



Public Document Pack

Haverling
LONDON BOROUGH

CABINET

7.30 pm	Wednesday 15 January 2020	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:
Debra Marlow tel: 01708 433091
e-mail: debra.marlow@onesource.co.uk



**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:-

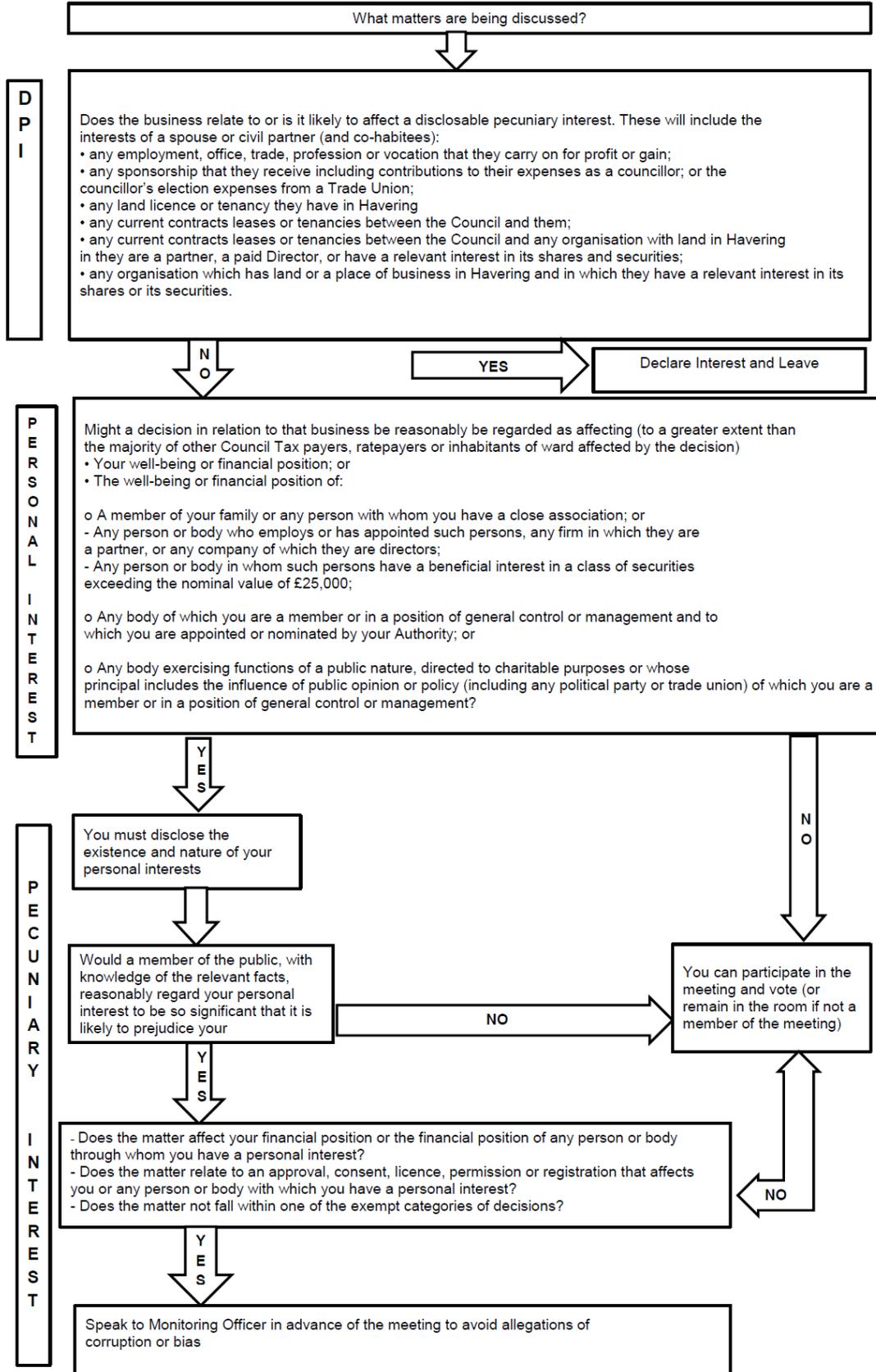
- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing,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

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



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 - 8)

To approve as a correct record the minutes of the meeting held on 13th November, 2019, and to authorise the Chairman to sign them.

5 CONTRACT EXTENSION FOR THE SUPPLY OF TEMPORARY AGENCY WORKERS (Pages 9 - 14)

6 QUARTER 2 CORPORATE PERFORMANCE REPORT (Pages 15 - 26)

7 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.

8 DIGITAL PLATFORM REPLACEMENT (Pages 27 - 38)

9 NEW LEISURE CENTRE IN SOUTH OF THE BOROUGH (Pages 39 - 216)

10 RAINHAM AND BEAM PARK REGENERATION JV LLP. BUSINESS PLAN AND BUDGET 2020/21 (Pages 217 - 586)



MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 13 November 2019
(7.30 - 8.55 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

No apologies for absence were received.

96 DISCLOSURES OF INTEREST

There were no disclosures of interest.

97 MINUTES

The minutes of the Cabinet meeting held on Wednesday 18th September 2019 were agreed and signed by the Chair as an accurate copy of the same.

98 **APPROVAL TO BRING FORWARD THE NORTH WEST ROMFORD DEVELOPMENT.**

Cabinet noted the report which outlined the future plans for the planned progression of the North West Romford Development Proposal, in particular, the Angel Way site.

Members noted that this development would produce approximately 1,300 new homes with 35% being affordable housing. Members also noted that this development will bring in new commercial and retail opportunities along with a new green space. Cabinet noted that the Council own 30% of the land inside the Red Line Plan shown in Appendix A to the Cabinet report.

Cabinet:

1. **Endorsed** the vision as set out in section 2 of the Cabinet report to bring forward the North West Romford Development Proposal (NWRDP) as a residential led comprehensive development.
2. **Approved** the Council entering into consultation with land owners, stakeholders and other third parties to identify the detail of the development area and design principles that will underpin the objectives upon which the scheme will be brought forward.
3. **Approved** the Council entering into direct negotiations with land owners and holders of third party interests located within the area proposed for development, subject to future budget decisions being made by full Council through the Council's Budget and Capital Programme process.
4. **Approved**, subject to agreement of budget provisions via the Budget and Capital Programme process, the Director of Regeneration, after consultation with the Leader of the Council and Deputy Director Legal and Governance, being authorised:
 - a. To enter into and complete private treaty arrangements to enable the acquisition of land, interest and rights within (or directly related to) the Red Line Plan area (as shown at Appendix 1 to the Cabinet report);
 - b. To appoint surveyors, barristers and any other professionals required to promote land acquisition and to facilitate the vacant possession of interests located within the Red Line Plan;
 - c. To settle the final form and content associated documentation required to bring forward the scheme to include indicative;

- Red Line Plan;
 - Draft Schedule Freehold and Leasehold Interests;
 - Draft Statement of Reasons
 - Draft Equalities Impact Assessment
 - Consultation Report
 - Viability report
- d. To take such actions so as to facilitate the acquisition of properties and proprietary interests within the Red Line Plan by agreement, such actions to include the relocation of businesses, residents, and statutory undertakers apparatus or of Communication Code Operators, together with any other interests;
- e. To take all reasonable necessary steps to identify land which cannot be acquired by negotiation and appoint the relevant advisors in order to assess the use of CPO powers; and
- f. To negotiate and finalise suitable arrangement to finance and deliver the Council's vision for the North West Romford Development Proposal (NWRDP) with the experienced developer who has approached the Council and expressed its intention to bring forward the development (based on the outline terms described in Appendix 2 of the Cabinet report, but as may be further developed or revised, and subject to further necessary approvals prior to signing).
- g. To review, as proposals develop, other opportunities that may become apparent should adjoining owners identify redevelopment aspirations and bring further reports back to Cabinet to seek further approvals as required.

99 MAKING OF THE COMPULSORY PURCHASING ORDER - NW ROMFORD REGENERATION

Cabinet noted that the land that the Council is looking to acquire has been stalled for approximately 10 years but private treaties have so far been unsuccessful. Members noted that private partners would provide the upfront finances and the finances for any further Compulsory Purchase Orders.

Cabinet:

1. **Approved** in principle support for use of compulsory purchase powers and therefore to the Council preparing over the next six months for the making Compulsory Purchase Order(s) (CPO(s)) pursuant to the statutory powers contained in section 226(1)(a) of the Town and Country Planning Act 1990 (as amended), and section 13

of the Local Government (Misc. Provisions) Act 1976 and all other necessary action to acquire all property and other proprietary interests on and adjacent to the land, including where appropriate new rights, located within the outline on the indicative CPO Red Line Plan at Appendix 1 to the Cabinet report, for the purpose of securing the regeneration of the North West Romford Development Proposal in accordance with existing submitted and emerging planning policy.

2. **Approved** that by no later than the period outlined in recommendation one a separate report be prepared to update Cabinet on either
 - a. the ongoing preparations for making of a CPO(s) and further timescales involved; or
 - b. recommendations for the making of a CPO in support of the delivery of the proposed development.

3. **Approved** that the Director of Regeneration, after consultation with the Leader of the Council and Deputy Director Legal and Governance be authorised to take all steps necessary to enable a compulsory purchase order (or orders) to be made, including but not limited to;
 - a. Appointing surveyors, barristers and any other professionals required to prepare for and subsequently promote the CPO(s) and to facilitate the vacant possession of interests which are located within the CPO Red Line Plan;
 - b. Settling the final form and content of the proposed CPO(s) and associated documentation for approval, to include the;
 - CPO Red Line Plan;
 - Compulsory Purchase Order;
 - Schedule Freehold and Leasehold Interests
 - Statement of Reasons
 - Equalities Impact Assessment
 - Consultation Report
 - c. Taking such actions as necessary to facilitate the North West Romford Development Proposal by acquiring properties and proprietary interests by agreement, such actions to include; the relocation of businesses, residents and statutory undertakers apparatus or Communication Code Operators; and any other interests and setting out the terms for the withdrawal of potential or actual objections to the CPO(s); the entry onto the Land and other land for the purpose of carrying out surveys pursuant to section 15 of the Local Government (Miscellaneous Provisions) Act 1976 ;

- d. Amend the number of properties and leasehold acquisitions with the CPO Red Line Plan at Appendix 1 of the Cabinet report, should such amendment be required to deliver the overall North West Romford Development Proposal;
 - e. Issue notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A of the Acquisition of Land Act 1981; and
 - f. Consider alternatives to the use of compulsory purchase powers.
4. **Noted** that before a compulsory purchase order is made a further detailed report will be drafted seeking authority for the making of an Order (or Orders) and that such a report will need to address a number of issues including:
- a. That the compulsory acquisition is necessary to facilitate the carrying out of development, redevelopment or improvement on, or in relation to, the land being acquired;
 - b. That the Scheme complies with planning policy and the submitted Local Plan;
 - c. That there is a compelling case in the public interest for the land to be acquired which outweighs the interference with the human rights of those with an interest in the land affected;
 - d. That the Scheme will contribute to the promotion or improvement of the economic and/or social and/or environmental well-being of the local area;
 - e. That the Scheme is viable and that there is a reasonable prospect that the Scheme can be implemented within a reasonable timescale;
 - f. That agreements have been entered into with a private sector partner that provides for the delivery of the Scheme and indemnifies the Council in respect of its costs of making the order, seeking its confirmation and compensation payments to affected owners, lessees, occupiers and any other potential claimants;
 - g. That there are no physical or legal impediments to the Scheme proceeding;
 - h. That all reasonable steps have been taken to acquire land and rights over land needed to deliver the Scheme by negotiation and voluntary agreement;

- i. That alternatives to the use of compulsory purchase powers have been considered;
- j. That the compulsory acquisition would not infringe the Council's equality duty.

100 **BEAM PARKWAY - AWARD OF CONTRACT**

The Leader of the Council removed himself from the meeting for this item for transparency.

The report presented to Cabinet sought to award a contract for the design and construction of the Beam Parkway Housing Project on the A1306. Members noted that although the agreement is at a fixed price, there is a break clause in the agreement to protect the Council against cost overruns. Cabinet also noted that the plants would be pollution tolerant and that funding was being given from TFL and the GLA.

Cabinet:

1. **Approved** the award of the Beam Parkway ECC to Jackson Civil Engineering Limited.
2. **Delegated** to the Director of Regeneration and Service Delivery, after consultation with the Leader, the authority to sign the contract.

101 **DECISION TO AWARD A CONTRACT FOR THE 0 TO 19 HEALTHY CHILD PROGRAMME**

The report presented to Cabinet asked for approval for a 5 year contract, with a 2 year extension option, for the provision of the Healthy Child Programme for 0-19 year olds from 1st April 2020 to 31st March 2025.

Cabinet:

1. **Approved** the award of a Healthy Child Programme (HCP) contract to North East London Foundation Trust (NELFT), for the reasons set out within the body of the report. The contract sum to be £23,797,000, for a period of five (5) years plus up to a further two (2) year extension period following a Best Value Review (within the meaning of Part 1 of the Local Government Act 1999) of the HCP service contract, with a start date of 1st April 2020.

2. **Approved** investment of an additional:

- £289k for year one of the contract
- £578k for year two of the contract
- £867k per annum for the remaining term of the contract

The full uplift will increase the annual value of the contract to £3.462m and thus fund the service at the minimum level necessary to deliver the HCP in full for children aged under 5.

102 **HOMELESSNESS AND ROUGH SLEEPING STRATEGY**

The report presented to Cabinet set out the draft Homelessness and Rough Sleeping Strategy that the Council is planning to implement in the next 4 years. The Council hopes to reduce the use and cost of temporary accommodation and it hopes to reduce rough sleeping by half by 2021.

Cabinet:

1. **Approved** the draft Homelessness and Rough Sleeping Strategy and asked officers to commence the formal consultation process with members of the public, key stakeholders and partners.
2. **Noted** that the outcome of the consultation will inform and shape the final Strategy and its future priorities before final approval is sought from Cabinet.

103 **PEOPLE STRATEGY**

The report presented to Cabinet set out the Council's proposal for a Council wide strategy which promotes learning and support within the workforce to brand the London Borough of Havering as an 'employer of choice'.

Cabinet:

1. **Approved** additional revenue budget of £544,400, to run the overarching People & Organisation Transformation Programme for two years, on the assumption of an 'invest to save' approach. Investment will provide the People Strategy and eight projects that are the building blocks to the success of the People Strategy: Values and Behaviours; Organisational Preparedness; Havering Together with Staff; Leadership; Apprenticeship Framework; Workforce Planning; Talent & Succession and Reward & Recognition.

2. **Approved** an ongoing investment of £169,000 per annum to enable the creation of a new OneSource Talent Hub, which will draw on the Apprenticeship Levy to bring new talent into the council and upskill existing employees, noting that this is the maximum investment required.

3. **Approved** £250,000 Revenue Budget to provide targeted assessment of the current resource; a comprehensive programme of leadership and senior management development, which will support sustained transformation and performance improvement across the Council. Where possible, activity will be provided all or in part by the Apprenticeship Levy, to reduce the overall cost of this activity.

104 **REVIEW OF PESTICIDES USED IN HAVERING**

The report presented to Cabinet gave the results of the recent pesticide review undertaken by the Executive. The review explained that the weed killer Glyphosate conforms to the EU's Sustainable Use of Pesticides Derivative and is safe to use in public spaces.

Cabinet:

1. **Noted** the contents of this report.

Chairman

CABINET

15th January, 2020

Subject Heading:

Contract extension for the supply of temporary agency workers

Cabinet Member:

Cllr Damian White, Leader of the Council

SLT Lead:

Ben Plant, Director of HR & OD

Report Author and contact details:

Hassan Iqbal, 01708 432541,
hassan.iqbal@onesource.co.uk

Policy context:

HR Routes to Recruitment and Resourcing

Financial summary:

Spend approximately £25,000,000

Is this a Key Decision?

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

When should this matter be reviewed?

June 2020

Reviewing OSC:

Overview and Scrutiny Board

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

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

SUMMARY

1. The Adecco contract for the supply of temporary agency resources was agreed by Cabinet in August 2016 for the duration of 3 years + 1. The 3 years expired in December 2019 and approval is being sought to extend for the +1 year allowed within the contract, with the addition of a 9 month break clause.

2. The council's existing contract provides more favourable terms than the recently procured London Collaboration framework. Extending the contract by a year will ensure the council continues to benefit from these terms while providing time to explore and assess options for the next contract award.

RECOMMENDATIONS

Cabinet is asked to:

3. Approve the Adecco contract extension for the supply of temporary agency resources for a period of 1 year with a 9 month break clause.

REPORT DETAIL

4. In line with the people strategy adopted at November Cabinet, the council's senior leadership team is leading a drive to significantly reduce the use of agency workers and build a stable, permanent, productive workforce. However, there will always be circumstances where the use of agency workers continues to be necessary or appropriate – for example, where the council requires access to specific skillsets for a defined period of time, or where there are challenges in recruiting and retaining suitable permanent staff.
5. The London Borough of Havering has a corporate contract for the supply of temporary agency workers which is delivered by Adecco under a master vendor service model via the ESPO Mstar 2 framework. The contract has been in place since December 2016 and is currently meeting all SLAs and KPIs. The contract expired in December 2019, but includes the option of a one year extension.
6. The current contract was awarded by a mini-competition exercise under the ESPO Mstar2 framework. The mini-competition was conducted by "The London Collaboration", a group of London organisations who collectively, through their combined purchasing power, were able to obtain further cost savings from the main framework prices. Running the mini-competition allowed further refinement on the specification whilst retaining the benefits offered under the framework agreement.
7. The Mstar2 framework expired in April 2019 and the new Mstar3 framework commenced on 11 April 2019. A further London Collaboration working party was created and another mini-competition exercise was conducted for two of the Mstar3 Lots: vendor neutral model Lot 1a and managed service model Lot 1b. Suppliers were awarded on 5 September 2019 and Adecco were successful in winning Lot 1b. The vendor neutral winner was Matrix.

8. The new Mstar 3 London Collaboration award has delivered 19% (neutral vendor) and 24% (master vendor) cost savings from the main framework prices. However, even with these savings, the current pricing terms we are receiving under the Mstar 2 Adecco prices are more favourable. The proposed future pricing versus the pricing we are currently receiving has led to the decision to undertake a comprehensive review of alternative future options.
9. In addition to the Lot 1a and Lot 1b, a further Mstar3 mini-competition is currently being conducted for Lot 3. The model for Lot 3 is Talent Pool; a new approach to recruitment allowing advanced technology to source and create authorities' own "Talent Pool". The two key purposes of the Talent Pool are to support finding jobs for local people and create further cost savings by utilising the technology available. The invitation to tender is due to be released later in January 2020.
10. There are a number of options to consider for the next temporary agency worker contract. During the extension period it is the intention to hold stakeholder engagement sessions, supplier presentations, meet with neighbouring authorities which are using other providers, and to create detailed cost modelling. These activities will allow a further paper to be presented to Cabinet in June/July 2020.

REASONS AND OPTIONS

Reasons for the decision:

11. The current financial terms with Adecco are more favourable than alternative options and the option to extend will allow Havering to benefit from these terms for one further year.
12. It will also allow the opportunity for Adecco to deliver various commercial benefits which will be negotiated/agreed as part of the extension. These include but are not limited to tenure discounts and prompt payment discounts. The discounts will apply to the influencable spend which is 4.18% of the overall £25 million per annum expenditure (see table under Financial Implications). The remaining 95.82% is a combined spend of salary and statutory costs including employers NI, apprenticeship levy and workplace pension, which are determined by external market rates.
13. There are a number of options to consider for the next temporary agency worker contract. During the extension period it is the intention to hold stakeholder engagement sessions, supplier presentations, meet with neighbouring authorities which are using other providers, and to create detailed cost modelling.

14. Future models to be considered will be vendor neutral, master vendor, joint venture (Kent Commercial Services) and Talent Pool/In-House delivery. All these options will be reviewed and presented to Cabinet in June/July 2020.
15. Key consideration for the future model will not only be the efficiency of the contract management and service delivery element but also the ability of the chosen provider to support us in influencing our overall expenditure.

Other options considered:

16. **Direct Award to Adecco on Mstar 3 Lot 1b** – the financial modelling for this option is showing as more expensive than the current contract, even when the RPI index is taken into account over the contract life.
17. **Direct Award to Matrix Mstar 3 Lot 1a (Vendor Neutral Model)** – the Mstar 3 vendor neutral model is a cheaper option than master vendor but still remains more expensive than our current model.

IMPLICATIONS AND RISKS

Financial implications and risks:

18. The table below shows the management fee spend for FY18/19. This excludes the salary costs to the workers (pay and statutory costs) and is purely the margin and agency fees to the supplier and their supply chain. The management fee is the influenceable spend.
19. In the Mstar 2 column, the total management fee spend for FY18/19 was £1,044,737. The usage for the FY18/19 has been mapped against the Mstar 3 management fees and show a significant increase if we were to make a direct award to either Adecco or Matrix under the new framework.
20. We explored the possibility of an Employers National Insurance (ENI) reduction. Typically agencies charge clients ENI on the whole wage cost, not taking into account the ENI thresholds and therefore charging more than the statutory requirement. To avoid over-charging, the ENI percentages are set at framework level. The ENI charges are more economical on Mstar 3 than Mstar 2 but whilst cheaper it does not reduce the overall costs and Mstar 2 still remains more favourable.

Management Fees Mstar 2 v Mstar 3			
Authority	Mstar 2 Management Fees Current Contract FY18/19	Mstar 3 Management Fees London Collaboration FY18/19	
	Adecco	Adecco	Matrix
Havering	£1,044,737 (4.18% of the overall £25 million spend)	£1,301,678 (25% Increase from Mstar2)	£1,078,185 (3% Increase from Mstar2)

21. The figures above have been derived using 2018/19 agency usage and are indicative of management fees at similar levels of agency usage. This extension would be based on the current Mstar2 contract. There is no separate budget for the management fee as the cost is incorporated within the overall agency charge whilst the corresponding budgets are generally held within service salary budgets. With the likely increase in the management fee, services should put plans in place to reduce overall reliance on agency workers within the council.

Legal implications and risks:

22. This report seeks approval to extend the Adecco Contract for a one year period.

23. The Council has the power under Section 1 of the Localism Act 2011 to agree the recommendation in this report.

24. The option to extend the term was contemplated at the time the contract was awarded and the contract enables the parties to extend the initial 3 year term to December 2020.

25. Therefore, the proposed extension is in compliance with the limitations imposed by the Public Contracts Regulations 2015 and Regulation 72(1)(a) in particular.

26. However, the contract does not include a termination for convenience clause and therefore, the break clause referred to in the recommendation will need to be agreed with Adecco. This does not constitute a substantial modification under Regulation 72(8).

27. In accordance with Contract Standing Order 19.8, the reasons and authority to extend the period of a contract must be recorded in writing and loaded onto the Council's preferred e-tendering suite.

28. Officers have confirmed that the provider has performed the service to a satisfactory level under the current contract.

Human Resources implications and risks:

No HR implications or risks

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 equalities legislation is incorporated into the existing Adecco contract.

BACKGROUND PAPERS

Not applicable

CABINET

15 January 2020

Subject Heading:

Quarter 2 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 2 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 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. Progress against these indicators will be reported to the Overview and Scrutiny Board on a quarterly basis. Many of these 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

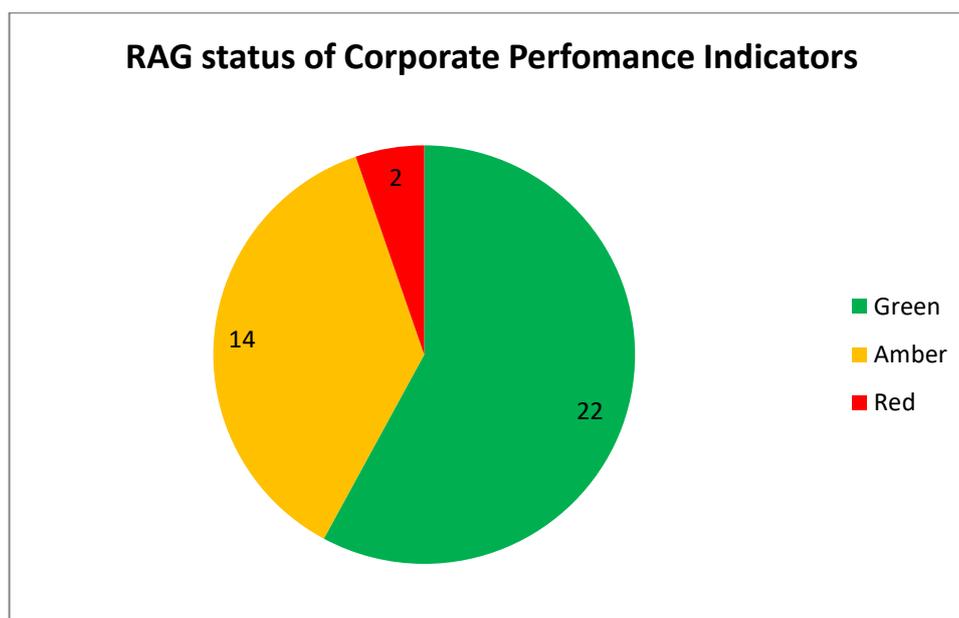
That the Cabinet:

- Considers the performance set out in the Appendix and the corrective action that is being taken.

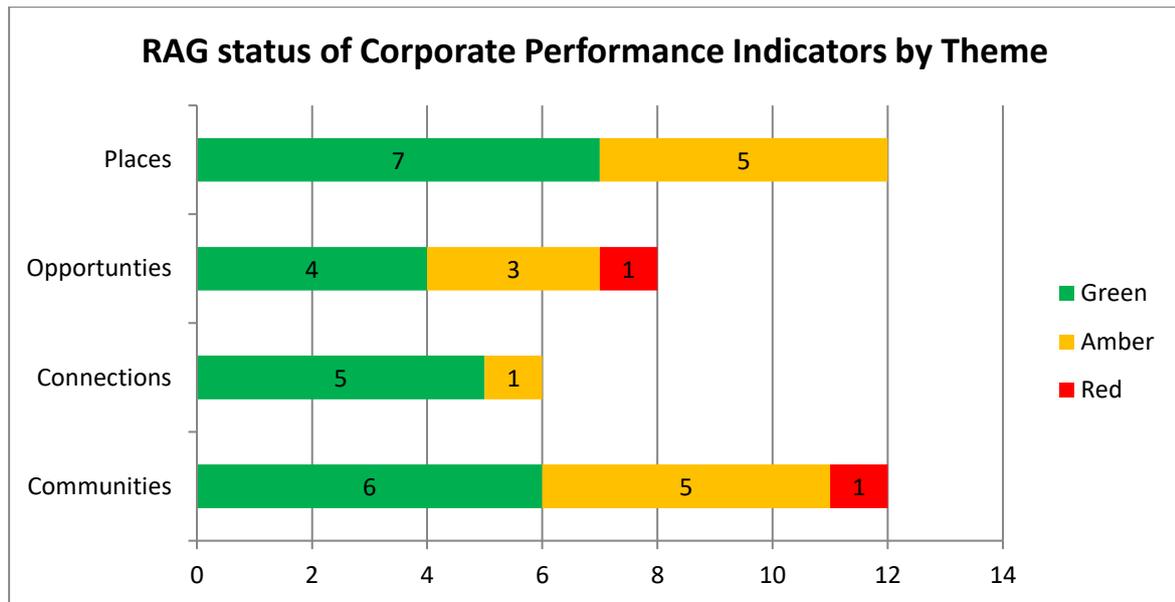
REPORT DETAIL

Corporate Performance Report Quarter 2 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 9 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:
 - 22 (58%) rated as **Green**
 - 14 (37%) rated as **Amber**
 - 2 (5%) rated as **Red**



4. The performance measures are broken down according to theme, with the following breakdown per theme:
- Communities – 6 (out of 12) rated Green
 - Connections - 5 (out of 6) rated Green
 - Opportunity - 4 (out of 8) rated Green
 - Place - 7 (out of 12) 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

Cabinet 15th January 2020

directorates 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
- Minimum 98.7% collection rate on business rates

BACKGROUND PAPERS

Quarter 2 Corporate Performance Report

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RAG Rating	Description
GREEN	On or better than target
AMBER	Off track against target but within accepted tolerance
RED	Off track against target and outside of accepted tolerance
N/A	Information not available due to: -Only reported annually -Information not provided -Cannot be RAG rated as volumetric: does not have a target / is not a quantifiable performance indicator but an outcome

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CM1	Community	Families and communities look after themselves and each other	The number of instances where an adult patient is ready to leave hospital for home or move to a less acute stage of care but is prevented from doing so, per 100,000 population (delayed transfers of care)	Lower is better	7	5.42 (August)	GREEN	There has been a significant improvement in the outturn for this indicator. To date there has been an average of 10.86 delays to discharges per month, at the same stage last year there were 15.53. The vast majority of delays continue to be in the acute sector and are the responsibility of Health.
CM2	Community	Families and communities look after themselves and each other	Increase residents using next generation assistive technology	N/A	OUTCOME	OFF TRACK	AMBER	The six week trial that had been planned has been stood down, as it was felt that the low numbers of residents it was to be trialled with, would not be sufficient to properly evaluate the potential benefits. There were also concerns about the revenue expense of the proposed technology. The JCU are now exploring an alternative business case to ensure the service can maximise value for money in taking on a proof of concept or pilot through reaching a larger cohort of residents. The business case will be a partnership between ASC, the Telecare service in Housing, ICT and the JCU, and will include how we can improve and increase the benefits we get from our existing AT offer as well as target areas for investment.
CM3	Community	Families and communities look after themselves and each other	Community hub usage	N/A	OUTCOME	ON TRACK	GREEN	The Community Hub Governance Framework and project plan will be finalised by the end of October, underpinning the vision and programme development, with branding options still being considered. Hub activity is scheduled to commence in the Autumn for Harold Hill, alongside the mapping and engagement plan for Rainham. The consultation for 'Libraries, Children's Centres and Community Hubs' completed on 18th September and the consultation feedback will feed into the project.
CM4	Community	Families and communities look after themselves and each other	Percentage of homeless preventions and reliefs (homelessness resolved without the provision of temporary accommodation)	Higher is better	70%	88.00%	GREEN	88% of homelessness has been prevented and relieved. The focus is on maintaining high prevention and relief activities through early intervention and support to avoid the use of costly temporary accommodation.
CM5	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference primary school	Higher is better	88% (Sep 2020 intake)	88.5% (Sep 2019 intake)	GREEN	Havering once again achieved strong performance in 2019 in relation to the percentage of parents receiving an offer of their first preference primary school, comfortably meeting the target set for the September 2019 intake. Data for the September 2020 intake will be available for reporting in the fourth quarter. Please note that for both this indicator and the equivalent for secondary schools (below), the figures shown are from published data and include 'on time' school applications only.
CM6	Community	Giving children the best start in life	% of Havering parents receiving an offer of their first preference secondary school	Higher is better	78% (September 2020 intake)	77.1% (September 2019 intake)	AMBER	Havering has once again achieved strong performance in relation to the percentage of parents receiving an offer of their first preference secondary school. While we have seen a slight reduction on the previous year, and not met the challenging target we set ourselves for the September 2019 intake, at 77.1% our performance remained the highest in London. We are continuing our secondary school expansion programme, which is seeing an increase in the number of places available at the most popular schools to ensure parents have a greater chance of securing a high preference school.
CM7	Community	Giving children the best start in life	Children's services rated as Good with Outstanding features by 2022	N/A	OUTCOME	ON TRACK	GREEN	Following its June 2018 Ofsted inspection, Children's Services have developed an improvement programme consisting of 7 individual projects. Delivery is overseen by a board who will conduct 'deep dives' on each of the projects in turn. Recent key deliverables include: -Embedding of the new Quality Assurance Framework; -Learning discussions with Bexley to understand their governance and oversight model which supported their Outstanding rating; -Appointment to the Head of Quality Assurance role; -Achieving an 82% permanency rate for social work roles (London average is 74%). A set of performance indicators have also been agreed for the projects and progress against these will be monitored at each board. Under the ILACS (Inspection of Local Authority Children's Services) framework, in May 2019 the Council had its annual engagement meeting with Ofsted. This is not an inspection and no judgement is made but Ofsted reviewed Havering's self-evaluation and were satisfied with the improvement plans that are in place, and progress made so far.
CM8	Community	Communities: Havering residents are healthy and active	School readiness - % of children achieving a good or better level of development at age 5 (EYFSP)	Higher is better	74%	72%	AMBER	The proportion of children achieving a Good Level of Development (GLD) in Havering remains unchanged at 72% for the third consecutive year in 2019 – the same as the national average. Outcomes have improved compared with earlier years but not as rapidly as nationally (with Havering starting from a higher base to begin with), or as swiftly as other London boroughs. However there has been a plateau in recent years, both within Havering and nationally. Actions being taken to secure improvement in this area include: • GLD analysis is sent back to all providers, highlighting any areas of concern; • Quality assurance visits to all schools with maintained nurseries; • Targeted EAL support visits to settings with the highest numbers of children with English as an additional language; • Reducing health inequalities and barriers to school readiness through roll-out of Healthy Early Years London; • Increased training in areas including expressive language, portage (home visit support for under 5's with SEND), and transition from Nursery to Reception. Specific programmes also being delivered include 'Vision to Provision' (a 6 session programme to support EY teachers and support staff with early child development); 'Leading the Way' - a dedicated programme for school Early Years leaders; and 'Empowering Parents, Empowering Communities' (EPEC) parenting courses.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CM9	Community	Havering residents are healthy and active	Reducing % of physically inactive adults	Lower is better	Better than England	22.4%	AMBER	22.4% of Havering adults surveyed in Sport England's 2017/18 Active Lives survey reported that they engage in less than 30 minutes of physical activity per week. Compared to regional and national averages in 2017/18, Havering is similar to London (22.0%) and England (22.2%). The survey methodology for this measure changed in 2016 and thus trend data is not available. Havering's Obesity Strategy is currently being refreshed and will continue to incorporate actions on physical activity promotion at many levels – from active travel promotion through transport and planning opportunities, through to encouraging and supporting adults to be active through our leisure contract and the Health and Sports Development team's work.
CM10a	Community	Havering residents are healthy and active	Number of settings registered with Healthy Early Years London	Higher is better	N/A	58	N/A	As of the end of September 2019, the number of early years settings that have registered on the Healthy Early Years London Programme has increased from 45 settings to a total of 58 settings in Havering. Of the 58 Havering settings registered, 30 have achieved the HEYL First Steps award, 13 have achieved the HEYL Bronze award, 7 have achieved the HEYL Silver award and 1 setting has achieved the HEYL Gold award. (This setting has been visited by the Deputy Mayor of London, Joanne McCartney, to acknowledge their achievements). The Healthy Early Years London Programme provides support and resources which encourage settings to reflect on their practice and introduce initiatives to address health inequalities and ensure all children have a healthy start in life. In Havering, support to achieve the awards is freely available to settings, and is provided by the Health and Wellbeing Advisor (Education) in the Public Health team and The Early Years Quality Assurance Team.
CM10b	Community	Havering residents are healthy and active	Number of schools registered with Healthy Schools London	Higher is better	N/A	68	N/A	As at the end of September 2019, 86% of schools in Havering were registered with the Healthy Schools London programme. Registrations across London boroughs ranged from 47% to 100%. Of the 68 Havering schools registered, 35 have achieved the HSL Bronze Award, 19 the HSL Silver Award and 9 the HSL Gold Award. The Healthy Schools London awards framework promotes a whole school approach to mental health and emotional wellbeing, healthy eating, physical activity and other PSHEE topics. In Havering, support to achieve the awards is currently offered to schools as a traded service, provided by the Health and Wellbeing Advisor (Education) in the Public Health team.
CM11	Community	The needs of our most vulnerable residents are identified and met	% of care leavers (aged 19-21) in education, employment or training	Higher is better	53%	51%	RED	The percentage of care leavers in education, employment or training (EET) is just outside of the accepted tolerance but a significant improvement on Quarter 1's outturn of 43%. The statutory DfE methodology used here includes care leavers who are not receiving services and whose EET status is therefore not known, which reduces the percentage. Performance based on only young people receiving services is far higher (60%) and this figure compares well to other LAs based on the latest available benchmarking (London average = 53%). On-going support to care leavers remains in place in the form of an EET Pathway Co-ordinator, and targeted engagement activities for young people entering care post-16 and already disengaged with EET. There is active collaboration with the Department for Work and Pensions, who regularly send employment and training opportunities for care experienced young adults to consider. Positive engagement activities continue to be used to instil a level of commitment within this cohort of young adults to enable the first steps towards employment. The mental health practitioner is working with care experienced young adults to promote self-confidence and positive mental/ emotional well-being, all of which is crucial in preparing for any type of EET. 'Pathway planning and transition to adulthood' is one of the seven themes of our improvement plan for Children's Services and remains a high priority for the service.
CM12	Community	The needs of our most vulnerable residents are identified and met	% of Adult Social Care service users receiving direct payments	Higher is better	36.5%	35.9% (August)	AMBER	Adult Social Care set an ambitious target for this indicator and as such the RAG rating is Amber. As at the end of Quarter 2 there were 704 service users receiving their support via a Direct Payment, at the same stage last year there were 679 (an increase of 3.7%). The latest available benchmarking within London indicates that performance in Havering is better than the London average. The Council continues to make good progress with recruiting personal assistants, who individuals can choose to employ directly using their Direct Payment, providing residents with greater choice in how they their support is received. The number of PAs on Havering's accredited list has increased by more than 60% in the first half of the year.
CM13a	Community	The needs of our most vulnerable residents are identified and met	HMOs enforced against	Higher is better	N/A	11	N/A	Enforcement outcomes have been good with unlicensed HMOs being discovered in every enforcement operation and FPNs issued. The consultation launched on additional licensing from 12 to 18 wards closed on 20th September. The data is currently being analysed and information will be made available in Quarter 3 regarding the outcome of consultation.
CM13b	Community	The needs of our most vulnerable residents are identified and met	HMO licenses issued	Higher is better	N/A	14	N/A	The number of new applications received has been very low as the compliant landlords have already come forward to licence, leaving those wishing to evade licensing or probably operating poor quality HMOs. Therefore we are concentrating our efforts on enforcement. The consultation launched on additional licensing from 12 to 18 wards closed on 20th September. The data is currently being analysed and information will be made available in Quarter 3 regarding the outcome of consultation
CM14	Community	The needs of our most vulnerable residents are identified and met	Impact of predictive approaches	N/A	OUTCOME	ON TRACK	GREEN	Through our Innovation programme for Children's Services, we have developed a predictive model to identify children most likely to come into the care of the local authority, based on research into the factors that have led to children entering care over the last three years. So far, by intervening earlier and working with families in a different way over an 18 month period, 95% of the cohort (around 101 children) have not entered care. In Adult Social Care, we have created a finance and activity model to predict the anticipated need and changing demographics over a 3-5 year time period to assess the impact of our Better Living approach on people's independence. The model involves working with people to maximise the available strengths and resources within their families and wider community, offering traditional support packages only when all other options have been explored. This model is in line with our aim to support families and communities to live as independently as safely possible, while ensuring that the needs of the most vulnerable residents are identified and met.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
CN1	Connections	Improving roads and pavements	Annual programme delivered to time and budget (roads and pavements)	N/A	OUTCOME	ON TRACK	GREEN	The Highways Investment Programme is on track to delivering both the carriageway and footway resurfacing works by the end of the 2019/20 financial year. The number of miles resurfaced: Roads (4.3 miles) and Pavements (5.9 miles). This equates to 71% of roads and 57% of footways(pavements) completed. The number of sites planned for resurfacing: Roads (25), Pavements (22).
CN2	Connections	Improving roads and pavements	Number of potholes repaired with a permanent fix	Higher is better	N/A	295	GREEN	Ongoing proactive and reactive highway safety inspections continue to identify and arrange repair of carriageway potholes borough wide. The Love clean street app was launched as part of the cleaner havering campaign and picks up areas of street cleansing and waste as part of phase 1. This will be extended to cover highways defects i.e. potholes & street lighting over the next 3-6 months.
CN3	Connections	Making it easy to get around	Costings and potential routes for North-South link completed by end of September 2019	N/A	OUTCOME	OFF TRACK	AMBER	A feasibility study has been commissioned to identify a north/south public transport link for the borough. Due to Procurement issues the feasibility study was commissioned later than anticipated (June 2019) creating a knock-on effect on delivery. A revised target has been set for December 2019. Phase 1 is completed with potential high level route options identified as part of the north/south connectivity study. Phase 2 of the North/South connectivity study was commissioned in Quarter 2 and currently scheduled to be completed by the end of the Calendar Year. Phase 2 of the study focusses on Travel demand, housing capacity, funding options, costings and communications strategy. Focus on Quarter 3 will be on Housing Capacity study and funding opportunities and establishing high level costings for the new public transport route. A Programme Board has been set up for the project where strategic decisions are made on aspects of the work programme. This board will meet on a quarterly basis.
CN4	Connections	Making it easy to get around	Beam Parkway works to start by September 2019	N/A	OUTCOME	ON TRACK	GREEN	The Beam Parkway A1306 project is using £4.5m of funding from the Mayor of London and £1.8m from Transport for London (TfL) to transform the A1306 from its former function as a trunk road into a safer, greener and more pleasant environment. The scheme is currently in the design phase with consultation and engagement events continuing. Procurement and tender process has been established with the procurement of a design and build contractor commencing in June 19. Tenders are due to be returned 3rd October and an appointment will be made at November Cabinet. A complementary project 'Creekside Park' has been completed transforming the area next to Dovers Corner.
CN5	Connections	Making it easy to get around	Work programme approved by June 2019 (New Parking and Highways Strategy)	N/A	OUTCOME	ON TRACK	GREEN	Since the introduction of the new parking charges in June 2019, the proposed savings are on track to be achieved for pay and display charges, overnight parking and alignment of town centre charges with the removal of free 30 minutes. This additional income has further supported the Councils Highways investment programme. A parking review consultation commenced in October 2019 for 6 weeks with the results available in the early 2020. The procurement for new P&D machines and the pay by phone provider has commenced with the intention of being in place by Spring 2020.
CN6	Connections	Using technology to improve the way that we live	Fast and affordable internet coverage	N/A	OUTCOME	ON TRACK	GREEN	A Connections Strategy has been developed and presented to the Connection Theme Board - defining connectivity improvements for all consumption models. The service will be working on understanding and modelling Residential, Occupational and Public audiences, with private sector engagement, to deliver an uplited connectivity model throughout the borough. The service is also working with BID and Regeneration teams. The model will be initially trialled with SIP funding and then replicated across the borough. Partners for the targeted consumption model (Residents, Businesses etc.) will be identified by the end of Q3.
CN7	Connections	Using technology to improve the way that we live	% of council services that are accessible digitally	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
CN8	Connections	Using technology to improve the way that we live	Proportion of public accessible Council facilities offering residents assistance to access digital services	Higher is better	N/A	TO BE PROVIDED IN Q4	N/A	This indicator is available on an annual basis. An outturn will be available in the Quarter 4 performance report
OP1	Opportunities	Delivering value for money	Only increase council tax to fund improvements to services	N/A	OUTCOME	ON TRACK	GREEN	The Council increased Council Tax by 3.25% for 2019/20. This increase was used to ensure we meet the rising costs of providing care and support for residents who are more vulnerable, including senior citizens, people with disabilities and young people who are deemed at risk. The Council regularly reviews its Medium Term Financial Strategy but for 2020/21 in particular this has been difficult due to a number of uncertainties in relation to future government funding. The Council was expecting the government to undertake a Spending Review, conclude changes to the Fair Funding formula and introduce reforms to business rates. All these changes have been delayed making it impossible to predict the Council's financial position beyond 31 March 2020 with any accuracy. In preparation for final funding announcements by government for 2020/21, the Council is exploring a range of opportunities to make efficiencies which can be implemented to offset any detrimental impact of future government announcements and emerging service pressures. The Council is therefore on track to meet this target.
OP2	Opportunities	Delivering value for money	Minimum 97% collection rate on council tax	Higher is better	57.96%	57.56%	AMBER	Performance is 0.4% off target. While £3.2 million more income has been collected so far this year compared to the same time last year. Havering also lies in seventh place across London. Reductions in Council Tax Support have affected performance. Initiatives to improve collection include increasing SMS campaigns, frequent published communications focussed on the consequences of non-payment and tightening procedures for broken payment arrangements. Improvements in performance are emerging in the Quarter 3 collection rate.
OP3	Opportunities	Delivering value for money	Minimum 98.7% collection rate on business rates	Higher is better	60.11%	58.13%	RED	Work continues to be carried out to ensure all debt is moving through our recovery processes as quickly as possible. Our cash flow projections, show that the current shortfall in collection will be covered by future instalments and has been created by debt moving to later in the year due to a number of reason such as arrangements and new liabilities being set up, more than happened last year. A significant amount of the instalment shift is also attributable to our recent Small Business Rates Relief review, where relief was removed then reinstated as further evidence was submitted. In general, NNDR performs highly in collection rate compared to neighbouring boroughs. In 2018/19, Havering's NNDR rate was 99.04% compared to Bexley (98.61%), Newham (which is delivered through Havering/Newham's shared service - 99.51%) and Redbridge (97.44%). The service anticipates a continued positive trend and direction of travel but it should be noted that performance this year has been impacted by a significantly larger number of companies going into liquidation than we have seen in previous years.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
OP4	Opportunities	Delivering value for money	£13m savings - Annual savings programme	Higher is better	£13M	ON TRACK	GREEN	The Council has a target of delivering £13 million in budget savings during 2019/20. From the Month 5 budget monitoring most of these savings are either already delivered or are on track to be delivered by the end of the year. There are delays in delivering savings in Assistive Technology costs due to the need to work with health partners in reshaping the offer and to reassess the needs of current users of Assistive Technology. There have also been delays in elements of the Keep Havering Moving project due to public consultation taking longer than anticipated e.g. in relation to Controlled Parking Zones around public transport hubs. The impact of these delays is currently under review. Where necessary, mitigating action will be taken to find alternative savings so that the Council remains within budget at the end of the year.
OP5	Opportunities	Delivering value for money	£300k savings - Contracts review	Higher is better	£300K	£42k	AMBER	The contracts review has identified £85K in agreed savings & rebates against utilities, of which £25k has been delivered to date. An additional £25k has been identified through savings and rebates against existing telecoms contracts and a further £100k has been delivered through a new mobile phone contract. There are anticipated further savings for 19/20 that it is hoped will bring the total up to the target of £300k but these are not yet confirmed. The combined target savings of £940k from 2019-21 remains on track.
OP6a	Opportunities	Helping our business grow	CIL investment	N/A	N/A	£0	N/A	Havering CIL was introduced on 1 September 2019, after formal adoption at Cabinet in July 2019. It is payable on applicable developments granted planning permission after 1 September when the development commences to help fund infrastructure needed to support new developments in the area. As such, no CIL receipts have been received this quarter.
OP6b	Opportunities	Helping our business grow	S106 investment	N/A	N/A	£153,056	N/A	Section 106 obligations to the value of £153,056 were secured during Quarter 2. The amount received will depend upon trigger points in the legally binding Section 106 agreement being reached, and is agreed on a case by case basis. Contributions received can only be used for the purpose specified in the legal agreement.
OP7	Opportunities	Helping our business grow	Major commercial investments attracted to the borough	N/A	N/A	OFF TRACK	AMBER	During the subject period, Havering welcomed Barking and Dagenham, Havering and Redbridge Clinical Commissioning Group (BHR CCGs) to its new headquarters in North House, Romford. More generally, we continue to work to develop our pipeline of enquiries. It should be remembered that the enquiry journey can take up to 30 months and the volume of major enquiries will always be low especially during times of economic uncertainty. The current low volume of enquiries and long lead time accounts for the Amber RAG rating.
OP9	Opportunities	Helping people to succeed in life	Number of opportunities generated	Higher is better	OUTCOME	ON TRACK	GREEN	We continue to seek referrals to the service through contacts with housing, money advice and troubled families receiving 114 referrals this Quarter. We continue to promote the service through channels such as Living Magazine, and the email bulletin to households. We also attended 3 community events across the borough and an employment event in the Liberty in September. This has had a positive impact on the service with improvements in most of the indicators. The number of enrolments (68), participants receiving 6+ hours of support (35), participants in placements (5) or achieving basic skill qualification (7) exceeding target. The number enrolled is much lower than referrals due to the eligibility of those for the grant funding.
OP10	Opportunities	Helping people to succeed in life	Social value statements agreed and delivered	N/A	OUTCOME	ON TRACK	GREEN	The Bid submitted to European Social Fund (ESF) has been rejected, alternative funding options are being researched to provide the service beyond March 2020. The EPEC course for single parents is running with support from the brokerage for the parents to continue to explore employment opportunities once the course has completed. Social Value is the added societal benefits that can be gained from a procurement. It includes benefits such as environmental enhancements, local training and employment opportunities and social cohesion projects. Social Value strategy has been approved by Cabinet and the draft implementation plan has issued for consultation amongst SLT., and will form part of the Council's upcoming Inclusive Growth Strategy which is due to be approved by Cabinet in Quarter 3 2019/20.
PL1	Places	Excellent leisure facilities and award-winning parks	Number of Green Flag Awards	Higher is better	14	14	GREEN	All awards received following successful judging visits and good feedback. Improvement plans for existing and 2 new applications are now underway for 2020.
PL2	Places	Excellent leisure facilities and award-winning parks	Increasing the number of people who use leisure centres	Higher is better	1.882m visitors	501,126	GREEN	This is an annual indicator. Q2 performance suggests all is on track to be achieved. The total number of attendees from April 2019 is 1,007,244 compared to 955,555 by end of Q2 last year. This represents a 5.41% increase in the number of people using the leisure centres.
PL3	Places	Havering is kept clean and safe	The level of waste per head of population presented to the East London Waste Authority (ELWA) (C)	Lower is better	110.25 kg per head	111.90kg per head	AMBER	Quarter 2 performance of 111.90 Kg per head is a slight improvement compared to Quarter 1 (112.54 kg/ head) this year. Total amount of waste per head for 2019/20 thus far is 224.45kg, which is just above the cumulative target 220.5kg. This is above the target but it is an improvement on the comparable point this time last year (226.44). Waste traditionally drops throughout the winter months as the amount of garden waste reduces so an improvement can be expected over the next two quarters. This PI measures the total waste delivered to the ELWA. This includes collected household waste, waste from the reuse and recycling centre and municipal waste from Highways and Parks management activities. Various waste prevention campaigns focusing on home composting, reuse, and Love Food Hate Waste, along with receiving funding from the LGA to commission a piece of work on investigating behavioural change have contributed towards this target. We are also reviewing operations in Highways and Grounds Maintenance to reduce waste and, with ELWA, continue to review policies to prevent commercial waste entering the domestic waste stream at the household reuse and recycling centre. Without restrictions on the amount of waste we collect through the household waste collection service containing and reducing tonnages is very challenging and relies on attitudinal change.

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
PL4	Places	Havering is kept clean and safe	Improve air quality in the borough by reducing the level of NO2	Lower is better	OUTCOME	ON TRACK	GREEN	<p>Air quality monitoring and reporting against air quality objectives are undertaken based on a calendar year. The Service has developed an Air Quality Action Plan (AQAP) to improve local air quality. The four themes cover:</p> <ul style="list-style-type: none"> • Monitoring and Modelling • Public Health and Awareness Raising to encourage Smarter Travel • Reducing Emissions from Buildings • Reducing Emissions from Transport <p>There have been five additional diffusions tube sites added to the network sites at the following locations: Hilldene infant school, Butts Green Road (Emerson Park), Rainham Broadway, Front Lane (Brunswick Avenue) and Station Lane (Hornchurch). The service constantly raises awareness around air quality issues, including: a presentation given to the Over 50s Forum and Health Protection Forum; magazine articles; developing a School Streets pilot project; and developing a GLA anti-idling project. As well as the use of air text which sends air quality information to smart phones and frequenting messages on social media i.e. twitter and facebook and the e-magazine.</p> <p>Transport are trialling Gas to Liquid fuel (as an alternative to Diesel) and EV infrastructure provision for the car pool fleet is being planned.</p> <p>Finally, 64% of TFL buses in Havering are now Ultra Low Emission Zone (ULEZ) compliant.</p>
PL5	Places	Havering is kept clean and safe	The number of non-domestic violence with injury offences (C)	Lower is better	327	300	GREEN	<p>The number of offences for the rolling 12 months (September 2018 to September 2019) has decreased from 1347 to 1176 ; this is a reduction of 12.7%.</p> <p>Work continues through the Safe and Sound Partnership to address crime and disorder in the day and night time economy. Implementation of the Serious Group Violence and knife crime action plan continues with proactive work in schools. We have organisations such as Street Dr's going into secondary schools and colleges delivering sessions on life saving first aid linked to individuals bleeding out (linked to being stabbed or shot); Spark2Life providing 1-1 mentoring; and the Ben Kinsella Trust delivering work and training for practitioners to be able to deliver excellent front line support themselves. Our Schools Police Presentation Team along with the London Ambulance Service and Robert Levy Foundation are delivering a "No Knives In schools Programme" which is a half day interactive session to Year 9 Students. In June-July 2019 our Junior Citizens Programme delivered interactive safety messages to 2,500 year 6 transition students. This has been successfully running for the last 6 years. Additionally our safer schools police officers have presented on a variety of safety topics to +4,000 primary school children and 11,000 secondary school pupils. Havering Council have been working with Trident Police to deliver Parent/ Teacher talks on the risks of county lines and gangs, this has been very well received with further community events to be delivered in October .</p>
PL6	Places	Havering is kept clean and safe	Number of young people engaged in preventative education programmes (Adolescent Safeguarding)	Higher is better	OUTCOME	ON TRACK	GREEN	<p>The Youth Service delivered a number of preventative programmes for a range of young people (YP) in Havering over the Summer. Projects included the Junior Transitions Club (25 YP), Go Girls life skill and self-esteem course (26 YP), 3 weekly Youth Clubs (100+ YP), Street Sports Projects (85 YP), and Duke of Edinburgh (DoE) sessions (82 YP currently registered).</p> <p>The Youth Bus visited 10 areas / communities in Havering to deliver projects ranging from knife crime awareness to art sessions and sport projects, with 200+ young people benefiting. A range of summer activities were also delivered at the mYPlace centre, Olive Academy and within local parks, with activities including bike courses/workshops, free running, cooking, para-sports, team building projects and more. In total, more than 300 young people benefited from the summer offer.</p> <p>Our SEND work has continued to engage with young people through weekly sessions, promoting educational themes such as health and wellbeing, personal safety and youth voice. 74 young people are registered, with 4 recently awarded their bronze award in DoE. 20 young people have registered with a new youth drama and theatre project at the mYPlace centre, and a further 35 are involved in planning the 'Bike Shed' project - providing opportunities to ride, fix and maintain bikes in a safe and supportive space.</p> <p>Youth workers also supported young people on the edge of care throughout the summer, through one to one support to gain confidence, develop new skills and improved relationships with peers and the wider community.</p>
PL7	Places	Improving our housing estates	Programme delivered on time and to budget (£10m housing estate improvement programme)	N/A	OUTCOME	OFF TRACK	AMBER	<p>Over the summer, the dedicated Project Manager has worked with the Community Engagement and Tenancy Sustainment teams in Housing to carry out an extensive consultation on the estates affected by the programme with tenants and ward councillors. The consultation finished in September 2019 and the results were collated we have worked up the scope and specification of the works contracts. One project is now fully complete, and five more are due to go on site. Some of the projects require planning approval so their start date is dependent on that being achieved. We will have four new contractors taking the projects forward, and to be back on track in the new financial year.</p>
PL8	Places	Improving our housing estates	Increased tenant and leaseholder satisfaction	N/A	OUTCOME	ON TRACK	AMBER	<p>The tenant and leaseholder satisfaction survey was last completed in 2017 and was due for November 2019. Due to upcoming changes in the Housemark benchmarking data, the survey has been placed on hold until the new criteria is provided. At this point, a decision will be made by the service regarding the need to provide comparative data or to align to the new criteria.</p>
PL9	Places	Provide quality and genuinely affordable homes	Number of new homes proposed in planning applications	Higher is better	875	579 (approved) 3132 (anticipated)	GREEN	<p>Rainham and Beam Park JV - Eight of the nine outline planning applications have been approved by SPC for the delivery of 641 new homes in Rainham. Outline consent on one scheme remains outstanding - RW4B which is anticipated to deliver 239 new homes.</p> <p>12 Site Programme - Planning application for 197 new homes at Napier and New Plymouth House has been approved by SPC. A planning application has been submitted on Solar, Serena, Sunrise to deliver 175 new homes. An application for Waterloo Estate is expected to be submitted in Spring 2020 for the delivery of a further 1383 new homes.</p> <p>Bridge Close - Planning application has been prepared for submission to deliver 1070 new homes.</p>
PL10	Places	Provide quality and genuinely affordable homes	Feasibility of NW Romford scheme confirmed and Small Sites Delivery Strategy adopted	N/A	OUTCOME	OFF TRACK	AMBER	<p>The North West Romford scheme went to Cabinet in November and is therefore on track. Options for small sites delivery were reported to Places Theme Board on 28th October and further work is required as part of an HRA/GF land strategy.</p>

Reference	Theme	Theme Outcome	Performance Indicator	Value	Target	Quarter 2 Performance	RAG Rating	Comment
PL11	Places	Strengthening the attractiveness of our town centres	Romford Master plan developed by December 2019	N/A	OUTCOME	OFF TRACK	AMBER	Delivery of the masterplan against the original programme timescales has slipped slightly due to additional consultation requirements and work. The service is currently preparing the document with a draft version of the Masterplan to be in place by December 2019. However, formal adoption of the document is now expected in Mar/Apr 2020, in line with adoption of the Local Plan.
PL12	Places	Strengthening the attractiveness of our town centres	Submission of external funding bids for district town centre renewal	N/A	OUTCOME	ON TRACK	N/A	An unsuccessful bid was submitted to the MHCLG High Street Fund during Q2. London was not generally favoured with only one successful bid in the Capital and underperforming provincial towns prioritised. Currently there are no other calls for bids elsewhere, though bidding rounds are generally known eight weeks in advance.
PL13	Places	Strengthening the attractiveness of our town centres	BID feasibility study completed for Hornchurch	N/A	OUTCOME	ON TRACK	GREEN	The feasibility study for Hornchurch BID was completed in early September. Further work is now required to determine the way forward.

CABINET

Subject Heading:

Digital Platform replacement project

Cabinet Member:

Leader of the Council

SLT Lead:

Chief Operating Officer

Report Author and contact details:

Shazia Ullah

Shazia.ullah@havering.gov.uk

Policy context:

This project supports Havering Council's Vision as stated in the Corporate plan. The project specifically contributes to achieving the connections priority by using technology to improve the way we live. The project will provide capabilities to progress the digital strategy.

Financial summary:

The project will cost £5m over two years; this will be funded via a mixture of existing revenue budgets £0.600m, approved use of capital receipts £1.8m and further use of capital receipts £2.6m (subject to Council approval)

Is this a Key Decision?

Yes

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

(c) Significant effect on two or more Wards

When should this matter be reviewed?

April 2020

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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This Report is part exempt and appendix 1 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 it 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.

SUMMARY

1.1 This report sets out the Business case for the implementation of a Microsoft Dynamics 365 Digital Platform as a replacement for the current customer relationship management system, which requires renewal/ upgrade in order to comply with data protection legislation.

1.2 An options appraisal was undertaken at the end of 2017, and the Microsoft Dynamics 365 technology stack was recommended. The Digital Platform Project ties in with Havering's corporate plan of being a digitally enabled borough. The business case presents a proposal for the replacement of the CRM digital platform and identifies the budget to procure a solution.

1.3 Approval is sought to commence a tendering exercise for a digital platform partner for phase 1 of the project, which is scheduled to go live by July 2021.

RECOMMENDATIONS

2.1 It is recommended that Cabinet:

- Recommend to Full Council to approve additional funding from capital of the sum of £2.66m profiled across the 19/20 and 20/21 financial years, to deliver all elements of the programme (in addition to the £1.8m of capital funding previously agreed);
- For the reasons set out in the report, approve commencement of a tender process to procure a digital platform partner for a period of 2.5 years via the Crown Commercial service G Cloud 11 framework.
- Notes that the assumptions contained in this report and business case are subject to change as scoping continues and should either legislation or operational requirements/solutions dictate.

REPORT DETAIL

3.1 The current Customer Relationship Management (CRM) system poses significant risks to the council and is no longer fit for purpose. The current system will be out of support in 2021 and poses risks around compliance with the General Data Protection Regulation.

3.2 The proposal is to replace the existing CRM digital platform with Microsoft Dynamics 365, enabling wide reaching digital transformation in terms of how we work and connect with residents.

3.3 This project places residents at the heart of service design for our Customer Relationship Management system and more widely our digital ambitions. The digital platform will act as an accelerator and enabler for change.

3.4 The implementation of the platform is an opportunity to review the way services are designed and delivered and improve accessibility for our customers. The approach will be to become an efficient, effective, customer centric organisation. The aim is to empower residents and service users to serve themselves using a 24/7 seamless, simple responsive service, backed with assisted digital services where required. The new CRM /digital Platform is scalable and flexible to support the Authority's evolving needs as service delivery and new operational models are developed to meet budgetary pressures.

3.5 Business Process Re-engineering has been factored in as part of the implementation timelines and costs, with expert support from the chosen digital platform partner (Partner) to enable services to redesign and optimise their processes and their holistic service offering. While the release of savings is not an explicit objective of the project, the Digital Platform project will support the redesign of processes to increase productivity and release savings as a consequence.

3.6 Indirect savings will be realised by the services if they participate fully in the process redesign and take the opportunity to drive out inefficiencies from their processes.

3.7 To realise these savings, the Services will have to be committed to simplifying their processes, removing bureaucracy, accepting automation and moving services online. These savings will sit within the Service areas, and they will be responsible for converting increased efficiency into cashable savings by releasing staff. The proposal is to establish robust monitoring of channel shift and impact on services in terms of operating models to identify savings and future opportunities post implementation of Phase 1. Similar change projects in other local authorities, examples provided in the business case have driven out inefficiencies, improved customer satisfactions and generated savings from year 3 recouping the total investment of the project and more by year 5.

3.8 The project timetable requires a digital platform partner to be appointed by March 2020, to be able to deliver by July 2021. This requires commencement of a tender exercise by January 2020. It is proposed that the G Cloud framework, an established digital platform based framework, will be utilised. Potential technology partners will be longlisted from the framework in early December, followed by a shortlist soon after. Evaluation, clarification questions and presentation Invitations will commence in January 2020.

3.9 The G-Cloud is a cost-effective marketplace where SMEs can compete and offer their services directly alongside big companies. G-Cloud has the largest range of suppliers compared to any other framework, it is re-tendered regularly, so contains the latest services and suppliers

3.10 G Cloud is fully compliant with the Public Contracts Regulations 2015. Suppliers have been through a rigorous process to ensure their credibility and suitability to provide solutions to the public sector

3.11 The use of templates within G Cloud ensures pricing and solution templates are standard across all suppliers which means it is easy to compare suppliers over marketplace categories. Pricing is transparent and provided up front. This procurement route has been recommended by the Council Procurement Service, as it provides best value, matches our timeline and technical requirements.

3.12 The project timetable is as follows:

This projected project timeline will be refined following the appointment of our Technology Partner.

- January 2020 Cabinet approval
- January 2020 Tender Commencement
- February 2020 Procurement presentations
- March 2020 Procurement -Award contract
- April 2020 Onboarding Technology Partner
- May- September 2020 Analysis & design Phase
- July- October 2021 Build and Test
- July 2021 Deploy Phase 1 by July 2021 target date (current platform out of support)
- October 2021 Deploy Phase 1A additional enhancements
- November-December BAU transition

3.13 A report will be presented to Cabinet upon completion of the tender process for a digital platform partner detailing the outcome and requesting authority to award to the preferred bidder.

REASONS AND OPTIONS

Reasons for the decision:

4.1 The current system is due to become unsupported in July 2021 and so will become less and less secure over time, with associated financial, reputational and security risks.

4.2 The Council currently utilises Microsoft infrastructure and holds an enterprise licence which reduces the risk of cost and integration associated with the recommended solution.

4.3 In 2017 a joint options appraisal with Newham concluded that the cost to Havering of doing nothing over a 5 year period for development and additional support costs to the existing system would be £1.5 Million.

4.4 The proposed Microsoft 365 based solution supports the Council Vision and provides a foundation to enable future transformation. Further benefits to the Council of the proposed solution are detailed in the Business Case.

4.5 Calling off from a framework agreement offers a legally compliant, streamlined contract procurement and award process. The Crown Commercial Service G Cloud framework offers a compliant route to multiple pre-vetted suppliers who have the relevant expertise for projects of this scale. A mini-competition under the framework (as opposed to a full EU compliant procurement) will enable a development partner to be identified and appointed within the required timescale whilst ensuring that the Council achieves best value through competition.

5. Other options considered:

5.1 Alternative 1 – Development of bespoke service driven initiatives

Close down the programme and attempt to deliver the benefits through service driven initiatives.

This option was not considered due to the following:

- In a cross-cutting digital landscape it requires coordination to deliver benefits consistently across the council and service-driven initiatives traditionally work best when focused within a service.

- The costs of delivering the solutions may be increased, so reducing the benefits.
- Management of the financial and reputational risk would be better managed at a cross-council level.
- The realisation of the benefits of channel shift and self-service is best coordinated at the cross-council level.

5.2 Alternative 2 - Do nothing and maintain the status-quo

Do not replace the existing systems going out of support and build the new solutions with them.

This option was considered and rejected due to the following:

- The existing technology is increasingly no longer fit for purpose
- The old systems cannot provide the modern, personal, responsive web experience the residents now expect so the poor experience would remain
- Residents are not involved in the design process.
- The cost of any small change in the current system is prohibitive.
- The systems are due to become unsupported in 2021 and so will become less and less secure over time, with all the associated financial, reputational and security risks.
- The current CRM is a corporate risk as it lacks a sustainable financial support model.
- The situation around Freedom of Information requests, Complaints and Members and MPs enquiries would not be improved.
- There would still be no effective internal communication and engagement tool to replace the intranet, and information would remain hard to find and share

IMPLICATIONS AND RISKS

6. Financial implications and risks:

Costs and Funding

6.1 The project will cost £5,075,000 over two years; this will be funded via a mixture of existing revenue budgets £0.600m, approved use of capital receipts £1.8m and further use of capital receipts £2.6m (subject to Council approval)

Savings and cost avoidance

6.2 This project is an enabler of a range of savings and process efficiencies in the wider council. Furthermore, it is noted that a previous options appraisal estimated significant additional support and development costs associated with not replacing the existing system as well as financial, reputational and security risks associated with operating an unsupported system. It is anticipated that savings associated with maximised use of an improved digital platform will reduce in improved customer service and savings equivalent to at least annual revenue running costs in process efficiencies.

Risks

6.3 There is a risk that the costs returned as part of the tendering exercise could exceed initial estimates, especially as the rate of technological evolution means current integration assumptions may be out of date by the time procurement takes place which could impact pricing. The decision to award will go through the appropriate governance channels and any associated implications arising from this risk materialising can be considered at that time.

6.4 As with any significant project, there is a risk of overspending due to unforeseen/unavailable complications/delays. Careful project management, the inclusion of a contingency amount and regular budget monitoring processes should assist in mitigating against this risk and will ensure it is flagged through the appropriate channels in a timely manner should the need arise.

6.5 There is a risk that if the further top up bid of £2.66m is not approved the spend to date would be ineffectual/sunk.

Legal implications and risks:

6.6 A report requesting the additional capital funding detailed in this report will be put before Council for a decision.

6.7 The proposed contract for a development partner is above the EU threshold for services contracts of £181,302 and is therefore subject to the full Public Contracts Regulations 2015 (PCR 2015). The G Cloud framework is PCR 2015 compliant. A

call off from G Cloud will be PCR 2015 compliant to the extent that the framework rules for contract award are followed.

6.8 Officers must seek approval from Cabinet to award the contract to the preferred development partner upon completion of the mini competition tender process.

Human Resources implications and risks:

6.9 There will be a requirement for staff and other key stakeholders to be available to provide subject matter expert input and testing.

6.10 The Project team members will be able to prioritise CRM development work.

6.11 This project will enable redesign of services which will result in the creation of efficiencies and avoidable costs that can be realised approximately 18 months after the changes are embedded.

6.12 A supported process from a workforce perspective will be implemented and staff will be upskilled and retrained in terms of understanding new ways of working to help shape the outcomes including becoming more agile.

6.13 Structured training around the new system and the change to processes will be provided so that staff are fully on-board with the new system and supported through the implementation process

6.14 It is anticipated that once the new systems and processes are embedded there will be a review of services to assess if there are new efficiencies. Any changes that impact on existing job roles will be subject to the Councils Organisational Change policy.

6.15 Workforce and staffing implications will be assessed once we assess the impact of the new system and processes.

Equalities implications and risks:

6.16 An Equality & Health Impact Assessment (EqHIA) has been carried out and not identified any concerns and risks.

Health Implications

6.17 The new platform offers opportunities for phase 2 to create a community and voluntary database of local services that can be accessed by the public. These proactive self-care interventions have proved beneficial in other local areas as a means of supporting individuals and families from deteriorating and having to use acute services. It can enable automated surfacing of local services relevant to a person's circumstances which can be complementary or alternative to using health and Council services.

BACKGROUND PAPERS

None

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Appendix 1, detailed financial breakdown, is exempt

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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CABINET

15 January 2020

Subject Heading:

New Leisure Centre – South of the Borough

Cabinet Member:

Councillor Viddy Persaud

SLT Lead:

Jane West, Chief Operating Officer

Report Author and contact details:

Guy Selfe, Health and Wellbeing Manager,
01708 433966,
guy.selfe@havering.gov.uk

Policy context:

Places – Havering has excellent leisure facilities and award winning parks

Financial summary:

Depending on the site chosen, the expected cost of building a new leisure centre in the south of the borough is between £5.4m to £7.9m. The management of a new leisure centre will cover the remaining length of the leisure management contract and provide an annual payment to the Council. The first three years of operation will require the Council to pay SLM an annual sum funded from reserves whilst the business matures.

Is this a Key Decision?

Yes

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

When should this matter be reviewed?

February 2021

Reviewing OSC:

Towns and Communities Overview and Scrutiny Sub-Committee

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

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

This Report is part exempt and appendices A, B, C and D are not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government

Act 1972. They are exempt because they refer 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.

SUMMARY

Cabinet agreed at the meeting on 13 March 2019 to investigate the feasibility to secure a site and funding to develop a new self-financing leisure centre in the south of the borough. The feasibility has now been completed with indicative costs to build a new leisure centre at one of two potential sites. One of the two sites is owned by the Council, whilst the other is not and would be the subject of a purchase.

The Feasibility Study reviewed the two sites, including leisure centre layouts and build costs including fees, contingency and fit out costs. These costs are dependent on further detailed design work and further studies and assessment. The Study also considered the advantages of each site along with potential risks for each.

There has been a 'conversation' with residents, including drop in meetings and an online survey, to establish which of the two sites residents prefer.

The report recommends that Members agree to progress the Rainham Recreation Ground site to the detailed design stage, including a planning application. This is because this site does not include land purchase and therefore is cheaper than the New Road site, and also because residents indicated this to be their preferred site with 66% selecting this in the survey. Subject to securing capital budget, progress with developing the facility once final costs and the outcome of a planning application are known will be decided by the Leader in consultation with the Lead Member for Finance and the Chief Operating Officer.

RECOMMENDATIONS

That Cabinet

1. Note the outcome of the Feasibility Study and the 'resident conversation' for a new leisure centre in the South of the borough as set out in this report and appendices.
2. Agree in principle that the Rainham Recreation Ground site be progressed as further set out in this report and that detailed designs be drawn up, an application for planning permission be made and the tendering of the construction be progressed whilst the planning application is being considered.
3. Subject to the previous recommendations and approval of capital budget, note that all subsequent decisions relating to a new leisure centre on Rainham Recreation Ground, including the variation of the contract with Sports and Leisure Management for delivery and ongoing services,

will be made by the Leader, in consultation with the Lead Member for Finance and the Chief Operating Officer, to include variation of the contract with Sports and Leisure Management for delivery and ongoing services at the new leisure centre.

REPORT DETAIL

1. Background

1.1 As well as the information set out in the body of this report, important information is contained within the following 4 appendices:

- Appendix A – Financial Implications (Confidential and Exempt)
- Appendix B – Feasibility Study Cost Plan (Confidential and Exempt)
- Appendix C – Feasibility Study (Confidential and Exempt)
- Appendix D – Resident Conversation summary (Confidential and Exempt)

1.2 Appendices A, B, C & D contain sensitive and confidential commercial information which is exempt from publication for the reasons set out in this report.

1.3 Cabinet agreed on 13 March 2019 to investigate the feasibility to secure a site and funding to develop a new self-financing sports centre in the south of the borough. The feasibility has now been completed and the headlines from this are included in this report.

1.4 Two sites were considered within the feasibility study, Site 1, New Road on land owned by Havering College and Site 2, Rainham Recreation Ground

1.5 The New Road site is currently privately owned by Havering College, whilst the Rainham Recreation Ground is owned by the Council. Were Cabinet to decide to progress a new leisure centre on the New Road site, a bid would need to be made to purchase the site.

1.6 A 'resident conversation' was carried out about the two sites, asking residents to identify which site they preferred. 66% of resident responses indicated a preference for Rainham Recreation Ground.

1.7 The Council's leisure services are provided by Sports and Leisure Management Limited (SLM). The contract, which commenced on 1 October 2016 and expires on 30 September 2036 includes the option of delivery of a new leisure centre in the south of the borough by SLM with

an accompanying variation to the contract to incorporate delivery and an increased service fee.

2. Feasibility Study

2.1 The feasibility study, carried out in partnership and consultation with SLM in accordance with the leisure management contract between SLM and the Council, included a review of the two sites including available space, utility services, planning considerations and parking. The study identified general considerations for each of the two sites and highlighted key risks for each. Layouts for the two sites have been identified, with a breakdown of the construction costs that will need to be tested through a tendering process should Cabinet agree to progress a new leisure centre at one of the two sites. The construction costs are also dependent on further detailed design work and site studies outlined below.

2.2 Subject to a decision being taken to progress a new sports centre to the next stage, further work will be required to determine the fixed cost to the Council of building the leisure centre. This has been allowed for within the fees included within the feasibility study, and therefore the costs provided within this report. This includes:

- BREEAM Assessment
- Biodiversity Survey
- Daylight/Sunlight Assessment
- Floor Risk Assessment
- Heritage Statement
- Noise Impact Statement
- Open Space Assessment
- Tree Survey
- Public Consultation Materials

2.3 Both sites have advantages and disadvantages as locations for a new sports centre, these are:

New Road, Havering College

Advantages:

- Central location to existing housing within Rainham as well as the new Beam Park development
- Site available for the proposed development subject to a successful bid to purchase
- Ability to potentially share car parking spaces and increase usage, particularly daytime usage, of the new sports centre with a neighbouring facility
- Residents able to access the sports centre during daytime hours
- Good access for construction traffic
- Minor groundworks required

- The site is currently disused and is hard standing
- Within Rainham and Beam Park Strategic Development Area
- Site is shown as part of residential led development masterplan, earmarked for college or leisure use
- Good transport connections

Disadvantages/risks:

- Land not owned by Council so will involve purchasing the land
- Due to Havering College's building works on the site scheduled for 2020 work on a new leisure centre could not start until 2021
- Within Flood Zone 3 – flood risk assessment required
- Gas pipes to the north of the site (further investigation required)
- Potential contamination and organic material within the ground
- Co-ordination required with land owner regarding their proposals to develop elsewhere on the wider site
- London Plan requirements – 35% reduction in carbon emissions, may change to Net Zero, this could be a very onerous standard to meet

Rainham Recreation Ground

Advantages:

- Central Rainham location within Rainham District Centre
- Land owned by the Council so no land purchase involved
- Existing car park that could serve the new sports centre
- Minor groundworks required
- Good construction access
- Residents able to access the sports centre during daytime hours
- Good transport connections
- Close to shops and facilities

Disadvantages/risks:

- Loss of open space would be contrary to current planning policy unless it can be shown that loss can be replaced elsewhere and there is sufficient public open space in the area
- Requirement to move existing children's play area to elsewhere on the site
- Within Flood Zone 2 and 3 (part and part) – flood risk assessment required
- Within Rainham Village Height Zone (restrictions on building height) may lead to a design that is not viable for leisure centre use
- Close to (but outside of) conservation area
- Unknown ground conditions
- London Plan requirements – 35% reduction in carbon emissions, may change to Net Zero, this could be a very onerous standard to meet

2.4 The facility mix for a new leisure centre is the same at both sites. The facility would include:

- 25 metre 6 lane swimming pool
- 72 station gym
- Dance studio
- Spinning studio
- Changing village
- Pool viewing room

2.5 The area of the site available at New Road is constrained and would result in a slightly smaller layout compared to the proposed layout at Rainham Recreation Ground. Whilst the facility mix remains the same at both sites, the changing village and pool viewing areas will be slightly smaller at the New Road site. This might impact on the customer experience when using a facility at the New Road site. The New Road site carries higher risk due to being closer to the gas main and potential planning constraints associated with this.

2.6 As reported to Cabinet on 13 March 2019, the construction of a new sports centre in the South of the borough is proposed to be of a modular construction. This provides substantial savings compared to traditional construction. As previously reported, Barking and Dagenham have built a modular swimming pool as an additional facility to the existing Becontree Health Leisure Centre. This has proved successful and when comparing the external appearance of the modular extension to the existing building it is very hard to observe any difference.

2.7 The feasibility study concludes that both New Road and Rainham Recreation Ground sites could be progressed, but favours New Road primarily because of the loss of public open space and constraints on development driven by the 'village centre' location as well as being adjacent to the conservation area. However, this does not factor in the significant purchase price that would be required to purchase the New Road site in a competitive tender situation. The College have indicated that they will place the site on the 'open market' and will accept the best price. It is considered that re-provision or improvement of public open space can be achieved to the same extent as the loss on Rainham Recreation Ground. The feasibility also does not consider the delays to commencing construction on the New Road site until 2021 due to the College's own construction on part of the wider site. The resident conversation also resulted in 66.7% of responses to the survey favouring the Rainham Recreation Ground site.

3. Resident Conversation

3.1 Residents were invited to give their views as to which of the two sites they preferred as a location for a new leisure centre. An online survey was available to be completed from 31 October 2019 to 17 November

2019. There were also 'drop in' conversation sessions held at Rainham Library on the following dates and times:

Monday 11 November – 17:00 to 19:30

Friday 15 November – 10:00 to 12:00 and 14:00 to 16:30

- 3.2 The online survey received 328 responses with 66.7% saying they preferred the Rainham Recreation Ground as the site for a new leisure centre, 31.4% saying the New Road site and 1.83% not indicating a preference. 81.1% of responses stated they lived in the Rainham and Wennington ward, with the next largest response, 9.1% living in the South Hornchurch ward.
- 3.3 The survey also provided residents the opportunity to add additional comments. These comments are attached as Appendix B to this report.
- 3.4 Whilst only verbal responses, the perceived majority of visitors to the 'drop in' sessions at Rainham Library supported the Rainham Recreation Ground site. There were some clearly against this option, citing over time the loss of what was a larger open space that has been reduced with the development of the Rainham Tesco and some housing. Visitors to the drop in sessions were made aware of the online survey, with many saying they had completed this. There were hard copy surveys available at the 'drop in' sessions, and a number of these were completed and have been included within the overall survey response.
- 3.5 The drop in sessions also provided valuable feedback that whilst Rainham Recreation Ground was the preferred location, it was highlighted that a new leisure centre should be sited further back on the site away from Viking Way. There does not appear at this stage to be a reason not to incorporate this within the detailed design stage.

4. Timeline for Planning and Design

- 4.1 Further detailed design will be required prior to submitting a planning application, followed by the planning application being submitted by SLM. It is recommended that the tender process is commenced whilst the planning application is being determined. There will be a financial risk with this as if the planning permission is refused, the costs incurred with progressing the tender will be wasted. The decision to recommend progressing the tender process whilst the planning application is determined is because if the tender process is commenced after planning is obtained it will add delay of at least three months and possibly longer to commencing the build of the new leisure centre.

5. Next Steps

- 5.1 Subject to Cabinet agreeing to progress to the next stage of developing a new leisure centre in the south of the borough, further work will be required on the chosen site.
- 5.2 If the decision to progress a new leisure centre is at the New Road site a bid will be required to be submitted to purchase the land. The timescales for this are being requested from Havering College.
- 5.3 For either site, pre-planning advice will be required prior to submitting a planning application. The contract with SLM provides for SLM to obtain all planning permissions related to a new build leisure centre in the south of the borough.
- 5.4 It will be necessary to progress the detailed design sufficient to allow a planning application to be made by SLM. This would be followed by the tender being developed and progressed whilst a planning application is being determined.
- 5.5 Once the detailed design work has been progressed and tendered the Council will have cost certainty for the new leisure centre, with any future financial risks sitting with SLM. This will need agreeing with SLM at that stage, but the same protocol already exists, for example, with the new build Hornchurch Sports Centre.

REASONS AND OPTIONS

6. Reasons for the decision:

- 6.1 By tendering the build of the new leisure centre whilst awaiting the outcome of the planning application, cost certainty can be agreed earlier and the new build can commence at least three months earlier than if waiting for the planning determination before progressing the tender.
- 6.2 In the report to Cabinet on 13 March 2019 it was agreed to withdraw from the management and operation of Chafford Sports Complex. Consultation responses received during the consultation on the future of Chafford Sports Complex highlighted that residents wanted a leisure centre in the south of the borough. The resident conversation about the site for a new leisure centre also received over whelming support for there being a new leisure centre in the south of the borough.
- 6.3 The strategic need for a new sports centre in the south of the borough has been documented in previous Sport and Recreation Strategies, the Facilities Strategy that accompanied the tendering documents for the current leisure management contract and the Indoor Sport and Leisure Facility Strategy 2016.

7. Other options considered:

7.1 To progress detailed design for the New Road site and make a bid to purchase the land from Havering College. This has been ruled out because of the significant purchase price of the land and because the area of land is smaller than at Rainham Recreation Ground resulting in a smaller facility that would affect the customer experience whilst using the new centre. Start on site with building a new leisure centre would be delayed until 2021 due to the College's own construction on the site that involves using the 'vacant' part of the site as the builders compound. Residents also expressed a preference for the Rainham Recreation site during the 'resident conversation'.

7.2 Not to progress a new leisure centre. This has been ruled out because there is a will to have a new centre that has been evidenced by the resident conversation.

IMPLICATIONS AND RISKS

8. Financial implications and risks:

8.1 Detailed financial implications, including the estimated build costs, ongoing revenue costs and the expected purchase price of the New Road site including information that is commercially sensitive, is included in the exempt Appendix A attached to this report.

9. Legal implications and risks:

9.1 The Council has a power under s.19 Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities within its area and a duty under NHS Act 2006 to take such steps as it considers appropriate to improve the health of the people in its area.

9.2 The Council may in the exercise of its duties and powers develop a new leisure centre in its area.

9.3 The contract between the Council and Sports and Leisure Management Limited (SLM) requires that: the Council consults with SLM in relation to the design and brief for the new leisure centre; that SLM should be

responsible for obtaining all planning permissions and consents required for the new leisure centre; and that via a variation to the contract, subject to agreement on fees to be calculated on an open book basis, SLM shall deliver and manage the new leisure centre.

9.4 The steps taken thus far and the proposed approach to delivery of the leisure centre comply with the Council's contract with SLM. Further legal advice in relation to any variation to the SLM contract will be given upon planning permission for the proposed leisure centre being obtained and budget for the centre being approved.

9.5 Rainham Recreation Ground is designated open space. This means that:-

9.5.1 pursuant to section 123(2A) of the Local Government Act 1972, the Council would need to advertise in a local newspaper any intention it has to dispose of any open space land and consider any objections received from residents; and

9.5.2 as the land is held for open space purposes, the Council will also need to consider the use of the Council's powers to appropriate the land for planning purposes, thus enabling the land to be developed as intended.

9.6 In respect of any proposed lease, the section 123 of the Local Government Act 1972 will be applicable, which requires the Council to secure best consideration on the disposal of land for a period of seven years or more.

10. Human Resources implications and risks:

10.1 There are no human resource implications or risks. If Cabinet agree to progress a new leisure centre in the south of the borough there is the possibility that SLM would then operate and manage the facility, in which case all human resource responsibilities would sit with SLM. This situation would be reassessed were SLM not to manage a new leisure centre in the south of the borough.

11. Equalities implications and risks:

11.1 Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have "due regard" to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty. The protected characteristics are age, disability, gender

reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

11.2 “Due regard” is the regard that is appropriate in all the circumstances. The weight to be attached to each need is a matter for the council. As long as the council is properly aware of the effects and has taken them into account, the duty is discharged. Depending on the circumstances, regard should be had to the following:

- the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision;
- the need to remove or minimise disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic;
- the need to take steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. For example, meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons’ disabilities;
- the need to encourage persons who share a protected characteristic to participate in public life (or in any other activity in which participation by such persons is disproportionately low); and
- the need to tackle prejudice and promote understanding.

11.3 A new leisure centre will be accessible to all groups sharing a protected characteristic. As part of the detailed design work required, there will be engagement sessions organised where local residents and interested groups, such as disability groups, would be able to see the plans for a new centre and have the opportunity to provide comments. An Equalities and Health Impact Assessment will be prepared prior to the detailed design stage.

11.4 Once open, a new centre would be available for use by all of the community, with specific targeted sessions on offer where required, for example disabled sessions.

11.5 The benefits to health and wellbeing by having a new leisure centre are numerous, from employment opportunities to improving both mental and physical health. It is recommended that a Health Impact Assessment be conducted on the leisure centre development, covering the period both during and post construction. The HIA will identify and aim to maximise any positive impacts on health and wellbeing, and mitigate for any negative impacts where possible.

BACKGROUND PAPERS

None

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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:	New Leisure Centre – South of the Borough
Lead officer:	Guy Selfe, Health & Wellbeing Manager, Customer, Communication and Culture, Chief Operating Officer
Approved by:	Jane West, Chief Operating Officer
Date completed:	3 December 2019
Scheduled date for review:	To be reviewed once decision has been taken by Cabinet and when detailed designs are being progressed.

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 submit the completed form via e-mail to EqHIA@havering.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	New Leisure Centre – South of the Borough		
2	Type of activity	A new leisure centre in the south of the borough is being proposed and is due for a final decision at the January 2020 Cabinet meeting. A new leisure centre will provide sporting and physical activity participation opportunities for residents that live in the south of the borough. If progressed, this new leisure centre would be seen as a replacement for Chafford Sports Complex which the Council withdrew from managing at the end of May 2019.		
3	Scope of activity	A feasibility study has been carried out on two sites in the south of the borough to build a new leisure centre. There has also been a resident conversation about the two sites as well as an online survey. Of the two sites, 66% of residents indicated they would prefer a new leisure centre to be constructed on the Rainham Recreation Ground. This site, owned by the Council would also be cheaper to build as there are no land purchase costs involved, whereas the alternative site owned by Havering College on New Road would involve the land being purchased. A new leisure centre would be designed to be fully accessible to all members of the community.		
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:	Guy Selfe, Health and Wellbeing Manager, Customer, Communications and Culture, Chief Operating Officer
Date:	3 December 2019

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

Background/context:
<p>1. Background</p> <p>1.1 Cabinet agreed at the meeting on 13 March 2019 to investigate the feasibility to secure a site and funding to develop a new self-financing sports centre in the south of the borough. The feasibility has now been completed and the headlines from this are included in this briefing.</p> <p>1.2 Two sites were considered within the feasibility study, Site 1, New Road on land owned by Havering College and Site 2, Rainham Recreation Ground</p> <p>1.3 The New Road site is currently privately owned by Havering College, whilst the Rainham Recreation Ground is owned by the Council. Were Cabinet to agree to progress a new leisure centre on the New Road site, a bid would need to be made to purchase the site.</p> <p>1.4 A ‘resident conversation’ was carried out about the two sites, asking residents to identify which site they preferred. 66% of resident responses indicated a preference for Rainham Recreation Ground.</p> <p>2. Feasibility Study</p> <p>2.1 The Feasibility Study has included a review of the two sites including available space, utility services, planning considerations and parking. The study has then identified general considerations for each of the two sites and highlighted key risks for each. Layouts for the two sites have been included, with a breakdown of the construction costs that will need to be tested through a tendering process should Cabinet agree to progress a new leisure centre at</p>

one of the two sites. The construction costs are also dependent on further detailed design work and site studies outlined below.

2.2 Subject to a decision being taken to progress a new sports centre to the next stage, further work will be required to determine the fixed cost to the Council. This has been allowed for within the fees included within the Feasibility Study, and therefore the costs provided within this report. This includes:

- BREEAM Assessment
- Biodiversity Survey
- Daylight/Sunlight Assessment
- Floor Risk Assessment
- Heritage Statement
- Noise Impact Statement
- Open Space Assessment
- Tree Survey
- Public Consultation Materials

2.3 Both sites have advantages and disadvantages as locations for a new sports centre, these are:

New Road, Havering College

Advantages:

- Central location to existing housing within Rainham as well as the new Beam Park development
- Site available for the proposed development subject to a successful bid to purchase
- Ability to potentially share car parking spaces and increase usage, particularly daytime usage, of the new sports centre with a neighbouring facility
- Residents able to access the sports centre during daytime hours
- Good access for construction traffic
- Minor groundworks required
- The site is currently disused and is hard standing
- Within Rainham and Beam Park Strategic Development Area
- Site is shown as part of residential led development masterplan, earmarked for college or leisure use
- Good transport connections

Disadvantages/risks:

- Land not owned by Council so will involve purchasing the land
- Within Flood Zone 3 – flood risk assessment required
- Gas pipes to the north of the site (further investigation required)
- Potential contamination and organic material within the ground
- Co-ordination required with land owner regarding their proposals to develop elsewhere on the wider site
- London Plan requirements – 35% reduction in carbon emissions, may change to Net Zero, this could be a very onerous standard to meet

Rainham Recreation Ground

Advantages:

- Central Rainham location within Rainham District Centre
- Land owned by the Council so no land purchase involved
- Existing car park that could serve the new sports centre
- Minor groundworks required
- Good construction access
- Residents able to access the sports centre during daytime hours
- Good transport connections
- Close to shops and facilities

Disadvantages/risks:

- Loss of open space would be contrary to current planning policy unless it can be shown that loss can be replaced elsewhere and there is sufficient public open space in the area
- Whilst a new sports centre is good news, the loss of the green space might be seen as a bad news story
- Requirement to move existing children's play area to elsewhere on the site
- Within Flood Zone 2 and 3 (part and part) – flood risk assessment required
- Within Rainham Village Height Zone (restrictions on building height) may lead to a design that is not viable for leisure centre use
- Close to (but outside of) conservation area
- Unknown ground conditions
- London Plan requirements – 35% reduction in carbon emissions, may change to Net Zero, this could be a very onerous standard to meet

2.4 The facility mix for a new leisure centre is the same at both sites. The facility would include:

- 25 metre 6 lane swimming pool
- 72 station gym
- Dance studio
- Spinning studio
- Changing village
- Pool viewing room

2.5 The area of the site available at New Road is constrained and would result in a slightly smaller layout compared to the proposed layout at Rainham Recreation Ground. Whilst the facility mix remains the same at both sites, the changing village and pool viewing areas will be slightly smaller at the New Road site. This might impact on the customer experience when using a facility at the New Road site. The New Road site carries higher risk due to being closer to the gas main and potential planning constraints associated with this.

2.6 As reported to Cabinet on 13 March 2019, the construction of a new sports centre in the South of the borough is proposed to be of a modular construction. This provides substantial savings compared to traditional construction. As previously reported, Barking and Dagenham have built a modular swimming pool as an additional facility to the existing Becontree Health Leisure Centre. This has proved successful and when comparing the external appearance of the modular extension to the existing building it is very hard to observe any difference.

2.7 The feasibility study concludes that both New Road and Rainham Recreation Ground sites could be progressed, but favours New Road primarily because of the loss of public open space and constraints on development driven by the 'village centre' location as well as being adjacent to the conservation area. However, this does not factor in the significant purchase price that would be required to purchase the New Road site in a competitive tender situation. The College have indicated that they will place the site on the 'open market' and will accept the best price. It is considered that re-provision of public open space can be achieved to the same extent as the loss on Rainham Recreation Ground.

3. Resident Conversation

3.1 Residents were invited to give their views as to which of the two sites they preferred as a location for a new leisure centre. An online survey was available to be completed from 31 October 2019 to 17 November 2019. There were also 'drop in' conversation sessions held at Rainham Library on the following dates and times:

Monday 11 November – 17:00 to 19:30

Friday 15 November – 10:00 to 12:00 and 14:00 to 16:30

3.2 The online survey received 328 responses with 66.7% saying they preferred the Rainham Recreation Ground as the site for a new leisure centre, 31.4% saying the New Road site and 1.83% not indicating a preference. 81.1% of responses stated they lived in the Rainham and Wennington ward, with the next largest response, 9.1% living in the South Hornchurch ward.

3.3 The survey also provided residents the opportunity to add additional comments. These comments are attached as Appendix B to this report.

3.4 Whilst only verbal responses, the perceived majority of visitors to the 'drop in' sessions at Rainham Library supported the Rainham Recreation Ground site. There were some clearly against this option, citing over time the loss of what was a larger open space that has been reduced with the development of the Rainham Tesco and some housing. Visitors to the drop in sessions were made aware of the online survey, with many saying they had completed this. There were hard copy surveys available at the 'drop in' sessions, and a number of these were completed and have been included within the overall survey response.

3.5 The drop in sessions also provided valuable feedback that whilst Rainham Recreation Ground was the preferred location, it was highlighted that a new leisure centre should be sited further back on the site away from Viking Way. There does not appear at this stage to be a reason not to incorporate this within the detailed design stage.

Who will be affected by the activity?
A new leisure centre would be available to all residents or visitors in the south of the borough. A leisure centre would provide both sporting and physical activity participation opportunities for all the community who choose to participate in such activity. This could include:

Protected Characteristic - Age: Consider the full range of age groups	
<i>Please tick (✓) the relevant box:</i>	Overall impact: A new leisure centre would be available for all ages to participate in sport or physical activity. <i>*Expand box as required</i>
Positive <input checked="" type="checkbox"/>	
Neutral <input type="checkbox"/>	
Negative <input type="checkbox"/>	
Evidence:	
<i>*Expand box as required</i>	
Sources used:	
<i>*Expand box as required</i>	

Protected Characteristic - Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions	
<i>Please tick (✓) the relevant box:</i>	Overall impact: The centre would be accessible to disabled people. It is proposed that if Cabinet agree to progress to the detailed design stage, disabled groups would be invited to provide comments on aspects of the design that would benefit them.
Positive <input checked="" type="checkbox"/>	
Neutral <input type="checkbox"/>	
Negative <input type="checkbox"/>	

Evidence:

**Expand box as required*

Sources used:

**Expand box as required*

Protected Characteristic - Sex/gender: Consider both men and women

<i>Please tick (✓) the relevant box:</i>		Overall impact: If the decision is taken to progress a new leisure centre in the south of the borough, it would benefit all users in the same way irrespective of sex/gender.
Positive		
Neutral	X	
Negative		

**Expand box as required*

Evidence:

**Expand box as required*

Sources used:

**Expand box as required*

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

<i>Please tick (✓) the relevant box:</i>		Overall impact: If the decision is taken to progress a new leisure centre in the south of the borough, it would benefit all users in the same way irrespective of ethnicity/race.
Positive		
Neutral	X	

Negative			<i>*Expand box as required</i>
Evidence:			
<i>*Expand box as required</i>			
Sources used:			
<i>*Expand box as required</i>			

Protected Characteristic - Religion/faith: Consider people from different religions or beliefs including those with no religion or belief			
<i>Please tick (✓) the relevant box:</i>		Overall impact:	
Positive		If the decision is taken to progress a new leisure centre in the south of the borough, it would benefit all users in the same way irrespective of religion/faith.	
Neutral	X		
Negative			
<i>*Expand box as required</i>			
Evidence:			
<i>*Expand box as required</i>			
Sources used:			
<i>*Expand box as required</i>			

Protected Characteristic - Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual			
<i>Please tick (✓) the relevant box:</i>		If the decision is taken to progress a new leisure centre in the south of	

Positive		the borough, it would benefit all users in the same way irrespective of sexual orientation. religion/faith
Neutral	X	
Negative		
Evidence:		
<i>*Expand box as required</i>		
Sources used:		
<i>*Expand box as required</i>		

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:
Positive		If the decision is taken to progress a new leisure centre in the south of the borough, it would benefit all users in the same way irrespective of gender reassignment.
Neutral	X	
Negative		
<i>*Expand box as required</i>		
Evidence:		
<i>*Expand box as required</i>		
Sources used:		
<i>*Expand box as required</i>		

Protected Characteristic - Marriage/civil partnership: Consider people in a marriage or civil partnership		
--	--	--

Socio-economic status: Consider those who are from low income or financially excluded backgrounds	
<i>Please tick (✓) the relevant box:</i>	
Positive	
Neutral	X
Negative	
<p>Overall impact:</p> <p>If the decision is taken to progress a new leisure centre in the south of the borough it would affect all users in the same way.</p> <p>However, residents that have low income or are from financially excluded backgrounds might find a local leisure centre easier to access without incurring travel costs.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	
<p>Evidence:</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	
<p>Sources used:</p> <p style="text-align: right;"><i>*Expand box as required</i></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.	
<i>Please tick (✓) all the relevant boxes that apply:</i>	
Positive	X
Neutral	X
Negative	
<p>Overall impact:</p> <p>Participation in sport and physical activity does positively contribute to an individuals' health and wellbeing. Should a new leisure centre be progressed, this is expected to positively impact users of the centre. The following impacts have been identified:</p> <p>1) Positive contribution of sports and leisure facilities on health and wellbeing: The proposal would mean that all of the positive impacts that Leisure Centres can have on supporting people in the community would be available including health benefits that the centre would offer including fitness classes and swimming and it can act as a social meeting point and brings community groups together.</p>	

- 2) By being local to residents in the south of the borough, some might be able or choose to walk to the new centre, with the associated health benefits of this additional activity.
- 3) Potential positive creation of employment/impact on the local economy: Leisure Centres often provide good job opportunities and training for young people, e.g. lifeguards, sports trainers and assistants etc.

**Expand box 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:

See ward profiles for evidence of local population profile and needs:
www.haveringdata.net/JSNA

**Expand box as required*

Sources used:

- Resident conversation – November 2019
- Feasibility Study

**Expand box as required*

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.

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
Disability	Positive impact if disability groups are consulted on detailed design of a new leisure centre.	Consult with disability groups on the detailed design.	A new leisure centre design has incorporated comments and feedback from disabled groups.	March 2020	Guy Selfe

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: This EiHA will be reviewed once the detailed design is finalized.

Scheduled date of review:

Lead Officer conducting the review: Guy Selfe

**Expand box as required*

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



CABINET

Subject Heading:

Cabinet Member:

SLT Lead:

Report Author and contact details:

Policy context:

Financial summary:

PUBLIC AGENDA

15th January 2020

Rainham and Beam Park LLP Business Plan and Budget 2020/2021.

Councillor Roger Ramsey, Cabinet Member for Finance and Property

Neil Stubbings, Director of Regeneration

Harry Scarff
Commercial Manager
Harry.Scarff@havering.gov.uk
X3255

Havering Housing Strategy 2014-17
National Planning Policy Framework 2012
Draft London Plan 2017
Emerging Havering Local Plan 2017
Rainham and Beam Park Housing Zone submission.
Rainham and Beam Park Housing Zone Overarching Borough Agreement with the GLA
Rainham and Beam Park Planning Framework 2016

This report seeks Cabinet approval to the revised Overarching Business Plan proposed by the 'Rainham and Beam Park Regeneration LLP' for the period 2020/21. The report also seeks approval to set aside funds to allow a further site to be introduced during this planning period 2020-21. This is the second revision of the OABP following the establishment of the LLP in April 2018.

Subject to Cabinet approval of the recommendations of this report, the inclusion of the additional scheme will be included in the proposed capital programme to be considered as part of the 2020/21 budget process and will be subject to approval of the Capital Programme and Treasury Management Strategy in February 2020.

The financial details are contained within the **Exempt Agenda Report**.

Yes

Is this a Key Decision?

(a) Expenditure or saving (including anticipated income) 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 over-arching vision for setting up the Joint Venture (JV) was to stimulate the regeneration of a key area in the south of the borough characterised as the 'Rainham and Beam Park Housing Zone'. In March 2018 this Council entered into a joint venture Limited Liability Partnership (known as Rainham and Beam Park Regeneration LLP – "RBPR") with Notting Hill Commercial Properties (a subsidiary of Notting Hill Genesis) to deliver this vision.

Nine strategic sites along the A1306 have been identified that will require direct intervention to enable development that accords with the Council's overall Housing

Zone objectives. With the Council's support, the LLP has now embarked on a programme to assemble these sites and to deliver their redevelopment.

To compliment this redevelopment the Council is delivering a programme to reconfigure the A1306 New Road and is supporting the GLA to deliver the new 'Beam Park' rail station. The adjacent scheme to transform New Plymouth and Napier Estates as part of the HRA 12 Estates housing transformation programme will also benefit from this activity.

Together these opportunities create a major opportunity to build a new strong sustainable community with its own identity and improved transport infrastructure.

Any returns to the Council are being committed to fund future regeneration programmes across the borough and help fund renewal of our cherished town centres across the borough at a time when the traditional high streets are under significant threat from changing consumer habits.

When the initial Overarching Business Plan (OABP) 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 OABP on an annual basis. This is the second of those reviews.

This review has included an analysis of key inputs into the financial models provided by the LLP. These have been reviewed and externally validated. The key inputs are construction costs, expected sales revenues, land values plus other costs such as expectation on s106 payments. In addition, other changes such as total number of residential properties have been updated as the design and detailed planning process has moved on. This includes the impact of consultation and engagement events through the planning process.

The updated outputs of the financial models have also been analysed through the Council's own financial dashboards. This means that this report is able to inform Cabinet of any changes to the expected outputs from the LLP as well as informing Cabinet of any changes in the financial position of the LLP and the Council's financial commitments to the LLP as a Member. This report not only informs Cabinet of changes but also seeks approval to the new Overarching Business Plan and the expected financial commitments.

The original decision to set up the LLP was informed, amongst other matters, by key indicators on programme viability and outputs. Those key indicators were: Overall % return, overall financial return, equity participation, 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 key metrics as reported to Cabinet in the 2019/20 Overarching Business Plan are compared both to the numbers in this 2020/21 Business Plan. The table also provides a brief explanation for any changes. Full details are contained within the **Exempt Agenda Report**.

Full details of the draft OABP for the period 2020-21 are contained within the **Exempt Agenda Report**.

As a result of the increase in housing delivery and costs associated with development land assembly, a revised financial model has been prepared. This model includes revised assumptions and equity required to fund development before sales revenue.

The Cabinet is asked to approve the 2020-21 OABP noting the revised output of housing numbers and their contribution towards the Council's target for housing delivery, and the expected financial returns.

RECOMMENDATIONS

That Cabinet:

1. **Approve** the Rainham and Beam Park Regeneration Joint Venture LLP Overarching Business Plan 2020-21, full details of which are contained within the **Exempt Agenda Report**.
2. **Authorise** the Council's contribution to support the LLP's management, design and pre construction contract works and services for Phase 1 delivery in accordance with the Rainham and Beam Park Regeneration Joint Venture LLP Overarching Business Plan 2020-21 contained within the **Exempt Agenda Report**.
3. **Agree** that the Leader of the Council and Cabinet Member for Housing after consultation with the s151 Officer, the Chief Executive Officer and the Director of Legal and Governance, approve any necessary update to the Overarching Business Plan during the period 2020-21.
4. **Agree to Endorse and Recommend** to Council the budget allocation set out in this report to include the related site known as 'Rainham Opportunity Site' with the Rainham and Beam Park Regeneration Scheme.
5. **Agree** that the s151 Officer, after consultation with the Cabinet Member for Housing, responds to the service of any notice that may be served by the Rainham and Beam Park Regeneration Joint Venture LLP, indicating a willingness or otherwise to participate in making third party debt available from the Council, subject to contract and due diligence.

6. **Agree** that the s151 Officer, after consultation with the Chief Executive and The Leader of the Council, may enter into funding agreements consistent with the Treasury Management Strategy and Council's Scheme of Delegation.

REPORT DETAIL

1.0 Background

- 1.1 In December 2017 the Council agreed to appoint Notting Hill Housing Trust (now known as Notting Hill Genesis – “**NHG**”) as the development partner to implement the first phases of housing delivery in the Rainham and Beam Park Housing Zone (“**The Housing Zone**”). In April 2018, following Cabinet approval, the Council entered into a joint venture Limited Liability Partnership (known as Rainham and Beam Park Regeneration LLP – “**RBPR**”) with Notting Hill Commercial Properties (a subsidiary of NHG).
- 1.2 The Overarching Business Plan (“**OABP**”) governs the commercial approach required to deliver the programme. It sets the performance thresholds and expected returns resulting from the JV delivering the sites subject of this Business Case.
- 1.3 The OABP is agreed annually. The scope of the first OABP was consistent with the scope for land assembly required to deliver the sites referred to in this report.
- 1.4 The OABP sets the parameters within which schemes are considered ‘viable’. The JV will only deliver schemes subject to its Members agreeing viability.
- 1.5 Viability is determined through a Gateway process that will, amongst other matters, identify that schemes can deliver a minimum threshold of profitability on development value of market homes.
- 1.6 The first OABP for RBPR followed Cabinet approval in December 2017 and then Executive Decision prior to various contract agreements being entered into on 29th March 2018. The contract agreements, specifically the Members Agreement, require that the OABP is reviewed at least annually. RBPR has completed its review of their OABP to suit this requirement and the Council's annual budget cycle and governance requirements.
- 1.7 This OABP review covers the Strategic Housing Sites identified for the development of new housing units (including an aspiration to deliver 35% Affordable units). The plan of sites is included within the Exempt Agenda Report.

- 1.8 Assumptions used in the site Development Appraisals and financial models have been reviewed and updated for the 2020-21 OABP. Those assumptions that are changed are reviewed in this report. Each of these assumptions has been subject to close review and it is determined, following professional advice, that these currently reflect figures representative of the current market or which are representative of uplift in land value and house prices, land values and construction pricing achievable following a plan for comprehensive regeneration.
- 1.9 Site proposal densities have also been updated; as sites pass through the planning process both with the Council and with the Greater London Authority (“GLA”) this has resulted in an increase in proposed housing units to at least 854 housing units (including 35% Affordable units).
- 1.10 During the 2019/20 period the LLP has been investigating additional sites to bring forward for housing and mixed-use development consistent with the aims and objectives of the LLP. It is proposed that (subject to RBPR member consent) a Council owned ‘site (to be known as ‘Rainham Opportunity Site’) is brought into the RBPR development programme which would increase total housing units by 176 units. During the remaining part of the 2019/20 period and in 2020/21 the LLP also propose to investigate additional sites to bring forward and an additional budget is proposed in the revised OABP to fund the review of potential opportunities.

2.0 Progress

- 2.1 The programme to obtain outline planning consent for each strategic site is also progressing.

Nine outline applications have been made and eight of these have been approved by the Local Planning Authority. One of these consents was subject to Call-In by the GLA and the result of this Call-In has not yet been received. One remaining scheme is due to be presented to Strategic Planning Committee in December 2019. This scheme, if granted approval at that committee, will also be subject to a GLA Call-In.

- 2.2 During this period the assembly of land required for the development has been the LLP’s primary focus. The strategic sites remain in the fragmented ownership set out in previous reports.
- 2.3 With the support of this Council, NHG continue to assemble land by private treaty for the LLP. To date, fifteen freehold plots have been acquired and terms are agreed and progressing towards contract on 16 plots. Negotiations over terms are in hand with a further 142.
- 2.4 Some plots are in the ownership of Transport for London and terms for the acquisition of these sites are significantly progressed. This process will include the Stopping Up of land that is identified as Highway Land. This is a

legacy from the A13 Trunk Road before it was relocated south and the road was re-designated the A1306. The Stopping Up process will require Council approval in the usual way.

- 2.5 There remain a number of plots where value expectations have been excessive or where discussions have stalled for other reasons. For this and other reasons it is judged that site assembly by private treaty will not be successful on all sites and the Compulsory Purchase process has continued. CPO powers were considered in October 2018 by Cabinet and the Council made its first CPO arising from this decision in September 2019.

3.0 Scheme Review

- 3.1 The final sequencing of site delivery will remain dependent upon the timing of site acquisition and assembly and this is now in hand. Earlier phases may be able to commence in mid-2019. Subsequent phases of development on comprehensive sites may require the completion of land assembly using CPO powers and these will commence following confirmation of the Order by the Secretary of State and following due process.

- 3.2 The planning consent granted for NR04/05 requires the relocation of a social club and this will be carried out by the LLP as part of the scheme of development. This relocation will be to another site currently part of the programme and a new planning consent will be required to facilitate this once the location has been agreed with the club.

4.0 Financial Review

- 4.1 The business case assumptions have been reviewed and updated to both to reflect anticipated economic conditions and also the anticipated increase in housing numbers and sequencing of land assembly. The key outcomes are summarised in Movement Tables and Finance Dashboards. Full details are contained within the **Exempt Agenda Report and Appendices**.

5.0 Additional Sites

- 5.1 Full details of additional sites that the LLP has been investigating are contained within the Exempt Agenda Report.

REASONS AND OPTIONS

6.0 Reasons for the decision

6.1 To incorporate revised assumptions and an updated programme into the Overarching Business Plan for the period 2020-21.

6.2 To continue to secure the Council's regeneration objectives for the Rainham and Beam Park Housing Zone

6.3 To support the ongoing CPO activity.

6.4 To include an additional site to facilitate further housing delivery including affordable new affordable homes

6.5 Other options considered:

6.5 When the Council entered into the LLP in March 2018, consequent to the decisions made in December 2017 and March 2018, a number of commitments were made. One of these was to provide funding and this was incorporated in the capital programme by Council on 21 February 2018, which approved capital budgets from April 2018.

6.6 The funding requirement was scoped in the 2018-19 OABP which the LLP adopted soon after it was established. The budget for investment expenditure was approved by Full Council in February 2018 with effect from April 2018. The adoption of the proposed revision to the OABP is a 'Member Consent Matter'. Without the Council's approval, as a 'Member' of the LLP, the revised OABP could not be adopted and the current OABP would be maintained.

6.7 Not approving the revised OABP may have a negative impact on NHG's ability to continue funding land acquisition which in turn may compromise the CPO and will have implications with delivery targets including affordable housing delivery and achieving targets agreed with GLA in the Overarching Borough Intervention Agreements.

6.8 Not adopting the revised OABP may also give rise to negative market sentiment with a consequential impact on the wider development market that this scheme would otherwise seek to stimulate. If the OABP is not approved then the 2019/20 OABP remains in place, reflecting phasing and programming that will be out of sequence and counter to current expectations of financial and market management.

IMPLICATIONS AND RISKS

7.0 The key risks can be summarised as follows:

7.1 The principle risks in the project are as follows:

- i. **Legal challenge** – It is always possible for third parties to make challenge under judicial review to attempt to halt progress with projects of this kind, and this risk cannot be ruled out entirely. However, the legal advice that the Council has obtained confirms the lawfulness of the joint venture LLP and of the regeneration aims of the Council being pursued..
- ii. **Commercial** – The project is structured as a joint venture and, as such, the Council should recognise that it is acting as a stakeholder in the JVLLP, and taking a share of the development risk in the project. These risks include the normal development risks, such as JVLLP or joint venture partner defaults or insolvency, market collapse, delay in land assembly, planning and CPO delay (including highways, stopping up, etc.). The Council's exposure to these types of risks will be limited to the extent of its investment in the JVLLP. The extent of investment is identified and discussed within Section 8 of this report. Also, the decision making and business planning structure of the JVLLP enables the Council to participate in decisions at both board and corporate member level.

7.2 Any joint venture arrangement, especially where parties establish a joint venture vehicle, involves complex and detailed legal commitments, which are intended to last the duration of the development scheme. Were one of the Parties to withdraw or alter the arrangement without agreement this would have considerable complex legal consequences that would almost certainly involve irrecoverable costs, especially now that the project is recommended to move ahead in the way described in this Report.

7.3 Overall, the prospect of realising the outcomes for the regeneration scheme will remain subject to numerous different factors beyond the LLP's control, ranging from local, regional and national asset price and demand fluctuations to the wider macro-economic forces such as volatility in interest rates, the value of the pound and the availability of credit and mortgages. The further macroeconomic uncertainty surrounding Brexit negotiations which may continue to affect consumer sentiment and investment appetite for some time.

7.4 The impact of wider macro-economic factors as well as local and regional drivers of pricing and demand for the developments arising from this regeneration programme will continue to be monitored on an on-going basis by the Joint Venture Board, and the assumptions underpinning the financial model and related viability appraisals will be subject to continued scrutiny.

A detailed Risk Register from the LLP is attached at within the OABP full details of which are contained in the **Exempt Agenda Report**.

8.0 Financial Implications and Budget

8.1 LBH General Fund

8.2 Full details of the Council's capital investment in the scheme are contained within the **Exempt Agenda Report**.

8.3 Compulsory Purchase Order

8.3.1 The Councils delivery partner will continue to acquire the properties on behalf of the JVLLP by negotiation. If this is not possible, it may be necessary to acquire properties by use of the Council's CPO powers. The JV LLP has provided an indemnity to meet the Council's costs and the making of the CPO was approved by Cabinet on the 10th October 2018.

8.4 As the Council would potentially need to purchase properties acquired under a CPO, there remains the need for a sum included within the Council capital programme to cover this eventuality.

8.5 Capital Programme

Full details of the proposed Capital Programme are contained with the **Exempt Agenda Report**.

8.6.1 The capital budget and financing required by RBPR LLP exceeds the available approved budget. Further, given that RBPR LLP requires revenue budget support over the initial 5 years of the scheme these longer term financing matters need to be referred for consideration as part of the development of the wider capital programme and revenue budget. Reports on the Council's capital programme and revenue budget can be found elsewhere on this Cabinet agenda and address these financial requirements. Should those reports be agreed, they will then be passed to Full Council for final sign off at the end of February.

8.6.2 Due to limited capital resources from capital receipts, the Council will need finance additional capital expenditure on this scale through borrowing. The capital financing costs associated with repayment of debt (the Minimum Revenue Provision or MRP) and interest will be charged to the General Fund revenue budget in accordance with statutory capital financing regulations and the accounting code of practice. The capital financing costs associated with the required capital expenditure are included in the financial modelling of the proposals.

8.6 LBH Treasury

8.6.1 The Treasury Management Strategy also needs to be updated to incorporate the increased spending profile of this JV, and other economic development schemes.

8.6.2 The Treasury Management Strategy can also be found elsewhere on this Cabinet agenda and is in line with the development of the Capital Programme

to ensure that the Council's long term capital investment plans are robust, affordable and represent value for money. The Treasury Management Strategy will also need to be reported for approval by Full Council at the end of February 2019.

9.0 Legal implications and risks

- 9.1 The initial Business Plan in its agreed form was adopted by the Rainham and Beam Park Regeneration LLP on 29 March 2018. Annual review of the Business for the JV is pursuant to clause 16 of the Members Agreement dated 29 March 2018, and approving persons shall use all endeavours to seek to agree such draft Business Plan, in accordance with procedure set out in the Members Agreement. Once agreed the further Business Plan shall replace the then current Business Plan as the formal Business Plan adopted by the Rainham and Beam Park Regeneration LLP.
- 9.2 The establishment of the JV (as a limited liability partnership) was justified by Section 1 of the Localism Act 2011 which provides local authorities with the power to do anything an individual may do subject to a number of limitations (this is referred to as the General Power). A local authority may exercise the General Power for its own purpose, for a commercial purpose and/or for the benefit of others.
- 9.3 Section 4 of the Localism Act 2011 requires that where a local authority exercises/uses the general power for a commercial purpose it must do this through a company. Further Section 4 of the Localism Act 2011 prohibits the Council doing things for a commercial purpose in relation to a person if legislation requires the Authority to do those things in relation to that same person (i.e. there is a statutory obligation to provide that service, rather than a discretion).
- 9.4 Given that the purposes of the Council in this project were, and remain regeneration purposes, the JV may operate as limited liability company. Section 2 of the Localism Act 2011 limits the exercise of the new general power where it 'overlaps' with a power which predates it, such as Section 95 of the Local Government Act 2003. However, that Section 95 power is a power enabling trading for commercial purposes, and therefore not being relied upon or overlapping.
- 9.5 Provided the JV continues to pursue the regeneration activities pursuant to the objectives of the JV (as written into its constitution (the Members' Agreement), no new legal considerations arise. However, the JV is exposed to the types of risks described in Section 7, essentially commercial risk and those that may arise by means of judicial review.

10.0 Equalities Implications and risks

- 10.1 The public sector equality duty under section 149 of the Equality Act 2010 (“PSED”) requires the Council when exercising its functions to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and to foster good relations between those who have protected characteristics and those who do not. ‘Protected characteristics’ include: gender, race and disability, sexual orientation, age, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment. The Council is committed to improving the quality of life for all, and supports wider social and economic growth through social and physical regeneration.
- 10.2 The wider equality implications associated with the Rainham and Beam Park Regeneration JVLLP are addressed in the 13th December 2017 Cabinet report - Rainham and Beam Park Housing Zone - Appointment of a Joint Venture Development Partner.
- 10.3 The Rainham and Beam Park Housing Zone will unlock significant investment for housing – both market and affordable – and enable key infrastructure in South Hornchurch and Rainham and Wennington Wards which are among the most deprived in the Borough and London.
- 10.4 The allocation of affordable housing would be subject to the Council’s Allocation Scheme and any local lettings policies that would be drawn up to promote Rainham and South Hornchurch residents’ interests. Thus, delivery of affordable housing would benefit some of the borough’s most disadvantaged residents. The new homes built would include a proportion of homes built to lifetime homes and disabled living standards.
- 10.5 Investment in new transport, schools and leisure facilities would ensure that those living in the south of the borough benefit from improvements in amenities without needing to travel to other parts of the borough, incurring costs and inconvenience.
- 10.6 The needs of disabled people and carers will be an integral feature of housing stock, allocation and lettings policies. No ‘protected’ group will be disadvantaged by the developments; however, where there is the possibility of a negative impact, a full Equality Impact Assessment will be carried out.
- 10.7 An Equalities Impact Assessment (EqIA) in support of the CPO / Land Acquisition Strategy has been prepared for the Council by external consultants Mott Macdonald. The recommendations that were made are being implemented as part of the CPO now in hand.

11.0 Human Resources implications and risks

- 11.1 The Rainham JVLLP project will require continued involvement of officers from the Regeneration Directorate and other Council services. The Rainham

and Beam Park Housing Zone forms part of the Council's overall regeneration programme and a separate report setting out the Director of Neighbourhood Services' proposed arrangements was presented to Cabinet in January 2017.

BACKGROUND PAPERS

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