



CABINET

7.30 pm	Wednesday 18 September 2019	Council Chamber - Town Hall
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Members 9: Quorum 3

Councillor Damian White (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Robert Benham

Cabinet Member for Education, Children & Families

Councillor Osman Dervish

Cabinet Member for Environment

Councillor Joshua Chapman

Cabinet Member for Housing

Councillor Jason Frost

Cabinet Member for Health & Adult Care Services

Councillor Roger Ramsey

Cabinet Member for Finance & Property

Councillor Viddy Persaud

Cabinet Member for Public Protection and Safety

Andrew Beesley
Head of Democratic Services

For information about the meeting please contact:

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

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.



AGENDA

1 ANNOUNCEMENTS

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

2 APOLOGIES FOR ABSENCE

(if any) – receive.

3 DISCLOSURES OF INTEREST

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

4 MINUTES (Pages 1 - 6)

To approve as a correct record the minutes of the meeting held on 9 July 2019 (attached), and to authorise the Chairman to sign them.

5 QUARTER 1 CORPORATE PERFORMANCE REPORT (Pages 7 - 18)

Report and appendix attached.

6 UPDATE REPORTS ON THE 2021 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) (Pages 19 - 36)

Report and appendices attached.

7 APPROVAL FOR CEMETERY EXTENSION PHASES 2 AND 3 (Pages 37 - 48)

Report attached.

8 SMART WORKING PROGRAMME (Pages 49 - 70)

Report attached.

9 SOCIAL VALUE STRATEGY (Pages 71 - 96)

Report attached.

10 STATEMENT OF GAMBLING POLICY 2019-2022 CONSULTATION (Pages 97 - 178)

Report and appendices attached.

11 EXCLUSION OF THE PRESS AND PUBLIC

To consider whether the press and public should now be excluded from the remainder of the meeting on the grounds that it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the press and public were present during those items there would be disclosure to them of exempt information within the meaning of paragraphs 1 or 3 of Schedule 12A to the Local Government Act 1972; and, if it is decided to exclude the public on those grounds, the Committee to resolve accordingly on the motion of the Chairman.

12 UPDATE TO PHASE 4 AND PHASE 5 SCHOOL EXPANSION PROGRAMME
(Pages 179 - 236)

Report and appendices attached. Appendix 3 not available to press or public.

13 PUBLIC REALM TRANSFORMATION (Pages 237 - 322)

Report and appendix attached. Appendices 1 and 2 not available to press or public.

14 MERCURY LAND HOLDINGS ANNUAL BUSINESS PLAN (Pages 323 - 388)

Report attached.

Exempt report and appendix not available to press or public.

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MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Tuesday, 9 July 2019
(7.30 - 8.40 pm)

Present:

Councillor Damian White (Leader of the Council), Chairman

Councillor Robert Benham

Councillor Osman Dervish

Councillor Joshua Chapman

Councillor Jason Frost

Councillor Roger Ramsey

Councillor Viddy Persaud

Cabinet Member responsibility:

Cabinet Member for Education,
Children & Families

Cabinet Member for Environment

Cabinet Member for Housing

Cabinet Member for Health & Adult
Care Services

Cabinet Member for Finance &
Property

Cabinet Member for Public
Protection and Safety

Apologies were received for the absence of Councillors .

76 DISCLOSURES OF INTEREST

There were no declarations of interest.

77 MINUTES

The minutes of the meeting of Cabinet held on Wednesday 12 June, 2019 were agreed and signed by the Chair as a true and accurate record of the same.

78 QUARTER 4 CORPORATE PERFORMANCE REPORT

The Quarter 4 Corporate Performance Report was introduced to Cabinet by Councillor Viddy Persaud and Sandy Hamberger. This details an overview of the Council's performance for each of the strategic goals and highlights good performance and potential areas for improvement. A RAG status for Quarter 4 has been provided for 41 of the 46 CPI's.

71% have a green “on track” Status, 12% have an amber status and 17% have a red “off track” status. The proportion of indicators that are green has increased on the figure at the end of Quarter 3 2018/19 which was 65%. The proportion of those that are red have decreased compared to 21% last quarter.

The Scrutiny Sub Committees and Board consider the reports on a regular basis to analyse performance in detail. This report allows Cabinet to keep track of this process.

There are going to be more staff surveys to assess performance.

Cabinet:

Noted the performance set out in the Appendix to the report and the corrective action that is being taken.

79 **LOCAL GOVERNMENT ASSOCIATION (LGA) CORPORATE PEER CHALLENGE 2019: APPROVAL OF ACTION PLAN**

The Leader presented the report and Action Plan demonstrating the commitment of the Council to improve and develop services to residents. The Council must have a very clear and strong communication to boost the Authority and the amazing innovative approaches the Council are taking to develop Havering into a wonderful place to live and work. It is an exciting time for Havering with three excellent joint ventures and innovative approaches to development. It is essential to put Havering on the map.

Decision making processes will be sharpened and resources have increased to provide support to the Cabinet. All aspirations are covered in the Corporate Plan. The focus is on future improvement and our direction of travel as a Local Authority. The Chief Executive indicated there had been feedback from staff and ways to improve have already been incorporated into the work/action plan.

Engaging with the community is a prime requirement working towards one vision for all of our communities.

Cabinet:

- **Agreed** the Action Plan as set out in the report.
- **Noted** that the Senior Leadership Team are collectively the “Lead Officers” for delivery
- **Agreed** that Cabinet and the Overview and Scrutiny Board will review progress against the Action Plan on a six monthly basis.

80 **SITE SPECIFIC ALLOCATIONS DEVELOPMENT PLAN DOCUMENT**

The report was presented to cabinet by Councillor Osman Dervish. The Site Specific Allocations Development Plan (SSADP) will play a crucial role and is outlined in the local plan. An up to date SSADP is crucial to form part of the Local Development Plan documents for the Borough. It plays a critical role in giving effect to the special strategy and delivering the Council's vision, Cleaner, Safer, Prouder, Together and ensuring that new development will be supported by appropriate infrastructure.

Early consultation will commence in the autumn with the intention to reach every group in the Borough to promote place making. There will be proactive engagement with MP's to look at opportunities which are Borough wide. A robust and comprehensive consultation is proposed. Infrastructure will be a focal point for the Council and developers and this will be shaped by the evidence base following consultation. There will be focus on all sites not just the largest schemes.

Cabinet:

- (1) **Approved** the preparation of a new draft Site Specific Allocations DPD for Havering, which will support the Havering Local Plan and replace the Romford Area Action Plan 2008 and Site Specific Allocations 2008 within the Local Development Framework.
- (2) **Delegated** authority to the Assistant-Director of Planning, following consultation with the Lead Member for Planning to finalise and approve the documents to be released for initial community and stakeholder consultation.
- (3) **Noted** that a 'Preferred Options' document will be brought back to Cabinet following the initial community and stakeholder consultation.

81 **LOCAL DEVELOPMENT SCHEME 2019-2021**

The report was introduced to Cabinet by Councillor Roger Ramsey. Local Planning Authorities are required to prepare and maintain a Local Development Scheme (LDS) under s15 of the Planning and Compulsory Purchase Act, 2004, as amended. It provides a formal work programme of the planning documents to be produced. It is not part of the Local Plan but will if necessary detail the development of any Supplementary Planning Documents which may support the Local Plan.

All policy documents have to be consistent with planning policies and the London Plan. The Local Plan is in the process of being finalised.

There is real desire to make Havering an attractive place to live where we can all thrive and prosper. This involves Master Planning, the Romford SPD and affordable local housing.

Cabinet will be asked to approve the Local Plan next year.

Cabinet:

1. **Approved** the adoption of the Local Development Scheme (LDS) which is to have effect from 1st Sept 2019.
2. **Delegated** authority to the Assistant Director Planning following consultation with the Leader of the Council to make and approve any final changes to the wording and content of the Local Development Scheme, and to publish the Local Development Scheme on the Councils website.
3. **Delegated** authority to the Assistant Director of Planning following consultation with the Leader of the Council to approve any minor changes to the timelines of the production of documents in Local Development Scheme as required by the process during the period 2019-2021.

82 **HAVERING COMMUNITY INFRASTRUCTURE LEVY - ADOPTION**

The report was presented to Cabinet by Councillor Benham. The Council recognises that the delivery of infrastructure will be the key to successfully realising its planning and regeneration strategies across Havering. The Havering Community Infrastructure Levy (CIL) is a monetary charge which will be placed on new development to secure a contribution from developers to the cost of infrastructure. The CIL funds can be used to help provide new infrastructure, increase the capacity of existing infrastructure or to repair failing existing infrastructure, if those deficiencies will be worsened by new development.

In preparing the CIL, the Council took account of up to date evidence on infrastructure, development viability considerations and the preparation of the Havering Local Plan.

The Examiner has found the Havering local plan to be satisfactory. Over the period of the Havering Local Plan (up to 2031/32) it is estimated that the Havering CIL could secure developer contributions of around £63m. Notwithstanding this, it will remain essential for the Council and other stakeholders to continue to explore every opportunity to secure funding from other sources to complement the CIL monies.

Cabinet:

Agreed to recommend to Council to:

- Adopt the Havering Community Infrastructure Levy (CIL) Charging Schedule and the Regulation 123 list (set out in Appendices 2 and 3, respectively)

- Agree that the CIL Charging Schedule will be implemented and effective from September 1 2019; and
- Agree delegated powers to the Director of Neighbourhoods or the Assistant Director of Planning in consultation with the Leader of the Council for future changes to the Regulation 123 list following its review as appropriate

83 HOUSING ESTATES IMPROVEMENT PROGRAMME

The report was presented to Cabinet by Councillor Joshua Chapman detailing the Housing Estates Improvement Programme. There is a budget of £10m for the Estates Improvement Programme. The report sets out the proposals on how that budget may be used, the criteria that may be applied to identify and prioritise areas for expenditure and the programme for delivery.

The budget will make significant improvements to the public realm to design crime out of the Estates. Officers are identifying the improvements and have applied the relevant criteria as set out in page 151 of the report. There will be extensive consultation on these proposals with all of the residents on the Estates. Engagement is the first priority and everything will be done to reach as many residents as possible.

Cabinet:

1. **Approved** the proposals for the Estates Improvements Programme as set out in Appendix 3 to this report.
2. **Authorised** officers to commence the tendering process to procure suitable contractors, in accordance with the Council's Contract Procedure Rules, to deliver the programme.
3. **Authorised** officers to carry out leaseholder consultation in accordance with Section 20 of the Landlord and Tenant Act 1985 as amended by S151 of the Commonhold and Leasehold Reform Act 2002.
4. **Noted** the preference of Members to cap service charges where possible to a maximum level of £250.
5. **Delegated** decisions on reductions, waivers or caps of service charges, on a scheme by scheme basis to the Director of Housing in consultation with the Lead Member for Housing.
6. **Authorised** that, in the event that the full programme of works is not delivered during financial year 2019/20, the remaining budget is carried forwards to 2020/21 in order to complete the approved works
7. **Authorised** the Director of Housing to be responsible for the implementation of the programme in consultation with the Lead Member for Housing.

Chairman

CABINET

18 September 2019

Subject Heading:

Quarter 1 Corporate Performance Report (2019/20)

Cabinet Member:

Councillor Damian White, Leader of the Council

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 and associated measures set out in the Corporate Plan for 2019/20.

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.

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 Cabinet at the end of each quarter, with an annual report brought at the end of Quarter 4.

Reviewing OSC:

The Overview and Scrutiny Board will receive the Corporate Performance report on a regular basis. The six overview and scrutiny sub-committees (Children and Learning, Crime and Disorder, Environment, Health, Individuals, Towns and Communities) have each selected a basket of indicators that they will track performance against throughout the year, many of which will either duplicate or be “feeder” indicators for the PIs featured 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 and highlights good performance and potential areas for improvement. The report is presented four times a year for the periods 1 April to 30 June (Quarter 1), 1 July to 30 September (Quarter 2), 1 October to 31 December (Quarter 3), and 1 January to 31 March (Quarter 4 / Annual).

RECOMMENDATIONS

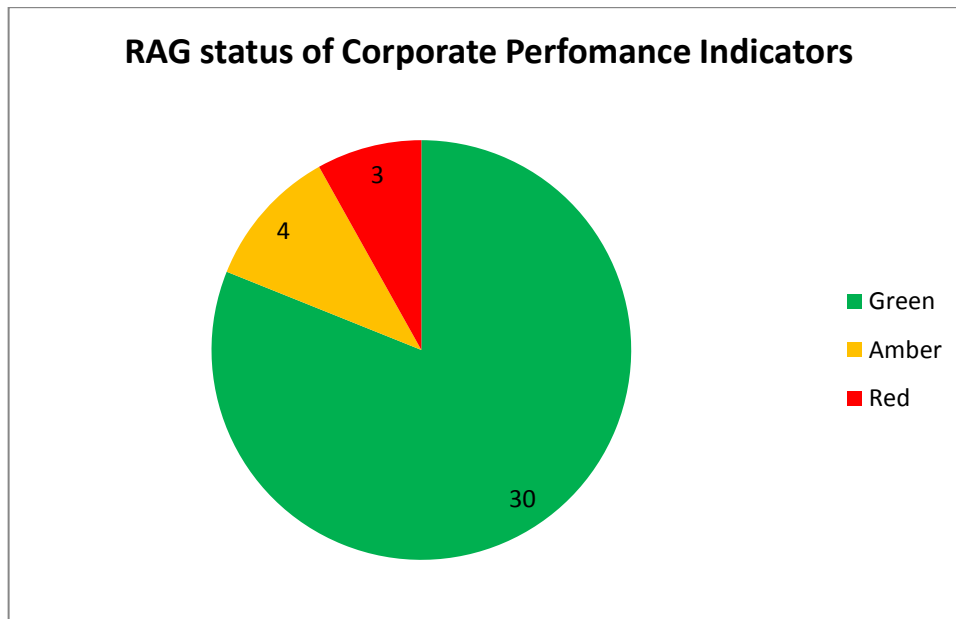
That the Cabinet:

- Considers the performance set out within this report and the corrective action that is being taken.

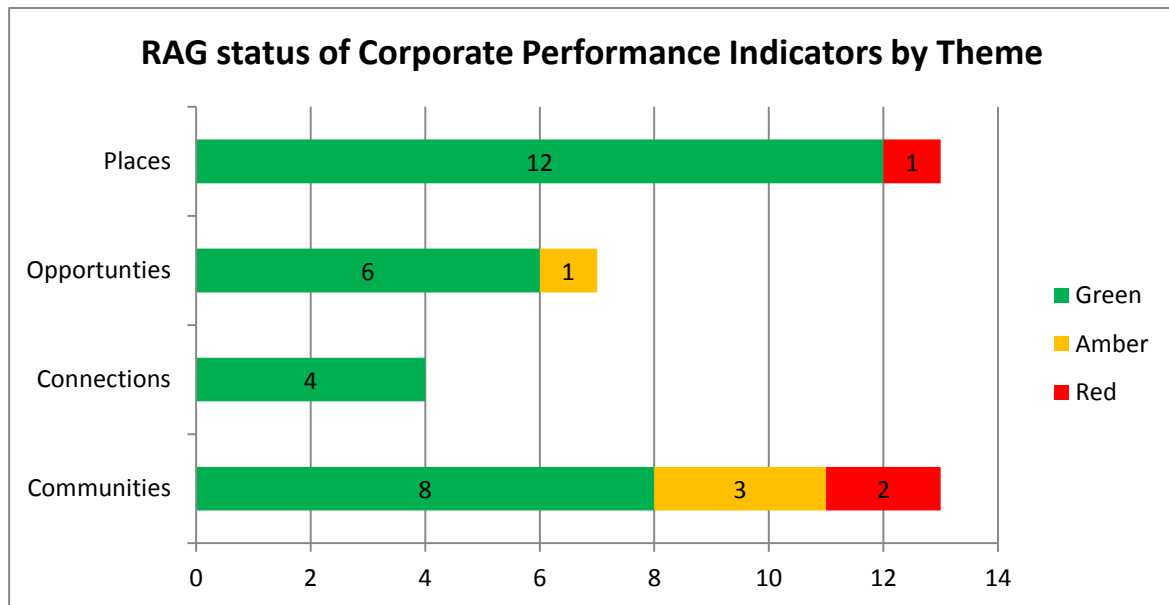
REPORT DETAIL

Corporate Performance Report Quarter 1 2019/20 Summary

1. The following outcomes and performance indicators outlined within this report were agreed in the Corporate Plan 2019/20. Performance of the Council moved from indicators to an outcome-based approach to provide a better understanding of how the Council is supporting the needs of the borough and is achieving its strategic objectives.



1. There are 47 performance measures outlined in the Corporate Plan, based on the four themes (Communities, Connections, Opportunity and Place).
2. There were 10 performance measures identified as N/A, this may be due to one of the following reasons:
 - Only reported annually
 - Cannot be RAG rated as volumetric does not have a target
 - The outcome cannot be assigned a RAG status
3. Overall, the performance measures have been RAG rated as:
 - 30 (81%) rated as **Green**
 - 4 (11%) rated as **Amber**
 - 3 (8%) rated as **Red**



4. The performance measures are broken down according to theme, with the following breakdown per theme:

- Communities – 8 (out of 13) rated Green
- Connections - 4 (out of 8) rated Green
- Opportunity - 6 (out of 10) rated Green
- Place - 12 (out of 13) rated Green

REASONS AND OPTIONS

Reasons for the decision: To provide Cabinet Members with an update on the Council's performance against each of the strategic goals set out in the Corporate Plan.

Other options considered: N/A

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no direct financial implications arising from this report which is for information only. However it should be noted that 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 significant financial pressures in relation to a number of demand led services. SLT officers are focused upon controlling expenditure within approved directorate budgets and within the total General Fund budget through delivery of savings plans and mitigation plans to address new pressures that are arising within the year.

Human Resources implications and risks:

There are not any implications arising directly from this report that impact on the Council's workforce.

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 care leavers (aged 19-21) in education, employment or training
- % of Havering parents receiving an offer of their first preference secondary school

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
	Off track
	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
N/A	

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: • 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 by 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	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	31.10%	30.48%	AMBER	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.
OP3	Opportunities	Delivering value for money	Minimum 98.7% collection rate on business rates	Higher is better	30.68%	34.69%	GREEN	Collection rates for business rates is on track to achieve annual collection rate target of 98.7%.
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 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.
OP5	Opportunities	Delivering value for money	£300k savings - Contracts review	Higher is better	£300K	ON TRACK	GREEN	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.
OP6a	Opportunities	Helping our business grow	CIL investment	N/A	N/A	N/A	N/A	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.
OP6b	Opportunities	Helping our business grow	S106 investment	N/A	N/A	N/A	N/A	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.

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	Havering 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: • 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.
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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CABINET

Subject Heading:

Update of the Council's Medium Term Financial Strategy (MTFS) and budget for 2020/21

Cabinet Member:

The Leader, Councillor Damian White

SLT Lead:

Jane West
Section 151 officer

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Policy context:

The report provides an update on the Medium Term Financial Strategy for the period 2020/21 to 2023/24. It also sets out the process and timetable the Council will follow in order to achieve a balanced budget for 2020/21 including proposals for consultation. Finally, it makes recommendations to amend the 2019/20 Capital Programme.

Financial summary:

This report includes:

- the current national funding outlook
- a summary of the Council's current financial situation
- the approach to setting the Council's 2020/21 budget and MTFS for the following three years
- proposed arrangements for budget consultation
- recommendations to amend the 2019/20 Capital Programme.

Is this a Key Decision?

Yes – Significant effect on more than two wards

When should this matter be reviewed? November 2019

Reviewing OSC: Overview and Scrutiny Committee

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 Cabinet and full Council last received a report on the Council's Medium Term Financial Strategy (MTFS) in February 2019 when the MTFS was agreed alongside the Council's Corporate Plan for 2019/20. These had been developed side by side to ensure that the improvements to services being pursued by the Administration were properly supported by the Council's budget.

This report updates the Cabinet and Full Council on the Council's current financial position. It presents an overview of the national economic and financial environment within which all local authorities are currently developing their financial plans for the next 4 years. It explains the complex range of factors impacting upon local authority forecast funding streams and expenditure pressures and the Council's position in relation to these matters.

The report sets out the Council's current financial situation, its approach to achieving financial balance over the period 2020/21 to 2023/24, its budget proposals for closing the financial gap for 2020/21 and proposals for budget consultation during the autumn. It also proposes an update to the 2019/20 Capital Programme.

This report consists of the following sections:

- Policy and strategic context
- Summary of the Council's current financial situation
- Update on the Medium Term Financial Strategy
- Proposals to close the funding gap
- The proposed consultation process
- An update on the 2019/20 Capital Programme.

RECOMMENDATIONS

The Cabinet is asked to:

1. Note the financial context.
2. Agree the proposed consultation process and associated timetable as set out in section 1.6.
3. Recommend to Full Council that additional capital budget is added into the 2019/20 Capital Programme of £4 million to fund the Smart Working Programme, with the revenue costs of the capital funding to be met by invest to save from the income raised through renting out spare office capacity freed up by the programme.
4. Recommend to Full Council that £14.7 million is added into the 2019/20 Capital Programme to replenish the capital allocation for new opportunities with capital charges funded from the business cases.

REPORT DETAIL

1. Policy and Strategic context

- 1.1 This report presents an update of the Medium Term Financial Strategy (MTFS) between 2020/21 and 2023/24 that will be developed to continue to deliver the Council's vision, objectives and priorities as set out in the Corporate Plan, whilst maintaining tight financial control and ensuring prudent levels of reserves and balances are maintained.
- 1.2 The Havering Council vision sets out the Administration's intentions to improve services and is focused around 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.

Place

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

Opportunities

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

Connections

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

1.3 Uncertainty over future funding for Local Government

There continues to be significant uncertainty in future funding for Local Government. In addition, the Council continues to experience significant population growth and demographic change, placing further pressure on service provision.

The complexity around leaving the EU has resulted in delays to Government planning. HM Treasury has announced a one-year Spending Round on 4th September 2019. The Spending round figures are a one year settlement at national level and work is underway to clarify the impact for Havering. The announcement confirmed extra funding for social care but also that the London Business rate pool would not be continued into 2020/21

In 2020, a full Spending Review will be held, reviewing public spending as a whole and setting multi-year budgets.

Havering has worked closely with other local authorities, London Councils and the Local Government Association in order to form a view on the most likely funding scenarios and enable forward planning. This process along with the spending review announcement has led to the following assumptions being used for forward planning

- The 2020/21 local financial settlement will be largely based on the 2019/20 figures.
- Specific grants such as the Improved Better Care Fund (IBCF) and Under Indexation will continue for at least one more year
- The Government will continue to supplement funding for Adult Social Care for a further year with the Social Care Grant
- Business Rate Pooling will cease after 2019/20
- Public Health Grant will increase slightly in 2020/21
- New Homes Bonus will continue under the current policy (this is likely to result in a significant drop for Havering in 2020/21 due to the numbers of net new properties being built in the borough between October 2018 and October 2019 not reaching the government threshold to qualify for new NHB)
- That the outcomes of the Fair Funding Review and long awaited Adult Social Care Green or White paper will not be published in time for implementation in the 2020/21 settlement.

It should be noted that any of these assumptions could be overtaken by the new national government accelerating announcements but the Council's prudent position on reserves and medium term planning will enable a smooth transition to a different financial position if needed.

1.4 The Council's Medium Term Financial Position

In February 2019 Full Council set a balanced budget for 2019/20 and was presented with a medium term forecasted gap of £16.598m for the three years 2020-2023. The medium term financial position is a live process at any point in time with changing assumptions due to differing local and national economic conditions. The plan is regularly reviewed and updated across the year to ensure assumptions are up to date and robust.

Each year the Council faces pressures for a number of reasons which currently include

- Inflation
- Increased demographic demand
- Increased cost of Leaving Care
- Increased cost of waste disposal and landfill tax
- Financing costs of capital schemes
- Increased cost of utilities
- Loss of New Homes Bonus
- Development of local plans

These pressures require the Council to identify new savings and efficiency proposals each year to improve services, modernise the Council and balance the budget.

This process has identified that the Council will need approximately £12m of additional savings and efficiencies in order to balance the 2020/21 budget without the need for a Council Tax increase. Officers have been developing plans to identify this level of efficiency savings over the summer and are currently in the process of producing business plans to ensure all proposals are robust and deliverable. This will enable the savings to be incorporated into the 2020/21 budget after appropriate scrutiny and consultation.

The table below sets out an estimate of the adjustments required to the MTFS resulting in a projected £15.9m gap for 2020/21 before savings and the improved funding from the Spending Review.

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	-1.675	-0.025	0.000	0.000	-1.700
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	-1.050	0.000	0.000	2.300	1.250
REVISED POSITION	15.891	9.128	2.875	6.323	34.217

Each of the Council's four Theme Officer Steering Groups were asked to identify savings and efficiency proposals to close the projected budget gap. Proposals were presented to the Theme Boards in June and were provisionally approved in concept to be developed into business cases. When this process is completed, the November Cabinet will be asked to consider the proposals, along with feedback from the public consultation and any Equality Impact Assessments that are needed.

For the purposes of early consultation, the list of projects currently being progressed is set out in Appendix A. Work is continuing over the autumn to develop these proposals into business cases and confirm the level of saving possible from each project. The expectation is currently that these projects will broadly close the budget gap alongside a review of corporate budgets.

1.5 Risks and Uncertainties

There are a number of risks associated with the current MTFS position. These include:

- Central Grant Funding uncertainty.

The Government have announced a one year spending review in September for 2020/21 but the multi year settlement will not now be announced until 2020. As stated earlier in this report the current assumption is that the settlement will not be significantly adverse from the 2019/20 position. Havering has coped well with past reductions in government funding but the cumulative impact makes it increasingly difficult to identify further efficiencies and cost savings, especially when the demand for many services is increasing.

- The current year revenue monitoring position

The Council is making good progress in delivering the service improvements set out in its Corporate Plan for 2019/20. However, the Period Three revenue monitoring position set out in Appendix B shows financial pressures across a number of service areas. In summary, if nothing changed during the year, managers are predicting an overspend of £2.39 million by the end of the year. Clearly mitigating action is being taken by departments to bring the Council back within budget. The key overspends are described below:

- Adults' (£716k) Adults' are experiencing significant increases in placement costs and commissioning activity. The service are working hard to both contain costs and to deliver the savings already in the budget. The MTFS recognises the pressure facing the Adults' budget and additional funds have been included in this area.
- Children's (£463k) Children's have undertaken a deep dive review of all their services. This has identified better working practices and efficiencies which has helped contain their demand pressures. The service continues to work hard to balance this position in 2019/20.
- Neighbourhoods (£818k) This pressure relates partially to the delayed delivery of the Keep Havering Moving strategy. Any continued delays will directly impact on the 2020/21 budget and MTFS position.
- Potential General Election

There may be a general election this autumn. A new Government will take time to form a view on direction for local government and potentially will delay again the key decisions to allow medium term planning.

1.6 Budget Consultation

Consultation on the budget is an important part of the annual budget cycle. It is proposed to consult with residents and key stakeholders on the list of proposed savings set out in Appendix A. This consultation will be launched on 26 September and will run until 3 November.

The Council will seek views from the general public, all key stakeholders and business ratepayers during this period via its online consultation tool, Havering Consultations. Paper copies of the survey will be available in locations across the borough eg libraries, the Town Hall and the PASC.

1.7 Capital Programme

The Council has a wide ranging capital programme which will provide extra housing and school forms of entry together with an ambitious regeneration programme. As part of the budget cycle all capital schemes are reviewed to ensure they are on track within budget and delivering the outcomes required by the authority. Changes to profiling of these schemes has a direct impact on revenue planning through capital financing charges.

There are two proposed additions to the 2019/20 capital programme which Cabinet is asked to consider and, if in agreement, recommend to Full Council:

- £4.0 million for the Smart Working Programme which is subject to a separate report on this agenda. The programme aims to provide the infrastructure to support a best in class workforce delivering best in class services. This requires the workplace and workspace to drive quality, not constrain it. The proposals for investment span digital and physical infrastructure, giving staff the working environment and tools they need for that innovative, ambitious and outcomes-focused culture to thrive. The Smart Working programme offers a potential step-change to harness new technology, increase flexibility and bring down silos within the workforce and enhance the customer experience through a 'control shift' putting them in the driving seat. In addition, the programme replaces a significant number of old Windows 7 devices which will no longer be supported from 2020 and deals with a backlog of repairs in Mercury House. The capital charges for the programme will be financed by leasing out vacant space freed up through the programme.
- £14.7 million is required to replenish the capital allocation for new opportunities. A significant opportunity arose to purchase the lease of the premises occupied by Marks & Spencers in Romford earlier this year which reduced the allocation by a similar amount. The annual lease income being received from Marks & Spencer covers the ongoing revenue costs of the purchase and makes a return to the General Fund.

The Council also considers potential new schemes as part of the budget process. This process is ongoing and any new schemes to be incorporated in the 2020-2024 Capital programme will be included in a future report.

REASONS AND OPTIONS

Reasons for the decision:

The Council has a statutory obligation to consult on its budget proposals. This report sets out the proposed method to be used for the 2020/21 budget and MTFS. The Council strongly values the opinion of its residents and key stakeholders and welcomes their input into the budget process.

Other options considered:

N/A

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. The consultation process set out in this report will be used to inform decision making on the budget

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 S 28 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 under a duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." S3 Local Government Act 1999. As part of that process it must consult tax payers, those who use or are likely to use services and others who may have an interest in an area where the Council carries out its functions.

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.

Where consultation is undertaken it must comply with the 'Gunning' principles; namely it must be undertaken at a formative stage, sufficient information should be provided to enable feedback, adequate time should be given for consideration and responses and the feedback should be taken into account in any decision taken. The plans set out in the report in relation to the budget comply with these rules.

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 and 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.

All front line proposals relating to the Medium Term Financial Strategy for the period 2020/21 to 2023/24 will be subject to an Equality and Health Impact Analysis or assessment, which will be developed following the consultation process for inclusion in the further reports to Cabinet before the budget is finalised in February 2020. This will further highlight where the MTFS has the potential to positively impact on health and wellbeing of residents through targeted provision of services, and where any identified negative impacts may be mitigated.

BACKGROUND PAPERS

None

Appendix A

Service Improvement Programme and efficiency proposals

	Proposals	Details
1	Extending the savings in relation to contracts and procurement	Extension of the current programme of review which is focussed on delivering better value from our contractors. Includes an increase in early year delivery in areas such as agency staff and utilities spend.
2	Efficiency through modernisation of IT systems	Net reduction in budget required for IT as a result of the introduction of Oracle Fusion and reduced licensing costs. Project already underway and due to go live in June 2020.
3	Improved utilisation of external funds	Ensure funds are utilised in a proactive way to both fulfil obligations and benefit the Council.
4	People Strategy	Review numbers of agency staff, improve staff productivity and increase take up of the Apprenticeship Levy across the Council
5	Process redesign	Review of policies, procedures and processes across the Council to deliver more streamlined and efficient services
6	Debt Enforcement	Review of debt collection ensuring ethical enforcement methods are utilised to maximise income collection.
7	Extending the targets for increasing income through Full Cost Recovery	Increased saving in relation to a current project that is clarifying that for services that the Council does not have to deliver, all related costs are covered by fees and charges or that if there is a subsidy, it is clear

		why the Council is choosing to subsidise.
8	Area Based Planning and Place Shaping	Review of five sites which is expected to deliver savings from 2021/22 onwards
9	Reducing the costs in relation to people who have no recourse to public funds	Closer work with the Home Office to deliver quicker outcomes for these clients
10	Early Intervention to prevent eviction of families from Council properties leading to additional costs for the Council.	Saving to be delivered through joint working and policy review across the Council. The aim is to avoid family homeless presentations (requiring support from Children's Services) through early intervention and prevention.
11	Better use of Temporary Accommodation	Use the Housing Private Sector Leasing scheme for current homeless families paid for by Children's Services where current placements through another route are more expensive.
12	Review of Children's Social Care Unit Costs	Review of high cost placements to see if better value for money can be achieved.
13	Review of business systems support	Cross Council review of departmental ICT support arrangements with the aim of achieving better internal customer satisfaction, more robust and sustainable support plus efficiency savings.
14	Review of programme and project management	Cross Council review of programme management arrangements in particular to move away from the use of agency support and replacing them with more cost-effective internal staff. Also to improve the consistency and quality of programme and project support across the Council.
15	Review of complaints, Members' enquiries and Freedom of	Cross Council review of support arrangements with the aim of

	Information (FOI) requests	improving effectiveness and customer satisfaction in these areas. Streamlining current processes should also deliver efficiency savings.
16	Review of Business Support across the Council	Cross Council review of support arrangements eg financial, staffing and general administration particularly in light of the introduction of Oracle Fusion. As well as improving the effectiveness of the service, efficiency savings should be possible.
17	Additional Business Intelligence projects	Business analytics can be used to manage down demand through diversion, prevention and identification of fraud eg identifying sub-letting of homeless provision or additional properties that are not yet on the Council Tax register.
18	Stretch targets for Service Reviews	The reviews are well underway and are progressing at pace through the organisation. The efficiency savings originally anticipated in the early years can be increased by phasing in savings from the later years earlier.
19	Review of Supplies and Services costs and subscriptions	Review ICT systems that are no longer required, subscriptions and equipment that are no longer needed.
20	Reduction in procurement card spend	This is an area when spend may be able to be stopped. Analysis will be done of spend in the last two years to see if any of it is deemed as low priority expenditure which can be stopped.
21	Review in the commissioning arrangements for Children's placements	Some Children's placements are currently paid for via procurement cards. This review will consider if this spend can be moved into framework contracts.

22	Demand reduction through charging for discretionary services	Review charges in line with Council policy on full cost recovery
23	Further efficiency savings through becoming a Digital Council	This would represent efficiencies by digitising roles and contract costs through a mixture of the roll out of the Customer Relationship Management system, assistive technology, smart infrastructure, robotics, improvements to the website and improvements to the intranet.
24	Shared services opportunities with other boroughs	Shared services opportunities take time to develop and deliver but savings should be achievable from 2022/23.
25	Reduction in audit budget	The budget for external audit is currently overstated and can be reduced.
26	Reduction in legal fees budget	Following a review of potential legal costs the Chief Operating Officer's Legal Fees budget can be reduced to £50,000
27	Review of staffing and running costs across the Chief Operating Officers budgets	A review of staffing structures has identified vacant posts which can be removed and a number of running cost budgets which can be reduced without effecting service delivery
28	Sponsorship opportunities	Sponsorship to be sought for funded events.
29	Digital Officer to be converted to an Apprentice post.	Vacant post to be re-established as an Apprenticeship.
30	Early Help and education inclusion	Efficiency savings to be delivered in the Early Help service
31	Conversion of agency staff to ASYE	Recruit social workers via the Council's ASYE scheme thereby reducing agency costs
32	Demand management at the edge of care – expanding the reach of the service to focus on older children aged 15 and over.	Intensive work with complex cases, providing a positive outcome for families, reducing cost to the LA.
33	Highways/Parking Team Review	Restructure plus review amounts charged to Capital

34	Increase income from Building Control	Joint working with other boroughs
35	Street Trading	Increase income from licensing street trading including tables and chairs
36	Staffing changes in the Neighbourhoods Team	Efficiency review of service
37	Advertising on Street Assets	Review of advertising opportunities
38	Increased income from enforcement fines	New Enforcement Team structure should allow more focus on this work
39	Additional Cremation Fee rise in line with other providers.	Based on a rise above inflation and above saving already built in for 2020/21 based on the charges from other providers locally.
40	Premium Saturday Appointment Fee	Births & notice of marriage, subject to customer demand
41	Fee increase – Building Services & Regulations	Various memorial products/certificate income, subject to customer demand
42	Deed of name change	Legal deed of name change service, subject to customer demand

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Appendix B

	FULL YEAR REVISED BUDGET	TOTAL ACTUALS AND ENCUMBRANCES	FULL YEAR PROJECTED OUTTURN VARIANCE PERIOD 3
Total	143,328,894	42,392,440	2,389,611
Public Health	(200,790)	(2,247,727)	0
Public Health	(200,790)	(2,247,727)	0
Childrens	37,450,946	7,995,067	462,807
Learning & Achievement	9,260,983	3,147,591	438,350
Childrens Services	26,883,959	4,502,775	24,456
Safeguarding - Quality and Assurance	1,306,004	344,701	(0)
Adults	55,704,116	14,340,029	716,222
Adult Services	55,704,116	14,340,029	716,222
Regeneration Programme Delivery	1,002,610	729,390	8,700
Regeneration	1,002,610	729,390	8,700
Neighbourhoods	4,056,045	990,035	818,262
Environment	5,349,362	704,179	725,997
Registrars, Cems and Crems	(2,948,680)	(84,656)	155,620
Planning	198,581	72,671	(14,973)
Business Support - Neighbourhoods	1,456,782	297,840	(48,382)
Housing	3,309,167	2,435,713	(9,137)
Housing Services (GF)	3,309,167	2,435,713	(9,137)
oneSource Non-Shared LBH	2,978,332	210,956	312,951
Exchequer Services	(1,026,930)	(3,774,539)	(221,670)
Business Services	1,020	0	0
Technical and Transport Services	536,568	1,457,828	82,812
Asset Management	152,930	888,907	228,785
Strategic HR & OD	408,364	261,381	34,203
Legal & Democratic Svs	2,249,530	764,855	38,821
ICT Services	656,850	612,524	150,000
Chief Operating Officer	7,297,452	4,778,473	92,284
Customer and Communications	3,912,785	1,486,958	218,749
Policy, Performance and Community	1,818,151	467,118	(118,415)
Joint Commissioning Unit	1,388,476	526,758	(8,051)
Transformation Agenda	178,040	2,297,639	0
oneSource Commissioning	0	0	0
Corporate Management Team	1,833,130	439,407	(12,476)
Section 151	14,512,514	(820,719)	0
Corporate Financial Matters	30,170,144	4,289,317	0
Contingency	1,000,000	0	0
External Finance	(16,657,630)	(5,110,036)	(0)
oneSource Shared	15,385,372	13,541,817	0

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CABINET

18th September 2019

Subject Heading:

Approval for Cemetery Extension Phases 2 & 3

Cabinet Member:

Councillor Viddy Persaud

SLT Lead:

Sue Harper

Report Author and contact details:

Louise Roast
Bereavement & Registration Manager
01708 433498

Policy context:

It is estimated, based on current demand, that burial space at Upminster Cemetery will run out in approximately 4 years. If the Council wishes to continue to offer burial within Havering, provision must be made for additional burial space.

Financial summary:

This report seeks approval to make further provision for burials which requires an estimated capital investment of £5.5m

Is this a Key Decision?

Yes

(a) Expenditure or saving (including anticipated income) of £500,000 or more

When should this matter be reviewed?

Reviewing OSC:

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

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

[]
x
[]
[]

SUMMARY

1. There are currently approximately 300 full body burials carried out in Havering Cemeteries each year. This includes burials in the purchase of new graves and burials in existing graves. Of these, 120 are new grave plots sold at Upminster Cemetery. At this rate, the London Borough of Havering has sufficient burial ground at Upminster until approximately June 2023, however, allowing for fluctuations it would be prudent to plan and prepare for additional burial space now.
- 1.1. Preparation and construction of appropriate facilities for the extension or development of additional burial space on average takes five years after the land is selected.
- 1.2 A project to extend Upminster Cemetery (phase 1) was completed in 2014. As part of these proposals, it was planned that Upminster Cemetery would be further extended in the future, to provide a continuum of burial space. To meet future needs, it is now recommended to commence a detailed design and planning of phases 2 & 3 of the cemetery extension in order that this can be completed within the timescales. Subject to the decision of members, the final design and tender process can be scheduled to be completed in the Autumn of 2020 in readiness for the commencement of construction. Landscaping could be completed during Summer 2021 in readiness for the site to be usable for burial by Autumn/winter 2021.
- 1.3 This allows for a period of time for settlement and snagging of the site and safeguards the Borough in the event of a rise in the death rate and/or pandemic.
- 1.4 A cost estimate for construction of Phases 2 & 3 was produced by Jacobs in late 2018 which estimated a construction cost of £6.7m based on the 2013 outline design and Phase 1 specification.
- 1.5 In early 2019 Jacobs worked with the London Borough of Havering (LBH) to identify potential opportunities to reduce this estimated construction cost whilst still fulfilling the functionality of the overall design. Four value engineering (VE) opportunities were identified as follows:
 1. Reduce the extent of sheet piling by combining Phases 2&3
 2. Reduce the extent of the cemetery access road within the Phase 2 & 3 area.
 3. Reduce the specification of the access road and footpath make-up (subject to highways approval).
 4. Reduce the number of permanent pump stations in the Phase 2 & 3 area.
- 1.6 The impact of these changes has resulted in an estimated cost saving of £2.020million. The new cost estimate for the whole project, allowing for professional fees is £5.511m

- 1.7 Therefore decisions need to be taken on whether Havering wishes to continue to make provision for burials within the Borough by extending the Cemetery site further at Upminster

RECOMMENDATIONS

2. That Cabinet agrees to proceed with Option 4 as outlined within this report to further develop the site (Phases 2&3) at Upminster to provide sufficient land for burials until approximately 2040.
- 2.1 That Cabinet agrees, subject to recommendation 1, to endorse and recommend the inclusion of an additional budget of £3.1m for the Phase 2 and 3 Cemetery Extension within the proposed capital programme that will be considered in Cabinet in February 2020.

REPORT DETAIL

Background

3. The London Borough of Havering currently has four cemeteries: at Rainham, Hornchurch, Romford and Upminster. The cemeteries at Rainham and Hornchurch have no new graves, and therefore burials can only take place in existing family graves (referred to as 're-openers'). The cemetery at Romford has some capacity which is expected to provide graves for approximately a further 5 years. The last extension to Upminster Cemetery (Phase 1) was completed in 2014. The cemetery at Upminster currently has sufficient space for burials until approximately June 2023 at current burial demand.
- 3.1 The cemeteries generated surplus income of approximately of £391,748 in 2018/19.
- 3.2 The local authority has no legal obligation to provide cemeteries. Where a local authority chooses to provide cemeteries, then there are regulations and standards that have to be adhered to, set out in Local Authorities Cemeteries Order 1977 and subsequent amendment orders. The minimum legal obligation of a local authority is to make provision for burials of people who have no means to do so for themselves. This could be done by arranging and paying for burials in other local authority or private cemeteries.
- 3.3 There is clearly pressure on burial land in London, with a number of cemeteries running out of space, and many local authorities without the

potential to expand as they do not have sufficient land available to develop further provision. A previous scheme approved as part of the capital programme was established to extend the cemetery at Upminster. With phase 1 of this extension completed in 2014, the proposal is to continue with phase 2 & 3 of the extension programme. The costs of phase 2 & 3 combined is £5.5m, with an existing available capital budget of £2.4m. This report sets out the option for Members to proceed with the cemetery extension at Upminster, and the associated costs and timescales for progressing this option. It also sets out the other alternatives for Members to consider.

Option Assessment

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

The Council has sufficient land to offer burials at Upminster until approximately June 2023 (based on current burial demand). After that time, it would no longer be able to do so. Residents would need to seek burial ground elsewhere. In 2018/19, the service generated an income of £391,748..

2018/19	£
Income from Cemeteries	1,149,300
Maintenance of Cemeteries	757,552
Surplus Income	391,748

If the Council decided not to make any further provision for burials in Upminster,

- there would be no requirement for the capital provision currently made to fund the cemetery extension and hence £2.5m could be released.
- The local authority could also release the land it had acquired in Upminster.
- The current costs incurred in preparing a cost construction estimate for phases 2 & 3 of the Upminster extension of £100,000 would need to be abortive costs.

3.5 Not making further provision for burial space would mean the income stream that the Cemeteries service currently generates, in excess of £1m per year, (surplus £391,748 in 18/19) would cease.

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

Given that approval already exists in principle to extend the Upminster site, with phase 1 completed in 2014, and an option to extend further with phases 2 & 3, it was not considered cost effective to consider other sites for the following reasons:

- a) There would be a requirement to examine legal issues, such as title and covenants to ensure that any new site is appropriate for cemetery use. This has already been completed for the existing cemetery site at Upminster.
- b) Any new site would incur additional costs in the construction of supporting infrastructure for example, chapel; office; compound/mess room facilities, which already exist at Upminster.
- c) Any new site would require a significant period of time to monitor the water table, which is already a known factor at Upminster.

3.7 Whilst there is capacity for approximately 5 years of burial space at Romford Cemetery (not taking into account the dedicated muslim section), the space is scattered throughout the cemetery and not in one block. It is also not as popular a choice as Upminster given that it is a much older cemetery, its location and not as desirable. It is also not possible to guarantee depth of burial until the actual day due to water table issues. There is further land adjacent to Romford cemetery, which the Council could explore for potential burial use but the service view is that this is unlikely to meet the requirements of legislation due to the proximity and height of the water table which can, at times, prevent burials & exhumations taking place. The purchase of additional land adjacent to Romford Cemetery has therefore not been pursued as an option.

3.8 If alternative sites were explored, the following tasks would be required:

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

3.9 In addition to the costs of any alternative site (even if no ground water remedial action is required), any new site would need a chapel, site storage and public toilets, as well as ground layout, paths, roads and headstone beams. It is unlikely that the costs of a new site would be less than the cost of extending the existing cemetery provision at Upminster. There would also

need to be a further staff and equipment requirement in order to maintain a fifth cemetery in the borough.

3.10 Option 3 Re-use of existing graves

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

3.11 The cemeteries in the London Borough of Havering are generally not very old. The oldest, Romford, was established in 1871, but it does at times experience problems with the water table, as has been evidenced in both recent burials, and exhumations. It is also consecrated ground, and there would therefore be a requirement to obtain consent from the Diocese before any action could be taken to re-use the graves. The remaining cemeteries, Rainham and Upminster were established in 1902 and the most recent, Hornchurch was established in 1932, meaning that the first 42 years of burials at Rainham and Upminster could potentially be available for re-use and the first 12 years at Hornchurch cemetery. It would be difficult to estimate what the potential for re-use is, as the graves may already have more than one interment in them, and therefore a grave by grave assessment would need to be undertaken to see whether there is capacity within existing graves, and secondly, whether any relevant graves are currently visited. Some of these graves will not have any available space above the last burial, and there will also be some grave owners of older graves not willing to agree to allow their graves to be re-used. The process is staff intensive, but there are precedents. Other London local authorities have attempted to adopt this course of action, but have encountered considerable opposition. Implementing re-use of graves would also require investment.

3.12 Option 4 Upminster Cemetery Option

The Council had previously decided to expand the cemetery at Upminster (see Cabinet report dated July 2011). A piece of land of 5.5 hectares was identified adjacent to the existing cemetery, sufficient to provide burial space for approximately 30 years at that time. To date only phase 1 of this project has been completed. The full range of environmental surveys, as required by the Environmental Agency and Planning were undertaken as part of the phase 1 proposals with the plan to further extend the cemetery in the future.

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

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

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

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

3.15 The third option – sealing the site permanently, removing the ground water was the only viable option and this was implemented as part of the phase 1 proposals.

3.16 This report recommends that phases 2 and 3 are now implemented together. This is because a major cost of the proposed works relates to sheet piling around the perimeter of the new burial space and constructing pumping stations within the piled areas to reduce ground water levels. By combining both phases of works, there is a reduction in the amount of sheet piling by just over 50% and a reduction in the number of pumping stations required from six to four. This results in an overall saving of £2,020,000 in construction costs.

3.17 Given the design work that has been carried out to date, it is recommended that Jacobs be procured via the Bloom framework to complete the detailed design of Phases 2 and 3. It is also recommended that Technical Services procure appropriate project management support to enable the delivery of this project, through to completion.

If this project were implemented, the following timescales would be applicable:

Approval to proceed - September 2019

Detailed design and tender process - September 2019 to August 2020

Commencement of construction works - September 2020

Completion of construction works - September 2021

3.18 It should also be noted that over and above the anticipated number of graves phases 2 & 3 will provide, the service plan to introduce some new burial products (which could include products such as bricked graves, private family gardens and mausoleums) currently not offered by Havering, within the extension site. A transformation saving has already been agreed

for this. In addition it will allow the service to extend provision of other alternative burial products, mini headstones, which the service have already introduced in phase 1, and which have proved very popular. The mini-headstone product allows the burial of cremated remains in smaller spaces that are not big enough for full body burial and would not otherwise be utilitised.

REASONS AND OPTIONS

4. Reasons for the decision:

This decision is presented to Members in view of the fact that the London Borough of Havering will have insufficient burial grounds for those wishing to be buried in Upminster beyond June 2023, at current burial rates. Members have to decide whether to invest in this service, in order to continue with the provision of burial ground for local residents.

4.1 Other options considered:

This report sets out four options for Members to consider.

IMPLICATIONS AND RISKS

5. Financial implications and risks:

- 5.1 This report considers a number of options in respect of the requirement for additional burial land. One option is to extend Upminster Cemetery in order that Havering continues to be able to provide burial space until 2040 at current demand, and finance this by capital investment.
- 5.2 This report recommends that phases 2 and 3 are now implemented together. The costs of phase 2 & 3 combined is £5.5m
- 5.3 The current approved Capital Programme already has a provision of £2.4m. A business case for £3.1m has been submitted as part of the Medium Term Financial Strategy, which subject to this report will be submitted for agreement by full Council in February 2020.

5.4 The revised Capital implications of this scheme are set out in the table below

CAPITAL FUNDING REQUIRED	19/20	20/21	21/22	22/23	23/24	24/25	Total
	(m)	(m)	(m)	(m)	(m)	(m)	(m)
Existing Approved Capital Budget	0.930	1.500					2.430
New proposed Capital Bid		0.400	2.700				3.100
Total Capital	0.930	1.900	2.700	0.000	0.000	0.000	5.530
Required Revenue to finance Capital	19/20	20/21	21/22	22/23	23/24	24/25	Ongoing
	(m)	(m)	(m)	(m)	(m)	(m)	(m)
Interest	0.028	0.085	0.166	0.166	0.166	0.166	0.166
MRP						0.346	0.346
Total Capital Financing Costs	0.028	0.085	0.166	0.166	0.166	0.512	0.512
Total revenue funding currently in base	0.028	0.110	0.170	0.170	0.170	0.170	0.170
Total additional revenue financing required	0.000	-0.025	-0.004	-0.004	-0.004	0.341	0.341

5.5 Option 4 will allow the continuation of the current income from burials at the extended facility. There would be additional running and maintenance costs and also the revenue cost of capital set out above. This however is financially beneficial compared to the do nothing option as set out in the table below.

COMPARISON OF OPTION 1 AND OPTION 4							
OPTION 1 (Do Nothing)	19/20	20/21	21/22	22/23	23/24	24/25	Ongoing
	(m)	(m)	(m)	(m)	(m)	(m)	(m)
Income	-1.149	-1.149	-1.149	-1.149	0.000	0.000	0.000
Maintenance and running costs	0.757	0.757	0.757	0.757	0.000	0.000	0.000
Residual maintenance and running costs					0.100	0.100	0.100
Net income / expenditure	-0.392	-0.392	-0.392	-0.392	0.100	0.100	0.100
OPTION 4 (Extend)	19/20	20/21	21/22	22/23	23/24	24/25	Ongoing
	(m)	(m)	(m)	(m)	(m)	(m)	(m)
Income	-1.149	-1.149	-1.149	-1.149	-1.149	-1.149	-1.149
Revenue cost of capital investment	0.000	0.000	0.000	0.000	0.000	0.341	0.341
Maintenance and running costs	0.757	0.757	0.757	0.757	0.800	0.800	0.800
Net income/expenditure	-0.392	-0.392	-0.392	-0.392	-0.349	-0.008	-0.008
NET SAVING	0.000	0.000	0.000	0.000	-0.449	-0.108	-0.108

5.6 It is difficult to estimate the profile of the additional income as this is dependant on many factors such as the death rate rising or falling, customer choice, and type of grave selected. A conservative estimate

assumes the extension will continue to bring in current rates of £1.1m per year beginning during 2023/24.

6. Legal implications and risks:

- 6.1 The Council as a Burial Authority under section 214 of the Local Government Act 1972 may provide cemeteries whether inside or outside its area. The recommendation to proceed with option 4 is in keeping with this power. Any procurement activity must follow the Council's Contract Standing Orders and will be subject to separate decision making.

7. Human Resources implications and risks:

- 7.1 There are no immediate Human Resources implications. The decision as to whether to continue to provide burial land after 2023 has no immediate impact on staffing levels in this service area but will need to be monitored as the service utilise the new site depending on burial rates. If and when it is deemed that more staff resource is needed, a business case will be made at that time.

8. Equalities implications and risks:

- 8.1 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.

- 8.2 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 committed to improving the quality of life and wellbeing for all Havering residents in respect of the socio-economics and health determinants

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

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

9. Public Health Implications:

9.1 From a health and wellbeing perspective, phase 1 of the land extension to the cemetery is already being used for burial purposes and so a greater amount of burial land is not likely to cause any additional impact. The option to extend land available is preferable to the option to reuse graves, which may cause greater emotional distress and so this is supported from a public health perspective. There are no neighbouring residences to the land so less potential for negative impact. There is likely to be a positive impact on health and wellbeing for option 4, as the land extension will provide greater choice for family members as to the burial of their loved one.

9.2 An EqHIA has been undertaken

BACKGROUND PAPERS

Site Plans

Figure 1 Site location

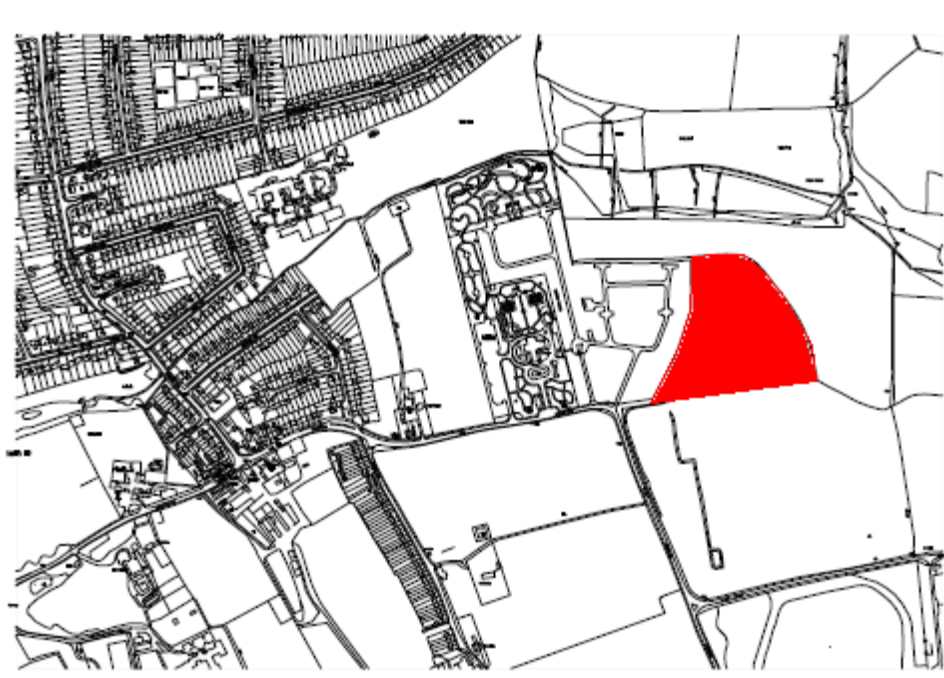


Figure 2 Proposed Extension

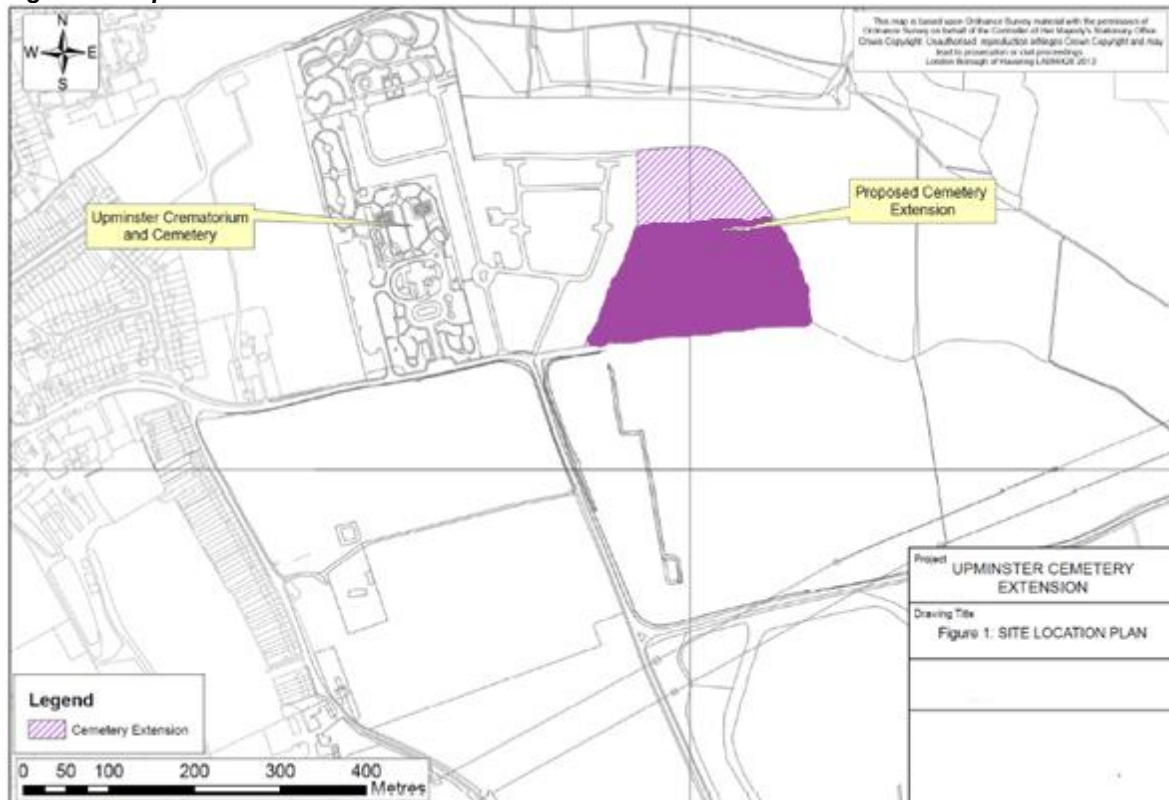


Figure 3 Revised Phasing



CABINET

Subject Heading:

Smart Working Programme

Cabinet Member:

Councillor Damian White

SLT Lead:

Andrew Blake-Herbert

Report Author and contact details:

Jennifer Burt 01708 434 889

Jennifer.burt@havering.gov.uk

Policy context:

The proposed rollout of the Smart Working programme will support delivery of the Council's digital and efficiency aspirations as set out within the Havering Vision and Corporate Plan.

Financial summary:

The proposals set out within this report will cost £5.4m capital and £0.577m revenue (one-off). These costs will be met from a mixture of existing budgets and additional borrowing for which the ongoing revenue implications are £0.463m per year. The benefits derived from the programme comprise a range of tangible and non-tangible savings, the nature of which are set out within the report

Is this a Key Decision?

Yes

(a) Expenditure or saving (including anticipated income) of £500,000 or more

When should this matter be reviewed?

September 2019

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

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SUMMARY

This paper sets out proposals for a corporate Smart Working programme across all services to advance the Council's corporate aspirations towards becoming a digital-enabled organisation. The programme is aimed for delivery over the next 12 months and seeks to build upon the forthcoming ICT refresh of hardware and software to successfully embed agile working and support a series of organisational efficiencies and service improvements serving with a programme of organisational design activities as the building blocks to bringing about a change of culture for the council, its staff and therefore service to residents.

The proposals seek Cabinet approval to undertake some improvements to working environments and facilities as an interim measure in the short to medium term, pending the potential longer term delivery of future accommodation proposals as envisaged within Havering's Asset Management Strategy. The proposed investment represents an 'invest to save' opportunity providing a financial return both in the form of 'hard' savings from property rationalisation and softer savings delivered through reductions in agency, recruitment and sickness absence costs. The detailed organisational development activities will follow in the People Strategy to Cabinet in October.

RECOMMENDATIONS

1. That the Cabinet recommend Council to approve additional capital budget of up to £4.637 million funded from borrowing for the proposed rollout of the Smart Working programme, across the 19/20 and 20/21 financial years, to deliver all elements of the programme, which will support delivery of the Council's digital and efficiency aspirations as set out within the Havering Vision and Corporate Plan and will be funded by invest to save.
2. The Cabinet approve £410k from Business Risk Reserves
3. That Cabinet approve the award of a contract for the supply of laptop equipment and associated peripherals to **XMA Ltd** via the Crown Commercial Services Framework CCS National Aggregated call off (EA16) from RM1054 Lot 1.

REPORT DETAIL

1. The challenge and the response

Whether so-called ‘austerity’ has been the cause of or the catalyst for the scale of change in local government over the past decade is in many ways a moot point: what is inescapable is that change has been dramatic and has affected the entire system.

While the symptoms are simple to recognise – demand for services both statutory and discretionary increasing while funding to provide those services decreases year on year – the prescription is more complex. The prescription requires both the retention and improvement of what local government does best and new skills and technology more akin to private sector companies operating at the cutting edge of innovation and responsiveness.

Just as importantly, because the breadth and depth of the challenge is like nothing seen in public administration in peacetime, embedding the changes necessary to effective, convenient, efficient services for council tax payers in 2019 and beyond, getting it right requires a generational shift in strategy, tactics, activities and, underpinning all of that, the attitude, behaviours and culture of the organisation.

2. The transformation journey

This does not mean starting from a blank sheet of paper: local government began ‘austerity’ as one of the most efficient and innovative public services and has only enhanced that reputation since.

Havering Council has transformed services, not shirked tough choices and has approached the challenge with creativity, determination and a focus on balancing budgets while providing good services and spending every penny of public money wisely.

The new Council administration has a clear mission statement of “*Cleaner, Safer, Prouder, Together*” setting the context for the Council’s Corporate Plan and medium term financial strategy. Underpinning that is a shift away from a service/silo focus – a legacy of the diversity of local government responsibility – and the creation of four ‘theme boards’ which unite the various council services, improvement and savings plans and innovations.

Havering Council has responded well to the challenge since 2010. We have enhanced reputation during austerity and through skilful and far-sighted management and the dedication, energy and bravery of staff avoided the tribulations of many councils as chronicled in trade and national media.

However, we have arrived at a crucial intersection where the recipe for what brought us to this point will not suffice to respond to the challenges we face now and in the future. Indeed, and put bluntly, if we keep doing in the future what we are doing now – and how we are doing it – we will ultimately not succeed in our obligation to do the very best for residents and staff alike and deliver the priorities of the current and future administrations.

How the council responds to change – the demographics of the borough, the need for infrastructure-led regeneration across the borough, the re-setting of new public expectations about service delivery and availability, the expectations of and demands on staff, the revolutions in technology that provide opportunities for more effective and convenient local government than residents have ever had the opportunity to enjoy – will determine our success at navigating the risks and opportunities that lie ahead.

3. Plotting a course for the future: investing in the culture and capacity of the Council

Fig 1. What we need to do

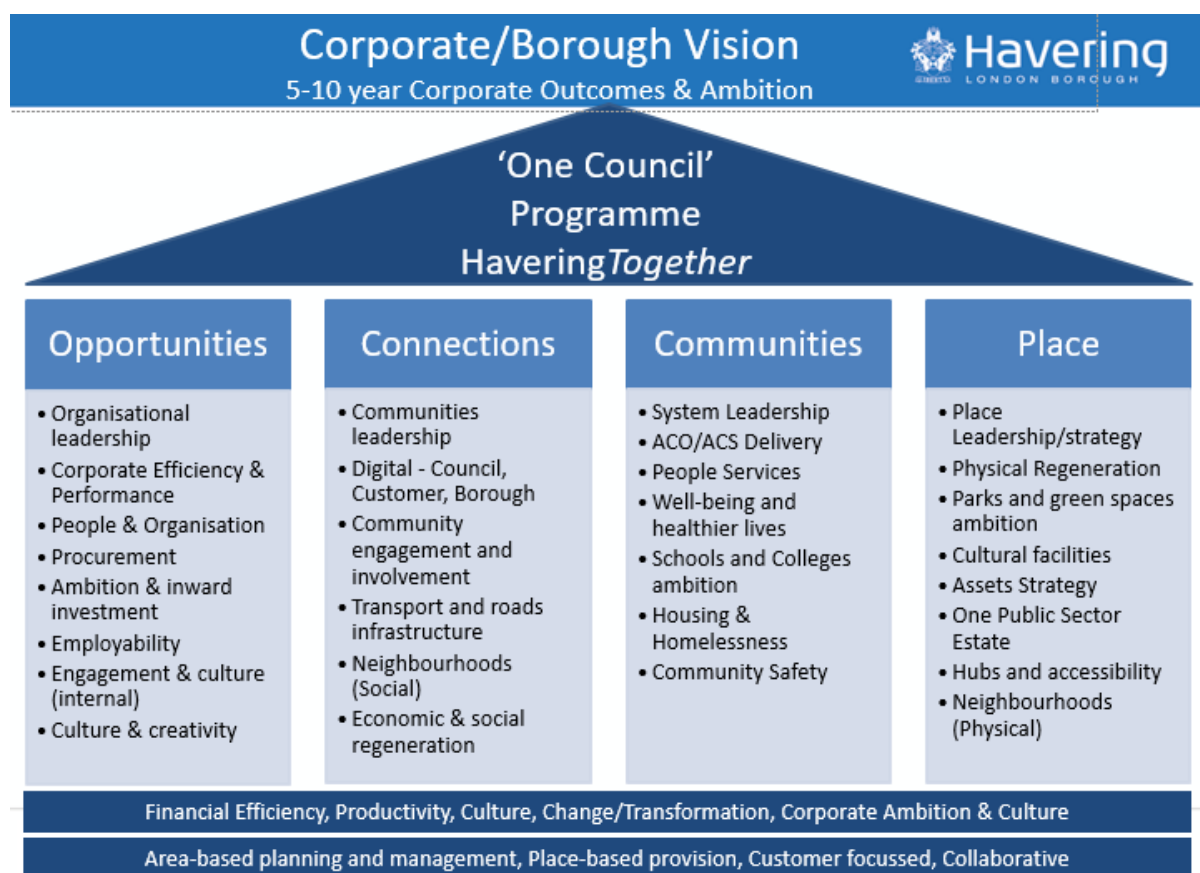


Fig. 2: How we need to work in order to do it

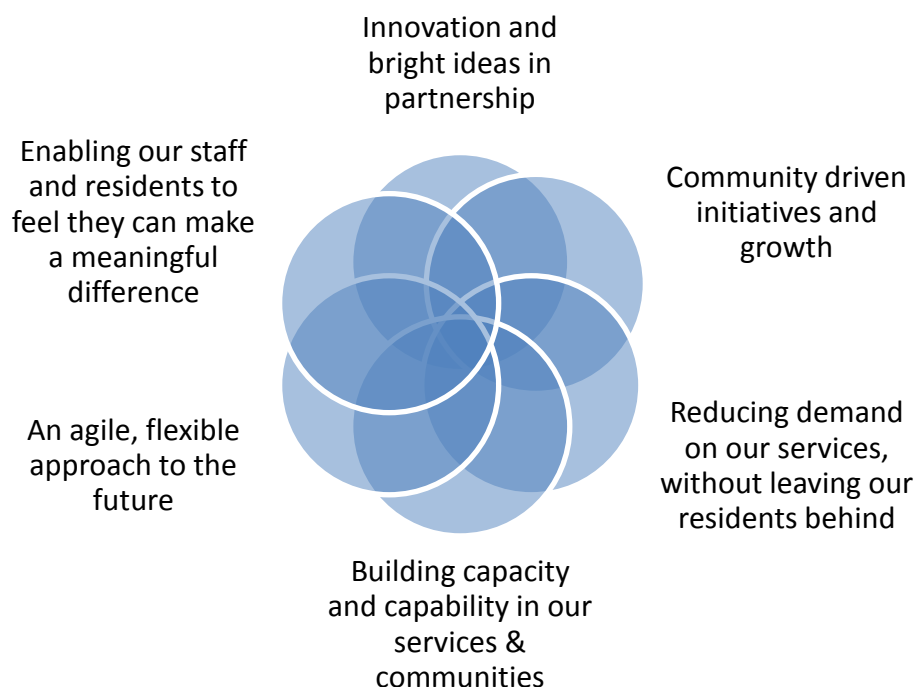
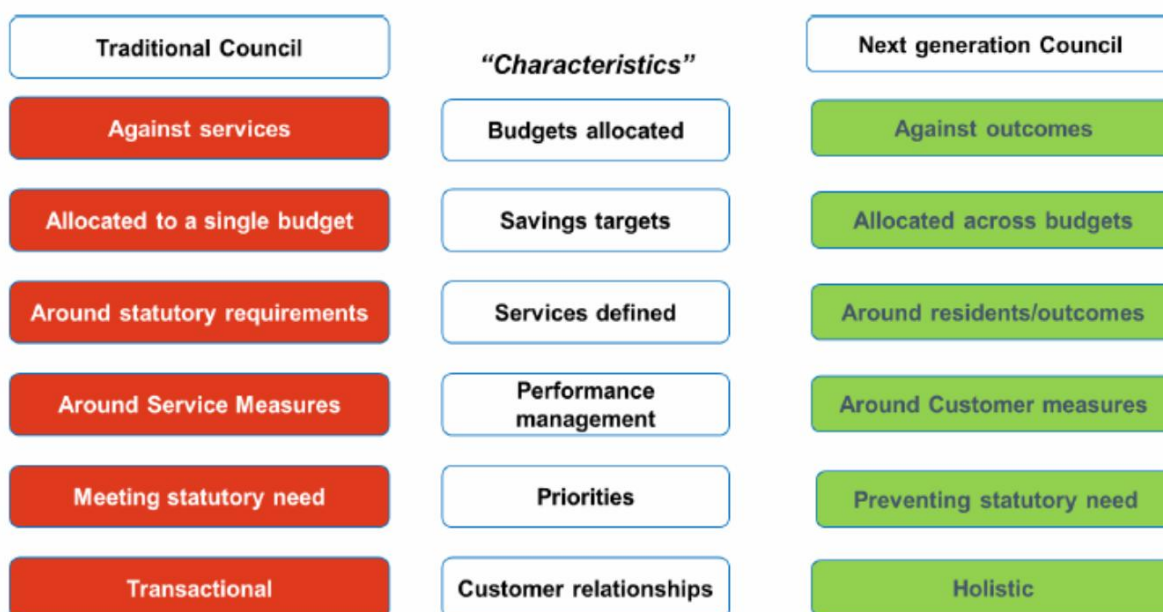


Fig.3: the trajectory of change necessary to be a modern Council



The above diagrams set out the connected drivers of a modern council, essential to achieving the outcomes as set out in the council's Corporate Plan¹

The Council is taking forward the developmental work that will prepare the organisation for the future. By moving to the four themes of outcomes, rather than

¹ https://www.havering.gov.uk/download/downloads/id/3117/havering_corporate_plan_2019_-_2020.pdf

the silo-based directorate structures, we are now starting to set budgets against those themed outcomes, with budgets managed by theme rather than by service.

Our performance indicators are beginning to change to be about outcomes for residents rather than inputs, and a lot of transformational savings are about prevention rather than meeting need. All of this was viewed positively by the Local Government Association (LGA) in its peer review of this council in 2019 which highlighted our work as best practice and independently confirmed that Havering has the right pieces of the jigsaw in the right place.

During our journey, we have taken learning from different places. We have taken inspiration from Silicon Valley companies and businesses like Netflix, which are built on freedom and responsibility, innovation and self-discipline, instead of a culture of process adherence. We have also taken learning from the Dutch home care company Buurtzorg, whose success is based on redefining relationships between those in receipt of care, those who provide it and the wider community, in a structure characterised by reduced layers of management, self-managing teams and continuous cycle of increasing efficiencies and bearing down on costs. Of course, we have also looked across the public sector in the UK for examples of best practice where organisations have harnessed the capacity and capability of the workforce to make step changes in delivery and operating models, commercialisation and rationalisation.

4. Next steps

None of the above can be achieved without a whole system pulling together with clear focus and measurement. But neither can we expect staff to work with a forward-facing attitude and mentality, ask them to embrace data and technology, be brave and innovative, operate at increased risk while learning all the time to hone and improve services, listen to residents and build resilience in communities that increases capacity and reduces demand, if the environments, cultures and practices and equipment we provide in the workplace are rooted in the past.

Investing in that future for Havering will require incremental changes over time in some areas but big, disruptive change at pace in others. To do that, we must continue to focus on two specific but linked areas.

People, Values and Behaviours

This is a crucial area and getting it right means supporting the workforce to meet new demands and develop the skills and behaviours across a portfolio of statutory and discretionary responsibilities unrivalled across the public sector.

We start in a strong place: as measured through the 2019 colleague survey, Havering Council staff have a strong connection to the borough, a clear public service ethos and most colleagues experience good support and challenge from managers.

But there are some stark challenges too. The Council will need to demonstrate to the workforce that, if it expects staff to **take more responsibility** and develop new skills,

search for innovative solutions, involve residents more in planning and delivering services and empower teams at all levels to work more flexibly, senior leaders will need to enable that and **give more support**.

Our developing People Strategy provides that support by putting our colleagues at the heart of our plans, setting out ambitious proposals across human resources, training and development and the ongoing vision, values and behaviours that drive a positive and productive workplace culture.

The strategy will provide a signpost for current staff to know where they fit in to the transformation journey and how to develop the skills that will get us there and will inspire potential new recruits to recognise in Havering Council an employer that can help them achieve their career goals.

Our People Strategy will be underpinned by a detailed action plan which sets out clear actions, timescales and measures of success. The strategy will be brought to Cabinet in October 2019.

People based benefits:

- The Councils approach is to head to a 5:10 desk ratio which will reduce the size of office space required and enable staff to work when and where necessary. Any time, any place and anywhere – guidance will be provided on this new style of working.
- Increased success in staff recruitment and retention, particularly for key workers (where working environment can be a differentiating factor).
- Reduction in staff sickness absence and improved wellbeing (evidence-based from other councils)
- Reduction in agency costs covering vacancies/long term sickness absence. Evidence in other organisations indicates that a 5% reduction should be achievable – this would equate to a saving of £950k p.a. based on Havering's current annual agency spend. Other initiatives are underway to mitigate agency spend but the adoption of Smart Working would support and compliment these other measures.
- Increased optimism, trust, confidence and sense of empowerment from staff (measured via bi-annual staff survey)
- Reduction in unnecessary staff travel time
- Reduction in need for lone working
- Increased work;life balance

Staff will be decanted from accommodation as the place element of the programme is delivered, ensuring that no one is affected by works during this time

Work is ongoing with the Head of Health & Safety to help mitigate any of the potential issues which might arise with such a new approach

There are planned culture change interventions and help for managers, teams and individuals

Research considered includes review case studies of several Local Authorities including Wolverhampton, Wokingham, Redcar, Westminster and Nottinghamshire

where they have progressed Smart Working. Research has also taken place on several areas of the Civil Service, the LGA and Children's Social Care (which revolves around technology).

Workplace and workspace

A best in class workforce delivering best in class services requires the workplace and workspace to drive quality, not constrain it.

Our proposals for investment span digital and physical infrastructure, giving staff the working environment and tools they need for that innovative, ambitious and outcomes-focused culture to thrive.

Our *Smart Working* programme offers a potential step-change to harness new technology, increase flexibility and bring down silos within the workforce and enhance the customer experience through a 'control shift' putting them in the driving seat.

The programme will deliver through:

a) Digital Infrastructure:

The renewal of ICT hardware and software is largely the subject of an existing refresh programme being rolled out incrementally across services. The replacement of older desk-top PCs with laptops and other mobile devices will offer much greater service flexibility, responsiveness, and more effective use of resources (particularly building assets) as the Council progresses its digital ambitions.

The adoption of Windows 10 and Office 365, now standard across public and private sector, will offer greater flexibility for staff to work collaboratively across teams and collect, analyse and understand data in new ways.

The new Smart Working tools will enable the majority of employees to work in a truly agile manner, with the ability to access work resources, line-of-business and generic applications (e.g. Oracle, Microsoft Office) from any location.

The ongoing programme of service reviews and transformation programmes like the automation programme will look at end-to-end processes within services to consider where further efficiencies and service improvements can be achieved through the application of digital technology, where appropriate.

'Digital' benefits:

- Embracing digital functionality and cloud-based technology to drive service improvement, productivity, self-serve
- Ability for staff to work 'on the go' without being constrained to work from conventional office or home and to work at any time e.g. social workers being able to spend longer within the community without the requirement to return to the office to access or update client data.

- Improvements in business resilience and contingency planning resulting from more mobile workforce and reduced dependency to access offices
- Enhanced scope for collaborative working across teams and with partner organisations resulting from dedicated 'collaborative spaces'
- Reduction in staff travel time and costs as a result of mobile working
- Approach and technology that meets increasing expectation from residents in how they navigate everything from networking to shopping online but not leaving behind those who do not.

b) Physical infrastructure:

The Council's Asset Management Strategy and One Public Estate initiative offers longer-term opportunities to review comprehensively the Council's administrative estate. However the nature of these proposals are such that they are unlikely to be fully realised within the next 5 years. A full refurbishment of Mercury House to meet contemporary office standards has been estimated in the order of £6.4m

The aim of the 'Place' element within the programme is accordingly to deliver a more modest reconfiguration and refurbishment of existing workspace/meeting facilities in the short to medium term to better support agile and collaborative working throughout the interim period, the benefits of which can be carried through to longer term proposals.

We want to focus 'Place' works on Mercury House, where a majority of the Council's operational staff (approx. 900) are currently based, to provide a more modern and agile working environment. A comprehensive refurbishment of Mercury House would not be financially viable within the context of the Council's Asset Management Plan and so it is proposed to target investment into areas considered to have the highest impact including:

- Enhancements to meeting facilities, expanded wi-fi connectivity and audio/video-conferencing facilities
- Greater diversity in working environments to provide quiet areas, collaborative spaces in addition to general hot-desking areas
- Scope to increase desk/staff ratios from 7:10 currently, to 5:10

Including an allowance for modest improvements to the Town Hall office areas also, this level of reconfiguration/refurbishment has been estimated in the sum of £3.3m.

Examples for the types of proposed changes can be seen at Appendix A.

Place based benefits:

- Reduction of accommodation 'footprint' to facilitate delivery of savings within the Asset Optimisation project – potential income streams from letting surplus space. It is projected that Havering Council will be able to realise annual property savings of £520k p.a. as a consequence of proposals within this paper.
- Unlocking potential to achieve longer term asset proposals around One Public Estate

- Environmental benefits – progression towards paper-less organisation, reduced carbon footprint from staff travel and building energy consumption
- Reduction in off-site storage costs
- Consideration will be made to “Sick Building Syndrome”, however, the drive for LB Havering is not just around buildings and the environment but the much more liberated choice of where to work – so for some they may only enter a building very rarely – other might do more frequently – and this is where the consultancy phase of the Place work will highlight what would work best in Havering.

REASONS AND OPTIONS

Reasons for the decision:

The broad adoption of the Smart Working programme including the related 'People' and 'Place' proposals will deliver a wider range of service improvements operational and organisational benefits than simply the rollout of new ICT hardware and software in isolation.

Experience both in Havering and other organisations confirms that the co-ordinated delivery of the complementary activities proposed within the 'People' and 'Place' strands of the programme will ensure that organisational change is fully embedded and opportunities are realised in full.

Other options considered:

'Do Nothing'

– from an ICT perspective, the fact that the current corporate operating system (Windows 7) will have support withdrawn from Microsoft by the end of 2019 means that there is little alternative but to proceed with the ICT refresh including the rollout of Windows 10, if business resilience is to be maintained across Council services.

'Progress the ICT refresh without the supplementary 'Place' and 'People' elements of the Smart Working Programme'

– whilst this would maintain business resilience, the Council would fail to fully exploit the digital potential presented by the ICT refresh. Working practices would be likely to remain as existing in many service areas with the results that few of the benefits outlined in this paper would materialise.

'Comprehensive refurbishment of Council administrative buildings'

- A more comprehensive refurbishment of Council office accommodation could theoretically be considered but the more significant level of investment required would not provide an attractive return on investment when considered in the context of the Council's longer term accommodation proposals as set out within the Asset Management Strategy.

IMPLICATIONS AND RISKS

There is a corporate requirement to set out the implications and risks of the decision sought, in the following areas

Financial implications and risks:

Estimated Costs & Funding for the project are set out below:

	Capital £	Revenue £
One off project costs		
ICT	2,000,000	167,000
Place Fees	3,300,000	
	150,000	
People		210,000
Programme Support		200,000
TOTAL	5,450,000	577,000
Funded by		
Existing ICT budget	813,000	167,000
Allocation from Transformation Reserve		200,000
Allocation from Business Risk Reserve		210,000
Additional Capital Funding requirement	4,637,000	
TOTAL	5,450,000	577,000

Note – revenue costs do not represent permanent growth and are for the duration of the project only

There is no approved allocation identified in the current capital programme to fund the £4.637m therefore Cabinet are asked to recommend to Full Council that an allocation of £4.637m is included in the Capital Programme, which would need to be funded from borrowing.

The table below outlines the annual cost of that capital borrowing, showing the MRP and interest charges for this capital allocation.

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Ongoing revenue implications of capital financing	Annual cost £
Minimum Revenue Provision	
ICT - 5 year asset life (£1.187m)	237,400
Building works - 40 year asset life (£3.45m)	86,250
capital financing interest @3% (PWLB rate)	139,110
Total revenue costs of capital financing	462,760

The building works would be funded over an asset life of 40 years. The ICT equipment would be funded over a 5 year asset life, and these assumptions have been used to calculate the MRP above.

However under this assumption the ICT kit rolled out as part of this project could be obsolete after 5 years and would need to be replaced. There needs to be consideration given to the strategy for the replacement and refresh of this technology as part of the future capital strategy and MTFS planning process.

Funding

The revenue costs of borrowing identified above can be funded from the cashable savings of £520k per annum delivered as part of the asset optimisation savings.

Summary of potential savings delivered/supported by Smart Working

Item	Potential annual saving
<i>Budgetary Savings</i>	£m
Savings from property rationalisation*	0.520
<i>Other Savings</i>	
Reduction in recruitment costs (assumes 10% reduction on previous year)	0.010
Reduction in agency costs (assumes 5% reduction on previous year)**	0.950
Reduction in sickness absence (assumes 5% reduction on previous year)***	0.179

Total potential savings per annum	£1.659m
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* Saving is already expected within Asset Optimisation workstream

** spend is generally funded from budgets for vacant posts which will be needed if the posts are filled

*** Based upon 18/19 total staff sickness absence of 29,617 days and assuming an average hourly pay rate of £16.83 for all staff (Grade 4). In many areas staff sickness is not covered by agency and therefore a reduction in sickness levels would increase staff productivity in the first instance. Should such a longer term increase be sustained staffing levels could be reviewed.

Risks

Costs for building reconfiguration are provisional estimates and have not yet been formally procured – hence there is a risk that costs could increase, although this can be mitigated by adopting the project contingency contained within the cost estimate (10%). Furthermore, there would be the opportunity to value-engineer the works specification with the successful contractor prior to issuing the contract.

Asset optimisation savings are in part subject to securing a letting for any surplus accommodation released.

Legal implications and risks:

Part 1 Chapter 1 of the Localism Act 2011 gives the Council the same power to act as that of an individual, subject to any statutory restrictions which may apply. The recommendations in this report are compatible with these statutory powers.

Laptop Procurement

This report seeks approval to award a contract to XMA Ltd for the supply of laptop equipment and associated peripherals via the Crown Commercial Services Framework CCS National Aggregated call off (EA16) RM1054 - Lot 1. The estimated expenditure of this contract is £1,596,830.

Crown Commercial Service (CCS) have undertaken a collaborative Further Competition (EA16-NFC39) to put individual contracts in place with Local Authorities right across the country utilising the Technology Products Framework Agreement - RM1054 Lot 1 for items such as desktops, laptops, monitors, windows tablets, hybrid tablets and thin clients. The successful bidder of the further competition for laptops was XMA Ltd.

Monitor Procurement

It is intended to commence a mini competition via the CCS Technology Products RM3733 - Lot2 for the supply of monitors. The estimated expenditure of this contract is £476,000.

The framework appears to be compliant with the Public Contracts Regulations 2015. The Contract Award Notice (2016/S 220-401822) was dispatched on 11 November 2016 and the decision to award the framework agreements to the

supplier was made on 14 October 2016. Participating authorities therefore have until 13 October 2020 to call-off a supplier from this Framework.

This is a multi-supplier framework with provision for further competition. Therefore, in accordance with the Council's Contract Procedure Rules, officers intend to follow the express framework provisions for choosing a supplier for the works. Officers will call-off services from Lot 2 (Combined Hardware and Software) and the contract will be awarded after further competition.

Human Resources implications and risks:

The 'People' aspects within this paper recognise the requirement to review existing Corporate and HR policies to ensure that agile working benefits can be fully realised and a coaching and training strategy is developed for managers and staff to successfully embed the new technology and working practices. A series of Smart Culture Working workshops is also recommended to fully engage the workforce on this programme. If there is a requirement to temporarily 'decant' staff this will be planned and managed and staff will be fully engaged with during this process.

Equalities implications and risks:

Digital access and agile working will offer benefits to the workforce by reducing reliance on gaining daily access to Council buildings and providing greater flexibility, both in terms of working hours and locations, benefitting a potential wide spectrum of employees.

Any works to Council buildings will be fully compliant with Part M of the building regulations relating to disabled access.

A full agile Employee Impact Assessment will be completed throughout the programme and updated at key milestones.

BACKGROUND PAPERS

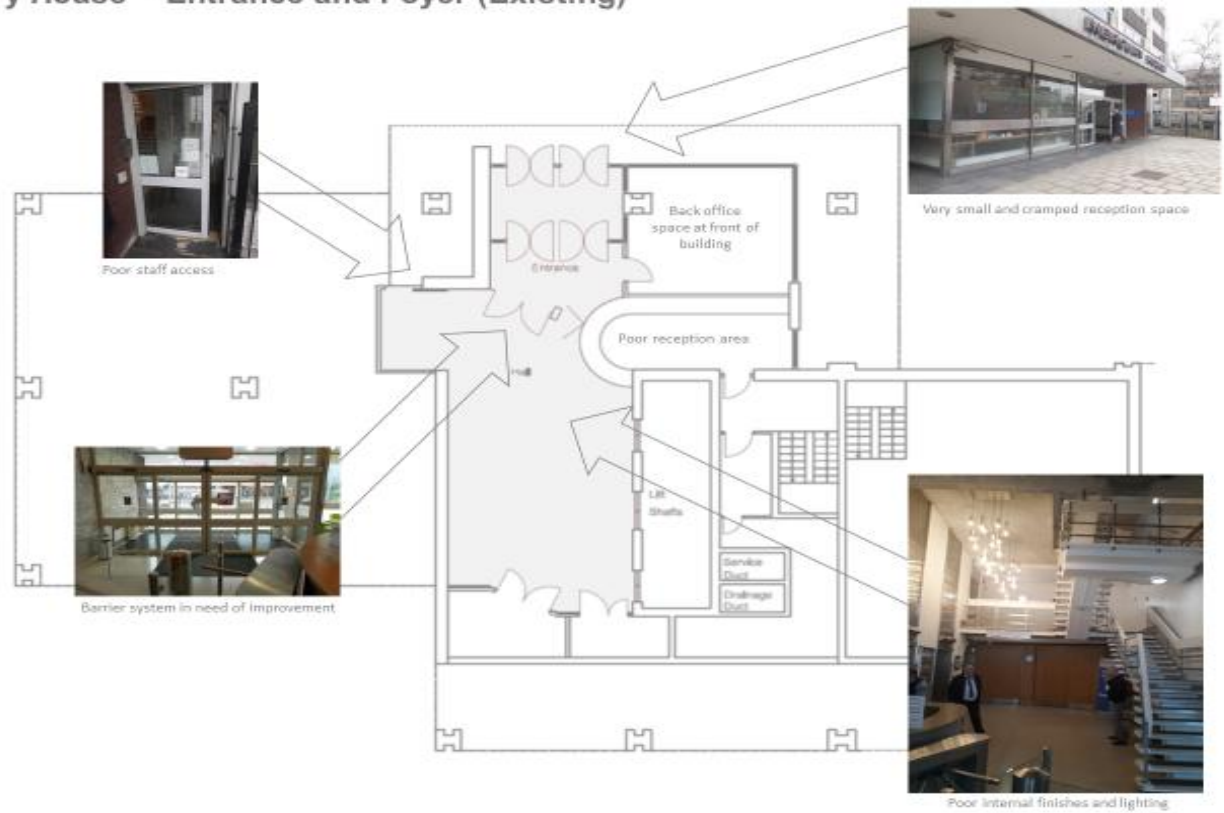
None

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Appendix A

Proposed changes to Mercury House:

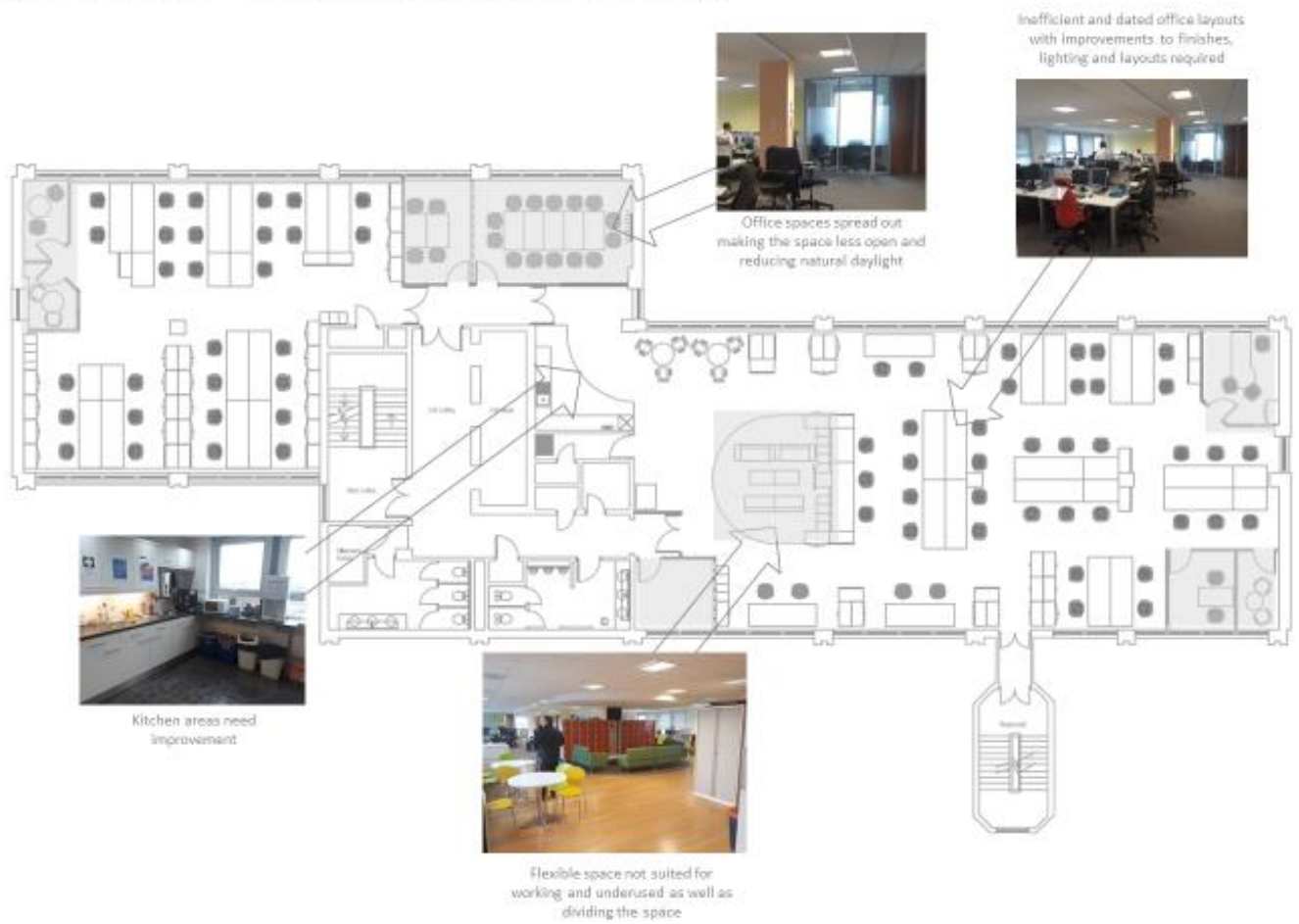
Mercury House – Entrance and Foyer (Existing)



Mercury House – Entrance and Foyer (Proposed)



Mercury House – General Office Space (Existing)



Mercury House – Dedicated Meeting Room and Conference Floor (Proposed)



Mercury House – General Office Space (Proposed)



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CABINET

18 September, 2019

Subject Heading:

Social Value Strategy

Cabinet Member:

Councillor Damian White, Leader of the Council

SLT Lead:

Neil Stubbings, Director of Regeneration

Report Author and contact details:

Lauren Sinclair
Regeneration Client Manager
Lauren.Sinclair@haverling.gov.uk
01708 434 379

Policy context:

The Public Services (Social Value) Act 2012

Financial summary:

There are no financial implications associated with approving the Strategy and Charter. However, their delivery and monitoring may have financial implications for the Council and its partners. It is envisaged that these financial implications will be contained within existing budgets of the relevant services but where opportunities arise to attract additional sources of funding (e.g. grants), these will be pursued through the relevant channels

Is this a Key Decision?

Yes - Significant effect on two or more Wards

When should this matter be reviewed?

September 2023

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

[x]
[x]
[x]
[x]

SUMMARY

This report seeks Cabinet approval of the Council's Social Value Strategy.

Social value relates to the additional societal benefits that can be achieved beyond the direct scope of a project or contract. The London Borough of Havering is subject to the Public Services (Social Value) Act 2012 which requires public entities, at the pre-procurement stage, to consider how a procured good or service could improve the social, economic and environmental well-being of the relevant area.

This strategy sets out the Council's commitment to social value and the added societal benefits that can be gained from public procurement, specifically for the social, economic and environmental benefit of local people living in the local area.

Through this Strategy we will ensure that:

- During any tender process, to give consideration to social value and assess against a criteria where appropriate
- Social Value priorities are encouraged in partnerships with contractors, local operators and investors
- Residents are supported to be active in their community and have the opportunity for upward social mobility through education, employment and business enterprise
- Residents are socially and digitally included
- We create cleaner and environmentally improved places where our communities can live and thrive
- Local small and medium sized businesses have access to supply chain opportunities and are supported by creating up-trading and business growth opportunities.

RECOMMENDATIONS

That the Cabinet:

1. **Approves** the Havering Council Social Value Strategy, attached at Appendix A

REPORT DETAIL

1.0 Background

- 1.1 The Public Services (Social Value) Act 2012 places a duty on public bodies to consider social value ahead of procurement. The Act applies to the provision of services, purchase or hire of goods and the carrying out of works.
- 1.2 The Act states that all public bodies should consider; how added economic, social and environmental well-being can be gained from what is proposed to be procured; and how, in conducting the process of procurement, it might act with a view to securing that improvement. Implementing and embedding social value at a local level involves making procurement decisions in a new way that ensures wider benefits are considered throughout the commissioning cycle. For instance, this could include requiring contractors to pay a living wage, employing target groups such as young unemployed people, minimising negative impacts on the environment
- 1.3 This Strategy sets out the Council's enhanced offer to our residents that goes beyond our housing management, education, and care and support functions. It is recognition that we, together with our partners, operators and investors, need to invest in supporting our residents in order to build successful, balanced and vibrant communities that address social and economic exclusion, reduce inequalities in health and wellbeing, and to build on economic growth.

2.0 Havering Council Social Value Strategy

- 2.1 Against the backdrop of Government funding changes and increased demand, the London Borough of Havering is moving forward with a redesign of business and service delivery via its transformation programme. The redesign will enable the London Borough of Havering to better respond to resident needs and improve the efficiency of the organisation.
- 2.2 The internal and external changes affecting the way the Council works provides excellent opportunities for delivering the Council's vision for Social Value. They also provide a platform for redesigning Social Value delivery, which will place the Council in a strong position for partnership working.
- 2.3 It is imperative that Social Value is delivered to meet demonstrable needs and aspirations for the benefit of the Borough. The Council will ensure that outcomes for residents and Business are at the heart of each activity.

3.0 Outcomes for Havering Residents and Businesses

- 3.1 Community investment is vital to supporting the LBH vision. We will aim to continue to deliver local initiatives that increase resident satisfaction with the homes and areas they live and work in.
- 3.2 We will focus on reaching marginalised groups to make sure they are socially included and are able to access opportunities that benefit them.
- 3.3 Digital inclusion will be integral to helping people learn and gain employment and connect with familial and social groups.
- 3.4 We will make sure our neighbourhoods and homes are places that customers are proud to live that opportunities are provide for their health and well-being.
- 3.5 Independence for our residents will be achieved by providing support to get them into employment, ensuring they can access services and activities that provide opportunities for developing skills, securing a job, starting their own businesses. We will use our in-house expertise and that of our partners to increase the number of Havering residents entering employment or progressing in their careers.
- 3.6 Supply chain opportunities for small and medium size business will support business growth and development.

4.0 Embedding and Monitoring

- 4.1 Social Value will be embedded as a consideration in the Council's procurement activity where any expression of interest is sought to obtain quotes (invitation to tender. The Procurement team will look to develop a clear thread between the Council's corporate priorities and the delivery of social value. Any changes required to the Contract Procedure Rules will be by way of a report to full Council to consider the constitutional change.
- 4.2 Proposals for Social Value activities will be reported to and agreed at Opportunities Theme Board. They should demonstrate how the activity meets the Council's priorities and delivers its vision for delivering added benefits to the local area.
- 4.3 The Social Value Portal offers a standardised solution that allows organisations to measure and manage the contributions that their organisation and partners make to society. The TOMs (Themes, Outcomes, Measures) framework aligns corporate priorities to a standardised measures which will allows commitments to be monitored through a contract and against other organisations. These commitments will be reported to the Opportunities Theme Board.

REASONS AND OPTIONS

5.0 Reasons for the decision:

- 5.1 As demonstrated above, the local authority has a legal obligation to consider Social Value ahead of a procurement process. Above this, Social Value provides an opportunity for the Council to secure added, societal benefits for local people, businesses and the environment in line with aspirations for improves social and economic wellbeing.

Other options considered:

- 5.2 The Council may chose not to adopt the proposed strategy, however in doing so will lose the opportunity to take a leading role in leading Social Value activities are carried out in the Borough. By establishing its priorities, the Council is able to direct Social Value in a manner that compliments the work that the Council already undertakes, meets the needs of the local community and achieves the aspirational vision that the Council has for the Borough.

IMPLICATIONS AND RISKS

6.0 Financial implications and risks:

- 6.1 There are no financial implications associated with approving the Social Value Strategy, however the monitoring of outcomes may have financial implications for the Council. Appropriate approvals will be sought at the when required.
- 6.2 The Council's Strategic Procurement Unit within the Finance team will develop more detailed guidance notes to help officers embed relevant social value requirements within their procurements.

7.0 Legal implications and risks:

- 7.1 The adoption of a strategy is consistent with the Councils statutory duties under
- a. The Local Government Act 1999 sets out a general Duty of Best Value for Councils to "make arrangements to secure continuous improvement in the way

in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.” And

- b. The Public Services (Social Values) Act 2012 (the “Act”) in line with its procurement activities. The Act requires the Council, to consider how we can improve the economic, social and environmental well-being of our area through the procurement processes for goods, services and works contracts subject to Public Contract Regulations 2015. Note the legislation does not apply where the Council is using an existing framework.

7.2 Paragraph 15 of the Councils Contract Procedure Rules deals with impact of Public Services (Social Value) Act 2012. Officers’ note that any revisions which may be sought to the Contract Procedure Rules must be made up to Full Council as it is a change to the Council’s Constitution.

8.0 Human Resources implications and risks:

- 8.1 There are no direct human resource implications for the Council. The project management and implementation requirements will be met by existing Council resources.

9.0 Equalities implications and risks:

- 9.1 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.

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

- 9.3 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.

- 9.4 An Equalities and Health Impact Assessment is currently under development, with a view to completion before any final decisions are reached.

BACKGROUND PAPERS

None

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Havering
LONDON BOROUGH

Social Value

Cleaner, Safer, Prouder, *Together*

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the things that
matter to our
residents the
most

No limit to our
ambition

'together' the
need to work as
a team with our
community

What?

- Social value quantifies the added social, economic and environmental benefits that can be gained from actions the Council already undertakes. This may include:
 - Education and skills support for industry specific career development
 - Community groups and resident engagement with socially isolated individuals
 - Employment and supply chain opportunities for economic growth within the Borough
 - Outcomes will focus on the achieving the Council's vision of Cleaner, Safer, Prouder, Together through the corporate themes of Communities, Places Opportunities Connections.

Why?

- Intrinsically related to the social responsibilities the Council already has.
- An opportunity to externalise our priorities for the wider benefit of local residents and businesses
- Extends our ability to deliver social benefits contributing to the long-term wellbeing and resilience of individuals, communities and society in general

Who?

- The Council, as a public entity (Social Value Act 2012)
- Local residents and business
- Our external partners such as contractors, third sector organisations, JVs, procurement contracts (new, existing and extensions); and external organisations such as West Ham Utd. FC, CEME, and Tesco

How?

- A coordinated approach to ensure the maximisation of social benefits in line with the Council's commitments and priorities whilst achieving value for money.
- Developing sustainable opportunities for business growth and local employment
- Routinely included as an evaluation criteria and in all procurement activity over £100K

When?

- The target is for Social Value to be embedded in the procurement process by Autumn 2019 and for the JVs with immediate effect

Related Documents and Strategies:

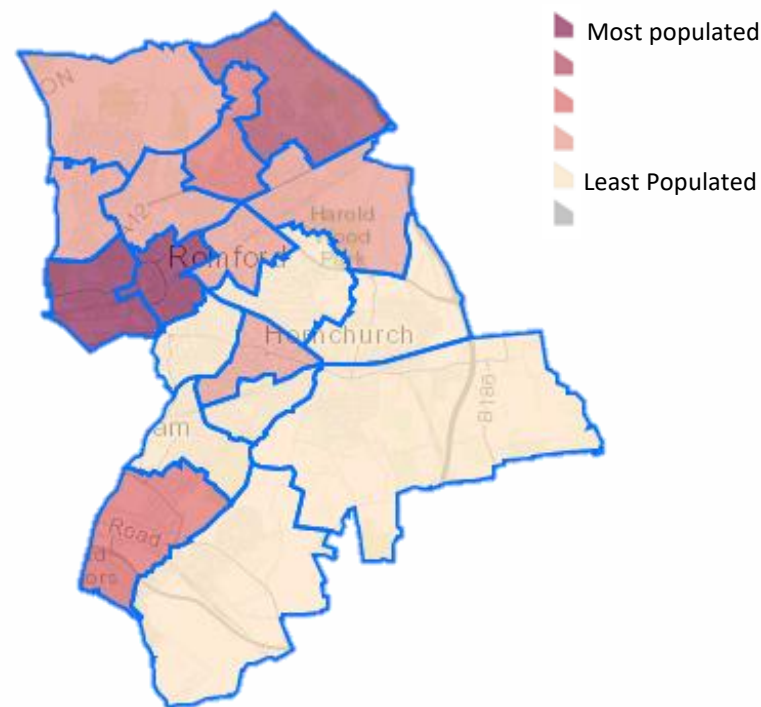
- Havering Joint Strategic Needs Assessment
- Havering Health and Wellbeing Strategy 2015-19
- Social Cohesion Strategy 2018
- London Borough of Havering Community Safety Partnership Plan 2017-20
- Havering Council's Employment and Skills Plan 2018 -2020

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Population

- According to 2017 Data published by the 'Office for National Statistics', Havering has a population of 256,039 people. (estimated)
- The Borough's population has increased year on year from 2002, with a 13.7% increase from 2002 to 2017.
- By 2026, it is estimated that 284,900 people will live in the Borough.
- There has been an increase in the number of births in the Borough **and** an increase in the general fertility rate from 58 (per 1,000 women aged 15-44) in 2004 to 68 in 2017.
- South Hornchurch, Hacton, Squirrel's Heath, Heaton and Romford Town experienced the highest percentage increase in population.
- Likely explanations for population increase includes economic growth within Romford town and inflow migration from neighbouring boroughs into bordering wards.

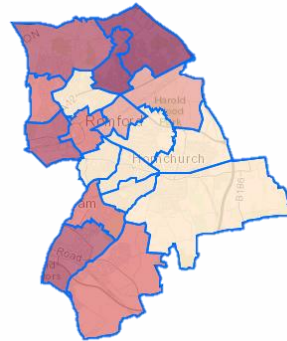
Havering Population (by Ward)



Romford and Brooklands are the highest populated Ward in Havering

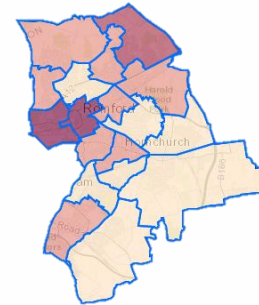
Age

Age 0 - 15 years



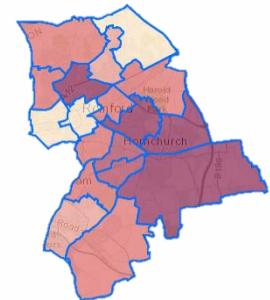
Gooshays has the highest proportion of children under the age of 16. A quarter of the ward population (25.3%) is under the age of 16.

Age 16 - 64 years



Romford Town has the largest proportion of working age persons in Havering with two thirds (66.4%) of people being of working age

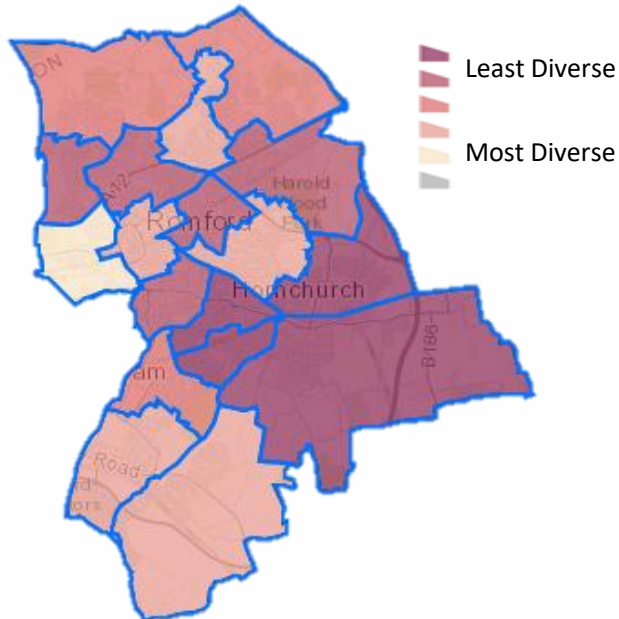
Age 65+ years



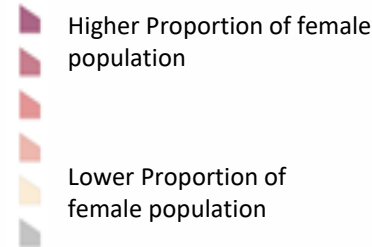
The 'oldest' ward in Havering is Upminster with nearly a quarter of residents (24.7%) over the age of 65

- The Borough holds the oldest population in London with the median age of 40 years.
- Children aged 0 – 4 years are the largest contributors to population change which has been attributed to in-borough births. From 2004 – 2017 there has been an upward trend in the number of births to women residents in Havering.
- In 2017 there was a net increase in young adults (20 – 49). This was due to internal migration (movements in and out of the borough).
- It is projected that the largest increases in population will occur in children (0-17 years) and older people age groups (65 years and above) up to 2033.

Ethnic Diversity



Gender



- Havering is one of the most ethnically homogenous places in London, with 83% of its residents recorded as White British
- About 90% of the Borough's population were born in the United Kingdom.
- It is projected that the Black African population will increase from 4.1% in 2017 to 5.3% of the Havering population in 2032.

- Havering Park has the highest proportion of females
- Females are more likely to live longer, with the life expectancy for males at birth at 80.1 years and 84.2 years for females, however the healthy life expectancy for females is lower than males.
- 22% of females in Havering are categorised as economically inactive, compared to 11% of males. Conversely in Mar 19 there were more male claimants of Universal Credit and JSA
- Women in Havering are more likely to be admitted to hospital for intentional self harm, hip fracture and excess winter deaths.

Deprivation in Havering

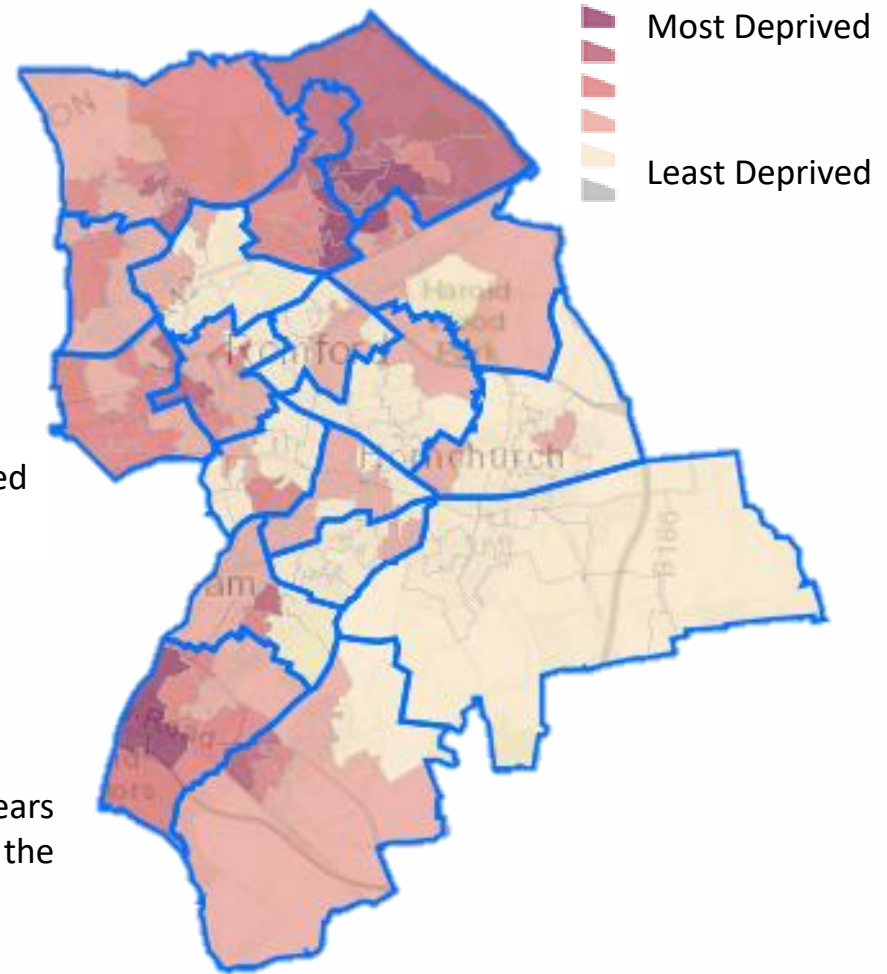
The London Borough of Havering is a relatively affluent borough. Based on IMD (Index of Multiple Deprivation) 2015, Havering is ranked 166th overall out of 326 local authorities in England for deprivation

The South of the Borough is the most affluent Havering locality but, like other localities, has pockets of deprivation.

Goodshays, Heaton, and South Hornchurch are the most deprived wards in Havering.

On average people living in deprived areas, lower socioeconomic groups and marginalised groups have the poorest health and well-being outcomes.

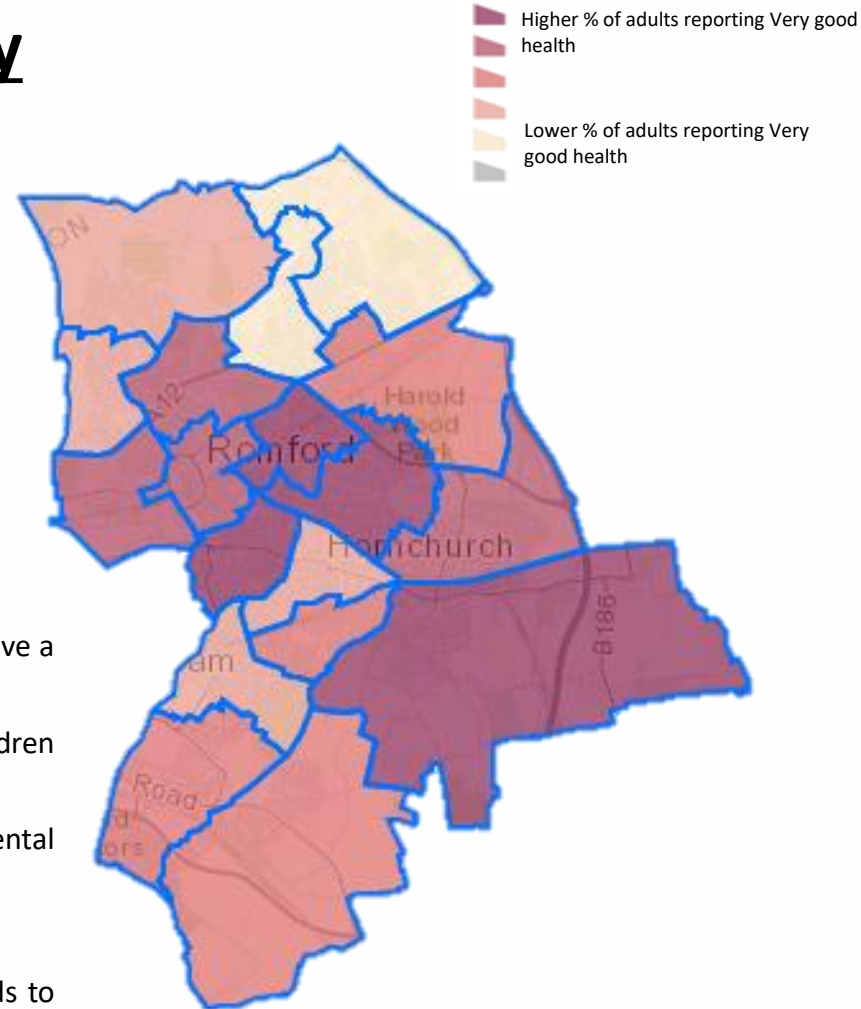
In the most deprived areas, the life expectancy of men is 7.9 years lower than that of men in the least deprived areas; for women the difference is 5.5 years.



Health Deprivation and Disability

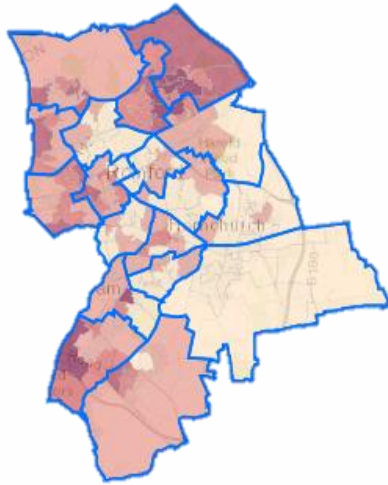
The key risk factors for ill health in Havering, as identified in the Public Health Outcomes Framework, include low levels of breastfeeding, childhood obesity, insufficient physical activity and teenage pregnancy.

- Nearly 40% of children in year 6 in Havering schools are overweight or obese. This rises to 54% of adults in Havering registered with a GP.
- Estimates show that one in three adults (36.2%) in Havering are inactive.
- 1 in 5 (19%) people in Havering are registered with one or more Long Term Health Condition. Only 56% of these people feel supported to manage their condition.
- About 19% of working age people living in Havering disclosed that they have a disability or long term illness.
- There is an increasing demand for specialist help and schooling for children with Autism
- There are an estimated 46,200 people in Havering with at least one mental illness.
- 25 – 44 year olds have the highest rate of diagnosed depression
- Being socially isolated can be a big factor in loneliness which in turn leads to depression



Income

Despite low deprivation scores and high employment rates, the average gross household income in Havering (£44,430), which is below the London average.

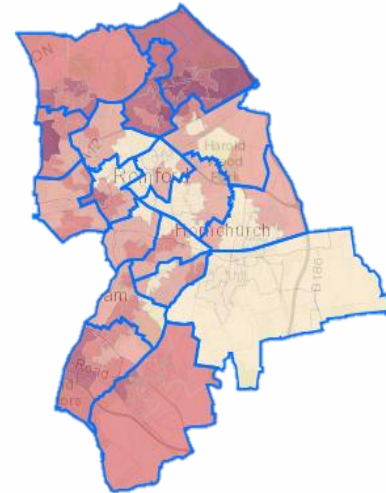


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Gooshays and Heaton are the most income deprived areas in Havering. Gooshays sits within the top 30% most income deprived areas in England with an average household income of £35,640.

- 8,800 children in Havering live in poverty. 25.9% of Children in Gooshays live in low income families (2016).
- 9.3% - Percentage of households in the Gooshays ward experience fuel poverty. The Havering average is 8%
- Teenage pregnancy is both a contributory factor as well as an outcome of child poverty.

Employment



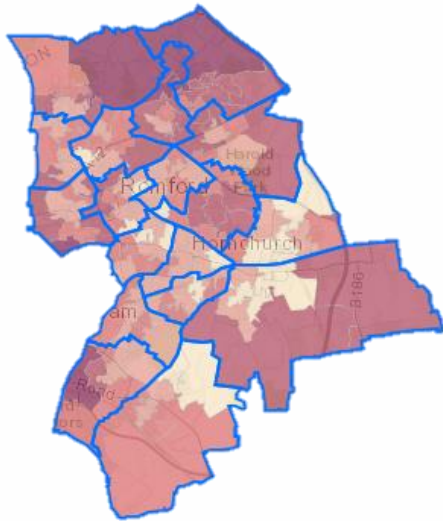
The gap in the employment rate in Havering between those with a long-term health conditions and the overall employment rate is worse than the London average.

The local job market is predominantly low skilled and low wage and there is only 0.6 jobs per individual in the working age population compare to London 1.2.

In August, there were 6100 Havering resident in receipt of Employment and Support Allowance (ESA) which offers financial support

Gooshays has the lowest employment rate in the Borough (72.5%)

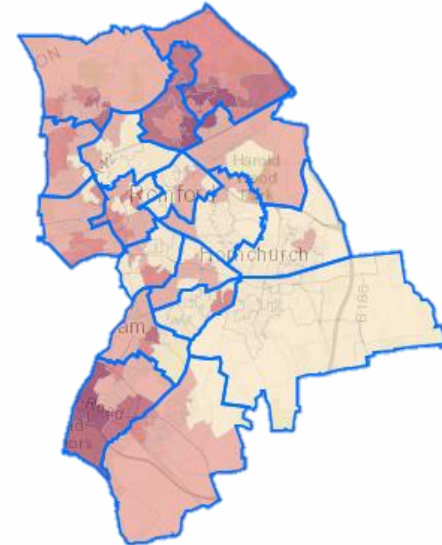
Barriers to Housing & Services



Whilst Upminster is the borough's most affluent area (2017) ¼ of people in Upminster experience barriers to housing and services.

- 58% of adult social care users do not have as much social contact as they would like. One in three of the population over 65 live in a one- person household. Older people living alone can be an indicator of social isolation.
- The % of Working age Adults in Havering with a learning disability who live in stable and appropriate accommodation is lower than the England and London average.

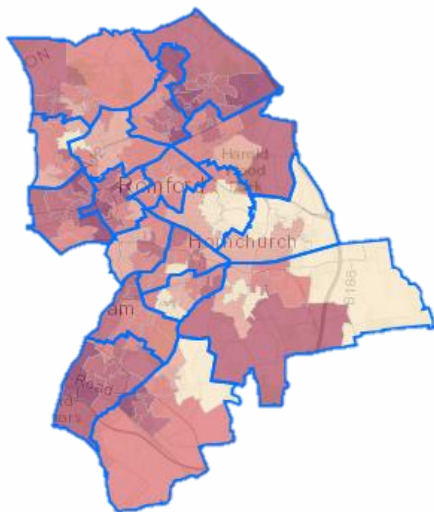
Education, Skills and Training



- 30% of residents in the North of the Borough have no qualifications. This is higher than the ward average of 26%.
- 3.5% of 16-19 year olds were not in education, employment or training (NEET) in 2017/18. This is considered to be good performance in comparison to London and England averages.
- 57% of children in Havering with free school meal status achieve a good level of development at the end of reception. This is lower than the London average.

Crime

The absence of a safe and secure place in which to live can have an extremely negative impact on physical and emotional health and wellbeing.



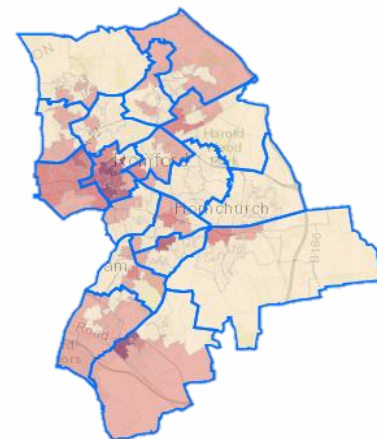
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The overall crime rate in Havering is lower than that of London and England Crime rate.

- Between Mar 18 – Feb 19 Crime was most prevalent in Romford Town, Gooshays and Brooklands wards.
- The highest types of crime are Violence and Sexual offences, anti-social behaviour and vehicle crime. Between Feb 18 – Jan 19, 5760 Violence and Sexual offences were recorded by the Police.

Living Environment

Economic welfare and social wellbeing are closely linked to the quality of the environment. The environment can be protected by reducing pollution and waste, protecting natural areas and biodiversity, and enforcing regulations that keep our water and air clean.



Almost half of the area of Havering is dedicated to open green space, particularly to the east of the borough.

6% of deaths of persons aged 30+ yrs are attributable to particulate air pollution. This is above the England average, but lower than that of London.

77% of households have access to at least one car. This is more than London and England.

Resident Perceptions (Ipsos Mori Survey)

Living Environment

- More than half of residents in Havering (52%) think that their local area has got worse as a place to live in over the past two years.
- 66% of residents agree that their local area is a place where people from different backgrounds get on well together – this is below the outer London average .

Barriers to Housing and Services

- 89% agree that Young People are being priced out of the local housing market
- 54% of residents feel as though affordable housing tenures are unattainable to them.

Crime

- 85% of residents feel safe in their local area; however this is below the national benchmark of 92%
- 35% of residents feel unsafe after dark. This rises to 56% of residents when considering Harold Hill in isolation and 43% of residents in Romford.
- Women are twice as likely to feel unsafe after dark than men.

Social Value Outcomes in Havering

Social value quantifies the added social, economic and environment benefits that can be gained from actions the Council already undertakes. This may include:

- Education and skills support for industry specific career development
- Community groups and resident engagement with socially isolated individuals
- Providing employment and sustainable jobs opportunities to help economic growth within the borough
- Sustainable employment and supply chain opportunities economic growth within the Borough.
- Outcomes will focus on the achieving the Council's vision of Cleaner, Safer, Prouder, Together through the corporate themes of Communities, Places Opportunities Connections.

For the purpose of measuring, all outcomes will be measured against the Cleaner, Safer, Prouder Together vision.

Approvals

Departmental Social Value proposal will need to be approved by the Opportunities Theme Board.
Other Theme Boards will also be required to submit their proposals to the Opportunities Theme Board.

Monitoring

The Opportunities Board monitoring functions and Key Performance Indicators will be underpinned by a performance management framework for social value activity.

This framework will enable us to robustly measure and demonstrate the full impact and value of the activity we deliver to individuals, communities and wider society.

The four elements of this framework are:

INPUTS – the cost resources for the activity

OUTPUTS – the number of outputs generated by the funded activity

OUTCOMES – the specific changes / benefits brought about by these outputs

IMPACTS – the impact of these outcomes on individuals, communities and society as a whole



Social Value Portal



The Social Value Portal is a standardised solution that allows organisations to measure and manage the contribution that their organisation and supply chain makes to society.

The National TOMS (Themes, Outcomes and Measures) Framework was developed to provide a minimum reporting standard for measuring social value. The tool also allows social value to be measured in financial terms and assessing the financial impact of the activity undergone. Implementation of the tool also allows organisations to measure and deliver any significant changes they wish to see.

The framework identifies 5 measurable themes :

Jobs: Promote Local Skills and Employment

Growth: Supporting Growth of Responsible Regional Business

Social: Healthier, Safer and more Resilient Communities

Environment: Protecting and Improving Our Environment

Innovation: Supporting Social Innovation



Methods of Contributing to Social Value in Havering

- Crowd funding for LBH-led Social Value projects and programmes
- Sponsorship of LBH events
- Volunteering

Priorities for Social Value in Havering

- Community investment to help sustain, support community hubs and encourage social mobility
- Community cohesion and social inclusion e.g. through investment in LACs
- Community safety
- Support our residents to progress into employment, ensuring they can access services and activities that provide opportunities for developing skills, securing a job, starting their own businesses.
- Work with local employers to up-skill their workforce and enhance career opportunities within the borough
- Support for the digital inclusion agenda including providing internet access and training to residents and businesses.
- Supply Chain Opportunities and access to business growth and development workshops for existing businesses
- Maintain existing and create new partnerships that will benefit the health and well-being of our residents
- Encouraging attainment and aspiration in residents of all ages by providing them with industry-specific insight
- Investment in biodiversity and ecology to help improve the natural environment and health of residents
- Sporting/leisure/cultural activities to support healthy lifestyles
- Heritage based projects that celebrate the character and history of the Borough and its landmarks

Social Value Activities in Havering

<i>Cleaner</i>	<ul style="list-style-type: none"> • Community Clean-up Action Days – including activities such as litter picking; minor repairs and construction projects in communal areas; graffiti clearance • Environmental Awareness projects in schools including biodiversity and ecology activities • Donation of gardening equipment for planting and horticultural maintenance
<i>Safer</i>	<ul style="list-style-type: none"> • Themed youth groups / workshops – fitness and health (West Ham United); engineering construction and science (JV Partners); Cooking and food technology (Tesco) • Pedestrian and Cycle safety workshops • Alcohol and drug awareness classes • Mental health awareness and resilience workshops – age related; social media; family compositions
<i>Prouder</i>	<ul style="list-style-type: none"> • Havering Career Week – for adults and young people which will include work experience to allow residents to gain insight into career and opportunities within the LA, JVs and businesses/borough operators – subject related work experience and placements. • Volunteering opportunities and skills training for hard to reach groups – Homeless; leaving care; SEND • Education, apprenticeship and employment opportunities for school leavers • ICT hardware in libraries and support workshops for older people • Growth opportunities for underemployed residents
<i>Together</i>	<ul style="list-style-type: none"> • Intergenerational area groups – ICT; journalism; leisure – cinema, museum trips; treasure hunt; cooking classes • Funding for Local area co-ordinators and activities led by LACs – locality based social value objectives (£50 per post) • Internships, work programmes and paid opportunities for SEND residents • Community celebration days – for Havering districts; marginalised groups • Education partnerships with local businesses and operators • Community investment programmes – fund for improvements and local events e.g. Rainham Fayre

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CABINET

18 September 2019

Subject Heading:

Statement of Gambling Policy 2019-2022.
To Consult on Statutory Revision of this Policy.

Cabinet Member:

Councillor Persaud

SLT Lead:

Sue Harper Interim Director of Neighbourhoods

Report Author and contact details:

Dipti Patel Assistant Director Environment
01708 432403
Louise Watkinson Group Manager Public Protection 01708 432771

Policy context:

The Gambling Act 2005 requires this Licensing Authority to consult on and publish a Statement of Gambling Policy. This document must be reviewed every 3 years.

Financial summary:

There is a cost to running the statutory consultation. This will be met within existing budget.

Is this a Key Decision?

Significant effect on two or more Wards

When should this matter be reviewed?

November 2019

Reviewing OSC:

Towns and Communities

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

Communities making Havering
Places making Havering
Connections making Havering

[x]
[x]
[x]

SUMMARY

1.1 This report presents a revised Statement of Gambling Policy 2019 to 2022, as required under s349 of the Gambling Act 2005, and a recommendation to proceed with a statutory consultation.

1.2 The Policy Objectives include:

- Prevent gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime.
- Ensuring that gambling is conducted in a fair and open way.
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.3 The key recommendation in the report is to seek agreement to conduct a statutory consultation exercise on the Statement of Gambling Policy 2019 to 2022.

RECOMMENDATIONS

2.1 Cabinet is asked to:

- Authorise commencement of a consultation on adopting the Statement of Gambling Policy 2019 to 2022.

REPORT DETAIL

3.1 The Statement of Gambling Policy is the primary document for setting out the Council's local approach to gambling regulation. The existing policy has been reviewed. The proposed changes to the 2016-19 policy are shown via tracked changes to assist the consultation process. A copy of the Draft Statement of Gambling Policy 2019-2022 is included in Appendix 1.

3.2 The Gambling Commission states in the introduction to its Guidance to Licensing Authorities:

‘The aim of this Guidance is to ensure that every licensing authority has the information it needs to make effective decisions. It does not seek to impose a ‘one size fits all’ model across all licensing authorities. We recognise that every licensing authority is different and will have different views about how it wishes to manage gambling locally. Indeed, the Act establishes a high degree of local accountability for gambling regulation.

This Guidance does not, therefore, attempt to fetter the discretion that licensing authorities have under the Act and it is not intended to replace their judgement in individual cases. Moreover, this Guidance cannot anticipate every set of circumstances that may arise and, as long as it has been understood and taken into account, licensing authorities may depart from it where they consider it would be right to do so. There should, however, be strong reasons for departing from this Guidance and these need to be clearly expressed and explained if a licensing authority is to avoid judicial review or challenge on appeal for failing to take this Guidance into account.’

3.3 The Statement of Gambling Policy 2019-2022 (draft) follows the principles laid down in the Gambling Commission’s Guidance to Licensing Authorities. The Act requires the Authority to carry out its various licensing functions to be reasonably consistent with the following three licensing objectives:

- Preventing gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime.
- Ensuring that gambling is conducted in a fair and open way.
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

3.4 As required by Guidance issued by the Gambling Commission, the Council, in carrying out its licensing functions under the Act will aim to permit the use of premises for gambling as long as it is considered to be:

- In accordance with any relevant code of practice issued by the Gambling Commission,
- in accordance with any relevant guidance issued by the Commission,
- reasonably consistent with the licensing objectives and
- in accordance with this Policy Statement published under section 349 of the Act.

3.5 Nothing in the Statement of Gambling Policy will override the right of any person to make an application under the Act and have that application considered on its individual merits. Equally, nothing in the draft Statement of Gambling Policy will undermine the right of any person to make representations to an application, or seek a review of a licence where there is a legal power to do so.

3.6 There is no statutory time period for the consultation process. Based on advice from the Gambling Commission it is proposed that the draft Statement of Gambling Policy 2019-2022 will be subject to an 8-week consultation period.

3.7 All comments will be carefully considered and appropriate amendments made. The Statement of Gambling Policy will then go to Cabinet and then Full Council for final approval, which is a requirement of the legislation.

REASONS AND OPTIONS

4. Reasons for the decision:

4.1 It is a legal requirement under s349 of the Gambling Act 2005 for each licensing authority to prepare a statement of principles that they propose to apply when exercising their licensing function. The Authority is required to review the policy at least every 3 years. The current policy has expired and we are legally required to publish a new policy for 2019 to 2022.

4.2 Before the Statement of Gambling Policy can be adopted the Gambling Act 2005 requires the licensing authority to consult with:

- The Chief Officer of Police;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

5. Other options considered:

5.1 number of other options were considered:

- **Do nothing** - Not to update the current Statement of Gambling Policy. This was rejected, as the authority is required by law to have a Statement of Gambling policy under the Gambling Act 2005.
- **Adopt and Publish a revised Statement of Gambling Policy** - To complete a full review of the current policy, produce a revised document for consultation; and then adopt and publish the Statement of Gambling Policy 2019-2022.

IMPLICATIONS AND RISKS

6. Financial implications and risks:

- 6.1 In respect to the consultation for revised Statement of Gambling Policy 2019-2022 the current Fees and Charges will continue to be in place. They will be reviewed in line with any statutory and financial requirements.
- 6.2 The Fees and Charges will be set to cover the costs of providing the service i.e. licensing gambling premises.
- 6.3 The public consultation will be met from existing budgets.

7. Legal implications and risks:

- 7.1 Section 349 of the Gambling Act 2005 imposes a statutory requirement on the Council (as the Licensing Authority) to prepare and publish a 'Statement of Principles' (which is in effect the Council's Statement of Gambling Policy as referred to in this report) once every three years. Following public consultation, any amendments to the Policy are required to be considered at Cabinet and then approved by full Council. Section 349 (2) of the Gambling Act 2005 allows the Licensing Authority to review its Statement/Policy from time to time. The Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 sets out the legal requirement and procedure for drafting and preparing the Statement/Policy and any revisions to this.
- 7.2 This consultation will fulfil the Council's statutory duty. Once responses are received these will have to be carefully considered before any decision is taken.

8. Human Resources implications and risks:

- 8.1 There are no HR implications at this time as this report only relates to a consultation exercise. Further HR implications will be considered as part of any report on a decision to extend licensing if proposed.

9. Equalities implications and risks:

- 9.1 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.

9.2 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.

9.3 An equalities assessment has been carried out; there is no significant impact on any of the protected characteristics. The assessment is attached as Appendix 2.

Appendices

1. Statement of Gambling Policy 2019-2022 DRAFT
2. Equality and Health Impact Assessment

BACKGROUND PAPERS

None



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

Statement of Gambling Policy

2019-2022

Document Control

Document details

Title	Statement of Gambling Policy 2019 - 2022
Version number	V0.1
Status	Draft
Author	Keith Bush
Lead officer	Andrew Blake Herbert
Approved by	Full Council
Review date	2021

Supersedes	Statement of Gambling Policy 2016 - 2019
Target audience	License Applicants, Residents, Licensing Committee, Members.
Related to	Statement of Licensing Policy

Version history

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Statement of Gambling Policy

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1. Introduction

- 1.1 The Gambling Act 2005 (the “Act”) requires this Licensing Authority to consult on and publish a ‘Statement of Gambling Policy’ in relation to its responsibilities under the Act. Once published, this Policy Statement will be kept under constant review and formally reviewed every three years. Before any revision of this Policy is published, this Authority will carry out a full consultation exercise on the relevant sections. The current Statement of Gambling Policy has been revised following a review and this document is for the period 2019 – 2022.

Section 25 of the Gambling Act 2005 states that;

The (Gambling) Commission shall from time to time issue guidance as to-

(a) The manner in which local authorities are to exercise their functions under this Act, and

(b) In particular, the principles to be applied by local authorities in exercising functions under this Act.”

- 1.2 The Gambling Commission states in the Introduction to its Guidance to Licensing Authorities:

‘The aim of this Guidance is to ensure that every licensing authority has the information it needs to make effective decisions. It does not seek to impose a ‘one size fits all’ model across all licensing authorities. We recognise that every licensing authority is different and will have different views about how it wishes to manage gambling locally. Indeed, the Gambling Act 2005 establishes a high degree of local accountability for gambling regulation.

This Guidance does not, therefore, attempt to fetter the discretion that licensing authorities have under the Gambling Act 2005 and it is not intended to replace their judgement in individual cases. Moreover, this Guidance cannot anticipate every set of circumstances that may arise and, as long as it has been understood and taken into account, licensing authorities may depart from it where they consider it would be right to do so. There should, however, be strong reasons for departing from this Guidance and these need to be clearly expressed and explained if a licensing authority is to avoid judicial review or challenge on appeal for failing to take this Guidance into account.’

- 1.3 This Policy, therefore, generally follows the principles laid down in the Gambling Commission’s Guidance to Licensing Authorities.

The Act may be accessed via:

<http://www.legislation.gov.uk/ukpga/2005/19/contents>

The Gambling Commission’s Guidance to Licensing Authorities may be accessed via:

<http://www.gamblingcommission.gov.uk/PDF/GLA5- updated-September-2016.pdf>

- 1.4 The Act also requires this Authority to carry out its various licensing functions to be reasonably consistent with the following three licensing objectives:

- Preventing gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime.
- Ensuring that gambling is conducted in a fair and open way.
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.5 As required by the Guidance issued by the Gambling Commission, the Council, in carrying out its licensing functions under the Act will aim to permit the use of premises for gambling as long as it is considered to be:

- in accordance with any relevant code of practice issued by the Gambling Commission,
- in accordance with any relevant guidance issued by the Commission,
- reasonably consistent with the licensing objectives, and
- in accordance with this Policy Statement published under Section 349 of the Act.

Nothing in this Statement of Gambling Policy will override the right of any person to make an application under this Act and have that application considered on its individual merits. Equally, nothing in this Statement of Gambling Policy will undermine the right of any person to make representations to an application, or seek a review of a licence where there is a legal power to do so. This Authority will ensure that, when considering applications under this legislation, it will avoid duplication with other regulatory regimes.

1.6 Previous gambling legislation required that the grant of certain gambling permissions should take account of whether there was an unfulfilled demand for gambling facilities. However, unfulfilled demand is not a criterion for a Licensing Authority in considering an application for a premises licence under the Act. Each application will be considered on its merits without regard to demand.

1.7 The Licensing Authority will not take into consideration any moral objections to Gambling when considering an application for a premises licence.

1.8 All references to the Gambling Commission's Guidance relate to the fifth Edition (Published in September 2015 with Parts 17, 18 and 19 updated September 2016). These are liable to change as the Guidance is revised from time to time and, if considered necessary, this Statement of Gambling Policy will be revised to comply with any future changes to the Guidance. A copy of the current Gambling Commission Guidance can be found on the Council's website.

2 Profile of the London Borough of Havering

- 2.1 The London Borough of Havering has a rich history. It is located on the periphery of North East London neighbouring Essex. The area has good road and rail links and boasts a 3-mile river frontage. It is currently a major centre for regeneration and development.
- 2.2 Granted a royal liberty 540 years ago, the borough has held a regular street market since 1247. Today Havering is London's third largest borough, with a population of over 250,000 and an area of 11,227 hectares, of which almost over half is open green space.
- 2.3 Havering has a lively cultural scene, centred on the Queen's Theatre and the Fairkytes Arts Centre. Leisure facilities are second to none, with three recently renovated leisure centres with state-of-the-art equipment and facilities.
- 2.4 The borough is also a great place to shop with bustling town centres where Romford town Centre attracts 250,000 regular shoppers alone. In addition to Romford there are small local shopping centres in Harold Hill, Collier Row, Hornchurch, Cranham, Upminster, Elm Park and Rainham (see Map 1).
- 2.4 Havering's Vision is 'Cleaner, Safer, Prouder, Together' embracing the best of what Havering has to offer and is focused around four cross-cutting priorities: communities, places, opportunities and connections.

Communities – A helping hand

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

Place – Great place to live

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

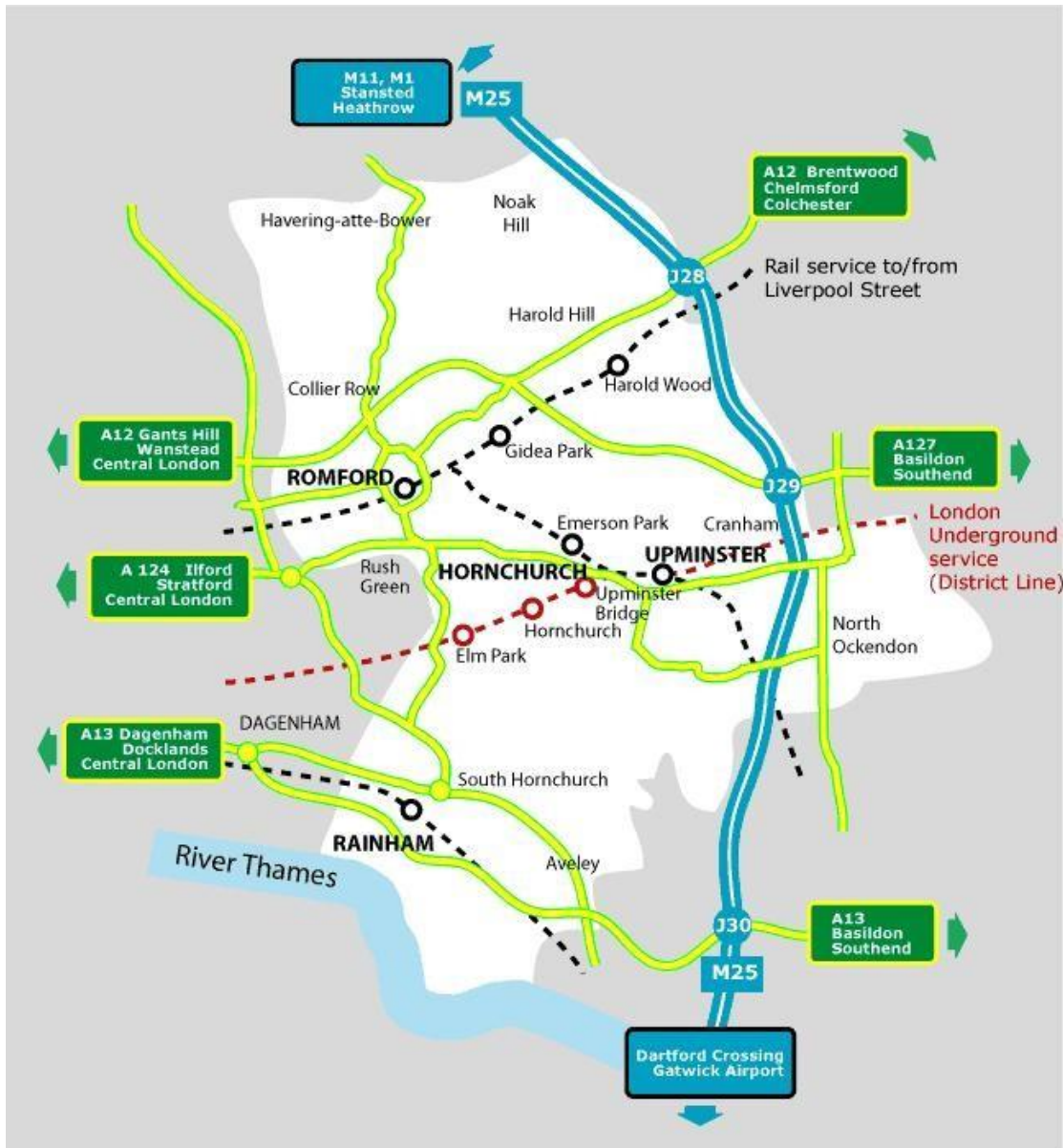
Opportunities – Making life better

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

Connections – Making life easier

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

Map 1: London Borough of Havering Transport Links & Shopping Hubs



Based upon Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office (c) Crown copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings.
London Borough of Havering 100024327

3 Consultation

- 3.1 Licensing Authorities are required by the Act to publish a statement of the principles which they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from “time to time” and any amended parts re-consulted upon. The statement must be then re-published.
- 3.2 The London Borough of Havering consulted widely upon this statement before finalising and publishing. A list of those persons consulted is provided in Appendix E.

The Act requires that the following parties are consulted by licensing authorities:

- The Chief Officer of Police;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority’s area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority’s functions under the Act.

This Licensing Authority has also consulted with relevant departments within the Council and neighbouring boroughs.

4. Declaration

- 4.1 In producing this Statement of Gambling Policy, the Licensing Authority declares that it has had regard to the licensing objectives of the Gambling Act 2005, the Guidance issued by the Gambling Commission and any responses from those consulted on the Statement.

5. Responsible Authorities and Interested Parties

- 5.1 The Act allows for two different types of groups to make representations regarding applications to the Licensing Authority and to apply to have existing licences reviewed by the Authority. These groups are “Responsible Authorities” and “Interested Parties”

- 5.2 The Act defines Responsible Authorities as:

- (a) a Licensing Authority in England and Wales in whose area the premises are wholly or partly situated,
- (b) the Gambling Commission,
- (c) the Chief Officer of Police for a police area in which the premises are wholly or partly situated,
- (d) the fire and rescue authority for an area in which the premises are wholly or partly situated,
- (e) the Local Planning Authority, in accordance with Part I of the Town and Country Planning Act 1990 (c. 8), for an area in which the premises are wholly or partly situated,

- (f) an authority which has functions by virtue of an enactment in respect of minimising or preventing the risk of pollution of the environment or of harm to human health in an area in which the premises are wholly or partly situated,
- (g) a body which is designated in writing for the purposes of this paragraph, by the licensing authority for an area in which the premises are wholly or partly situated, as competent to advise the authority about the protection of children from harm*,
- (h) Her Majesty's Commissioners of Customs and Excise, and
- (i) any other person prescribed for the purposes of this section by regulations made by the Secretary of State.

* Under the Children Act 2004, Area Child Protection Committees (ACPC) have been replaced by Local Safeguarding Children Boards (LSCBs). The policy of the Licensing Authority is that the 'responsible authority' in relation to the protection of children from harm will be the Council's LSCB Manager.

5.3 Section 158 of the Act states that a person is an "Interested Party" if, in the opinion of the Licensing Authority that person;

- (a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
- (b) has business interests that might be affected by the authorised activities, or
- (c) represents persons who satisfy paragraph (a) or (b).

The Gambling Commission recommends in its Guidance to Licensing Authorities that Interested Parties could include trade associations and trade unions, and residents and tenants associations. However, it fails to mention that those bodies should represent persons or businesses sufficiently close where they are likely to be affected by the operation of the premises (Gambling Commission Guidance for Local Authorities paragraph 6.21). This Authority will follow Section 158 of the Act and will not generally view these bodies as interested parties unless they have a member who can be classed as an interested person under the terms of the Act. I.e. they live sufficiently close or carry on a business so that they will be likely to be affected by the activities being applied for.

5.4 The Licensing Authority is required by Regulations to state the principles it will apply in exercising its powers under the Act to determine whether a person is an interested party. The principles for Havering are that each case will be decided upon its own merits and rigid rules will not be applied to its decision making. It will also consider the Commission's Guidance that "has business interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.

5.5 Should an individual wish to submit an objection to a new premises licence or submit a request for a review of an existing licence, it should be based on the licensing objectives contained within the Act (see Para 1.4). It should be noted that the Act does not include the prevention of public nuisance and anti-social behaviour as a specific licensing objective.

6. Exchange of Information

- 6.1 Licensing Authorities are required to include in their Statement of Gambling Policy the principles to be applied by the Authority in exercising the functions under sections 29 and 30 of the Act. This is with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.
- 6.2 The principle that Havering Licensing Authority applies is that it will act in accordance with the provisions of the Act in its exchange of information, which includes the provision that Data Protection legislation will not be contravened. The Licensing Authority will also have regard to any Guidance issued by the Gambling Commission to Local Authorities on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Act.

7. Enforcement

- 7.1 Licensing Authorities are required by regulation under the Act to state the principles to be applied by the Authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 The Licensing Authority's principles are that it will be guided by the Gambling Commission's Guidance for Local Authorities, will comply with the 'Regulators Code', and will endeavour to be:
- Proportionate: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised;
 - Accountable: regulators must be able to justify decisions and be subject to public scrutiny;
 - Consistent: rules and standards must be joined up and implemented fairly;
 - Transparent: regulators should be open, and keep regulations simple and user friendly; and
 - Targeted: regulation should be focused on the problem, and minimise side effects.

The Authority will also act in accordance with its own Enforcement Policy.

- 7.3 As per the Gambling Commission's Guidance for Licensing Authorities, the Authority will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 7.4 The Authority will also adopt a risk-based inspection programme as recommended by the Gambling Commission's Guidance for Licensing Authorities. This will be based on:
- The licensing objectives
 - Relevant codes of practice
 - Guidance issued by the Gambling Commission

- The principles set out in this statement of licensing policy
- The enforcement policy, intelligence and complaints.

High risk rated premises may be those where there are factors such as reports of underage gambling or previous breaches of premises licence conditions and codes of practice. Low risk rated premises will generally be those which have demonstrated compliance with premises licence conditions and codes of practice.

- 7.5 The main enforcement and compliance role for the Licensing Authority in terms of the Act will be to ensure compliance with the terms and conditions of premises licences and other permissions that they authorise. The Gambling Commission will be the enforcement body for the operating and personal licences. It is also worth noting that the Gambling Commission will deal with concerns about manufacture, supply or repair of gaming machines.
- 7.6 The Licensing Authority will keep itself informed of developments as regards the work of the Department for Business, Energy and Industrial Strategy in its consideration of the regulatory functions of local authorities.
- 7.7 It should be noted that if annual fees for premises licences are not paid when required the Licensing Authority shall revoke the premises licence under section 193(1) of the Act but the Licensing Authority may disapply subsection (1) if they think that a failure to pay is attributable to administrative error."

8. Protecting Children and other Vulnerable Persons from Harm or Exploitation by Gambling

- 8.1 As per the Gambling Commission's Guidance for Licensing Authorities, this Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.
- 8.2 Providing the Licensing Authority with details of where a child or young person repeatedly attempts to gamble on their premises, may provide the Licensing Authority with an opportunity to consider safeguarding concerns.

The efficiency of such policies and procedures will be considered on their merits; however, they may include appropriate measures/training for staff as regards suspected truanting schoolchildren on the premises, measures/training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems.

- 8.3 This Authority will pay particular attention to measures proposed by operators to protect children from harm in Adult Gaming Centres and Family Entertainment Centres. Such measures may include, but would not be limited to, the following:
 - Proof of age schemes
 - CCTV
 - Supervision of entrances/machine areas

- Physical separation of areas
- Specific opening hours
- Self-barring schemes
- Notices/signage
- Measures/training for staff on how to deal with suspected truanting school children on the premises and how to recognise signs of potential child sexual exploitation
- clear policies that outline the steps to be taken to protect children from harm;
- Provision of information leaflets/helpline numbers for organisations such as GamCare and GambleAware.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures. This Authority will expect operators to fully comply with the Gambling Commission's Licensing Conditions and Codes of Practice (LCCP) and the Social Responsibility Codes in relation to access for children into Gambling premises and their policies and procedures designed to prevent underage gambling, and how they monitor the effectiveness of these. The LCCP Social Responsibility Codes, part of the Gambling Commission's LCCP, can be found on the Gambling Commission's website.¹

- 8.4 The Gambling Commission advises in its Guidance for Licensing Authorities that Authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling. In appropriate circumstances this Authority will consider the imposition of conditions requiring door supervisors at particular premises.
- 8.5 Larger operators are responsible for conducting/taking part in underage testing, results of which are shared with the Gambling Commission. Operators are encouraged to also make the results available to licensing authorities, as far as is practicable.

9. Licensing Authority functions

9.1 Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing *Premises Licences*.
- Issuing *Provisional Statements* where premises are intended to provide gambling activity.
- Regulating *members' clubs* and *miners' welfare institutes* who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits.
- Issuing *Club Machine Permits* to *Commercial Clubs*.
- Granting permits for the use of certain lower stake gaming machines at *unlicensed Family Entertainment Centres*.
- Receiving notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines.
- Issuing *Licensed Premises Gaming Machine Permits* for premises licensed to

¹ <https://www.gamblingcommission.gov.uk/home.aspx>

sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines.

- Registering *small society lotteries* below prescribed thresholds.
- Issuing *Prize Gaming Permits*.
- Receiving and Endorse *Temporary Use Notices*.
- Receiving *Occasional Use Notices*.
- Providing information to the Gambling Commission regarding details of licences issued (see section above on information exchange).
- Maintaining registers of the permits and licences that are issued under these functions.

9.2 It should be noted that local Licensing Authorities will not be involved in licensing remote gambling at all. This will fall to the Gambling Commission via operating licences. The Financial Services Authority regulates spread betting and the National Lottery Commission regulates The National Lottery.

10. Premises Licences.

10.1 Premises licences are subject to the requirements set out in the Act and Regulations, as well as specific mandatory and default conditions, which are detailed in regulations issued by the Secretary of State. Licensing Authorities are able to exclude default conditions and attach others, where it is believed to be appropriate.

10.2 The Licensing Authority is aware that, in making decisions about premises licences, it should aim to permit the use of premises for gambling insofar as it thinks it is;

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with the Authority's Statement of Gambling Policy.

10.3 Multiple licences and separation of different premises

The Authority takes particular note of the Gambling Commission's Guidance for Licensing Authorities, which states that Authorities should pay particular attention in considering applications for multiple licences for a building, and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular, this Authority is aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised and that people do not 'drift' into a gambling area. The Authority will pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed).

10.4 There will be specific issues that the Authority will consider before granting such applications, for example, whether children can gain access; compatibility of the two establishments; and ability to comply with the requirements of the Act. But, in addition, an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

10.5 The Authority takes particular note of paragraphs 7.7 to 7.8 and 7.26, 7.30 – 7.33 of the Gambling Commission's Guidance to Licensing Authorities relating to the artificial sub-division of premises. It also takes note of section 152 (1) of the Act and the Gambling Act 2005 (Mandatory and Default Conditions) (England and Wales) Regulations 2007 and will look very carefully at any application that may appear to breach any of these provisions. For example, where a premises is licensed to provide bingo facilities then the primary activity must be the provision of bingo, with gaming machines being an ancillary offering in the premises. The Authority also notes the Gambling Commission's Codes of Practice consolidated for all forms of Gambling that came into effect in August 2014.

10.6 Operators can apply for a premises licence in respect of premises, which have still to be constructed or altered, and each application will be determined on its merits. It should be noted that an applicant may not be able to obtain a full premises licence until the premises in which it is proposed to offer the gambling is constructed. The Gambling Commission has advised that references to "the premises" are to the premises in which gambling may now take place. Thus, a licence to use premises for gambling will only be issued in relation to premises that are ready to be used for gambling. The Authority agrees with the Gambling Commission that it is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence. The Gambling Commission emphasises that requiring the building to be complete ensures that, if necessary, the Authority can inspect it fully as can other Responsible Authorities with inspection rights.

10.7 Plans

The Licensing Authority will expect compliance with the Gambling Act 2005 (Premises Licences and Provisional Statements) Regulation 2007 (as amended) in relation to the submission of plans with applications.

10.8 The Regulations state that plans shall contain the following information:

- the extent of the boundary or perimeter of the premises
- where the premises include, or consist of, one or more buildings, the location of any external or internal walls of each such building
- where the premises form part of a building, the location of any external or internal walls of the building which are included in the premises
- where the premises are a vessel or a part of a vessel, the location of any part of the sides of the vessel, and of any internal walls of the vessel, which are included in the premises
- the location of each point of entry to and exit from the premises, including in each case a description of the place from which entry is made or to which the exit leads.

10.9 Planning considerations

The Licensing Authority is aware that in May 2015 the Government introduced additional planning controls in relation to betting offices, removing them from Class A2 use to a 'sui generis' use. This means that Betting Shops have been taken out of the planning 'use' classes and will need to receive planning approval. This has enabled Planning Authorities to exercise stricter controls over these uses, and this Authority would expect applicants for new Gambling Premises Licences to have been granted

permission to use prospective premises for the proposed operation subject of the licence application. Further information can be obtained from the Council's Planning Department.

10.10 The Licensing Authority is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. As per the Gambling Commission's Guidance for Licensing Authorities, this Authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon regarding areas where gambling premises should not be located, this Statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how potential concerns can be overcome.

10.11 The Licensing Authority will seek to avoid any duplication with other statutory/regulatory systems where possible, including Planning. This Authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval in its consideration of it.

10.12 Planning: The Gambling Commission Guidance to Licensing Authorities states:

'7.58 In determining applications, the licensing authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal...'

This Authority will not take into account irrelevant matters as per the above guidance. In addition, this Authority notes the following excerpt from the Guidance:

'7.65 When dealing with a premises licence application for finished buildings, the licensing authority should not take into account whether those buildings have to comply with the necessary planning or building consents. Nor should fire or health and safety risks be taken into account. Those matters should be dealt with under relevant planning control, building and other regulations, and must not form part of the consideration for the premises licence. S.210 of the Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally, the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.'

10.13 Preventing gambling from being;

- a source of crime and disorder,
- associated with crime or disorder, or
- used to support crime.

Premises licences granted must be reasonably consistent with the licensing objectives. The Licensing Authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does however envisage that Licensing Authorities should pay attention to the proposed location of gambling premises in terms of this

licensing objective. Where an area has known high levels of crime the Authority will consider carefully whether gambling premises are suitable to be located there and whether conditions, such as the provision of door supervisors, may be relevant.

- 10.14 Where gambling premises are located in sensitive areas, e.g. near schools, the Licensing Authority will consider imposing restrictions on advertising the gambling facilities on such premises where it is felt relevant and reasonably consistent with the Licensing Objectives.

10.15 Local Area Profile

A map of the Local Authority area is attached, as a separate document to this policy (see Appendix D) and may be reviewed and updated from time to time. The map contains the location of schools, hostels and homes for vulnerable people, GP's surgeries, medical centres and centres for people with drug and alcohol addiction.

Further, it is overlaid with the total notifiable offences (TNO's) for the borough including all crimes such as violence against the person, burglary, robbery, sexual offences, motor vehicle fraud and theft. The Authority will pay particular attention to applications for the new grant of, or variations to existing, premises licences where those premises lie within areas with a concentration of schools, crime hotspots, hostels/homes for vulnerable people and centres for people with a drug and alcohol addiction.

- 10.16 In sensitive areas the Authority will expect applicants to fully explain in their applications how their proposal will not exacerbate any problems to individuals living in the vicinity, or exacerbate any ASB problems within the vicinity generally. Applicants will be expected to tailor their application, and have policies, procedures and control measures to mitigate any risks. They should have the appropriate numbers of trained staff, and propose licence conditions if appropriate, to cater for the local area in which they propose to run their business.

10.17 Local Risk Assessments

Applicants should also be aware of areas with concentrations of hostels and other types of accommodation for vulnerable people. Where they propose to make an application for a new premises licence, or a variation to an existing licence, in such areas they should explain fully, in their Local Risk Assessment (LRA), how they will mitigate any risks of operating a gambling premises in close proximity to;

- concentrations of housing for vulnerable people or,
- churches, mosques, temples or any other place of worship. Religious premises and places of worship are often focal points for a percentage of vulnerable members of the local community, including the homeless community and youth population, and have therefore been included in this policy, rather than for any moral or ethical reasons.

- 10.18 Some publicly available sources of information to assist in operators completing a LRA include:

- (a) The Crime Mapping website;
- (b) Neighbourhood Statistics websites;

- (c) Websites or publications by local responsible authorities;
- (d) Websites or publications by local voluntary schemes and initiatives; and
- (e) On-line mapping tools.

10.19 The Authority will expect applicants for the new grant of, or variation to an existing, licence to also submit their LRA to comply with Social Responsibility (SR) code 10.1.1 which requires all premises licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In undertaking their risk assessments, applicants must take into account relevant matters identified in the licensing authority's statement of policy.

In addition, the Licensing Authority will expect that under Ordinary code provision 10.1.2 Licensees will undertake a local risk assessment when applying for a new premises licence. Their risk assessment must also be updated:

- when applying for a variation of a premises licence,
- to take account of significant changes in local circumstances, including those,
- identified in a licensing authority's statement of policy and
- when there are significant changes at a licensee's premises that may affect their mitigation of local risks.

Licensees are expected to share their risk assessment with the licensing authority when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request of the licensing authority.

We strongly recommend that operators of licensed premises keep their LRA on the individual licensed premises and ensure that it is available for inspection.

The SR codes also states that a LRA must also be submitted when changes in the local environment or the premises warrant a LRA to be conducted again. This may be where:

- Any substantial building development or conversion of existing premises in the local area, which may increase the number of vulnerable persons in the area.
- Educational facilities increase in the local area. This may occur as a result of the construction of a new school/college or where a significant change is made to an existing establishment.
- Any vulnerable group is identified by the Licensing Authority or venues relating to those vulnerable groups are opened in proximity to gambling premises (e.g. additional homeless hostels or gambling or mental health care/ support facilities are opened in the local area).

The Authority will expect [the Local Risk Assessment](#) to consider:

- the location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
- the demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.

- whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
- how vulnerable people, including people with gambling dependencies are protected.
- assessing staffing levels when a local college closes and the students begin to vacate the grounds.
- age verification policies such as 'Challenge 25'
- line of sight from the counter to gambling machines
- information held regarding self-exclusions and incidences of underage gambling.
- gaming trends that may mirror days for financial payments such as pay days or benefit payments
- proximity of premises which may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug dependant people may congregate.

10.20 Ensuring that gambling is conducted in a fair and open way

The Licensing Authority has noted that the Gambling Commission has stated that it would generally not expect Licensing Authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences.

10.21 Protecting children and other vulnerable persons from being harmed or exploited by gambling

The Licensing Authority has noted that the Gambling Commission's Guidance for Licensing Authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at, or are particularly attractive to, children). The Licensing Authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises with regard to this licensing objective. Appropriate measures may include supervision of entrances/machines, segregation of areas etc.

10.22 As regards the term 'vulnerable persons' it is noted that the Gambling Commission is not seeking to offer a definition. It states that, *'... it does, for regulatory purposes, assume that this group includes people who gamble more than they want to, people who gamble beyond their means and people who may not be able to make informed or balanced decisions about gambling due to, for example, mental health, a learning disability or substance misuse relating to alcohol or drugs.'*

The Licensing Authority will consider this licensing objective on a case-by-case basis. Should a practical definition prove possible in future then, this policy statement will be updated with it, by way of a revision. The Authority will also make itself aware of the Codes of Practice, which the Gambling Commission issues in relation to this licensing objective regarding specific premises such as casinos. In particular, this Authority is aware of SR code 3.5.1 and Ordinary Code 3.5.2 relating to self-exclusion from gambling premises. We expect licence holders to fully comply with these Codes.

10.23 Whilst there may be evidence that problem gamblers and their families are at risk of significant health and social problems such as mental illness, drug and alcohol misuse, relationship breakdown, criminal activity and financial difficulties, public health is not a licensing objective and therefore cannot be taken into account, when deciding on applications.

The Licensing Authority will however continue to liaise with public health colleagues about new and variation applications within the borough. This is so that we can both continue to monitor any increase in access to gambling opportunities for those at risk of problem gambling, and work jointly to ensure that appropriate measures are put in place to minimise that risk and support those seeking help.

Licence Conditions

10.24 Any conditions attached to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence applied for;
- fairly and reasonably related to the scale, neighbourhood and type of premises; and
- reasonable in all other respects.

Applicants may offer licence conditions to the Licensing Authority as a part of their application. Examples of such conditions are:

1. The premises shall be fitted out and operational within 6 months of the issue of the licence.
2. The Licensee shall notify the licensing authority when the premises have been fitted out and are ready for operation, so that the licensing authority can inspect the premises. Such notification to the licensing authority shall be given no less than 10 days prior to the premises opening under the licence.
3. There shall be a minimum of 2 staff (excluding back room staff) on duty at the premises at all times that it is open, whose duties are to include the age verification of persons entering the premises who appear to be under the age of 25 years.
4. "Challenge 25:
 - a. The Licensee shall have a "Challenge 25" policy whereby all customers who appear to be under the age of 25 are asked for proof of their age.
 - b. The Licensee shall prominently display notices advising customers of the "Challenge 25" policy.
 - c. The following proofs of age are the only ones to be accepted:
 - Proof of age cards bearing the "Pass" hologram symbol

- UK Photo Driving licence
- Passport

5. Staff Competence and Training:

- a. The Licensee shall keep a written record of all staff authorised to verify the age of customers, the record to contain the full name, home address, date of birth and national insurance number of each person so authorised. The staff record to be kept on the licensed premises and made available for inspection by the Licensing Officer, Trading Standards or the Police.
- b. The Licensee shall ensure that each member of staff authorised to verify the age of customers has received adequate training on the law with regard to under-age gambling and the procedure if an underage person enters the premises, and that this is properly documented and training records kept. The training records to be kept on the licensed premises and made available for inspection by the Licensing Officer, Trading Standards or the Police.
- c. The Licensee shall ensure that each member of staff authorised to verify the age of customers is fully aware of his /her responsibilities in relation to verifying a customer's age and is able to effectively question customers and check evidence of proof of age.

6. Refusals Book

- a. The licensee to keep a register (Refusals Book) to contain details of time and date, description of under-age persons entering the premises, and the name/signature of the sales person who verified that the person was under-age.
- b. The Refusals book to be examined on a regular basis by the licensee and date and time of each examination to be endorsed in the book.
- c. The Refusals Book to be kept on the licensed premises and made available for inspection by the Licensing Officer, Trading Standards or the Police.

7. CCTV:

- a. The CCTV system shall be maintained in a good working order and fully operational covering both internal and external areas when the premises are open to the public.
- b. The medium on which CCTV images are recorded will be clearly identifiable, stored securely and shall be retained for a period of 31 days and shall be made available for inspection by the Police or an officer of the licensing authority, upon request.

Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures the Licensing Authority will consider utilising should there be a perceived need, such as the use of door supervisors, appropriate signage for adult only areas etc. The Authority will also consider specific measures, which may be required for buildings that are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling

from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.

10.25 The Authority will ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

10.26 It is noted that, because of restrictions imposed by the Act, there are conditions which the Licensing Authority cannot attach to premises licences; these are:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Act specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winning or prizes.

10.27 The Gambling Commission advises in its Guidance for Licensing Authorities that they may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. It is noted though that there is no requirement for “in house” door supervisors at casinos or bingo premises to be licensed by the Security Industry Authority (SIA) through a specific exemption contained in Paragraph 17 of Schedule 16 to the Act. However, following clarification from the Department for Culture, Media and Sport (DCMS) and the Security Industry Authority (SIA), any contract staff employed in a Door Supervisor role will still require to be licensed by the SIA.

10.28 For premises other than “in house” staff employed at casinos and bingo premises, operators and Licensing Authorities may decide that supervision of entrances/machines is appropriate for particular cases but it will need to be decided whether these need to be SIA licensed or not. It will not be automatically assumed that they need to be.

10.29 There is no evidence that the operation of betting offices in Havering has required door supervisors for the protection of the public. The Licensing Authority will make a door supervisor requirement only if there is clear evidence from the history of trading at the premises that the premises cannot be adequately supervised from the counter and that door supervision is both necessary and proportionate.

10.30 Adult Gaming Centres

In relation to Adult Gaming Centres, the Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling.

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

This must include procedures for:

- checking the age of apparently underage customers
- removing anyone who appears to be under age and cannot produce an acceptable form of identification
- taking action when there are attempts by under-18s to enter the premises.

It is recommended that applicants provide means to satisfy the Licensing Authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises. Such measures may cover issues such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas

10.31 In relation to (licensed) Family Entertainment Centres, the Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling. It is recommended that applicants provide means to satisfy the Licensing Authority that, for example, there will be sufficient measures to ensure that under 18 year olds do not have access to any adult only gaming machine areas. Such measures may include:

- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices/signage
- Specific opening hours
- Self-barring schemes
- Provision of information leaflets/helpline numbers for organisations such as Gam Care.
- Measures/training for staff on how to deal with suspected truanting school children on the premises

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

10.32 *No Casinos resolution*

At this time Havering Licensing Authority has not passed a 'no casino/no additional casinos' resolution under Section 166 of the Act, but is aware that it has the power to do so. Should the Licensing Authority decide in the future to pass such a resolution, this Statement of Gambling Policy will be updated with details of that resolution. The Full Council will make any such decision.

10.33 *Gaming Machines*

Management of areas where category B and C gaming machines are located in gambling premises that admit children and young people. Appendix C details the category of gaming machines.

The Authority notes that the Gambling Commission's Guidance states in Paragraph 7.27 that:

For bingo and FEC premises, it is a mandatory condition that under-18s should not have access to areas where category B and C gaming machines are located and this is achieved through further mandatory conditions that require the area to be:

- separated from the rest of the premises by a physical barrier which is effective to prevent access other than by an entrance designed for that purpose
- supervised at all times to ensure that under-18s do not enter the area, and supervised by either:
 - one or more persons whose responsibilities include ensuring that under-18s do not enter the areas
 - CCTV monitored by one or more persons whose responsibilities include ensuring that under-18s do not enter the areas
 - arranged in a way that ensures that all parts of the area can be observed.

A notice must be displayed in a prominent place at the entrance to the area stating that no person under the age of 18 is permitted to enter the area.

10.34 *Betting machines in Betting Premises*

The Licensing Authority will, as per the Gambling Commission's Guidance, take into account the size of the premises and the number of counter positions available for person-to-person transactions. It will also consider the ability of staff to monitor the access to the premises and use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number and nature of betting machines an operator wants to offer.

The Authority will consider limiting the number of machines only where there is evidence that such machines have been, or are likely to be, used in breach of the licensing objectives. Where there is such evidence, the Authority may consider, when reviewing the licence, the ability of staff to monitor the use of such machines from the

counter. Extend premises in order to enhance the quality of facilities offered to the public who may wish to use them. The Authority will look at those applications sympathetically where there are no concerns that the Licensing Objectives will be adversely affected

10.35 *Betting Offices*

The Licensing Authority will look closely at applications to re-site betting offices in the same locality or to extend premises in order to enhance the quality of facilities offered to the public who may wish to use them. The Authority will look at those applications sympathetically where there are no concerns that the Licensing objectives will be adversely affected. The Authority will also take any complaints relating to the use of Fixed Odds Betting Machines (FOBTs) within Betting Shops extremely seriously and will expect operators to be fully compliant with Social Responsibility Codes 3.5, 3.7.1, 3.7.2 and Ordinary Code Provision 3.5.2

- 10.36 The Licensing Authority recognises that certain bookmakers have a number of premises within its area. In order to ensure compliance issues are recognised and resolved at the earliest stage, operators are requested to give the Authority a named single point of contact, who should be a senior individual, and whom the Authority will contact first should any compliance queries or issues arise.

10.37 *Travelling Fairs*

It will fall to the Licensing Authority to decide whether, where category D machines and/or equal chance prize gaming without a permit are to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.

The Licensing Authority will also consider whether the applicant falls within the statutory definition of a travelling fair.

It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fair occupying the land. The Licensing Authority will work with its neighbouring authorities to ensure that land, which crosses our boundaries, is monitored so that the statutory limits are not exceeded.

10.38 *Provisional Statements*

The Licensing Authority notes the Guidance from the Gambling Commission which states that *'It is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence'* and that *'Requiring the building to be complete ensures that the authority could, if necessary, inspect it fully'*.

The Gambling Act 2005 (Premises Licences and Provisional Statements) Regulations requires applications for Provisional Statements to be advertised in the same way as applications for Premises Licences. In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into

account unless they concern matters, which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant's circumstances. In addition, the Authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters which:

(a) Could not have been raised by objectors at the provisional licence stage; or

(b) Reflect a change in the operator's circumstances (in the authority's opinion).

The Authority has noted the Gambling Commission's Guidance that '*A licensing authority should not take into account irrelevant matters.... One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for the proposal.*'

10.39 Reviews

Interested parties or responsible authorities can make requests for a review of a premises licence; however, it is for the Licensing Authority to decide whether the review is to be carried out. This will be on the basis of whether the request for the review is relevant to the matters listed below, as well as consideration as to whether the request is frivolous, vexatious or will certainly not cause this Authority to wish to alter/revoke/suspend the licence. Further, whether it is substantially the same as previous representations or requests for review unless there is a material change in circumstances in accordance with;

- any relevant code of practice issued by the Gambling Commission;
- any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- the authority's statement of licensing policy.

The Licensing Authority can also initiate a review of a licence on the basis of any reason, which it thinks is appropriate.

10.40 The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence, namely:

- add, remove or amend a licence condition imposed by the licensing authority
- exclude a default condition imposed by the Secretary of State (for example, relating to opening hours) or remove or amend such an exclusion
- suspend the premises licence for a period not exceeding three months
- revoke the premises licence.

The licensing authority expects all premises licence applications to specify opening hours. Particular attention will be paid to the opening hours for Adult Gaming Centres and Family Entertainment Centres, which do not have opening hours specified as part of their mandatory conditions.

11. Permits, Temporary and Occasional Use Notices

11.1 Unlicensed Family Entertainment Centre gaming machine permits

Statement of Principles on Permits - Schedule 10 paragraph 7 to the Gambling Act

Where an operator does not hold a premises licence but wishes to provide gaming machines, an applicant may apply to the Licensing Authority for this permit. It should be noted that the applicant must show that the premises will be wholly, or mainly, used for making gaming machines available for use (Section 238).

- 11.2 The Act states that a Licensing Authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit, and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives. Further, it shall have regard to any relevant guidance issued by the Commission under section 25.

The Gambling Commission's Guidance for Licensing Authorities also states that, '*in [the Authorities] policy statement, a licensing authority may include a statement of principles that it proposes to apply when exercising its functions in considering applications for permits*'. '*...licensing authorities may wish to give weight to matters relating to protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group*,' (24.8).

- 11.3 The Guidance also states that an application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed Family Entertainment Centre (FEC), and if the Chief Officer of Police has been consulted on the application. The Licensing Authority may also consider asking applicants to demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
- That the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act); and
- That employees are trained to have a full understanding of the maximum stakes and prizes. (24.9).

It should be noted that a Licensing Authority cannot attach conditions to this type of permit.

11.4 Statement of Principles

This Licensing Authority is yet to adopt a formal "Statement of Principles" however; it expects the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficacy of such policies and procedures will each be considered on their merits, however, they may include appropriate measures/training for staff as regards to;

- suspected truanting school children on the premises,
- measures/training covering how staff would deal with unsupervised very young children being on the premises, or
- children causing perceived problems on or around the premises.

This Licensing Authority will also expect, as per Gambling Commission Guidance, that applicants demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs. Further, that the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act) and that staff are trained to have a full understanding of the maximum stakes and prizes.

11.5 (*Alcohol*) *Licensed premises gaming machine permits*

(Schedule 13 paragraph 4(1) to the Act)

There is provision in the Act for premises licensed to sell alcohol for consumption on the premises to automatically have two gaming machines, of categories C and/or D. The premises merely need to notify the Licensing Authority. The Licensing Authority can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Act (i.e. that written notice has been provided to the Licensing Authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with);
- the premises are mainly used for gaming or;
- an offence under the Act has been committed on the premises.

11.6 If a premises wishes to have more than two machines then it needs to apply for a permit and the Licensing Authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Act, and “such matters as they think relevant.” The Licensing Authority considers that “such matters” will be decided on a case-by-case basis but generally, there will be regard to the need to protect children and vulnerable persons from harm or being exploited by gambling or at risk of child sexual exploitation.

The Authority will also expect the applicant to satisfy it that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machines. Measures, which will satisfy the Authority that there will be no access, may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage may also be helpful. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

It should be noted that the Licensing Authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached to the applicant’s license.

11.7 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machines. Notifications and applications for three machines will generally be dealt with by Licensing Authority officers. Those for four or five machines will be determined by

Licensing Officers in consultation with the Chair of the Licensing Committee, and applications for six or more machines will be referred to a Licensing Sub-Committee.

11.8 *Prize Gaming Permits*

(Statement of Principles on Permits - Schedule 14 paragraph 8 (3) to the Act)

The Act states that a Licensing Authority may “prepare a statement of principles that they propose to apply in exercising their functions under this Schedule” which “may, in particular, specify matters that the licensing authority proposes to consider in determining the suitability of the applicant for a permit”.

The Licensing Authority has prepared a Statement of Principles, which is that the applicant should set out the types of gaming that he or she is intending to offer and that the applicant should be able to demonstrate:

- that they understand the limits to stakes and prizes that are set out in Regulations;
- that the gaming offered is within the law;
- clear policies that outline the steps to be taken to protect children from harm;
- that they meet the objective of carrying out gambling openly and fairly; and,
- that the premises are mainly or wholly used for gambling purposes.

11.9 In making its decision on an application for this permit the Licensing Authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.

11.10 Permit holders must comply with the mandatory conditions of the Act.

11.11 *Club Gaming and Club Machines Permits*

Members Clubs and Miners' Welfare Institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in regulations. A Club Gaming machine permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).

11.12 The Licensing Authority has to satisfy itself that the club meets the requirements of the Act to obtain a club gaming permit. In doing so it will take account of a number of matters as outlined in sections 25.46-25.49 of the Gambling Commission's Guidance. These include the constitution of the club, the frequency of gaming, and ensuring that there are more than 25 members. The club must be conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is permitted by separate regulations. The Secretary of State has made regulations and these cover bridge and whist clubs.

11.13 The Commission Guidance also notes that '*licensing authorities may only refuse an application on the grounds that:*

- *the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;*
- *the applicant's premises are used wholly or mainly by children and/or young persons;*
- *an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;*
- *a permit held by the applicant has been cancelled in the previous ten years; or*
- *an objection has been lodged by the Commission or the police.'*

11.14 There is also a 'fast-track' application procedure available under the Act for premises, which hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). It should be noted that commercial clubs cannot hold Club Premises Certificates under the Licensing Act 2003 and so cannot use the fast-track procedure. As the Gambling Commission's Guidance for Licensing Authorities states: *Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced.*" and *"The grounds on which an application under the process may be refused are:*

- *that the club is established primarily for gaming, other than gaming prescribed under schedule 12;*
- *that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or*
- *that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.*

There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

11.15 Temporary Use Notices (TUN)

There are a number of statutory limits as regards temporary use notices. It is noted that the Gambling Commission Guidance states that 'The meaning of "premises" in part 8 of the Act is discussed in Part 7 of this guidance. The definition of 'a set of premises' will be a question of fact in the particular circumstances of each notice that is given. In considering whether a place falls within the definition, licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises. For example, a large exhibition centre with a number of exhibition halls may come within the definition of 'premises'. A TUN should not then be granted for 21 days in respect of each of its exhibition halls.

In relation to other covered areas, such as shopping centres, the Licensing Authority will need to consider whether different units are in fact different 'sets of premises', given that they may be occupied and controlled by different people. The Licensing Authority expects to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

The Licensing Authority can only grant a Temporary Use Notice to a person or company holding a relevant operating licence, i.e. a non-remote casino operating

licence. The Secretary of State has the power to determine what form of gambling can be authorised by Temporary Use Notices and, at the time of writing this Statement, the relevant regulations are The Gambling Act 2005 (Temporary Use Notices) Regulations 2007. These Regulations state that Temporary Use Notices can only be used to permit the provision of facilities for equal chance gaming, where the gaming is intended to produce a single winner, which in practice means poker tournaments.

11.16 *Occasional Use Notices:*

This notice allows for betting on a track without the need for a premises licence on 8 days or less in a calendar year. The Licensing Authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The Licensing Authority will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

12. **Small Society Lotteries**

12.1 Under the Act, a lottery is unlawful unless it runs with an operating licence or is an exempt lottery. The Licensing Authority will register and administer small society lotteries (as defined). Promoting or facilitating a lottery will fall within 2 categories:

- licensed lotteries (requiring an operating licence from the Gambling Commission); and
- exempt lotteries (including small society lotteries registered by the Licensing Authority)

12.2 Exempt lotteries are lotteries permitted to run without a licence from the Gambling Commission and these are:

- small society lotteries;
- incidental non-commercial lotteries;
- private lotteries;
- private society lotteries;
- work lotteries;
- residents' lotteries;
- customer lotteries;

12.3 Societies may organise lotteries if they are licensed by the Gambling Commission or fall within the exempt category. The Licensing Authority recommends those seeking to run lotteries take their own legal advice on which type of lottery category they fall within. Guidance notes on small society lotteries, limits placed on them and information setting out financial limits can be found on the Council's web-site at

<https://www.haverling.gov.uk/Pages/ServiceChild/FAQ-lotteries-licence.aspx>

by email at licensing@haverling.gov.uk

12.4 Applicants for registration of small society lotteries must apply to the Licensing Authority in the area where their principal office is located. Where the Licensing Authority believes that the Society's principal office is situated in another area it will

inform the Society as soon as possible and where possible, will inform the other Licensing Authority.

- 12.5 Lotteries will be regulated through a licensing and registration scheme, conditions imposed on licences by the Gambling Commission, codes of practice and any guidance issued by the Gambling Commission. In exercising its functions with regard to small society and exempt lotteries, the Licensing Authority will have due regard to the Gambling Commission's guidance.
- 12.6 The Licensing Authority will keep a public register of all applications and will provide information to the Gambling Commission on all lotteries registered by the Licensing Authority. As soon as the entry on the register is completed, the Licensing Authority will notify the applicant of his registration. In addition, the Licensing Authority will make available for inspection by the public the financial statements or returns submitted by societies in the preceding 18 months and will monitor the cumulative totals for each society to ensure the annual monetary limit is not breached. If there is any doubt, the Licensing Authority will notify the Gambling Commission in writing, copying this to the Society concerned. The Licensing Authority will accept return information either manually but preferably electronically by emailing: licensing@haverling.gov.uk.
- 12.7 The Licensing Authority will refuse applications for registration if, in the previous five years, either an operating licence held by the applicant for registration has been revoked, or an application for an operating licence made by the applicant for registration has been refused. Where the Licensing Authority is uncertain as to whether or not an application has been refused, it will contact the Gambling Commission to seek advice.
- 12.8 The Licensing Authority may refuse an application for registration if in their opinion:
- the applicant is not a non-commercial society;
 - a person who will or may be connected with the promotion of the lottery has been convicted of a relevant offence; or
 - information provided in or with the application for registration is false or misleading.
- 12.9 The Licensing Authority will ask applicants to set out the purposes for which the Society is established and will ask the Society to declare that they represent a bona fide non-commercial society and have no relevant convictions. The Licensing Authority may also seek further information from the Society.
- 12.10 Where the Licensing Authority intends to refuse registration of a Society, it will give the Society an opportunity to make representations and will inform the Society of the reasons why it is minded to refuse registration, and supply evidence on which it has reached that preliminary conclusion.
- 12.11 The Licensing Authority may revoke the registered status of a Society if it thinks that it would have had to, or would be entitled to; refuse an application for registration if it were being made at that time. However, no revocations will take place unless the Society has been given the opportunity to make representations. The Licensing Authority will inform the Society of the reasons why it is minded to revoke the registration and will provide an outline of the evidence on which it has reached that preliminary conclusion.

- 12.12 Where a Society employs an external lottery manager, it will need to satisfy itself that the manager holds an operator's licence issued by the Gambling Commission, and the Licensing Authority will expect this to be verified by the Society.

13. OTHER INFORMATION

- 13.1 The Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations between persons with different protected characteristics. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The Borough has an Equal Opportunities Policy and this revised Statement of Licensing Policy will be monitored for any adverse impact on the promotion of opportunities for all.
- 13.2 Under the Act the Licensing Authority must carry out a review of its Licensing Policy Act every three years. In accordance with the Act, the Licensing Authority intends to carry out a further full review of its policy no later than 2018 2021 and, prior to publishing the revised version, it intends to consult fully with those groups and individuals consulted on this version.

In addition, within the three-year period the Licensing Authority will review its Statement of Gambling Policy whenever it feels that relevant issues have arisen - for example, if any further significant amendments are made to the Act, Guidance or Codes of Practice.

Appendix A: Glossary of Terms

Casino Premises Licence Categories	a) Regional Casino Premises Licence b) Large Casino Premises Licence c) Small Casino Premises Licence d) Casinos permitted under transitional arrangements.
Child	Individual who is less than 16 years old
Code of Practice	Means any relevant code of practice under section 24 of the Act
Default Conditions	Conditions that will apply through Statute unless the Licensing Authority decide to exclude them. This may apply to all Premises Licences, to a class of Premises Licence or Licences for specified circumstances.
Lottery	An arrangement where 1) persons are required to pay to participate in the arrangement 2) in the course of the arrangement, one or more prizes are allocated to one or more members of a class 3) the prizes are allocated by a series of processes, and 4) the first of those processes relies wholly on chance.
Exempt Lotteries	Lotteries specified in the Act as permitted to be run without a licence from the Gambling Commission. There are 4 types: 1. Small Society Lottery (required to register with Licensing Authorities. 2. Incidental Non Commercial Lotteries e.g. Raffle at a dance/church fair. 3. Private Lotteries e.g. Raffle at a student hall of residence 4. Customer Lotteries e.g. Supermarket holding a hamper raffle
External Lottery Manager	An individual, firm or company appointed by the Small Lottery Society to manage a lottery on their behalf. They are consultants who generally take their fees from the expenses of the lottery.
Large Lottery	Where the total value of tickets in any one lottery exceeds £20,000 OR tickets in separate lotteries in one calendar year exceeds £250,000. This requires an Operating Licence.
Licensing Committee	A committee of 10 to 15 Councillors appointed by the Council to represent the Licensing Authority in Gambling matters.
Licensing Sub Committee	A sub-committee of members appointed from the Licensing Committee to whom the functions of the licensing committee can be delegated under the Act to determine applications.
Mandatory Conditions	Conditions that must be attached to a licence. This may apply to all Premises Licences, to a class of Premises Licence or licences for specified circumstances.
Operating Licences	Licences to permit individuals and companies to provide facilities for certain types of gambling. They may authorise remote or non-remote gambling.
Personal Licence	Formal authorisation to individuals who control facilities for gambling or are able to influence the outcome of gambling. These cannot be held by companies.
Premises Licence	Licence to authorise the provision of gaming, facilities on casino premises, bingo premises, betting premises, including tracks, adult gaming centres and some family entertainment centres.
Premises -	Premises is defined in the Act as “any place”. Different premises licences cannot apply in respect of single premises at different times. However, it is possible for a single building to be subject to more than

	one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. Whether different parts of a building can properly be regarded as, being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separate can be properly regarded as different premises.
Private Lotteries	<p>3 Types of Private Lotteries:</p> <ol style="list-style-type: none"> 1. Private Society Lotteries – tickets may only be sold to members of the Society or persons who are on the premises of the Society 2. Work Lotteries – the promoters and purchasers of tickets must all work on a single set of work premises 3. Residents' Lotteries – promoted by, and tickets may only be sold to people who live at the same set of premises
Prize Gaming	Where the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming. The prizes will be determined by the operator before play commences.
Small Lottery	Where the total value of tickets in a single lottery is £20,000 or less and the aggregate value of the tickets in a calendar year is £250,000 or less.
Small Society Lottery	A lottery promoted on behalf of a non-commercial society, i.e. lotteries intended to raise funds for good causes.
Provisional Statement	<p>Where an applicant can make an application to the Licensing Authority in respect of premises that he:</p> <ul style="list-style-type: none"> • Expects to be constructed • Expects to be altered • Expects to acquire a right to occupy.
Temporary Use Notice	To allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling.
Vehicles	Defined as trains, aircraft, seaplanes and amphibious vehicles other than hovercraft. No form of commercial betting and gaming is permitted.

Appendix B: Delegation of Functions

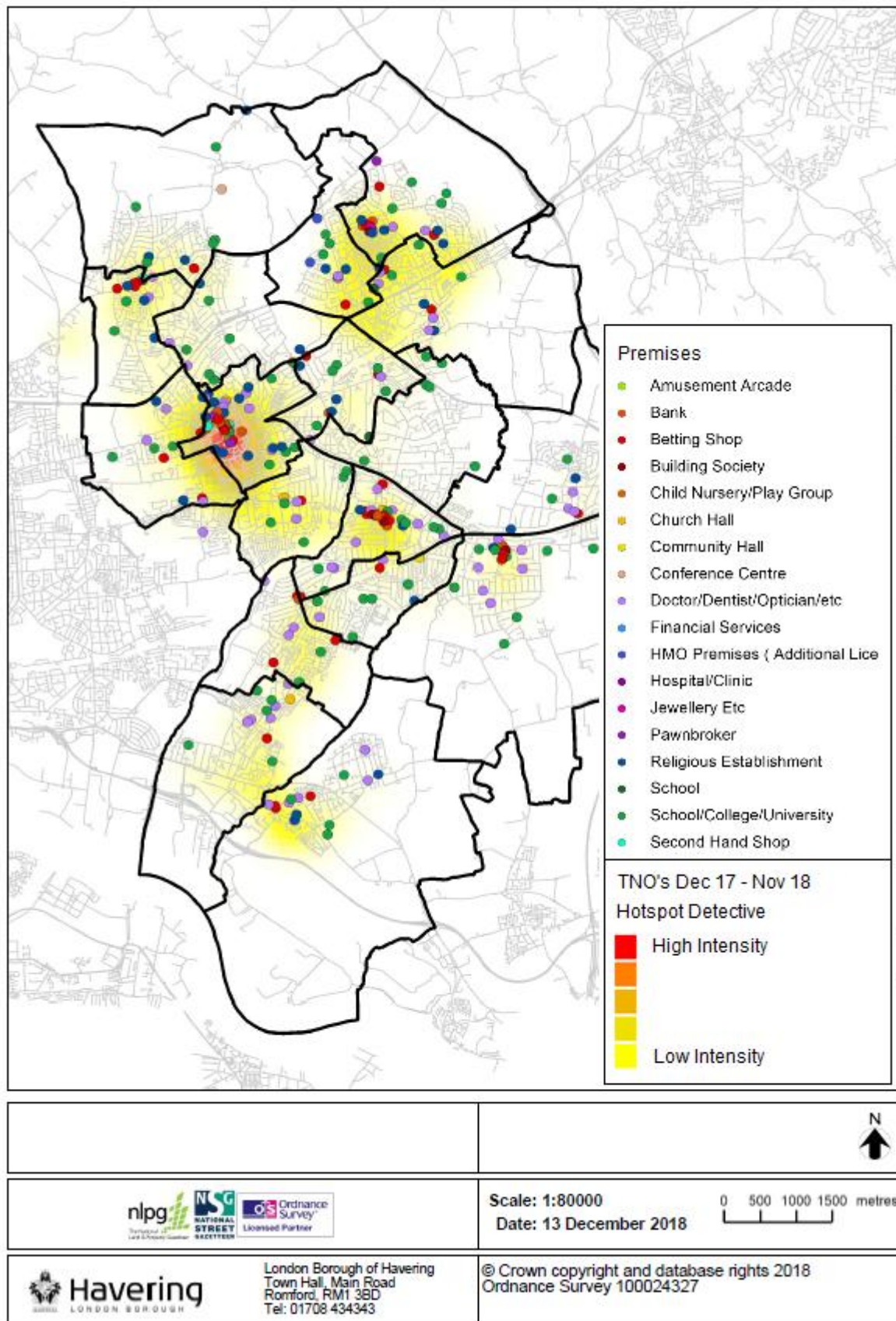
Matter to be dealt with	Full Council	Sub-committee of Licensing Committee	Officers
Final approval of 3 year Licensing Policy	X		
Policy not to permit casinos	X		
Fee setting (when appropriate)		X	
Application for premises licence		Where representations have been received and not withdrawn	Where no representations received/ Representations have been withdrawn
Application for a variation to a licence		Where representations have been received and not withdrawn	Where no representations received/ Representations have been withdrawn
Application for a transfer of a licence		Where representations have been received and not withdrawn	Where no representations received/ Representations have been withdrawn
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ Representations have been withdrawn
Review of a premises licence		X	
Application for a club gaming/club machine permit		Where representations have been received and not withdrawn	Where no representations received/ Representations have been withdrawn
Cancellation of a club gaming/club machines permit			
Application for other permits			X
Alcohol licenced		6 or more	3-5 machines

premises gaming machine permits		machines	with Chair of Licensing Committee. 3 Machines.
Cancellation of licensed premises gaming machine permit			X
Consideration of temporary use notice			X
Decision to give a counter notice to a temporary use notice		X	

Appendix C: Categories of Gaming Machines

Machine category	Maximum stake (from April 2019)	Maximum prize (from April 2019)	Allowed premises
A	unlimited	unlimited	Regional casino
B1	£5	£10,000 (with an option of a maximum £20,000 linked to a progressive jackpot on a premises basis only)	Large casino, small casino, pre- Act Casino and Regional Casino.
B2	£2	£500	Betting premises and tracks occupied by pool betting and all of the above
B3	£2	£500	Bingo premises, adult gaming centre and all of the above
B3A	£2	£500	Members club or Miners Welfare institute only
B4	£2	£400	Members club or miners welfare club, commercial club and all of the above
C	£1	£100	Family entertainment centre(with Commission operating licence, qualifying alcohol licenced premises(without)additional gaming machine permit), qualifying alcohol licenced premises (with additional LA gaming machine permit) and all of the above
D money prize	10p	£5	Travelling fairs, unlicensed(permit) Family entertainment centre and all of the above
D non-money prize(other than crane grab machine)	30p	£8	All of the above
D non-money prize (crane grab machine)	£1	£50	All of the above
D combined	10p	£8 (of which	All of the above

money and non-money prize (other than coin pusher or penny falls machines)		no more than £5 may be money prize)	
D combined money and non-money prize (coin pusher or penny falls machine)	20p	£20 (of which no more than £10 may be a money prize)	All of the above.



*Total Notifiable Offences (TNO's) for the borough include all crimes such as violence against the person, burglary, robbery, sexual offences, motor vehicle fraud and theft.

Appendix E: List of Consultees

The Gambling Act 2005 contains details of the consultees that are to be consulted as part of the review of the policy. These are:

The Chief Officer of Police for the authority's area;

One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;

One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

The following are also included in the consultation:

Association of British Bookmakers
Bingo Association
BACTA (Amusement and Gaming Machine Industry)
Children's Services (Responsible Authority under the Gambling Act)
Economic Development/Regeneration
Environmental Health (Responsible Authority under the Gambling Act)
Gamble Aware
Gamblers Anonymous
Gambling Commission
Gamcare
Havering Chamber of Commerce
Havering Community Safety Partnership
HMRC (Responsible Authority under the Gambling Act)
London Fire Brigade (Responsible Authority under the Gambling Act)
Planning (Responsible Authority under the Gambling Act)
Westminster drug project
Havering LGBT Forum

Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	Consultation on the Statement of Gambling Policy 2019-2022
Lead officer:	Keith Bush, Public Protection Manager (Licensing and Trading Standards) 01708 433425 Keith.bush@haverling.gov.uk
Approved by:	Dipti Patel, Assistant Director, Environment
Date completed:	21/01/2019
Scheduled date for review:	The Statement of Gambling Policy needs to be reviewed every three years. It will next be reviewed in October/November 2022.

Please note that the Corporate Policy & Diversity and Public Health teams require at least **5 working days** to provide advice on EqHIAs.

Did you seek advice from the Corporate Policy & Diversity team?	Yes
Did you seek advice from the Public Health team?	Yes
Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No

Please note that EqHIAs are **public** documents and must be made available on the Council's EqHIA webpage.

Please submit the completed form via e-mail to EqHIA@haverling.gov.uk thank you.

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact EqHIA@havering.gov.uk for advice from either the Corporate Diversity or Public Health teams. Please refer to the Guidance in Appendix 1 on how to complete this form.

About your activity

1	Title of activity	Consultation on the Statement of Gambling Policy 2019-2022
2	Type of activity	Consultation on a draft policy to go out for consultation.
3	Scope of activity	<p>The London Borough of Havering intends to undertake consultation on the draft Statement of Gambling Policy (SGP) in accordance with the Gambling Act 2005 and Regulations as well as the Council's own consultation requirements.</p> <p>It is a legal requirement under s349 of the Gambling Act 2005 for each licensing authority to prepare a statement of principles that they propose to apply when exercising their licensing function. The Authority is required to review the policy at least every 3 years.</p> <p>The London Borough Of Havering's current Statement of Gambling Policy 2016-2019 was agreed by Full Council on 25th November 2015 and a revised policy therefore needs to be considered. The Statement of Gambling Policy is the primary document for setting out the Council's local approach to gambling regulation. Officers have reviewed the existing Policy and concluded that it would be appropriate to make revisions.</p> <p>Before the licensing authority publishes, its statement of licensing principles it must carry out a public consultation. The proposed changes to the policy from the 2016-19 policy will be shown tracked changes to assist the consultation process and summarised on the Document Control Page.</p> <p>The Draft Statement of Gambling Policy will be subject to an 8 week consultation period. All comments will be carefully considered and appropriate amendments made to the Statement of Gambling Policy before submitting to the Cabinet. The Statement of Gambling Policy will</p>

		then go to Full Council for final approval.		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	If the answer to <u>any</u> of these questions is 'YES' , please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO' , please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:	Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.		
6	If you answered NO:	N/A		

Completed by:	Keith Bush, Public Protection Manager (Licensing and Trading Standards) Environment Directorate 01708 433425 Keith.bush@haverling.gov.uk
Date:	18/4/2019

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

Background/context:
The Gambling Act 2005 (the "Act") requires this Licensing Authority to consult on and publish a Statement of Gambling Policy in relation to its responsibilities under the Act. Once published, this Policy Statement will be kept under constant review and, reviewed every three years. Before any revision of the Statement of Gambling Policy is published, this Authority will carry out a full consultation exercise on the relevant sections. The Statement of Gambling Policy has been revised after review and is for the period 2019 –

2022.

The Gambling Commission states in the introduction to its Guidance to Licensing Authorities:

‘The aim of this Guidance is to ensure that every licensing authority has the information it needs to make effective decisions. It does not seek to impose a ‘one size fits all’ model across all licensing authorities. We recognise that every licensing authority is different and will have different views about how it wishes to manage gambling locally. Indeed, the Act establishes a high degree of local accountability for gambling regulation.

This Guidance does not, therefore, attempt to fetter the discretion that licensing authorities have under the Act and it is not intended to replace their judgement in individual cases. Moreover, this Guidance cannot anticipate every set of circumstances that may arise and, as long as it has been understood and taken into account, licensing authorities may depart from it where they consider it would be right to do so. There should, however, be strong reasons for departing from this Guidance and these need to be clearly expressed and explained if a licensing authority is to avoid judicial review or challenge on appeal for failing to take this Guidance into account.’

This Policy, therefore, generally follows the principles laid down in the Gambling Commission’s Guidance to Licensing Authorities.

Licensing objectives

The Act also requires this Authority to carry out its various licensing functions so as to be reasonably consistent with the following three licensing objectives:

- preventing gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime
- ensuring that gambling is conducted in a fair and open way
- protecting children and other vulnerable persons from being harmed or exploited by gambling

As required by the Guidance issued by the Gambling Commission, the Council, in carrying out its licensing functions under the Act will aim to permit the use of premises for gambling as long as it is considered to be:-

- in accordance with any relevant code of practice issued by the Gambling Commission,
- in accordance with any relevant guidance issued by the Commission
- reasonably consistent with the licensing objectives, and
- in accordance with this Policy Statement published under section 349 of the Act

Nothing in this Statement of Gambling Policy will override the right of any person to make an application under this Act and have that application considered on its individual merits. Equally, nothing in this Statement of Gambling Policy will undermine the right of any person to make representations to an application, or seek a review of a licence where there is a legal power to do so. This Authority will ensure that, when considering

applications under this legislation, it will avoid duplication with other regulatory regimes.

The London Borough of Havering intends to undertake consultation on the draft Statement of Gambling Policy (SGP) in accordance with the Gambling Act 2005 and Regulations as well as the Council's own consultation requirements.

It is a legal requirement under s349 of the Gambling Act 2005 for each licensing authority to prepare a statement of principles that they propose to apply when exercising their licensing function. The Authority is required to review the policy at least every 3 years.

The London Borough of Havering's current Statement of Gambling Policy 2016-2019 therefore needs to be reviewed. The Statement of Gambling Policy is the primary document for setting out the Council's local approach to gambling regulation. Officers have reviewed the existing Policy and concluded that it would be appropriate to make revisions.

It can be argued that the policy itself can have positive impacts in terms of business and income generation, and for some people is fun and sociable contributing to their overall wellbeing.

However, in recognition that some groups are disproportionately affected by gambling as an activity per se, and thus has potentially negative impacts, the policy wording seeks to minimise these negative impacts. The overall impact is intended to be neutral.

Section 8 of the Gambling Policy explicitly seeks to Protect Children and other Vulnerable Persons from being harmed or exploited by Gambling, including such measures as:

- Proof of age schemes
- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Specific opening hours
- Self-barring schemes
- Notices/signage
- Measures/training for staff on how to deal with suspected truanting school children on the premises and how to recognise signs of potential child sexual exploitation
- clear policies that outline the steps to be taken to protect children from harm;
- Provision of information leaflets/helpline numbers for organisations such as GamCare and GambleAware.

Before the Licensing Authority publishes its statement of licensing principles it must carry out a public consultation. The proposed changes to the policy from the 2016-19 policy will be shown as tracked changes to assist the consultation process.

The Draft Statement of Gambling Policy will be subject to an 8 week consultation period. All comments will be carefully considered and appropriate amendments made to the Statement of Gambling Policy before submitting to the Cabinet. The Statement of Gambling Policy will then go to Full Council for final approval.

Who will be affected by the activity?

Those that use gambling premises and machines. Those that live near to and pass by gambling premises. Individuals employed within the gambling industry. It is recognised that if gaming and betting premises are well run that they provide can build community cohesion and cultural development.

The policy also recognises that negative impacts can also occur if good management practices are not followed. The revised policy addresses the need to protect children and other vulnerable persons from being harmed or exploited by gambling.

Potential negative impacts may arise in the form of noise, nuisance, disturbance and crime and disorder problems. With gaming and betting establishments, there are also risks of individual gambling addiction.

Protected Characteristic - Age:

Please tick (✓) the relevant box:

Positive

Neutral

✓

Negative

Overall impact: Neutral

Those under 18 are at higher risk from gambling as an activity and those aged 25-34 are also most likely to be problem gamblers.

The proposed statement of gambling policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.

The policy requires them to conduct a Local Risk Assessment and act appropriately to protect children from harm. This would include considering the location of their premises in relation to premises used by children and using age verification tools such as Challenge 25 to prevent underage gambling.

It also aims to protect vulnerable persons including considering the location of the premises in relation to premises frequented by vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Evidence:

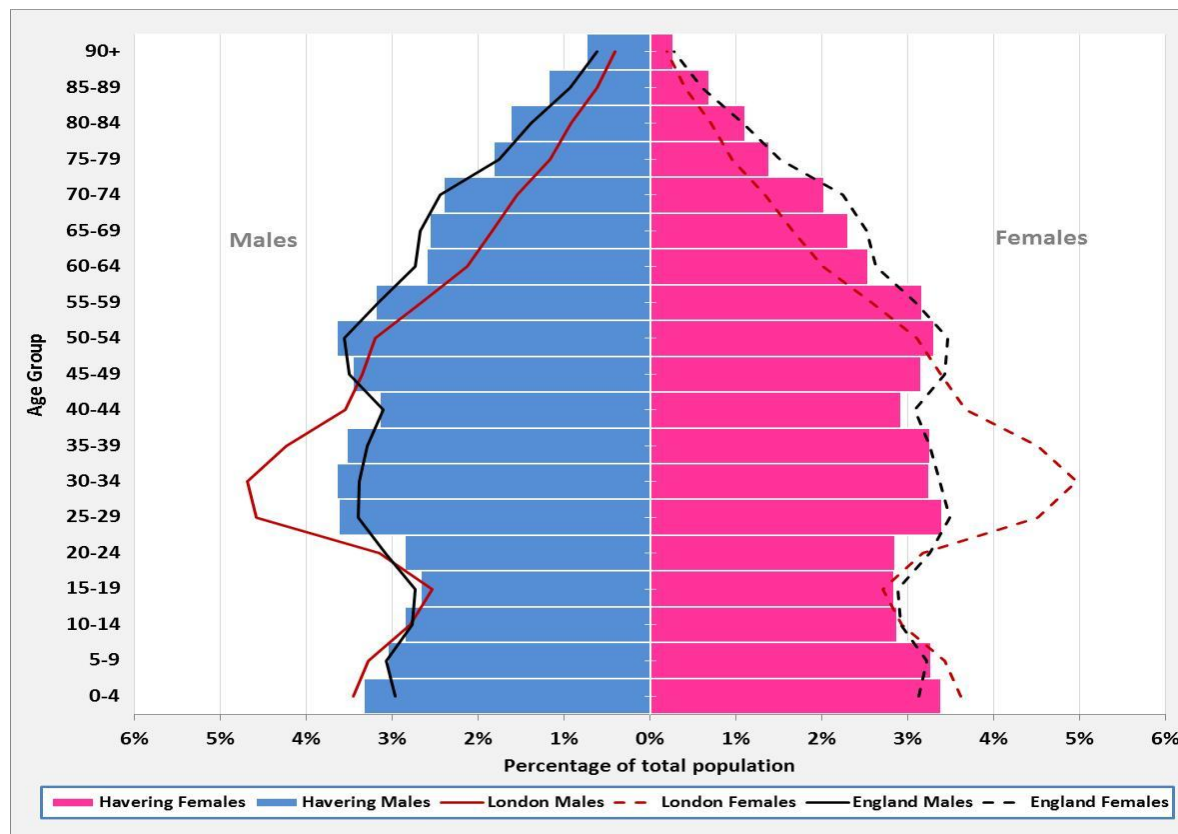
The estimated population of the London Borough of Havering is 256,039.

- It has the oldest population in London with a median age of approximately 40 years old, as recorded in the 2011 census.
- The Borough experienced a net population loss of 6.3% from 1983 to 2002 but the population has increased year on year from 2002, with a 13.7% increase from 2002 to 2017.
- As well as increases in the number of births in Havering, there has been an increase in the general fertility rate from 58 (per 1,000 women aged 15-44) in 2004 to 68 in 2017. This equates to an additional 10 births per 1,000 women aged 15-44 within the period.
- From 2011 to 2016, Havering experienced the largest net inflow of children across all London boroughs. 4,580 children settled in the borough from another part of the United Kingdom during this six-year period.
- It is projected that the largest increases in population will occur in children (0-17 years) rising from 58,500 in 2018 to 72,100 in 2033 and older people age groups (65 years and above) from 46,900 in 2018 to 61,400 in 2033.
- The life expectancy at birth for people living in Havering is 80.1 years for males and 84.2 years for females.
- The life expectancy at age 65 years in Havering is 18.9 years for males and 21.6 years for females.

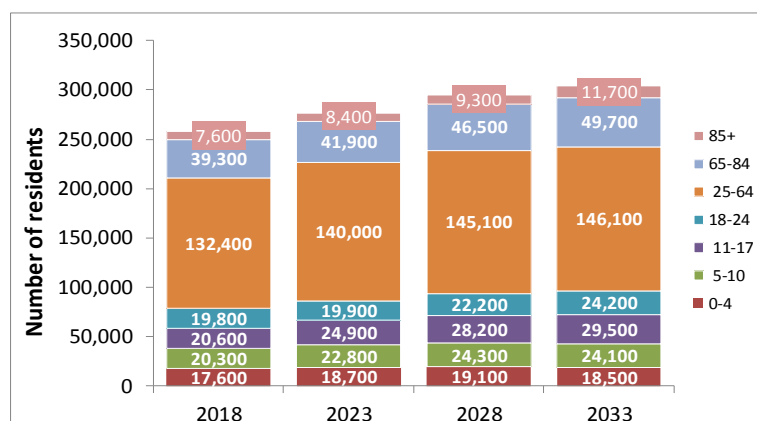
The table below shows the breakdown of current (mid-2017) population by gender and five-year age bands.

AGE BAND (YEARS)	MALE	FEMALE	PERSONS
00-04	8,671	8,553	17,224
05-09	8,371	7,820	16,191
10-14	7,359	7,306	14,665
15-19	7,277	6,833	14,110
20-24	7,316	7,308	14,624
25-29	8,688	9,295	17,983
30-34	8,325	9,355	17,680
35-39	8,344	9,038	17,382
40-44	7,491	8,078	15,569
45-49	8,064	8,879	16,943
50-54	8,463	9,333	17,796
55-59	8,103	8,183	16,286
60-64	6,504	6,664	13,168
65-69	5,903	6,577	12,480
70-74	5,191	6,158	11,349
75-79	3,539	4,672	8,211
80-84	2,836	4,157	6,993
85-89	1,756	3,032	4,788
90+	706	1,891	2,597
All Ages	122,907	133,132	256,039

The population pyramid compares the population figures for Havering with London and England by five-year age bands. The pyramid shows a much older age structure for the population of Havering compared to London but similar to England.



Projected Population Increases by Age group



Age Group	Percentage change from 2018 to		
	2023	2028	2033
0-4	6%	9%	5%
5-10	12%	20%	19%
11-17	21%	37%	43%
18-24	1%	12%	22%
25-64	6%	10%	10%
65-84	7%	18%	26%
85+	11%	22%	54%

The Gambling Commission published a document in February 2018 called 'Gambling Participation in 2017: behaviour, awareness and attitudes.' It found that those participating in gambling are more likely to be aged between 25 to 34 and 45 to 64.

Gambling and Young People

Whilst gambling is aimed at those over 18, it is recognised that those under 18 may be attracted to it. The Gambling Commission published a research paper entitled 'Young People and Gambling 2018' in November 2018. They found that:

Compared to other potentially harmful activities, the rate of gambling in the past week among young people (14%) is higher than the rates of drinking alcohol (13%), smoking cigarettes (4%) and taking illegal drugs (2%).

Problem gambling

The survey indicates that 1.7% of 11-16 year olds are problem gamblers, 2.2% are 'at risk' gamblers and 32.5% are non-problem gamblers. These percentages are based on the youth-adapted problem gambling screen DSM-IV-MR-J6.

These figures represent an increase compared to the rates of problem and at risk gambling seen in the 2017 survey (0.9% and 1.3% respectively). The differences can largely be attributed to a larger number of respondents qualifying for the screening questions than in previous years, due to the addition of a question, which enabled us to identify past 12-month gamblers more accurately than before.

The Gambling Commission published a document in February 2018 called 'Gambling Participation in 2017: Behaviour, Awareness and Attitudes.' It found that those aged 25 to 34 are most likely to be classified as problem gamblers (2.0%), followed by 16-24 year olds (1.6%).

The Draft Statement of Gambling Policy has the following components which are intended to mitigate for harmful impacts including:

Applicants to use of Local Risk Assessments in relation to young persons:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place

policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.

- The Authority will expect applicants for the new grant of, or variation to an existing, licence to also submit their LRA to comply with Social Responsibility (SR) code 10.1.1 and Ordinary code provision 10.1.2.

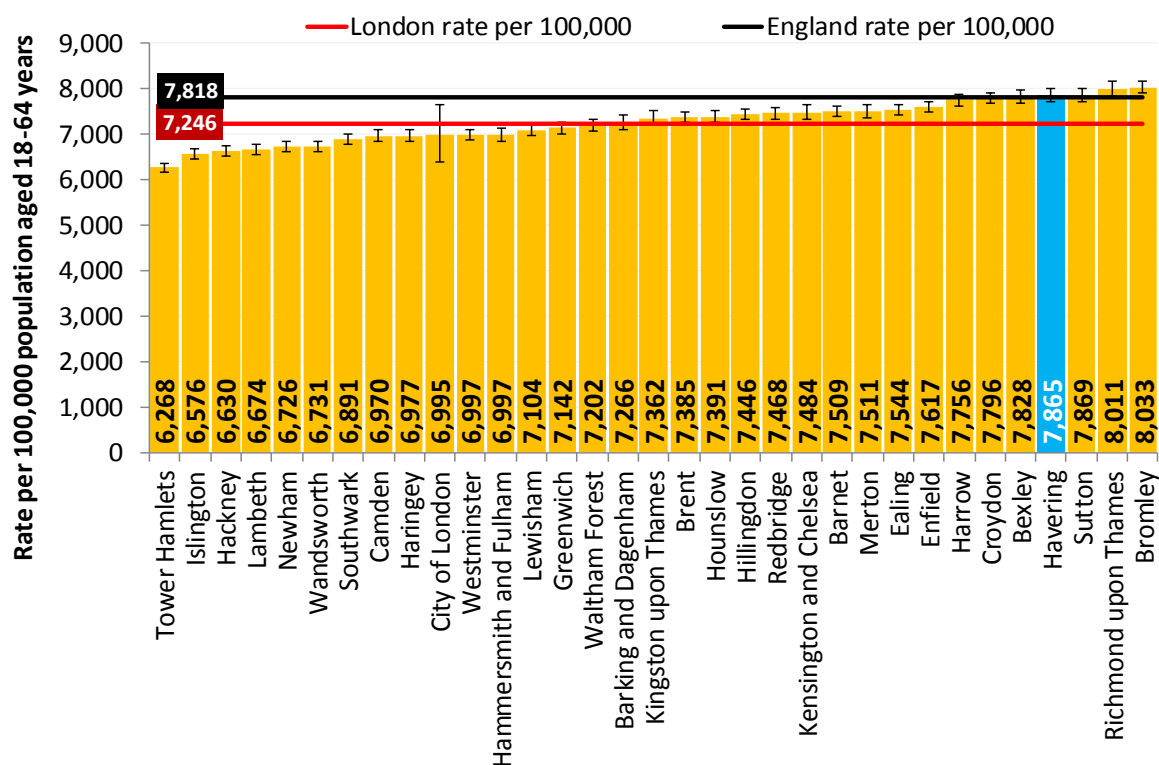
The Authority will expect the local risk assessment to consider:

- The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
- The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.
- Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
- How vulnerable people, including people with gambling dependencies are protected.
- Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
- Age verification policies such as 'Challenge 25'.
- Line of sight from the counter to gambling machines
- Information held regarding self-exclusions and incidences of underage gambling.
- Whether specific measures are required at particular premises such as supervision of entrances/machines, segregation of areas etc.
- Extra controls where category C or above machines are on offer in premises to which children are admitted.
- Provision of information leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

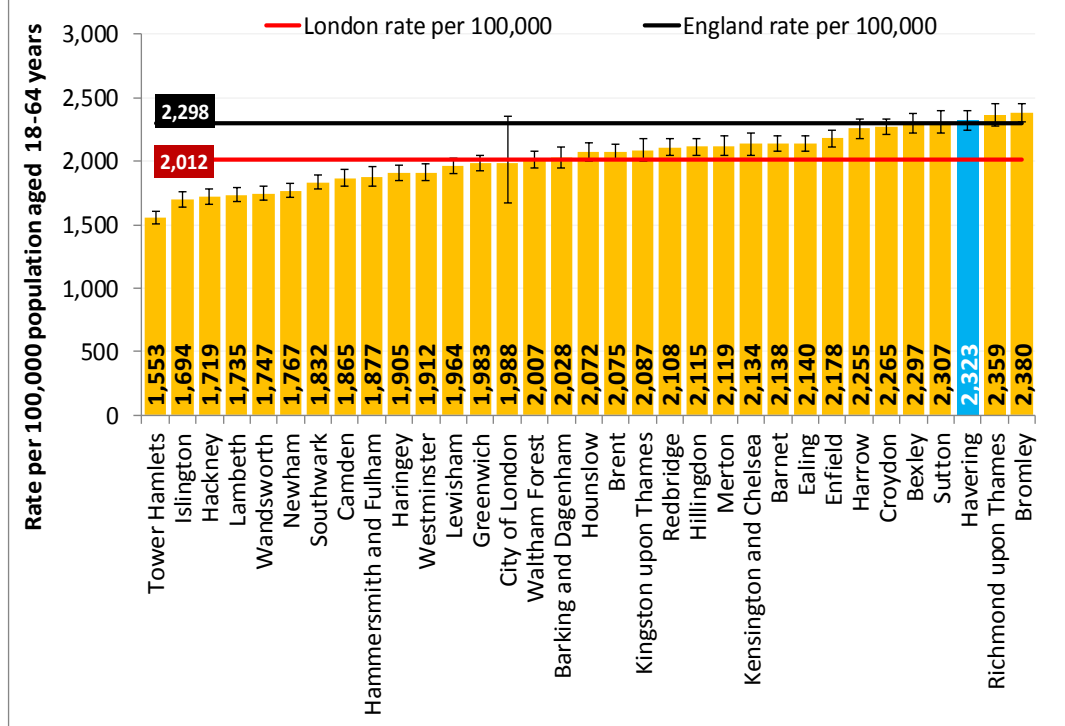
Sources used:

- This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*
- Mid-year population estimates 2017; Office for National Statistics (ONS)
- GLA 2016 based Demographic Projections – Local Authority population projections Housing Led Model
- Gambling participation in 2017: behaviour, awareness and attitudes. February 2018, The Gambling Commission.
- Young People & Gambling 2018, A research among 11-16 year olds in Great Britain, November 2018, The Gambling Commission.

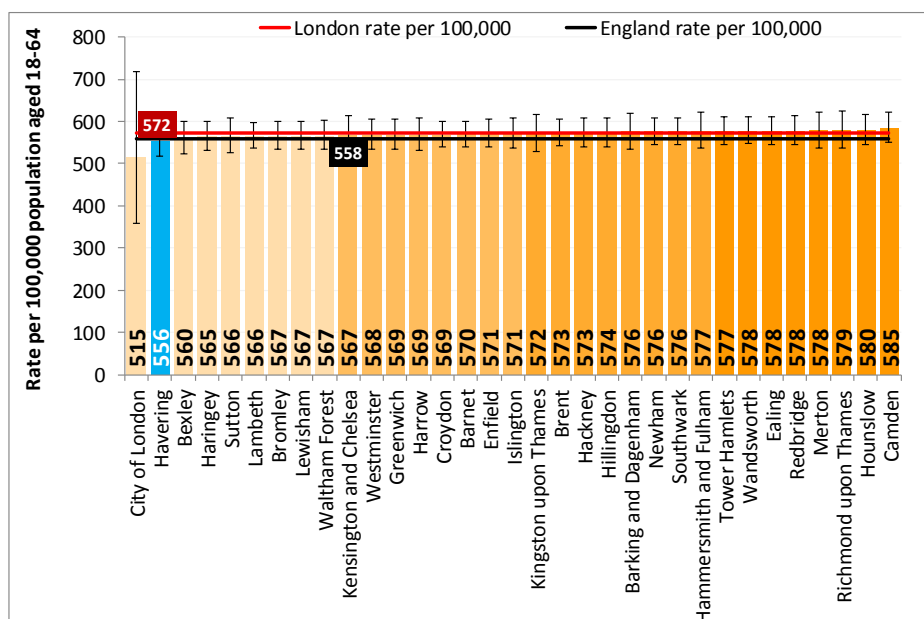
Protected Characteristic - Disability:		
Please tick (✓) the relevant box:		Overall impact:
Positive		Physical Disability: Neutral
Neutral	✓	No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of physical disability.
Negative		<p>Mental Disability and those with learning difficulties: Negative</p> <p>Those with mental health illness are at higher risk from gambling as an activity. However, the proposed Statement of Gambling Policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.</p> <p>The policy requires them to conduct a Local Risk Assessment and respond appropriately to protect vulnerable persons including considering the location of the premises. This is in relation to premises frequented by vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.</p>
Evidence: <ul style="list-style-type: none"> According to the latest ONS Annual Population Survey (Jan 2015-Dec 2015), 19% of working age people living in Havering have disclosed that they have a disability or long term illness. This is a similar proportion to England (20%). The estimated number of people in Havering aged 18-64 living with moderate physical disabilities was 11,870 in 2017 – a rate of 7,865 per 100,000 population aged 18-64 years. This rate is one of the highest among London local authorities. It is statistically similar to England but significantly higher than the London average. 		



- In 2017, 3,506 adults (aged 18-64 years) were estimated to be living with serious physical disabilities in Havering. The estimated rate of serious physical disabilities in Havering (2,323 per 100,000-population aged 18-64 years) is similar to England but significantly higher than London average and one of the highest rates of London local authorities. The rationale for this is likely due to the relatively older population in Havering compared to other London boroughs.



- About 817 adults (aged 18-64 years) are estimated to be living with moderate or severe learning disabilities in Havering in 2015 and hence likely to be in receipt of health and social care services.
- The 2017 estimated rate of moderate or severe learning disabilities in Havering (556 per 100,000 persons aged 18-64 years) is similar to England. Havering is estimated to have the second lowest rate of moderate or severe learning disabilities among London local authorities.



Mental Health Statistics

- At least one in four people will experience a mental health problem at some point in their life and one in six adults have a mental health problem at any one time.
- One in ten children between 5 and 16 years has a mental health problem, and many continue to have mental health problems in adulthood.
- Half of those with lifetime mental health problems first experience symptoms by the age of 14, and three quarters before their mid-twenties.
- Self-harming in young people is not uncommon (10-13% of 15-16 year olds have self-harmed).
- Almost half of all adults will experience at least one episode of depression during their lifetime.
- One in ten new mothers experience postnatal depression.
- About one in 100 people has a severe mental health problem.
- Some 60% of adults living in hostels have a personality disorder.
- Some 90% of all prisoners are estimated to have diagnosable mental health problem (including personality disorder) and / or substance misuse problem.

Mental Health and Gambling

People gamble for a whole range of reasons. While gambling moderately is not a problem, gambling can become an addiction and can be harmful to mental health. Some people say that there is no such thing as safe gambling. Others argue that gambling is like drinking alcohol - it is safe to do as long as you follow some sensible rules. *

According to the Royal College of Psychiatrists, problem gamblers are more likely than others to suffer from low self-esteem, develop stress-related disorders, to become anxious, have poor sleep and appetite, to develop a substance misuse problem and to suffer from depression. **

A report titled 'Problem gambling in Birmingham. A Rapid Assessment Report' published in May 2018 states that:

'There is a strong correlation between problem gambling and mental health problems though the nature of the links between the two are complex'.

The Statement of Licensing Policy has the following components which are intended to mitigate for harmful impacts including:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.
- Encouraging applicants to conduct local risk assessments, particularly in relation to proximity to local housing, places of worship and/or other premises visited by

children or vulnerable people.

- The Authority will expect the local risk assessment to consider:
 - The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
 - The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.
 - Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
 - How vulnerable people, including people with gambling dependencies are protected.
 - Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
 - Age verification policies such as 'Challenge 25'.
 - Line of sight from the counter to gambling machines.
 - Information held regarding self-exclusions and incidences of underage gambling.
 - Gaming trends that may mirror days for financial payments such as pay days or benefit payments.
 - Proximity of premises which may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug dependant people may congregate.
 - Provision of information leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Sensory Impairment

Sight

- The estimated number of people living with sight **loss** in **England** is 1.7 million.
- Only 17 per cent of people experiencing sight loss are offered emotional support in response to their deteriorating vision.
- Only 27 per cent of blind and partially sighted people of working age are in employment – a fall from 33 per cent in employment in 2006.
- 39 per cent of blind and partially sighted people of working age say they have some or great difficulty in making ends meet.
- 35 per cent of blind and partially sighted people say that they sometimes, frequently or always experience negative attitudes from the public in relation to their sight loss.
- 31 per cent of people are rarely or never optimistic about the future.

Hearing

- There are 11 million people with hearing loss across the UK, that's around one in six of us.
- By 2035, we estimate there will be around 15.6 million people with hearing loss across the UK - that is one in five.
- There are 50,000 children with hearing loss in the UK. Around half are born with hearing loss while the other half lose their hearing during childhood.
- An estimated 900,000 people in the UK have severe or profound hearing loss.
- We estimate that there are at least 24,000 people across the UK who use British Sign Language (BSL) as their main language (although there are likely to be more that we do not know about).
- More than 40% of people over 50 years old have hearing loss, rising to 71% of people over the age of 70.
- Around one in 10 UK adults has tinnitus.

Sources used:

- This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*
- Projecting Adult Needs and Service Information System (PANSI, 2017); calculations uses Mid-year population estimates 2017; Office for National Statistics (ONS); *produced by public health intelligence*
- Mental Health JSNA January 2015
- Royal National Institute for the Blind
- Action on Hearing Loss
- Mental Health Foundation https://www.mentalhealth.org.uk/a-to-z/g/gambling-and-mental-health*
- GamCare https://www.gamcare.org.uk/get-advice/how-can-gambling-affect-your-life/mental-health**
- Problem gambling in Birmingham. A Rapid Assessment Report May 2018

Protected Characteristic - Sex/gender:

Please tick (✓)
the relevant box:

Positive

Neutral

Negative

Overall impact:

Evidence would suggest that there is a slightly higher proportion of men than women that gamble and that men are more likely to be classed as problem gamblers.

The proposed statement of gambling policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.

The policy requires them to conduct a Local Risk Assessment and act appropriately to protect vulnerable persons including considering the location of the premises in relation to premises frequented by vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Evidence:

MALE		FEMALE		TOTAL
122,907	48.0%	133,132	52.0%	256,039

The table below shows the breakdown of current (mid-2017) population by gender and five-year age bands.

AGE BAND (YEARS)	MALE	FEMALE	PERSONS
00-04	8,671	8,553	17,224
05-09	8,371	7,820	16,191
10-14	7,359	7,306	14,665
15-19	7,277	6,833	14,110
20-24	7,316	7,308	14,624
25-29	8,688	9,295	17,983
30-34	8,325	9,355	17,680
35-39	8,344	9,038	17,382
40-44	7,491	8,078	15,569
45-49	8,064	8,879	16,943
50-54	8,463	9,333	17,796
55-59	8,103	8,183	16,286
60-64	6,504	6,664	13,168
65-69	5,903	6,577	12,480
70-74	5,191	6,158	11,349
75-79	3,539	4,672	8,211
80-84	2,836	4,157	6,993
85-89	1,756	3,032	4,788
90+	706	1,891	2,597
All Ages	122,907	133,132	256,039

The Gambling Commission published a document in February 2018 called 'Gambling participation in 2017: behaviour, awareness and attitudes.' It found a slightly higher percentage of men than women gamble with 48% of men had gambled compared with 41% of women.

Problem Gambling

According to the Commissions official Health Survey rates men are more likely to be classified as problem gamblers with 1.5% of men identified as such compared to 0.2% of women.

The statement of licensing policy has the following components which are intended to mitigate for harmful impacts including:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.
- Encouraging applicants to conduct local risk assessments, particularly in relation to proximity to local housing, places of worship and/or other premises visited by children or vulnerable people.
- The Authority will expect the local risk assessment to consider:
 - The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
 - The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.
 - Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
 - How vulnerable people, including people with gambling dependencies are protected.
 - Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
 - Age verification policies such as 'Challenge 25'.
 - Line of sight from the counter to gambling machines.
 - Information held regarding self-exclusions and incidences of underage gambling.
 - Gaming trends that may mirror days for financial payments such as paydays or benefit payments.
 - Proximity of premises which may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug

dependant people may congregate.

- Provision of information leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Sources used:

- This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*
- Gambling participation in 2017: behaviour, awareness and attitudes. February 2018, The Gambling Commission.

Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities

Please tick (✓) the relevant box:

Positive

Neutral

Negative

Overall impact:

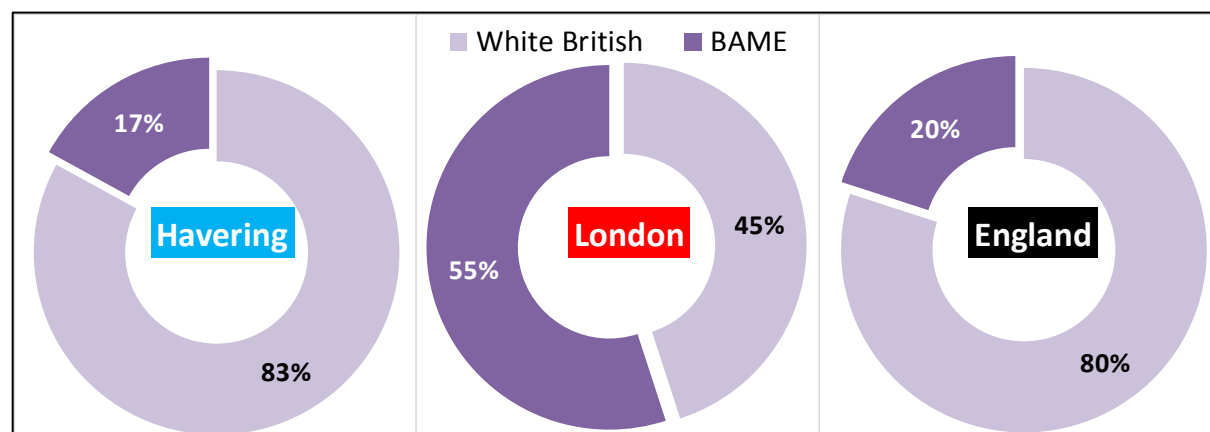
There are different cultural attitudes to gambling. Whilst it can offer cultural enrichment it is noted that Asian/Asian British and Black British backgrounds have been shown to have higher rates of problem gambling.

The proposed statement of gambling policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.

The policy requires them to conduct a Local Risk Assessment and take appropriate measures to protect vulnerable persons including considering the location of the premises in relation to premises frequented by vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Evidence:

- Havering is one of the most ethnically homogenous places in London, with 83% of its residents recorded as White British in the 2011 census, higher than both London and England.
- However, the ethnically homogenous characteristic of Havering is gradually changing due to its growing cultural diversity.
- About 90% of the borough population were born in the United Kingdom.
- The Borough's white population is projected to decrease from the current 84% to 78% in 2032.
- The BME population, notably those from Black African heritage (though many of whom are likely to be British born) is projected to increase from 4.1% in 2017 to 5.3% of the Havering population in 2032.



Ethnicity - GLA Datastore - cis ethnicity dashboard 2011 census

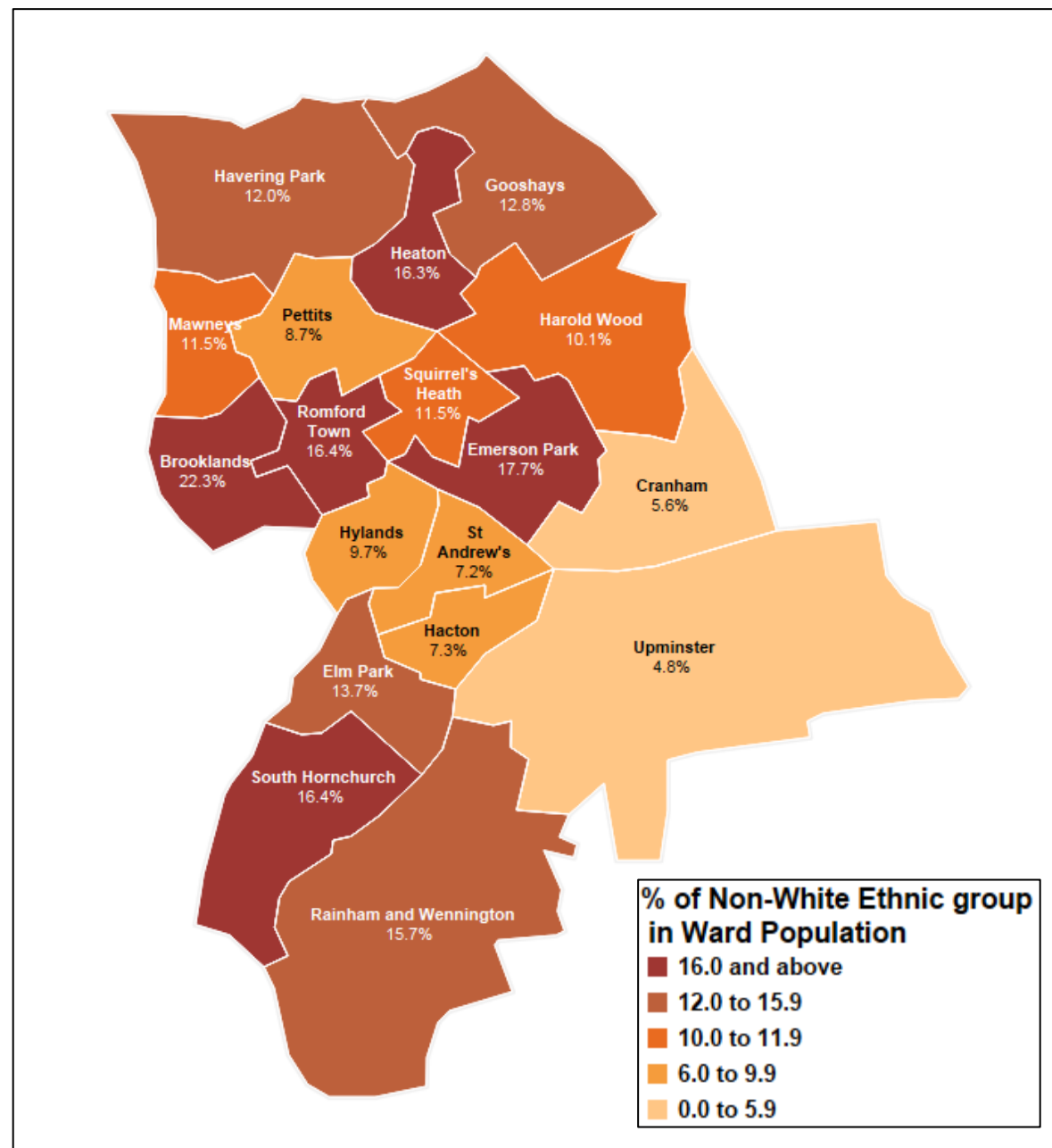
	Data	%
White British	197,615	83.3%
White Irish	2,989	1.3%
Gypsy	160	0.1%
Other White	7,185	3.0%
White and Black Caribbean	1,970	0.8%
White and Black African	712	0.3%
White and Asian	1,154	0.5%
Other Mixed	1,097	0.5%
Indian	5,017	2.1%
Pakistani	1,492	0.6%
Bangladeshi	975	0.4%
Chinese	1,459	0.6%
Other Asian	2,602	1.1%
Black African	7,581	3.2%
Black Caribbean	2,885	1.2%
Other Black	1,015	0.4%
Arab	311	0.1%
Any other ethnic group	1,013	0.4%
Totals	237,232	

Country of Birth - GLA - 2011 Census

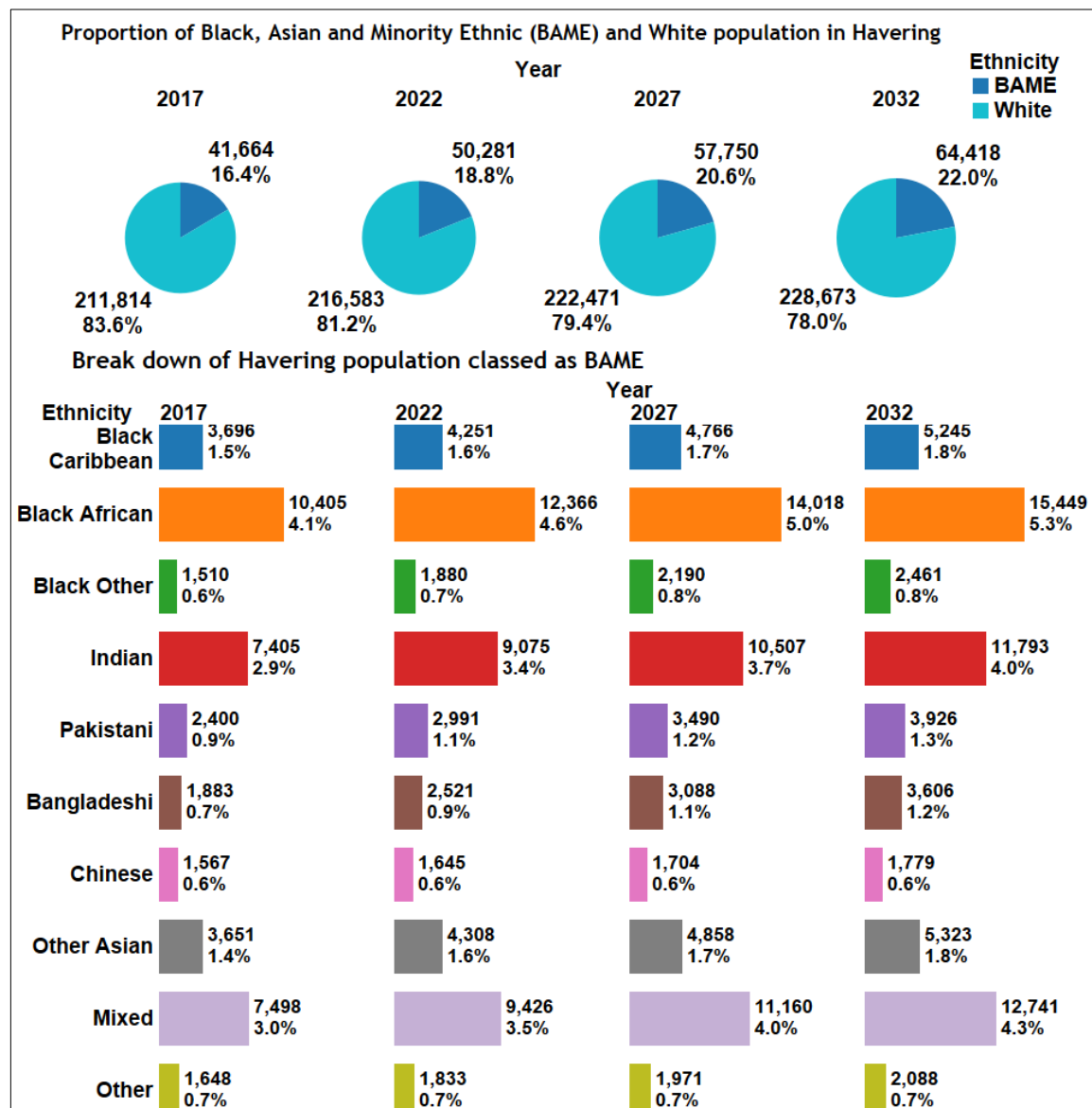
Country of Birth	Number	%
UK Born	212,840	89.7%
Non UK Born	24,392	10.3%
Havering	237,232	100.0%

Country of Birth	Number	%
UK Born	212,840	89.7%
Ireland	2,503	1.1%
India	2,301	1.0%
Nigeria	2,241	0.9%
Lithuania	1,065	0.4%
Poland	925	0.4%
Philippines	759	0.3%
Ghana	678	0.3%
Pakistan	653	0.3%
Zimbabwe	647	0.3%
South Africa	621	0.3%
Other	11,999	5.1%
Total	237,232	100.0%

Percentage of Non-white ethnic group by ward from 2011 census



Ethnicity population projections 2017 - 2032



English as First Language (2011 Census)

- Havering number of Households 97,199.
- Number of people aged 16 and over in household that have English as main Language 91,739.
- At least one person aged 16 and over in household that have English as main Language 2,504.
- No people aged 16 and over in household but at least one person aged 3-15 that have English as main Language 684.
- No people in household have English as main Language 2,272.
- From 2011 census 10,461 people in Havering main language is not English.

A report titled 'Problem gambling in Birmingham. A Rapid Assessment Report' published in May 2018 states that:

Minority ethnic groups

- A review of national British survey data consistently shows that those from Asian/Asian British and Black British backgrounds have higher rates of problem gambling.
- Further analysis of the British Gambling Prevalence Survey (BGPS) and Health Survey England (HSE) datasets by a different research team has confirmed these associations.

The statement of licensing policy has the following components which are intended to mitigate for harmful impacts including:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.
- Encouraging applicants to conduct local risk assessments, particularly in relation to proximity to local housing, places of worship and/or other premises visited by children or vulnerable people.
- The Authority will expect the local risk assessment to consider:
 - The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
 - The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.
 - Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
 - How vulnerable people, including people with gambling dependencies are protected.
 - Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
 - Age verification policies such as 'Challenge 25'.
 - Line of sight from the counter to gambling machines.
 - Information held regarding self-exclusions and incidences of underage gambling.
 - Gaming trends that may mirror days for financial payments such as paydays or benefit payments.
 - Proximity of premises which may be frequented by vulnerable people such as

hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug dependant people may congregate.

- Provision of information leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Sources used:

- This is Havering 2018 version 4.1 (August 2018)
- 2011 Census
- Problem gambling in Birmingham. A Rapid Assessment Report May 2018

Protected Characteristic - Religion/faith

Please tick (✓)
the relevant box:

Overall impact: Neutral

Positive

☐

Neutral

☒

Negative

☐

No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of religion/faith.

Evidence:

(Please add in any additional evidence and use the evidence below that is relevant for your particular impact assessment, please delete unnecessary data)

Religion and Belief 2011 Census

Faith	Number	%
Christian	155,597	65.6%
Buddhist	760	0.3%
Hindu	2,963	1.2%
Jewish	1,159	0.5%
Muslim	4,829	2.0%
Sikh	1,928	0.8%
Other Religion	648	0.3%
No Religion	53,549	22.6%
No Response	15,799	6.7%
Totals	237,232	100.0%

It is recognised that most faiths do not support gambling. The draft policy encourages the use of Local Risk Assessments in relation to the location of gambling premises and the proximity to churches, mosques, temples or other places of worship:

‘Applicants should also be aware of areas with concentrations of hostels and other types

of accommodation for vulnerable people. Where they propose to make an application for the new grant of a premises licence, or a variation to an existing licence, in such areas they should explain fully in their Local Risk Assessment (LRA) how they will mitigate any risks of operating gambling premises in close proximity to concentrations of housing for vulnerable people or proximity to churches, mosques, temples or any other place of worship. Religious premises and places of worship are often focal points for a percentage of vulnerable members of the local community, including the homeless community and youth population, and have therefore been included in the policy, rather than for any moral or ethical reasons.'

Sources used:

- 2011 Census

Protected Characteristic - Sexual orientation

*Please tick (✓)
the relevant box:*

Positive

☐

Neutral

☒

Negative

☐

Overall impact: Neutral

No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of sexual orientation.

Evidence:

There is insufficient data available to measure accurately the potential effect of these proposals in relation to sexual orientation.

It is not believed that the Statement on Gambling Policy will have an impact in relation to this protected characteristic. However it is intended to include the group during the consultation process at:

info@haveringlgbtforum.co.uk

Sources used:

Protected Characteristic - 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: Neutral No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of gender reassignment.
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	
Evidence: There is insufficient data available to measure accurately the potential effect of these proposals in relation to gender reassignment. It is not believed that the Statement on Gambling Policy will have an impact in relation to this protected characteristic. However it is intended to include the group during the consultation process at: info@haveringlgbtforum.co.uk		
Sources used:		

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership		
<i>Please tick (✓) the relevant box:</i>		Overall impact: Neutral No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of marriage/civil partnership.
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	
Evidence: In 2017 it is estimated that: <ul style="list-style-type: none"> • Single 27,558,916 • Married 24,249,371 • Civil Partnered 99,695 • Divorced 3,696,837 • Widowed 3,139,776 It is not believed that the Statement on Gambling Policy will have an impact in relation to this protected characteristic.		
Sources used: <ul style="list-style-type: none"> • Office for National Statistics (ONS) – Dataset Population estimates by marital status and living arrangements, England and Wales 		

Protected Characteristic - Pregnancy, maternity and paternity		
Please tick (✓) the relevant box:		Overall impact: Neutral No differential impact has been identified on the grounds of this protected characteristic. The Statement of Gambling Policy proposal applies equally to all traders operating in Havering irrespective of pregnancy, maternity and paternity.
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	
Evidence: 2016 Data for Havering <ul style="list-style-type: none"> • All Conceptions – 4,475 • Percentage all conceptions leading to abortion – 24.9% • Conceptions under 18 – 106 • Percentage under 18 leading to abortion – 67% • Conceptions under 16 – 13 • Percentage under 16 leading to abortion – 69.2% 2017 Data for Havering <ul style="list-style-type: none"> • Fertility rate 1.91 children per woman • Live births 3,393 It is not believed that the Statement on Gambling Policy will have an impact in relation to this protected characteristic.		
Sources used: <ul style="list-style-type: none"> • Office for National Statistics (ONS) 		

<p>Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.</p>	
<p>Please tick (✓) all the relevant boxes that apply:</p>	
Positive	✓
Neutral	✓
Negative	✓
<p>Overall impact: Neutral The Statement of Gambling Policy is likely to have both positive and negative impacts.</p> <p>The legislative framework for gambling recognises it as a legitimate leisure activity that many people enjoy; it can be social, fun and as such might have positive impacts on wellbeing. In addition, it generates income, employment and tax revenue, creating employment, which is an important determinant of health and wellbeing.</p> <p>However, set against this, it also generates significant dis-benefits such as working days lost through disordered gambling, or the cost of treatment for ill-health caused by stress related to gambling debt. Less easily measured are potentially very significant impacts such as the negative effects of some gambling on family relationships, and the psychological and social development of children.</p> <p>The proposed statement of gambling policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.</p> <p>The policy requires them to conduct a Local Risk Assessment and take appropriate measures to protect children and vulnerable persons including considering the location of the premises in relation to premises frequented by children and vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.</p> <p>Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>The Statement of Gambling Policy is likely to have both positive and negative impacts. The legislative framework for gambling recognises it as a legitimate leisure activity that many people enjoy; it can be social, fun and as such might have positive impacts on wellbeing. In addition, it generates income, employment and tax revenue, creating employment, which is an important determinant of health and wellbeing. However, set against this, it also generates significant dis-benefits such as working days lost through disordered gambling, or the cost of treatment for ill-health caused by stress related to gambling debt. Less easily measured are potentially very significant impacts such as the negative effects of some gambling on family relationships, and the psychological and social development of children. Similarly, there might be some indirect benefits, including positive social impacts when happy gamblers make a greater contribution to societal well-</p>	

being than they would in the absence of gambling. Much less is known of these effects.

The statement of licensing policy has the following components which are intended to mitigate for harmful impacts and enhance positive impacts, including:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.
- Encouraging applicants to conduct local risk assessments, particularly in relation to proximity to local housing, places of worship and/or other premises visited by children or vulnerable people. The Authority will expect the local risk assessment to consider:
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 - The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected
 - Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
 - How vulnerable people, including people with gambling dependencies are protected.
 - Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
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 - Line of sight from the counter to gambling machines.
 - Information held regarding self-exclusions and incidences of underage gambling.
 - Gaming trends that may mirror days for financial payments such as pay days or benefit payments.
 - Proximity of premises which may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug dependant people may congregate.
 - Concentrations of housing for vulnerable people.
 - Churches, mosques, temples or any other place of worship. Religious premises and places of worship are often focal points for a percentage of vulnerable members of the local community, including the homeless community and youth population, and have therefore been included in this policy, rather than for any moral or ethical reasons.

Sources used:

Gambling Commission (2018) Gambling-related harm as a public health issue.

<https://www.gamblingcommission.gov.uk/PDF/Gambling-related-harm-as-a-public-health-issue.pdf>

Socio – Economic impact:

Please tick (✓)
the relevant box:

Positive**Neutral**

✓

Negative**Overall impact:**

The Statement of Gambling Policy is likely to have both positive and negative impacts. Gambling generates income, employment and tax revenue, creating employment. However, set against this, it also generates significant dis-benefits such as working days lost through disordered gambling, or the cost of treatment for ill-health caused by stress related to gambling debt. For problem gamblers the effects on their personal and family finances are likely to be significant.

The proposed statement of gambling policy is intended to address this negative issue by promoting responsible retailing and ensuring that those that apply for a license consider the impact of their business on this group.

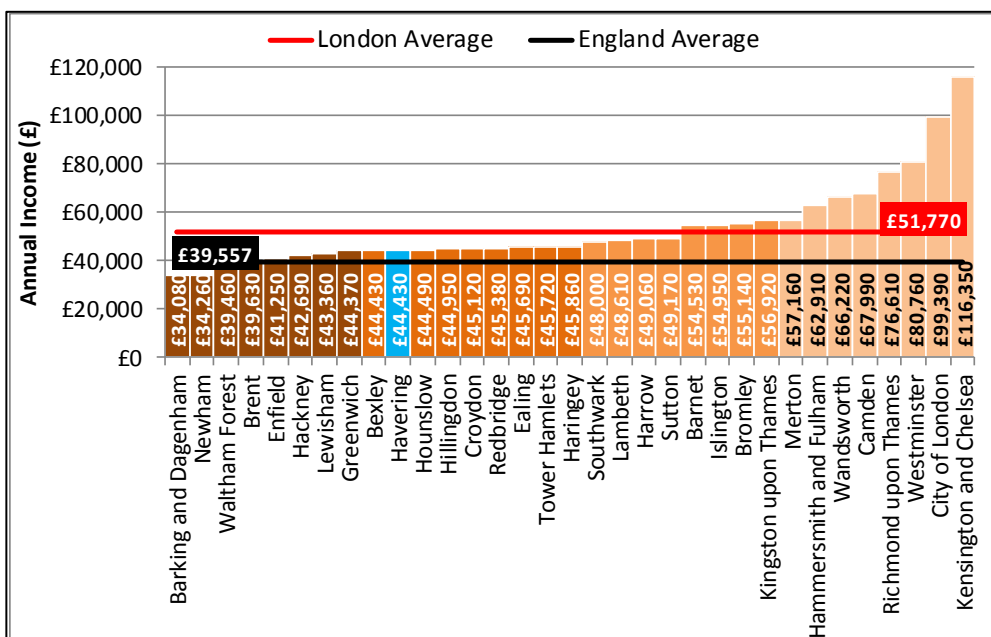
The policy requires them to conduct a Local Risk Assessment and take appropriate measures to protect children and vulnerable persons including considering the location of the premises in relation to premises frequented by children and vulnerable persons and the provision of information regarding self-exclusion and leaflets/helpline numbers for customers who may have a gambling addiction, from organisations such as GamCare and GambleAware.

Evidence:

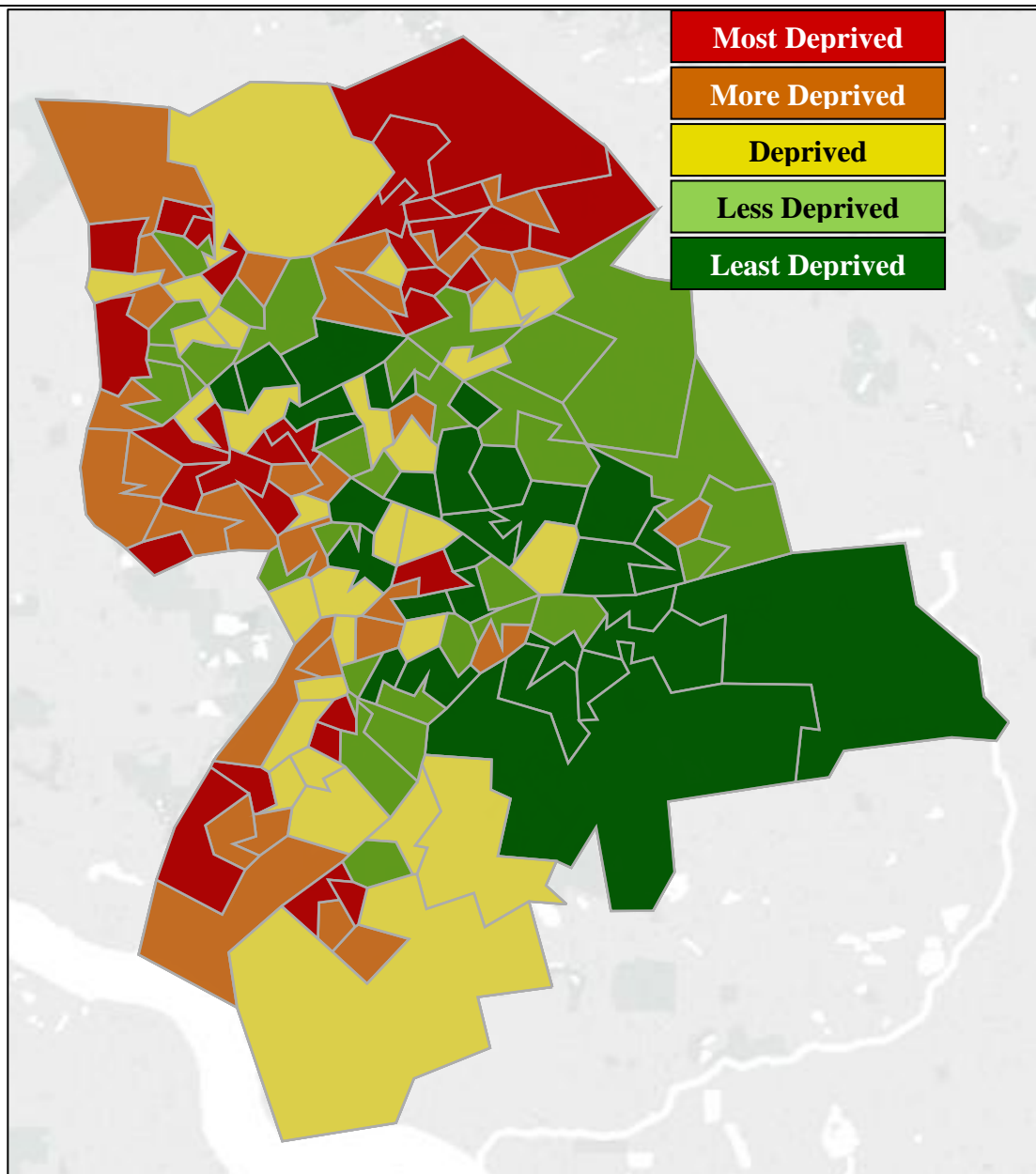
- The average gross income per household in Havering (£44,430, as measured in 2012/13) is low in comparison to the London average (£51,770) and slightly higher than the England average (£39,557).
- 77% of households in Havering have at least one car and compared to other local authorities in London, Havering has the second highest proportion of households (32.8%) with 2 or more cars.
- Majority of children in Havering are not poor, but around 8,800 live in income-deprived households. Gooshays and Heaton wards have the highest proportion of children living in poverty.
- About 77.9% of working age residents in Havering were in employment between April and June 2018. Overall employment rate in Havering is higher than London (74.6%) and England (75.9%)

- The proportion of working age residents in Havering claiming out-of-work benefits (6.8%) is significantly lower than England (8.4%).

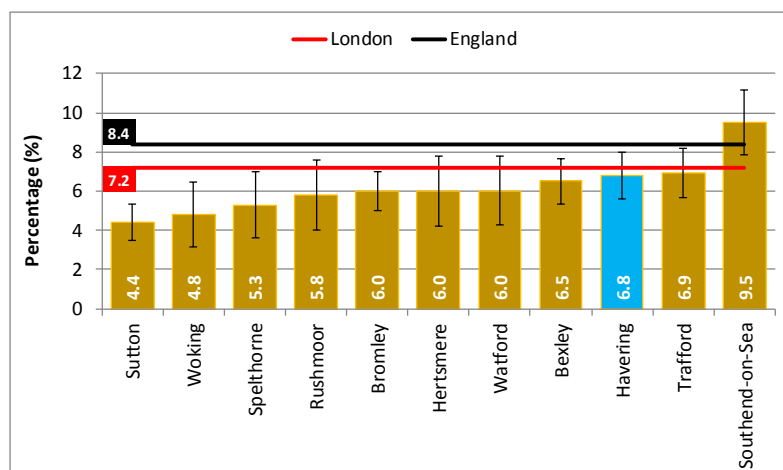
Income 2012/13



Income deprivation affecting Children, quintiles within Havering LSOA, 2015



Proportion of working age residents claiming out-of-work benefits in Havering and ONS statistical comparator group, November 2016



The Statement of Gambling Policy is likely to have both positive and negative impacts. Gambling generates income, employment and tax revenue, creating employment. However, set against this, it also generates significant dis-benefits such as working days lost through disordered gambling, or the cost of treatment for ill-health caused by stress related to gambling debt. For problem gamblers the effects on their personal and family finances are likely to be significant.

A report titled 'Problem gambling in Birmingham. A Rapid Assessment Report' published in May 2018 states that:

Just under 1% of the population in the UK have been identified as 'problem gamblers' with a further 4% identified as being of low to moderate risk of problem gambling. While these percentages are small, this amounts to around 400,000 problem gamblers in total and a further 2 million 'at risk'.

Unemployment and constrained economic circumstances

- Wardle (2015) concluded that the evidence relating to household income and problem gambling was mixed. Generally those of lower income are less likely to gamble but those that do spend a higher proportion of their income on gambling.

Area deprivation

- A review of a number of British surveys had, according to Wardle (2015), consistently shown that those living in more deprived areas are more likely to experience problems with their gambling behaviour. This was despite having roughly similar levels of past year gambling participation to those who live in less deprived areas.

While there are evidently crossovers in the characteristics of those that experience problem gambling and those at risk of financial exclusion, they are not necessarily the same group of people.

Those at risk of financial exclusion include those, for example, whose overdraft debt renders any working current account unusable (to such a degree that that person can no longer operate within the financial services mainstream any longer), or those who are homeless having no proof of identification and being denied access to a basic bank account as a consequence.

We also know that impacts of problem gambling across the participants in another study (Kenyon et al, 2016) include losses being funded through overdrafts, family loans and informal borrowing, and loan sharks.

The statement of licensing policy has the following components which are intended to mitigate for harmful impacts and enhance positive impacts, including:

- As per the Gambling Commission's Guidance for Licensing Authorities, the Licensing Authority expects operators of gambling premises to have in place policies and measures to ensure children and other vulnerable people are protected from being harmed or exploited by gambling. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation.

- Encouraging applicants to conduct local risk assessments, particularly in relation to proximity to local housing, places of worship and/or other premises visited by children or vulnerable people. The Authority will expect the local risk assessment to consider:
 - The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children and young people will congregate such as youth clubs, parks, bus stops, cafés, shops, entertainment venues such as cinemas, bowling allies and any other place where children are attracted.
 - The demographics of the area in relation to vulnerable groups and how vulnerable persons from different cultures will be protected.
 - Whether the premises is in an area subject to high levels of crime and/or disorder, including areas that are prone to youths participating in antisocial behaviour, e.g. graffiti/tagging or underage drinking.
 - How vulnerable people, including people with gambling dependencies are protected.
 - Assessing staffing levels when a local college closes and the students begin to vacate the grounds.
 - Age verification policies such as 'Challenge 25'.
 - Line of sight from the counter to gambling machines.
 - Information held regarding self-exclusions and incidences of underage gambling.
 - Gaming trends that may mirror days for financial payments such as pay days or benefit payments.
 - Proximity of premises which may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor's surgeries, council housing offices, addiction clinics or help centres, places where alcohol or drug dependant people may congregate.
 - Concentrations of housing for vulnerable people.
 - Churches, mosques, temples or any other place of worship. Religious premises and places of worship are often focal points for a percentage of vulnerable members of the local community, including the homeless community and youth population, and have therefore been included in this policy, rather than for any moral or ethical reasons.

Sources used:

- This is Havering 2018 version 4.1 (August 2018) *produced by public health intelligence*
- Problem gambling in Birmingham. A Rapid Assessment Report May 2018

3. Review

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

Review:

Scheduled date of review: November 2019 following consultation

Lead Officer conducting the review: Keith Bush

Please submit the completed form via e-mail to EqHIA@haverling.gov.uk

Thank you.

CABINET

Subject Heading:

Outline Proposals to address Early Years, Primary, Secondary and SEND rising rolls – Update to Phase 4 and Phase 5 expansion Programme

Cabinet Member:

Councillor Robert Benham - Deputy Leader of the Council, Cabinet Member for Education, Children & Families

SLT Lead:

Tim Aldridge, Director of Children's Services

Report Author and contact details:

Trevor Cook, Assistant Director of Education, Learning and Achievement

trevor.cook@havering.gov.uk

Tel: 01708 431250

Policy context:

The recommendations have implications throughout the Borough

Financial summary:

Capital Cost of **£33.500m** will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions. The projected costs for Stage 1 will leave a balance in the Unallocated Reserve of £2.731m. This will be ring fenced to contribute to funding Stage 2 will be the subject of a future Cabinet setting out the detailed proposals together with the sources of the additional funding required. of the programme commencing in 2024/25.

Revenue implications for schools will be funded from the DSG.

An increase in pupil numbers may also have a knock on effect on other local authority budgets. These will be raised through the appropriate channels as

necessary.

Is this a Key Decision?

Yes as expenditure arising from implementation of the recommendations is likely to exceed £500,000

When should this matter be reviewed?

September 2020

Reviewing OSC:

Children and Learning

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

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

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SUMMARY

1. The report seeks Cabinet's approval of the commissioning strategy to implement the next phase of the expansion programme to manage the forecast increase in early years, primary, secondary and SEND pupil numbers beyond the current Phase 4 of the Council's School Expansion Programme.
2. Although many other London Boroughs and urban areas are currently experiencing a plateau or decrease in demand for primary school places, Havering is still forecasting significant growth in the coming years. This increase in demand is due to rising birth rates, an increase in the number of families moving into the borough and continuing growth in housing development.
3. Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £37.900m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions.
4. This rise in demand in Primary and SEND means that the Council needs to do two things:
 - Find ways to absorb the immediate extra demand for places, while protecting the Borough's excellent reputation for good schools – which is already well underway.
 - Plan for a longer term growth in pupil numbers to meet demand from new housing and a growing population and establish new schools as and when required.
5. The recommendations take account of the very wide resident, parent and stakeholder consultation outcomes of the Council's agreed [Commissioning Plan for Education Provision 2019 – 2023](#).
6. Approval of the recommendations will enable officers to undertake consultation with stakeholders including encouragement of new Free Schools where appropriate, and ensuring value for money, as part of the Council's strategy of ensuring that there are sufficient school places to meet likely future demands.

RECOMMENDATIONS

That Cabinet:

1. **Agree** Phase 5 school expansion programmes should continue to be developed based on the following approach in line with the [decision on the Commissioning Plan for Education Provision 2019-2023](#)
 - i. To have a preference for expanding **existing popular and high-performing schools** and inclusion of nursery provision and Additional Resource Provisions (ARPs) where appropriate and in areas where there are no schools with high surplus capacity.
 - ii. To consider the expansion of existing schools, but only to a maximum size of 4 FE in the primary phase, ensuring at all times that high standards of education are paramount.
 - iii. To consider the delivery of additional primary and secondary places as a result of major regeneration through establishment of new schools.
2. **Agree** that in respect of all proposals set out below that all relevant statutory processes, including planning, should be followed and where the process is the responsibility of an Academy to provide all necessary support. Where consultation is necessary the proposals below are subject to the outcome of such consultation.
3. **Approve** Capital Budget of £33.500m to fund Phase 5 of the Schools Expansion Programme from 2020/21 to 2023/24 including:
 - 3.1. **Increase in Early Education and Childcare Places including implementation of :**
 - i. New 20 place nursery provision at Forest Approach Academy following the outcome of a successful bid for grant of Capital funding from the Department for Education to create new high-quality school-based nursery places, targeted at closing the gap for disadvantaged children.
 - ii. A maintained nursery at The R J Mitchell Primary School of 47 places for 2, 3 and 4 year olds from 2021/22
 - iii. A 47 place nursery provision on Beam Park School for 2, 3 and 4 year olds from 2021/22
 - iv. A 47 place nursery on Bridge Close for 2, 3 and 4 year olds from 2023/24
 - 3.2. **Increase in Primary Places including implementation of:**

- 3.2.1. Establish one-off bulge classes as an interim measure to increase Primary places in 2020/21
- 3.2.2. Permanent Primary Places expansion proposals in the following planning areas where there is clear evidence of a sustained need over the next five years subject to planning and consultation where necessary:
- i. Elm Park Planning area:
 - Expansion of The R J Mitchell Primary School from 2FE to 3FE from 2021/22
 - ii. Harold Hill Planning area:
 - Expansion of Drapers' Pyrgo Priory Primary from 2FE to 3FE for 2022/23
 - Expansion of Broadford Primary from 3FE to 4FE for 2023/24 if growth is sustained
 - iii. Rainham and South Hornchurch Planning area:
 - To agree for LBH to enter into a 125 year peppercorn lease with Emmanuel Community Trust for a site on the Beam Park estate following practical completion of the school build and drawing down the freehold interest of the site. The new school on Beam Park is due to open on 1 September 2021.
 - iv. Romford Planning area
 - Agree to seek proposals to establish the Bridge Close School under the Free School presumption process.
 - v. Upminster and Cranham Planning area
 - 1 FE permanent expansion from 2023/24 if growth is sustained.

3.2.3. Increasing SEND Places

- i. Nursery SEND places
 - To approve the implementation of the 20 place nursery provision at Forest Approach Academy for 2, 3 and 4 year old pupils with SEND
- ii. Primary SEND places:
 - One Additionally Resourced Provision (ARP) for primary children with Communication and Interaction Needs with 12 places in Scotts Primary School for 2020/21.
 - One Additionally Resourced Provision (ARP) for primary children with SEMH (Social, Emotional, Mental and Health) needs with 12 places at Suttons Primary School for 2020/21
 - An ARP for 12 places (4-11) for pupils with ASD/SEMH on Beam Park School for 2021/22

- An ARP for 18 places – 6 places (2-4) and 12 places (4-11) for pupils with ASD and SEMH for 2023/24 as part of the Bridge Close development
 - iii. Secondary SEND places:
 - Agree to establish two ARPs containing 20 places each in secondary schools to meet the needs of secondary pupils with Communication and Interaction (mainly ASD) and SEMH needs. One to be delivered in 2020/21 and one to be delivered in 2021/22
 - iv. Special Schools:
 - Agree to expand Corbets Tey School from 155 to 170 places for 2021/22
 - New special free school (3-16) with 60 places for ASD and SEMH in 2022/23
 - Agree for the LA to submit bids for a new special school when the DfE announces another Wave of special (SEND) and alternative provision (AP) free school applications round.
4. **Delegate** the power to take further decisions regarding the implementation of these proposals and the approval of which settings/schools should be expanded including any amendments to the proposals above, such as a decision not to proceed or to expand a different setting/school, in the light of developing circumstances or the results of consultation (subject to the appropriate statutory processes) for Phase 5 of the Expansion Programme to the Lead Member for Children & Learning.
5. **Delegate** to the Director of Asset Management authority to submit planning applications after consultation with planning officers, commission all associated surveys/investigations (including transport assessment, soils survey, environmental check etc.) and commence tender processes as required to support the development of options appraisals to deliver Phase 5 expansions required- noting that tender awards will remain the subject of separate Executive Decision(s).
6. **Delegate** to the Assistant Director of Education authority to select proposers for new schools and make recommendations to the Secretary of State for Education in respect of free school processes.
7. **Approve** virement of £1.526m from Schools Expansion Programme Unallocated Fund

REPORT DETAIL

1. Introduction

- 1.1. Although many other London Boroughs and urban areas are currently experiencing a plateau or decrease in demand for primary school places, Havering is still forecasting significant growth in the coming years.
- 1.2. Havering saw a large increase in the birth rate from 2014/15 to 2015/16: the birth rate in 2014/15 was 3152 which increased to 3464 in 2015/16- an increase of 10% year on year. This has led to a large increase in the projected reception intake for 2020/21.
- 1.3. The birth rate for the following year in 2016/17 fell to 3381, followed by a further reduction in the birth rate in 2017/18 to 3347. The need for additional school places in Havering will be largely driven by new housing planned in the borough.
- 1.4. In London, Havering was one of five London boroughs that saw their birth rate peak in 2016 over the period 2001-2016. Of the five, four boroughs saw a reduction in the birth rate the following year in 2017, showing that the reduction in the birth rate from 2016 to 2017 was not unique to Havering and was a pattern repeated in other parts of London.
- 1.5. In October 2016, Cabinet approved a school expansion programme Phase 3 and Phase 4 as part of the Council's Commissioning Plan for Education Provision 2015/16 - 2019/20 agreed in August 15.
- 1.6. Under Phase 3 and Phase 4 of the school expansion programme, a total of 19 schools have been expanded which has created an additional 3106 permanent primary school places and secondary places in the borough.

A breakdown summary of additional school places created in those Phases is shown in table 1 below;

Table 1: Additional Places already created

Row Labels	Primary		Secondary		SEND		Early Years		Grand Total
	Permanent Places	Temporary Places	Permanent Places	Temporary Places	Permanent Places	Temporary Places	Permanent Places	Temporary Places	
Phase 3	1006	210		250	84		191		1741
Phase 4	990	30	1110	50	24		178		2382
Total	1996	240	1110	300	108		369		4123

- 1.7. The following expansions proposed in Phase 3 and 4 were not implemented

Table 2: Proposed expansions in Phase 3 and 4 not implemented

School	Phase	Planning area	Proposal	Implemented	Reason
Drapers' Pyrgo Priory School	Primary	Harold Hill	Expansion from 2FE to 3FE for 2017/18.	No	Business case was not submitted by the Academy. Places were not needed.
Broadford Primary School	Primary	Harold Hill	Expansion from 3FE to 4FE for 2018/19.	No	This project was swapped for Mead which has been delivered.
Gidea Park Primary School	Primary	Romford	Expansion from 2FE to 3FE for 2019/20	No	Objection to expansion proposal from school & GB
Parsonage Farm Primary School	Primary	Rainham & S Hornchurch	Expansion from 3FE to 4FE for 2018/19.	No	Expansion proposal postponed due to delays in planned housing and stakeholder opposition- expansion no longer required
Newtons Primary School	Primary	Rainham & S Hornchurch	Expansion from 2FE to 3FE for 2019/20	No	School not eligible for expansion until Jan 2019 when Ofsted judgement became Good. Expansion no longer required.
Emerson Park	Secondary	Central Planning area	Expansion from 7FE to 8FE	No	Places were not required

2. Early Years Need

2.1. Universal 3 & 4 year old projections

Table 3: Universal 3 & 4 year old projections table

Summer	Brooklands	Cranham	Elm Park	Emerson Park	Gooshays	Hacton	Harold Wood	Havering Park	Heaton	Hylands	Mawneys	Pettits	Rainham and Wennington	Romford Town	South Hornchurch	Squirrels Heath	St Andrews	Upminster	Total
2016	316	161	241	205	289	235	333	217	357	151	161	398	285	435	308	281	268	320	4961
2017	371	188	262	195	301	247	303	218	308	199	123	389	278	447	278	301	257	297	4962
2018	357	199	235	194	348	248	253	213	279	233	165	409	259	395	237	295	263	324	4906
2019	351	197	262	194	355	239	324	213	300	228	164	418	290	421	290	302	287	338	5174
2020	351	216	281	192	385	238	345	222	325	249	160	420	297	429	279	327	307	329	5352
2021	355	224	279	197	393	246	353	222	324	260	163	424	288	438	286	324	302	325	5404
2022	366	215	270	202	376	267	350	219	307	252	162	421	297	446	319	312	292	331	5403
2023	378	215	270	204	384	284	346	217	301	250	160	417	295	474	450	308	301	331	5585

Figures highlighted are projected numbers

2.1.1. Analysis of childcare for 3& 4 year olds show that across the borough there is sufficient childcare, however at ward level, the wards listed below have a projected deficit of places Below is the action plan with options that will help us meet the projected demand in these wards:

- Elm Park ward - to work with good/outstanding childcare providers to create additional places in this ward, explore new provision and/or create early years and childcare provision in schools with high surplus

capacity. To establish a new maintained nursery provision at The RJ Mitchell School by following the statutory process to lower the age range at the school.

- Hylands ward - work with good/outstanding childcare providers to create additional places in this ward, explore new provision to create early years and childcare provision.
- Harold Wood ward - work with good/outstanding childcare providers to create additional places in this ward, explore new provision to create early years and childcare provision.
- Hacton ward- work with good/outstanding childcare providers to create additional places in this ward, explore new provision and/or create early years and childcare provision.
- Romford Town ward - the proposed establishment of a 47 place nursery at Bridge Close Primary will help meet the potential shortfall of early years and childcare places in this ward
- Pettits- to work with good and outstanding childcare providers to create additional early years and childcare places in this ward.
- South Hornchurch -the proposed establishment of a 47 place nursery at the new school in Havering on the Beam Park site will help meet the potential shortfall of early years and childcare places in this ward.

2.2. 30 hours update.

2.2.1. The 30 hours extended entitlement was introduced in September 2017, offering an additional 15 hours childcare for 3 and 4 year olds to eligible working families. Between Autumn 2017 (when the offer was available) and Summer 2018 there was a 77% increase in take up. While this appears to be a significant increase, the increase will be part driven by children who were already accessing fee paying childcare places and are now eligible for the 30 hour offer. This high number of “converter” children to 30 hour offer are already within the child care system accessing a place and do not require the creation of a new place. We are expecting to see a similar increase for Summer 2019 and will continue to monitor the take up going forward and address future need in areas where this may be required.

2.2.2. 45% of childminders have signed the Directory and Funding Agreement to deliver funded Early Education and Childcare places

(including the 30 hour offer) in Havering and for the first time, we now have out of school clubs providers delivering funded places too.

2.3.2 Year Olds

2.3.1. In 2018 the take up of funded 2 year olds places in Havering was lower than in our border Local Authorities for the first time. Nationally the take up was 72% and Havering was at 56%. One reason why the take up in Havering is lower than national average is due to parental preference; some parents decide that their children are not ready to start nursery as a 2 year old.

2.3.2. Wards with less than 50% take up have been highlighted as areas that need additional marketing, these are Brooklands, Gooshays, Hacton, Havering Park, Heaton, Hylands, Mawneys, Romford Town, South Hornchurch and Upminster wards.

3. Primary Need

3.1. Table 4 indicates the additional permanent primary Reception year phase capacity, expressed as forms of entry (FE) that officers forecast will be needed for each School Planning Area over the next five years.

Table 4: Need for reception places

School Planning Area	Primary Phase Schools with size as at 1 September 2019 expressed as Forms of Entry (FE)	Need for 2019/20	Need for 2020/21	Need for 2021/22	Need for 2022/23	Need for 2023/24
Collier Row	Clockhouse Primary (3 FE) Crownfield Infant & Junior (4 FE) Dame Tipping CE VA Primary (0.5 FE) Parklands Infant & Junior (4 FE) Oasis Academy Pinewood (1.5 FE) Rise Park Infant & Junior (3 FE) St. Patrick's Catholic Primary (2 FE)	0	0	1FE	0	0
Elm Park	Elm Park Primary (2 FE) Hacton Primary (2.8 FE) Scargill Infant & Junior (3 FE) Scotts Primary (2 FE) St. Alban's Catholic Primary (1 FE) Suttons Primary (2 FE) The R J Mitchell Primary (2FE)	0	1FE	1FE	2FE	1FE

School Planning Area	Primary Phase Schools with size as at 1 September 2019 expressed as Forms of Entry (FE)	Need for 2019/20	Need for 2020/21	Need for 2021/22	Need for 2022/23	Need for 2023/24
Harold Hill	Broadford Primary (3 FE) Drapers Brookside Infant & Junior (2 FE) Harold Court Primary (2 FE) Harold Wood Primary (3 FE) Hilldene Primary (3 FE) Mead Primary (3 FE) Drapers' Pyrgo Priory Primary (2 FE) St Ursula's Catholic Infant & Juniors (2 FE) Drapers' Maylands Primary (2 FE)	0	3FE	0	2FE	2FE
Hornchurch	Ardleigh Green Infant & Junior (3 FE) Benhurst Primary (2 FE) Langtons Infant & Junior Academy (3 FE) Nelmes Primary (2 FE) Squirrels Heath Infant & Junior (3 FE) St Mary's Catholic Primary (2 FE) Towers Infant & Junior (3 FE) Harrow Lodge Primary (2 FE)	0	2FE	1FE	0FE	1FE
Rainham & South Hornchurch	Brady Primary (1 FE) La Salette Catholic Primary (1 FE) Newtons Primary School (2 FE) Parsonage Farm Primary (3 FE) Rainham Village Primary (2 FE) Whybridge Infant & Junior (3 FE)	0	0	0	1FE	1FE
Romford	Crowlands Primary (3 FE) Gidea Park Primary (2 FE) Hylands Primary (3 FE) St Edward's CE VA Primary (2 FE) St Peter's Catholic Primary (2 FE) The Mawney (3 FE) Concordia Academy Romford (3 FE)	0	0	1FE	1FE	3FE
Upminster & Cranham	Branfil Primary (3 FE) Engayne Primary (3 FE) James Oglethorpe Primary (2 FE) St. Joseph's Catholic Primary (2 FE) Upminster Infant and Junior (3 FE)	0	1FE	1FE	0	1FE
Total		0FE	7FE	5FE	6FE	9FE

3.2. As table 4 sets out, there is a need for additional reception places over the next five years. Previously the forecast methodology included a 5% surplus element on the projected reception intakes for the Harold Hill, Romford and Rainham and South Hornchurch primary planning areas only, due to high in year mobility and new housing growth in these areas. This surplus element has now been removed; delays to planned housing developments has meant that additional school places delivered in these areas to meet the need generated by housing have not been filled, an issue exacerbated by the surplus element added to the forecast. In addition, the ESFA has written to all Local Authorities setting out their expectations with regards to how Local Authorities manage their school estate, particularly in relation to managing any surplus places. Removing the 5% surplus element from the projections will reduce the risk of surplus places in Havering.

3.3. A total of 7FE is needed in 2020/21- the need for additional places this year is largely driven by the jump in the corresponding birth rate for the 2020/21 reception intake. The birth rate for the 2020/21 reception intake is our highest to date and was an increase of 10% compared to the birth rate the previous year.

3.4. Due to the 2020/21 reception need being based on our peak birth rate the decision has been taken to address much of the need for places through one-off bulge classes, where these are required. This approach is being adopted in order to assess how sustained the need for additional places is in each area. In table 4, the need for places is based on actual birth data except for the 2023/24 need which is based on a projected birth rate in the absence of actual birth data for this year being available. Please see Appendix 1 ONS birth data, GLA school roll projections and GLA population projections for more information regarding the future demand for school places and the birth rate in Havering.

3.5. The need for places in 2020/21 in table 4 is due to be delivered subject to consultation and statutory processes where necessary as follows:

- Elm Park- 1FE bulge class at Suttons Primary School/Scargill Infants School
- Harold Hill- 3 x 1FE bulge classes at Drapers' Pyrgo Priory School, Drapers' Maylands and Mead Primary School
- Hornchurch- 1FE bulge class at Langtons Infants School, 1FE bulge class at Harrow Lodge Primary School
- Upminster and Cranham- 1FE bulge class at James Oglethorpe Primary School

3.6. The need for places in 2021/22 in table 4 is due to be delivered subject to consultation and statutory processes where necessary as follows:

- Collier Row- 1FE bulge class at Oasis Pinewood Primary School
- Elm Park- 1FE permanent expansion of RJ Mitchell Primary School

- Hornchurch- 1FE bulge class at Langtons Infants School
- Romford- 1FE bulge class at Concordia Primary Academy
- Upminster and Cranham- 1FE bulge class at James Oglethorpe Primary School

3.7. The need for places in 2022/23 in the table 4 is due to be delivered subject to consultation and statutory processes where necessary as follows:

- Elm Park- 1FE bulge class at Suttons Primary School/Scargill Infants School
- Harold Hill- 1FE permanent expansion of Drapers' Pyrgo Priory School and 1FE bulge class Broadford Primary School
- Rainham and South Hornchurch- new 3FE school delivered as part of Beam Park development
- Romford- 1FE bulge class at Concordia Primary Academy

3.8. The need for places in 2023/24 in the table 4 is due to be delivered subject to consultation and statutory processes where necessary as follows and if growth is sustained:

- Harold Hill - 1FE permanent expansion of Broadford Primary School
- Hornchurch- 1FE bulge class at Langtons Infants School
- Romford- new 3FE school delivered as part of Bridge Close development
- Upminster and Cranham- 1FE permanent expansion

4. Housing

4.1. The increase in demand for school places in Havering is also driven by the level of housing development planned in the borough, which is projected to continue in order for the borough to meet and exceed its housing target of 17,550 new homes over the 2016/17- 2030/31 period, as set out in the emerging Local Plan and London Plan 2016.

4.2. The projected child yield expected from the new housing as taken from the May- Havering Housing Trajectory that forms part of the Local Plan post hearing correspondence, has been factored in the school roll projections. The trajectory details planned housing developments due to be delivered in Havering up until 2030/31. In the long term, this is likely to result in a continuation and probable escalation of the projected increase in pupil numbers.

4.3. Any changes to the housing trajectory either to the housing numbers or when the housing will be delivered, will likely lead to changes to the future projected demand for school places.

4.4. The school roll projections take into account the housing from the Havering Housing Trajectory, which is based on the London Plan housing target for Havering of 1,170 homes per year. The new Draft London Plan proposes a new ten year housing target for Havering of 18,750, or 1,875 new homes per year. The increase in housing target will likely result in further homes being added to the Havering Housing Trajectory which in turn will lead to additional demand for school places in Havering.

4.5. Romford Strategic Development Area

- i. The current housing trajectory sees over 5,300 new homes due to be delivered in the Romford area over the Local Plan period. This housing has been factored into the school roll projections. Due to the housing growth planned for Romford, we are projecting the need for a new 3 form of entry primary school (630 places).
- ii. If the amount of housing in Romford does increase beyond what is currently detailed in the Local Plan housing trajectory, then more new schools will be needed in order to meet the demand for school places.

4.6. New School in Romford (Bridge Close)

- i. The presumption process is the main route by which local authorities establish new schools in order to meet the need for additional places, both in terms of basic need and the need for diverse provision within their areas.
- ii. Under the presumption route the local authority is responsible for providing the site for the new school. It is the department's expectation that the site be available free or on a peppercorn basis by the Local Authority to the trust. The Local Authority is also responsible for meeting the associated capital and pre/post-opening revenue costs. Basic need capital funding is provided on an un-ring-fenced basis, so that local authorities can provide the places that they need, including through new presumption schools. The Local Authority will be funding £11.5 million (Basic Need funding) to fund the build costs for the Bridge Close School. This cost estimate is based on Basic Need funding allocations and the cost per place for primary school places. If the building cost is higher as a result of planning or high design specifications (which the Local Authority is not funded for through Basic Need allocations), then the Council will have to fund this additional cost through Council borrowing as previously agreed.

- iii. The decision on all new free school proposals lies with the Secretary of State. His approval is required as it is the Secretary of State who will enter into a funding agreement with the sponsor chosen to run the new school.
- iv. We are currently exploring the opportunity to secure the Bridge Close school through Wave 14 for free schools. The deadline for submitting an application in Wave 14 is 11 November 2019 and the outcome is likely to be known by the Summer term 2020. If successful the Bridge Close school will be centrally funded and delivered.
- v. If not successful through Wave 14, then the Local Authority will run a competition to open the Bridge Close school through the free school presumption route. The presumption process for Bridge Close School is attached as Appendix 2.

4.7. Rainham and Beam Park Housing Development

- i. The current housing trajectory sees over 3,000 new homes due to be delivered in the Rainham area over the Local Plan period. This housing has been factored into the school roll projections. Due to the housing growth planned for Rainham, we are projecting the need for a new 3 form of entry primary school (630 places).
- ii. Due to the housing planned in Havering, permanent expansions have already been implemented in several schools in the area. However delays to planned mass housing developments has meant that additional school places delivered in these areas to meet the need generated by housing have not been filled:

Table 5: Need for reception places in Rainham and South Hornchurch

Rainham and South Hornchurch	Reception places available	Surplus/ Deficit of places as FE	Notes
2019/20	360	2	
2020/21	420	1	Includes 1FE perm exp. each of Rainham Village and Brady
2021/22	510	5	Includes new 3FE Beam Park school opening this year
2022/23	510	2	
2023/24	510	2	

- iii. Table 5 includes 1FE permanent expansion of Rainham Village from 2020/21- this expansion was originally planned to be implemented from

2018/19, but has been delayed for two consecutive years as the places are not required. 1FE permanent expansion of Brady Primary School is also included from 2020/21 in table 5, with the new 3FE school on Beam Park due to open in 2021/22.

- iv. As can be seen in table 5, if these places are implemented as currently planned this will lead to a large surplus of places in the area at least initially, due to changes to the housing trajectory. The above need is based on a current housing trajectory that sees 1500 homes due to be delivered up to 2021/22. Any changes to the housing trajectory will change the need for places.

4.7.1. Proposed actions to address surplus

- i. 2020/21-
 - to delay implementation of Brady 1FE permanent expansion
- ii. 2021/22
 - to delay implementation of Brady 1FE permanent expansion
 - to discuss with the DfE the potential to postpone the phased opening of the new 3FE on Beam Park to September 2022.
- iii. 2022/23
 - implementation of Brady 1FE permanent expansion
 - New Beam Park school opens as 1FE as part of a phased opening

4.8. Council Estate Regeneration

- i. Further growth will be accommodated from major regeneration of the Council's own housing estates. The current housing trajectory sees over 3,500 homes due to be delivered in Havering as part of the Council Estate Regeneration area over the Local Plan period. This housing has been factored into the school roll projections. Some of the estates will be decanted during the building process. The decanting of these estates and the relocation of families may result in some local schools experiencing lower school rolls in the short term. This would be expected to rectify itself once the regenerated estates are reoccupied.

5. Secondary Need

Table 6: Need for year 7 places

School Planning Area	Secondary Schools with size as at 1 September 2019 expressed as Forms of Entry (FE)	Need for 2019/20	Need for 2020/21	Need for 2021/22	Need for 2022/23	Need for 2023/24	Need for 2024/25	Need for 2025/26
North	Drapers Academy (7FE) Redden Court School (7 FE)	0	0	0	1FE	2FE	2FE	1FE
Central	Marshalls Park School (8FE) Hornchurch High School (6.5 FE) The Champion School (5 FE) The Frances Bardsley Academy (8 FE) Emerson Park School (7FE) Bower Park School (6 FE) The Royal Liberty School (5 FE) St Edward's C of E School (7FE)	0	0	0	0	0	0	0
East	The Coopers & Coborn School(6.5 FE) Gaynes School (6.5 FE) Hall Mead (7 FE) Sacred Heart of Mary Girls' School (4FE)	0	0	0	0	0	0	0
South	Abbs Cross Academy (6 FE) The Brittons School (7.5 FE) Harris Academy Rainham (6 FE) Sanders School (6.5 FE)	0	0	0	0	0	2FE	2FE
Total		0	0	0	1 FE	2FE	4FE	3FE

5.1. The need for places in 2024/25 in the table 6 is due to be delivered subject to consultation and statutory processes where necessary as follows:

- i. South- 1FE permanent expansion at one of the secondary schools in area 2024/25 and reinstate Sanders back to its original PAN of 192 from September 2024.
- ii. Please note that both schools in the North planning area have already undergone permanent expansion; Redden Court has expanded by 2FE and Drapers' Academy has expanded by 1FE having declined to expand further. Therefore the need for places in this planning area will have to be met by available places in the neighbouring Central planning area.

6. Special Educational Needs

6.1. SEND nursery places

- i. Following the outcome of a successful bid to the Schools Nursery Capital Fund, the Local Authority will implement a 20 place nursery provision at Forest Approach Academy for 2, 3 and 4 year old pupils with SEND. The provision will be ready to open in September 2020.
- ii. The number of pupils (4-11) with EHC plans is expected to increase from 1074 to 1642 over the next four years (53% increase) as shown in table 7 below. The type of need with the highest increase is Communication and Interaction (74%) and SEMH (59%).

Table 7: Primary, Secondary and Special School SEND projections (Reception to year 11)

Year	Cognition and Learning	Communication and Interaction	SEMH	Sensory and or Physical needs	Total
2016/17	293	413	105	103	914
2017/18	267	469	123	114	973
2018/19	272	552	143	107	1074
2019/20	281	653	157	108	1199
2020/21	292	752	176	116	1335
2021/22	307	853	198	121	1479
2022/23	327	960	228	127	1642

Table 8: Post 16 SEND projections (16 to 25)

	Cognition and Learning	Communication and Interaction	SEMH	Sensory and or Physical needs	Total
2016/17	126	124	38	34	322
2017/18	158	139	40	38	375
2018/19	189	168	50	49	456
2019/20	196	156	67	53	473
2020/21	177	161	92	54	485
2021/22	155	207	106	45	513
2022/23	142	258	100	39	539

- iii. The number of pupils (16-25) with EHC plans is projected to increase by 18% over the next four years. The type of need with the highest increase is Communication and Interaction (54%) and SEMH (100%).

Table 9: Borough wide – Primary, Secondary, Special Schools and Post 16 SEND projections

	Cognition and Learning	Communication and Interaction	SEMH	Sensory and or Physical needs	Total
2016/17	419	537	143	137	1236
2017/18	425	608	163	152	1348
2018/19	461	720	193	156	1530
2019/20	476	809	225	161	1672
2020/21	469	913	268	170	1820
2021/22	462	1060	304	166	1992
2022/23	469	1218	328	167	2181

- iv. The number of pupils (4-25) with EHC plans in Havering is projected to increase by 43% over the next four years.

6.2. Proposals to meet the increase in demand:

6.2.1. Have more ARPs that focus on supporting children who have ASD and SEMH, particularly in early years and primary schools

For 2019/20

- New Post 16 (sixth form) provision at Forest Approach Academy which will take 14 pupils for Sept 2019. The intake will increase to respond to local demand.
- 1 ARP at Nelves Primary School 12 places for ASD

For 2020/21

- 1 ARP at Scotts Primary School 12 places for ASD
- 1 ARP at Suttons Primary School 12 places for SEMH
- 1 ARP at a secondary school for ASD needs.

For 2021/22

- 1 ARP at Beam Park School 12 places for ASD/SEMH
- 1 ARP at a secondary school for ASD and SEMH needs
- Corbets Tey expansion from 155 to 170 places.

For 2022/23

- New special school (3-16)- 60 places for pupils with ASD and SEMH

For 2023/24

- An ARP for 18 places – 6 places (2-4) and 12 places (4-11) for pupils with ASD and SEMH for 2023/24 as part of the Bridge Close development.

REASONS AND OPTIONS

7. Reasons for the decision:

7.1. This decision is necessary to ensure the provision of sufficient school places to meet the forecast rise in early years, primary, secondary and SEND pupil numbers projected beyond Phase 4 of the Council's Programme of School Expansions.

7.2. Other options considered:

There are in theory many different options for expanding existing provision, however, given the expansions that have been happening over the previous four phases the proposals set out in this paper are the only ones considered realistic at the current time. So far none of the options set out in this Report have been rejected.

Not providing any additional places is not an option as we would be failing to meet our statutory duties.

IMPLICATIONS AND RISKS

8. Financial implications and risks:

8.1. Capital Expenditure

- 8.1.1 Phase 5 of the Schools Expansion Programme sets out proposals for capital investment of £33.500m to provide for expansion of school places in those areas where there is clear evidence of sustained growth in need over the next five years. Appendix 3 – Table 1 summarises the proposed expansion programme for Primary, Secondary and SEND across the planning areas within Havering.
- 8.1.2 The estimates of capital costs for the major developments have been provided by the Technical Services team and have been costed based on standard DfE build criteria and contract rates. Any additional capital to fund requirements over and above the DfE

approved design would have to be met from either the authority or other sources.

- 8.1.3 A small provision of £1.500m is included to support the temporary bulge class arrangements during 2020/21, 2021/22, 2022/23 and 2023/24, for certain schools.
- 8.1.4 The investment will be funded from a combination of basic needs allocation, unallocated capital budget from earlier phases, SEND capital grant and S106 Housing Development contributions. The sources of the funding and total provision are set out in table 10 below. The authority has secured and set aside £36.231m of this funding which is not dependent on future allocation or additional sources of grants or receipts. The projected cost of Stage 1 is £33.500m leaving a balance of £2.731m in the Unallocated Reserve to contribute to funding Stage 2 which will commence during the financial year 2023/24. The remaining programme and funding for Stage 2 will be the subject of a future Cabinet report setting out the detailed proposals together with the sources of the additional funding required.

Table 10: Sources of Funding for Phase 5:

Funding:	£'m
Basic Need	21.900
Unallocated Funds from Phase 3 & 4	7.898
Send Capital Grant	2.157
S106 Contributions	4.276
Total Funding	36.231
Balance of Schools Expansion Programme to Fund Stage 2:	-2.731

Note: the total funding required for the SEND proposal is £7.8m, of which £2.157m will be met by the SEND grant and the balance from Basic Need.

- 8.1.5 The largest source of funding, £21.9m is from Basic Need Allocation which was announced in May 2018 to meet demand for places needed by September 2021. Though DfE has not announced the Basic Need allocation for places needed beyond September 2021, it is very unlikely that Havering will receive further allocations as the previous allocation was based on a year with high projections, which have reduced in subsequent years. DfE will deem that Havering has

been adequately funded as the projected numbers for the coming years are lower.

8.1.6 The unallocated funds are from the budgets for schemes proposed in previous phases which have either not been progressed or the actual cost was under the original budget.

8.1.7 The SEND Capital Grant is from Government capital funding allocation to Havering for 2018-2021 to support school places for children with Special Education Needs (SEN) and disabilities (children with Education, Health and Care Plans (EHC plans)).

8.1.8 The Section 106 Contribution of £4.276m has been secured from housing development receipts specifically ear-marked to support the expansion of school places.

8.1.9 Virement of £1.526m from Schools Expansion Programme Unallocated Fund

The programme is requesting approval for virement of £1.526m from the Programme's Unallocated Fund to support additional costs for schemes previously approved. There is an available balance in the Unallocated Fund of £9.4m which is more than sufficient to meet the virement. The balance if the virement is approved will reduce to £7.898m which is the balance included in table 10, Sources of Funding presented above.

Table 11 – Virement from Unallocated Fund to Support Phase 3 and 4 Schemes

School Expansion Programme	£'m
Mawney School PSPB Contribution towards	0.011
Crownfield Infant School Expansion	0.620
Emerson Park School Expansion	0.246
James Oglethorpe Nursery Expansion	0.008
Old School House Nursery Expansion	0.015
Mead Nursery	0.034
Brady Primary Expansion	0.490
Redden Court School Expansion	0.103
Total Virement from Schools Expansion Unallocated Fund	1.526

8.2 Revenue Expenditure

8.2.1 The additional revenue costs for the increased demand will be met from either the Dedicated Schools Grant (DSG).

8.2.2 The range of additional provision within this report will mean that irrespective of nature of the provision all providers will need to appoint additional staff and provide other resources. As highlighted above the additional funding will be allocated from one of three blocks of the Dedicated Schools Grant (DSG): Early Years, Schools or High Needs depending on the nature of the provision.

8.2.3 An increase in school admissions across the Borough may also have a 'knock-on effect' on other budgets such as free school meals, home to school transport and the demand for alternative provision and support services. Any pressures arising will be addressed through the appropriate channels as the needs arise.

8.2.4 Schools and other providers will be responsible for the ongoing running costs and revenue maintenance costs of any new buildings. Such costs will need to be contained within their overall revenue budgets.

8.2.5 Early Education and Childcare Places

The additional places at The RJ Mitchell Primary School, at Beam Park and Bridge Close will be funded from the Early Years Block. This funding will be allocated through the current formula which is on the basis of an hourly rate for each hour of provision per child and a deprivation supplement. The funding received by the LA from the DfE is based on the January census before the start of the financial year with an update based on the following January census. These costs can be absorbed within the overall Early Years Block

The 20 place nursery at Forest Approach Academy will be funded from a combination of the above and a contribution from the High Needs Block.

8.2.6 School Places

- i. The revenue implications for schools are that in creating additional classes, additional resources will be incurred particularly for teaching and support staff. The funding received by the LA for allocation to schools through a mainly pupil-led formula is based on the numbers on roll at Havering schools as at an October census date. Schools therefore receive funding for a financial year based on the preceding October pupil numbers (other data is also used to recognise deprivation and special educational needs). Any additional pupils who are placed in schools after the October census are not funded by the DfE formula even though schools will need to appoint additional staff when additional classes are required. This applies to schools where expansion is permanent as well as for bulge classes. For permanent expansions, additional funding will need to be allocated to

schools each year until each year group is at the new form of entry. Bulge classes are for a single year group only and will require funding for the first year after which it is expected that the school will be funded through the normal schools funding formula for the additional pupils on roll as at the October census.

- ii. In recognition of the need to additional funding for growth, separate pupil growth funding is allocated to LAs from the DfE on a formula that is calculated on any increase in pupil numbers between the previous two October censuses. This lagged arrangement does not therefore take account of forecast growth. Havering's allocation for financial year 2019-20 is £2.5m but includes significant protection against a reduction in funding from the previous year. Once the protection ceases, this arrangement based on lagged pupil numbers is unlikely to provide sufficient funding to fund the increased costs in the schools that are expanding. Without further consideration by the DfE this could require a diversion of funding from the rest of the Schools Block of the Dedicated Schools Grant which may impact on the ability of Havering to continue to implement the national funding formula.

8.2.7 SEND Places

- i. Funding to LAs for pupils with special educational needs and disabilities is allocated through the High Needs Block of the Dedicated Schools Grant. From their overall allocation LAs must fund a range of provision for SEND and for pupils requiring alternative provision. Each additional Special School place will require funding at £10,000 per place plus a needs-led top up.
- ii. LAs also need to fund Additionally Resourced Provisions (ARPs) from their High Needs Block at £6,000 per place plus another £6,000 top up. Schools retain the AWPU in their funding which they should use to fund the ARPs in their schools.
- iii. Funding to local authorities from the High Needs Block is on the basis of previous year data. Any additional costs arising from increased provision will need to be met from within each financial year's allocation. These proposals will place additional pressure on Havering's High Needs funding.
- iv. However, an increase in the number of local special schools and Additional Resourced Provisions in mainstream schools will help increase capacity to meet increased demand and ultimately reduce the costs of expensive out of borough provision.

9 Legal implications and risks:

- 9.1 The Council has a statutory duty to secure that efficient primary education and secondary education is available to meet the needs of the population of their area (Section 13 Education Act 1996).
- 9.2 At present certain types of school organisational change (including change of age range, change of character, expansion through enlargement of premises, increase/decrease or change of provision for pupils with special educational needs) are subject to statutory processes of consultation and decision-making.
- 9.3 A number of the recommendations require the Local Authority to bring forward proposals which must be the subject of statutory notifications. In such cases the Authority should ensure that it conscientiously considers the responses to the statutory process before making any final decisions. As such the recommendations which require statutory consultation should not be considered to be finalised until the outcome of the consultation is known and a fresh decision has been made following that.
- 9.4 Academies wishing to expand, make age range changes (by up to two years), add boarding provision or amend admissions need to seek approval from the Secretary of State, through the ESFA, to make such changes.
- 9.5 The recommendations which set out the guiding principles for the Council to address the rising school roll issues are of a generic nature and have been approved already by Executive decision and there is therefore no reason to make a new decision about these.
- 9.6 As and when individual decisions come to be made legal advice is likely to be necessary.
- 9.7 In respect of any proposed lease of property the terms under which the Council is to enter into the lease should be approved by the Director of Asset Management. The powers to enter into the lease exist under s1 Localism Act 2011 and section 120(1)(a) Local Government Act 1972

10 Human Resources implications and risks:

- 10.1 The human resources implications for the schools to be proposed for expansion will be managed by the schools themselves. There is likely to be a need to recruit additional teaching and support staff and the relevant schools will undertake the recruitment and selection process in accordance with the appropriate policies and procedures. There are growing difficulties in recruiting to teaching posts and therefore schools will need to consider that additional resources and a longer recruitment timescale may be required to fill vacancies.

10.2 The Havering Education HR service will provide support as appropriate and required to all schools, academies or free schools that purchase relevant services.

11 Equalities implications and risks:

11.1 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.

11.2 An equality impact assessment was carried out as part of the approval of the Commissioning Plan for Education Provision in Havering 2019-2023, attached as Appendix 4.

- Appendix 1 ONS birth data, GLA school roll projections and GLA population projections
- Appendix 2 Free school presumption process and timeline
- Appendix 3 Financial costings for phase 5
- Appendix 4 EIA for Commissioning Plan for Education Provision in Havering 2019-2023

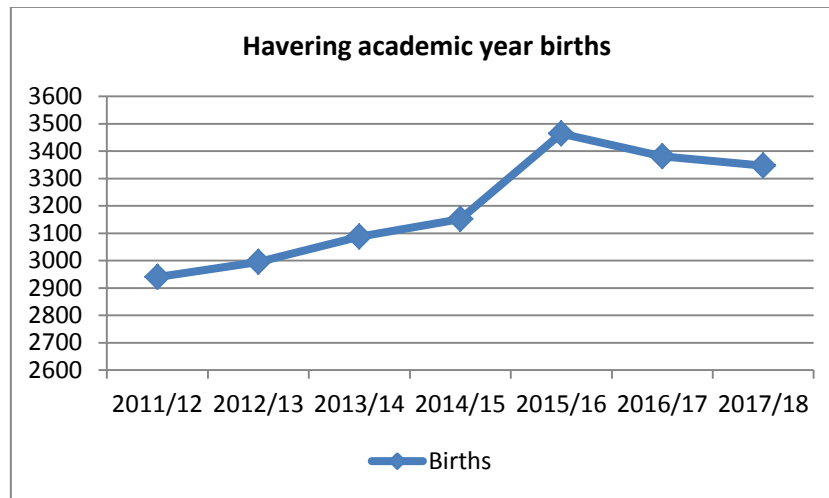
BACKGROUND PAPERS

Letter from Lord Agnew dated 30.05.2018

Appendix 1- ONS birth data, GLA school roll projections and GLA population projections

ONS births

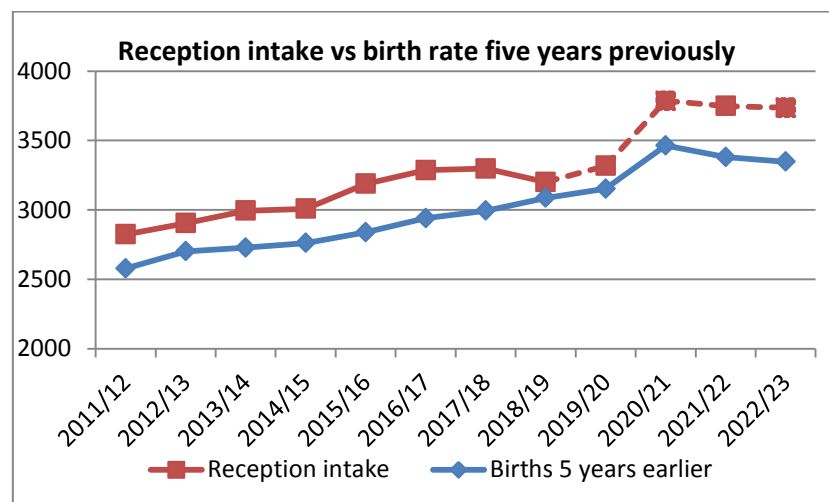
The following chart is actual Office for National Statistics (ONS) birth data for Havering by academic year:



Havering saw a large increase in the birth rate from 2014/15 to 2015/16: the birth rate in 2014/15 was 3152 which increased to 3464 in 2015/16- an increase of 10% year on year. This has led to a large increase in the projected reception intake for 2020/21.

The birth rate for the following year in 2016/17 fell to 3381, followed by a further reduction in the birth rate in 2017/18 to 3347. The need for additional school places in Havering will be largely driven by new housing planned in the borough.

Reception intake vs birth rate five years previously



Please note that the broken line in the above chart indicates that the reception intake is a projection.

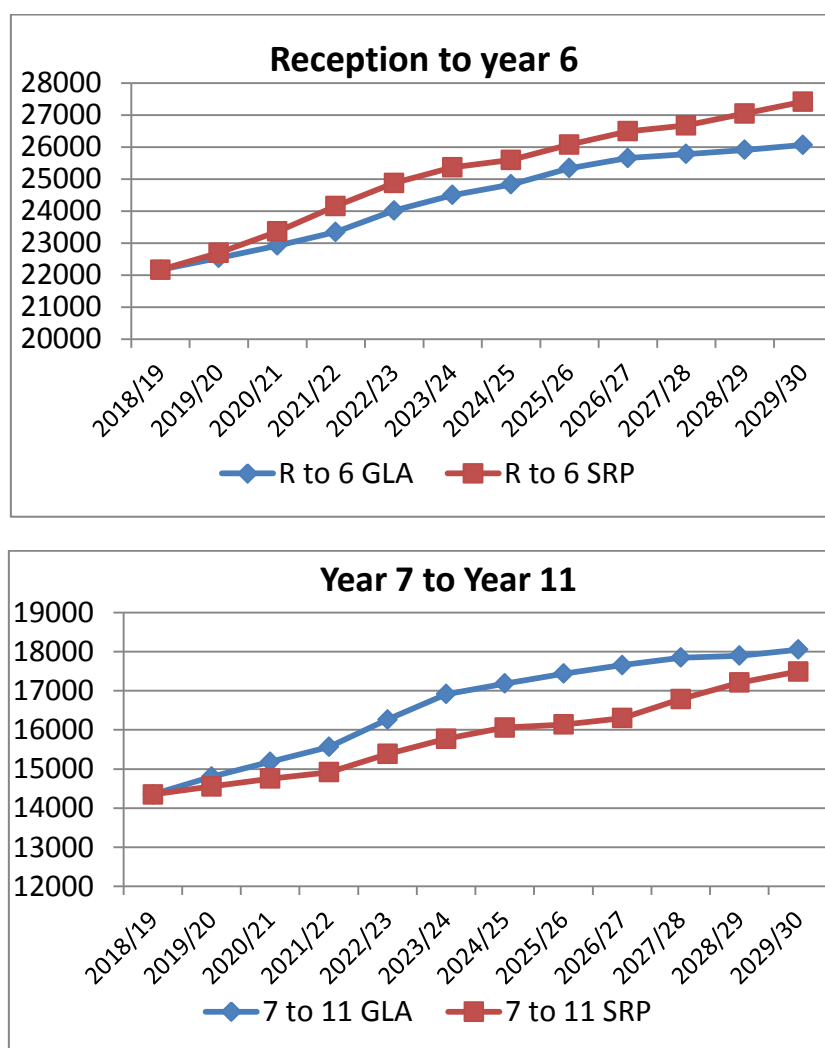
The chart shows that last year the number of children starting reception as a proportion of the birth rate five years earlier reduced (as seen by the closer points on the chart under 2018/19). However the relationship between the projected reception intake and the birth rate widens for future years- a consequence of the new housing planned for Havering generating the need for additional school places.

The relationship between the reception intake and birth rate in Havering five years earlier shows that Havering is a net importer of pupils at reception, i.e. more pupils are expected to start reception at a Havering primary school than were born in borough five years earlier.

GLA School roll projections

In addition to the in-house school roll projection model that we run in order to inform us of future school place demand in Havering, we also buy into the GLA School Roll Projection service which provides us with school roll projections for Havering. Although we receive school roll projections from the GLA, we still use our in-house projections as our definitive set of roll projections. The reason for this is because we are able to make adjustments to our in-house projections that reflect local trends and patterns of movement that may not be captured by the GLA. By being able to incorporate our local knowledge of demographic changes in Havering in our school roll projections; we are able to produce a more robust set of projections that better reflect what is happening on the ground. Nevertheless, the GLA school roll projections provide an important “catch” to the in-house model, ensuring that the roll projections produced by the in-house model remain as accurate as possible.

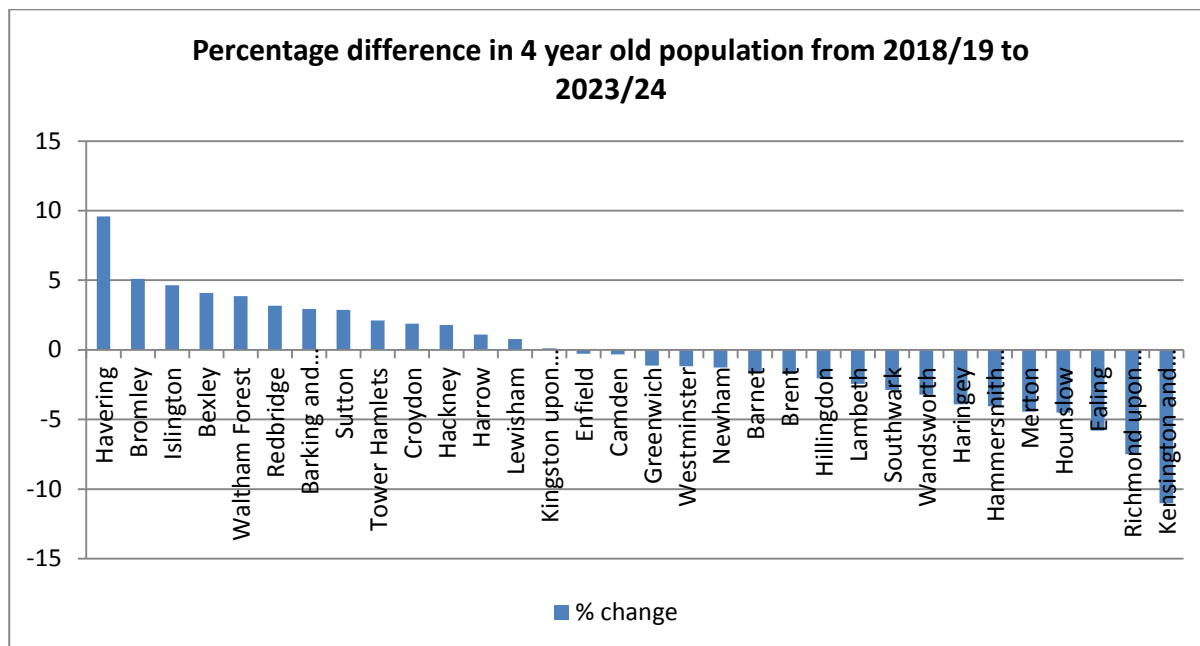
The following is a comparison between the GLA school roll projections (blue line) and the in-house school roll projections (red line) for Havering:



The above charts show that even though projections produced by the GLA and the in-house model do not produce the exact same numbers, the GLA projections for both the primary and secondary phase show a similar trend to those produced by the in-house model, thus providing reassurance regarding the accuracy of the in-house model.

GLA population projections

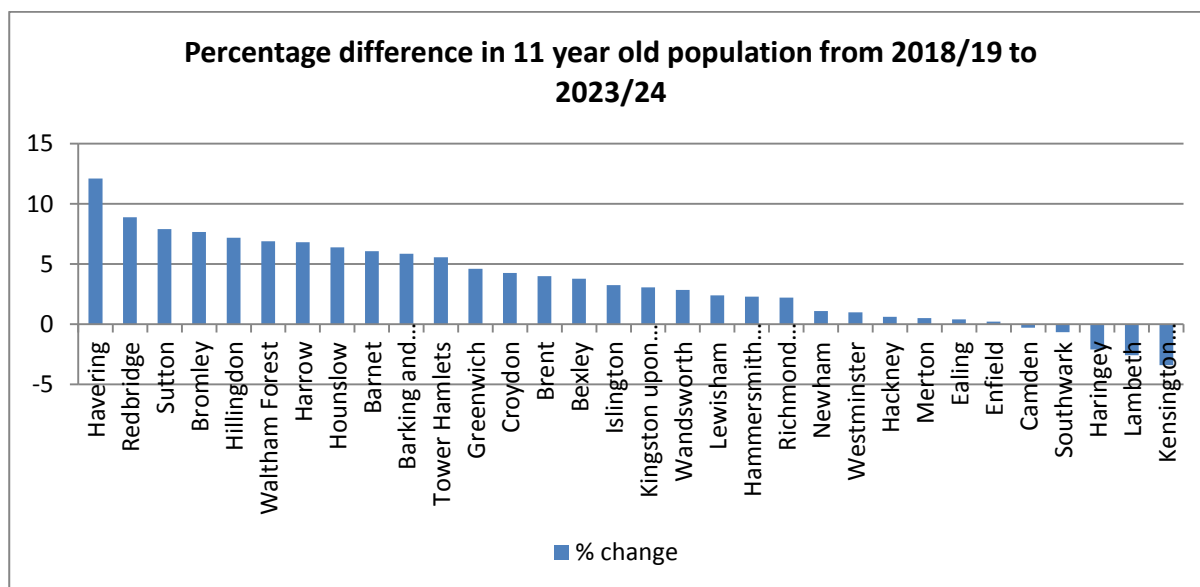
Although much of London is experiencing a plateau or reduction in their primary rolls, this is not the case for Havering where we are still experiencing rising primary rolls. The GLA have produced population projections that show that Havering is the London borough expected to have the largest percentage increase in 4 year old population in London over the five year period 2018/19 to 2023/24:



Source: GLA population projection 2017-based trend projections – medium migration variant for SRP

This data produced by the GLA shows that Havering should expect further demand for primary school places due to an increasing population.

Similarly, although Havering has seen a reduction in the secondary school forecast compared to previous years, the GLA still expects Havering to have the largest percentage increase in 11 year old population in London over the five year period 2018/19 to 2023/24:



Source: GLA population projection 2017-based trend projections – medium migration variant for SRP

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Appendix 2

Planning for School Places Phase 5 (Bridge Close)

Summary of the Free School Presumption Process

Statutory Framework

Where the need for a new school is identified, the LA is not able to open a new community school. The 2011 Education Act introduced the 'free school presumption'. (N.B. Free schools and academies are legally the same type of school.)

Free School Presumption and the LA Setting the Specification

The 'free school presumption' process will first involve the LA setting its specification for the new school. When setting the specification the local authority will publish notice and information on the council website and engage through a formal consultation with parents and other key stakeholders including potential providers, other local schools, academies, the wider community, diocesan bodies and any others affected by the proposals. The LA's specification will seek to ensure that a provider is appointed who can deliver what is required in consideration of the views expressed by parents and the wider stakeholder group.

The LA specification will set some key matters in addition to the basic details such as the size of the school, indicative project timescales, planned opening date and the community it should serve. This will include emphasising the need for a strong education vision, engagement with the local community, the provision of inclusive education for all children and the need for the school to serve local children. The specification will also include a commitment to support Havering's Education Partnership. Please see below a detailed summary of the information that would normally be included in the LA's specification.

Seeking Expressions of Interest

The LA will publish the new school specification along with details of the presumption process and seek expressions of interest from approved free school or academy providers. This procedure is set out by the DfE and will include holding a local event for both the community and potential providers. Only existing academies or free schools that have obtained 'approved provider' status from the DfE are able to bid to operate new schools.

The LA will receive and evaluate the bids according to its specification and in consultation with the Regional Schools Commissioner (RSC). The bids will then be submitted to the Secretary of State with the LA's recommendation.

The Decision

The decision on the appointment of a provider is taken by the Secretary of State, who delegates this responsibility to the RSC. The RSC will consider the local authority evaluations and recommendations before deciding which provider is in the best position to take forward the new school. The RSC will then inform the LA and the successful provider of its decision. The LA must then inform any unsuccessful applicants.

Next Steps

Once the new school provider has been chosen the DfE will begin the process of entering into a funding agreement with the appointed provider for the new school to be established by the relevant date.

For the opening of a new School in September 2023 the free school presumption process would normally begin in February 2020.

As an alternative to the Free School Presumption and where the LA establishes there is no longer the need for additional school places, it could decide to use a school site allocation for the relocation of an existing school. This would be in accordance with the statutory guidance for making organisation changes to local-authority-maintained schools.

LA's Outline Specification for a New School

Section A - Introduction

- Indicative timelines for the project
- Opening and closing dates for submission of proposals (at least 6 – 8 weeks, but if the timescale allows, 12-14 weeks may be more appropriate)
- Details of when and how the local authority intends to assess the bids and when the local authority intends to provide this information to the Department for Education (DfE)
- How to apply (including a link to the application form)
- Process the local authority will follow when assessing proposals].

Section B - The School

- Opening date
- Site / location (including any maps)/ postcode
- Pupil capacity
- Planned initial PANs, number of forms of entry on opening and expected rate of growth
- Proposed admission arrangements, including catchment area if applicable
- Type of school
- Phase of education and age range
- Nursery provision
- Sixth form provision
- SEN provision
- Community use / shared facilities
- Transport arrangements
- Character/Ethos of school
- Equalities impact analysis
- Details of the site/ building, including details of ownership

Section C - Vision

- A strong educational vision and a curriculum delivery based on high standards of attainment for each key stage
- Plans for appropriate engagement with the local community and parents during the preopening period and any on-going engagement
- Excellent support facilities to meet the needs of all children, including looked after children, those with Special Educational Needs, etc.
- A commitment to excellent outcomes and high quality of teaching and learning

Section D - Education Plan

- An ambitious, broad and balanced, deliverable curriculum plan which is consistent with the vision and pupil intake. This could include a curriculum table and pupil build up chart
- A staffing structure that will deliver the planned curriculum within the expected income levels; with a focus on outstanding teaching (including strategies for effective performance management). This could also include an organogram and staff build up chart
- The needs of all children are fully provided for and how the school will be fully inclusive
- Details of enrichment and extended services, for example, breakfast clubs, sports clubs, homework clubs and music/art clubs
- The school's approach to: PHSE; the Prevent Duty; safeguarding and welfare; and promoting fundamental British values (democracy, the rule of law, individual liberty, mutual respect and tolerance of those with different faiths and beliefs)
- Commitment to support Havering Education Partnership

Section E - Capacity and Capability

- The resources you would draw on and/or deploy to support the development of the new free school by the opening date
- Clear evidence that you have the range of skills and abilities necessary to set up and then run a school effectively, including: managing school finances; leadership; project management; marketing; human resources; safeguarding; and health and safety
- How the school would be organised and what the governance arrangements would look like, including a diagram of the proposed structures.

Section F - Funding and Costs

- An estimate of how much the school will cost to build and where the funding will be coming from, i.e. local authority, Section 106 or mixture
- Details about capital and revenue funding – how much will be available for start-up costs [state that the DfE currently provides £25,000 for legal expenses to the successful sponsor]
- Details of pre-opening funding to be provided by the local authority

Section G - Impact and Equalities Assessments

The LA will assess the potential impact of any new school on existing educational provision in the area. The local authority must also consider whether the new school would impact on any groups with protected characteristics.

Free school presumption process timeline

Process	Timeline	Notes	Output
Local authority consultation <ul style="list-style-type: none"> To start the Free School Presumption process- Cabinet approval to establish new school and agree to go out to consultation granted via Phase 5 cabinet report 	Sep 2020	Consultation with potential providers, other local schools, academies, the wider community, religious organisations/ institutions including diocese and any others. Consultation will include school type (e.g. mainstream, faith, special educational needs, pupil referral unit, and alternative provision), age range, gender and capacity of the free school, the expected cost and the date by which it is expected to open. (Consultation to start after announcement of Wave 14)	Feedback will be used to formulate and finalise the new school specification
<ul style="list-style-type: none"> Consultation with all stakeholders (Minimum 6 weeks) 	Sep – Nov 2020		
<ul style="list-style-type: none"> Completion of Consultation feedback report 	Jan 2021		
Impact and Equalities Assessment <ul style="list-style-type: none"> Produce Impact assessment 	Jan 2021	Assessment of the impact of the proposal, both on existing educational institutions locally and in terms of impact on particular groups of pupils from an equalities perspective.	Copy of the assessment
Preparation of Draft School specification	Feb 2021	Details to include (see below)	Send out to stakeholders for comments
Informal DfE Notification	Feb 2021	Draft specification to the department for review and comment prior to the specification being published via freeschool.PRESUMPTION@education.gov.uk	Informal engagement and Feedback received from DfE on the draft
Finalise final School specification	March 2021	Details to include (see below)	
Formal DfE Notification	April 2021	Documents to submit <ul style="list-style-type: none"> Copy of the new school specs Impact and equalities assessment Link to webpage where the information will be made available Confirmation that the LA <ul style="list-style-type: none"> Has the identified required capital (amount 	

Process	Timeline	Notes	Output
		<ul style="list-style-type: none"> and source) Will meet all pre and post opening revenue costs Will provide the site Full address and postcode of the site Site ownership or tenure arrangements 	
Seeking Proposals- Publication of Specification (statutory requirement)	May 2021		
Submission of Proposals by Sponsors 6-8weeks (recommended) but can be up to 12-14weeks	July 2021 (based on 12 weeks)	Local good or outstanding schools that are interested in submitting a proposal to run a new school will need to have or acquire academy status and be an approved sponsor.	
Due Diligence on all applicants	Aug 2021	LA should undertake due diligence check on all applicants.	
Assessment of proposals (4-10weeks)	Sep 2021	Setting up an assessment panel, Interviews/presentations by applicants	
Local Authority recommendation	Oct 2021	Assessments of each application to be submitted to the Secretary of State at the earliest opportunity, including the scoring for each proposal.	
Sponsor Approval	Nov 2021	The Secretary of State will make a decision on the sponsor of the new school	
Pre- Opening Phase - Sponsor Section 10 Consultation	Minimum 6 weeks	This consultation should take place in after the sponsor has been approved by the Secretary of State but before the signing of the funding agreement.	The consultation must include the following question: Should the Trust enter into a funding agreement with the Secretary of State
Funding Agreement	June 2022 (estimated)	Before the funding agreement can be signed the department will require the following key requirements to be in place: <ul style="list-style-type: none"> Articles of association Admissions policy Section 10 consultation Governance plans 	

Process	Timeline	Notes	Output
		<ul style="list-style-type: none"> • Disclosure Barring Service (DBS) checks • Principal Designate (PD) (or Head teacher) and / or Executive Head recruitment • Finance and pupil recruitment • Financial plans • Education policies • Impact and equalities assessment <p>Further to this for the funding agreement to be in place, the DfE will require:</p> <ul style="list-style-type: none"> • Written development funding agreement between the local authority and the approved sponsor to be in place (should be completed prior to 'kick-off' meeting); • Land questionnaire completed; • Heads of Terms received; • Equalities process record (EPR) completed (statutory); • Get Information About Schools (GIAS) registration (statutory); • Financial and governance health-check completed. <p>The funding agreement can be signed at any point up to the date of opening in a presumption project; however, it should be entered into as early as practically possible.</p> <p>An early funding agreement will provide greater clarity for pupils and parents, and enable the successful sponsor to recruit staff with confidence that the school will open on the preferred date.</p>	
School opening	Sept 2023		

Risks:

- **In order to open in September 2023 a sponsor will need to be appointed and have signed a funding agreement with the DfE by March 2022. The above timescale indicates that this may not be achievable.**

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Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	<i>Consultation on the draft Commissioning plan for Education Provision (CPEP) 2019-2023</i>
Lead officer:	<i>Pooneeta Mahadeo, School Organisation Manager, Organisation & Place planning Manager, Education , Children's Services</i>
Approved by:	<i>Trevor Cook Assistant Director, Education, Children's Services</i>
Date completed:	<i>4 December 2018</i>
Scheduled date for review:	<i>September 2020</i>

Did you seek advice from the Corporate Policy & Diversity team?	Yes
Did you seek advice from the Public Health team?	No
Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact EqHIA@haverling.gov.uk for advice from either the Corporate Diversity or Public Health teams. Please refer to the Guidance in Appendix 1 on how to complete this form.

About your activity

1	Title of activity	<i>Consultation on the draft Commissioning plan for Education Provision (CPEP)2019-2023</i>		
2	Type of activity	<i>Strategy</i>		
3	Scope of activity	<i>The Scope of the activity is to assess the impact of the draft commissioning plan for Education provision 2019-2023, allowing all education stakeholders to contribute to the proposals that will ensure that Havering, as the Strategic Commissioner of Education Provision across all types of education phases monitors the supply and demand for early years, primary, secondary, post-16, special and alternative provision across the borough, making certain that there is sufficient capacity to meet demand by planning for the growth.</i>		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:	Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.		
6	If you answered NO:			

Completed by:	<i>Pooneeta Mahadeo, School Organisation Manager, Organisation & Place planning Manager, Education , Children's Services</i>
Date:	<i>14/12/2018</i>

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

<p>Background/context:</p> <p>All Local Authorities including Havering have a statutory duty to provide sufficient schools places to all children that live in the borough.</p> <p>The Plan/strategy provides an overarching framework and evidence-base for determining when and where education provision may be needed in the future. It sets out the council's policy for school organisation and plans to ensure there is sufficient capacity to meet demand for early years, primary, secondary, post-16, special school and alternative education provision across the borough. It also highlights the forecast number of children and young people in Havering and breaks this down to smaller geographical areas (planning areas within these) to show where there may be a need for more or fewer school places.</p> <p>In our role as Commissioner of Education Provision and working in partnership with education providers, the plan also details a set of our principles and planning guidelines which will be used to consider, evaluate and commission individual proposals to address any identified any surplus or deficit of places where growth has been projected.</p> <p>In respect of the Equality Impact & Health Assessment (EqHIA), this would be carried out at two levels/stages.</p> <p>The scope of the first EIA is to assess the impact of the overarching Commissioning Plan and its principles and guidelines on all our education stakeholders including individuals and groups who have protected characteristics, and to identify relevant actions to minimise any negative impact or optimise positive outcomes.</p> <p>The second EIA will be a more detailed analysis on the specific proposals arising from the plan/strategy that will address how we will deliver on the deficit of places being projected and the impact it may have on individuals and groups with protected characteristics.</p>
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<p>Who will be affected by the activity?</p> <ul style="list-style-type: none"> • All parents/carers of pupils resident in Havering • All pupils attending a Havering school or College • All Education providers • Havering residents especially those who are residents near schools and in areas of population growth and projected demand of school places • All voluntary organisations who provide alternative education in the borough • All Governing body members of maintained schools • Local Governing members of academies • Members of Academy Trust boards • The Diocese of Brentwood and Chelmsford

<p>Protected Characteristic - Age: Consider the full range of age groups</p>	
<p>Please tick (✓) the relevant box:</p>	<p>Overall impact: The Commissioning plan/strategy will have a positive</p>

Positive	√	impact on children and young people of school age living in Havering and will support the effective delivery of the Local Authority's vision for every child in the borough to <i>"have the best possible start in life with families and communities looking after themselves and each other enabling all to lead happy and healthy lives"</i> .
Neutral		
Negative		

Evidence: The Commissioning Plan highlights an increase of 52% in the number of births between calendar years 2002 to 2016 in Havering. It also identifies that the number of primary age pupils (reception-year 6) and secondary age pupils (years 7-11) is expected to continue to rise over the next five years. As part of the consultation, stakeholders were consulted on the options being proposed to ensure that all school aged children requiring a school place should be able to secure one.

Any specific proposals arising from the Commissioning strategy will be subject to a full and comprehensive equality impact assessment which will consider the full range of age groups.

Sources used:

- Birth data received from the ONS.
- Population projections produced by the GLA
- Historic pupil data obtained from the school census
- Housing development data obtained from the London Development Database and our planning department.
- School Roll Projections
- Consultation survey report on the draft CPEP

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions

Please tick (✓) the relevant box:

Positive	√	<p>Overall impact: Positive for children with special educational needs and disabilities (SEND) who will have school places that meet their educational needs. Making appropriate local provision available is positive for children with special educational needs.</p> <p>The Havering's High needs strategy outlines a number of proposed actions that will ensure that children, young people with SEND and their families have the right support at the right time including delivering an ongoing programme to create more additionally resourced provisions (ARPs) in mainstream settings and develop a new Social Emotional and Mental Health (SEMH)/Autistic Spectrum Disorder (ASD) 60 place free school.</p>
Neutral		
Negative		

Evidence: The Commissioning Plan shows that an increase in Havering school age population has also led to an increase in the number of pupils subject to an education health care plan (EHCPs) and anticipates that the demand for specialist places will continue to increase with the overall population growth. It also gives predicted numbers of pupils with each primary need over the next 5 years.

As part of the draft CPEP consultation, stakeholders were presented with other options being considered to ensure that the needs of children and young people with SEND are met. 90% of the surveyed participants gave their chosen options and highlighted additional comments regarding SEND provision in the borough.

Sources used:

- Havering's High needs strategy 2017-2022
- Projected school population
- School Census data
- Consultation survey report on the draft CPEP

Protected Characteristic - Sex/gender: Consider both men and women

Please tick (✓)
the relevant box:

Positive

✓

Neutral

Negative

Overall impact: The overall impact on is positive for both men and women. Most of our education provision from early years right through to post 16 including special schools and alternative provision is largely co-educational.

Evidence: All our early years, primary, special and post-16 provision are co-educational. 4 out of the 18 secondary schools in the borough are single sex, (two boys and two girls).

None of the commissioning options proposed for the creation of additional places included the expansion or establishment of a single sex school.

No responses were received during the consultation regarding single sex schools or co-educational provision. However, as we develop specific commissioning proposals; and if it arises that single sex education is demanded or proposed it will then be subject to further consultation and included as part of the principles and guidelines that will inform future commissioning decisions.

Sources used:

- School Census data
- Consultation survey report on the draft CPEP

Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities

Please tick (✓)
the relevant box:

Positive

Neutral

✓

Negative

Overall impact: The overall impact on this protected characteristic is neutral. National legislation determines that education establishments including schools cannot discriminate on ethnicity or racial grounds.

Creating additional school places will enable us to meet our vision of ensuring that every child has access to a good local school providing an opportunity for every young person in the borough to thrive, thereby securing outcomes that are above the national average.

Evidence: Havering is one of the most ethnically homogenous places in London, with 83% of its residents recorded as White British, higher than both London and England.

It is also evident from our consultation analysis on the draft CPEP that the population of Havering is still predominantly white. 76% of the surveyed participants who responded to the equality and diversity monitoring form stated that they are White British.

However, all our education provision is fully inclusive. Ethnicity or race is not a factor when considering the commissioning of education provision.

Sources used:

- 2017/18 Joint Strategic Needs Assessment (JSNA)
- School Census data
- Consultation survey report on the draft CPEP

Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief

Please tick (✓) the relevant box:

Positive

✓

Neutral

Negative

Overall impact: The overall impact on people from different religions or beliefs including those with no religion or belief is positive. National legislation determines that schools cannot discriminate on religion grounds. However, it should be recognised that faith schools are their own admission authority but are still expected to comply with the School Admissions Code. Creating additional places including in faith schools will enable us to meet our objective of providing access to a good local school for every Havering child.

Evidence: The diversity across education provision is further demonstrated by the 9 voluntary aided primary schools in the borough.

A few stakeholders who gave comments during the draft CPEP consultation were of the view that more faith schools are needed in the borough. Therefore, if there is a demonstrable need for additional faith schools, in areas which we have identified as requiring additional places, we will work positively with the both the Catholic and Church of England Diocese and other religious bodies to consider any proposals brought forward and it will subsequently be fully consulted upon before any commissioning decisions are made.

Sources used:

- School Roll Projections
- School Census data
- Consultation survey report on the draft CPEP

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual

Please tick (✓) the relevant box:

Positive

Neutral

Negative

✓

Overall impact: The overall impact on this protected characteristic is neutral. All our education provision is fully inclusive

Ensuring there is sufficient capacity to meet demand for early years, primary, secondary, post-16 and special school places across the borough will enable us fulfil our statutory duty.

Evidence: 85% of our surveyed participants who responded to our equality and diversity monitoring form during the consultation stated that they were heterosexuals. No issues regarding sexual orientation were raised during the consultation.

Sexual orientation is not considered as a factor when commissioning educational provision or in the determination of sufficiency of education provision.

Sources used: Consultation survey report on the draft CPEP

Protected Characteristic - 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: The overall impact on this protected characteristic is neutral. All our education provision is fully inclusive
Positive		Ensuring there is sufficient capacity to meet demand for early years, primary, secondary, post-16 and special school places across the borough will enable us fulfil our statutory duty.
Neutral	✓	
Negative		
<p>Evidence: All respondents who completed the equality monitoring form identified that their current gender was the same assigned at birth and there was no one currently considering undergoing a gender reassignment surgery.</p> <p>Gender reassignment is not considered as a factor when commissioning educational provision or in the determination of sufficiency of education provision.</p>		
Sources used: Consultation survey report on the draft CPEP		

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership		
<i>Please tick (✓) the relevant box:</i>		Overall impact: The overall impact on this protected characteristic is neutral. All our education provision is fully inclusive
Positive		Ensuring there is sufficient capacity to meet demand for early years, primary, secondary, post-16 and special school places across the borough will enable us fulfil our statutory duty.
Neutral	✓	
Negative		
<p>Evidence: Majority of respondents (72%) who completed the equalities monitoring form stated that they were in a marital relationship.</p> <p>No issues regarding marriage/civil partnership were raised during the consultation. Gender reassignment is not considered as a factor when commissioning educational provision or in the determination of sufficiency of education provision</p>		
Sources used: Consultation survey report on the draft CPEP		

Protected Characteristic - 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: The overall impact on this protected characteristic is neutral. All our education provision is fully inclusive
Positive		Ensuring there is sufficient capacity to meet demand for early years, primary, secondary, post-16 and special school places across the borough will enable us fulfil our statutory duty.
Neutral	✓	
Negative		

Evidence: 3% of the surveyed participants were either pregnant or have given birth in the last 26 weeks. No issues regarding pregnancy, undertaking maternity or paternity leave were raised during the consultation.

Being pregnant or undertaking maternity/ paternity leave is not considered as a factor when commissioning educational provision or in the determination of sufficiency of education provision.

Sources used: Consultation survey report on the draft CPEP

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

<i>Please tick (✓) the relevant box:</i>		Overall impact: The overall impact on those who are from low income or financially excluded backgrounds is positive By creating more school places to meet demand in only good or outstanding schools will help us realise our vision of ensuring that every child has access to a great education.
Positive	<input checked="" type="checkbox"/>	
Neutral	<input type="checkbox"/>	
Negative	<input type="checkbox"/>	

Evidence: Of the respondents who completed the equalities monitoring form, only 2% stated that they were unemployed.

Social mobility remains a serious issue and the changes seen in Havering's population influenced by increased births, housing developments and economic migration, mean that the Council's provision of school places must also respond to meet the changing needs of residents. The OfSTED annual inspection report published in 2017 shows that a common factor in the schools that do not improve to good or outstanding is that they have a higher proportion of deprived pupils. Fifty-five per cent of the schools that currently require improvement have high proportions of pupils from deprived areas. Therefore, supporting all phases of our education provision to develop a strong strategy and increasing access to only good /outstanding provision will ensure that all children have the best possible start in life, which will enable them achieve and reach their full potential.

Sources used:

- 2017/18 Joint Strategic Needs Assessment (JSNA)
- Consultation survey report on the draft CPEP
- Ofsted Annual report 2016/17 summary data

Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.

<i>Please tick (✓) all the relevant boxes that apply:</i>		Overall impact: The overall impact on health and wellbeing is positive. The Commissioning Plan sets out how we will carry out our statutory duty to ensure there are sufficient places of high quality, in the right places for all learners, while at the same time fulfilling our other responsibilities to raise education standards and be the champion of children and their families in securing good quality education, childcare and other provision including training and apprenticeships.
Positive	<input checked="" type="checkbox"/>	
Neutral	<input type="checkbox"/>	
Negative	<input type="checkbox"/>	

Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box

Yes ☐ No ☒

Evidence: We have already set out plans to ensure the availability and increased quality of education provision creating an opportunity for all children and young people to have access to and attain the highest level of education possible.

Sources used: Draft Commissioning plan for Education Provision 2019-2023

3. Outcome of the Assessment

The EqHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

✓	1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u>	→	Proceed with implementation of your activity
	2. The EqHIA identified some <u>negative impact</u> which still needs to be <u>addressed</u>	→	COMPLETE SECTION 4: Complete action plan and finalise the EqHIA
	3. The EqHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level	→	Stop and remove the activity or revise the activity thoroughly . Complete an EqHIA on the revised proposal.

The comprehensive nature of the Commissioning Plan for Education Provision 2019-2023 means that the EIA is also at a strategic, rather than specific level. In broad terms, the plan should have positive impacts for all children and young people and provides an avenue through which our stakeholders can contribute to the principles & guidelines as set out; raise any issues and/or views regarding both current education provision and future commissioning proposals.

This assessment indicates that in line with our legal duties, the principles and planning guidelines, and thus commissioning decisions, would impact positively on particular protected characteristics namely; age, disability, gender and religion specifically where proposals are put forward to alter the existing nature of the education provision.

However, individual commissioning proposals will be subject to a separate EIA and appropriate guidelines will be in place to enhance potential positive impacts, address any potential discrimination and eliminate any negative impact that may arise from this.

4. Action Plan

The real value of completing an EqHIA comes from the identifying the actions that can be taken to eliminate/minimise negative impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will address any negative equality and health & wellbeing impacts you have identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer
Age	Positive	Future consultations to enhance positive impact	Any individual proposals arising from the plan will be consulted upon and feedback taken into consideration before any commissioning decisions are made	Autumn 2019	Pooneeta Mahadeo
Sex/gender	Positive	Future consultations to enhance positive impact	Any individual proposals arising from the plan will be consulted upon and feedback taken into consideration before any commissioning decisions are made	Autumn 2019	Pooneeta Mahadeo

Religion/faith	Positive	Future consultations to enhance positive impact	Any individual proposals arising from the plan will be consulted upon and feedback taken into consideration before any commissioning decisions are made	Autumn 2019	Pooneeta Mahadeo
Disability	Positive	Future consultations to enhance positive impact	Any individual proposals arising from the plan will be consulted upon and feedback taken into consideration before any commissioning decisions are made	Autumn 2019	Pooneeta Mahadeo

Add further rows as necessary

* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts

** Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known (or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

5. Review

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

Review: 3 Year

Scheduled date of review: September 2022

Lead Officer conducting the review: Pooneeta Mahadeo

Please submit the completed form via e-mail to EqHIA@haverling.gov.uk thank you.

Appendix 2. Health & Wellbeing Impact Tool

Will the activity/service/policy/procedure affect any of the following characteristics? Please tick/check the boxes below

The following are a range of considerations that might help you to complete the assessment.

Lifestyle YES <input type="checkbox"/> NO <input type="checkbox"/>	Personal circumstances YES <input type="checkbox"/> NO <input type="checkbox"/>	Access to services/facilities/amenities YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Diet <input type="checkbox"/> Exercise and physical activity <input type="checkbox"/> Smoking <input type="checkbox"/> Exposure to passive smoking <input type="checkbox"/> Alcohol intake <input type="checkbox"/> Dependency on prescription drugs <input type="checkbox"/> Illicit drug and substance use <input type="checkbox"/> Risky Sexual behaviour <input type="checkbox"/> Other health-related behaviours, such as tooth-brushing, bathing, and wound care	<input type="checkbox"/> Structure and cohesion of family unit <input type="checkbox"/> Parenting <input type="checkbox"/> Childhood development <input type="checkbox"/> Life skills <input type="checkbox"/> Personal safety <input type="checkbox"/> Employment status <input type="checkbox"/> Working conditions <input type="checkbox"/> Level of income, including benefits <input type="checkbox"/> Level of disposable income <input type="checkbox"/> Housing tenure <input type="checkbox"/> Housing conditions <input type="checkbox"/> Educational attainment <input type="checkbox"/> Skills levels including literacy and numeracy	<input type="checkbox"/> to Employment opportunities <input type="checkbox"/> to Workplaces <input type="checkbox"/> to Housing <input type="checkbox"/> to Shops (to supply basic needs) <input type="checkbox"/> to Community facilities <input type="checkbox"/> to Public transport <input type="checkbox"/> to Education <input type="checkbox"/> to Training and skills development <input type="checkbox"/> to Healthcare <input type="checkbox"/> to Social services <input type="checkbox"/> to Childcare <input type="checkbox"/> to Respite care <input type="checkbox"/> to Leisure and recreation services and facilities
Social Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Economic Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Environmental Factors YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Social contact <input type="checkbox"/> Social support <input type="checkbox"/> Neighbourliness <input type="checkbox"/> Participation in the community <input type="checkbox"/> Membership of community groups <input type="checkbox"/> Reputation of community/area <input type="checkbox"/> Participation in public affairs <input type="checkbox"/> Level of crime and disorder <input type="checkbox"/> Fear of crime and disorder <input type="checkbox"/> Level of antisocial behaviour <input type="checkbox"/> Fear of antisocial behaviour <input type="checkbox"/> Discrimination <input type="checkbox"/> Fear of discrimination <input type="checkbox"/> Public safety measures <input type="checkbox"/> Road safety measures	<input type="checkbox"/> Creation of wealth <input type="checkbox"/> Distribution of wealth <input type="checkbox"/> Retention of wealth in local area/economy <input type="checkbox"/> Distribution of income <input type="checkbox"/> Business activity <input type="checkbox"/> Job creation <input type="checkbox"/> Availability of employment opportunities <input type="checkbox"/> Quality of employment opportunities <input type="checkbox"/> Availability of education opportunities <input type="checkbox"/> Quality of education opportunities <input type="checkbox"/> Availability of training and skills development opportunities <input type="checkbox"/> Quality of training and skills development opportunities <input type="checkbox"/> Technological development <input type="checkbox"/> Amount of traffic congestion	<input type="checkbox"/> Air quality <input type="checkbox"/> Water quality <input type="checkbox"/> Soil quality/Level of contamination/Odour <input type="checkbox"/> Noise levels <input type="checkbox"/> Vibration <input type="checkbox"/> Hazards <input type="checkbox"/> Land use <input type="checkbox"/> Natural habitats <input type="checkbox"/> Biodiversity <input type="checkbox"/> Landscape, including green and open spaces <input type="checkbox"/> Townscape, including civic areas and public realm <input type="checkbox"/> Use/consumption of natural resources <input type="checkbox"/> Energy use: CO2/other greenhouse gas emissions <input type="checkbox"/> Solid waste management <input type="checkbox"/> Public transport infrastructure



Lord Agnew Kt DL

Parliamentary Under-Secretary of State for the School System
Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0370 000 2288 www.education.gov.uk/help/contactus

Dear Directors of Childrens Services,

30 May 2018

On 29 May, the department announced basic need allocations for school places to be delivered for September 2021. This funding has been provided in order to support you to meet your statutory duty to deliver sufficient schools places, as set out in section 14 of the Education Act 1996. We expect that, in doing so, you will make every effort to spend this capital funding *efficiently*; safeguard the *quality* of places in the system; and manage down *spare capacity* in the estate where it exists. We know there is some excellent practice across local authorities on all of these fronts, and want to support you to learn from one another and improve where needed.

If you would like any additional support or wish to discuss any of the areas outlined in this letter, please do raise with your lead contact in the ESFA Pupil Place Planning team at Advisers.PPP@education.gov.uk.

Efficient use of capital funding

As part of fulfilling your duty to provide sufficient places, it is right that we look to you to deliver capital projects efficiently and effectively. There are many examples of effective delivery, but the latest SCAP Capital Spend data for 2016/17 shows considerable variation, based on the cost per place metrics in the School Places Scorecards. Even after excluding the least and most expensive groups, the cost of delivering a primary school place varies from £4,900 to £19,600.¹ The 2017 NAO Report on Capital Funding for Schools commented that variation in cost might indicate that some local authorities are not choosing to create new school places in the most cost-effective ways or are not implementing their chosen approaches efficiently. The latest School Places Scorecards are available on GOV.UK and the Education Building Development Officers latest National Schools Delivery Cost Benchmarking Report is [here](#).

The government has begun a programme of work to support local authorities, academy trusts and other responsible bodies to secure sufficient capability and capacity to manage their estates effectively. Mike Green, then Director of Capital at ESFA, issued advice to Directors of Children's Services in September 2016 on benchmarking, specification, delivery strategy and procurement routes. [Good Estate Management for Schools](#) was published in April 2018 to provide a one-stop-shop for everything that responsible bodies need to know about managing their estates.

¹ Based on looking at the 80th and 20th centiles, having controlled for inflation and regional price differences and excluding refurbishments.

We are also collecting and analysing data from local authorities and academy trusts to improve how we monitor whether capital grants are being used efficiently, to benchmark performance, and to help share best practice. We visited a number of local authorities in 2017 and engaged in discussions to identify drivers of efficiency and inefficiency in the delivery of school places. We are now working closely with the sector to support high cost local authorities to increase value for money. In 2018/19, we will extend our work to look at efficiency in the management of the existing estate by both academy trusts and local authorities.

We are working closely with the Education Building Officers Development Group to find new ways to share good practice and support local authorities to deliver school places more efficiently and effectively. The programme will help local authorities make the most of their Basic Need allocations, making sufficiency spend as efficient as possible and potentially freeing up local authority capital funds to benefit the community more widely, for example improving the condition of existing schools.

In order to support this drive for capital efficiency, we will in future be applying three conditions of grant to basic need funding. These conditions will apply from the 2019-20 allocations onwards and will be set out in an annual grant letter alongside the first instalment next spring. We wanted to provide you with advance notice of these conditions.

Under the first, the department or the ESFA may require local authorities to provide such information as we reasonably request relating to expenditure related to providing school places, so that we can understand cost drivers and measure efficiency. Under the second, the department or the ESFA may require local authorities to produce an action plan to improve the efficiency of capital spend on new school places, where they have been identified for engagement based on their spend data and are not able to demonstrate that higher costs are justified (e.g. due to constraints or external factors beyond their control). The third condition will provide a backstop sanction, which the department or ESFA would only consider using in circumstances where we are unable to agree an action plan with a local authority; or where we consider that authority to not be carrying out its action plan effectively. In such instances, the department may withhold basic need funding for a specified number of places and instead directly deliver construction of those places centrally.

For clarity, we will never claw back any allocations already distributed; and the basic need grant remains un-ringfenced, providing you with the flexibility to manage your capital programmes in the way you deem fit. These conditions will only ever be enforced in the rare cases that the department cannot constructively agree a course of action with a particular local authority that is designed to drive efficient spending.

Quality of places

One of the department's key ambitions – which I know you will share – is to ensure that every pupil has access to a high quality school place. We therefore expect you to create new places in schools or academies that have an overall Ofsted rating of 'good' or 'outstanding,' and to consider a range of performance

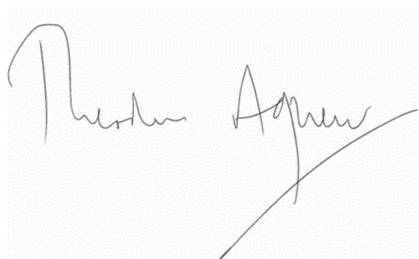
indicators and financial data before deciding which school to expand. We do not expect you to expand a school or academy that is underperforming, unless there is a very strong rationale to do so – and if the school or academy is eligible for intervention, you should discuss this with the relevant Regional Schools Commissioner first. If you believe there is no other feasible way to create new places in your area – other than by expanding an underperforming school – you should contact your local ESFA Pupil Place Planning Adviser as soon as possible, who can support you to consider the available options. If you have challenges in persuading good or outstanding academies to expand, please do also discuss these with your Pupil Place Planning Adviser.

Spare capacity

The School Capacity Survey (SCAP) 2017 data shows that, whilst there are areas of the country with demand for new places, there are also a significant number of unfilled places in the system. We know that local authorities expect to fill many of these places over the coming years – particularly in the secondary phase, where you have been preparing for the primary population bulge to move up through the system. Where places are not needed to meet forecast demand, however, we would expect you to take action. Whilst it is prudent to retain some spare capacity, in order to manage shifting demand and provide for parental choice, we do not expect local areas to be carrying excessive levels of spare capacity.

As part of fulfilling your sufficiency duty, you will want to manage the local school estate efficiently and reduce or find alternative uses for high levels of spare capacity, in order to avoid detriment to the educational offer or financial position of schools in the area. As part of this, we would expect you to consider a spectrum of options for the reutilisation of space, including for example increasing the provision of early education and childcare, and options for reconfiguration, including via remodelling, amalgamations, mergers and closures where this is the best course of action. Of course, the costs and benefits of keeping and removing spare capacity are very sensitive to local factors. All of these factors should be carefully weighed up, along with considerations of the quality and diversity of provision, to determine the most appropriate approach for your area.

In 2018, we will be working with a small number of local authorities that have both low levels of performance across their schools and high expected rates of spare capacity over the medium-term horizon. Our work with these particular local authorities will be focused on supporting them to make the most efficient use of their estate. Any planned changes will be locally-led and developed through constructive dialogue with relevant bodies in the area.

A handwritten signature in black ink, appearing to read 'Mark Agnew', with a long horizontal stroke extending from the end of the name.

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CABINET

Subject Heading:

Public Realm Transformation

Cabinet Member:

Cllr. Dervish

SLT Lead:

Sue Harper, Director of Neighbourhoods

Report Author and contact details:

Mrs. Dipti Patel, Assistant Director of Environment.

Dipti.Patel@havering.gov.uk

Mr Paul Ellis, Group Manager of Public Realm, Environment.

Paul.Ellis@havering.gov.uk

01708432966

Policy context:

This decision supports the Corporate Plan, especially 'A Great Place to Live' as outlined in the Places theme

Financial summary:

There is a MTFS requirement to save £500k It is projected the £300K will be realised in 2021/22 with the remaining £200K delivered in 2022/23.

Is this a Key Decision?

Financial impact: Saving of over £500k over the life of the contract...

Significant effect on two or more Wards

When should this matter be reviewed?

18 September 2019

Reviewing OSC:

Environment

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

1. The report sets out the details of the Business Case and the Procurement Strategy for the Integrated Public Realm Services Contract (Contract), and the rationale behind the proposed new service delivery model.
2. 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. This in turn will improve the way in which Havering looks and feels. Helping residents feel better about their surroundings whilst contributing to the Council's savings programme.
3. Preliminary market engagement with a wide range of providers showed a strong interest in this opportunity because of the services potentially in scope and the approach demonstrated by the Council. It also gave useful guidance on the market's ability to maximise the quality standards and minimise the cost of service delivery.
4. Three main service delivery models have been evaluated in detail.
 - Outsourcing: conduct a procurement exercise and engage an external contractor to deliver the Public Realm services.
 - In-house: keeping and bringing all the services in-house so that the Public Realm services are delivered directly by employees of the council.
 - Local Authority Company (LAC): deliver the Public Realm services through a LAC (commonly referred to as a Teckal company), either by setting up a new company or use an existing company founded by the Council to deliver the services.
5. A detailed analysis of the risks, benefits and potential savings concluded that the Outsourcing option (at exempt Appendix 1) should be the preferred service delivery model going forward.

RECOMMENDATIONS

1. Cabinet is asked to:

Review and approve exempt Appendix 1: Business Case for the Public Realm Transformation and future delivery of Public Realm services to meet Council priorities and the optimum delivery option(s) which includes:

- The case for change and the considerations for the various options assessed.
 - The chosen service delivery model for the future delivery of the Public Realm services to meet the Council's priorities.
 - The commercial case for the procurement process.
 - The governance, risks and control framework for the Public Realm Transformation Programme to ensure successful delivery.
2. In consideration of the Procurement Strategy, to approve the commencement of the procurement for the Public Realm Provision which includes:
- The choice of procurement procedure that will be implemented to procure a new Integrated Public Realm Services Contract.
 - The initial contract length of 8 years with the option for the Council to extend for up to a further 8 years (extension could range from one to eight years, subject to relevant decisions at the time).
 - The evaluation criteria for the award of the new Contract based on a 50% Price / 50% Quality split.
 - The indicative procurement timetable.

REPORT DETAIL

1.0 Background

- 1.1 This report seeks approval for a new strategic direction for the delivery of public realm services as outlined in the Business Case for the Public Realm Transformation Programme (Appendix 1 – exempt) to be implemented through a procurement process for a new Integrated Public Realm Services Contract (Contract). The Reasons and Options section of this report provides the justification for the selection of the preferred service delivery model.
- 1.2 The purpose of the Business Case is to establish whether the procurement of the new Contract is desirable, viable and achievable. The Business Case, both as a product and a process, will provide the Council with a management tool for evidence-based and transparent decision making and a framework for the management, control and delivery of the proposed way forward.
- 1.3 It is not intended that the Business Case will be a static document. A key requirement will be to actively maintain and continually update it with current information on costs, risks and benefits. Oversight and governance of this programme has followed Council policy and a Public Realm Transformation (PRT) Board of appropriate senior officers and experts, supported by a

Project Team of specialists, oversees the programme. The Business Case will be monitored by the Public Realm Transformation Board with Cabinet Members updated as appropriate and where necessary, subject to appropriate decisions.

2.0 Strategic Outcomes

2.1 The procurement of the new Contract seeks to save the Council money while creating a new emphasis on the management, maintenance and condition of the public realm. The following strategic outcomes will oversee the delivery of the future service delivery model:

- Strategic Outcome 1: Improve the way in which Havering looks and feels.
- Strategic Outcome 2: Make Havering a cleaner and tidier place.
- Strategic Outcome 3: Make people feel better about their surroundings.
- Strategic Outcome 4: Make a positive impact on social, environmental and economic sustainability.

3.0 Services in Scope

3.1 The Council currently delivers its Public Realm services through a combination of in-house operations and outsourced contracts. Many of the services represent statutory functions that the Council must deliver, therefore the reason for the Business Case is primarily driven by statutory responsibilities that the Council must discharge. The contracts for the services that are currently outsourced come to end at various dates from March 2021 to August 2021. The waste and recycling collection contract, in particular, ends in August 2021, therefore the Council must, in any event, prepare for the re-procurement of a new contract for these services.

3.2 Services included in the scope of the Business Case are caretaking (external housing estate cleansing and grounds only), grounds maintenance, gully cleansing, elements of parks development, park gates locking, street cleansing, winter maintenance (all currently delivered in-house), tree maintenance, waste and recycling collection, trunk road cleaning and weed control (all currently outsourced).

4.0 Programme Objectives and Benefits

4.1 The objectives that the Council will aim to achieve as part of the procurement of the new Contract are:

- Financial savings. Achieve a minimum of £500k savings from the integration of the public realm services as outlined in the Medium Term Financial Strategy (MTFS).

- Improve service delivery. An integrated contract has the potential to deliver better co-ordinated management of the Public Realm services. By working in partnership with one contractor, there will be a uniform approach to service delivery, shared processes, procedures and contract monitoring systems. It is anticipated that this new way of working will achieve significant improvements in the way in which residents, service users and customers receive and request services which in turn improves the customer satisfaction and experience.
- One brand. A unified approach to the delivery of the Public Realm services will enhance the local identity so that the services are all managed under one single brand, for all the relevant public realm functions.
- Better commissioning, procurement and project management. Officers have designed a robust governance and control framework for the implementation of the Programme and have secured the project management, technical, procurement and legal support, which represent the critical functions for the success of the Programme.
- Expert acquisition. The new Contract has 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 career within the Council. The new Contract has also the potential to result in significant cultural harmonisation benefitting both the Council and the contractor in areas such as knowledge pool, sharing of good practice, sharing of technology, and more innovative ways of working.
- Council Strategy. The new contract will contribute towards other Council strategies such as improved air quality, social values and community benefits.

5.0 Critical Success Factors

5.1 The critical success factors for the service delivery model are:

- Business needs. The outsourcing solution satisfies the existing and the future business needs of the organisation.
- Benefits optimisation. The outsourcing solution optimises the delivery of the strategic outcomes and the achievement of the project's benefits, both qualitative and quantitative.
- Affordability. The procurement of the new Contract will achieve the efficiency savings of £500k as established in the MTFS. This target will be achieved through a combination of: design of technical, financial, commercial and legal documents which aim to achieve the right balance of standards, performance management and risk allocation. In addition, officers will be able to dialogue and negotiate with the bidders during the procurement process all relevant aspects of the Contract to mitigate the risk that the award of the new Contract is not affordable.
- Potential achievability. The outsourcing solution will offer the best opportunity to the Council to innovate, adapt and introduce new ways of working as a result of the market intervention and contribution to the design of the requirements for the new Contract.

- Supply side capacity and capability. The procurement of the new Contract falls within a busy pipeline of opportunities, therefore the design of an attractive procurement process will be paramount to securing market's interest and competition. There is established market maturity in the delivery of similar contracts (scope, value, geography, risk); therefore there is no risk in relation to the market's ability to deliver the required services.

6.0 The Commercial Case

- 6.1 The implementation of the Business Case to deliver the preferred service delivery model will be supported by a detailed Procurement Strategy, which Cabinet is required to approve.
- 6.2 The decisions in the Procurement Strategy have been formulated taking into account of both officers' considerations and the market's perspective, given that officers undertook preliminary market engagement with a wide range of providers.
- 6.3 The PRT Board has selected the Competitive Dialogue (CD) procedure to undertake the procurement of the new Contract. This procedure is best selected when the technical specification cannot be defined with precision and when 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 new integrated contract for the Public Realm services, the CD procedure offers significant flexibility, as the Council can continue with the process until it is satisfied that a solution (or solutions) that is capable of meeting the needs has been identified. An 'outcome-based' specification, which informs bidders of the service standards that must be met but not the methods of delivery needed to achieve these outcomes, is required. This gives bidders greater flexibility to decide how and when to deliver the services and encourages innovation. The contract will seek prices to deliver services as they are currently delivered but will also seek prices for separate recycling methods, especially food waste collection, and refuse containerisation to ensure the flexibility to introduce these options in the future should legislation require. Based on their experience of delivering similar services across the country and beyond, bidders will have different approaches on how to achieve each of the Council's outcomes.
- 6.4 The new Contract will be awarded for an initial period of 8 years, with the option for the Council to extend for up to a further 8 years, the duration of which may range from 1 year to 8 years, with no lower or upper limit to the number of extensions the Council can arrange, subject to not exceeding the maximum contract length of 16 years (initial contract term plus all extensions). The flexibility built into the extension provisions will allow the Council to adapt to future service changes, including possible changes in waste collection requirements when the East London Waste Authority's (ELWA) waste disposal contract ends (due to expire in 2027), innovation, new technologies, new legislation, financial pressures, and whether to

continue or retender the contract depending on contractor performance and the Council's long-term strategy.

- 6.5 The Council will base the award of the Contract on the Most Economically Advantageous Tender (MEAT) and a price/quality split of 50%/50% will apply. The bidders' solutions will be measured against the evaluation criteria, sub-criteria and weightings set by the Council. The Council will discuss with the bidders how each of the outcomes will be measured during the procurement process.
- 6.6 The contract will give due consideration, during the formulation of the contract and the procurement documents, to the development of a concise set of Key Performance Indicators (KPIs) which focus on the strategic aspects of the services and enable effective contract management activities. The new Contract will be largely self-monitoring and guided by the use of effective technology to measure performance. A payment and performance mechanism which is based on good contract management principles will be included in the contract. A concise number of KPIs, focusing on the strategic aspects of the services, will be an efficient means of measuring performance and effective in driving service improvement where needed. The Council will continue to have the adequate instruments to deal with poor performance during the contract.

7.0 Indicative timetable

- 7.1 Subject to the approval of the strategic direction outlined in Business Case by Cabinet, the implementation of the procurement is in accordance with the following indicative timetable.
- 7.2 Contract notice in the Official Journal of the European Union (OJEU) in published in October 2019. Potential providers may express a request to participate in the opportunity and complete the Selection Questionnaire (SQ). The submissions will be evaluated and those organisations which have demonstrated adequate economic and financial standing, technical and professional abilities will be selected to progress. It is also anticipated that leaseholder consultation will commence at this stage of the process.
- 7.3 The main stages of the Competitive Dialogue process will then start. A two-stage Competitive Dialogue process, consisting of: Invitation to Submit Detailed Solutions (ISDS) followed by Invitation to Submit Final Tenders (ISFT) if selected. The consecutive stages will be used to reduce the number of bidders by applying the award criteria and until the Council has identified the solutions which are capable of meeting its needs. It is envisaged that this process will start in October 2019/November 2019 and conclude in the summer of 2020. Following submission of the final solutions, officers and their advisors will carry out an evaluation to determine the preferred bidder. The Cabinet report will then be developed and it is anticipated that the award of the contract will take place in summer 2020.

The mobilisation of the services will commence and officers are mindful that adequate timeframe is necessary to ensure that the new contractor can prepare for the delivery of the new services from the start of the new Contract in August 2021. Services will be migrated into the new integrated contract from this date, starting with all cleansing functions (streets, housing estates & gullies) and waste collection services followed by tree maintenance, horticultural services and winter maintenance in October 2021.

8.0 Planning for successful delivery

8.1 The proposed governance structure for a project of this scale and complexity will be:

- Cabinet
- Theme Board (Places)
- Senior Leadership Team
- Public Realm Transformation (PRT) Board
- Project Team

8.2 The PRT Board will manage and agree the programme outcomes. Strong and effective representation of all relevant areas is necessary and subject matter experts attend both the Public Realm Transformation Board and the Project Team. The Council has also secured relevant external support in the critical areas of project management, technical, procurement and legal functions.

REASONS AND OPTIONS

9.0 Reasons for the decision:

9.1 The recommended option for the future delivery of the Public Realm services is to procure an Integrated Public Realm Services Contract.

9.2 The Outsourcing option is capable of delivering the “best” balance of benefits and risks:

- A well understood solution with predictable implementation costs and timetable.
- The ability to transfer most of the financial risks to the selected contractor.
- The opportunity to attract competition during the procurement process to secure best value and achieve the savings target of £500k.
- The ability to maximise market innovation to secure a contract which is fit for the future.

9.3 The procurement of an integrated contract achieves some of the following benefits:

- Reducing demarcation inefficiencies and conflicts at the interface of service delivery.
- Increased operatives' accountability and more collaborative working.
- Improved co-ordination and sharing of resources.
- Efficiencies in the client management structures.
- Increased value of the potential contract to the market which could lead to improved competition and better demonstration of best value.

9.4 The Council has a legal obligation to tender contracts of this value. It also provides an opportunity to demonstrate that the Council is obtaining best value for money by carrying out an open and transparent process and engaging with the market. The competitive tension provided through a procurement process incentivises innovation and reduces costs.

10.0 Other options considered:

10.1 PRT Board considered options for the future service delivery model and to achieve the strategic outcomes.

The selection of the options was mainly driven by the following considerations:

- The nature of the services in scope.
- The solutions available, taking into account existing and new ways of working, re-design of the business process and configuration.
- The availability of service providers, ranging from within the organisation to external service providers.
- The ability of the supply side to deliver the required services within the constraints of delivery timeframe, the option of phasing the introduction of the services over time.

10.2 The three options identified for a more detailed review were:

10.2.1 Option 1: Contracting Out (Outsourcing).

The option of "Contracting Out the services" through a procurement process was considered and taken forward for additional analysis. This option was considered viable given the Council's aspiration to deliver an integrated solution for the entirety of the Public Realm services.

10.2.2 Option 2: Combination of keeping and bringing the services in-house.

The option of “Insourcing the services” was considered and taken forward for additional analysis. This option was considered viable given the Council’s aspiration to deliver an integrated solution for the entirety of the Public Realm services.

10.2.3 Option 3: Setting up a Local Authority Company.

The option of “Delivering the services through a LAC” was considered and taken forward for additional analysis. This option was considered viable given the Council’s aspiration to deliver an integrated solution for the entirety of the Public Realm services.

10.3 Officers engaged external consultants to carry out a detailed review of the three shortlisted commissioning options.

10.4 The three commissioning options were appraised against the following two criteria:

- cost modelling and financial assessment, and
- assessment of qualitative factors and risks.

11.0 Cost Modelling and Financial Assessment

11.1 The financial modelling undertaken allows the Council to understand the comparative cost of each commissioning option. By using current service costs as a baseline position, the consultants modelled the impact of the main cost parameters under each option (such as the pension contribution costs, corporate overhead and profit). The additional savings that could be achieved as a result of an integrated contract, given the information provided by the market during the preliminary market engagement, was also modelled.

11.2 The financial output concluded that:

- There are very small cost differences between the options.
- The integration of the services delivers better value for money compared to the current arrangement of having a combination of delivery models in place as outlined in Appendix 2 (exempt).

12.0 Assessment of qualitative factors and risks

12.1 The qualitative and risk component aims to establish the risk appetite towards different commissioning options, in common risk categories such as: the control and ability to make changes, the degree of financial risk transfer, the operational and reputational risks, and the demonstration of best value.

12.2 The assessment of the options concluded that there is a strong preference for Outsourcing the services as part of an integrated contract.

- Demonstrating best value. The process of going out to market was identified as a key way of ensuring costs are kept competitive while benefiting from innovation and best practice that the private sector can offer.
- Control and ability to change. The ability to exert a level of control over the contract through well executed contract management and KPI's was considered a significant factor favouring the Outsourcing commissioning route.
- Operational risk. The Council would be able to transfer operational risk onto a contractor who is better placed to deal with relevant risks.

12.3 Financial Risk: The Council will benefit from an improved, albeit relative, financial certainty compared to an in-house or LAC options.

IMPLICATIONS AND RISKS

13.0 Financial implications and risks:

13.1 Savings

The likely financial savings to be made by outsourcing these services as outlined in Appendix 2 (exempt) should exceed the MTFS requirements (£300K in 2021/22 and £200K in 2022/23). The expectation is that savings made through the programme will cover both the MTFS savings of £500k, and any other relevant fixed overhead costs (i.e. workshop fixed overhead costs), which will need to be reapportioned to services outside of Environment.

13.2 Vehicles

Outsourcing in-house services will leave the council with a surplus of vehicles mainly from grounds maintenance, cleansing and gully cleansing services. These vehicles are internally leased from transport. Some vehicles have shorter leases than others. A few vehicles may be transferred to the incoming contractor while the remainder will be disposed of through auction. Appendix 2 outlines the estimated residue lease costs outstanding at the point of transfer.

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13.3 Performance Management

A new client team is to be created to manage the contract. There is already a Client team to manage waste collection, weed contractor and tree maintenance. The number of staff required to manage the integrated contract will be slightly expanded to manage/client additional functions and services, namely cleansing and grounds maintenance. The intention is that this will be done within existing budgets, outlined in Appendix 2. Should it be determined that additional resources are needed in the Client Team the expectation is that these will be met from the savings made above the MTFS savings (£500k) requirement, as outlined in Appendix 2.

13.4 Risks

There are a few financial risks associated to this programme; if the predicted savings are not made, the MTFS will not be satisfied. However all indications suggest the required savings will be made. In the event that this is not the case, this will be clearly outlined in a future report to Cabinet. The vehicles auctioned may not clear the balance, and the service's budget will be put under pressure. An estimate will be made on the auction value of the vehicles nearer to the time of award, and included in a cost matrix in the Cabinet report outlining award in the summer of 2020. Cabinet has the final decision to award a contract or not.

14.0 Legal implications and risks:

14.1 The Council is under a number a statutory duties to provide a lot of the services detailed within this report which are the subject of transfer. Amongst these the Highways Act 1980 provides in s41 that a Highway Authority must maintain a public highway and that includes a requirement to keep it clean and free from obstructions. The Council is also a principal litter authority under the Environmental Protection Act 1990. Under the Landlord and Tenant Act 1985, the long leases it grants to long leaseholders and the Housing Act 1980 the Council has various obligations to its long leaseholders and secure tenants to maintain and clean estate blocks and common areas. Some arrangements will require appropriate consultation during the procurement stages.

14.2 The Council is required to procure this above threshold services contract under Public Contract Regulations 2015. This report and its appendices detail the procurement strategy officers have developed with the aid of an external consultant. Pursuant to Reg 40 PCR 2015, the Council conducted preliminary market consultation before commencing the procurement procedure via soft market testing meetings and previous know how. In accordance with Reg 26 (Choice of Procedures) PCR 2015 the PRT Board agreed the Competitive Dialogue (CD) procedure.

14.3 The Council may use the CD procedure in circumstances where any one or more of the grounds set out in Reg26(4) PCR 2015 exist(s):

- (i) the needs of the contracting authority cannot be met without adaptation of readily available solutions;
- (ii) the services include design or innovative solutions; and
- (iii) the technical specifications cannot be established with sufficient precision by the contracting authority with reference to a standard, European Technical Assessment, common technical specification or technical reference. To enable develop a solution best suited to the locality.

14.4 Reg 46(2) PCR 2015 requires the Council to provide an indication of the main reasons for their decision not to subdivide into lots. The reasons must be included in the procurement documents or in reports such as this report and its appendices drawn up under Reg 84(1) PCR 2015).

14.5 The Council has a legal obligation to ensure due diligence and appropriate consultation for the Council's staff that are to be transferred through the Transfer of Undertakings (Protection of Employment) Regulations 2006(TUPE). Officers are developing what will translate to a detailed mobilisation which will include the staggered transfer of its staff and staff of 3rd party contractors at the end of their contracts to the newly procured contractor post contract award. The pensions arrangements have been considered and the Council will seek either admission to its own pension fund or alternatively any new contractor will be required to provide a broadly comparable fund under the pensions regulations.

15.0 Human Resources implications and risks:

15.1 The in-house services to be included in this procurement are grounds maintenance, gully cleansing, elements of parks development and street cleansing. These services employ 162 staff directly, with additional seasonal agency workers as required. HR has been involved in this programme from an early stage, and is represented on the PRT Board. They will continue to offer guidance on staffing matters throughout this programme.

15.2 The Council employees would be TUPE transferred to the winning contractor in a controlled manner, in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 and their terms and conditions protected.

15.3 The Council would also ensure it facilitates regarding current contractors staff subject to a TUPE transfer to the new contractor.

15.4 Transferring employees' pensions will be safeguarded; soft market testing indicated that all contractors are very likely to seek admission to the Local

Government Pension Scheme (Admitted Body Status (ABS). The Pensions Service has indicated that if the correct conditions are met, this is an acceptable outcome. The Contract will include provisions regarding pensions risk sharing and the admission to the LGPS would be subject to the execution of the contractor admission agreement. There are risks around the employer contribution rate payable into the LGPS Fund for the eligible employees and dealing with any deficit or surplus of the LGPS Fund at the cessation of the Contract. These legal matters will be subject to negotiation with the market during the procurement process.

- 15.5 If this report is agreed, the Council intend to undertake three change management programmes to ensure the Council is best placed to manage the future contract. These are:
- 15.5.1 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.
 - 15.5.2 Current caretaking staff clean and maintain the internal and external features of housing estates. Only 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
 - 15.5.3 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.
- 15.6 The Council's change management process will be followed in each case, with the reviews taking place over the coming months. Any indirect Restructure which become apparent following this Transformation Programme will be managed through the Council's Change Management process.
- 15.7 This may be an unsettling time for staff. Managers have kept staff and Trade Unions updated, and will continue to keep them informed as the programme progresses. Support will continue to be offered to all staff through the Employee Assistance Programme. Formal consultation with Trade Unions and staff will commence at the appropriate time. Due diligence will be taken accordingly to mitigate against the risk of challenge that may be made, and an Equalities Impact Assessment (EqIA) has been conducted.
- 15.8 The tree maintenance, waste and recycling collection services, trunk road cleansing and weed control services are already outsourced. The Council has limited responsibilities with the regard to the TUPE process for these staff, but will endeavour to ensure due diligence as it is the Council's best interest to ensure that this progresses smoothly, to ensure services are not affected and there is a smooth transition (if an incumbent is not awarded the contract) from one provider to another.

16. Equalities implications and risks:

- 16.1 Appendix 3 outlines the detail of the Equalities Impact Assessment (EqIA). As outlined above 162 full-time staff directly in current in-house services. It is unlikely that there would be any specific individual impacts to any particular characteristic or group of staff.

BACKGROUND PAPERS

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Equality & Health Impact Assessment (EqHIA)

Document control

Title of activity:	Public Realm Transformation
Lead officer:	Peter Gay, Project Manager, Public Realm, Neighbourhoods.
Approved by:	Paul Ellis, Group Manager, Public Realm, Neighbourhoods
Date completed:	15/08/2019
Scheduled date for review:	16/08/2019

Did you seek advice from the Corporate Policy & Diversity team?	Yes / No
Did you seek advice from the Public Health team?	Yes / No
Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	Yes / No

1. Equality & Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EqHIA and ensure you keep this section for your audit trail. If you have any questions, please contact EqHIA@havering.gov.uk for advice from either the Corporate Diversity or Public Health teams. Please refer to the Guidance in Appendix 1 on how to complete this form.

About your activity

1	Title of activity	Public Realm Transformation		
2	Type of activity	Deliver of Public Realm Services under one outsourced contract		
3	Scope of activity	<p>During the past 18 months the Council has been looking at the way it delivers its Public Realm services. After undertaking analysis of the service, a Business Case was produced that outlines the preferred option. This option is to create one intergraded contract to deliver the following services that are currently delivered in-house:</p> <p>caretaking (housing estate cleansing, external areas only) grounds maintenance gully cleansing elements of parks development and gate locking street cleansing winter maintenance</p> <p>The contract would also deliver tree maintenance, waste and recycling collection and weed control, services that are already outsourced.</p> <p>A report outlining the Business Case for this option is being presented to Cabinet on 18 September 2019. If the recommendation to agree the Business Case is accepted, and award of contract agreed in 2021 by Cabinet too, up to 162 staff currently working directly for Council will be transferred to a contractor during 2021.</p>		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes / No	If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes / No		

4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes / No		
5	If you answered YES:	Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.		
6	If you answered NO:			

Completed by:	Natalie Naor, Project Officer, Public Realm, Neighbourhoods
Date:	15/08/2019

2. The EqHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

Background/context:
<p>The purpose of this Equalities Impact Assessment (EIA) is to:</p> <ul style="list-style-type: none"> • Undertake a thorough and systematic analysis of the effect of implementation of the proposed new operational model of the Public Realm on employees across the Council; • Determine the impact and what extent the Public Realm Transformation Programme has on particular groups of staff; • Assess the impact that will occur to minority groups or individuals when the programme is implemented; • Propose measures to mitigate, eliminate or counterbalance that impact; • Promote equality of opportunity. <p>Reference will be made to the following nine protected characteristics:</p> <ul style="list-style-type: none"> • Age • Disability • Sex/Gender • Ethnicity/Race • Religion/Faith • Sexual Orientation • Gender Reassignment • Marriage/Civil Partnership • Pregnancy, Maternity and Paternity

Staff and Trade Unions have been kept updated about the Public Realm Transformation Programme. The Council will continue to update Trade Unions and staff. If Cabinet agrees the new operating model for service delivery of Public Realm services, up to 162 staff could be subject to transfer to a new contractor. This number may decrease/increase as it is proposed that in-house services will not be transferred to a contractor until mid and late 2021, and there may be staff reductions/increases before then.

An EIA requires that consultation should be carried out with relevant interest groups. The proposed restructure is subject to consultation with the recognised Trade Unions and staff affected. The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) applies for these staff. The Council will ensure due diligence throughout the process, and consult appropriately.

During 2021 the Council will undertake another EIA of all staff that are on the TUPE lists to ensure there are no major discrepancies to data between now to then.

If Cabinet agree the Businesses Case (September 2018) and the contract award in 2021, 162 employees would be transferred from the council to a contractor. Based on the equality strands detailed in this assessment, the impact of the outsourcing is more likely to have a greater effect on some profiles compared to others. However there should be no negative impact to any of these groups as all staff within these services will be subject to transfer to the contractor regardless profile. All affected staff will be transferred and TUPE applies.

The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.

Although the Council will provide anonymised TUPE data to support its procurement activities. The broader mechanism for the transfer of staff will be contained within the Mobilisation Plan. Where the information is not confidential, this information will be shared with staff and Trade Unions.

The Council will continuously monitor and oversee the transfer of staff from the Council to the contractor throughout the programme.

**Expand box as required*

Who will be affected by the activity?

The Public Realm Transformation Programme does not propose any post reductions and all affected staff will be subject to TUPE.

Reference is made to the following nine protected characteristics:

- Age
- Disability
- Sex/Gender
- Ethnicity/Race
- Religion/Faith
- Sexual Orientation
- Gender Reassignment

- Marriage/Civil Partnership
- Pregnancy, Maternity and Paternity

The tables below show the proportion of employees currently employed in the affected staff group and how this relates to the overall composition of the Council workforce.

There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out above. Savings need to be achieved to find efficiency and to streamline working practices. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :

- All affected staff will have:
 - Regular updates
 - Access to one to one meeting throughout the consultation period with Council managers
 - Access to the Employees Assistance Programme
 - Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers
- Trade Unions will be consulted and updated as appropriate

**Expand box as required*

Protected Characteristic - Age: Consider the full range of age groups

Please tick (✓) the relevant box:

Positive

Neutral

✓

Negative

Overall impact:

Category	Havering Corporate %	Public Realm (Havering)
Age		
Under 20	0.8%	0.0%
20-30 years	8.8%	6.9%
30-40 Years	18.9%	11.7%
40-50 Years	23.4%	21.8%
50-60 Years	32.1%	41.5%
60+	16.0%	18.1%

Age Profile – The age profiles of the affected groups indicate that over 63% of those that are in the over 40's age profile and above. The majority of those (41.5%) being aged between 50 and 60. Although this is an aging workforce (slightly higher percentage than the corporate average) the employees in this category should not be adversely affected as all staff will be transferred on their existing terms and conditions from the Council to a new contractor.

Expand box as required

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this

is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead. The Council will not be seeking to harmonise terms and conditions with any prospective contractor prior to transfer. Therefore staff transferred to a contractor should continue to have the same benefits with a contractor that they currently have with the Council.

**Expand box as required*

Sources used:

Data was supplied the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions

Please tick (✓) the relevant box:

Positive

Neutral

✓

Negative

Overall impact:

Category	Havering Corporate %	Public Realm (Havering)
Disability		
Not Recorded	78.2%	85.1%
No	17.7%	8.5%
Yes	3.0%	3.7%
Prefer not to say	1.1%	2.7%

Disability Profile – Very few staff identify with a disability. Those that do (3.7%) will have these characteristics confidentially made know to the incoming contractor to ensure the right measures are in place for their continued employment with the new contractor. The Council will monitor this.

**Expand box as required*

Evidence:

Whilst any TUPE impact is less applicable here, all employers are obliged to adhere to the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - Sex/gender: Consider both men and women

Please tick (✓) the relevant box:

Positive

Overall impact:

Neutral	✓	<table border="1"> <thead> <tr> <th>Category</th> <th>Havering Corporate %</th> <th>Public Realm (Havering)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Gender</td> </tr> <tr> <td>Female</td> <td>67.3%</td> <td>2.7%</td> </tr> <tr> <td>Male</td> <td>32.7%</td> <td>97.3%</td> </tr> </tbody> </table>	Category	Havering Corporate %	Public Realm (Havering)	Gender			Female	67.3%	2.7%	Male	32.7%	97.3%
Category	Havering Corporate %	Public Realm (Havering)												
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Male	32.7%	97.3%												
Negative		<p>Gender Profile – This review effects 162 people, of those people 97.3% identify as male and the other 2.7% identify as female. This is significantly different to the corporate averages. As TUPE applies all staff regardless to gender will be transferred.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>												
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Sources used: <p>Data was supplied the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>														

Protected Characteristic - Ethnicity/race: Consider the impact on different ethnic groups and nationalities																				
Please tick (✓) the relevant box:		Overall impact:																		
Positive		<table border="1"> <thead> <tr> <th>Category</th> <th>Havering Corporate %</th> <th>Public Realm (Havering)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Ethnicity</td> </tr> <tr> <td>BME</td> <td>7.8%</td> <td>4.3%</td> </tr> <tr> <td>Non-BME</td> <td>47.3%</td> <td>72.9%</td> </tr> <tr> <td>Not Provided</td> <td>42.2%</td> <td>20.2%</td> </tr> <tr> <td>Prefer not to say</td> <td>2.7%</td> <td>2.7%</td> </tr> </tbody> </table>	Category	Havering Corporate %	Public Realm (Havering)	Ethnicity			BME	7.8%	4.3%	Non-BME	47.3%	72.9%	Not Provided	42.2%	20.2%	Prefer not to say	2.7%	2.7%
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Not Provided	42.2%	20.2%																		
Prefer not to say	2.7%	2.7%																		
Neutral	✓																			
Negative		<p>Ethnicity Profile – The percentage of Non-BME staff affected by the proposal is significantly higher with the wider council average. Again, there is no particular impact to this group.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>																		

<p>Evidence:</p> <p>Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
<p>Sources used:</p> <p>Data was supplied the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief																																							
Please tick (✓) the relevant box:		Overall impact:																																					
Positive		<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 35%;">Category</th> <th style="width: 30%;">Havering Corporate %</th> <th style="width: 35%;">Public Realm (Havering)</th> </tr> </thead> <tbody> <tr style="background-color: #f8d7da;"> <td>Religion</td> <td></td> <td></td> </tr> <tr> <td>Buddhist</td> <td>0.1%</td> <td>0.5%</td> </tr> <tr> <td>Christian</td> <td>12.3%</td> <td>6.9%</td> </tr> <tr> <td>Hindu</td> <td>0.2%</td> <td>0.0%</td> </tr> <tr> <td>Jewish</td> <td>0.1%</td> <td>0.0%</td> </tr> <tr> <td>Muslim</td> <td>0.2%</td> <td>0.0%</td> </tr> <tr> <td>No Religion</td> <td>5.8%</td> <td>5.3%</td> </tr> <tr> <td>Not Recorded</td> <td>79.5%</td> <td>86.2%</td> </tr> <tr> <td>Other</td> <td>1.4%</td> <td>1.1%</td> </tr> <tr> <td>Prefer not to say</td> <td>0.1%</td> <td>0.0%</td> </tr> <tr> <td>Sikh</td> <td>0.2%</td> <td>0.0%</td> </tr> </tbody> </table> <p style="margin-top: 10px;">Religion Profile – Records for this group are sparse with 86% of staff not recorded. The next highest group identified as ‘Christian’, at 7% and 5% with ‘no religion’. These figures are similar to the corporate averages too.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		Category	Havering Corporate %	Public Realm (Havering)	Religion			Buddhist	0.1%	0.5%	Christian	12.3%	6.9%	Hindu	0.2%	0.0%	Jewish	0.1%	0.0%	Muslim	0.2%	0.0%	No Religion	5.8%	5.3%	Not Recorded	79.5%	86.2%	Other	1.4%	1.1%	Prefer not to say	0.1%	0.0%	Sikh	0.2%	0.0%
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Negative																																							

<p>Evidence:</p> <p>Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
<p>Sources used:</p> <p>Data was supplied the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual

Please tick (✓) the relevant box:		Overall impact:																													
Positive		<table border="1"> <thead> <tr> <th>Category</th> <th>Havering Corporate %</th> <th>Public Realm (Havering)</th> </tr> </thead> <tbody> <tr> <td>Sexual Orientation</td> <td></td> <td></td> </tr> <tr> <td>Bi-Sexual</td> <td>0.1%</td> <td>0.0%</td> </tr> <tr> <td>Gay Man</td> <td>0.2%</td> <td>0.0%</td> </tr> <tr> <td>Heterosexual/Straight</td> <td>19.5%</td> <td>12.8%</td> </tr> <tr> <td>Gay Woman/Lesbian</td> <td>0.0%</td> <td>0.0%</td> </tr> <tr> <td>Not Recorded</td> <td>78.2%</td> <td>85.1%</td> </tr> <tr> <td>Other</td> <td>0.5%</td> <td>1.6%</td> </tr> <tr> <td>Prefer not to say</td> <td>1.4%</td> <td>0.5%</td> </tr> </tbody> </table> <p>Sexual Orientation Profile – Records for this group are sparse with 85% of staff not recorded. The next highest group identified as 'heterosexual/straight', at 13%. These figures are similar to the corporate averages too.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>			Category	Havering Corporate %	Public Realm (Havering)	Sexual Orientation			Bi-Sexual	0.1%	0.0%	Gay Man	0.2%	0.0%	Heterosexual/Straight	19.5%	12.8%	Gay Woman/Lesbian	0.0%	0.0%	Not Recorded	78.2%	85.1%	Other	0.5%	1.6%	Prefer not to say	1.4%	0.5%
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Neutral	✓																														
Negative																															

Evidence:

Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.

**Expand box as required*

Sources used:

Data was supplied the London Borough of Havering Human Resources department.

**Expand box as required*

Protected Characteristic - 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

Please tick (✓) the relevant box:		Overall impact:					
Positive		<table border="1"> <thead> <tr> <th>Category</th> <th>Havering Corporate %</th> <th>Public Realm (Havering)</th> </tr> </thead> <tbody> </tbody> </table>			Category	Havering Corporate %	Public Realm (Havering)
Category	Havering Corporate %				Public Realm (Havering)		
Neutral	✓						

Negative		Gender		
		Female	67.3%	2.7%
		Male	32.7%	97.3%
		There is no data available regarding gender reassignment within this workforce. Therefore, we can only base this assessment on reported gender identities. Gender – This review effects 162 people, of those people 97.3% identify as male and the other 2.7% identify as female. This is significantly different to the corporate averages. As TUPE applies all staff regardless to gender will be transferred.		
		*Expand box as required		
Evidence:				
The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees’ pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.				
Whilst any TUPE impact is less applicable here, all employers must abide the Equalities Act 2010.				
		*Expand box as required		
Sources used:				
Data was supplied the London Borough of Havering Human Resources department.				
		*Expand box as required		

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership				
<i>Please tick (✓) the relevant box:</i>		Overall impact:		
Positive		<p>There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. Savings need to be achieved to find efficiency and to streamline working practices. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :</p> <ul style="list-style-type: none"> All affected staff will have: <ul style="list-style-type: none"> Regular updates Access to one to one meeting throughout the consultation period with Council managers Access to the Employees Assistance Programme Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's 		
Neutral	✓			
Negative				

		<p>managers</p> <p>Trade Unions will be consulted and updated as appropriate</p> <p><i>*Expand box as required</i></p>
<p>Evidence:</p> <p>The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.</p> <p><i>*Expand box as required</i></p>		
<p>Sources used:</p> <p>Data was supplied the London Borough of Havering Human Resources department.</p> <p><i>*Expand box as required</i></p>		

Protected Characteristic - Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave		
Please tick (✓) the relevant box:		Overall impact:
Positive		<p>There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. Savings need to be achieved to find efficiency and to streamline working practices. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :</p> <ul style="list-style-type: none"> All affected staff will have: <ul style="list-style-type: none"> Regular updates Access to one to one meeting throughout the consultation period with Council managers Access to the Employees Assistance Programme Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>Trade Unions will be consulted and updated as appropriate</p> <p><i>Expand box as required</i></p>
Neutral	✓	
Negative		

Evidence:

The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.

**Expand box as required*

Sources used:

Data was supplied the London Borough of Havering Human Resources department.

**Expand box as required*

Socio-economic status: Consider those who are from low income or financially excluded backgrounds

Please tick (✓) the relevant box:

Positive

Neutral

✓

Overall impact:

There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. Savings need to be achieved to find efficiency and to streamline working practices. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :

- All affected staff will have:
 - Regular updates
 - Access to one to one meeting throughout the consultation period with Council managers
 - Access to the Employees Assistance Programme
 - Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers

Trade Unions will be consulted and updated as appropriate

Consideration has been made to part time workers who may fall within this category.

Category	Havering Corporate %	Public Realm (Havering)
Full time/Part Time		
Full Time	53.0%	98.4%
Part Time	47.0%	1.6%

Negative

		<p>Full Time/Part Time Profile – The majority of staff work full-time (98%) with less than 2% working part-time. This is significantly lower than the corporate average. As TUPE applies, these conditions will transfer to the new employer with part-time and full-time workers continuing to work their contracted hours.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
<p>Evidence:</p> <p>The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>		
<p>Sources used:</p> <p>Data was supplied the London Borough of Havering Human Resources department.</p>		




<p>Health & Wellbeing Impact: Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.</p>		
<p>Please tick (✓) all the relevant boxes that apply:</p>		<p>Overall impact:</p> <p>There is no indication that the Public Realm Transformation Programme will adversely affect any strand of equality set out in this impact assessment. Savings need to be achieved to find efficiency and to streamline working practices. However, consideration to equality issues will be reviewed following the consultation process to establish if any equality strand is adversely affected. Actions the Council will take to mitigate against any adverse impact include :</p> <ul style="list-style-type: none"> • All affected staff will have: <ul style="list-style-type: none"> ○ Regular updates ○ Access to one to one meeting throughout the consultation period with Council managers ○ Access to the Employees Assistance Programme ○ Access to one to one meeting throughout the mobilisation period with Council managers and the incoming contractor's managers <p>This may be an unsettling time for staff. Managers have kept staff and Trade Unions updated, and will continue to keep them informed as the programme progresses. Support will continue to be offered to all staff through the Employee Assistance Programme. Formal consultation with Trade Unions and staff will commence at the appropriate time.</p> <p>All standard HR processes will be followed in order to minimise any impact on</p>
Positive		
Neutral	✓	
Negative		

	<p>staff health and wellbeing.</p> <p>The new Contract has 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 career.</p> <p style="text-align: right;"><i>*Expand box as required</i></p> <p>Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>Evidence:</p> <p>The Council employees will TUPE to the contractor on their existing terms and conditions. Transferring employees' pensions will be safeguarded too; soft market testing indicated that all contractors are very likely to seek admission to the Local Government Pension Scheme (Admitted Body Status (ABS)). The Pensions Service has indicated that if the correct conditions are met, this is the likely outcome. In the unlikely event that ABS is not granted/sought, all employees would be offered a comparable pension offering the same/very similar benefits instead.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	
<p>Sources used:</p> <p>Data was supplied the London Borough of Havering Human Resources department.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	

3. Outcome of the Assessment

The EqHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

	1. The EqHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u>		Proceed with implementation of your activity
	2. The EqHIA identified some <u>negative impact</u> which still needs <u>to be addressed</u>		COMPLETE SECTION 4: Complete action plan and finalise the EqHIA
	3. The EqHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level		Stop and remove the activity or revise the activity thoroughly . Complete an EqHIA on the revised proposal.

4. Action Plan

The real value of completing an EqHIA comes from the identifying the actions that can be taken to eliminate/minimise negative impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will address any negative equality and health & wellbeing impacts you have identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer

Add further rows as necessary

* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts

** Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known (or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

5. Review

In this section you should identify how frequently the EqHIA will be reviewed; the date for next review; and who will be reviewing it.

Review:

Scheduled date of review:

Lead Officer conducting the review:

**Expand box as required*

Appendix 1. Guidance on Undertaking an EqHIA

What is it?

The Equality & Health Impact Assessment (EqHIA) is a tool to ensure that your activity meets the needs of individuals and groups that use your service, whilst at the same time ensuring a person's chance of leading a healthy life is the same wherever they live and whoever they are. We want to ensure that the activities of the Council are 'fit for purpose' and meet the needs of Havering's increasingly diverse communities and employees. This robust and systematic EqHIA process ensures that any potential detrimental effects or discrimination is identified, removed, or mitigated and positive impacts are enhanced.

When to Assess:

An EqHIA should be carried out when you are changing, removing or introducing a new service, policy, strategy or function; for simplicity, these are referred to as an "activity" throughout this document. It is best to conduct the assessment as early as possible in the decision-making process.

Guidance: Equality & Health Impact Assessment Checklist

The Checklist in Section 1 asks the key questions,

4a) Are you changing, introducing a new, or removing a service, policy, strategy or function?

4b) Does this activity (policy/strategy/service/decision) have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?

4c) Does this activity (policy/strategy/service/decision) have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?

- If the answer to ANY of the questions 4a, 4b or 4c of the Checklist is 'YES' then you must carry out an assessment. e.g. Proposed changes to Contact Centre Opening Hours
'YES' = you need to carry out an EqHIA
- If the answer to ALL of the questions, 4a or 4b of the Checklist is NO, then you do not need to carry out an EqHIA assessment. e.g. Quarterly Performance Report
'NO' = you DO NOT need to carry out an EqHIA. Please provide a clear explanation as to why you consider an EqHIA is not required for your activity.

Using the Checklist

The assessment should take into account all the potential impacts of the proposed activity, be it a major financial decision, or a seemingly simple policy change. Considering and completing this EqHIA will ensure that all Council plans, strategies, policies, procedures, services or other activity comply with relevant statutory obligations and responsibilities. In particular it helps the Council to meet its legal obligation under the [Equality Act 2010 and the Public Sector Equality Duty](#) and its public health duties under the [Health and Social Care Act 2012](#).

Having Due Regard

To have due regard means that in making decisions and in its other day-to-day activities, the Council must consciously consider the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Foster good relations between different groups
- Reduce inequalities in health outcomes

Combining Equality and Health Impact Assessment:

[Equality Impact Assessments \(EIAs\)](#) provide a systematic way of ensuring that legal obligations are met. They assess whether a proposed policy, procedure, service change or plan will affect people different on the basis of their 'protected characteristics' and if it will affect their human rights. Currently there are **nine protected characteristics** (previously known as 'equality groups' or 'equality strands'): age, disability, sex/gender, ethnicity/race, religion/faith, sexual orientation, gender reassignment, marriage/civil partnership, and pregnancy/ maternity/paternity.

An activity does not need to impact on all 9 protected characteristics – impacting on just one is sufficient justification to complete an EqHIA.

[Health Impact Assessments \(HIAs\)](#) consider the potential impact of any change or amendment to a policy, service, plan, procedure or programme on the health and wellbeing of the population. HIAs help identify how people may be affected differently on the basis of where they live and potential impacts on health inequalities and health equity by assessing the distribution of potential effects within the population, particularly within vulnerable groups. 'Health' is not restricted to medical conditions, or the provision of health services, but rather encompasses the wide range of influences on people's health and wellbeing. This includes, but is not limited to, experience of discrimination, access to transport, housing, education, employment - known as the 'wider determinants of health'.

This [Equality and Health Impact Assessment \(EqHIA\)](#) brings together both impact assessments into a single tool which will result in a set of recommendations to eliminate discrimination and inequality; enhance potential positive impacts and mitigate where possible for negative impacts. In conducting this EqHIA you will need to assess the impact (positive, neutral or negative) of your activity on individuals and groups with **protected characteristics** (this includes staff delivering your activity), **socio-economic status** and **health & wellbeing**. Guidance on what to include in each section is given on the next pages.

Guidance: What to include in background/context

In this section you will need to add the background/context of your activity, i.e. what is the activity intending to do, and why?

Make sure you include the scope and intended outcomes of the activity being assessed; and highlight any proposed changes. Please include a brief rationale for your activity and any supporting evidence for the proposal. Some questions to consider:

- What is the aim, objectives and intended outcomes?
- How does this activity meet the needs of the local population?
- Has this activity been implemented in another area? What were the outcomes?
- Is this activity being implemented as per best practice guidelines?
- Who were the key stakeholders in this activity?

*Note that the boxes will expand as required

Guidance: Who will be affected by the activity?

The people who will be affected may be

Residents: pay particular attention to vulnerable groups in the population who may be affected by this activity

Businesses/ manufacturing / developers / small, medium or large enterprises

Employees: e.g. Council staff for an internal activity, other statutory or voluntary sector employees, local businesses and services

*Note that the boxes will expand as required

Guidance: What to include in assessing a Protected Characteristic e.g. AGE

Please tick (✓) the relevant box:

Positive

Neutral

Negative

Overall impact: In this section you will need to consider and note what impact your activity will have on individuals and groups (including staff) with protected characteristics based on the data and information you have. You should note whether this is a positive, neutral or negative impact.

It is essential that you note all negative impacts. This will demonstrate that you have paid 'due regard' to the Public Sector Equality Duty if your activity is challenged under the Equality Act.

*Note that the boxes will expand as required

Evidence: In this section you will need to document the evidence that you have used to assess the impact of your activity.

When assessing the impact, please consider and note how your activity contributes to the three aims of the Public Sector Equality Duty (PSED) as stated in the section above.

It is essential that you note the full impact of your activity, so you can demonstrate that you have fully considered the equality implications and have paid 'due regard' to the PSED should the Council be challenged.

- If you have identified a **positive impact**, please note this.
- If you think there is a **neutral impact** or the impact is not known, please provide a full reason why this is the case.
- If you have identified a **negative impact**, please note what steps you will take to mitigate this impact. If you are unable to take any mitigating steps, please provide a full reason why. All negative impacts that have mitigating actions must be recorded in the **Action Plan**.
- **Please ensure that appropriate consultation with affected parties has been undertaken and evidenced**

Sources used: In this section you should list all sources of the evidence you used to assess the impact of your activity. This can include:

- Service specific data
- Population, demographic and socio-economic data. Suggested sources include:
 - o Service user monitoring data that your service collects
 - o [Havering Data Intelligence Hub](#)
 - o [Office for National Statistics \(ONS\)](#)

If you do not have any relevant data, please provide the reason why.

*Note that the boxes will expand as required

Guidance: What to include in assessing Health & Wellbeing Impact:

Please tick (✓) all the relevant boxes that apply:

Positive

Neutral

Negative

Overall impact: In this section you will need to consider and note whether the proposal could have an overall impact on, or implications for, people's health and wellbeing or any factors which determine people's health.

How will the activity help address inequalities in health?

Include here a brief outline of what could be done to enhance the positive impacts and, where possible, mitigate for the negative impacts.

*Note that the boxes will expand as required

Do you consider that a more in-depth HIA is required as a result of this brief assessment? Please tick (✓) the relevant box

Yes

☐

No

☐

Evidence: In this section you will need to outline in more detail how you came to your conclusions above:

- What is the nature of the impact?
- Is the impact **positive** or **negative**? It is possible for an activity to have **both positive and negative impacts**. Consider here whether people will be able to access the service being offered; improve or maintain healthy lifestyles; improve their opportunities for employment/income; whether and how it will affect the environment in which they live (housing, access to parks & green space); what the impact on the family, social support and community networks might be
- What can be done to mitigate the negative impacts and/or enhance the positive impacts?
- If you think there is a **neutral impact**, or the impact is not known, please provide a brief reason why this is the case.
- What is the likelihood of the impact? Will the impact(s) be in weeks, months or years? In some cases the short-term risks to health may be worth the longer term benefits.
- Will the proposal affect different groups of people in different ways? A proposal that is likely to benefit one section of the community may not benefit others and could lead to inequalities in health.

Please use the Health & Wellbeing Impact Tool in Appendix 2 as a guide/checklist to assess the potential wider determinants of health impacts.

This tool will help guide your thinking as to what factors affect people's health and wellbeing, such as social support, their housing conditions, access to transport, employment, education, crime and disorder and environmental factors. It is not an exhaustive list, merely a tool to guide your assessment; there may be other factors specific to your activity.

Some questions you may wish to ask include:

- Will the activity impact on people's ability to socialise, potentially leading to social isolation?
- Will the activity affect a person's income and/or have an effect on their housing status?
- Is the activity likely to cause the recipient of a service more or less stress?
- Will any change in the service take into account different needs, such as those with learning difficulties?
- Will the activity affect the health and wellbeing of persons not directly related to the service/activity, such as carers, family members, other residents living nearby?
- If there is a short-term negative effect, what will be done to minimise the impact as much as possible?

- Are the longer-term impacts positive or negative? What will be done to either promote the positive effects or minimise the negative effects?
- Do the longer term positive outcomes outweigh the short term impacts?

*Note that the boxes will expand as required

Sources used: In this section you should list all sources of the evidence you used to assess the impact of your activity. This could include, e.g.:

Information on the population affected

- Routinely collected local statistics (e.g. quality of life, health status, unemployment, crime, air quality, educational attainment, transport etc.)
- Local research/ Surveys of local conditions
- Community profiles

Wider Evidence

- Published Research, including evidence about similar proposals implemented elsewhere (e.g. Case Studies).
- Predictions from local or national models
- Locally commissioned research by statutory/voluntary/private organisations

Expert Opinion

- Views of residents and professionals with local knowledge and insight

*Note that the boxes will expand as required

Guidance: Outcome of the Assessment

On reflection, what is your overall assessment of the activity?

The purpose of conducting this assessment is to offer an opportunity to think, reflect and **improve** the proposed activity. It will make sure that the Council can evidence that it has considered its due regard to equality and health & wellbeing to its best ability.

It is not expected that all proposals will be immediately without negative impacts! However, where these arise, what actions can be taken to mitigate against potential negative effects, or further promote the positive impacts?

Please tick one of the 3 boxes in this section to indicate whether you think:

1. all equality and health impacts are adequately addressed in the activity – proceed with your activity pending all other relevant approval processes
2. the assessment identified some negative impacts which could be addressed – please complete the Action Plan in Section 4.
3. If the assessment reveals some significant concerns, this is the time to stop and re-think, making sure that we spend our Council resources wisely and fairly. There is no shame in stopping a proposal.

*Note that the boxes will expand as required

Guidance: Action Plan

For each protected characteristic/health & wellbeing impact where an impact on people or their lives has been identified, complete one row of the action plan. You can add as many further rows as required.

State whether the impact is Positive or Negative

Briefly outline the actions that can be taken to mitigate against the negative impact or further enhance a positive impact. These actions could be to make changes to the activity itself (service, proposal, strategy etc.) or to make contingencies/alterations in the setting/environment where the activity will take place.

For example, might staff need additional training in communicating effectively with people with learning difficulties, if a new service is opened specifically targeting those people? Is access to the service fair and equitable? What will the impact on other service users be? How can we ensure equity of access to the service by all users? Will any signage need changing? Does the building where the service being delivered comply with disability regulations?

Guidance: Review

Changes happen all the time! A service/strategy/policy/activity that is appropriate at one time, may no longer be appropriate as the environment around us changes. This may be changes in our population, growth and makeup, legislative changes, environmental changes or socio-political changes.

Although we can't predict what's going to happen in the future, a review is recommended to ensure that what we are delivering as a Council is still the best use of our limited resources. The timescale for review will be dependent on the scale of the activity.

A major financial investment may require a review every 2-3 years for a large scale regeneration project over 10-15 years.

A small policy change may require a review in 6 months to assess whether there are any unintended outcomes of such a change.

Please indicate here how frequently it is expected to review your activity and a brief justification as to why this timescale is recommended.

Appendix 2. Health & Wellbeing Impact Tool

Will the activity/service/policy/procedure affect any of the following characteristics? Please tick/check the boxes below

The following are a range of considerations that might help you to complete the assessment.

Lifestyle YES <input type="checkbox"/> NO <input type="checkbox"/>	Personal circumstances YES <input type="checkbox"/> NO <input type="checkbox"/>	Access to services/facilities/amenities YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Diet <input type="checkbox"/> Exercise and physical activity <input type="checkbox"/> Smoking <input type="checkbox"/> Exposure to passive smoking <input type="checkbox"/> Alcohol intake <input type="checkbox"/> Dependency on prescription drugs <input type="checkbox"/> Illicit drug and substance use <input type="checkbox"/> Risky Sexual behaviour <input type="checkbox"/> Other health-related behaviours, such as tooth-brushing, bathing, and wound care	<input type="checkbox"/> Structure and cohesion of family unit <input type="checkbox"/> Parenting <input type="checkbox"/> Childhood development <input type="checkbox"/> Life skills <input type="checkbox"/> Personal safety <input type="checkbox"/> Employment status <input type="checkbox"/> Working conditions <input type="checkbox"/> Level of income, including benefits <input type="checkbox"/> Level of disposable income <input type="checkbox"/> Housing tenure <input type="checkbox"/> Housing conditions <input type="checkbox"/> Educational attainment <input type="checkbox"/> Skills levels including literacy and numeracy	<input type="checkbox"/> to Employment opportunities <input type="checkbox"/> to Workplaces <input type="checkbox"/> to Housing <input type="checkbox"/> to Shops (to supply basic needs) <input type="checkbox"/> to Community facilities <input type="checkbox"/> to Public transport <input type="checkbox"/> to Education <input type="checkbox"/> to Training and skills development <input type="checkbox"/> to Healthcare <input type="checkbox"/> to Social services <input type="checkbox"/> to Childcare <input type="checkbox"/> to Respite care <input type="checkbox"/> to Leisure and recreation services and facilities
Social Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Economic Factors YES <input type="checkbox"/> NO <input type="checkbox"/>	Environmental Factors YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Social contact <input type="checkbox"/> Social support <input type="checkbox"/> Neighbourliness <input type="checkbox"/> Participation in the community <input type="checkbox"/> Membership of community groups <input type="checkbox"/> Reputation of community/area <input type="checkbox"/> Participation in public affairs <input type="checkbox"/> Level of crime and disorder <input type="checkbox"/> Fear of crime and disorder <input type="checkbox"/> Level of antisocial behaviour <input type="checkbox"/> Fear of antisocial behaviour <input type="checkbox"/> Discrimination <input type="checkbox"/> Fear of discrimination <input type="checkbox"/> Public safety measures <input type="checkbox"/> Road safety measures	<input type="checkbox"/> Creation of wealth <input type="checkbox"/> Distribution of wealth <input type="checkbox"/> Retention of wealth in local area/economy <input type="checkbox"/> Distribution of income <input type="checkbox"/> Business activity <input type="checkbox"/> Job creation <input type="checkbox"/> Availability of employment opportunities <input type="checkbox"/> Quality of employment opportunities <input type="checkbox"/> Availability of education opportunities <input type="checkbox"/> Quality of education opportunities <input type="checkbox"/> Availability of training and skills development opportunities <input type="checkbox"/> Quality of training and skills development opportunities <input type="checkbox"/> Technological development <input type="checkbox"/> Amount of traffic congestion	<input type="checkbox"/> Air quality <input type="checkbox"/> Water quality <input type="checkbox"/> Soil quality/Level of contamination/Odour <input type="checkbox"/> Noise levels <input type="checkbox"/> Vibration <input type="checkbox"/> Hazards <input type="checkbox"/> Land use <input type="checkbox"/> Natural habitats <input type="checkbox"/> Biodiversity <input type="checkbox"/> Landscape, including green and open spaces <input type="checkbox"/> Townscape, including civic areas and public realm <input type="checkbox"/> Use/consumption of natural resources <input type="checkbox"/> Energy use: CO2/other greenhouse gas emissions <input type="checkbox"/> Solid waste management <input type="checkbox"/> Public transport infrastructure



CABINET

PUBLIC AGENDA

September 2019

Subject Heading:

**Mercury Land Holdings (MLH) in-year
Business Plan and Budget Update
2020/2021**

Cabinet Member:

Councillor Damian White, Leader of the
Council

SLT Lead:

Neil Stubbings, Director of Regeneration

Report Author and contact details:

Nick Gyiring-Nielsen – Senior
Regeneration Manager
T 01708 434 612

Policy context:

Havering Housing Strategy 2014-17

NPPF 2012

Emerging Havering Local Plan 2017

Mercury Land Holdings (MLH) Annual
Business Plan – February 2019

Financial summary:

This report seeks Cabinet approval to the
Business Plan proposed by Mercury Land
Holding Limited (MLH) for the period 2020/21
and include the additional funding requirement
as part of the MTFS and Capital programme
report to be considered by Council in
February 2020

Is this a Key Decision?

Yes - Significant effect on two or more Wards,
Expenditure or saving of £500,000 or more

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	[✓]
Places making Havering	[✓]
Opportunities making Havering	[✓]
Connections making Havering	[✓]

SUMMARY

The Council's original decision to set up MLH on 13th May 2015 was to contribute to, and where possible accelerate the provision of housing supply in the borough, noting the potential adverse effect that an absence of sufficient housing may have on the economic and social well-being of residents and the local economy; to 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 aims, bringing forward high quality development on regeneration sites in key parts of the borough; and to generate an acceptable financial return to the Council by operating a business.

These objectives have now been aligned to the Council's Joint Venture partnerships with an over-arching vision to kick-start renewal of key town centres including regeneration and delivery of much needed homes for local people and to generate a return to the Council through prudential lending. In addition, the Council aspires to ensure good quality design of buildings and places is delivered through its role as the controlling sole shareholder of the development company.

When the original Year 1 Business Plan was agreed by Cabinet, 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.

The key inputs into the financial models have been reviewed and validated. The key inputs are construction costs, rental values, cost of finance, expected sales revenues, land values plus other costs such as expectation on s106 and CIL payments. In addition, other changes such as total number of residential properties have been updated as the design and planning processes proceed alongside additional projects being added.

Performance against the business plan is monitored by Officers on an on-going basis and reported to Members via the Shareholder arrangements. This report is able to inform Cabinet of any changes to the expected outputs from MLH as well as informing Cabinet of any changes in the financial position of MLH and our financial commitments to MLH as an investor. This report not only informs Cabinet of changes but also seeks approval of the updated Business Plan and the expected financial commitments.

In a new improvement to the Business Plan, MLH's objectives have now been aligned to the Council's Joint Ventures, notably though not limited to, Rainham along the A1306, and Romford Town Centre.

As part of the alignment with the Council's JV partnerships, key indicators have been adopted on the viability and outputs of MLH. These key indicators are: overall % return, overall financial return, initial stake (Equity in terms of borrowing and land value), impact on the MTFS from the cost of borrowing in the early years, total number of units and number of affordable housing units. These metrics are considered to be the key indicators to identify the viability, outputs and potential financial risks. These are covered in the 'Exempt Agenda Report'

The main body of the report provides significantly more detail along with additional indicators and outputs to help inform Cabinet on progress and risk management for the project.

This report seeks approval of Mercury Land Holdings Limited (MLH) Business Plan for 2020/21.

Through direct development and the acquisition of properties from the market the company will also support the London Borough of Havering's (LBH's) regeneration programme, acquiring properties from the Council's joint ventures to expand its Private Rented Sector (PRS) portfolio.

It is proposed that the Council will dispose of assets (land/buildings) to MLH at market value.

The Council will provide finance to MLH through a combination of equity investment and loans. This will constitute capital expenditure for the Council within its approved Capital Programme to be financed through Council reserves or borrowing. The overall financing arrangements will be subject to an assessment of State Aid compliance, long term affordability, risk and return on investment by the Council.

RECOMMENDATIONS

That Cabinet:

1. **Approve** the Mercury Land Holdings Limited Business Plan 2020/21 (Contained with the Appendices to Exempt Agenda)
2. **Agree** to delegate authority to the Leader of the Council, after consultation with the s151 Officer, the Director of Regeneration Programme Delivery and the Director of Legal and Governance, to approve the detailed business cases, related viability assessments and funding requirement for the individual schemes noted within the Business Plan as they may be presented during the business plan period in order to enable them to proceed.
3. **Agree** in principle to provide additional gross investment of £92.6m capital funding to MLH up to a maximum of £228 million (effective from 2020/21) in respect of projects contained in Exempt Agenda through a combination of equity investment and state aid compliant loans subject to detailed approved business cases made under delegated authority in recommendation 2 above.
4. **Agree** to delegate authority to the S151 Officer to agree, after consultation with the Director of Legal and Governance, the completion of all relevant agreements and appointments of relevant professionals relating to the provision of debt finance by the Council to MLH.
5. **Agree** to delegate to the S151 Officer, following consultation with the Director of Asset Management, and the Director of Legal and Governance, the authority to determine the principles and processes by which any assets shall be disposed of and the terms of disposal to MLH.

REPORT DETAIL

1. BACKGROUND

Introduction

- 1.1 The Council's main objectives for entering into the private sector housing market are:

- To contribute to, and where possible accelerate the provision of housing supply in the borough, noting the potential adverse effect that an absence of sufficient housing may have on the economic and social well-being of residents and the local economy;
- To 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 aims, bringing forward high quality development on regeneration sites in key parts of the borough, notably though not limited to, Rainham along the A1306, and Romford Town Centre; and
- To generate an acceptable financial return to the Council by operating a business.

Strategic Context

- 1.2 One of the most significant housing changes in the UK housing market in the past decade or more has been the rise in the private rented sector.
- 1.3 It is widely viewed that the relative immaturity of the Private Rented Sector (PRS) offers institutions and larger organisations such as local authorities an opportunity to shape the sector, and the Government is encouraging this activity.
- 1.4 It is becoming increasingly difficult for Havering residents to afford homes. However, living in a good standard of home, that is affordable and well maintained is a key determinant of good health and wellbeing. A quality rented sector targeting Havering residents would meet the Government's criteria. Likewise, affordability, coupled with improved connectivity through Crossrail, will undoubtedly make towns such as Romford more attractive for tenants who are being priced out of more central London boroughs and increasingly some mid zone locations.
- 1.5 There is an opportunity for the Council to take advantage of this anticipated tenant growth and deliver quality, well located and well managed PRS developments which will deliver a financial return to the Borough, as well as assisting in meeting its regeneration objectives.
- 1.6 Havering needs to make significant savings and generate additional income in order to meet the challenges presented by reductions in government funding and demographic growth pressures upon expenditure in statutory services in order to balance its General Fund budget over the medium term. The Council is therefore seeking to make a broader use of its asset base to generate long term revenue income streams. Traditionally, the Council has sold land to housing providers and developers in line with other local authorities around the country, in order to obtain capital receipts, to provide market and affordable housing and to meet borough wide housing targets. Whilst this activity may still remain in part the involvement of MLH allows the Council to invest capital resources to generate income streams and to deliver on other Council priorities such as regeneration activities and provision of good quality housing.

2. OPERATION OF MERCURY LAND HOLDINGS

- 2.1 The Company will continue to develop or acquire from the market a portfolio of homes for market rent and sale.
- 2.2 The Company will own the market rent units, and will market and manage the rental of those homes.
- 2.3 Units owned by the Company will be let on Assured Shorthold Tenancies and will not be subject to Right to Buy, or to the allocations provisions of Part VI of the Housing Act 1996.
- 2.4 Any provision of affordable housing units resulting from MLH development activity will be transferred to an appropriate housing partner, which may include the Council as Registered Provider.

Resourcing

- 2.5 MLH has sufficient capacity to deliver its 2020/21 business plan. As the company grows and its portfolio expands, its level of resourcing will be reviewed to ensure it operates as an efficient and sustainable business.

3. GOVERNANCE

Council as Shareholder in MLH

- 3.1 Cabinet acts as the shareholder, agreeing MLH's business plan on an annual basis.
- 3.2 In line with the recommendations in this report the Council's rights as shareholder will be exercised by the Leader of the Council with Cabinet Member for Finance and Property, the Director of Legal Services and the Section 151 officer whose main role is to protect the Council's interests as owner of the company. This will be managed through the Council's corporate governance structure, which includes the Council's joint ventures.

MLH Director Roles

- 3.3 The Company Board is only made up of those individuals listed as Directors at Companies House. As MLH continues its journey of growing, and until it gets to an appropriate level of critical mass, the Council will continue to support MLH's board through the secondment of the Council's Chief Executive, acting as Chairman on the company board of MLH. The Company will also be supported by an external, unconnected person who has relevant experience in the house building sector as a Non-Executive Director with voting rights alongside MLH staff. It is noted that all Directors must, amongst other duties, act in good faith,

would be most likely to promote the success of the company for the benefit of its members as a whole and must avoid a situation in which they have, or may have, direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company. There may be instances where the best interests of the company can conflict with those objectives of the Council.

3.4 The Directors have ultimate responsibility for directing the activities of MLH, ensuring that it is well run and delivering the outcomes for which it has been established. Directors' responsibilities include the following:

- Delivering the MLH annual Cabinet approved business plan
- Setting budgets, policies and plans and monitoring performance of MLH, and setting a framework for internal controls.
- Ensuring compliance with MLH's objectives, purposes and values.
- Ensuring the financial strength, solvency and good performance of the company.
- Ensuring MLH complies with all relevant regulation, laws as well as the requirements and policies of the Council, where appropriate.
- Dealing with the appointment and appraisal of staff.
- Procuring services necessary for the execution of MLH's objectives.

Council as Funder

3.5 The Council will continue to act as a bank credit committee, whose primary task will be to assess MLH's viability (as an entity) and the viability of each project, which loan funding and equity will be used for and, using this analysis, to determine whether to release loan funding to MLH on appropriate business case.

3.6 The Council will regularly monitor and analyse financial information generated by MLH during the lifetime of each loan to ensure that MLH is not in breach of key financial requirements (which are stipulated as funding conditions in each loan).

3.7 The key areas which the funder role will want satisfied prior to providing funding for a development are:

- That the financial metrics demonstrate that the loan will be repaid;
- There is confidence that the projected rental stream can be maintained;
- That base level sensitivities (which will trigger warning signals) for MLH's general performance and each proposed development are properly set and that a sufficient margin is added to the base level to provide reassurance to the funder role. (This will form part of the company's obligations under each loan); and
- That evidence is provided that the terms of financing for each project (loan and equity funding), is State Aid compliant. This advice will be acquired from an expert third party.

4. Progress and Scheme Review

- 4.1 Mercury Land Holdings has been successfully operating for over 3 years and has delivered against its previous business plan. This includes:

4.11 Cathedral Court

MLH continues to manage 65 units at Cathedral Court, Romford, with all properties currently let. The returns generated by the site are noted in the MLH business plan.

4.12 North Street

MLH has obtained planning permission for 44 PRS units at 75 North Street in Hornchurch. A contractor has been appointed and construction commenced in May 2018. Practical completion is due in October 2019.

Objectives for 2019/20

- 4.2 The Company's business plan for the fourth year of its operation and further information on the respective schemes is included in the appendix to this report. This section provides a brief summary on the various schemes included in the 2020/21 Business Plan.

The plan anticipates the on-going asset management of Cathedral Court and continued growth through development and acquisition across a number of sites as set out below. As units are completed or acquired, they will be added to MLH's portfolio to further its objective to become a leading housing provider in Havering.

4.21 Cathedral Court

MLH will continue the asset management of Cathedral Court, generating income to meet loan arrangements with the Council and providing 65 good quality rental units in the locality.

4.22 North Street Hornchurch

MLH will complete the development of the site, currently under construction by the end of October 2019. There is strong demand for a bespoke rental product in Hornchurch, with a high degree of interest from prospective tenants. Marketing will commence in early August 2019. Post construction the objective is to achieve a fully let scheme at or above projected rents.

4.23 Quarles

MLH has an option to acquire the site from LBH. MLH will submit a planning application on the site for residential development & thereafter arrange for

construction to commence with completion of the initial phase projected for late 2021/22, subject to terms being agreed.

4.24 Opportunity Site 1

MLH will seek to acquire the site and implement the agreed delivery option, subject to terms being agreed.

4.25 Short Term Lease Project

MLH will commence the acquisition of street properties and lease on commercial terms. This project will be subject to further review as part of a comprehensive housing strategy of the Council.

4.26 Opportunity Site 2

Working in partnership with one of the Council's JV partners on planning and development processes, MLH will acquire land for PRS delivery, subject to terms being agreed.

4.27 Waterloo Road

MLH will continue to negotiate the acquisition of properties from the 12 Estates Regeneration Programme. The details and structure of this purchase are emerging and assumptions have been made in the Business Plan which are subject to change. The release of funding for Waterloo Road will be subject to the outcome of further modelling and a neutral / positive revenue impact of the Council over the life of the MTFS.

4.28 Crow Lane

MLH will acquire units off plan for PRS as part of a wider site acquisition by the London Borough of Havering from a major residential developer.

4.29 St Georges

MLH will acquire units off plan for PRS delivery subject to terms being agreed on the site and associated schemes in the locality.

Financial Review

4.3 The plan shows that by the year ending 31 March 2023 the company will have a total of 424 PRS units, rising to 487 units by 31 March 2025.

4.4 The financial details are contained in the Exempt Agenda Report.

REASONS AND OPTIONS

5. Reasons for the decision:

- 5.1 The 2020/21 business plan meets the objectives stated in 1.1 and contributes to the financial objectives of the Council.

6. Other options considered:

- 6.1 A review of the alternative options of do nothing is not feasible as it would not fulfil the objective of growing the company.

IMPLICATIONS AND RISKS

7. Financial implications and risks

See Exempt Public Agenda Report

8. Legal implications and risks:

8.1 General

The legal implications contained herein relate to the range of projects cited in the MLH Business Plan and generally to the Council in delivering through its wholly owned company. Members established MLH, a company limited by shares and wholly owned by the Council subject to Part V Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. The company's business is the provision of homes for market rent, sale and if required through compliance with planning obligations the construction of affordable homes. Agreement in principle is sought to provide funding to MLH in the form of either equity or loans, and other support and to dispose of Council land to it. Delegations are sought to make such decisions and finalise the various documents that will be required to facilitate the above as detailed in the recommendations to this report.

- 8.2 s1 Localism Act 2011 provides the Council with General Power of Competence, to do anything an individual may do subject to statutory limitations. The Council may exercise this power for its own purpose, for a commercial purpose and/or for the benefit of others. Operating a business to let homes at market sale or rent with the intention of making profits is considered a commercial purpose and the Council, in compliance with s4 Localism Act 2011 undertakes that activity through its Company, MLH.

- 8.3 s4 Localism Act 2011 prohibits the Council from engaging in activities for a commercial purpose if legislation requires the Council to fulfil those functions under statutory duties.

Finance

- 8.4 s24 Local Government Act 1988 provides the Council with the power to provide a wide range of financial assistance to MLH including making a grant or loan to it and as MLH is a body corporate the Council may under Section 24 (2)(d) acquire share or loan capital in it.
- 8.5 s111 Local Government Act 1972, provides Councils with the power to do anything whether or not involving the expenditure, borrowing or lending of money or the acquisition of property rights which is incidental, conducive or calculated to facilitate the exercise of any of their functions. This would include the exercise of functions under s1 Localism Act 2011. The Council could rely on this power to provide the company with loans and other support such as providing staff and the use of premises. Any support provided must be state aid compliant (see below) and will be the subject of agreements between the Council and MLH.
- 8.6 If the Council intends to borrow to lend to MLH, Reg 25 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146) treats the giving of a loan by a local authority to a third party (such as MLH) towards expenditure (e.g. works on a new buildings) as capital expenditure providing that if the local authority itself incurred that expenditure (it borrowed to undertake the works itself) it would treat that expenditure (under proper accounting practices) as capital expenditure. It should be noted that the Council borrowing to lend to MLH in connection with revenue funding is not permitted. Any Council borrowing must comply with prudential borrowing code under Part 1 Chapter 1 Section 1 Local Government Act 2003, a local authority may borrow for any purpose relevant to its functions or for "the prudent management of its financial affairs".

Land disposal and financial assistance

- 8.7 s32 Housing Act 1985 requires the Council to obtain the Secretary of State's (SoS) consent for the disposal of land held under the Council's HRA. The SoS has issued the General Housing Consents 2013 (the General Housing Consents) which set out circumstances in which the SoS pre-approves/pre-consents to a local authority disposing of HRA land and property. Consent A 3.2 of the General Housing Consents permits the Council to dispose of vacant land. Members should note that vacant land means land where there are no dwellings and/or where any dwellings are no longer capable of human habitation and are due to be demolished.
- 8.8 The Council is entitled to dispose of land held by its General Fund (including buildings) to a third party provided it complies with s123 Local Government Act 1972. This requires it to obtain a consideration which is not less than the best it

could reasonably obtain. If the Council disposes of a property at an “under-value” it does require the consent of the SoS (except for limited circumstances such as short term leases).

- 8.9 If the Council was able to sell at an under-value (and remain State Aid compliant) the Council may be able to rely on Circular 06/03 (the Local Government Act 1972 – disposal of land for less than best consideration) which sets out circumstances in which the SoS pre-approves/pre-consent to the disposal of General Fund land at an under-value. If this consent is to apply then the “under-value” (in relation to a disposal) must not exceed £2m and the Council’s purpose in making such a disposal must be to contribute to the economic social or environmental well-being of the authority’s area and/or its residents.
- 8.10 The finance which Members are requested to approve in principle (whether on commercial terms or otherwise) constitutes 'financial assistance' under the terms of s24 Local Government Act 1988 which permits the Council to provide financial assistance to any other person for the provision of "privately let accommodation". If the Council exercises its powers under this section then under s25 it must obtain the consent of the SoS to do so. The SoS has set out pre-approved consents in the "General Consents 2010" (July 2011 updated in 2014). If the circumstances of financial assistance meet one of the criteria in the General Consents then the SoS consent is given.
- 8.11 s24 Local Government Act 1988 provides the Council with the power to provide a wide range of financial assistance to MLH including making a grant or loan to it and as MLH is a body corporate the Council may under Section 24 (2)(d) acquire share or loan capital in it. The current version of the General Consents 2011 contains Consent C. Under this consent the Council could provide financial assistance to any person.
- 8.12 When exercising its powers, the Council must, as with any other power, have regard to its own procedural rules, the Wednesbury principles of reasonableness and its fiduciary duties. It must also ensure that its powers are used for the proper purpose.

Fiduciary Duties

- 8.13 The Council’s fiduciary duties could be briefly summarised as it is acting as a trustee of tax and public sector income on behalf of its rate and tax payers. The Council in effect holds money but does not own it; it spends money on behalf of its business rate and Council tax payers.
- 8.14 In making the decisions concerning MLH, the Council considers whether making investment and or extending loans to that body (and similar activities) should give proper consideration to the risks and rewards of approving the recommendations. In practice Members will want to consider whether the Council will achieve an appropriate return for its risk and that the Council has

minimised the risk and potential cost to it if MLH became insolvent and/or defaulted on its loan(s).

- 8.15 Consideration should also be given to whether the Council's involvement in this arrangement is proportionate and properly balanced against the anticipated benefit as well as the wider interests of its local business rate and tax payers. On a practical basis this means that Members should consider whether the monies they are requested to approve for investment/lending, could be better used by the Council for the wider interests of its local tax payers. This should include considering the impact on the Council (and therefore its local tax payers) if MLH became insolvent or otherwise defaulted on loans it had taken from the Council.

State Aid

- 8.16 The Council is required to provide funding and ensure it and MLH operates in accordance with the state aid requirements. Article 107 (1) of the Treaty on the Functioning of the European Union 1957 (**Treaty**) declares that state aid, in whatever form, which could distort competition and affect trade by favouring certain undertakings or production of certain goods, is incompatible with the common market, unless the Treaty and in practice the European Commission (through regulations and decisions) allows otherwise.
- 8.17 It is important that any loans/credit or other support provided to MLH are state aid compliant. Loans/credit which the Council generally makes available to MLH must be made on commercial terms and at a commercial interest rate. If the Council subsequently chooses to make an equity investment into MLH its must ensure this is done on commercial terms as a market investor. It will be necessary for the Council to obtain independent confirmation that such arrangements have been made on commercial terms prior to them being entered into.

9. Human Resources implications and risks:

- 9.1 The MLH business forms part of the Council's overall regeneration programme and requires continued involvement of officers from the Regeneration team and other Council services from time to time.
- 9.2 Section 2.5 of this report confirms MLH has sufficient capacity to deliver its 2020/21 business plan. Accordingly, it is not anticipated that the update to and approval of the MLH Limited Business Plan 2020/21, and its related development activity, will have any adverse human resources implications or risks. As the company grows and its portfolio expands, its level of resourcing will be reviewed to ensure it operates as an efficient and sustainable business.
- 9.3 Should further resources be required, consideration needs to be given as to whether the company's employees should be directly employed by the company, or be agency workers/consultants engaged directly by the company or by the Council on behalf of the company or be employed by the Council and

‘seconded’ to the company either temporarily or on a permanent basis. Each option will be considered from time to time in the light of the needs of the company to be able to attract, recruit and retain their employees by paying an appropriate ‘private sector’ market rate salary and the possible risk to the Council of creating comparators from an equal pay perspective should the Council act as the employer. All such arrangements will need to be appropriately consulted and consented to as necessary with decisions taken at the relevant time.

- 9.4 In as similar manner the Company will need to establish suitable company infrastructure such as accommodation, ICT.

10. Equalities implications and risks:

- 10.1 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.

Please note ‘Protected characteristics’ are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

- 10.2 An Equality Impact Assessment was undertaken on the establishment of a private sector focussed Council Owned Housing Company, the results of which led the Council to believe its operation will have a positive impact on local residents, businesses and staff.
- 10.3 As the Company was established by the Council, its development had to be compliant with the Public Sector Equality Duty (PSED) in the Equality Act 2010 (EA10).
- 10.4 Once established, the Company will to be operating in compliance with the general duty of the EA10 and will be required to carry out Equality Impact Assessments on relevant projects and initiatives so as to ensure that positive equality outcomes are optimised and any potential/likely negative implications are mitigated.
- 10.5 The officers consider the existing Equality Impact Assessment continues to be of relevance to the Company and for the purpose of seeking the agreement by Cabinet of the MLH Limited Business Plan 2020.

Appendices

Exempt Agenda Report

This Executive Decision Report is exempt and the appendices is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. It is exempt because refers to information relating to the financial or business affairs of any particular person, including the authority holding that information, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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