Community	Havering residents are healthy and active	Number of schools registered with Healthy Schools London	Higher is better	OUTCOME	68	GREEN	As at June 2019, 86% of schools in Havering were registered with the Healthy Schools London programme. Registrations across London boroughs ranged from 47% to 100%. Of the 68 Havering schools registered, 33 had achieved the bronze award, 19 the silver award and 8 the gold award. The Healthy Schools London awards framework promotes a whole school approach to mental health and emotional wellbeing, healthy eating, physical activity and other PSHEE topics. In Havering, support to achieve the awards is currently offered to schools as a traded service, provided by the Health and Wellbeing Advisor (Education) in the Public Health team.
CM11	Community	The needs of our most vulnerable residents are identified and met	% of care leavers (aged 19-21) in education, employment or training	Higher is better	53%	43%	RED	There has been a slight decline in performance during the first quarter, although performance is similar to the same point last year. The figure reported uses the statutory Department for Education methodology, which includes within the overall cohort some care leavers who are not receiving services and whose education, employment or training (EET) status is therefore not known. The percentage based on only those young people who are receiving services is higher and looking at the latest available benchmarking, still compares well to other local authorities. There is seasonal variation in this indicator linked to the academic year and it is also worth noting that following the implementation of the new social care recording system, all data relating to care leavers had to be input manually; this work remains ongoing for a cohort of young people so the percentage reported currently does not provide the full picture but will be the time of reporting for Quarter 2.
CM12	Community	The needs of our most vulnerable residents are identified and met	% of Adult Social Care service users receiving direct payments	Higher is better	36.5%	36.20%	AMBER	Adult Social Care set an ambitious target for this indicator and as such the RAG rating is Amber. As at the end of Quarter 1 there were 694 service users receiving their support via a Direct Payment; at the same stage last year there were 660 (an increase of 5%).
CM13a	Community	The needs of our most vulnerable residents are identified and met	HMOs enforced against	Higher is better	N/A	11	N/A	A house in multiple occupation (HMO) is a property rented out by at least 3 people who are not from 1 'household' (for example a family) but share facilities like the bathroom and kitchen. The licensing scheme allows the Council to focus action against landlords who ignore their responsibilities whilst providing a light touch regulation for compliant landlords. Following the scheme's success over the last year, a consultation has been launched on additional licensing from 12 to 18 wards and also on selective licensing in Romford and Brooklands wards. This consultation closes on 20th September.
CM13b	Community	The needs of our most vulnerable residents are identified and met	HMO licenses issued	Higher is better	N/A	13	N/A	A house in multiple occupation (HMO) is a property rented out by at least 3 people who are not from 1 'household' (for example a family) but share facilities like the bathroom and kitchen. The licensing scheme allows the Council to focus action against landlords who ignore their responsibilities whilst providing a light touch regulation for compliant landlords. Following the scheme's success over the last year, a consultation has been launched on additional licensing from 12 to 18 wards and also on selective licensing in Romford and Brooklands wards. This consultation closes on 20th September.
CM14	Community	The needs of our most vulnerable residents are identified and met	Impact of predictive approaches	N/A	OUTCOME	POSITIVE APPROACH	GREEN	Through our Innovation programme for Children's Services, we have developed a predictive model to identify children most likely to come into the care of the local authority, based on research into the factors that have led to children entering care over the last three years. So far, by intervening earlier and working with families in a different way over an 18 month period, 90% of the cohort (around 60 children) have not entered care. In Adult Social Care, we are creating finance and activity modelling to predict the impact of our Better Living Model. The Better Living Model is a strengths-based approach, which involves working with people to maximise the available resources within their families and wider community, offering traditional support packages only when all other options have been explored. This model is in line with our aim to support families and communities to live as independently as possible, while ensuring that the needs of the most vulnerable residents are identified and met.
CN1	Connections	Improving roads and pavements	Annual programme delivered to time and budget (roads and pavements)	N/A	OUTCOME	ON TRACK	GREEN	The Council undertook significant consultation with residents in 2018. Listening to the feedback provided the council set a budget in February 2019 to ensure that investment was committed to improving the council's roads and streets. This included a significant Resurfacing works programme that will see £40million invested in Havering's roads and pavements over the next four years. The schedule will see 56 carriageway sites (roads) and 45 footway sites (pavements) made safer and better this financial year. At quarter one 28 of 56 carriageway sites and 18 of 45 footway sites have been completed.
CN2	Connections	Improving roads and pavements	Number of potholes repaired with a permanent fix	Higher is better	N/A	N/A	N/A	All reported potholes are visited and assessed as to whether they fulfil the criteria as a category 1 (urgent) defect for repair. We will be launching Havering's love clean street app to make it easier for residents to report potholes in early 2020.
CN3	Connections	Making it easy to get around	Costings and potential routes for North-South link completed by end of September 2019	N/A	OUTCOME	ON TRACK	GREEN	Project Sponsors on 20th June 2019 agreed to progress to phase 2 of the high-level feasibility study. Jacobs have been formally commissioned to undertake this phase of the study on 22nd July. The Phase 2 report is expected to be completed in the Autumn.
CN4	Connections	Making it easy to get around	Beam Parkway works to start by September 2019	N/A	OUTCOME	ON TRACK	GREEN	The Beam Parkway A1306 project is using £4.5m of funding from the Mayor of London and £1.8m from Transport for London (TfL) to transform the A1306 from its former function as a trunk road into a safer, greener and more pleasant environment. The scheme is currently in the design phase with consultation and engagement events continuing. Procurement and tender process has been established with the procurement of a design and build contractor commencing in June 19. A complementary project 'Creekside Park' has been completed transforming the area next to Dovers Corner.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 1 Performance	RAG Rating	Comment
CN5	Connections	Making it easy to get around	Work programme approved by June 2019 (New Parking and Highways Strategy)	N/A	OUTCOME	ON TRACK	GREEN	<p>Parking Strategy: The Parking Strategy is a high-level document that supports Keeping Havering Moving. A review of parking capacity and requirements around Havering's nine rail and underground stations will inform the direction of future parking capacity. The first stage is to launch a consultation with local businesses and residents around their view on parking issues in their area. The nine areas are: Romford, Gidea Park, Harold Wood, Emerson Park, Rainham, Elm Park, Hornchurch, Upminster and Upminster Bridge.</p> <p>Highways Resurfacing Policy: The length of the highway network in Havering consists of 740km of carriageways (roads) and nearly 1,070km of footways, making it the second largest highway network in London. The Highways Resurfacing Policy was agreed at Cabinet in December 2018 and sets out the prioritisation approach of a worst first basis.</p>
CN6	Connections	Using technology to improve the way that we live	Fast and affordable internet coverage	N/A	OUTCOME	N/A	N/A	<p>Fibre broadband is available to homes within Havering. Exchanges in the area, which are owned and maintained by Openreach, have been fibre broadband enabled and as a consequence of this broadband providers who are reliant on Openreach's broadband network infrastructure (BT, Plusnet, Sky, TalkTalk, etc.) will be able to provide fibre broadband to homes. Virgin Media fibre broadband is also available to homes within Havering so residents have the most diverse choice of fibre broadband providers. The maximum average speed that is available is 362Mbps. The lowest cost broadband on offer within Havering costs £15.90 a month (average speed 11Mb). Broadband speed is dependent across the borough on various factors such as exchange location and the type of cable used by the internet service provider. Some rural locations in the borough do not have access to fibre broadband due to the distance from the nearest exchange.</p> <p>The Connectivity Programme is in the early stages scoping the aims and objectives to formulate this into a stakeholder/audience based delivery, addressing borough-wide residents, businesses and public access.</p>
CN7	Connections	Using technology to improve the way that we live	% of council services that are accessible digitally	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
CN8	Connections	Using technology to improve the way that we live	Proportion of public accessible Council facilities offering residents assistance to access digital services	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
OP1	Opportunities	Delivering value for money	Only increase council tax to fund improvements to services	N/A	OUTCOME	ON TRACK	GREEN	<p>The Council increased Council Tax by 3.25% for 2019/20. This increase was used to ensure we meet the rising costs of providing care and support for residents who are more vulnerable, including senior citizens, people with disabilities and young people who are deemed at risk. The Council regularly reviews its Medium Term Financial Strategy but for 2020/21 in particular this has been difficult due to a number of uncertainties in relation to future government funding. The Council was expecting the government to undertake a Spending Review, conclude changes to the Fair Funding formula and introduce reforms to business rates. All these changes have been delayed making it impossible to predict the Council's financial position beyond 31 March 2020 with any accuracy. In preparation for final funding announcements by government for 2020/21, the Council is exploring a range of opportunities to make efficiencies which can be implemented to offset any detrimental impact of future government announcements and emerging service pressures. The Council is therefore on track to meet this target.</p>
OP2	Opportunities	Delivering value for money	Minimum 97% collection rate on council tax	Higher is better	31.10%	30.48%	AMBER	<p>Quarter one collection rate is just below target although £3.2 million more income has been collected so far this year compared to the same time last year. Havering also lies in seventh place across London. Reorganizations and reductions in Council Tax Support have affected performance. Initiatives to improve collection include increasing SMS campaigns, frequent published communications focussed on the consequences of non-payment and tightening procedures for broken payment arrangements. Improvements in performance are emerging in the quarter 2 collection rate.</p>
OP3	Opportunities	Delivering value for money	Minimum 98.7% collection rate on business rates	Higher is better	30.68%	34.69%	GREEN	<p>Collection rates for business rates is on track to achieve annual collection rate target of 98.7%.</p>
OP4	Opportunities	Delivering value for money	£13m savings - Annual savings programme	Higher is better	£13M	ON TRACK	GREEN	<p>The Council has a target of delivering £13 million in budget savings during 2019/20. From the Month 2 budget monitoring most of these savings are either already delivered or are on track to be delivered by the end of the year. There are delays in delivering savings in Assistive Technology costs due to the need to work with health partners in reshaping the offer and to reassess the needs of current users of Assistive Technology. There have also been delays in elements of the Keep Havering Moving project due to public consultation taking longer than anticipated e.g. in relation to Controlled Parking Zones around public transport hubs. The impact of these delays is currently under review. Where necessary, mitigating action will be taken to find alternative savings so that the Council remains within budget at the end of the year.</p>
OP5	Opportunities	Delivering value for money	£300k savings - Contracts review	Higher is better	£300K	ON TRACK	GREEN	<p>To achieve this target a number of "invest to save" initiatives have been put into place. For example renegotiation of large contracts; validating utility bill; review of contract management. A dedicated team has been put in place that will ensure value for money is achieved.</p>
OP6a	Opportunities	Helping our business grow	CIL investment	N/A	N/A	N/A	N/A	<p>The Havering Community Infrastructure Levy (CIL) was formally adopted at Cabinet in July 2019. Havering will begin collection of the CIL from September 2019 onwards. CIL is a statutory charge which local authorities in England and Wales can place on developers to help fund infrastructure needed to support new development in their areas. It is based on a formula relating to the type and size of development and is collected when planning permissions for new developments are implemented.</p>
OP6b	Opportunities	Helping our business grow	S106 investment	N/A	N/A	N/A	N/A	<p>Section 106 (S106) monies are also secured through the planning process. These monies, which can be in addition to the CIL monies, are secured to help fund infrastructure investment and other specific projects/works that help to mitigate the impact of a development. Unlike CIL, which is a fixed per square metre charge, Section 106 contributions are agreed on a case by case basis and are usually specific on what the money can be spent on.</p>

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 1 Performance	RAG Rating	Comment
OP7	Opportunities	Helping our business grow	Major commercial investments attracted to the borough	N/A	N/A	N/A	N/A	This outcome measures the number of major commercial investments that have been completed in the year. It typically takes two and a half years from initial interest from a major commercial partner until landing. Following close working with the Clinical Commissioning Group (CCG), a department within the NHS has relocated in to the borough. This saw 300 staff move into North House, St Edwards Way, Romford. A formal welcome to the borough by the mayor is being planned.
OP9	Opportunities	Helping people to succeed in life	Number of opportunities generated	Higher is better	OUTCOME	ON TRACK	GREEN	Having Works is an innovative employment and skills brokerage service, provided by London Borough of Havering and part-funded by the European Social Fund and DWP. It offers opportunities for local residents to get back to work, and skills to ensure increased career opportunities for all. Since the Employment and Skills brokerage service was launched in October 2018, it has successfully been awarded £453k of external grant funding and is awaiting the outcome of a £1.18million grant submitted in May 2019. The focus is on new initiatives such as access for single parents and homelessness. The programme is tailored explicitly to providing a bespoke support package and opportunity to obtain skills and a job. For example build the confidence of single parents seeking to return to work by providing them with the Educating Parents Empowering Communities Level 1 qualification (enabling them to be a volunteer support to other parents).
OP10	Opportunities	Helping people to succeed in life	Social value statements agreed and delivered	N/A	OUTCOME	ON TRACK	GREEN	The Council is committed to realising Social Value from every interaction it has with its external partners. A Social Value strategy has been developed and will go to Cabinet for approval in September 2019. A Social Value toolkit for Procurement of future contracts will be available.
PL1	Places	Excellent leisure facilities and award-winning parks	Number of Green Flag Awards	Higher is better	14	14	GREEN	The Green Flag Award is the benchmark national standard recognising quality parks and green spaces. Havering has maintained high standards and has been awarded 14 green flags. Havering will be submitting 2 additional applications in 2020 for Hornchurch Country Park and Spring Farm Park. Improvement plans will start to be implemented in September.
PL2	Places	Excellent leisure facilities and award-winning parks	Increasing the number of people who use leisure centres	Higher is better	1.882m visitors	502,192 visitors	GREEN	Attendance at the leisure centres have increased this quarter compared to the first quarter in 2018/19 by 100,000 visits. Target attendance for 2019/20 is 1.882m visits.
PL3	Places	Havering is kept clean and safe	The level of waste per head of population presented to the East London Waste Authority (ELWA) (C)	Lower is better	110.25 kg per head	112.54 kg per head	RED	Performance this Quarter is 112.54 which is just above the target of 110.25, which in this instance the target has not been met but it is an improvement on the comparable Quarter last year (120.2). Whilst above target, this is an expected season fluctuation as the amount of green waste increases over the Spring and Summer months. It is expected that target will be met by year-end. This measures the total waste delivered to the ELWA. This includes collected household waste, waste from the reuse and recycling centre and municipal waste from Highways and Parks management activities. Various waste prevention campaigns focusing on home composting, reuse, and Love Food Hate Waste, have contributed towards reductions. Havering has also received funding from the LGA to commission a piece of work on investigating behavioural change in order to drive down waste. The team is also reviewing operations in Highways and Grounds Maintenance to reduce waste and, with ELWA, continues to review policies to prevent commercial waste entering the domestic waste stream at the household reuse and recycling centre. This is in addition to diverting reusable items to charities through a new partnership with a local charity. Without restrictions on the amount of waste we collect through the household waste collection service containing and reducing tonnages is very challenging and relies on attitudinal change.
PL4	Places	Havering is kept clean and safe	Improve air quality in the borough by reducing the level of NO2	Lower is better	OUTCOME	ON TRACK	GREEN	Air quality monitoring and reporting against air quality objectives are undertaken based on a calendar year. The 2018 annual NO2 levels reflect a decreasing trend for the majority of the monitoring sites. At some of the sites the 2018 NO2 levels are the lowest which have been recorded since 2014. The number of sites exceeding the NO2 legal limit in 2018 also reduced (11 in total). This is a significant improvement in comparison with 2017, when 16 sites were above the limit. The Air Quality Action Plan (AQAP) is implementing actions to improve local air quality. Key highlights in 2018 were: <ul style="list-style-type: none"> the introduction of interactive 'live' air quality modelling page on-line; work with schools promoted sustainable travel (55 accredited schools for sustainable travel, 1,640 children trained to ride their bikes safely and responsibly, Miles the mole visited 40 schools to raise awareness of air quality); all new housing developments in Havering met current air quality best practice (e.g. air quality neutral, ultra low NOx boilers etc.), including progressing delivery of sustainable travel infrastructure; Successful bids for anti-idling and Non Road Mobile Machinery (NRM) schemes.
PL5	Places	Havering is kept clean and safe	The number of non-domestic violence with injury offences (C)	Lower is better	327	278	GREEN	It is positive to note that we have the lowest rate of incidents of non-domestic violence with injury in comparison with our neighbouring boroughs and our rate continues to fall.
PL6	Places	Havering is kept clean and safe	Number of young people engaged in preventative education programmes (Adolescent Safeguarding)	Higher is better	OUTCOME	ON TRACK	GREEN	In June 2019, Cabinet agreed additional investment to support the development of the borough's new approach to safeguarding children and young people who are vulnerable to risk outside of the family context. Work is underway to develop the integrated model with the multi-agency partnership, with a view for the new service to be launched in the Autumn of 2019. The service and the strategy considers how the partnership understands and better responds to the needs and risks of young people, as well as using a wide range of business intelligence from across the partnership to provide earlier intervention to those vulnerable to risk. There is a variety of provision already being offered to schools through the MOPAC Early Intervention Youth Fund. These programmes aim to raise awareness of some of the issues associated with adolescent safeguarding and are targeted at pupils and in some cases, parents and teachers. Individual programmes range from assemblies delivered to whole year groups, to more targeted workshops and mentoring for specific cohorts of young people. In total, more than 5,000 individuals have been engaged. In addition, the Council's Public Health team has attracted organisations including Street Doctors and Spark2Life to support this vital work.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 1 Performance	RAG Rating	Comment
PL7	Places	Improving our housing estates	Programme delivered on time and to budget (£10m housing estate improvement programme)	N/A	OUTCOME	ON TRACK	GREEN	Cabinet approved the £10million housing estate improvement programme in July. A Project Manager has been recruited who will drive the delivery of this programme. Working with the Communication Team and the Housing Community Engagement Manager in Housing, a communication plan has been drafted which will outline how best to engage with residents and stakeholders. Next steps are to seek approval of the list of the priority estates that require works as well as commence consultation with affected residents. A range of contractors will also be sought to deliver the works required.
PL8	Places	Improving our housing estates	Increased tenant and leaseholder satisfaction	N/A	OUTCOME	ON TRACK	GREEN	In the Autumn of 2019, Housing Services will be undertaking a broad ranging survey to gauge tenant and leaseholder satisfaction with the services provided. In the last survey (in 2017), the majority of residents expressed satisfaction with overall service, homes, repairs, rent value and neighbourhoods, with some ratings that were above average compared to other housing providers in London. The latest survey is on track to be completed by November 2019.
PL9	Places	Provide quality and genuinely affordable homes	Number of new homes proposed in planning applications	Higher is better	875	126	GREEN	The direction of travel towards the outcome within the corporate plan is positive. All 3 of the Joint ventures are reaching submission of planning applications stage within the programmes. The scheme at Napier and New Plymouth Houses, contributing 126 affordable homes has already been submitted. In addition the demolition of Napier and New Plymouth and Solar, Serena, Sunrise has already commenced. Where design matters have needed closer attention to ensure quality homes and public realm have been addressed and trajectory remains positive. It is expected by the end of the calendar year all of the joint ventures will either have submitted planning applications or secured outline planning consent delivering in the region of 1300 affordable homes for local residents. The Joint Venture programme brings a wider benefit to residents and the delivery of a £3bn investment programme that will improve the borough as a place to live provide genuine opportunities for residents employment and business opportunities. The creation of new destinations will, especially older persons accommodation will ensure all age groups within the borough see real tangible benefits.
PL10	Places	Provide quality and genuinely affordable homes	Feasibility of NW Romford scheme confirmed and Small Sites Delivery Strategy adopted	N/A	OUTCOME	ON TRACK	GREEN	The North West (NW) Romford scheme feasibility is being revisited following further discussions with key stakeholders. The Small Sites programme is being commissioned with a framework partner to establish capacity and viability assessments.
PL11	Places	Strengthening the attractiveness of our town centres	Romford Master plan developed by December 2019	N/A	OUTCOME	ON TRACK	GREEN	The Romford Master Plan is on track to achieve the end target of being developed by December 2019. This is subject however to the adoption of the submitted local plan. The Romford Master Plan will be a high level document outlining the long term vision for Romford, ensuring that it continues to be a place that people live, visit and enjoy.
PL12	Places	Strengthening the attractiveness of our town centres	Submission of external funding bids for district town centre renewal	N/A	OUTCOME	ON TRACK	GREEN	Programmes of activity are ongoing across several of Havering's district centres which are all at different stages of maturity. A draft external bid has been developed to secure funding from the Strategic Investment Pot. The Strategic Investment Pot is made up of 15% of pooled business rates uplift collected throughout London to fund strategic investment across the Capital. Hornchurch is with a BID feasibility (see below) which is emerging from the research phase and likely to move to the next stage; a ballot.
PL13	Places	Strengthening the attractiveness of our town centres	BID feasibility study completed for Hornchurch	N/A	OUTCOME	ON TRACK	GREEN	A report has been commissioned and received on local business appetite for progressing with the Hornchurch BID (Business Improvement District). A detailed analysis is now taking place with the aim of formulating a recommendation which will be put forward to members. A BID is a defined area in which a levy is paid by local businesses. This levy is used to fund projects which will benefit business in that area, such as extra safety, cleansing and environmental measures.

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Appendix 2: Overview & Scrutiny Board Performance Report: Quarter 1 2019/20

RAG Rating		Direction of Travel (DOT)	
GREEN	On or better than target On track	↑	Short Term: Performance is better than the previous quarter Long Term: Performance is better than at the same point last year
AMBER	Worse than target but within target tolerance	→	Short Term: Performance is the same as the previous quarter Long Term: Performance is the same as at the same point last year
RED	Worse than target and outside tolerance Off track	↓	Short Term: Performance is worse than the previous quarter Long Term: Performance is worse than at the same point last year

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q1 Performance	Short Term DOT against Q4 2018/19	Long Term DOT against Q1 2018/19	Comments
Page 437 Town and Communities	% of Housing services complaints answered within target time	Bigger is better	95%	N/A	93.79% RED	↑ 31.19%	↑ 17.57%	Complaints have significantly improved when compared to this time last year, where 122 out of 148 (82.43%) Stage 1 complaints were closed within timescales (15 days). We expect performance to continue to improve next quarter. A new process has been put into place to deal with Housing complaints to bring about improvements to each of the service areas in Housing Services. The total number of Stage 1 complaints closed within timescale (10 days) was 136 out of 145 (93.79%).
	% of repairs right first time (Breyer Contractor only)	Bigger is better	95%	N/A	98.29% GREEN	↑ 97.70%	↑ 96.09%	Although Breyer have not met the cumulative KPI of repairs completed within target, their monthly performance has shown consistent improvement month on month and in June achieved 92.14%. Repairs completed within target are up 10% since the start of the financial year. Breyer have also consistently achieved over 95% for repairs "Right First Time" against a target of 85%.
	% of all repairs completed within target Main Contractor(s) (cumulative)	Bigger is better	95%	N/A	88.69% RED	↑ 84.37%	↓ 91.30%	Continuous monitoring and regular meetings are still taking place with Breyer to ensure the trajectory remains upward. The backlog of overdue orders has been cleared and are now running at a manageable level. A new target of 50 has been set that will be challenging, but we will continue to seek continuous improvement in this area of the contract.
	% HRA Gas servicing compliance (General needs & Sheltered)	Bigger is better	100%	N/A	99.98% RED	↑ 99.75%	↑ 98.64%	HRA Gas safety Performance at the end of Quarter 1 of 2019-20 was 99.98%. This is 2 properties without a recent annual safety certificate. These properties required court action to gain access and were taken to court on 27th June 2019. Positive progress is being made with Keystone, our data management and monitoring tool to develop a reporting tool for gas compliancy management via a project team.
	% of arrears over debit	Smaller is better	1.40%	N/A	2.96% RED*	- NEW	- NEW	The calculation for this measure is the total arrears expressed as a percentage of the rent debit for HRA current tenants. The provisional Quarter 1 2019/20 performance was 2.96%. The total sum of arrears was £1,593,872 over an estimated 2019-20 debit of £54 million. The total number of HRA current tenants in arrears is 3356 out of 8587 total tenancies.
	Total current UC tenants arrears (General, sheltered, HMO & AST)	Smaller is better	Demand Pressure	N/A	£702K	- NEW	- NEW	The service is promoting Standing Orders as a preferred method of payment with UC claimants with claimants paid monthly in arrears. On 20 June when we went to Universal Credit Full Service there were 83 tenants on UC and that was over a two year period. In the last 11 months, we have had 888 new UC claimants. The FI&WB Team will continue to assist all tenants with their Universal Credit queries to help maximise their income, provide one to one welfare support where possible and ensure tenants are not digitally or financially excluded. Income recovery techniques and practices were updated and implemented following the roll out of Universal Credit, with a more accommodating approach taken. The Havering Housing Income team liaise with the DWP through their Housing forums as well as maintain a good relationship with their Rough Sleeping, Leaving Care and other vulnerable groups' team leaders.
	Average days re-let time of ALL HRA Voids	Smaller is better	14 days	N/A	15.34 RED	- NEW	- NEW	The average working days re-let time of HRA (Housing Revenue Accounts) Voids includes the following types of letting by the local authority, general needs and sheltered. The report will exclude Temporary accommodation (TA), hostel, TA for regeneration, Private Housing Solutions (PHS) and Houses of Multiple Occupancy (HMO). To improve on the current performance the following action is being taken: - Liaison with the responsive repairs team and working with contractors to improve our minor turnaround times. - Turnaround for lettings to be done within 7 days (5 days excluding weekends) for properties advertised through choice based lettings systems or direct offers outside the regeneration decant scheme. For properties lets through regeneration decant this will be achieved through advertising of properties when they become void and pre-allocation of accepted properties at viewing, For regeneration, this involves early matching of properties before they become void to avoid delays; viewings may be done early in the void process.
	Major Planning Applications completed within Target	Bigger is better	65%	N/A	66.7% GREEN	↓ 81.8%	↓ 75.0%	Figures reworked due to errors spotted in reporting tool, and therefore different to what was reported at the Towns and Scrutiny Board. All are in excess of target and there are no particular trends to highlight at this time. In accordance with the published government standards, speed of decision applies to all major and non-major development applications, with the threshold for designation set as follows:
	Minor Planning Applications completed within Target	Bigger is better	65%	N/A	74.8% GREEN	↓ 97.3%	↓ 98.9%	- Speed of Major Development (and County Matters) – 60% of decisions within timescale (13 or 16 weeks or such longer time agreed with the applicant) - Speed of Non-Major Development - 70% of decisions within timescale (8 weeks or such longer time agreed with the applicant)
Other Planning Applications completed within Target	Bigger is better	80%	N/A	94.3% GREEN	↓ 98.4%	↓ 96.6%	Based on the current performance, it is considered unlikely that the Council is at risk of designation due to speed of decision but the figure will continue to be monitored.	

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q1 Performance	Short Term DOT against Q4 2018/19	Long Term DOT against Q1 2018/19	Comments		
Crime and Disorder	% of "I" calls responded to within target	Bigger is better	90%	± 0%	82.7% RED	↑	82.1% RED	↑	81.10%	I-grades: For the week commencing 1st July 2019 Havering has saw an improvement in the number of I calls reaching the target time compared to quarter 4 with a rate of 82.7% (compared to 82.1% for the week commencing 1st April 2019 .). This is slightly below the overall BCU average of 85.11%).
	% of "S" calls responded to within target	Bigger is better	90%	± 0%	80.5% RED	↓	80.8% RED	↓	83.00%	For the same period, Havering DA I grade calls have seen an increase in the number of calls reaching targets with a rate of 84.6% compared to the 82.8% reported for the week commencing 1st April 2019. This is above the overall BCU average of 83.9%). S-grades: The 12 rolling averages to 1st July 2019 are as follows: Locally, 80.5% of S grades are met within an hour (compared to 80.8% for the week commencing 1st April 2019.).This is above the BCU average of 75.72%. Domestic Abuse S grades show the figure of 80.0% locally (compared to 78.5% for the week commencing 1st April 2019.). This is above the BCU average of 76.52%.
	Number of domestic or non-domestic abuse with violence	Smaller is Better	TBC	N/A	612	-	N/A	-	696	Domestic Abuse has reduced by 2% and Non Domestic Violence with Injury has reduced by 15%. The Council approved the Violence against women and girls strategy and the serious group violence and knife crime strategy in quarter. 1 of 2019-20. The number of instances of domestic abuse is 164 and non-domestic abuse is 448.
	Number of burglary offences (cumulative)	Smaller is Better	1812	N/A	512	-	1857	↓	389	There has been an increase in burglary business and community of 120%, comparing Quarter 1 2018/19 and Quarter 1 2019/20. This could be attributed to improve reporting of incidents to the police. Havering has experienced an increase of 4% in residential burglary during this period. The Council continues to support the police in providing crime prevention advice to residents and businesses in Havering through the use of e-newsletters, twitter, Facebook and Living in Havering. The majority of residential burglaries continue to be through unlocked doors and windows.
	The number of anti-social behaviour (ASB) reported to the police	Smaller is Better	6100	N/A	1356	↓	1019	↑	1490	There is a reduction of 9% in quarter 1 2019-20 when compared to quarter 1 2018 -19. The Council continues to work closely with the police to tackle ASB through the Monthly Tasking Enforcement group and provide support to frequent callers and victims of ASB via the monthly Community MARAC.
Individuals	% of service users receiving direct payments	Bigger is better	36.5%	± 5%	36.2% AMBER	→	36.2%	↑	33.6%	There has been an increase in the number of service users receiving Direct Payments, increasing from 660 in June 2018 to 694 in June 2019.
	Rate of permanent admissions to residential and nursing care homes per 100,000 population (aged 65+)	Smaller is better	600	± 5%	127.1 GREEN	↑	601.1	↓	106	Performance at the end of Quarter 1 is below the quarterly target (where lower is better) for the rate of permanent admissions for service users aged 65+ into nursing or residential care.
Environment	Improve air quality in the borough by reducing the level of NO2 µgm-3 (micrograms per cubic metre of air)	Smaller is Better	40	± 0%	Ranges from 17.3 (Langtons) to 71.4 (Battis) 2018	-	N/A	-	Ranges from 20.1 (Langtons) to 71.7 (Battis) 2017	Performance information for 2018/19 is available and reported in Quarter 1 2019/20, as quality air quality monitoring and reporting against air quality objectives are undertaken based on a calendar year. The 2018 annual NO2 levels reflect a decreasing trend for the majority of the monitoring sites. At some of the sites the 2018 NO2 levels are the lowest which have been recorded since 2014. The number of sites exceeding the NO2 legal limit in 2018 also reduced (11 in total). This is a significant improvement in comparison with 2017, when 16 sites were above the limit. The Air Quality Action Plan (AQAP) is implementing actions to improve local air quality. Key highlights in 2018 were: • the introduction of interactive 'live' air quality modelling page on-line; • work with schools promoted sustainable travel (55 accredited schools for sustainable travel, 1,640 children trained to ride their bikes safely and responsibly, Miles the mole visited 40 schools to raise awareness of air quality); • all new housing developments in Havering met current air quality best practice (e.g. air quality neutral, ultra low NOx boilers etc.), including progressing delivery of sustainable travel infrastructure; • Successful bids for anti-idling and Non Road Mobile Machinery (NRMM) schemes.
	HMO licenses issued	Bigger is better	N/A	N/A	13	↑	5	↓	54	A house in multiple occupation (HMO) is a property rented out by at least 3 people who are not from 1 'household' (for example a family) but share facilities like the bathroom and kitchen. The licensing scheme allows the Council to focus action against landlords who ignore their responsibilities whilst providing a light touch regulation for compliant landlords. Following the scheme's success over the last year, a consultation has been launched on additional licensing from 12 to 18 wards and also on selective licensing in Romford and Brooklands wards. This consultation closes on 20th September.
	HMOs enforced against	Biggers is better	N/A	N/A	11	↑	5	→	11	
	Total Penalty Charge Notices (PCNs) issued in month (including PCNs for moving traffic contraventions (MTC))	N/A	N/A	N/A	31,428	↑	26,281	↓	36,027	Penalty charge notices are issued to people parking illegally, or committing moving traffic offences like wrongly using bus lanes or making a banned turn. The management of traffic and parking is essential to keep Havering moving. There continues to be poor compliance levels in Moving Traffic Contraventions (MTC) locations (12,764 of 31,428 PCNs issued in Quarter One were for MTC) across the borough
	Response rate for PCN Challenges and Representations (days in current backlog as per end of month)	Smaller is better	35 days	N/A	11 days GREEN	↓	4 days	↑	24 days	Response rate for PCN appeals and correspondence is on target. The traditional benefits of shorter appeal response times are an improved customer experience for the driver and an increased likelihood of prompt payment by drivers. The parking team has worked hard to reduce and keep response times short while also ensuring representations are given full consideration when making decisions on appeals. Maintained high PCN levels means increased resourcing is being considered.

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q1 Performance	Short Term DOT against Q4 2018/19	Long Term DOT against Q1 2018/19	Comments		
Children & Learning	Number of children missing from education at month end (average for the quarter)	Smaller is better	N/A	N/A	3	↑	6	↑	5	The number of children missing from education has reduced to an average of 3 in the first quarter of the year, which is an improvement on both the previous quarter and the same point last year.
	Percentage of 16-18 year olds who are not in education, employment or training (NEET), or not known	Smaller is better	3.5%	±15%	3.3% GREEN	*	3.1% (2018/19)	*	3.5% (2017/18)	There is continued strong performance in Havering for the percentage of 16-18 year olds who are not in education, employment or training (NEET), or not known. This is a result of: - strong post-16 partnerships with education providers; - effective delivery of the targeted Information, Advice and Guidance (IAG) contract through Prospects; - services to support 'at risk of NEET' learners; and - robust tracking and recording of young Havering residents. *No direction of travel has been provided as the monthly data is not directly comparable to annual published data.
	Number of apprentices aged 16-18 recruited in the borough	Bigger is better	664 (August 2018 to July 2019)	± 10%	460 RED	↓	610 (2017/18)	↓	690 (2016/17)	Apprenticeships continue to be promoted as a post-16 option to Havering residents; however we have seen a decline in the number of apprentices recruited in the borough in line with national and regional trends. Targets for 2019/20 have been set to reflect the regional decrease in apprenticeship starts between 2017/18 and 2018/19 (-17%). There is an increased focus on apprenticeships for 2019/20 through the National Apprenticeship Week activities planned, e.g. Havering school roadshows, an apprenticeship pop-up shop in the town centre, and a parent and learner apprenticeship event.
	Number of apprentices aged 19+ recruited in the borough	Bigger is better	1,112 (August 2018 to July 2019)	± 10%	970 RED	↓	1,100 (2017/18)	↓	1,320 (2016/17)	
	Percentage of Initial Child Protection conferences held within 15 days	Bigger is better	90%	± 5%	73.3% RED	↓	84.1%	↓	83.3%	The percentage of Initial Child Protection Conferences held within 15 days has dipped slightly during the first quarter of the year, having been an area of very strong performance in 2018/19. The number of conferences taking place have reduced over the last year and with only one quarter of data, numbers are particularly low, making the percentage more volatile. The actual number of conferences held late is four. Cases that have been referred for conference late by the social work teams are followed up with group managers to review the reasons and address any issues.
	Percentage of looked-after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order)	Bigger is better	20%	± 10%	6.9% RED	↓	13.8%	↓	13.3%	The percentage of looked-after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order) is behind target for this point in the year, with two adoption orders granted and no special guardianship orders (SGO). In the same period, 11 special guardianship assessments have been filed with the court, several of which are anticipated to result in orders being granted when proceedings conclude, therefore we expect to see a spike in orders granted in the next reporting period. Two further adoption orders have also been granted since Quarter 1 and another six applications are lodged with the court, awaiting final hearings in September and October. We have seen a trend whereby applications to court for adoption hearings are taking longer to be set by the East London Family Court and adoption orders are less likely to be granted at the first hearing due to an increase in orders being contested by birth families. In light of the number of cases currently in progress however, it is anticipated that by year-end there will have been an increase in adoption orders being granted compared to recent years.
	Number of new in-house foster carers (cumulative)	Bigger is better	14	12	0 RED	-	14	↓	2	Foster carer recruitment across London and nationwide remains a challenge and although there have not been any new in-house foster carers approved during the first quarter, Havering continues to outperform neighbouring boroughs in terms of recruitment. A review of the Fostering service has provided a more clearly defined focus on assessment and recruitment from a staffing perspective, and all documents and web-based content used for recruitment are also being reviewed. The Head of Service has implemented frequent monitoring on enquiries, initial visits, people dropping out of the process and the reasons for this. The role of fostering ambassador remains pivotal. While the number of in-house carers is lower than previous years, carers are actively providing placements and the percentage of LAC placed in-house is higher than previously.
	Percentage of care leavers (aged 19-21) in education, employment or training	Bigger is better	53%	± 2%	43% RED	↓	59%	-	N/A* (see comments)	The percentage of care leavers in education, employment or training (EET) dropped during Quarter 1. This figure reflects the statutory DfE methodology, which includes some care leavers who are not receiving services and whose EET status is therefore not known. The figure based on only 'in touch' young people is higher (similar to this time last year) and compares well to other local authorities. There is seasonal variation in this PI linked to the academic year, and the implementation of the new recording system in March had a slight impact, as all care leaver data had to be re-input manually, making it difficult to track performance during the first few weeks of the year. On-going support to care leavers remains in place. For the 18+ cohort, an EET Pathway Co-ordinator supports young people pre-employment, back into education and during employment; for those entering care post 16 and already disengaged with EET, targeted engagement activities are in place within Leaving Care such as football, cinema and wrap around support for mental/ emotional wellbeing needs. *Performance using Department for Education methodology was not reported during 2018/19.

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OVERVIEW AND SCRUTINY BOARD

6 February 2020

Subject Heading:

Quarter 2 Corporate Performance Report (2019/20)

SLT Lead:

Jane West, Chief Operating Officer

Report Author and contact details:

Sandy Hamberger, Assistant Director of Policy, Performance and Community (01708 434506)
sandyhamberger@havering.gov.uk

sPolicy context:

The report sets out Quarter 2 performance against each of the strategic goals set out in the Corporate Plan

Financial summary:

There are no direct financial implications arising from this report which is for information only. Adverse performance against some corporate performance indicators may have financial implications for the Council.

All service directorates are required to achieve their performance targets within approved budgets. The Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience financial pressure from demand led services.

Is this a Key Decision?

No

Is this a Strategic Decision?

No

When should this matter be reviewed?

The Corporate Performance Report will be brought to Overview and Scrutiny Board at the end of each quarter, with an annual report brought at the end of Quarter 4

Reviewing OSC:

The six overview and scrutiny sub-committees have each selected a basket of indicators that they will track performance against throughout the year, some of which are also reported in the Corporate Performance Report.

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

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

The Corporate Performance Report provides an overview of the Council's performance for each of the strategic goals in the 2019/20 Corporate Plan and highlights good performance and potential areas for improvement. As agreed in the Overview and Scrutiny Board terms of reference, the Corporate Performance report is presented for information. Also included is an overview of the more operational performance indicators determined by the six overview and scrutiny sub-committees. Greater detail is provided in the six sub-committee reports.

RECOMMENDATIONS

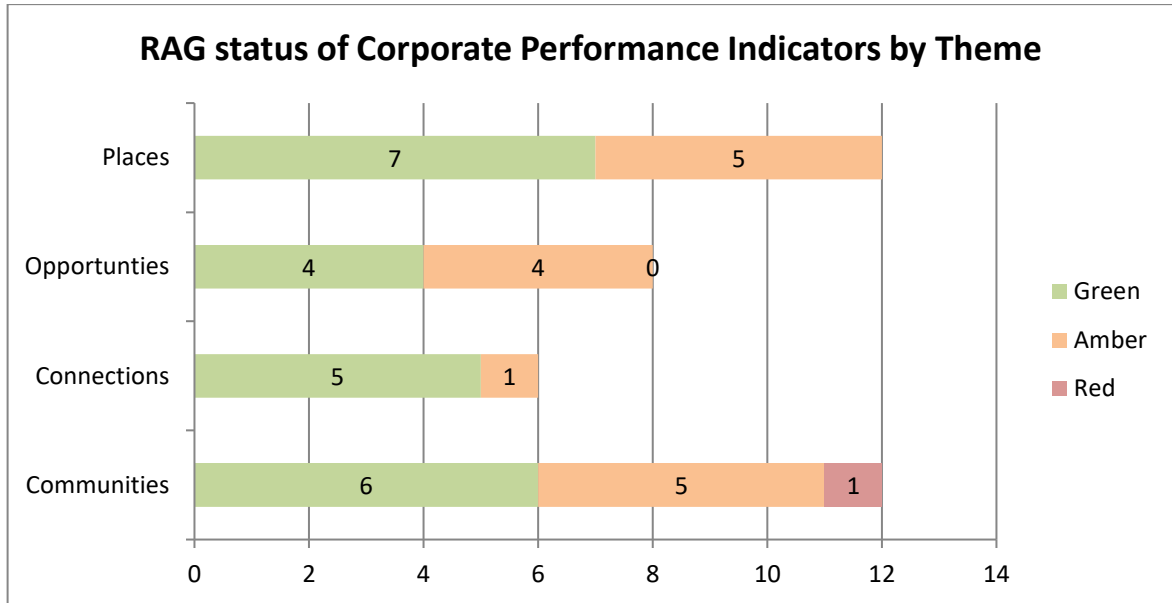
That Members of the Overview and Scrutiny Board:

Review the performance set out in **Appendix 1** and **Appendix 2** and the corrective action that is being taken to improve this where necessary.

REPORT DETAIL

Corporate Performance Report Quarter 2 2019/20 Summary

1. For Quarter 2, a RAG status has been provided for 38 of 48 Corporate Performance Indicators.

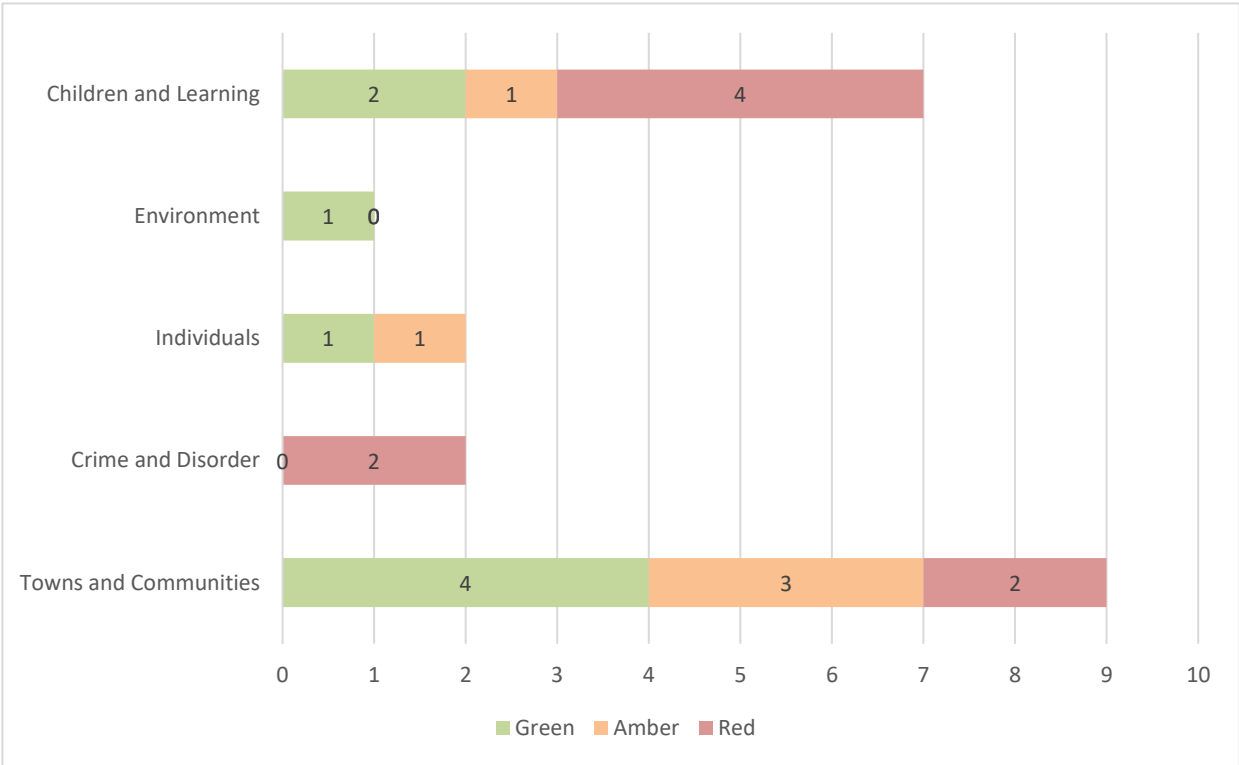


2. In summary, of those corporate performance indicators that have been RAG rated:

- **22** (58%) have a **Green** (on track) status
- **15** (39%) have an **Amber** status
- **1** (3%) have a **Red** (off track) status

3. The full Quarter 2 performance report is attached as **Appendix 1**.

**Summary of Overview and Scrutiny Sub-Committees Performance Reports
Quarter 2 2019/20**



4. For 2019/20, the Health Overview and Scrutiny Sub-Committee did not select a suite of indicators for regular monitoring. Members instead identified a number of broader areas for scrutiny, and presentations have been received relating to these at the last two meetings. From these, some areas for future reporting have been identified and at its next meeting, the Sub-Committee will be agreeing specific indicators for reporting from April 2020.
5. For the other 5 sub-committees, in total, 30 Performance Indicators have been included in the Quarter 2 2019/20 report. Of these, 21 have been assigned a RAG status.
6. In summary, of those PIs with a target set against them:
 - **8** (38%) have a RAG status of **Green** (on target).
 - **5** (24%) have a RAG status of **Amber** (off target but within the agreed tolerance)
 - **8** (38%) have a RAG status of **Red** (off target and outside the agreed tolerance).
7. The Fire Risk Assessment indicator is currently under review and will be reported once that has been completed.
8. The full Quarter 2 performance report is attached as **Appendix 2**.

REASONS AND OPTIONS

Reasons for the decision: To provide Overview and Scrutiny Board Members with an update on the Council's performance during Quarter 2 2019/20.

Other options considered: N/A

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications arising from this report. Whilst it is expected that targets will be delivered within existing resources, it should be noted that adverse performance against some indicators may have financial implications for the Council. However, officers regularly review the level and prioritisation of resources required to achieve the targets agreed by Cabinet at the start of the year.

Robust ongoing monitoring is undertaken as part the established financial and service management processes and the Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience significant financial pressures in relation to a number of demand led services such as housing and children's services and adults' social care. SLT officers are focused upon controlling expenditure within approved directorate budgets and within the total General Fund budget through the delivery of savings plans and mitigation plans to address new pressures that are arising within the year.

This report has been previously cleared by Finance Business Partners through the Cabinet and Overview and Scrutiny Sub-Committees' clearance processes.

Human Resources implications and risks:

There are no Human Resources implications or risks arising directly from this report.

This report has been previously cleared by HR Business Partners through the Cabinet and Overview and Scrutiny Sub-Committees' clearance processes.

Legal implications and risks:

Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan on a regular basis.

This report has been previously cleared by Legal Business Partners through the Cabinet and Overview and Scrutiny Sub-Committees' clearance processes.

Equalities implications and risks:

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The following Corporate Performance Indicator rated as 'Red' could potentially have equality and social inclusion implications for a number of different social groups if performance does not improve:

- % of care leavers (aged 19-21) in education, employment or training

The following overview and scrutiny sub-committee performance indicators currently rated as 'Red' could potentially have equality and social inclusion implications for a number of different social groups if performance does not improve:

- % of all repairs completed within target Main Contractor(s) (cumulative)
- % of arrears over debit
- % of "I" calls responded to within target
- % of "S" calls responded to within target
- Percentage of Initial Child Protection conferences held within 15 days
- Percentage of looked-after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order)
- Number of new in-house foster carers (cumulative)
- Percentage of care leavers (aged 19-21) in education, employment or training

The commentary for each indicator provides further detail on steps that will be taken to improve performance and mitigate these potential inequalities.

This report has been previously cleared by Equalities Business Partners through the Cabinet and Overview and Scrutiny Sub-Committees' clearance processes.

BACKGROUND PAPERS

- Quarter 2 Corporate Performance Report
- OSC Board Quarter 2 Performance Report

RAG Rating	Description
GREEN	On or better than target
AMBER	Off track against target but within accepted tolerance
RED	Off track against target and outside of accepted tolerance
N/A	Information not available due to: -Only reported annually -Information not provided -Cannot be RAG rated as volumetric: does not have a target / is not a quantifiable performance indicator but an outcome

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CM1	Community	Families and communities look after themselves and each other	The number of instances where an adult patient is ready to leave hospital for home or move to a less acute stage of care but is prevented from doing so, per 100,000 population (delayed transfers of care)	Lower is better	7	5.42 (August)	GREEN	There has been a significant improvement in the outturn for this indicator. To date there has been an average of 10.86 delays to discharges per month, at the same stage last year there were 15.53. The vast majority of delays continue to be in the acute sector and are the responsibility of Health.
CM2	Community	Families and communities look after themselves and each other	Increase residents using next generation assistive technology	N/A	OUTCOME	OFF TRACK	AMBER	The six week trial that had been planned has been stood down, as it was felt that the low numbers of residents it was to be trialled with, would not be sufficient to properly evaluate the potential benefits. There were also concerns about the revenue expense of the proposed technology. The JCU are now exploring an alternative business case to ensure the service can maximise value for money in taking on a proof of concept or pilot through reaching a larger cohort of residents. The business case will be a partnership between ASC, the Telecare service in Housing, ICT and the JCU, and will include how we can improve and increase the benefits we get from our existing AT offer as well as target areas for investment.
CM3	Community	Families and communities look after themselves and each other	Community hub usage	N/A	OUTCOME	ON TRACK	GREEN	The Community Hub Governance Framework and project plan will be finalised by the end of October, underpinning the vision and programme development, with branding options still being considered. Hub activity is scheduled to commence in the Autumn for Harold Hill, alongside the mapping and engagement plan for Rainham. The consultation for 'Libraries, Children's Centres and Community Hubs' completed on 18th September and the consultation feedback will feed into the project.
CM4	Community	Families and communities look after themselves and each other	Percentage of homeless preventions and reliefs (homelessness resolved without the provision of temporary accommodation)	Higher is better	70%	88.00%	GREEN	88% of homelessness has been prevented and relieved. The focus is on maintaining high prevention and relief activities through early intervention and support to avoid the use of costly temporary accommodation.
CM5	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference primary school	Higher is better	88% (Sep 2020 intake)	88.5% (Sep 2019 intake)	GREEN	Havering once again achieved strong performance in 2019 in relation to the percentage of parents receiving an offer of their first preference primary school, comfortably meeting the target set for the September 2019 intake. Data for the September 2020 intake will be available for reporting in the fourth quarter. Please note that for both this indicator and the equivalent for secondary schools (below), the figures shown are from published data and include 'on time' school applications only.
CM6	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference secondary school	Higher is better	78% (September 2020 intake)	77.1% (September 2019 intake)	AMBER	Havering has once again achieved strong performance in relation to the percentage of parents receiving an offer of their first preference secondary school. While we have seen a slight reduction on the previous year, and not met the challenging target we set ourselves for the September 2019 intake, at 77.1% our performance remained the highest in London. We are continuing our secondary school expansion programme, which is seeing an increase in the number of places available at the most popular schools to ensure parents have a greater chance of securing a high preference school.
CM7	Community	Giving children the best start in life	Children's services rated as Good with Outstanding features by 2022	N/A	OUTCOME	ON TRACK	GREEN	Following its June 2018 Ofsted inspection, Children's Services have developed an improvement programme consisting of 7 individual projects. Delivery is overseen by a board who will conduct 'deep dives' on each of the projects in turn. Recent key deliverables include: -Embedding of the new Quality Assurance Framework; -Learning discussions with Bexley to understand their governance and oversight model which supported their Outstanding rating; -Appointment to the Head of Quality Assurance role; -Achieving an 82% permanency rate for social work roles (London average is 74%). A set of performance indicators have also been agreed for the projects and progress against these will be monitored at each board. Under the ILACS (Inspection of Local Authority Children's Services) framework, in May 2019 the Council had its annual engagement meeting with Ofsted. This is not an inspection and no judgement is made but Ofsted reviewed Havering's self-evaluation and were satisfied with the improvement plans that are in place, and progress made so far.
CM8	Community	Communities: Havering residents are healthy and active	School readiness - % of children achieving a good or better level of development at age 5 (EYFSP)	Higher is better	74%	72%	AMBER	The proportion of children achieving a Good Level of Development (GLD) in Havering remains unchanged at 72% for the third consecutive year in 2019 – the same as the national average. Outcomes have improved compared with earlier years but not as rapidly as nationally (with Havering starting from a higher base to begin with), or as swiftly as other London boroughs. However there has been a plateau in recent years, both within Havering and nationally. Actions being taken to secure improvement in this area include: • GLD analysis is sent back to all providers, highlighting any areas of concern; • Quality assurance visits to all schools with maintained nurseries; • Targeted EAL support visits to settings with the highest numbers of children with English as an additional language; • Reducing health inequalities and barriers to school readiness through roll-out of Healthy Early Years London; • Increased training in areas including expressive language, portage (home visit support for under 5's with SEND), and transition from Nursery to Reception. Specific programmes also being delivered include 'Vision to Provision' (a 6 session programme to support EY teachers and support staff with early child development); 'Leading the Way' - a dedicated programme for school Early Years leaders; and 'Empowering Parents, Empowering Communities' (EPEC) parenting courses.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CM9	Community	Havering residents are healthy and active	Reducing % of physically inactive adults	Lower is better	Better than England	22.4%	AMBER	22.4% of Havering adults surveyed in Sport England's 2017/18 Active Lives survey reported that they engage in less than 30 minutes of physical activity per week. Compared to regional and national averages in 2017/18, Havering is similar to London (22.0%) and England (22.2%). The survey methodology for this measure changed in 2016 and thus trend data is not available. Havering's Obesity Strategy is currently being refreshed and will continue to incorporate actions on physical activity promotion at many levels – from active travel promotion through transport and planning opportunities, through to encouraging and supporting adults to be active through our leisure contract and the Health and Sports Development team's work.
CM10a	Community	Havering residents are healthy and active	Number of settings registered with Healthy Early Years London	Higher is better	N/A	58	N/A	As of the end of September 2019, the number of early years settings that have registered on the Healthy Early Years London Programme has increased from 45 settings to a total of 58 settings in Havering. Of the 58 Havering settings registered, 30 have achieved the HEYL First Steps award, 13 have achieved the HEYL Bronze award, 7 have achieved the HEYL Silver award and 1 setting has achieved the HEYL Gold award. (This setting has been visited by the Deputy Mayor of London, Joanne McCartney, to acknowledge their achievements). The Healthy Early Years London Programme provides support and resources which encourage settings to reflect on their practice and introduce initiatives to address health inequalities and ensure all children have a healthy start in life. In Havering, support to achieve the awards is freely available to settings, and is provided by the Health and Wellbeing Advisor (Education) in the Public Health team and The Early Years Quality Assurance Team.
CM10b	Community	Havering residents are healthy and active	Number of schools registered with Healthy Schools London	Higher is better	N/A	68	N/A	As at the end of September 2019, 86% of schools in Havering were registered with the Healthy Schools London programme. Registrations across London boroughs ranged from 47% to 100%. Of the 68 Havering schools registered, 35 have achieved the HSL Bronze Award, 19 the HSL Silver Award and 9 the HSL Gold Award. The Healthy Schools London awards framework promotes a whole school approach to mental health and emotional wellbeing, healthy eating, physical activity and other PSHEE topics. In Havering, support to achieve the awards is currently offered to schools as a traded service, provided by the Health and Wellbeing Advisor (Education) in the Public Health team.
CM11	Community	The needs of our most vulnerable residents are identified and met	% of care leavers (aged 19-21) in education, employment or training	Higher is better	53%	51%	RED	The percentage of care leavers in education, employment or training (EET) is just outside of the accepted tolerance but a significant improvement on Quarter 1's outturn of 43%. The statutory DfE methodology used here includes care leavers who are not receiving services and whose EET status is therefore not known, which reduces the percentage. Performance based on only young people receiving services is far higher (60%) and this figure compares well to other LAs based on the latest available benchmarking (London average = 53%). On-going support to care leavers remains in place in the form of an EET Pathway Co-ordinator, and targeted engagement activities for young people entering care post-16 and already disengaged with EET. There is active collaboration with the Department for Work and Pensions, who regularly send employment and training opportunities for care experienced young adults to consider. Positive engagement activities continue to be used to instil a level of commitment within this cohort of young adults to enable the first steps towards employment. The mental health practitioner is working with care experienced young adults to promote self-confidence and positive mental/ emotional well-being, all of which is crucial in preparing for any type of EET. 'Pathway planning and transition to adulthood' is one of the seven themes of our improvement plan for Children's Services and remains a high priority for the service.
CM12	Community	The needs of our most vulnerable residents are identified and met	% of Adult Social Care service users receiving direct payments	Higher is better	36.5%	35.9% (August)	AMBER	Adult Social Care set an ambitious target for this indicator and as such the RAG rating is Amber. As at the end of Quarter 2 there were 704 service users receiving their support via a Direct Payment, at the same stage last year there were 679 (an increase of 3.7%). The latest available benchmarking within London indicates that performance in Havering is better than the London average. The Council continues to make good progress with recruiting personal assistants, who individuals can choose to employ directly using their Direct Payment, providing residents with greater choice in how they their support is received. The number of PAs on Havering's accredited list has increased by more than 60% in the first half of the year.
CM13a	Community	The needs of our most vulnerable residents are identified and met	HMOs enforced against	Higher is better	N/A	11	N/A	Enforcement outcomes have been good with unlicensed HMOs being discovered in every enforcement operation and FPN's issued. The consultation launched on additional licensing from 12 to 18 wards closed on 20th September. The data is currently being analysed and information will be made available in Quarter 3 regarding the outcome of consultation.
CM13b	Community	The needs of our most vulnerable residents are identified and met	HMO licenses issued	Higher is better	N/A	14	N/A	The number of new applications received has been very low as the compliant landlords have already come forward to licence, leaving those wishing to evade licensing or probably operating poor quality HMOs. Therefore we are concentrating our efforts on enforcement. The consultation launched on additional licensing from 12 to 18 wards closed on 20th September. The data is currently being analysed and information will be made available in Quarter 3 regarding the outcome of consultation
CM14	Community	The needs of our most vulnerable residents are identified and met	Impact of predictive approaches	N/A	OUTCOME	ON TRACK	GREEN	Through our Innovation programme for Children's Services, we have developed a predictive model to identify children most likely to come into the care of the local authority, based on research into the factors that have led to children entering care over the last three years. So far, by intervening earlier and working with families in a different way over an 18 month period, 95% of the cohort (around 101 children) have not entered care. In Adult Social Care, we have created a finance and activity model to predict the anticipated need and changing demographics over a 3-5 year time period to assess the impact of our Better Living approach on people's independence. The model involves working with people to maximise the available strengths and resources within their families and wider community, offering traditional support packages only when all other options have been explored. This model is in line with our aim to support families and communities to live as independently as safely possible, while ensuring that the needs of the most vulnerable residents are identified and met.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CN1	Connections	Improving roads and pavements	Annual programme delivered to time and budget (roads and pavements)	N/A	OUTCOME	ON TRACK	GREEN	The Highways Investment Programme is on track to delivering both the carriageway and footway resurfacing works by the end of the 2019/20 financial year. The number of miles resurfaced: Roads (4.3 miles) and Pavements (5.9 miles). This equates to 71% of roads and 57% of footways(pavements) completed. The number of sites planned for resurfacing: Roads (25), Pavements (22).
CN2	Connections	Improving roads and pavements	Number of potholes repaired with a permanent fix	Higher is better	N/A	295	GREEN	Ongoing proactive and reactive highway safety inspections continue to identify and arrange repair of carriageway potholes borough wide. The Love clean street app was launched as part of the cleaner havering campaign and picks up areas of street cleansing and waste as part of phase 1. This will be extended to cover highways defects i.e. potholes & street lighting over the next 3-6 months.
CN3	Connections	Making it easy to get around	Costings and potential routes for North-South link completed by end of September 2019	N/A	OUTCOME	OFF TRACK	AMBER	A feasibility study has been commissioned to identify a north/south public transport link for the borough. Due to Procurement issues the feasibility study was commissioned later than anticipated (June 2019) creating a knock-on effect on delivery. A revised target has been set for December 2019. Phase 1 is completed with potential high level route options identified as part of the north/south connectivity study. Phase 2 of the North/South connectivity study was commissioned in Quarter 2 and currently scheduled to be completed by the end of the Calendar Year. Phase 2 of the study focusses on Travel demand, housing capacity, funding options, costings and communications strategy. Focus on Quarter 3 will be on Housing Capacity study and funding opportunities and establishing high level costings for the new public transport route. A Programme Board has been set up for the project where strategic decisions are made on aspects of the work programme. This board will meet on a quarterly basis.
CN4	Connections	Making it easy to get around	Beam Parkway works to start by September 2019	N/A	OUTCOME	ON TRACK	GREEN	The Beam Parkway A1306 project is using £4.5m of funding from the Mayor of London and £1.8m from Transport for London (TfL) to transform the A1306 from its former function as a trunk road into a safer, greener and more pleasant environment. The scheme is currently in the design phase with consultation and engagement events continuing. Procurement and tender process has been established with the procurement of a design and build contractor commencing in June 19. Tenders are due to be returned 3rd October and an appointment will be made at November Cabinet. A complementary project 'Creekside Park' has been completed transforming the area next to Dovers Corner.
CN5	Connections	Making it easy to get around	Work programme approved by June 2019 (New Parking and Highways Strategy)	N/A	OUTCOME	ON TRACK	GREEN	Since the introduction of the new parking charges in June 2019, the proposed savings are on track to be achieved for pay and display charges, overnight parking and alignment of town centre charges with the removal of free 30 minutes. This additional income has further supported the Councils Highways investment programme. A parking review consultation commenced in October 2019 for 6 weeks with the results available in the early 2020. The procurement for new P&D machines and the pay by phone provider has commenced with the intention of being in place by Spring 2020.
CN6	Connections	Using technology to improve the way that we live	Fast and affordable internet coverage	N/A	OUTCOME	ON TRACK	GREEN	A Connections Strategy has been developed and presented to the Connection Theme Board - defining connectivity improvements for all consumption models. The service will be working on understanding and modelling Residential, Occupational and Public audiences, with private sector engagement, to deliver an uplited connectivity model throughout the borough. The service is also working with BID and Regeneration teams. The model will be initially trialled with SIP funding and then replicated across the borough. Partners for the targeted consumption model (Residents, Businesses etc.) will be identified by the end of Q3.
CN7	Connections	Using technology to improve the way that we live	% of council services that are accessible digitally	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
CN8	Connections	Using technology to improve the way that we live	Proportion of public accessible Council facilities offering residents assistance to access digital services	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
OP1	Opportunities	Delivering value for money	Only increase council tax to fund improvements to services	N/A	OUTCOME	ON TRACK	GREEN	The Council increased Council Tax by 3.25% for 2019/20. This increase was used to ensure we meet the rising costs of providing care and support for residents who are more vulnerable, including senior citizens, people with disabilities and young people who are deemed at risk. The Council regularly reviews its Medium Term Financial Strategy but for 2020/21 in particular this has been difficult due to a number of uncertainties in relation to future government funding. The Council was expecting the government to undertake a Spending Review, conclude changes to the Fair Funding formula and introduce reforms to business rates. All these changes have been delayed making it impossible to predict the Council's financial position beyond 31 March 2020 with any accuracy. In preparation for final funding announcements by government for 2020/21, the Council is exploring a range of opportunities to make efficiencies which can be implemented to offset any detrimental impact of future government announcements and emerging service pressures. The Council is therefore on track to meet this target.
OP2	Opportunities	Delivering value for money	Minimum 97% collection rate on council tax	Higher is better	57.96%	57.56%	AMBER	Performance is 0.4% off target. While £3.2 million more income has been collected so far this year compared to the same time last year. Havering also lies in seventh place across London. Reductions in Council Tax Support have affected performance. Initiatives to improve collection include increasing SMS campaigns, frequent published communications focussed on the consequences of non-payment and tightening procedures for broken payment arrangements. Improvements in performance are emerging in the Quarter 3 collection rate.
OP3	Opportunities	Delivering value for money	Minimum 98.7% collection rate on business rates	Higher is better	60.11%	58.13%	AMBER	Work continues to be carried out to ensure all debt is moving through our recovery processes as quickly as possible. Our cash flow projections, show that the current shortfall in collection will be covered by future instalments and has been created by debt moving to later in the year due to a number of reason such as arrangements and new liabilities being set up, more than happened last year. A significant amount of the instalment shift is also attributable to our recent Small Business Rates Relief review, where relief was removed then reinstated as further evidence was submitted. In general, NDR performs highly in collection rate compared to neighbouring boroughs. In 2018/19, Havering's NDR rate was 99.04% compared to Bexley (98.61%), Newham (which is delivered through Havering/Newham's shared service - 99.51%) and Redbridge (97.44%). The service anticipates a continued positive trend and direction of travel but it should be noted that performance this year has been impacted by a significantly larger number of companies going into liquidation than we have seen in previous years.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
OP4	Opportunities	Delivering value for money	£13m savings - Annual savings programme	Higher is better	£13M	ON TRACK	GREEN	The Council has a target of delivering £13 million in budget savings during 2019/20. From the Month 5 budget monitoring most of these savings are either already delivered or are on track to be delivered by the end of the year. There are delays in delivering savings in Assistive Technology costs due to the need to work with health partners in reshaping the offer and to reassess the needs of current users of Assistive Technology. There have also been delays in elements of the Keep Havering Moving project due to public consultation taking longer than anticipated e.g. in relation to Controlled Parking Zones around public transport hubs. The impact of these delays is currently under review. Where necessary, mitigating action will be taken to find alternative savings so that the Council remains within budget at the end of the year.
OP5	Opportunities	Delivering value for money	£300k savings - Contracts review	Higher is better	£300K	£42k	AMBER	The contracts review has identified £85K in agreed savings & rebates against utilities, of which £25k has been delivered to date. An additional £25k has been identified through savings and rebates against existing telecoms contracts and a further £100k has been delivered through a new mobile phone contract. There are anticipated further savings for 19/20 that it is hoped will bring the total up to the target of £300k but these are not yet confirmed. The combined target savings of £940k from 2019-21 remains on track.
OP6a	Opportunities	Helping our business grow	CIL investment	N/A	N/A	£0	N/A	Havering CIL was introduced on 1 September 2019, after formal adoption at Cabinet in July 2019. It is payable on applicable developments granted planning permission after 1 September when the development commences to help fund infrastructure needed to support new developments in the area. As such, no CIL receipts have been received this quarter.
OP6b	Opportunities	Helping our business grow	S106 investment	N/A	N/A	£153,056	N/A	Section 106 obligations to the value of £153,056 were secured during Quarter 2. The amount received will depend upon trigger points in the legally binding Section 106 agreement being reached, and is agreed on a case by case basis. Contributions received can only be used for the purpose specified in the legal agreement.
OP7	Opportunities	Helping our business grow	Major commercial investments attracted to the borough	N/A	N/A	OFF TRACK	AMBER	During the subject period, Havering welcomed Barking and Dagenham, Havering and Redbridge Clinical Commissioning Group (BHR CCGs) to its new headquarters in North House, Romford. More generally, we continue to work to develop our pipeline of enquiries. It should be remembered that the enquiry journey can take up to 30 months and the volume of major enquiries will always be low especially during times of economic uncertainty. The current low volume of enquiries and long lead time accounts for the Amber RAG rating.
OP9	Opportunities	Helping people to succeed in life	Number of opportunities generated	Higher is better	OUTCOME	ON TRACK	GREEN	We continue to seek referrals to the service through contacts with housing, money advice and troubled families receiving 114 referrals this Quarter. We continue to promote the service through channels such as Living Magazine, and the email bulletin to households. We also attended 3 community events across the borough and an employment event in the Liberty in September. This has had a positive impact on the service with improvements in most of the indicators. The number of enrolments (68), participants receiving 6+ hours of support (35), participants in placements (5) or achieving basic skill qualification (7) exceeding target. The number enrolled is much lower than referrals due to the eligibility of those for the grant funding.
OP10	Opportunities	Helping people to succeed in life	Social value statements agreed and delivered	N/A	OUTCOME	ON TRACK	GREEN	The Bid submitted to European Social Fund (ESF) has been rejected, alternative funding options are being researched to provide the serve beyond March 2020. The EPEC course for single parents is running with support from the brokerage for the parents to continue to explore employment opportunities once the course has completed. Social Value is the added societal benefits that can be gained from a procurement. It includes benefits such as environmental enhancements, local training and employment opportunities and social cohesion projects. Social Value strategy has been approved by Cabinet and the draft implementation plan has issued for consultation amongst SLT., and will form part of the Council's upcoming Inclusive Growth Strategy which is due to be approved by Cabinet in Quarter 3 2019/20.
PL1	Places	Excellent leisure facilities and award-winning parks	Number of Green Flag Awards	Higher is better	14	14	GREEN	All awards received following successful judging visits and good feedback. Improvement plans for existing and 2 new applications are now underway for 2020.
PL2	Places	Excellent leisure facilities and award-winning parks	Increasing the number of people who use leisure centres	Higher is better	1.882m visitors	501,126	GREEN	This is an annual indicator. Q2 performance suggests all is on track to be achieved. The total number of attendees from April 2019 is 1,007,244 compared to 955,555 by end of Q2 last year. This represents a 5.41% increase in the number of people using the leisure centres.
PL3	Places	Havering is kept clean and safe	The level of waste per head of population presented to the East London Waste Authority (ELWA) (C)	Lower is better	110.25 kg per head	111.90kg per head	AMBER	Quarter 2 performance of 111.90 Kg per head is a slight improvement compared to Quarter 1 (112.54 kg/ head) this year. Total amount of waste per head for 2019/20 thus far is 224.45kg, which is just above the cumulative target 220.5kg. This is above the target but it is an improvement on the comparable point this time last year (226.44).Waste traditionally drops throughout the winter months as the amount of garden waste reduces so an improvement can be expected over the next two quarters. This PI measures the total waste delivered to the ELWA. This includes collected household waste, waste from the reuse and recycling centre and municipal waste from Highways and Parks management activities. Various waste prevention campaigns focusing on home composting, reuse, and Love Food Hate Waste, along with receiving funding from the LGA to commission a piece of work on investigating behavioural change have contributed towards this target. We are also reviewing operations in Highways and Grounds Maintenance to reduce waste and, with ELWA, continue to review policies to prevent commercial waste entering the domestic waste stream at the household reuse and recycling centre. Without restrictions on the amount of waste we collect through the household waste collection service containing and reducing tonnages is very challenging and relies on attitudinal change.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
PL4	Places	Havering is kept clean and safe	Improve air quality in the borough by reducing the level of NO2	Lower is better	OUTCOME	ON TRACK	GREEN	<p>Air quality monitoring and reporting against air quality objectives are undertaken based on a calendar year. The Service has developed an Air Quality Action Plan (AQAP) to improve local air quality. The four themes cover:</p> <ul style="list-style-type: none"> • Monitoring and Modelling • Public Health and Awareness Raising to encourage Smarter Travel • Reducing Emissions from Buildings • Reducing Emissions from Transport <p>There have been five additional diffusions tube sites added to the network sites at the following locations: Hilldene infant school, Butts Green Road (Emerson Park), Rainham Broadway, Front Lane (Brunswick Avenue) and Station Lane (Hornchurch). The service constantly raises awareness around air quality issues, including: a presentation given to the Over 50s Forum and Health Protection Forum; magazine articles; developing a School Streets pilot project; and developing a GLA anti-idling project. As well as the use of air text which sends air quality information to smart phones and frequenting messages on social media i.e. twitter and facebook and the e-magazine.</p> <p>Transport are trialling Gas to Liquid fuel (as an alternative to Diesel) and EV infrastructure provision for the car pool fleet is being planned.</p> <p>Finally, 64% of TFL buses in Havering are now Ultra Low Emission Zone (ULEZ) compliant.</p>
PL5	Places	Havering is kept clean and safe	The number of non-domestic violence with injury offences (C)	Lower is better	327	300	GREEN	<p>The number of offences for the rolling 12 months (September 2018 to September 2019) has decreased from 1347 to 1176 ; this is a reduction of 12.7%.</p> <p>Work continues through the Safe and Sound Partnership to address crime and disorder in the day and night time economy. Implementation of the Serious Group Violence and knife crime action plan continues with proactive work in schools. We have organisations such as Street Dr's going into secondary schools and colleges delivering sessions on life saving first aid linked to individuals bleeding out (linked to being stabbed or shot); Spark2Life providing 1-1 mentoring; and the Ben Kinsella Trust delivering work and training for practitioners to be able to deliver excellent front line support themselves. Our Schools Police Presentation Team along with the London Ambulance Service and Robert Levy Foundation are delivering a "No Knives In schools Programme" which is a half day interactive session to Year 9 Students. In June-July 2019 our Junior Citizens Programme delivered interactive safety messages to 2,500 year 6 transition students. This has been successfully running for the last 6 years. Additionally our safer schools police officers have presented on a variety of safety topics to +4,000 primary school children and 11,000 secondary school pupils. Havering Council have been working with Trident Police to deliver Parent/ Teacher talks on the risks of county lines and gangs, this has been very well received with further community events to be delivered in October .</p>
PL6	Places	Havering is kept clean and safe	Number of young people engaged in preventative education programmes (Adolescent Safeguarding)	Higher is better	OUTCOME	ON TRACK	GREEN	<p>The Youth Service delivered a number of preventative programmes for a range of young people (YP) in Havering over the Summer. Projects included the Junior Transitions Club (25 YP), Go Girls life skill and self-esteem course (26 YP), 3 weekly Youth Clubs (100+ YP), Street Sports Projects (85 YP), and Duke of Edinburgh (DoE) sessions (82 YP currently registered).</p> <p>The Youth Bus visited 10 areas / communities in Havering to deliver projects ranging from knife crime awareness to art sessions and sport projects, with 200+ young people benefiting. A range of summer activities were also delivered at the mYPlace centre, Olive Academy and within local parks, with activities including bike courses/workshops, free running, cooking, para-sports, team building projects and more. In total, more than 300 young people benefited from the summer offer.</p> <p>Our SEND work has continued to engage with young people through weekly sessions, promoting educational themes such as health and wellbeing, personal safety and youth voice. 74 young people are registered, with 4 recently awarded their bronze award in DoE. 20 young people have registered with a new youth drama and theatre project at the mYPlace centre, and a further 35 are involved in planning the 'Bike Shed' project - providing opportunities to ride, fix and maintain bikes in a safe and supportive space.</p> <p>Youth workers also supported young people on the edge of care throughout the summer, through one to one support to gain confidence, develop new skills and improved relationships with peers and the wider community.</p>
PL7	Places	Improving our housing estates	Programme delivered on time and to budget (£10m housing estate improvement programme)	N/A	OUTCOME	OFF TRACK	AMBER	<p>Over the summer, the dedicated Project Manager has worked with the Community Engagement and Tenancy Sustainment teams in Housing to carry out an extensive consultation on the estates affected by the programme with tenants and ward councillors. The consultation finished in September 2019 and the results were collated we have worked up the scope and specification of the works contracts. One project is now fully complete, and five more are due to go on site. Some of the projects require planning approval so their start date is dependent on that being achieved. We will have four new contractors taking the projects forward, and to be back on track in the new financial year.</p>
PL8	Places	Improving our housing estates	Increased tenant and leaseholder satisfaction	N/A	OUTCOME	ON TRACK	AMBER	<p>The tenant and leaseholder satisfaction survey was last completed in 2017 and was due for November 2019. Due to upcoming changes in the Housemark benchmarking data, the survey has been placed on hold until the new criteria is provided. At this point, a decision will be made by the service regarding the need to provide comparative data or to align to the new criteria.</p>
PL9	Places	Provide quality and genuinely affordable homes	Number of new homes proposed in planning applications	Higher is better	875	579 (approved) 3132 (anticipated)	GREEN	<p>Rainham and Beam Park JV - Eight of the nine outline planning applications have been approved by SPC for the delivery of 641 new homes in Rainham. Outline consent on one scheme remains outstanding - RW4B which is anticipated to deliver 239 new homes.</p> <p>12 Site Programme - Planning application for 197 new homes at Napier and New Plymouth House has been approved by SPC. A planning application has been submitted on Solar, Serena, Sunrise to deliver 175 new homes. An application for Waterloo Estate is expected to be submitted in Spring 2020 for the delivery of a further 1383 new homes.</p> <p>Bridge Close - Planning application has been prepared for submission to deliver 1070 new homes.</p>
PL10	Places	Provide quality and genuinely affordable homes	Feasibility of NW Romford scheme confirmed and Small Sites Delivery Strategy adopted	N/A	OUTCOME	OFF TRACK	AMBER	<p>The North West Romford scheme went to Cabinet in November and is therefore on track. Options for small sites delivery were reported to Places Theme Board on 28th October and further work is required as part of an HRA/GF land strategy.</p>

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
PL11	Places	Strengthening the attractiveness of our town centres	Romford Master plan developed by December 2019	N/A	OUTCOME	OFF TRACK	AMBER	Delivery of the masterplan against the original programme timescales has slipped slightly due to additional consultation requirements and work. The service is currently preparing the document with a draft version of the Masterplan to be in place by December 2019. However, formal adoption of the document is now expected in Mar/Apr 2020, in line with adoption of the Local Plan.
PL12	Places	Strengthening the attractiveness of our town centres	Submission of external funding bids for district town centre renewal	N/A	OUTCOME	ON TRACK	N/A	An unsuccessful bid was submitted to the MHCLG High Street Fund during Q2. London was not generally favoured with only one successful bid in the Capital and underperforming provincial towns prioritised. Currently there are no other calls for bids elsewhere, though bidding rounds are generally known eight weeks in advance.
PL13	Places	Strengthening the attractiveness of our town centres	BID feasibility study completed for Hornchurch	N/A	OUTCOME	ON TRACK	GREEN	The feasibility study for Hornchurch BID was completed in early September. Further work is now required to determine the way forward.

Appendix 2: Overview & Scrutiny Board Performance Report: Quarter 2 2019/20

RAG Rating		Direction of Travel (DOT)	
GREEN	On or better than target On track	↑	Short Term: Performance is better than the previous quarter Long Term: Performance is better than at the same point last year
AMBER	Worse than target but within target tolerance	→	Short Term: Performance is the same as the previous quarter Long Term: Performance is the same as at the same point last year
RED	Worse than target and outside tolerance Off track	↓	Short Term: Performance is worse than the previous quarter Long Term: Performance is worse than at the same point last year

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q2 Performance	Short Term DOT against Q1 2019/20	Long Term DOT against Q2 2018/19	Comments
Page 453 Town and Communities	% of Housing services complaints answered within target time	Bigger is better	95%	N/A	94.51% (AMBER)	↑ 93.79%	↑ 81.77%	September 2019 for Housing services. Breakdown for the service areas within Housing is as follows: 48 out of 54 (88.89%) of complaints relating to Tenancy Sustainment; 168 out of 173 (97.11%) of complaints relating to Property & Land; and 42 out of 46 (91.30%) of complaints relating to Housing demand.
	% of repairs right first time (Breyer Contractor only)	Bigger is better	95%	N/A	98.43% (GREEN)	↑ 98.29%	↑ 96.25%	At the end of Q2 2019-20 98.43% of the repairs orders raised to the main maintenance contractor were completed right first time as a % of tenants response to text satisfaction survey. A total of 13361 repairs orders have been raised (year to date) for the main maintenance and gas contractors and of these a total 12199 were completed within target. A previous back log has been cleared in Q2 and overdue jobs are now currently run at a manageable level.
	% of all repairs completed within target Main Contractor(s) (cumulative)	Bigger is better	95%	N/A	91.3% (RED)	↑ 88.69%	↑ 86.20%	A total of 8550 properties with a current CP12 (current gas safety record) out of a total compliance stock count of 8555 properties. PSL (temporary accommodation) properties gas safety is 99.24% (790 out of 795)
	% HRA Gas servicing compliance (General needs & Sheltered)	Bigger is better	100%	N/A	99.94% (AMBER)	↑ 98.04%	↑ 99.12%	A total of 4976 HRA tenants were in arrears over £0.01p. The total amount of arrears owing was £1,672,506 over a current estimated annual HRA rent debit of £53,951,807.
	% of arrears over debit	Smaller is better	1.40%	N/A	3.1% (RED)	↓ 2.96%	- NEW	The service is promoting Standing Orders as a preferred method of payment with UC claimants with claimants paid monthly in arrears. At the end of Q2, there was a total of 1110 tenants who are receiving UC in arrears. The current £733,957 UC arrears represents 1.35% when expressed as a percentage of the annual rent debit.
	Total current UC tenants arrears (General, sheltered, HMO & AST)	Smaller is better	Demand Pressure	N/A	£733,957	↓ £702,115	- NEW	The FI&WB Team will continue to assist all tenants with their Universal Credit queries to help maximise their income, provide one to one welfare support where possible and ensure tenants are not digitally or financially excluded. Income recovery techniques and practices were updated and implemented following the roll out of Universal Credit, with a more accommodating approach taken. The Havering Housing Income team liaise with the DWP through their Housing forums as well as maintain a good relationship with their Rough Sleeping, Leaving Care and other vulnerable groups' team leaders.
	Average days re-let time of ALL HRA Voids	Smaller is better	14 days	N/A	16.40 days (AMBER)	↓ 16	- NEW	A total of 196 HRA re-lets were carried out within an average time of 16.4 days. The average working days re-let time of HRA (Housing Revenue Accounts) Voids includes the following types of letting by the local authority, general needs and sheltered. The report will exclude Temporary accommodation (TA), hostel, TA for regeneration, Private Housing Solutions (PHS) and Houses of Multiple Occupancy (HMO).
	Major Planning Applications completed within Target	Bigger is better	65%	N/A	79% (GREEN)	↑ 67.0%	- NEW	The figures for Q1 had to be revised due to errors being highlighted in the reporting tool. At the end of Q2, 79% (15 of 19) of major planning applications were completed within target, which is 65% of decisions made within the 13 week statutory period or an extended period of time as agreed by the applicant. 84% (211 of 252) of minor planning applications were completed within target (65%). 94% (613 of 649) of other planning applications were completed within target (80%).
	Minor Planning Applications completed within Target	Bigger is better	65%	N/A	84% (GREEN)	↑ 75.0%	- NEW	
	Other Planning Applications completed within Target	Bigger is better	80%	N/A	94% (GREEN)	↑ 94.0%	- NEW	

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q2 Performance	Short Term DOT against Q1 2019/20		Long Term DOT against Q2 2018/19		Comments
Crime and Disorder	% of "I" calls responded to within target	Bigger is better	90%	± 0%	83.8% (RED)	↑	82.70%	-	Not available	Data from police is no longer available as a percentage figure for each month; however is now provided as a rolling average for I and S grades of calls met within target times, and also domestic abuse calls in each of these gradings. Therefore percentages are provided only provided until 2nd September 2019. I-grades: For the week commencing 2nd September 2019 Havering saw an improvement in the number of I calls reaching the target time compared to quarter 1 with a rate of 83.8% (compared to 82.7% for the week commencing 1st July 2019.). This is slightly below the overall BCU average of 84.96%). For the same period, Havering DA I grade calls have seen an increase in the number of calls reaching targets with a rate of 92.9% compared to the 84.6% reported for the week commencing 1st July 2019. This is above the overall BCU average of 78.76%
	% of "S" calls responded to within target	Bigger is better	90%	± 0%	80.5% (RED)	↓	80.5%	-	Not available	S-grades: The 12 month rolling averages to 2nd September 2019 are as follows: Locally, 80.6% of S grades are met within an hour (compared to 80.5% for the week commencing 1st July 2019.) This is above the BCU average of 74.84%. Domestic Abuse S grades show the figure of 79.4% locally (compared to 80% for the week commencing 1st July 2019.). This is above the BCU average of 73.51%.
	Number of domestic or non-domestic abuse with violence	Smaller is Better	TBC	N/A	300	-	612	↑	312	For the rolling 12 months we have seen a reduction from 1347 Non DA VWI from September 2017 to September 2018 to 1176 Non DA VWI from September 2018 – September 2019, a reduction of 12.7%. July 2019 saw a reduction of 16 incidents when compared to July 2018. August 2019 saw an increase of 2 incidents when compared to August 2018. The ongoing implementation of the serious group violence and knife crime action plan is contributing to this reduction.
	Number of burglary offences (cumulative)	Smaller is Better	1812	N/A	895	↓	512	↓	581	For the rolling 12 months from August 2018 to August 2018 we have seen a reduction from 2112 total burglary offences to 1975 total burglary offences, a reduction of 6.5%. There has been an increase in total burglary in July of 58 incidents; this was followed by a reduction in total burglary in August of 37 incidents. The Council continues to support the police in providing crime prevention advice to residents and businesses in Havering through the use of e-newsletters, twitter, Facebook and Living in Havering. The Majority of residential burglaries continue to be through unlocked doors and windows. There have been a number of targeted operations with police colleagues in Essex and the East Area BCU to tackle cross borough burglars with a number of notable arrests during this period.
	The number of anti-social behaviour (ASB) reported to the police	Smaller is Better	6100	N/A	1695	↓	1356	↑	2875	Anti-Social Behaviour reported to the police has seen a rise over the summer period, with 677 reports in July 2019 and 641 in August 2019, compared to 470 in July 2018 and 471 in August 2018. There were an increased number of traveller incursions this year compared to the previous year. However the Council has now secured an Injunction to tackle future incursions. Similarly there have been increased reports of youth ASB over the Sumer period. Additional funding was secured by the police to conduct cross borough operations to tackle gang activity and associated ASB. A plan is currently being developed to tackle the projected increase in ASB over Halloween and Bonfire Night. The Council continues to work closely with the police to tackle ASB through the Monthly Tasking Enforcement group and provide support to frequent callers and victims of ASB via the monthly Community MARAC.
Individuals	% of service users receiving direct payments	Bigger is better	36.5%	± 5%	35.9% AMBER	↓	36.2%	↑	34.9%	There are more service users receiving Direct Payments than at the same point last year – increased from 679 in September 2018 to 704 in September 2019. There are also more service users receiving self directed support - at the end of Q2, there were 1,886 compared to 1862 at the same stage last year.
	Rate of permanent admissions to residential and nursing care homes per 100,000 population (aged 65+)	Smaller is better	600	± 5%	242.8 GREEN	→	127.1	↑	293	Better than target (where lower is better) for the rate of permanent admissions for service users aged 65+ into nursing or residential care. There have been 131 adults aged over 65 in council-supported permanent admissions, whereas for the same period in 2018/19 there had been 136. There has also been fewer adults aged 18-64 in council-supported permanent admissions to residential and nursing care - 6 as at the end of Q2, compared with 8 at the same point in 2018/19.

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q2 Performance	Short Term DOT against Q1 2019/20	Long Term DOT against Q2 2018/19	Comments		
Environment	Improve air quality in the borough by reducing the level of NO ₂ µgm-3 (micrograms per cubic metre of air)	Smaller is Better	40	± 0%	Ranges from 17.3 (Langtons) to 71.4 (Battis) 2018	-	N/A	-	<p>Air quality monitoring and reporting against air quality objectives are undertaken based on a calendar year. The Service has developed an Air Quality Action Plan (AQAP) to improve local air quality. The four themes cover:</p> <ul style="list-style-type: none"> Monitoring and Modelling Public Health and Awareness Raising to encourage Smarter Travel Reducing Emissions from Buildings Reducing Emissions from Transport <p>There have been five additional diffusions tube sites added to the network sites at the following locations: Hilldene infant school, Butts Green Road (Emerson Park), Rainham Broadway, Front Lane (Brunswick Avenue) and Station Lane (Hornchurch).</p> <p>The service constantly raises awareness around air quality issues, including: a presentation given to the Over 50s Forum and Health Protection Forum; magazine articles; developing a School Streets pilot project; and developing a GLA anti-idling project. As well as the use of air text which sends air quality information to smart phones and frequenting messages on social media i.e. twitter and Facebook and the e-magazine.</p> <p>Transport are trialling Gas to Liquid fuel (as an alternative to Diesel) and EV infrastructure provision for the car pool fleet is being planned.</p> <p>Finally, 64% of TFL buses in Havering are now Ultra Low Emission Zone (ULEZ) compliant.</p>	
	HMO licenses issued	Bigger is better	N/A	N/A	11	↓	13	↓	25	As at Q2 56.2% of landlords have licensed since start of scheme 1 and the trend is now starting to slow down. we continue to send warning letters out (200 per month) to suspect HMOs and enforcement operations are happening weekly with regulars communications to encourage landlords to license.
	HMOs enforced against	Biggers is better	N/A	N/A	14	↓	11	↓	34	Discovery and enforcement on unlicensed HMOs has increased and every case has an assigned enforcement officer and FPN's are being issued. The consultation launched on additional licensing from 12 to 18 wards closed on 20th September. The data is currently being analysed and information will be made available in Quarter 3 regarding the outcome of consultation
	Total Penalty Charge Notices (PCNs) issued in month (including PCNs for moving traffic contraventions (MTC))	N/A	N/A	N/A	31,445	-	31,428	-	28,515	Penalty Charge Notices are issued to people parking illegally, or committing moving traffic offences like wrongly using bus lanes or making a banned turn. The management of traffic and parking is essential to keep Havering moving. There continues to be poor compliance levels in Moving Traffic Contraventions (MTC) locations (12,493 of 31,445 PCNs issued in Quarter Two for MTC) across the borough. Action to be undertaken in 2019-20 will be the relocation of the MTC cameras to other sites from those sites where we have achieved compliancy.
	Response rate for PCN Challenges and Representations (days in current backlog as per end of month)	Smaller is better	35 days	N/A	25 days GREEN	↓	11 days	↑	32 days	Response rate for PCN appeals and correspondence is on target. The traditional benefits of shorter appeal response times are an improved customer experience for the driver and an increased likelihood of prompt payment by drivers. The parking team has worked hard to reduce and keep response times short while also ensuring representations are given full consideration when making decisions on appeals.

Sub-committee	Indicator and Description	Value	2019/20 Annual Target	Tolerance	2019/20 Q2 Performance	Short Term DOT against Q1 2019/20	Long Term DOT against Q2 2018/19	Comments	
Children & Learning Page 456	Number of children missing from education at month end (average for the quarter)	Smaller is better	N/A	N/A	3	→	3	8	The Number of children missing from education in Quarter 2 was three, which is the same as the previous quarter and five fewer children than at the same point last year.
	Percentage of 16-18 year olds who are not in education, employment or training (NEET), or not known	Smaller is better	3.5%	±15%	3.1% (GREEN)	-	3.3% (monthly data - June 2019)	3.1% (2018/19)	The latest Department for Education scorecard performance (for the period December 2018 to February 2019) places Havering in the top quintile nationally for the Percentage of 16-18 year olds who are not in education, employment or training (NEET), or not known, with a three month average performance of 3.1%. This is compared to national performance of 5.5% and a regional average of 4.8% (lower is better). The continued strong performance in Havering is a result of strong post-16 partnerships with education providers through the termly sub-group meetings with the following: -local apprenticeship providers; -16-18 performance group (local post-16 education providers); -Participation Education, Training & Employment panel (PETE group) - an operational panel which case manages Havering 's NEET cohort in partnership with local providers, to progress them into participation; -Deploying targeted Information, Advice and Guidance (IAG) support to the identified Year 11 pupils at risk of becoming NEET, using the targeting toolkit indicators (TTK); -Delivering the annual Raising Participation Age event (1,800 attendees) and National Apprenticeship Week parent and learner event for local residents (500 attendees); -Securing the roll out of the London Mayor's flagship Enterprise Advisor programme in Havering with the North East London partners, which forms links between secondary schools and the two colleges in the borough, and local employers. The focus of the programme is to develop closer employer links and sustainable careers strategies, which provide relevant employment and skills opportunities for young learners; -Continued robust tracking and recording of young Havering residents.
	Number of apprentices aged 16-18 recruited in the borough	Bigger is better	(August 2018 to July 2019)	± 10%	460 (AMBER)	-	610 (2017/18)	690 (2016/17)	As noted previously, we have seen a decline in the number of apprentices recruited in the borough in line with national and regional trends, and targets have been set to reflect this (the regional decrease in apprenticeship starts between 2017/18 and 2018/19 was 17%). Looking at the latest available published data however, Havering has seen a greater number of starts than the average for Outer London boroughs. Apprenticeships continue to be promoted as a post-16 option to Havering residents and there is an increased focus on apprenticeships for 2019/20 through the National Apprenticeship Week activities planned. In line with the national trend, the majority of apprenticeships starts are for the 19+ age group.
	Number of apprentices aged 19+ recruited in the borough	Bigger is better	1,112 (August 2018 to	± 10%	970 (GREEN)	-	1,100 (2017/18)	1,320 (2016/17)	
	Percentage of Initial Child Protection conferences held within 15 days	Bigger is better	90%	± 5%	83.3% (RED)	↑	73.3%	77.8%	The percentage of Initial Child Protection Conferences held within 15 days has improved during the second quarter but remains just outside of the accepted target tolerance. As noted previously, the number of conferences taking place have reduced over recent years and with lower numbers, percentages are more volatile. The actual number of conferences held late during the quarter is two and performance remains affected by the slightly lower performance in the first quarter. Cases that have been referred for conference late by the social work teams are followed up with group managers to review the reasons and address any issues. Other reasons for late conferences this year have included lack of reports or representation from key agencies, and late reports from social workers. This area remains closely monitored by senior managers within the service and improved performance is anticipated in the second half of the year.
	Percentage of looked-after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order)	Bigger is better	20%	± 10%	8.7% (RED)	↑	6.9%	10.5%	The percentage of looked-after children who ceased to be looked after as a result of permanency is behind target for this point in the year, with 5 adoption orders and 1 special guardianship order (SGO) granted. Adopt London East (the regional adoption agency which Havering is hosting) went live on 1 October 2019 and there are three potential adoption matches currently being considered by the new service. A number of special guardianship assessments have been filed with the court and several of these are anticipated to result in orders being granted when proceedings conclude. As noted previously, we have seen a trend whereby applications to court for adoption hearings are taking longer to be set by the East London Family Court and adoption orders are less likely to be granted at the first hearing due to an increase in orders being contested by birth families.
	Number of new in-house foster carers (cumulative)	Bigger is better	14	12	2 (RED)	-	0	3	As reported previously, foster carer recruitment across London and nationwide remains a challenge. In Havering there have been 2 new in-house foster carers approved during the first half of the year. There is a more clearly defined focus on assessment and recruitment within the service, which is having a positive impact. The number of prospective carer households (at both stage 1 and 2 of the recruitment process) has more than doubled since the beginning of Quarter 2 and there are currently 10 households in the process of being assessed. We have seen increasing interest from Independent Fostering Agency (IFA) carers, who are looking after Havering children, in becoming Havering approved carers. This is because foster carer wrap around support is becoming Havering's strength. Foster carer allowances are also being reviewed to ensure that these remain competitive in comparison to other local authorities. The service is exploring what additional benefits other LAs offer, which the Council might consider in order to avoid losing carers to other agencies (e.g. Council tax exemption; parking charges exemption).
	Percentage of care leavers (aged 19-21) in education, employment or training	Bigger is better	53%	± 2%	51% (RED)	↑	43%	-	Not reported