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## **THE CABINET**

**Wednesday, 12th February, 2020 at 7.15 pm in the Conference  
Room, Civic Centre, Silver Street, Enfield, EN1 3XA**

### **Membership:**

Councillors : Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy Leader of the Council), Alev Cazimoglu (Cabinet Member for Health & Social Care), Guney Dogan (Cabinet Member for Environment and Sustainability), Rick Jewell (Cabinet Member for Children's Services), Nneka Keazor (Cabinet Member for Community Safety & Cohesion), Mary Maguire (Cabinet Member for Finance & Procurement), Gina Needs (Cabinet Member for Social Housing), George Savva MBE (Cabinet Member for Licensing & Regulatory Services) and Mahtab Uddin (Cabinet Member for Public Health)

### **Associate Cabinet Members**

Note: The Associate Cabinet Member posts are non-executive, with no voting rights at Cabinet. Associate Cabinet Members are accountable to Cabinet and are invited to attend Cabinet meetings.

Mustafa Cetinkaya (Associate Cabinet Member – Non Voting), Ahmet Hasan (Associate Cabinet Member – Non Voting) and Claire Stewart (Associate Cabinet Member – Non Voting)

### **NOTE: CONDUCT AT MEETINGS OF THE CABINET**

Members of the public and representatives of the press are entitled to attend meetings of the Cabinet and to remain and hear discussions on matters within Part 1 of the agenda which is the public part of the meeting. They are not however, entitled to participate in any discussions.

## AGENDA – PART 1

### 1. APOLOGIES FOR ABSENCE

### 2. DECLARATIONS OF INTEREST

Members of the Cabinet are invited to identify any disclosable pecuniary, other pecuniary or non pecuniary interests relevant to items on the agenda.

### 3. DEPUTATIONS

To note, that no requests for deputations have been received for presentation to this Cabinet meeting.

### 4. REVENUE MONITORING 2019/20: QUARTER 3 (DECEMBER 2019) (Pages 1 - 44)

A report from the Executive Director – Resources is attached. **(Key decision – reference number 5086)**

(Report No.189)

### 5. 2020/21 BUDGET AND 2020/21 TO 2024/25 MEDIUM TERM FINANCIAL PLAN (Pages 45 - 222)

A report from the Executive Director – Resources is attached. (Report No.199, agenda part two also refers) **(Key decision – reference number 5076)**

(Report No.190)

### 6. CAPITAL STRATEGY AND TEN YEAR CAPITAL PROGRAMME 2020/21 TO 2029/30 (Pages 223 - 262)

A report from the Executive Director – Resources is attached. **(Key decision – reference number 5026)**

(Report No.191)

### 7. TREASURY MANAGEMENT STRATEGY STATEMENT 2020/21 (Pages 263 - 328)

A report from the Executive Director – Resources is attached. **(Key decision – reference number 5027)**

(Report No.192)

### 8. HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN BUDGET 2020/2021, RENT SETTING AND SERVICE CHARGES (Pages 329 - 352)

A report from the Executive Director – Place and Executive Director – Resources is attached. **(Key decision – reference number 5008)**

(Report No.193)

**9. ENFIELD REPAIRS DIRECT** (Pages 353 - 416)

A report from the Executive Director – Place is attached. **(Key decision – reference number 5070)**

(Report No.194)

**10. NEW DECISION-MAKING ARRANGEMENTS TO SPEND THE ENFIELD COMMUNITY INFRASTRUCTURE LEVY AND SECTION 106 AGREEMENTS** (Pages 417 - 450)

A report from the Executive Director – Place is attached. **(Key decision – reference number 5029)**

(Report No.195)

**11. GETTING TO SCHOOL POLICY** (Pages 451 - 490)

A report from the Executive Director – People is attached. **(Key decision – reference number 4851)**

(Report No.196)

**12. MAXIMISING THE COUNCIL'S DIRECT DEVELOPMENT DELIVERY** (Pages 491 - 524)

A report from the Executive Director – Place is attached. (Report No.204, agenda part two also refers) **(Key decision – reference number 4998)**

(Report No.203)

**13. HOUSING INFRASTRUCTURE FUND GRANT AGREEMENT TO DELIVER STRATEGIC INFRASTRUCTURE WORKS AT MERIDIAN WATER** (Pages 525 - 536)

A report from the Executive Director – Place is attached. (Report No.201, agenda part two also refers) **(Key decision – reference number 5085)**

(Report No.198)

**14. CABINET AGENDA PLANNING - FUTURE ITEMS** (Pages 537 - 540)

Attached for information is a provisional list of items scheduled for future Cabinet meetings.

**15. MINUTES** (Pages 541 - 580)

To confirm the minutes of the previous meetings of the Cabinet held on 22 January and 28 January 2020.

**16. DATE OF NEXT MEETING**

To note that the next meeting of the Cabinet is scheduled to take place on Wednesday 11 March 2020 at 7.15pm.

**17. EXCLUSION OF THE PRESS AND PUBLIC**

To consider passing a resolution under Section 100(A) of the Local Government Act 1972 excluding the press and public from the meeting for the items of business listed on part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).  
(Members are asked to refer to the part two agenda)

**21. TABLED DOCUMENTS (Pages 581 - 586)**

**MUNICIPAL YEAR 2019/2020 REPORT NO. 189****MEETING TITLE AND DATE:**

**Cabinet**  
**12<sup>th</sup> February 2020**

**REPORT OF:**

Acting Executive Director  
of Resources

**Agenda – Part: 1****Item: 4**

**Subject:** Revenue Monitoring 2019/20:  
Quarter 3 (December 2019)

**Wards:** ALL

**Key Decision No:** 5086

**Cabinet Member Consulted:** Cllr Mary  
Maguire

Contact officer and telephone number:

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**1. EXECUTIVE SUMMARY**

- 1.1. This report sets out the Council's revenue budget monitoring position based on information to the end of December 2019.
- 1.2. After the application of capital receipts for transformation purposes of £3.2m; the revenue budget forecast reflects an outturn position of £5.6m overspend for 2019/20 which will be funded using the Council's reserves. This is an improvement of £0.1m on the £5.7m reported as at Quarter 2.
- 1.3. Since 2010, the Council has saved £178m; for 2019/20 a further £13.1m of savings and income were agreed which included £0.3m of income and £3.1m savings agreed from prior years. As time has progressed delivering these savings and additional income generation year on year continues to be challenging. Subject to substitute savings and management action being taken, prior year income totalling £1.7m is considered at risk of delivery.
- 1.4. The Dedicated Schools Grant is forecasting an outturn position of a deficit of £4.9m. With the £0.4m surplus brought forward from 2018/19, the cumulative forecast deficit at year end is £4.5m and will be the first call on the 2020/21 grant allocation and therefore reduce the funding available for next year.
- 1.5. The Housing Revenue Account is forecasting an underspend position of £0.1m for 2019/20 outturn.

## **2. RECOMMENDATIONS**

### **2.1. Cabinet is recommended to note:**

- i. The financial backdrop to the Council's budget position (described in paragraphs 3.1 to 3.12).
- ii. The £5.6m overspend revenue outturn projection and the use of £3.2m of capital receipts to support organisation transformation.
- iii. That Cabinet Members will continue to work with Executive Directors to implement action plans to reduce the forecast overspend in 2019/20 and implement savings.
- iv. £1.5m of the overspend in respect of the company Independence and Wellbeing Enfield Ltd (IWE) being met from contingency as set out in paragraph 5.14.
- v. The position of the Dedicated Schools Grant (DSG) as set out in paragraphs 5.62 to 5.66.
- vi. The position of the Housing Revenue Account (HRA) as set out in section 7.
- vii. The planned flexible use of capital receipts for 2019/20 remains unchanged from the reported quarter 2 update (paragraph 5.58 and Appendix I).

## **3. BACKGROUND**

- 3.1. On 27 February 2019, the 2019/20 budget was set by Council. This budget was set in the challenging context of a reduction in core funding of £6.3m in 2019/20; following previous funding reductions of £93m since 2010.
- 3.2. New savings of £10.7m and new income generation plans of £2.4m were agreed for 2019/20. Savings and income proposals agreed from previous years to be delivered in 2019/20 totalled £3.4m, of which £3.1m relates to savings and £0.3m to income. As part of the aim to place the budget in a more resilient position, in 2019/20 £2.5m of growth was included to offset prior year budget pressures. However, there remained £4.2m of pressures from 2018/19 which officers continued to work to reduce, included in Appendix H, Savings and Income Monitor.
- 3.3. Enfield, reflecting the national picture, continues to experience rising cost pressures from Special Education Needs (SEN) transport, families with No Recourse to Public Funds, and cost and demographic pressures in social care as well as the ongoing risk associated with Temporary Accommodation. Over the last few years the adult social care precept and flexible homelessness grant have contributed in part to relieving these cost pressures.

- 3.4. Since 2013/14, Enfield has continued to lobby for fairer funding, with the current transitional arrangements resulting in a £11.6m embedded (damped) reduction in funding.
- 3.5. A 75% Business Rates Retention London Pilot Pool for 2019/20 was announced as part of the Local Government Finance Settlement in December 2018 and the budget includes the Council's membership of this within its assumptions.
- 3.6. Local authority financial management has become headline news since 2018/19 following events at Northamptonshire County Council, and more recently Somerset and East Sussex County Council. In the context of the economic climate and the cumulative impact of the sustained funding reductions since 2010, balancing the Council's budget remains a significant challenge.
- 3.7. As reported to Cabinet on 17 July 2019, in 2018/19 Council services overspent by £13.4m after £3.7m of flexible use of capital receipts and then offset by underspends of £9.0m in corporate expenses, and £1.2m additional government grants to give a net overspend of £3.2m. During 2018/19 the Council's risk reserves increased due to planned contributions to risk and smoothing reserves, whilst service specific reserves reduced.
- 3.8. In setting the budget for 2019/20 the corporate budgets were reviewed and where capacity was identified it has been utilised to address the significant pressures within service departments' budgets and this was reflected in the Budget Report for 2019/20.
- 3.9. Managing the Council's budget position continues to be a high-risk priority for the Council. The Council's revenue expenditure is monitored against budget by regular reports to the Executive Management Team and Cabinet. These reports provide a snapshot of the revenue position and implementation of savings for each department, the Council overall and provide details of any projected additional budget pressures and risks, or any significant underspends.
- 3.10. This report provides information on the main budget variances and their causes that are affecting the Council across all departments. Although a full budget monitor is carried out each month, variations in this report are limited to variances of at least £50,000 whether adverse or favourable, to provide a greater strategic focus.
- 3.11. The pressures outlined in this report are being taken into account in setting the 2020/21 Budget. The Provisional Local Government Finance Settlement published on 20<sup>th</sup> December 2019 was fully in line with the Chancellor's Spending Announcement of 4 September 2019. The settlement funding assessment will increase in line with September CPI at 1.7%, the first rise in ten years. Core spending power has increased by 6.3% nationally and 5.8% for Enfield. Other grants within Spending Power have been protected and there's a further Social Care grant which will benefit the Council £5.5m. It should be noted that this is a one year settlement, fair funding and the business rates reset are delayed and there will be no Business Rates

Pilot Pooling for 2020/21 although pooling on a non-pilot basis is still possible.

- 3.12. Given the pressures on the DSG detailed in section 5, there has been a 16% increase in the High Needs Block Funding for 2020/21.
- 3.13. The next report to Cabinet will be the 2019/20 Revenue Outturn report in July which will provide an update on the monitoring position based on information as at year end.

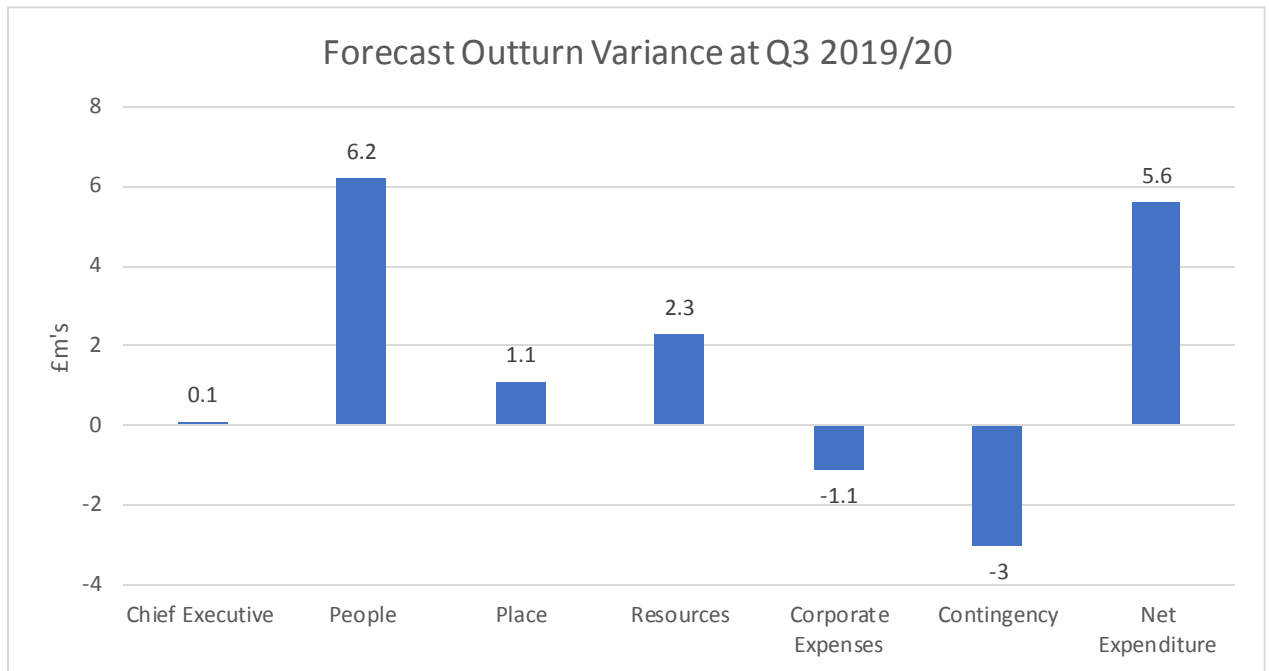
#### 4.0 December 2019 Monitoring – General Fund

- 4.1 Each of the departments has generated a list of the key variances which are contributing to the projected outturn figures. Cabinet Members and Executive Directors are expected to manage their budgets in year and contain any forecast overspends by implementing offsetting savings measures. All Executive Directors reporting overspends are working on mitigating actions for the current year and where pressures are ongoing these are also being worked up as part of the Medium Term Financial Plan (MTFP).
- 4.2 The forecast budget overspend is £5.6m; after the planned application of £3.2m capital receipts. Below is a summary of the projected outturn variances broken down between departments:

**Table 1: Forecast Projected Departmental Outturn Variances**

	Original Net Budget	Approved Changes	Current Net Budget	Forecast Outturn	Flexible Use of Capital Receipts	Forecast Variance
	£m	£m	£m	£m	£m	£m
Chief Executive's	8.0	2.4	10.3	11.8	(1.4)	0.1
People	118.2	(4.3)	114.7	121.2	(0.3)	6.2
Place	25.5	10.7	36.1	37.8	(0.6)	1.1
Resources	39.4	(0.6)	38.2	41.4	(0.9)	2.3
<b>Service Net Costs</b>	<b>191.1</b>	<b>8.2</b>	<b>199.3</b>	<b>212.2</b>	<b>(3.2)</b>	<b>9.7</b>
Corporate Expenses	36.9	(8.2)	28.7	27.6	0.0	(1.1)
<b>Contingency</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(3.0)</b>
<b>Net Expenditure</b>	<b>231.0</b>	<b>(0.0)</b>	<b>231.0</b>	<b>239.8</b>	<b>(3.2)</b>	<b>5.6</b>
Net Expenditure financed by:						
Business Rates	(97.6)	0.0	(97.6)	(97.6)	0.0	0.0
Collection Fund	(1.3)	0.0	(1.3)	(1.3)	0.0	0.0
Other non- ringed fenced Government Grants	(3.8)	0.0	(3.8)	(3.8)	0.0	0.0
Council Tax	(127.3)	0.0	(127.3)	(127.3)	0.0	0.0
Reserves	(1.0)	0.0	(1.0)	(1.0)	0.0	0.0
<b>General Fund Corporate Financing</b>	<b>(231.0)</b>	<b>0.0</b>	<b>(231.0)</b>	<b>(231.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Under/Overspend</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>8.8</b>	<b>(3.2)</b>	<b>5.6</b>



**Chart 1: Forecast Projected Departmental Outturn Variances**

4.3 Management actions are ongoing to continue to address these budget pressures. Management action taken to reduce costs includes reconvening the Pressures Challenge Board to review the most significant pressures being reported. The purpose of the sessions is to identify any further solutions to reduce the overspend in 2019/20 but also to identify whether there will be an ongoing pressure that will need to be considered in the 2020/21 budget setting process.

4.4 The overall forecast position has improved by £0.1m in the last quarter with the following being the main contributory reasons:

- Despite continuing pressure in Adult Social Care and Children's Social Care, the department has only seen a further increase of £0.1m.
- The provision of SEN transport has continued to experience demand pressures which has increased the forecast overspend by a further £0.5m, along with the fuel and inflation pressures previously reported.
- Delays in the Edmonton Cemetery expansion project has resulted in an increased overspend of £0.2m being forecast as at quarter 3
- An improvement of £0.7m is reported in IT though there is still a forecast £0.5m overspend due to difficulties in recruiting to vacant posts, slippage in the delivery of schemes aimed at delivering savings and a £0.3m prior year income generation proposal that is no longer considered achievable.

- 4.5 The forecast variance at the year-end will need to be met from a contribution from the Council's general reserves, though it is intended to keep this as low as possible.
- 4.6 There is a risk from an ongoing review of transactions being charged to capital that some of these may revert to revenue.
- 4.7 This report provides further information on the budget position as follows:
- Summary narrative for each service area in Section 5 and supported by Appendices B to F providing additional data and analysis
  - Monitoring information on the progress towards meeting agreed savings and income generation agreed
  - Update on DSG and HRA
  - The financial management key performance indicators set out in Appendix A.

## **5. DEPARTMENTAL MONITORING INFORMATION – BUDGET PRESSURES & MITIGATING ACTIONS**

### **5.1. Chief Executive's Department (Appendix B)**

- 5.2. The department is forecasting a £0.2m overspend on its net budget of £10.2m.
- 5.3. Electoral services are forecasting a £55,000 overspend due to costs associated with maternity cover and ICT software.
- 5.4. There is a forecast overspend on Legal services of £0.1m due to an increase in the number of children's related legal cases experienced over the last year and the additional disbursement costs associated with these cases.
- 5.5. Internal Audit have a forecast underspend of £0.1m. This has been created by one-off funding of the No Recourse to Public Funds Investigator post and underspends on salaries and running costs.
- 5.6. There are other immaterial variances reported which create a net overspend of £0.1m.
- 5.7. **Use of capital receipts:** It was agreed in the 2019/20 Budget Report that £1.4m will be used to fund the transformational element of the Procurement and Commissioning hub. During quarter 3 this service transferred to the Chief Executive's Department.
- 5.8. **People (Appendix C)**
- 5.9. The department is forecasting a £6.2m overspend on its net budget of £114.7m, which is an increase of £0.1m from the quarter 2 reported position.

5.10. **Adult Social Care (ASC)**

- 5.11. £3.7m of the overspend relates to Adult Social Care. Financial modelling was undertaken based on activity and cost of service trends in ASC as part of the 2019/20 budget setting process leading to an additional £6.0m being added to fund demographic and inflationary pressures. £1.0m in savings and £4.2m of Government funding were identified to contribute towards this budget growth. As reported in quarter 2 indications are that ASC continues to have significant pressures beyond those budgeted for and these have increased in the last quarter. These continue to relate to services for adults with Learning Disabilities and Older People. The quarter 3 forecasts indicate the pressure is circa £2.9m for 2019/20, an improvement of £0.1m on the quarter 2 forecast. The department continues to recognise the risk around continuing health care reviews, that the Clinical Commissioning Group (CCG) are undertaking and this could result in a further cost pressure to the Council.
- 5.12. A review of income from service users' contributions to care continues and will ensure that all financial assessments are carried out and income recorded and collected appropriately.
- 5.13. As reported in quarter 2 the Better Care Fund allocations for 2019/20 have been received and following negotiations with the CCG £0.5m was agreed and it is reflected in the forecast outturn.
- 5.14. Previously, IWE had managed in year budget pressures by holding vacant posts. A significant amount of work was done to re-baseline the IWE budgets, considering the increase in demand for services and a resultant need to fill all vacant posts to meet that demand. Re-baselining budgets to deliver a sustainable budget position created a £1.5m pressure to the Council, which was agreed in the Quarter 1 Revenue Monitoring Report to be managed from the Council's contingency fund for 2019/20. Current budget projections within IWE indicate that with the additional contingency funding, the services will deliver on budget this year. Ongoing provision to meet these costs has been made from 2020/21 within the Council's Medium Term Financial Plan.
- 5.15. **Education and Children's & Families**
- 5.16. In 2019/20, £3.5m was added to fund demographic and inflationary pressures with £1.3m in savings and £1.1m of Government funding being identified to contribute towards the growth. The total overspend forecast for these services has increased by £0.3m in the last quarter to a forecast £2.2m overspend.
- 5.17. Demand in Special Guardianship Allowances continues to grow and additional budget was allocated in the 2019/20 budget to reflect this. Current forecasts indicate that at current demand and due to delays in court orders there will be an underspend of £0.2m. However, this area continues to be considered high risk and a small change in demand could reverse this forecast position.
- 5.18. The in-house fostering allowances budget is forecasting a £0.5m

overspend and is as result of a significant increase in the number of friends and family carers and delays in court hearings for Special Guardianship Orders.

- 5.19. The External Childcare Placements are now forecast to be £0.6m overspent because of an increase in remand cases, high number of parent and child assessments and complex needs residential placements.
- 5.20. Unaccompanied Asylum Seeking Children (UASC) is forecasting a net £0.1m underspend where we are experiencing significant pressure in former UASC 18+ cases due to 27 unfunded cases where appeal rights have been exhausted. However, this is mitigated by a positive forecast in the UASC budget where additional Home Office funding has relieved the pressure on the budget.
- 5.21. An overspend of £0.5m is forecast across the Children in Need social work teams and Family Support Group service mainly due to the need to cover vacant posts and provide cover for maternity and sickness with agency staff.
- 5.22. The adoption service is forecasting a £0.1m overspend because of one off costs associated with the transition to the Regional Adoption Agency and difficulties finding local adoption placements leading to the need to use external adoption agencies which has a greater cost.
- 5.23. Unachievable savings of £0.6m generating additional income in the Schools Traded Services remains in the departmental budgets to be managed in 2019/20.
- 5.24. Children's Social Care are on a trajectory of continuous improvement with strong stable leadership in place. Services for looked after children, care leavers, fostering and adoption are good.
- 5.25. There has been an in-year investment of £0.4m to enable the Council to deliver the Ofsted improvement plan as reported to Cabinet in June which will be met from the Council's Risk Reserve for 2019/20 and will be considered as part of the MTFP for the longer term. This will sustain and assure good practice, achieve consistency by maintaining caseloads at a reasonable level, increase quality assurance processes and continue to deliver practice improvement and coaching interventions to targeted key staff.
- 5.26. Furthermore, moving from agency staffing to permanent staffing in Child Protection and Family Support will stabilise reasonable workloads and encourage social workers to stay in Enfield thus reducing staff turnover.
- 5.27. As per Ofsted recommendations, the investment will deliver improvement in the following areas:
  - decision making and quality of plans for children in need
  - the response to children missing from home
  - the response to children in private fostering

- providing health information for care leavers.
- 5.28. The above investment has resulted in significant practice improvement and quality assurance. However, Children's Social Care has been unable to keep caseloads at a reasonable level as demand has continued to rise in 2019/20. The increase in activity has been due to continued complex needs, ending of the Edge of Care service and significant practice changes within the service.
- 5.29. Further in-year investment was required and amounts to £0.1m in year which was agreed to be funded by the Risk Reserve. It is forecast that only £75,000 will be incurred in 2019/20 which is reflected in the forecast outturn. A permanent investment of £0.4m will be considered as part of the MTFP for the longer term.
- 5.30. The investment will increase the number of social workers creating a new team (six social workers) in the child protection service which will stabilise reasonable workloads and encourage social workers to stay in Enfield thus maintain the positive trend in reducing vacancies, agency workers and staff turnover.
- 5.31. **Use of capital receipts:** Included in the forecast is £0.3m relating to the Edge of Care transformation project. This project commissions a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision. It was agreed through the 2019/20 Budget Report that the cost of this project is funded through the Flexible Use of Capital Receipts.
- 5.32. **Housing Related Support**
- 5.33. The Housing Related Support scheme's (Supporting People) budget is forecast to overspend by £0.3m. Previous years highlighted a far greater problem where the pace of implementing a challenging decommissioning programme could not keep pace with the expected budget reductions. However, following the Pressures Challenge Board review of Housing Related Support undertaken in 2018/19, it was identified that the full year effect of the programme would reduce the pressure to £0.5m in 2019/20 and that further savings could reduce this by a further £0.3m. Therefore £0.3m was allocated in 2019/20 through the MTFP with the remaining £0.2m for the service to manage. It is now considered by the department that all recommissioning and decommissioning activity will be concluded by December 2019. £8m of savings will have been achieved in this area and reducing this area of activity and spend any further would create cost pressures elsewhere across Social Care and the wider Council.
- 5.34. Further details are provided in Appendix C.
- 5.35. **Place (Appendix D)**
- 5.36. The Place department is forecasting an overspend position of £1.1m on a net budget of £36.1m. This is an increase of £0.1m compared to the £1.0m reported in quarter 2.
- 5.37. The Passenger Transport (Home to School/SEN Service) continues to forecast a pressure for 2019/20 and this pressure has increased in the

last quarter. £2.0m was added to the budget for 2019/20 following the budget pressures review undertaken in setting the 2019/20 budget. The £2.0m was considered at the time sufficient to manage the then 2018/19 forecast overspend based on the quarter 3 numbers of children. However, by the final outturn the overspend had increased to £2.2m and the number of children transported has continued to grow during this financial year. This growth along with the loss of an external contractor going into administration, increasing fuel costs, inflationary pressures and the one-off cost of routing software licence is resulting in a £1.5m forecast overspend.

- 5.38. The forecast overspend relating to the Dry Recycling Contract and the budgeted income from the onward selling of the recycling materials has seen an unfavourable movement where the forecast has increased from £0.2m to £0.3m for quarter 3. This position has been fluctuating over the year due to decreasing commodity prices reducing the income generated from recyclable materials, of which the Council receives a share. There is also a slight increase in the levels of contamination in dry recycling material and corresponding increase in the number of rejected loads.
- 5.39. Strategic Property Services continue to report a £0.2m overspend due to the external costs of property assets valuations that was previously undertaken by an external contractor. This was funded by capacity created by a vacant post in previous years which is no longer available.
- 5.40. The pressures reported in quarter 2 relating to rent reviews of assets in the Operational Property portfolio remain unchanged. The first is for St. Andrews Court and resulted in an additional £0.1m for 2019/20. The second asset is Morson Road depot for which the rent review negotiations are continuing and the department has made a reasonable estimate to assist with year end budget planning.
- 5.41. However, Strategic Property Services are now forecasting an overall favourable variance of £0.4m because of improved income forecasts from Montagu Industrial Estate, Palace Gardens and other minor variances across Strategic Property Services, which are helping to mitigate the pressures noted in 5.39 and 5.40.
- 5.42. Meanwhile Use income relating to Meridian Water was agreed as part of the savings and income proposals for 2019/20. A £0.2m under achievement is currently forecast because the cost of security is eroding the total income generated which itself is subject to lease agreements.
- 5.43. An adverse variance of £0.3m is now being forecast in the Cemetery services because of delays in the delivery of the construction of the additional vaults due to severely wet ground conditions. These delays will result in the income from the Edmonton and Southgate Cemeteries Expansion projects being moved into next financial year 2020/21.
- 5.44. Though Housing General Fund services are not reporting a pressure

at the end of December (quarter 3) it should be noted that the challenging levels of demand continues to put pressure on the budget and this is predominantly being managed and mitigated by the progress of savings and income generating projects agreed in the 2019/20 budget. In addition, £3.0m is forecast to be applied from the total £7.1m received for the Flexible Homelessness Support Grant.

- 5.45. The Private Sector Licensing scheme was approved by Cabinet on the 22<sup>nd</sup> January 2020. The implementation costs will span across both 2019/20 and 2020/21, with £0.4m being forecast to be incurred this financial year. These costs will be met by reserves this financial year which will then be replenished via the licencing fees once the scheme is operational.
- 5.46. These are the most significant variances and several areas are forecasting a favourable variance. Further details are provided in Appendix D.
- 5.47. **Use of capital receipts:** There are no changes to the two items relating to Place projects. It was agreed that both the revenue and capital mobilisation costs associated with implementing the new waste changes would be funded from the Flexible Use of Capital receipts. The revenue element being £0.6m and reflected in this report. A more minor overspend of £30,000 relates to April and May 2019 of the EDGE transport contract. In previous years this has been funded by the flexible use of capital receipts and this is proposed to continue for 2019/20.
- 5.48. **Resources (Appendix E)**
- 5.49. The Resources department is forecasting an overspend of £2.3m on a net budget of £38.2m after the planned use of capital receipts is applied to fund transformational related expenditure. The represents a decrease of £0.4m from quarter 2.
- 5.50. The forecast variance for ICT is the most significant at £1.0m although it has decreased £0.6m during quarter 3.
- 5.51. ICT services are forecasting a £0.3m overspend due to unachievable income generation from commercialisation of network assets. A £0.2m overspend is forecast due to ongoing difficulties in recruiting staff to vacant posts leading to a continuing reliance on more expensive work packages and short term contracting. This is £0.1m improvement from quarter 2.
- 5.52. The ICT contracts budget has pressures of £0.5m, expected to be funded by capital receipts, due to remedial work for unplanned additional security requirements and contractual inflationary pressures and this is a £0.6m improvement on quarter 2.
- 5.53. A pressure of £0.6m continues to be reported in Procurement and this relates to Council wide savings agreed in 2018/19. Whilst savings have been achieved, this pressure represents the balance where it has not been possible to allocate to specific procurement activity. This pressure has been proposed to be resolved in the MTFP for

2020/21.

- 5.54. The forecast overspend of £0.5m relating to the cost of former employees, specifically the capital cost of early retirement, has not changed in quarter 3. This cost is to be met by the General Fund over 5 years and though significant in 2019/20, assuming no further additions, this pressure will reduce to circa £0.2m in 2020/21.
- 5.55. The Schools Catering services continue to forecast an overspend of £0.3m for 2019/20. There is a new entrant in the school catering market, and the service have experienced a reduction in the schools purchasing the Council's service.
- 5.56. **Use of capital receipts:** The Transformation team are restructuring and dependent on the timing of recruitment and based on projects supported, a short term call on further capital receipts will be required in 2019/20 and is likely to continue into 2020/21, estimated to be circa £0.4m. IT related transformational activities of £0.5m were added in quarter 2 and reflect the work required to implement IT projects which aim to achieve savings within the service such as the infrastructure project.
- 5.57. **Corporate Items (Including Contingency & Contingent Items) General Fund**
- 5.58. Corporate items include funding set aside in the budget for pay awards and inflation. Funding for other corporate pressures is held in the contingent items budget to be allocated out during the year. Other corporate items include levy payments and treasury management costs, which are made up of interest payments on council borrowing and receipts on investments. The Council maintains a general budget contingency of £3.0m. This will be used to offset the IWE overspend in 2019/20 on a one-off basis with the pressure being addressed through the MTFP in the longer term. At this stage in the year there is also a £1.1m forecast underspend in the levies and contingent items budgets.
- 5.59. **Proposed Flexible Use of Capital Receipts (Appendix I)**
- 5.60. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, giving them the option to utilise capital receipts for revenue purposes. These receipts can be used to finance projects that are designed to generate ongoing revenue savings in the delivery of public services, and/or transform service delivery to reduce costs or demand for services in future years for any of the public sector delivery partners. £3.256m is forecast to be applied in 2019/20 of which £1.8m was agreed in the Council Budget report for 2019/20 to fund the Procurement & Commissioning co-managed service and Edge of Care Contract. Since the Budget Report four further items listed in the table below have been proposed to be funded by the flexible use of capital receipts but will require Council approval. The table below illustrates where the funding is to be applied:



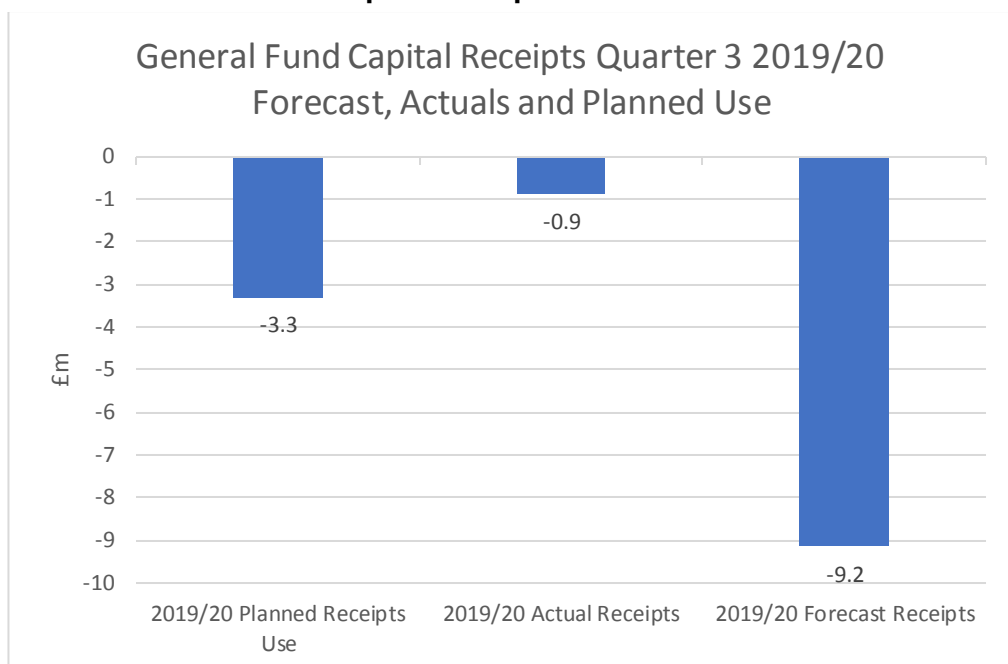
5.61. **Table 2: Planned and Proposed Flexible Use of Capital Receipts**

Service Area	£m
Edge of Care (Children's)	0.320
Procurement & Commissioning co-managed service	1.457
Transformation Team	0.377
EDGE transport contract	0.030
Mobilisation costs associated with the implementation of waste service changes	0.572
IT	0.500
<b>Total</b>	<b>3.256</b>

5.62. The Government has extended this flexibility in use of capital receipts until 2021/22. However, the Council is mindful of over reliance on and sustainability of this one-off funding. The EDGE contract, Edge of Care and co-managed procurement and commissioning arrangements are time limited costs. However, the Council's ongoing investment in transformation and ICT indicates that longer term solutions to fund these pressures will be needed in future years.

5.63. A total of £9.2m general fund capital receipts are forecast to be received in 2019/20 which could be applied to fund revenue expenditure in line with the government directive. As at quarter 3 £0.9m of these receipts have been received. The remaining receipts will be generated from the sale of a few, high value assets in quarter 4. There is a risk to delivery of capital receipts to be applied in 2019/20 if any of these sales are delayed.

**Chart 2: General Fund Capital Receipts 2019/20**



**5.64. Dedicated Schools Grant (DSG) Budgets (Appendix F)**

- 5.65. For 2019/20 Enfield received a total Dedicated Schools Grant allocation of £334.6m and the funding is allocated across four blocks; £259m for the Schools Block, £2.9m for the Central Schools Services Block, £25.4m for Early Years and £47.3m for the High Needs Block.
- 5.66. During 2018/19, due to receipt of additional High Needs funding and underspends on the Schools and Early Years Blocks, there was a net underspend which resulted in a net DSG surplus of £0.4m brought forward to 2019/20. This was expected to be a short term position as the budget setting process had already highlighted pressures in several high needs budgets that were likely to result in overspends. There continues to be cost pressures in supporting and providing suitable placements for SEN pupils but wherever possible pupils are placed in borough to manage this pressure. There are plans in place to develop additional provision in the borough over the next 3 year period which will help to reduce costs.
- 5.67. The in-year forecast outturn position is a deficit of £4.9m. This is due to a projected overspend of £5.4m in the High Needs Block offset by an underspend of £0.5m in the Schools Block due to reduced rates liability for schools converting to academies and projected underspends in the growth fund and school appeals service. The main pressures in the High Needs Block relate to increased costs for out of borough placements due to additional pupils, full year effects of pupils starting in 2018/19 and the Education budget picking up the full cost of complex care pupils who have turned 18 which was previously split between Education, Health and Social Care. Since quarter 2 further pressures have emerged in the number of post 16 students attending college with high needs support, an additional 55 places created at West Lea Special School and additional staffing in both the SEN and Education Psychology services required to meet increasing levels of demand. The 2018/19 budget included some contingency within the out of borough placements budget, but this was not possible in 2019/20, due to budget constraints, so any additional costs immediately result in overspends.
- 5.68. The cumulative forecast deficit at year end is £4.5m which will be the first call on the 2020/21 grant allocation and therefore reduce the funding available for next year. The Government has recently announced DSG allocations for 2020/21 which included an increase of £7.5m for the High Needs block and although this is welcomed, increasing levels of demand and the full year impact of this year's new placements will mean that the DSG will continue to experience financial pressure.

**6. ACHIEVEMENT OF SAVINGS (Appendix G)**

- 6.1. A risk-based approach to the monitoring of savings is undertaken as part of the monthly budget monitoring, where a score is given in

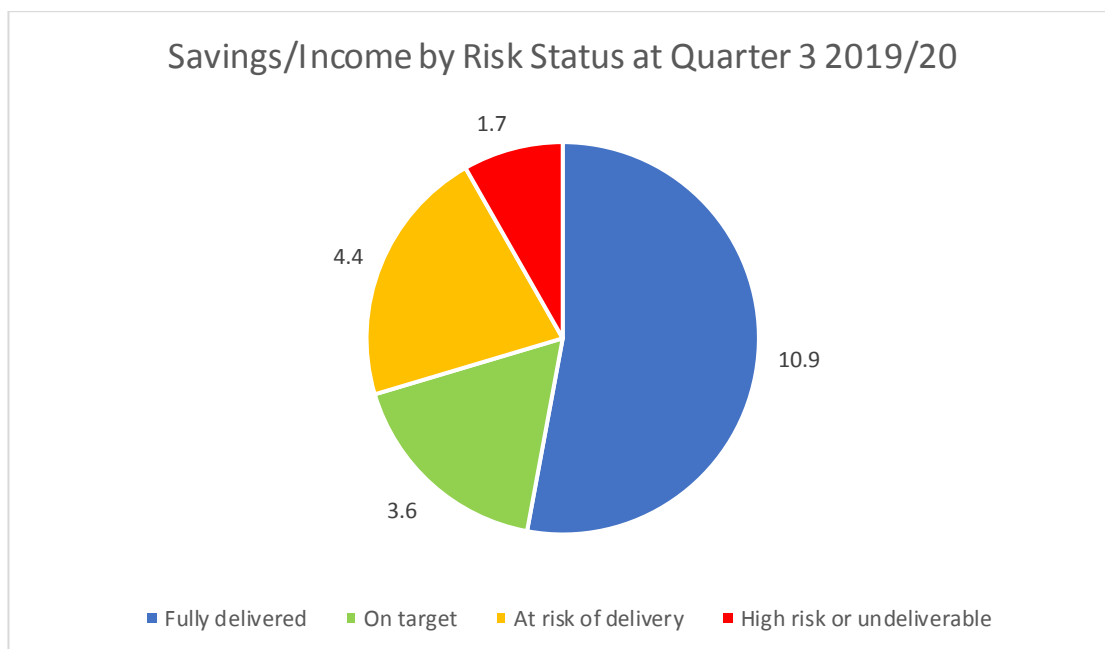
relation the value of saving or income and the likelihood of delivery, these are then multiplied together and the total score provides the following risk ratings:

- Blue - Saving/ income has been fully delivered
- Green - Saving/ income is on target for delivery
- Amber - Saving/ income is at risk of delivery
- Red - Saving/ income is high risk or undeliverable

6.2. The savings include those that are new for 2019/20 plus the full year effect of previous decisions and savings/ income from prior years that continue to have an adverse impact on the current year budget. These historic items were considered in the budget setting process for 2019/20 when it was decided that they will remain with the service departments to be managed during this financial year. Where these items continue to cause a pressure that can't be managed within departments, they will be addressed in the 2020/21 budget setting process along with new emerging pressures.

6.3. Of the £20.6m departmental savings, £14.5m is expected to be fully delivered at this stage. This consists of £10.9m which have been fully achieved and a further £3.6m which are on track for delivery. This includes £3.4m of corporate savings that are expected to be fully delivered.

**Chart 3: Savings/Income Risk Status 2019/20**



6.4. However, £4.4m and £1.7m are amber or red risk status. These risk ratings are reflected in the forecast outturns for each department and form part of the reasons for variances as described in the narrative above. The savings rated as red relate to income generation, from Schools Traded services, the expansion of Edmonton Cemetery and

the commercialisation of IT. There are also unachievable savings for the Procurement service which were historically agreed.

- 6.5. Further details for each department are summarised in the charts and tables in Appendix H.

## **7. HOUSING REVENUE ACCOUNT (HRA)**

- 7.1. The HRA projection for quarter 3 shows a forecasted £0.1m underspend for 2019/20.
- 7.2. Savings have been identified in the Tenancy Management and Sheltered Housing teams of £0.1m each due to vacancies within these teams.
- 7.3. The Repairs and Maintenance budget is now reporting to be on budget whereas it was forecasting an underspend of £0.1m at quarter 2. There has been a requirement to complete additional electrical testing works, but these costs have been offset by a reduction in void costs due to fewer properties requiring these works. The implementation of in-sourcing the responsive repairs service this year is expected to be within agreed budget levels.
- 7.4. The estimated void rate for 2019/20 for rents from shops, garages and community halls was expected to be 60% whilst current projections show that the void rate is now 74%. The increase in void rate has reduced the level of income expected to be received this year by £0.2m, however vacant shops have been re-let resulting in £31,000 of additional income.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1. Not applicable to this report.

## **9. REASONS FOR RECOMMENDATIONS**

- 9.1. To ensure that Members are aware of the projected budgetary position, including all major budget pressures and underspends which have contributed to the present monthly position and that are likely to affect the final outturn.

## **10. COMMENTS OF OTHER DEPARTMENTS**

### **10.1. Financial Implications**

- 10.1.1. It is imperative to continue to keep under review the financial position of the Council. The revenue monitoring is a key part of this review process. There is further work to be done to ensure a budget can be set within available resources.
- 10.1.2. Management of this financial year's position, and the long-term sustainability of the Council's finances (as expressed in the budget and MTFP) will require ongoing focus and effort by officers and councillors. The corporate failure of Northamptonshire County Council acts as a reminder for all local authorities of the need to continue to manage their finances tightly, and to make sometimes difficult decisions despite the prevailing circumstances of sustained reductions in funding since 2010, the uncertainty created by Brexit,

and growth pressures in many areas.

## 10.2. **Legal Implications**

10.2.1. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

## 10.3. **Property Implications**

10.3.1. Not applicable in this report.

## 11. **KEY RISKS**

11.1. There are several general risks to the Council being able to match expenditure with resources this financial year and over the MTFP:

- Achievement of challenging savings targets
- Brexit and the state of the UK economy - which impacts on the Council's ability to raise income from fees and charges and on the provision for bad debt
- Impact of a fall in the pound on inflation and pay
- Demand-led service pressures, particularly in Adult Social Care and Child Protection
- Potential adjustments which may arise from the audit of various grant claims
- Movement in interest rates

11.2. Risks associated with specific services are mentioned elsewhere in this report.

## 12. **IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **Good homes in well-connected neighbourhoods**

Effective financial management provides the basis for the Council to achieve its priorities and objectives. This report explains a key part of effective financial management and the progress that has been made during the year.

### **Sustain strong and healthy communities**

Effective financial management provides the basis for the Council to achieve its priorities and objectives. This report explains a key part of effective financial management and the progress that has been made during the year.

### **Build our local economy to create a thriving place**

Effective financial management provides the basis for the Council to

achieve its priorities and objectives. This report explains a key part of effective financial management and the progress that has been made during the year.

**13. EQUALITIES IMPACT IMPLICATIONS**

- 13.1. The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.
- 13.2. The Council does not discriminate on grounds of age, colour, disability, ethnic origin, gender, HIV status, immigration status, marital status, social or economic status, nationality or national origins, race, faith, religious beliefs, responsibility for dependants, sexual orientation, gender identity, pregnancy and maternity, trade union membership or unrelated criminal conviction. The Council will promote equality of access and opportunity for those in our community who suffer from unfair treatment on any of these grounds including those disadvantaged through multiple forms of discrimination.
- 13.3. Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

**14. PERFORMANCE MANAGEMENT IMPLICATIONS**

- 14.1. The report considers the financial impact of changes arising from reduced funding. The projections and future pressures on the budget are viewed with due consideration of financial management and the most efficient use of resources.

**15. HEALTH AND SAFETY IMPLICATIONS**

- 15.1. Not applicable in this report.

**15.2. HUMAN RESOURCES IMPLICATIONS**

- 15.3. Not applicable in this report.

**16. PUBLIC HEALTH IMPLICATIONS**

- 16.1. The Council's budget continues to contribute towards public health outcomes throughout the borough, through the £16.8m Public Health grant as well as through services provided within the Councils general fund budget.

**Background Papers**

None







## Appendix A

## Financial Resilience Key Performance Indicators

A summary overview of financial performance is outlined below in Table 3. This dashboard summary captures the key messages across the Council's main financial areas:

1. Income and expenditure;
2. Balance sheet (liquidity, debtor/creditor management, investments and use of balances); and
3. Cash flow forecasting and management.

**Table 3: Summary performance overview**

Financial Indicator	Status @ Q2	Key Highlights
Income & Expenditure Position – General Fund year end forecast variances		Year-end variances of £5.6m overspend have been forecast to date in relation to General Fund net controllable expenditure. Departments are developing actions to mitigate the pressure to offset identified pressures.
Progress to Achieving Savings MTFP (current year)		Savings monitoring has identified a total of £1.7m considered a high risk rated/ undeliverable and a further £4.4m that are at risk of delivery. These are reflected in the reported overspend for quarter 3 2019/20.
Income & Expenditure Position – HRA		The HRA is projecting a £0.1m underspend position at year-end outturn.
Income & Expenditure Position – DSG		The DSG is forecasting a £4.8m overspend at year-end outturn against budget. Therefore, the cumulative deficit is forecast to be £4.4m and will be the first call on the 2020/21 grant allocation.
Cash Investments; Borrowing & Cash Flow		The current profile of cash investments continues to be in accordance with the Council's approved strategy for prioritising security of funds over rate of return.
Balance Sheet - General Fund balances year end projections		The outturn projection for General Fund balances will meet the Council's Medium Term Financial Plan target based on the use of uncommitted reserves to meet one-off overspends in 2019/20.

## Appendix B

<b>Chief Executives</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Electoral Services</b> Overspend forecast due to costs of maternity cover and ICT software	543	598	0	55
<b>Legal Services</b> There is a net adverse variance due to an increase in the number of children's related legal cases experienced over the last year and the additional disbursement costs associated with these cases.	2,688	2,797	0	109
<b>Internal Audit</b> Underspend due to one off funding of NRPf Investigator post & underspend in running costs and salaries	1,104	960	0	(144)
<b>Other minor variances less than £50,000</b> The forecast outturn includes agreement to fund the cost of the EY Contract from flexible use of capital receipts as reported in the 2019/20 Budget Report, this has a net nil budget effect.	5,912	7,502	1,457	133
<b>Chief Executive's Department Total</b>	<b>10,247</b>	<b>11,857</b>	<b>1,457</b>	<b>153</b>



<b>People</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<p><b>Adult Social Care</b> Key assumptions within the forecast are based on projected activity and year to year trends. In future years there is an increased budget pressures due to demographic pressures, provider cost pressures and a growing demand for social care services.</p>				
<p><b>Strategy &amp; Resources</b> These services include, grants to voluntary organisations, Safeguarding and Service Development. The projected underspend is within Safeguarding Adults, deprivation of liberty safeguards (dols) where more efficient use of existing resources has delivered an underspend this year. however, with an increasing number of dols year on year, this will support delivery of more activity within existing resources.</p>	4,599	4,773	0	(95)
<p><b>Mental Health</b> The service is currently projecting a zero variance.</p>	5,952	5,9520	0	0
<p><b>Learning Disabilities</b> The service continues to project an overspend position because of managing demand led services. Savings will continue to be made in year however, demand for services continues to rise because of demographics.</p>	21,445	23,272	0	1,802
<p><b>Older People and Physical Disabilities (the Customer Pathway)</b> The service is projecting care purchasing overspends due to demand led services, within residential and community based services. Substantial savings have been made in year however, demand for services continues to rise because of demographics.</p>	29,581	30,662	0	1,081

<b>People</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<p><b>IWE</b></p> <p>This includes the management fee to IWE plus client income at Bridgewood House. IWE continue to experience significant cost pressures which is forecast to lead to a £1.5m overspend, due to increasing demand and the company being the Council's provider of last resort. This has resulted in increased staffing needs at Bridgewood and elsewhere. The breakdown of the overspend is:</p> <ul style="list-style-type: none"> <li>• Staffing costs of running Bridgewood - £1.0m</li> <li>• Company Management staffing costs - £0.3m</li> <li>• Other staffing costs i.e. pay award, enhanced pay - £0.4m</li> <li>• There is also an over achievement of income of £0.2m</li> </ul> <p>The above overspend total of £1.5m will continued to be monitored closely in the current financial year.</p>	10,668	12,218	0	1,500
<p><b>Better Care Fund (BCF)</b></p> <p>Additional BCF monies agreed with the CCG</p>	0	(548)	0	(548)
<b>Adult Social Care Sub total</b>	<b>73,083</b>	<b>76,329</b>	<b>0</b>	<b>3,740</b>
<p><b>Public Health</b></p> <p>The Departmental forecast also includes ring fenced Public Health Grant. Public Health grant allocated in 2019/20 is now £16.4m, this reflects a reduction in grant of £0.4m. There is a risk that demand led sexual health services could result in additional pressures.</p>	(4,423)	0	0	0
<b>Public Health Sub total</b>	<b>(4,423)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<p><b>Housing Related Support</b></p> <p>All recommissioning/ decommissioning activity will be concluded by December 2019. £8m of savings will have been achieved in</p>	2,469	2,726	0	257

<b>People</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
this area. Reducing this area of activity and spend any further would create cost pressures elsewhere across Social Care and the wider Council				
<b>Housing Related Support Sub total</b>	<b>2,469</b>	<b>2,726</b>	<b>0</b>	<b>257</b>
<b>Education</b>				
<b>Enhanced Pensions</b> Projected underspend on enhanced pension budgets based on current monthly trend	1,942	1,863	0	(79)
<b>Traded Services</b> Traded Services additional income targets for 2017/18 (£0.2m and 2018/19 (£0.4m) will not be achieved due to contraction of school budgets. This was partly managed in the 2019/20 budget setting process but remained with services to manage in year.	(615)	615	0	615
Other Minor Education Variances	3,740	3,747	0	0
<b>Education Sub Total</b>	<b>5,067</b>	<b>6,225</b>	<b>0</b>	<b>536</b>
<b>Children's &amp; Families</b>				
<b>Children In Need – Social Work team</b> The forecast overspend is due to agency staff covering vacant posts and providing maternity cover within the service.	3,732	3,903	0	171
<b>Children In Need – Family Support Group</b> The forecast overspend is due to agency staff covering for sickness and vacant posts and concluding of HR process.	2,205	2,576	0	371
<b>Special Guardianship Allowances</b> The area received a growth of £0.7m in the 2018/19 budget and £0.7m this year. Since April 2019 22 SGOs have been granted and projection includes 37 planned SGO cases (approximately a 30% increase on 2018/19). Underspend is due to delays in Court hearings for Special Guardianship Orders.	2,337	2,137	0	(200)

<b>People</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>In House Fostering Allowances</b> The area is overspent mainly due to a significant increase in the number of Friends and Family carers and rate increase for second child placement and delays in Court hearings for Special Guardianship Orders.	2,395	2,944	0	549
<b>Adoption</b> Overspend is mainly due to inter-agency fees and Regional Adoption Agency pressures.	1,413	1,510	0	97
<b>Support costs for Looked After Children (excluding accommodation costs)</b> Previous indications were that this was an area of declining activity however, demand for the service has increased during 2019/20.	348	423	0	75
<b>UASC</b> Underspend is due to the Home Office funding exceeding the cost.	279	(419)	0	(698)
<b>Former UASC 18+</b> Overspend due to the unfunded clients (appeal rights exhausted).	719	1,334	0	615
<b>Assistant Director - Children's Division</b> Overspend is due to high recruitment cost and agency staff working on OFSTED improvement.	(420)	(175)	0	245
<b>Prevention of Care Section 17</b> Underspend due to decreased demand.	743	668	0	(75)
<b>Community Safety</b> Underspend is due to the recently awarded Young Londoners Fund covering many of the projects and the Home Office funding several posts.	1,306	1,150	0	(156)
<b>External Child Care Placements</b> The area received a growth of £1.0m in 2019/20 and, based on information currently available, the area is projected to be overspent due to six secure remand cases and parent & child assessment placements.	6,090	6,728	0	638

<b>People</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Edge of Care</b> As agreed in the 2019/20 Budget Report the Edge of Care costs will be funded from the flexible use of capital receipts. The forecast includes the contract costs plus £80,0000 payment by results payment for the first cohort.	0	320	320	0
Other Children's & Families Minor Variance	17,371	17,414	0	43
<b>Children's &amp; Families Sub total</b>	<b>38,518</b>	<b>40,517</b>	<b>320</b>	<b>1,679</b>
<b>People Total</b>	<b>114,713</b>	<b>6,380</b>	<b>320</b>	<b>6,212</b>

## Appendix D

Place	Current Budget	Forecast Outturn	Flexible Use of Capital Receipts	Forecast Variance
	£000	£000	£000	£000
<b>Development Management</b> Favourable variance is forecast due to: Salary underspend, (vacant posts awaiting recruitment), additional income from PPA, Planning Fees, Proceeds of Crime Act, offset by building control income shortfall.	988	671	0	(317)
<b>Strategic Planning &amp; Design</b> Favourable variance due to: 1) Salary under spend 2) Local Plan budget under spend 3) Additional CIL (community infrastructure Levy) 4) Design Panel Income	709	459	0	(250)
<b>Traffic &amp; Transportation</b> Favourable variance, due to additional income from applications for Traffic Orders (such as increased utility works).	(178)	(298)	0	(120)
<b>Parking Services</b> Favourable variance due to increased receipts from traffic controlling measures.	(4,877)	(5,207)	0	(330)
<b>Regulatory Services</b> Favourable variance, due to operational efficiencies/income.	2,215	2,115	0	(100)
<b>Health and Safety Team</b> A favourable variance is forecast due to staffing under spend created by vacant posts.	485	365	0	(120)
<b>Cemeteries</b> An adverse variance due to income shortfall for 2019/20 from the Edmonton and Southgate Cemeteries Expansion projects, which is due to delays in the project delivery programme income will be moved to 2020/21 financial year.	(1,305)	(1,034)	0	271
<b>Waste Operations and Waste Client</b> The adverse variance is mainly due to the continued increased costs for Dry Recycling contract with Biffa - Commodity prices values have reduced negatively impacting on the income expected from onward selling of	8,191	9,069	572	306

Place	Current	Forecast	Flexible	Forecast
materials, rejections were slightly increased and increase in contamination levels.				
<p><b>Passenger Transport Service (Home to School/SEN)</b></p> <p>The variance is due to: -</p> <ol style="list-style-type: none"> <li>1) £0.9m of the cost pressure is directly attributable to increase in demand. From April 2018/19 to Nov 2019/20 the total number of out of Borough, in Borough and PTB placements have gone up by 160, 25 and 3 respectively.</li> <li>2) Historical SEN budget gap; circa £0.2m.</li> <li>3) Fuel cost increase is estimated at £33,000.</li> <li>4) RPI (Annual Contractual Inflation Uplift) £50,000.</li> <li>5) One off IT Costs (Mission Routing Software Year Licence) £30,000.</li> <li>6) Other cost increases of £0.2m</li> </ol>	6,424	7,874	0	1,450
<p><b>Strategic Property Services (SPS)</b></p> <p>Although there is an overall favourable variance due to improved income from Montagu Industrial Estate, Palace Gardens and other minor variances across Strategic Property Services, the service also continues to forecast adverse variance due to</p> <ol style="list-style-type: none"> <li>1) The external costs of property assets valuation (capital accounting) and this has been proposed to be added into the budget for 2020/21</li> <li>2) Projected variance due to the rent reviews for Morson Road Depot and St. Andrews Court. The Council is currently negotiating the rent review for Morson Road however the outcome represents a significant budget risk but has yet to be concluded yet, whilst</li> </ol>	(3,493)	(3,593)	0	(100)

Place	Current	Forecast	Flexible	Forecast
the St. Andrews review has been agreed at £120k and reflects the overspend reported in Q3.				
<b>Corporate Maintenance &amp; Construction Services</b> Favourable variance, due to salary under spend.	(573)	(648)	0	(75)
<b>Sustainability Team</b> Underspend is due to vacant posts.	524	434	0	(90)
<b>Leisure &amp; Culture Services</b> Forecast adverse variance which is mainly due to salary overspend and shortfall in income.	77	277	0	200
<b>Economic Development</b> The favourable variance is due to vacant posts and staff recharges to Regeneration capital schemes and Housing Estates.	500	225	0	(275)
<b>Meridian Water Meanwhile Use Income</b> The overspend is due to security costs, eroding the income projections. Estimated income for 2019/20. But is subject to lease agreements.	(1,440)	(1,198)	0	242
<b>Trespass &amp; Enforcement actions on Council land</b> Forecast expenditure is 94k and will be funded from reserves. Future years provision is proposed to be added to the budget in the MTFP	0	94	0	94
<b>Private Sector Licensing Scheme</b> Implementation costs of the scheme to be incurred in 2019/20. These will be recovered from the licensing fees once scheme is operational in 2020/21.	0	417	0	417
<b>Other Minor variances below £50,000</b>  £30,000 required to fund Edge Contract costs for April and May 2019	27,896	27,819	30	(107)
<b>Place Total</b>	<b>36,143</b>	<b>37,841</b>	<b>602</b>	<b>1,096</b>



<b>Resources</b>	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Forecast Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<p><b>Cost of former Employees</b></p> <p>All costs of former employees have now been centralised from across the Resources Department, whereas these would previously have caused smaller pressures within each of the services budget. The pressure is due to the capital cost of early retirement, whilst in year redundancy costs will be funded from the Corporate Redundancy reserve.</p>	706	1,194	0	488
<p><b>Income &amp; Collection</b></p> <p>There is a forecast overspend due to staffing costs. The service is looking at options to increase service income to help mitigate the current pressure.</p>	(707)	(468)	0	239
<p><b>Procurement &amp; Commissioning</b></p> <p>Previously agreed Council wide procurement savings targets that were unallocated to specific services are creating a pressure and these are proposed to be resolved in the MTFP for 2020/21.</p>	64	676	0	612
<p><b>Catering Service</b></p> <p>The forecast overspend is because of some schools no longer buying into the service.</p>	(173)	101	0	274
<p><b>ICT &amp; Transformation</b></p> <p>Although the transformation team are not forecasting a variance, a restructure of the team was agreed to be part funded by the flexible use of capital receipts reflecting the transformational activities undertaken by the team. This was originally estimated at £0.2m but will depend on recruitment and the level of project activity and this requirement has now increased to £0.4m.</p> <p>ICT services are forecasting an overspend as at quarter 3 due to:</p>	12,211	13,543	877	455

Resources	Current Budget	Forecast Outturn	Flexible Use of Capital Receipts	Forecast Variance
	£000	£000	£000	£000
<ul style="list-style-type: none"> <li>• £0.3m relating to income associated with commercialising Network assets is not considered unachievable</li> <li>• £0.2m caused by difficulties in recruiting to vacant posts, following four recruitment cycles, this has led to the continued reliance on more expensive work packages or via short term contracting of a data protection service.</li> <li>• £0.5m IT contracts budget pressures due to remedial work for unplanned additional security requirements, as well as contractual inflationary pressures are expected to be funded by capital receipts,</li> </ul>				
<b>Knowledge and Insights Hub</b> One-off underspend due to vacant posts in year and capitalisation of PowerBI consultancy costs.	1,521	1,419	0	(102)
<b>Exchequer Services</b> Additional income generation in year	1,050	968	0	(82)
<b>Finance</b> Forecast overspend due to <ul style="list-style-type: none"> <li>• Recruitment costs</li> <li>• Additional resources brought in for capital asset accounting and closedown of accounts</li> <li>• Grant Thornton financial foresight and KPMG review of financial models</li> <li>• IWE VAT review</li> <li>• Revisions to Assets (PPE) configuration in SAP, additional resources to support the IT service</li> </ul>	3,217	3,551	0	334

Resources	Current Budget	Forecast Outturn	Flexible Use of Capital Receipts	Forecast Variance
	£000	£000	£000	£000
<b>Financial Assessments</b> Overspend projected due to <ul style="list-style-type: none"> <li>Fixed term appointments extended whilst wait for ICT functionality and increased demand for ASC financial assessment support during transition of new structure and systems</li> <li>£0.3m reduction in DWP grant funding allocated since last year</li> </ul>	14,234	14,381	0	147
<b>Libraries</b> Underspend due to overachievement of income and reduced spend on furniture and library resources.	2,627	2,487	0	(140)
<b>Customer Operations</b> Projected overspend due to increased demand resulting from Council projects and campaigns and increased costs from an existing contract.	2,447	2,606	0	159
<b>Commercial</b> Underspend due to part year Commercial Director vacancy and recharge income for work on capital projects.	1,077	984	0	(93)
<b>Other minor variances below £50,000</b>	(84)	(84)	0	0
<b>Resources Total</b>	<b>38,190</b>	<b>41,358</b>	<b>877</b>	<b>2,291</b>

<b>Dedicated Schools Grant 2019/20</b>	<b>Budget Variation £000</b>
<p><b>High Needs Block</b> Forecast overspend is due to:</p> <ul style="list-style-type: none"> <li>• Increased cost of out borough placements because of additional pupil numbers</li> <li>• Full year effect of pupils starting in 2018/19</li> <li>• Education service picking up the full cost of complex care pupils who have turned 18 (costs previously split with Health and Children's Social Care).</li> <li>• Additional 55 places provided at West Lea Special School</li> <li>• Post 16 students attending college and required high needs support.</li> <li>• Additional staffing required in Special Education Needs and Educational Psychology Service teams to meet increased levels of demand.</li> </ul>	<b>5,408</b>
<p><b>Schools Block</b> Underspend is due to reduced rates liability for schools converting to academies and forecasted underspends in the growth fund and Appeals service.</p>	<b>(538)</b>
<b>DSG Net Total Variance</b>	<b>4,870</b>

**Table 4: Savings by Department**

Savings	CEx	People	Place	Resources	Corporate	Grand Total
FYE	(327)	(945)	(1,172)	(177)	(500)	(3,120)
New 2019/20	(556)	(3,178)	(3,056)	(120)	(2,944)	(9,854)
Previous years		(250)		(1,530)		(1,780)
Savings Total	(883)	(4,373)	(4,228)	(1,827)	(3,444)	(14,754)

**Table 5: Income by Department**

Income	CEx	People	Place	Resources	Corporate	Grand Total
FYE			(250)			(250)
New 2019/20	(247)	(225)	(2,257)	(498)		(3,227)
Previous years		(897)	(1,050)	(450)		(2,397)
Income Total	(247)	(1,122)	(3,557)	(948)		(5,874)

**Table 6: Total Savings & Income by Department**

Total	CEx	People	Place	Resources	Corporate	Grand Total
FYE	(327)	(945)	(1,422)	(177)	(500)	(3,370)
New 2019/20	(803)	(3,403)	(5,313)	(618)	(2,944)	(13,081)
Previous years	0	(1,147)	(1,050)	(1,980)	0	(4,177)
Total	(1,130)	(5,495)	(7,785)	(2,775)	(3,444)	(20,628)

**Table 7: Risk Status of Total Savings & Income by Department**

Total	CEx	People	Place	Resources	Corporate	Grand Total
Blue	(464)	(2,248)	(4,888)	(325)	(2,944)	(10,869)
Green	(665)	(1,611)	(390)	(427)	(500)	(3,593)
Amber	0	(1,043)	(2,203)	(1,193)	0	(4,439)
Red	0	(593)	(304)	(830)	0	(1,727)
Total	(1,129)	(5,495)	(7,785)	(2,775)	(3,444)	(20,628)

Savings and Income Monitor 2019/20

Appendix H

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
CEx	CEx	New 2019/20	Savings	Voluntary & Community Sector Commissioning	0.0		(200)
CEx	CEx	New 2019/20	Savings	Communications - reduced production of 'Enjoy Enfield'	0.0		(100)
CEx	CEx	New 2019/20	Savings	Communications: Meridian Water media and marketing support	0.0		(84)
CEx	CEx	New 2019/20	Savings	Communications - 'Our Enfield' becoming digital	0.0		(80)
CEx	CEx	New 2019/20	Savings	Internal Audit - move to shared management function with a neighbouring borough	1.5		(50)
CEx	CEx	New 2019/20	Income	Review of Recharges to HRA - CEX Service Centres	1.5		(47)
CEx	CEx	New 2019/20	Savings	Internal Audit - replace bought in provision with in-house	1.5		(42)
CEx	CEx	New 2019/20	Income	Legal Team - increased recharges to HRA and capital projects	2.5		(200)
CEx	CEx	FYE	Savings	Organisational Review Savings	3.5		(327)
<b>CEx Total</b>						<b>0</b>	<b>(1,129)</b>

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
Corporate	Corporate	New 2019/20	Savings	Reduce Interest Budgets	0.0		(1,744)
Corporate	Corporate	New 2019/20	Savings	Corporate Budgets - reduce interest charges budget	0.0		(1,200)
Corporate	Corporate	FYE	Savings	Reduction in TA contingency	3.5		(500)
<b>Corporate Total</b>						<b>0</b>	<b>(3,444)</b>

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
People	ASC	New 2019/20	Income	Increased Income from Fees and Charges	0.0		(150)
People	ASC	New 2019/20	Savings	Reduction in funding to Voluntary and Community Sector	0.0		(100)
People	ASC	New 2019/20	Savings	Assistive Technology	0.0		(50)
People	ASC	New 2019/20	Savings	Direct Payments - moving service users to e-cards	1.5		(50)
People	ASC	New 2019/20	Savings	Healthcare reviews	1.5		(50)
People	ASC	New 2019/20	Savings	Reduction in placements from hospital	1.5		(37)
People	ASC	FYE	Savings	Organisational Review Savings	2.5		(250)
People	ASC	New 2019/20	Savings	Physical Disability Clients - provision of adapted accommodation	2.5		(105)
People	ASC	New 2019/20	Savings	Reardon Court - Extra Care	3.0		0
People	ASC	New 2019/20	Savings	Contract management - management of annual contract uplift to service providers	3.5		(450)
People	ASC	Previous years	Savings	Housing Related Support - Supporting People	7.5	(250)	0
People	ASC	Previous years	Income	Additional income (Attendance Allowance)	7.5	(250)	0
People	C & F	New 2019/20	Savings	Staffing Underspend	0.0		(16)
People	C & F	FYE	Savings	Organisational Review Savings	0.0		17

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
People	C & F	FYE	Savings	Joint Service for Disabled Children- staffing restructure	1.5		(65)
People	C & F	FYE	Savings	Independent Reviewing efficiencies	1.5		0
People	C & F	New 2019/20	Income	Looked After Children - replace core funding with grant funding streams	4.5		(75)
People	Education	FYE	Savings	Organisational Review Savings	0.0		(181)
People	Education	FYE	Savings	EPS / CAMHS Service	2.5		(220)
People	EI&P	New 2019/20	Savings	CCTV - use of capital funding to purchase equipment	0.0		(400)
People	EI&P	FYE	Savings	Organisational Review Savings	0.0		(84)
People	EI&P	New 2019/20	Savings	Children's Services - reduction in Operational Support staffing	0.0		(50)
People	EI&P	FYE	Savings	Service Development Review	0.0		(37)
People	EI&P	New 2019/20	Savings	Youth Offending Unit - reduce the use of sessional workers and running costs	0.0		(20)
People	EI&P	FYE	Savings	Organisational Review Savings	7.5		(125)
People	PH	New 2019/20	Savings	Public Health Underspends	0.0		(865)
People	PH	New 2019/20	Savings	Stop Smoking Service	0.0		(130)
People	PH	New 2019/20	Savings	Substance Misuse (Contract Management)	0.0		(100)
People	PH	New 2019/20	Savings	Healthy Schools	0.0		(70)
People	PH	New 2019/20	Savings	PH funding for Domestic Violence IRIS project	0.0		(12)
People	PH	New 2019/20	Savings	NHS Health Checks	1.5		(30)
People	PH	New 2019/20	Savings	0-19 Service (Recommissioning)	3.0		(60)
People	PH	New 2019/20	Savings	Sexual Health (Recommissioning)	3.5		(300)
People	PH	New 2019/20	Savings	PH funding for Domestic Violence Prevention Post	4.5		(43)
People	PH	New 2019/20	Savings	Public Health Restructure	7.5		(240)
People	Education/ Commercial Services	Previous years	Income	Traded Services	3.0	(54)	0



Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
People	Education/ Commercial Services	Previous years	Income	Traded Services	10.5	(593)	0
<b>People Total</b>						<b>(1,147)</b>	<b>(4,348)</b>

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
Place	All	FYE	Savings	Management actions to contain pressure	0.0		(446)
Place	All	FYE	Income	Increase income across R&E	0.0		(250)
Place	Commercial	New 2019/20	Savings	Energy Saving Initiatives	0.0		(150)
Place	Env & Ops	FYE	Savings	Changes to Parking Measures	0.0		(300)
Place	Env & Ops	FYE	Savings	Organisational Review Savings	0.0		(295)
Place	Env & Ops	New 2019/20	Savings	Remodelling Regulatory Services	0.0		(250)
Place	Env & Ops	New 2019/20	Income	Growth of the Commercial Waste Services	0.0		(50)
Place	Env & Ops	New 2019/20	Income	General Cemeteries operations income - sales of mausolea and vaulted graves	0.0		(50)
Place	Env & Ops	New 2019/20	Income	Highways recharges to capital and other external and internal funded projects	0.0		(50)
Place	Env & Ops	New 2019/20	Income	Review of Parking Strategy across borough and council owned car parks	0.0		(50)
Place	Env & Ops	New 2019/20	Savings	Traffic and Transportation - restructure of service	0.0		(45)
Place	Env & Ops	New 2019/20	Savings	Stop School Crossing Patrols	0.0		(34)
Place	Env & Ops	New 2019/20	Income	Growth in customer base of the Pest Control Service	0.0		(25)
Place	Env & Ops	New 2019/20	Income	Additional Traffic & Transportation income from recharges to capital	0.0		(25)

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
Place	Housing	New 2019/20	Savings	Temporary Accommodation Reduction Strategy	0.0		(1,132)
Place	Housing	New 2019/20	Savings	Use of HRA Decants	0.0		(975)
Place	Housing	FYE	Savings	Organisational Review Savings	0.0		(131)
Place	Housing	New 2019/20	Savings	Review of Recharges to HRA - Place Service Centres	0.0		(46)
Place	Planning	New 2019/20	Savings	Planning Policy - reduction in the Local Plan consultancy budget	0.0		(50)
Place	Planning	New 2019/20	Savings	Capitalisation of Urban Design team's time on MW Project	0.0		(24)
Place	Property	New 2019/20	Income	Parks Assets Income through marketing of assets	0.0		(60)
Place	Property	Previous years	Income	Property - Commercial property	0.0	(450)	0
Place	Property	New 2019/20	Income	Additional Filming income	1.5		(40)
Place	Env & Ops	New 2019/20	Savings	LED Street Lighting	2.5		(250)
Place	Env & Ops	New 2019/20	Savings	New Waste Collection Proposals	2.5		0
Place	Env & Ops	New 2019/20	Savings	Parks - Remodelling the Service	3.0		(100)
Place	Housing	New 2019/20	Savings	Temporary Accommodation - Future Years	3.0		0
Place	Customer Experience & Change	New 2019/20	Income	Library Service - increased income target	4.5		(75)
Place	Planning	New 2019/20	Income	Building Control Income	4.5		0
Place	Property	New 2019/20	Income	Market Rentals for Council Properties	4.5		0
Place	Mer Water	New 2019/20	Income	Meridian Water Meanwhile Use income	5.0		(1,190)
Place	Commercial	Previous years	Income	Leisure services	7.0	(600)	0
Place	Env & Ops	New 2019/20	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	7.0		(338)
Place	Env & Ops	New 2019/20	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	10.5		(304)
<b>Place Total</b>						<b>(1,050)</b>	<b>(6,735)</b>

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
Resources	Commercial	New 2019/20	Savings	Operational Support Team - saving from restructure of team	0.0		(120)
Resources	Commercial	FYE	Savings	Organisational Review Savings	0.0		(65)
Resources	Finance	FYE	Savings	Organisation Review	0.0		(90)
Resources	Finance	FYE	Savings	Efficiencies following implementation of time-saving financial software.	0.0		(50)
Resources	Commercial	New 2019/20	Income	Review of Recharges to HRA - Resources Service Centres	1.5		(19)
Resources	Finance	New 2019/20	Income	Increase Finance Recharges to Pension Fund	1.5		(10)
Resources	Finance	New 2019/20	Savings	Payments Programme - new system allowing efficiencies in Exchequer	1.5		0
Resources	Commercial	Previous years	Income	Procurement - Contracts review	2.5	(150)	0
Resources	Customer Experience & Change	New 2019/20	Income	Review of Recharges to HRA - Resources Service Centres	2.5		(187)
Resources	Finance	New 2019/20	Income	Review of Recharges to HRA - Resources Service Centres	2.5		(120)
Resources	Customer Experience & Change	FYE	Savings	Organisational Review Savings	3.0		59
Resources	Finance	FYE	Savings	Organisation Review	4.5		(31)
Resources	Customer Experience & Change	New 2019/20	Income	Customer Services/Access Centres - increased support and recharge to HRA	5.0		(162)
Resources	Customer Experience & Change	Previous years	Savings	IT Contracts	5.0	(1,000)	0

Department	Directorate	FYE/New 2019/20	Savings or Income	Title and Short Description	Risk Score	Budget Saving c/f 2018-19 £'000	Budget Impact 2019-20 £'000
Resources	Commercial	Previous years	Savings	Procurement - Procurement Forward Plan	10.5	(530)	0
Resources	Customer Experience & Change	Previous years	Income	Commercialisation of IT (Assets & Infrastructure)	10.5	(300)	0
<b>Resources Total</b>						<b>(1,980)</b>	<b>(795)</b>

<b>Grand Total</b>						<b>(4,177)</b>	<b>(16,451)</b>
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2019/20 Estimated Cost of Start-Up Initiatives to be funded:	2019/20 £000	Planned Savings and Demand Reductions
<b>People</b> <ul style="list-style-type: none"> <li>• Edge of Care (Children's)</li> </ul>	320	The Edge of Care transformation project will commission a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision.
<b>Resources</b> <ul style="list-style-type: none"> <li>• Procurement and Commissioning co-managed service contract</li> </ul>	1,457	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-managed partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<ul style="list-style-type: none"> <li>• IT Service</li> </ul>	500	The service is implementing changes to the infrastructure contracts aimed at achieving significant cost reductions and transforming how services are delivered.
<ul style="list-style-type: none"> <li>• Transformation Team</li> </ul>	377	<p>The Transformation Service manages a diverse portfolio of programmes, designing, planning and managing activity on behalf of Directors across the Council, hiring and managing specialist IT and other resources, as required for each individual project. The projects listed below are those relating to revenue projects:</p> <ul style="list-style-type: none"> <li>• Build the Change Programme <ul style="list-style-type: none"> <li>○ Intranet Project</li> <li>○ Collaboration (SharePoint)</li> <li>○ New Device roll out</li> <li>○ Asset Management System replacement</li> </ul> </li> </ul>

2019/20 Estimated Cost of Start-Up Initiatives to be funded:	2019/20 £000	Planned Savings and Demand Reductions
		<ul style="list-style-type: none"> <li>○ Flexible Working Project</li> <li>○ Operational Buildings Review</li> <li>○ Property Strategy and Development Project</li> <li>● Customer Experience Programme <ul style="list-style-type: none"> <li>○ Customer Journey Project 3A – Recruitment and onboarding</li> <li>○ Customer Journey Project 3B – Planning Applications</li> <li>○ Learning &amp; Development, Workforce and Culture Change</li> <li>○ Libraries Hub Access Centre</li> <li>○ Customer Insight and Performance Monitoring</li> <li>○ Customer Experience ICT Experience <ul style="list-style-type: none"> <li>▪ ININ re-procurement</li> <li>▪ Enterprise telephony</li> <li>▪ Website and Enfield Connected software upgrades (Evolve)</li> <li>▪ Bartec Integration for the waste service and its customers</li> </ul> </li> </ul> </li> </ul>
<b>Place</b> <ul style="list-style-type: none"> <li>● EDGE Transport Contract</li> </ul>	30	<p>The EDGE Transport Contract is an invest to save initiative relating to the Councils People Transport Service, carried out by EDGE Public Solutions with and on behalf of the Council. This is the third and final year of the project and has been successful in terms of both savings and improvement of customer experience.</p>
<ul style="list-style-type: none"> <li>● Mobilisation costs associated with the implementation of waste service changes</li> </ul>	572	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>● To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>● To collect dry recycling every fortnight rather than weekly (collections</li> </ul>

2019/20 Estimated Cost of Start-Up Initiatives to be funded:	2019/20 £000	Planned Savings and Demand Reductions
		<p>from the property will be made on the alternative week to collections for refuse)</p> <ul style="list-style-type: none"> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• Recruitment of 2 additional Recycling Officers</li> <li>• Recruitment of 2 additional Enforcement Officers</li> <li>• To invest £500,000 in Street Cleaning Services.</li> </ul> <p>The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
<b>Total</b>	<b>3,256</b>	

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**MUNICIPAL YEAR 2019/2020 REPORT NO. 190**

**MEETING TITLE AND DATE:**

**Cabinet 12 February 2020  
Council 26 February 2020**

**REPORT OF:**

Executive Director of Resources

Contact officer and telephone number:

Matt Bowmer

E mail: matt.bowmer@enfield.gov.uk

<b>Agenda – Part: 1</b>	<b>Item: 5</b>
<b>Subject: 2020/21 Budget and 2020/21 to 2024/25 Medium Term Financial Plan</b>	
<b>Wards: All</b>	
<b>Key Decision No:5076</b>	
<b>Cabinet Member consulted: Cllr Maguire</b>	

**1. EXECUTIVE SUMMARY**

1.1. The purpose of this report is to set the general revenue budget and council tax for the 2020/21 financial year. It also updates the Council's Medium Term Financial Plan in the light of those decisions. In summary, it recommends:

- i. A net revenue budget of £236.904m, a 2.56% increase when compared with 2019/20.
- ii. The net revenue budget contains investment in services of £4.5m and savings/income generation proposals of £11.9m.
- iii. A core council tax of £1,244.57 at band D, a 1.99% increase.
- iv. A further £119.20 at band D to pay for Adult Social Care as allowed by Central Government, a 2.00% increase on 2019/20.
- v. This results in a charge for Enfield Council of £1,363.77 at Band D, a 3.99% increase; equivalent to an increase of £1.00p per week for a Band D property.
- vi. Additionally, the Council will levy a council tax of £332.07 at Band D on behalf of the Greater London Authority which is a 3.61% increase on last year.
- vii. In total the impact of these proposals will be total council tax of £1,695.84 at Band D, a 3.91% increase on the 2019/20 level, equivalent to an increase of £1.22p per week for a Band D property.

1.2. These proposals are the culmination of the 2020/21 budget planning process and provide information on:

- the outcome of the recent budget engagement
- the details of the Local Government Finance Settlement
- the details of the Council Tax
- the Council's Medium Term Financial Plan over the next five years including savings proposals and pressures included in the Medium Term Financial Plan

- the financial outlook for the Council and its services
- 1.3. The budget process has sought to protect the most vulnerable in the Borough with the reallocation of resources protecting Children's and Adults Social Care services.
  - 1.4. The report also makes recommendations regarding the Schools' Budget.
  - 1.5. Please note, the 10 year Capital Strategy and Capital programme 2020/21 to 2029/30 and the 10 year Treasury Management Strategy 2020/21 to 2029/30 are both separate reports on this agenda.
  - 1.6. Finally, the report includes recommendations on the appropriate level for the Council's contingencies, balances and earmarked reserves undertaken in the context of the risks and uncertainties associated with the budget and Medium Term Financial Plan.

## 2. RECOMMENDATIONS

### **Cabinet is asked to make the following resolutions:**

- 2.1 With regard to the revenue budget for 2020/21 to recommend that Council:
  - (i) Set the Council Tax Requirement for Enfield at £133.280m in 2020/21;
  - (ii) Set the Council Tax at Band D for Enfield's services for 2020/21 at £1,363.77 (section 7), being a 1.99% general Council Tax increase and a 2.00% Adult Social Care Precept.
- 2.2 To agree the Medium Term Financial Plan (MTFP), including:
  - (i) the pressures set out in Appendix 3, £30.148m in 2020/21 (partly offset by a £3.600m benefit from the Pensions Actuarial Review to give a net figure of £26.548m), which includes:
    - £1.5m for additional social workers within Children's Social Care to address caseload pressures.
    - a further £10.3m allocated in 2020/21 to address Adults and Children's Social Care pressures, partly funded from further Social Care Support Grant allocated by the Government in 2020/21 (£5.4m).
  - (ii) £2.405m investment in transformation funded by the flexible use of capital receipts.

- (iii) an allocation of £0.5m per annum within the 2019/20 and 2020/21 budgets which is recommended to provide mentoring related to serious youth violence and improve data to better target resources (para 10.7).
  - (iv) full year effects of prior year savings and income generation totalling £3.279m set out in Appendix 2a.
  - (v) the savings of £9.2m and income proposals of £2.7m in 2020/21 set out in Appendix 2b.
  - (vi) adopt the key principles set out in section 11.
  - (vii) note the £3.4m for Capital Financing included within the pressures figure to invest in proposals to deliver long term benefits to the Council.
- 2.3 To recommend that Council agrees the Schools Budget for 2020/21 (Section 8.18 and Appendix 5).
- 2.4 To agree the changes in Fees and Charges for 2020/21 as set out in Sections 10.20 to 10.44 and Appendices 11 to 13 and delegate authority to Executive Directors and Directors to negotiate discounts where appropriate.
- 2.5 To note the gap remaining in the MTFP for 2021/22 to 2024/25 and the actions being taken to address this.
- 2.6 To recommend that Council agrees that the New Homes Bonus funding of £0.646m is applied as a one-off contribution to the General Fund in 2020/21.
- 2.7 To recommend that Council agrees the planned flexible use of capital receipts in 2019/20 being £3.256m and approves the planned flexible use of capital receipts in 2020/21, being £2.405m (Section 10.45 and Appendix 10).
- 2.8 To note the feedback and minutes from the Budget Engagement and Overview and Scrutiny Committee Budget Meeting on 19th December 2019 as set out in Appendices 1a and 1b.
- 2.9 With regard to the robustness of the 2020/21 budget and the adequacy of the Council's earmarked reserves and balances to:
- (i) note the risks and uncertainties inherent in the 2020/21 budget and the MTFP (section 11) and agree the actions in hand to mitigate them;
  - (ii) note the advice of the Executive Director of Resources regarding the recommended levels of contingencies, balances and earmarked reserves (section 13 and Appendix 8a) and have regard to the comments of the Director of Finance (section 17) when making final decisions on the 2020/21 budget; and
  - (iii) agree the recommended levels of central contingency and general balances (section 13).

### 3. INTRODUCTION

- 3.1. There are a number of components in the budget 2020/21 and MTFP 2020/21 to 2024/25 report. In order to aid reading, a broad list of the sections, tables and appendices within the report is set out below.

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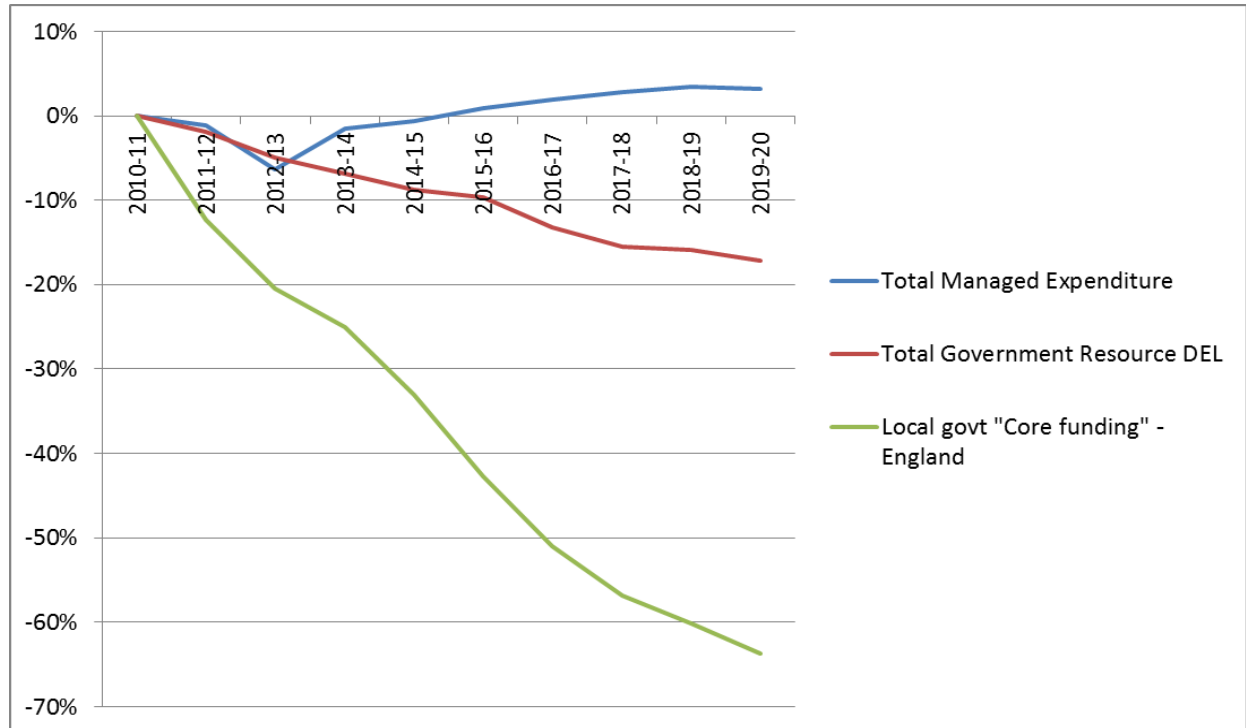
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#### 4. NATIONAL CONTEXT AND LOCAL GOVERNMENT FINANCE SETTLEMENT

- 4.1 The Final Local Government Finance Settlement (LGFS) 2020/21 will be announced in February. There have been 4 weeks of consultation on the Provisional Settlement published on 20<sup>th</sup> December 2019. The Provisional Settlement was fully in line with the Chancellor's Spending Announcement on 4<sup>th</sup> September 2019. The settlement announcement outlines the Core Spending Power (CSP) and the Settlement Funding Assessment (SFA) allocations for local authorities for 2020/21. CSP has increased by 6.3% nationally and 5.8% for Enfield and there is a CPI increase of 1.7% for SFA, the first increase in ten years.
- 4.2 It is, however, a one year settlement only and does little to prepare local authorities for the medium and longer term and extends a period of significant uncertainty. Whilst the increase in SFA is welcome, it should be noted that it is the first increase for ten years and there is much ground to make up given the 50.6% or £96.7m reduction since 2010. This is also in the context of continuous rising demand for services especially adult social care, children's social care and housing.

4.3 Chart 1 below compares the like-for-like cumulative cuts to core funding with total public and departmental spending, clearly showing that Local Government has shouldered a disproportionate share of funding reductions. Further details of 2020/21 funding are set out in Section 8.

**Chart 1. Reductions in Government Spending 2010/11 – 2019/20**



4.4 Enfield's Settlement Funding Assessment is £91.7m for 2020/21, £94.7m including compensation for under-indexing the business rates multiplier (s31 grant). This represents an increase of £2.1m (2.3%) over 2019/20.

4.5 Table 1 below shows the impact of recent settlements on Enfield over the period from 2017/18 to 2020/21 and using the start of austerity (2010/11) as a benchmark. It shows the annual and cumulative impact of Government funding reductions in the core funding of Revenue Support Grant and Business Rates Baselines, with a cumulative cash reduction of £96.7m since 2010/11, which is 50.6%, over the entire period.

**Table 1: Government Funding Allocations for Enfield**

	2010/11	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m	£m
Settlement Funding Assessment *	191.2	104.3	98.7	92.6	94.7
Annual cash reduction on previous year	N/A	-11.1	-5.6	-6.3	+2.1
Annual percentage change on previous year	N/A	-12%	-10%	-5%	+2%

Cumulative cash reduction since 2010/11	0.0	-86.9	-92.5	-98.8	-96.7
Cumulative percentage reduction since 2010/11	0.0	-45.4%	-48.4%	-51.7%	-50.6%

\* Settlement Funding Assessment is composed of the Government's estimate of locally retained business rates, the business rates top up, and revenue support grant (RSG). These elements vary in presentation over financial years to reflect the change to the 100% pool in 2018/19, and 75% pool in 2019/20, in which years RSG was rolled into the retained rates. Therefore, for comparison, the combined total figures for the settlement funding assessment rather than the component elements, are shown here. Figures include compensation for under-indexing the business rates multiplier (s31 grant)

4.6 Alongside the Local Government Finance Settlement (LGFS) 2019/20 published in December 2018, the Government had also published two consultations on the future funding of local government: A technical consultation on the assessment of local authorities' relative needs, relative resources and transitional arrangements and a consultation on business rates retention reform. The reform of the business rates retention system was to sit alongside wider changes to the local government finance system which the Government aimed to introduce in 2020/21. The expectation had been for a full reset of the business rates system in 2020/21. This would have provided for the full implementation of both reforms to the business rates retention system and the outcome of the review into relative needs and resources. The outcome of the review into local authorities' relative needs and resources would have then given all local authorities new funding allocations. The consultation sought views on how business rates baselines should be reset and the Ministry of Housing, Communities and Local Government (MHCLG) promised to work with the sector on the design of the future business rates retention system through 2019.

4.7 There has been insufficient capacity in MHCLG to progress these two pieces of work and implementation is now expected for 2021/22 at the earliest. Enfield has been disadvantaged by the damping arrangements in the existing funding framework and was also likely to have been a beneficiary of the business rates reset. Lack of capacity only with the timing of the General Election have also contributed to the settlement being a single year settlement only.

## 5. LOCAL CONTEXT AND BUDGET PROCESS 2020/21

### 5.1 Process

5.2 At the start of the budget process a budget gap of £13.7m was identified for 2020/21 and savings workstreams were established to develop savings and income generation proposals to bridge the gap. Tranche 1 and 2 savings have already been reported to Cabinet for approval. Executive Directors, in consultation with their portfolio holders and working with the Director of Finance, have finalised next years' service budget requirements and put forward savings and additional income proposals to balance the overall budget for 2020/21. Details are set out in Section 10.10 and Appendix 2b and summarised in Table 10.

5.3 Cabinet received update reports on 17 July 2019, 16 October 2019 and 4 December 2019.

- 5.4 Work has also been carried out throughout the process to identify ongoing pressures within the budget and allocate resources to address these in the 2020/21 budget and across the Medium Term Financial Plan. Details are set out in section 10.3 and Appendix 3 and are summarised in Tables 7 and 8. Recognition of these pressures in the budget will put the budget on a more resilient and sustainable footing by reducing reliance on one-off resources such as capital receipts whilst giving some protection to front line services and investing in key projects and priorities. However, the remaining funding gap in future years demonstrates the difficult service decisions ahead if funding resources continue at 2020/21 levels.
- 5.5 London's population is growing twice as fast as that of the rest of the country, and the cost of meeting this demand is rising at a time of ever decreasing resources for doing so. This has created pressure across core services. The very real pressures in Adult Social Care (ASC) have been much publicised, but it is important to recognise that other growing demands, including services for children and the homeless, continue to present as great or greater financial threats.
- 5.6 The budget process for 2020/21 has taken into account:
- The Council's Corporate Strategy
  - The Chancellor's Spending Review 2019
  - The Final Local Government Finance Settlement for 2020/21
  - The forecast and prioritisation of the Council's revenue and capital resource requirements over the next five years
- 5.7 Feedback from the Budget Engagement exercise is provided for Cabinet's consideration in finalising the budget – see section 6.
- 5.8 Corporate Plan
- 5.9 The budget decisions in this report are aligned with the Administration's vision and priorities for Enfield. The Council's Corporate Plan, "A lifetime of opportunities in Enfield" sets out Enfield Council's vision, aims and priorities for the period 2018 to 2022. Examples of how the budget contributes to the plan are set out below:
- Good homes in well-connected neighbourhoods - supporting affordable housing delivery in Meridian Water through the financing costs.
  - Sustain strong and healthy communities - over £10m growth in Children's and Adult Social Care to ensure resources are prioritised to support the most vulnerable; £120k investment in a team working with the police to identify and support victims of modern slavery; second year investment of £500k in prevention of serious youth violence; investment of £170k in a team to support those in debt to maximise their benefit income and support them out of poverty.
  - Build our local economy to create a thriving place - £500k invested in keeping Enfield's streets cleaner.
- 5.10 Poverty Commission



- 5.11 In June 2019, the Council launched an independent and time-limited commission to understand the causes of poverty and inequality in Enfield. This is an identified priority for the local authority as an increasing number of people are managing the effects of poverty in their daily lives and was one of the manifesto commitments the administration pledged to deliver in 2018.
- 5.12 To deliver on its ambition, the commission spent the remainder of 2019 reviewing data and engaging with local residents and organisations through meetings, events, focus groups and interviews.
- 5.13 The commission finished its work in December 2019 and in its final published report made 27 recommendations they believe will help Enfield Council and local partner agencies help those affected by issues of poverty and inequality in the Borough. The local authority has pledged to do all it can to help deliver on the recommendations made and the insight provided by the report will be helpful in future service reviews and strategy development.
- 5.14 As well as setting out actions that could be taken locally, the commission made an overarching recommendation that “Government departments should review funding formulas to account for emerging geographic patterns of increased poverty and deprivation in outer London boroughs such as Enfield”. The local authority and its partners will be seeking to work together to ensure fair funding from Government is achieved in the future.
- 5.15 To deliver the local recommendations, Enfield Council has committed to work with all partners to identify and implement the actions that can deliver the recommendations in the report. Recommendations 24 and 25 in supporting residents with debt and benefit maximisation have already received £170k investment in the 2020/21 budget.
- 5.16 Commercial Strategy
- 5.17 The Council’s commercial strategy is an integral part of helping to deliver a sustainable budget going forward. This starts from understanding needs and how they are met, through to designing services and delivery models that improve outcomes and value for money. Integral to all of this is preventing spend or reducing unit cost, generating income, maximising the utilisation of the Council’s assets and shaping the market. The current focus is to build on existing strengths and do the basics well. To do this commercial thinking and skills need to be embedded throughout the organisation in the way services are delivered and contracts procured and managed, as well as ensuring current income budgets are realised and good governance of the wholly owned companies. In the 2020/21 budget additional income of £2.7m has been included as part of the contribution towards closing the budget gap. The approach to fees and charges is set out in section 10.15 of the report.
- 5.18 The following table demonstrates how resources including income growth have been reallocated and Council services supporting the most vulnerable in the Borough have been protected in 2020/21.

5.19

**Table 2 Investment, Pressures and Savings by Service 2020/21**

	Corporate	Chief Exec/ Resources	Adult Social Care	Public Health	Children's and Education	Place	Total
	£m	£m	£m	£m	£m	£m	£m
Demography	0.000	0.000	4.436	0.000	2.179	2.080	8.695
Inflation	6.150	0.000	1.283	0.000	0.000	0.000	7.433
Investment	0.075	1.592	0.120	0.000	1.460	1.240	4.487
Capital Financing	3.403	0.000	0.000	0.000	0.000	0.000	3.403
Pressures	0.000	1.481	1.660	0.937	0.650	1.402	6.130
	<b>9.628</b>	<b>3.073</b>	<b>7.499</b>	<b>0.937</b>	<b>4.289</b>	<b>4.722</b>	<b>30.148</b>
Full Year savings	(1.363)	(0.200)	(0.157)	0.000	0.000	(1.559)	(3.279)
Pension Contributions	(3.600)	0.000	0.000	0.000	0.000	0.000	(3.600)
New Savings	(2.250)	(3.039)	(0.885)	(0.970)	(0.397)	(4.364)	(11.905)
	<b>(7.213)</b>	<b>(3.239)</b>	<b>(1.042)</b>	<b>(0.970)</b>	<b>(0.397)</b>	<b>(5.923)</b>	<b>(18.784)</b>
Net Increase in Resources	<b>2.415</b>	<b>(0.166)</b>	<b>6.457</b>	<b>(0.033)</b>	<b>3.892</b>	<b>(1.201)</b>	<b>11.364</b>
Funding	(1.792)	0.000	(5.283)	0.000	(2.724)	0.000	(9.799)
Gap	<b>0.623</b>	<b>(0.166)</b>	<b>1.174</b>	<b>(0.033)</b>	<b>1.168</b>	<b>(1.201)</b>	<b>1.565</b>
Reserves	(1.565)	0.000	0.000	0.000	0.000	0.000	(1.565)
Total	<b>(0.942)</b>	<b>(0.166)</b>	<b>1.174</b>	<b>(0.033)</b>	<b>1.168</b>	<b>(1.201)</b>	<b>0.000</b>

5.20 The Council has invested heavily in its social care provision, there has been recognition of demographic and spending pressures as well as the need to invest in the workforce in Children's and Adult Social Care totalling £11.788m. The services have been protected with savings from other parts of the Council contributing more greatly. Whilst the £5.4m Social Care Grant and ability to raise the £2.6m through an additional Adult Social Care precept were welcomed they clearly fail significantly to meet the growing demands in these services.

## 6. BUDGET ENGAGEMENT

6.1 The Council's 2020/21 Budget Engagement was open from 31st October 2019 to 13th December 2019 (6 weeks). This year residents' views were collected through a questionnaire available online.

- 6.2 The 3 questions asked in the questionnaire were:
- i) How important is it the Council delivers a budget which protects the most vulnerable in the community?
  - ii) Do you agree or disagree with the Council's proposals to increase Council Tax in line with the Government's referendum threshold of 1.99% and collect a 2.00% precept to cover the rising costs of Adult Social Care?
  - iii) If you have any comments on the Budget Proposals presented to Cabinet on 16 October 2019, please let us know.
- 6.3 The purdah period ahead of the 2019 General Election had a negative impact on the scope to raise awareness of the budget engagement exercise. A link to the budget engagement was advertised prominently on the Council's website and information was also included in the Council's e-newsletter sent out to around 40,000 residents.
- 6.4 In order to help set the financial context and provide information to those responding to the public engagement, information was provided on the MTFP position and proposed savings which were considered by Cabinet on 16th October 2019.
- 6.5 In total 83 responses were received through the online questionnaire.
- 6.6 The feedback from the public engagement was presented to the Overview and Scrutiny Committee Budget Meeting on 19th December 2019. Appendix 1a to this report provides a summary of the findings from the engagement exercise. The minutes and recommendations of the OSC Budget Meeting can be found in Appendix 1b.

## 7 SUMMARY OF BUDGET PROPOSALS AND IMPACT ON COUNCIL TAX

- 7.1 The Localism Act requires Council approval of the Council Tax Requirement.
- 7.2 Table 3 sets out the Council's budget position and council tax requirement after taking into account the proposed changes detailed in this report:

**Table 3: Budget Position & Council Tax 2020/21**

	2019/20	2020/21
	£000's	£000's
<b>Net revenue budget</b>		
Other Services (base budget)	227,861	230,988
	<b>227,861</b>	<b>230,988</b>
<b>Budget Movements:</b>		
Demographic and Cost Pressures	25,267	22,258
Investment in Services	1,500	4,487
Reduction in Employers Pension Contribution	0	(3,600)
Capital Financing	0	3,403
Social Care Support Grant & iBCF	(5,339)	(5,448)
Flexible Use of Capital Receipts	(1,851)	0

Full Year Effect of previous budget decisions	(3,370)	(3,279)
Proposals for New Savings ( <b>Appendix 2b</b> )	(13,080)	(11,905)
<b>Net Budget</b>	<b>230,988</b>	<b>236,904</b>
<b>Less Corporate Funding:</b>		
Settlement Funding Assessment <sup>1</sup>	(94,610)	(98,937)
London Pilot Pool Growth	(2,950)	(425)
Reserves	(1,000)	(1,565)
Corporate Specific Grants	(3,803)	(2,697)
Collection Fund Net (Surplus) / Deficit <sup>2</sup>	(1,314)	0
<b>Corporate Funding</b>	<b>(103,677)</b>	<b>(103,624)</b>
<b>Council Tax Requirement</b>	<b>127,311</b>	<b>133,280</b>
Tax Base (Band D equivalents)	97,074	97,726
<b>Council Tax (Band D)</b>	<b>£1,311.48</b>	<b>£1,363.77</b>

<sup>1</sup> includes Revenue Support Grant, Business Rates Income and section 31 grants

<sup>2</sup> breakdown found in table 6

<b>Schools Budget</b>	<b>2019/20</b>	<b>2020/21</b>
	£'000	£'000
Schools Budget	334,643	351,258
Dedicated Schools Grant	(334,643)	(351,258)
<b>London Borough of Enfield Total</b>	<b>0</b>	<b>0</b>

<b>Housing Revenue Account Budget</b>	<b>2019/20</b>	<b>2020/21</b>
	£'000	£'000
Supervision & Management General & Special	23,084	24,007
Repairs and Maintenance	14,485	14,764
Cost of Capital & Depreciation	23,515	24,592
Bad Debt Provision	812	710
Self-financing contribution	2,787	3,024
<b>Expenditure Total</b>	<b>64,683</b>	<b>67,097</b>
Rents, Service Charges and Other Income	(64,683)	(67,097)
<b>Income Total</b>	<b>(64,683)</b>	<b>(67,097)</b>
<b>Net Total</b>	<b>0</b>	<b>0</b>

7.3 The GLA Assembly reviewed the Mayor's draft GLA budget on 18<sup>th</sup> December 2019 with the final draft budget due to be agreed by the London Assembly on 24<sup>th</sup> February 2020. This is after the publication of the budget report to Council and so any changes to the GLA precept will be reported as revised statutory calculations and resolutions for approval by Council. The budget was recommended with an increase in the Band D precept from £320.51 to £332.07. The Band D Council Tax payable by Enfield residents for 2020/21 based on the budget proposals (including GLA precept) is £1,695.84. This is made up as set out in Table 4:

**Table 4: Council Tax Band D Charge 2020/21**

	2019/20	2020/21	Change	Change*
	£	£	£	%
Core Council Tax	1,218.51	1,244.57	26.06	1.99%
Adult Social Care Precept	92.97	119.20	26.23	2.00%
<b>London Borough of Enfield Total</b>	<b>1,311.48</b>	<b>1,363.77</b>	<b>52.29</b>	<b>3.99%</b>
Greater London Authority	320.51	332.07	11.56	3.61%
<b>Total</b>	<b>1,631.99</b>	<b>1,695.84</b>	<b>63.85</b>	<b>3.91%</b>

\*The percentage change shown is calculated in reference to the total 2019/20 LBE Total Band D charge of £1,311.48 not the individual elements shown.

7.4 The statutory calculations of the proposed Council Tax for each property band and the formal Council resolutions required under the 1992 Local Government Finance Act will be reported to Full Council on the 26<sup>th</sup> February 2020 for approval.

## **8 GRANT FUNDING**

### **8.1 Non-Ring-Fenced Grants**

8.2 The local government finance system distributes much of government funding. As noted above, participation in the business rates retention pilot pool for London means that Revenue Support Grant, which was the main source of government funding, is no longer received. Other significant “stand-alone” or specific government grants are set out in detail in Appendix 9. The non-ring-fenced revenue grants can be used to fund the Council’s annual budget in the same way as the Revenue Support Grant, even though the grants may refer to specific services such as benefit administration. Further information on specific funding for certain areas is set out below.

### **8.3 Adult and Children’s Social Care Funding**

8.4 Additional funding for Adult Social Care (ASC), in the form of Improved Better Care Fund (BCF) allocations was announced in the Spring 2017 budget. Enfield’s additional allocations were £5.7m for 2017/18, £3.7m in 2018/19, and £1.8m in 2019/20. The profile of the allocations is intended to even out the allocations in the original BCF allocations, which were back loaded towards the end of the four-year settlement period. The conditions of the additional improved BCF include meeting social care needs, reducing pressures on the NHS by supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported. The budgets of the improved BCF must be agreed with the Clinical Commissioning Group (CCG) and signed off by the Health and Wellbeing Board. Enfield’s older adult population (over 65s) is increasing at the rate of about 3,000 people per year (ONS). The funding will also meet additional costs from increased demographics from older people and adults with Learning Disabilities and Mental Health. For 2020/21 the same level of funding as 2019/20 (£10.1m) is assumed, pending confirmation.

8.5 In addition, the Autumn budget 2019 confirmed an increase to the Social Care Support Grant. A national allocation of £1 billion has been made for 2020/21

in addition to the £410m awarded nationally in 2019/20, and which is continuing into 2020/21. This grant can be used to address Adults or Children's Social Care pressures. £2.2m was built into budgets in 2019/20 and a further £5.4m is being added in 2020/21 for the Social Care Support Grant, which has been allocated 50:50 to Adults' and Children's services in the 2020/21 draft budget. In addition, £2.6m has been allocated to Adult Social Care in respect of the additional council tax raised from increasing the ASC precept by 2.00% in 2020/21.

#### 8.6 **New Homes Bonus**

8.7 The New Homes Bonus (NHB) is awarded on the basis of new properties eligible for council tax in the borough, and is not ring-fenced, so can be used to support the general budget. For 2020/21 Enfield's allocation has reduced from £1.6m to £0.65m. The methodology for calculating the New Homes Bonus changed in 2018/19 resulting in falling levels of funding in future years. Changes included reducing the number of years that councils would receive funding for eligible increases in the council tax base and reviewing the base line threshold for growth, below which NHB is no longer paid.

#### 8.8 **Public Health Grant**

8.9 The Public Health Grant is ring fenced for use on public health functions exclusively, for all ages. The Public Health Grant for Enfield in 2019/20 is £16.384m, this being a reduction of £444k or 2.6% from 2018/19. In 2020/21 it is expected the grant will be increased by 3.4% to £16.941m (to be confirmed by Public Health England).

#### 8.10 **Flexible Homelessness Support Grant**

8.11 Local authorities have sought assurance from central government regarding funding for homelessness and rough sleeping in 2020/21. At the recent Spending Round, the Government allocated £422m funding for these services, an increase of £54m on 2019/20. The Government have stated that they remain committed to reducing homelessness and rough sleeping and intend, at a minimum, to maintain funding for the Flexible Homelessness Support Grant and Homelessness Reduction Act New Burdens at 2019/20 levels. Enfield's allocation of FHSG in 2020/21 is £8.348m.

#### 8.12 **Rough Sleeping & Homelessness**

8.13 Grant funding for Rough Sleeping Initiatives has been announced for 2020/21 with Enfield set to receive £0.699m.

#### 8.14 **Troubled Families Grant**

8.15 Following the recent Spending Round, Enfield's allocation for the Troubled Families programme in 2020/21 will be £1.1m.

#### 8.16 **Independent Living Fund**

8.17 There has been recent confirmation on the 2020/21 grant value funding as per 2019/20 (£0.726m).

#### 8.18 **Ring-Fenced Grants**

8.19 The main ring-fenced grants are Housing Benefits Grant, which is passported directly to claimants, and Dedicated Schools Grant which is ring-fenced to set

the Schools Budget as detailed below and summarised in Appendices 5a & 5b for approval.

## 8.20 **Dedicated Schools Grant and the Schools Budget**

8.21 The Dedicated Schools Grant (DSG) allocation in Enfield is £351.258m for 2019/20, which represents a 5.0% increase on the 2019/20 DSG. Key issues impacting on the DSG are

- The implementation of a National Funding Formula for Schools
- High Needs Cost pressures relating to pupils with SEN
- Deficit DSG Position
- Schools Forum Budget Setting Process

8.22 In August 2019, the Government confirmed that they would continue with their proposal to implement a National Funding Formula (NFF) for the Schools and High Needs Blocks. Additional funding has been made available to support this transition and a one-year spending review confirmed the following increases in school funding of £2.6bn for 2020/21, £4.6bn for 2021/22 and £7.1bn for 2022/23. Enfield's share of this additional funding for 2020/21 is £16.6m and whilst this is welcomed, it does not result in any real terms growth due to funding cuts since 2009/10.

8.23 For 2020/21, as in 2019/20, a 'soft' NFF is in place, whereby local authorities' allocations were based on the NFF, but authorities have some local flexibility regarding the distribution of these funds. There is, however, very limited flexibility to move funds between blocks and other than an allowable 0.5% transfer to the High Needs Block, funding received in the Schools Block must all be delegated to schools.

8.24 Since 2018/19, Enfield has continued with a local funding formula but with a phased move to the NFF unit rates. Following a further consultation exercise with schools in Autumn 2019, Schools Forum agreed at their meeting on 15th January 2020 to continue to move closer to NFF values. For 2020/21, the NFF unit rates have been applied for Enfield priority areas, low prior attainment, English as an additional language and mobility, and approximately 85% of NFF unit rates have been applied for all other factors. The formula allocations include a 1.84% Minimum Funding Guarantee so all schools should see a minimum funding increase of this level per pupil. The draft budget and further details of the funding blocks are included in Appendix 5 for approval.

8.25 There are ongoing risks in the School's Budget for 2020/21 mainly due to the ongoing increase in numbers of children presenting with special educational needs (SEN). This has resulted in a projected DSG deficit of £4.5m in 2019/20 which will be carried forward to 2020/21 and whilst funding for high needs has increased by £7m, the full year effect of current year pressures will leave little funding to address this deficit. The Authority continues to work on various initiatives to develop additional in borough special education provision which will reduce the number of children being educated in independent out borough provision and reduce costs.

## 8.26 **Other Schools' Funding**

### 8.27 **Pupil Premium Grant**

- 8.28 The Pupil Premium is allocated in addition to the DSG to enable schools to work with pupils who have been registered for free school meals (FSM) at any point in the last six years (known as 'Ever 6 FSM'). The Government has confirmed that the rates for 2020/21 will remain at 2019/20 levels i.e. £1,320 for primary FSM 'Ever 6' and £935 for secondary FSM 'Ever 6' pupils.
- 8.29 Looked After Children (LAC), and children who have been adopted from care, will continue to attract a higher rate of funding than children from low-income families and this will continue at the 2019/20 rate of £2,300 in 2020/21. The NFF does not include a LAC factor and this increase in pupil premium funding will help to compensate schools who previously received formula funding for LAC.
- 8.30 Children who have parents in the armed forces are supported through the Service Child Premium, which remains at £300 per pupil in 2020/21.
- 8.31 The Pupil Premium is a specific grant that the Council has to passport directly on to schools, who can then decide how they will use the additional funding to achieve improved outcomes for this group of children. The latest pupil premium allocation for 2019/20 totals £9.1m and this is expected to stay at a similar level for 2020/21. Allocations for 2020/21 will be based on January 2020 pupil data and will be published in June 2020.
- 8.32 **Early Years Pupil Premium (EYPP)**
- 8.33 EYPP was introduced in 2015/16 with schools, nurseries and child-minders receiving £300 for every 3 and 4-year-old from a low-income family, to enable these children to start school on an equal footing to their peers. This is based on the 3 and 4-year olds taking up their full entitlement of 570 hours. This will continue at the same rate in 2020/21.
- 8.34 **Sixth Form Funding**
- 8.35 The Education, Skills and Funding Agency (ESFA) is responsible for the funding of 16-19 provision in academies, general further education colleges, sixth-form colleges and independent provision. The EFA also distributes resources to local authorities for them to pass on to maintained schools.
- 8.36 Funding is being increased by 4.7% for the 2020/21 academic year, with a base rate of £4,188 for full time students. School sixth forms will receive their 2020/21 indicative allocations by the end of January 2020 followed by final allocations in March 2020. Similarly, to 2019/20, the ESFA will set a deadline in April to receive business cases where exceptional circumstances have affected their 2020/21 indicative allocation. Considerations will be given to:
- Cases where there has been a major error in the data submitted by the institution via the school census
  - Cases where exceptional growth has been experienced based on a minimum threshold of 5% of students or a minimum of 50 students, whichever is lower
  - other cases not covered above, reviewed individually
- 8.37 **Universal Infant Free School Meals**
- 8.38 Funding for free school meals for infant pupils will continue in 2020/21 based on a rate of £2.30 per day.



### 8.39 **Primary PE and Sport Premium**

8.40 This grant will continue in 2020/21 for schools with pupils in years 1 to 6. The funding rates are expected to continue as a lump sum of £16,000 plus £10 per pupil.

## 9 **COUNCIL TAX, BUSINESS RATES AND COLLECTION FUND**

### 9.1 **Local Referendums on Council Tax Increases**

9.2 The Localism Act requires councils to hold a referendum for proposed Council Tax increases in excess of a threshold set annually by the Secretary of State for Communities and Local Government. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2020/21, published with the settlement, sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2020/21.

9.3 For 2020/21, the increase in the relevant basic amount of council tax is excessive if the increase in the authority's relevant basic amount of council tax for 2020/21 is 2.00% or more above the relevant basic amount of council tax for 2019/20. In addition to this, a further amount, known as the Adult Social Care Precept, can be raised for expenditure on Adult Social Care, which should not exceed 2.00% in 2020/21. For 2020/21 Enfield Council is therefore increasing the Council Tax by 3.99%; this is made up of 1.99% general council tax increase and 2.00% on ASC precept.

9.4 The Council is required to determine whether its basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992. The London Borough of Enfield element of the Council Tax, in accordance with the regulation, is not excessive as it is within the thresholds set by the Secretary of State.

9.5 Enfield froze council tax for 6 years from 2010/11 to 2015/16, saving taxpayers a potential 15.5% increase. This was partially compensated for between 2012/13 and 2015/16 by a government grant paid to all councils who froze their council tax but has resulted in foregone income of around £14m in the base budget. Enfield's Council Tax Band D charge was in the bottom quartile of charges across English authorities in 2019/20.

### 9.6 **Adult Social Care Council Tax Precept**

9.7 The capacity for councils to charge an Adult Social Care (ASC) Precept was introduced in the Spending Review and Autumn Statement 2015. This was designed to help local authorities with responsibility for Adult Social Care to meet the needs of their population. The additional Council Tax raised from this precept must be used entirely for Adult Social Care. Enfield has made use of this facility since 2016/17. The 2019 Spending Review confirmed a 2.00% ASC Precept could be charged in 2020/21. The funding from the ASC precept and additional grant funding announced by the Government will be used by the Council directly on maintaining and improving provision of Adult Social Care.

### 9.8 **The Council Tax Base**

9.9 The local Council Tax Support Scheme, whereby Council Tax benefits are provided through locally determined discounts applied to residents' Council

Tax bills has been in effect since 2013, replacing the previous national Council Tax Benefit Scheme which was abolished by the Government. The 2020/21 scheme was approved by Council on 29th January 2020, with the contribution reduced from 26.5% to 24.5% and the excess income taper increased from 20.0% to 22.5% in 2020/21.

- 9.10 On the 29th January 2020, the Council agreed a Council Tax Base of 97,726 Band D properties for 2020/21 (97,074 in 2019/20), based on the latest composite collection rate of 98.0%. The increase in the Tax Base of 652 is broken down in the table below:

**Table 5: Council Tax Base 2020/21**

<b>Council Tax Base Change – Band D Equivalent</b>	<b>Band D Equivalent</b>
<b>Tax Base 2019/20</b>	<b>97,074</b>
Increase in Band D Equivalent Properties	588
Change in Council Tax Discounts, including CTS	(459)
Discounts, Exemptions & Empty Homes Premium	523
<b>Tax Base 2020/21</b>	<b>97,726</b>

**9.11 National Non-Domestic Rates (NNDR) and Business Rates Retention**

- 9.12 As noted in section 4.6, the Government was consulting on proposals to move from the 50% retention system to 75% from 2020/21. There was also be a full business rates reset from 2020 as part of the review of local government funding. However, both of these initiatives have been delayed. A number of 100% pilot schemes were agreed for 2018/19 in advance of the national roll out of the new system and Enfield participated in a London Pilot Business Rates Pool for 2018/19, which included all London Boroughs and the GLA (This was the subject of a Cabinet report in November 2017). The terms of the 2018/19 pool were based on 100% retention of new growth above the baseline (split 64% London Boroughs and 36% GLA) and a “no detriment” clause guaranteeing that participants can be no worse off than under the previous 67% retention scheme (30% London Boroughs and 37% GLA). Enfield’s share of the additional growth across London will be based on the total growth to be distributed and will not be known until April 2020 but is expected to be in the region of £4m. However, the delay in the implementation of the new framework for funding local government has also seen the end of these pilot pools from 1 April 2020.

- 9.13 Enfield has nevertheless opted to participate in the London Pool for Business Rates in 2020/21. The revised terms of the 2020/21 pool arrangements include a reduction from 75% retention (as in the 2019/20 Pool) to the pre-existing 2017/18 67% retention scheme. Where there is sufficient retained income in the pool to guarantee it, each participating authority will receive at least as much from the pool as it would have individually received under the non-pooled 67% retention scheme. From 1 April 2020, as part of the London Pool Enfield will retain 30% of business rates growth above the baseline, GLA will retain 37% and Central Government will take the remaining 33%. Latest modelling by London Councils indicates that Enfield’s share of the growth could amount to around £0.425m in 2020/21.

- 9.14 Enfield will also receive section 31 grants in respect of government changes to the business rates system which reduce the level of business rates income such as the decision to change the annual uprating of the NNDR multiplier from RPI to CPI from April 2018.
- 9.15 **The Collection Fund**
- 9.16 **Council Tax**
- 9.17 The Council's 2018/19 audited accounts reported a surplus of £2.3m (Enfield's share £1.9m) on the Council Tax Collection Fund. After taking account of the budgeted distribution of £3.7m from the fund in 2019/20 (£3.0m to LBE and £0.7m to the GLA) the latest review of the Fund indicates that it will be in a small surplus (£422k).
- 9.18 **Business Rates**
- 9.19 The Council's 2018/19 audited accounts reported a deficit of £7.4m (Enfield's share £2.8m) on the local Business Rates Collection Fund. The latest review of the Fund indicates that there will be an estimated deficit balance of £0.2m at 31st March 2020. Enfield's share (30% of prior year deficit plus 48% of in-year surplus) is a net deficit of £0.522m. However, with Enfield's share of growth from the pool still to be determined, this deficit may not materialise, the Council is choosing to manage this through reserves.
- 9.20 **Collection Fund Deficit**
- 9.21 Enfield's share of the overall net estimated deficit on the Collection Fund as at 31st March 2020 is £0.183m, summarised in Table 6. Unlike in past years this is not included in the 2020/21 Collection Fund deficit position in Table 3 since it will be managed through an equalisation reserve. This is due to forecasting improvements which mean the underlying council tax requirement and business rate share estimates are now more accurate than in previous years.

**Table 6: Enfield Collection Fund 31<sup>st</sup> March 2020**

	<b>£000's</b>
Council Tax Surplus	(339)
Local Business Rates Deficit	522
<b>Total Net Deficit</b>	<b>183</b>

## 10 REVENUE BUDGET PROPOSALS

### 10.1 TRIENNIAL REVIEW OF PENSION FUND

- 10.2 The triennial review of the pension fund indicated that the employers' contribution rate could be reduced. This has enabled £3.6m to be released in 2020/21 to partly offset the overall pressures figure.

### 10.3 PRESSURES

- 10.4 The demographic and other pressures the Borough faces are regularly reviewed and updated throughout the lifetime of the Medium Term Financial Plan (MTFP). The Council faces additional service pressures in 2020/21, especially from demographic growth, increased demand on services, changing needs and cost inflation. Services are expected to manage

pressures within existing budgets where possible, but for those pressures that are ongoing and considered to be unmanageable additional funding has been included in the MTFP in order to set a realistic and sustainable budget.

- 10.5 £15.1m has been allocated to services in 2020/21 to offset demographic and cost pressures. An investment of £1.5m has also been made in Children's Services in 2020/21 to fund additional social workers in response to the ongoing workload pressures in the service as identified in the recent interim Ofsted inspection. In addition, £1.4m has been allocated in 2020/21 to address pressures from prior year savings that are considered to be undeliverable.
- 10.6 £6.1m has been allocated to corporate pressures in 2020/21 to cover inflation, pay awards and the London Living Wage, most of which will be allocated out to services in year when details are confirmed. Within Corporate Pressures, an allocation of £12.8m has been included for 2020/21 to 2024/25 for estimated pay awards and the London Living Wage. A central provision is held for unavoidable inflationary increases e.g. in business rates. Any other inflationary increases must be managed by the service within its existing budget. This has been included as a risk in Appendix 8b and is partly mitigated by the allocation of additional funding to service pressures as detailed in Appendix 3.
- 10.7 It was approved by Council in the 2019/20 budget setting process that £0.5m per annum be allocated within the 2019/20 and 2020/21 budgets to fund an enhanced mentoring programme and data analytics to enable targeted early intervention for young people at risk of involvement in serious youth violence. This has been allocated to service budgets in 2019/20 and will remain for 2020/21.
- 10.8 These pressures are, in part, offset by new funding including funding for Adult Social Care and by the flexible use of capital receipts. The following tables summarise pressures and funding over the next five years by category (Table 7) and by department (Table 8). For full details of the pressures please refer to Appendix 3.

**Table 7: Pressures in the MTFP by Category**

Category	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Demography	8,695	3,380	3,380	3,380	3,380	22,215
Inflation	7,433	7,146	7,170	7,196	7,222	36,167
Investment	4,487	360	410	150	150	5,557
Capital Financing	3,403	4,709	5,520	4,643	4,800	23,075
Pressure	2,530	99	0	0	0	2,629
NLWA	0	194	753	753	753	2,453
<b>Total</b>	<b>26,548</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>92,096</b>

**Table 8: Pressures in the MTFP by Department**

<b>Department</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Corporate	6,028	10,749	12,143	11,292	11,475	51,687
Place	4,722	1,010	780	780	780	8,072
Chief Executive	653	0	0	0	0	653
Resources	2,420	319	0	0	0	2,739
Adult Social Care	7,499	3,430	3,430	3,300	3,300	20,959
Children's	3,689	880	880	750	750	6,949
Education	600	(500)	0	0	0	100
Public Health	937	0	0	0	0	937
<b>Total</b>	<b>26,548</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>92,096</b>

10.9 Since the December Cabinet report the pressures figures have changed slightly as set out below.

**Table 9: Update in Pressures since December**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	£'000	£'000	£'000	£'000	£'000	£'000
<b>December Report</b>	<b>26,148</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>91,696</b>
HOS Organisational Development post	87	0	0	0	0	87
Legal monitoring & investigations	20	0	0	0	0	20
Organisational Development training	43	0	0	0	0	43
SEN Transport - further pressure from Q3 monitoring	530	0	0	0	0	530
Children's Services Demographic Growth pressure reduced	(10)	0	0	0	0	(10)
Adults Social Care Demographic Growth pressure reduced	(50)	0	0	0	0	(50)
Reduce IWE £1.5m pressure	(140)	0	0	0	0	(140)
Place Training requirement to be met from existing resources	(80)	0	0	0	0	(80)
<b>Movement from December Cabinet</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
<b>Final Total</b>	<b>26,548</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>92,096</b>

## 10.10 SAVINGS AND INCOME GENERATION PROPOSALS

10.11 As noted in section 5.1, savings workstreams have developed proposals to bridge the starting budget gap of £13.7m. Tranche 1 & 2 savings have already been reported to Cabinet for approval on 16 October 2019 and 4 December 2019. The final schedule of savings proposals are detailed in Appendix 2.

10.12 Tables 10 and 11 summarise the final savings and income generation proposals over the 5 year MTFP period:

**Table 10: Savings over MTFP period**

Department	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executives	(250)	0	0	0	0	(250)
Adult Social Care	(565)	0	0	0	0	(565)
Children's Social Care	(239)	0	0	0	0	(239)
Early Intervention & Partnerships	(68)	0	0	0	0	(68)
Education	(90)	0	0	0	0	(90)
Public Health	(970)	0	0	0	0	(970)
Place	(2,352)	(2,249)	(565)	(600)	(30)	(5,796)
Resources	(2,409)	(1,292)	(260)	(250)	(450)	(4,661)
Corporate	(2,250)	850	(500)	0	0	(1,900)
<b>Total</b>	<b>(9,193)</b>	<b>(2,691)</b>	<b>(1,325)</b>	<b>(850)</b>	<b>(480)</b>	<b>(14,539)</b>

**Table 11: Income Generation proposals over MTFP period**

Department	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executives	(150)	(50)	0	0	0	(200)
Adult Social Care	(320)	(100)	(100)	(100)	(100)	(720)
Children's Social Care	0	0	0	0	0	0
Early Intervention & Partnerships	0	0	0	0	0	0
Education	0	0	0	0	0	0
Public Health	0	0	0	0	0	0
Place	(2,012)	498	(1,032)	(490)	(1,345)	(4,381)
Resources	(230)	(165)	0	0	0	(395)
Corporate	0	0	0	0	0	0
<b>Total</b>	<b>(2,712)</b>	<b>183</b>	<b>(1,132)</b>	<b>(590)</b>	<b>(1,445)</b>	<b>(5,696)</b>

10.13 Since the December Cabinet report the overall savings/income generation figures have changed slightly as set out below

**Table 12: Change in Savings since December**

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>December Report</b>	<b>(11,396)</b>	<b>(2,662)</b>	<b>(3,073)</b>	<b>(2,199)</b>	<b>(1,935)</b>	<b>(21,265)</b>
Reducing use of Microsoft Azure and costs associated with data storage.	300	(300)	0	0	0	0
Expected delay in achieving saving from replacing the digital customer platform	200	(200)	0	0	0	0
Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	(162)	79	16	759	10	702
Holly Hill bunding income	(487)	600	600	0	0	713
Further Meridian Water Meanwhile Use income	(200)	0	0	0	0	(200)
Additional Planning income	(150)	0	0	0	0	(150)
Remove Place Org. Review Saving	150	0	0	0	0	150
Wireless self-printing in libraries	25	(25)	0	0	0	0
Libraries sundry income/efficiencies	(25)	0	0	0	0	(25)
Increase CEX Org. review saving	(100)	0	0	0	0	(100)
Additional Income in Env & Ops services	(60)	0	0	0	0	(60)
<b>Movement from December Cabinet</b>	<b>(509)</b>	<b>154</b>	<b>616</b>	<b>759</b>	<b>10</b>	<b>1,030</b>
<b>Final Total</b>	<b>(11,905)</b>	<b>(2,508)</b>	<b>(2,457)</b>	<b>(1,440)</b>	<b>(1,925)</b>	<b>(20,235)</b>

#### 10.14 EQIAs

10.15 The Council is committed to its responsibilities under the Public Sector Duty of the Equality Act 2010. These duties are set out in paragraphs 20.1 to 20.4 below.

10.16 For 2020/21 there are 60 individual savings proposals, and these have all been evaluated to determine whether an Equality Impact Assessment (EQIA) is required and there is paperwork in place to support this evaluation.

10.17 Of the 60 proposals 36 have required a full EQIA.

10.18 Of the 60 proposals:

- 6 are likely to have an impact on staffing and in these cases Human Resources guidance and principles on managing reorganisations will be used to minimise the impact for staff,
- 18 proposals are considered to have an impact on customers and accessibility requirements will be considered and built into the specifications of any new systems and the business case for change
- 5 proposals are considered to have both an impact on staffing and customers. In these cases, Human Resources guidance and principles on managing reorganisations will be used to minimise the impact for staff accessibility requirements will be considered and built into the specifications of any new systems and the business case for change,
- 1 proposal relating to internal system will impact on staff as users of the system and again accessibility requirements will be built into the system specifications, and
- A further 6 proposals will have no planned reduction on services or impact on the Council's employees.

10.19 In addition to these new savings proposals the MTFP includes the full year effects (FYE) of savings agreed in previous years which total £5.6m with £3.3m in 2020/21. Table 13 summarises FYE by department:

**Table 13: Full Year Effects of Savings and Income Generation agreed in Prior Years**

Department	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporate	(1,363)	0	0	0	0	(1,363)
People – Adult Social Care	(157)	(113)	(377)	0	0	(647)
Place	(1,559)	(1,527)	(62)	0	0	(3,148)
Resources	(200)	(200)	0	0	0	(400)
<b>Total</b>	<b>(3,279)</b>	<b>(1,840)</b>	<b>(439)</b>	<b>0</b>	<b>0</b>	<b>(5,558)</b>

## 10.20 REVIEW OF FEES AND CHARGES 2020/21

10.21 As part of the budget setting process for 2020/21, officers from the Commercial Services Team and the Finance Team worked together to review the Council's traded services fees and charges. The review assessed the Council's current fees and charges to establish whether the service delivery costs were being covered by the charges set, considered whether income generation opportunities were being maximised, and undertook a benchmarking exercise with other Councils.

10.22 The review was structured into the following six work packages:

- **Capture all fees** – ensure all trading services are captured on the Council's register of fees to ensure open and transparent charging,
- **Cost Recovery** – ensure services are covering the full costs of their delivery,



- **Appropriateness of charges** – assessment of the Council's charges and the identification of areas where charges could justifiably be increased in line with the market,
- **New opportunities** – determine if Enfield is charging for all the services that other Councils do and identify new income opportunities,
- **Benchmarking** – compare Enfield's overall level of income and charges for traded services to other London Councils,
- **Process** – consider how the annual fee setting process could be improved to ensure service managers carefully review their fees on an annual basis.

10.23 The review identified that the majority of services understood the costs of delivering their services and had fee structures in place that cover their costs and support corporate overheads. The Commercial Team and Finance Team will continue to work with services to help them understand the full costs of delivering their service or to develop fee structures that maximise income for the Council.

10.24 The current charges for 2019/20 and proposed charges for 2020/21 for services provided are set out in Appendices 11 to 13 of this report with the main changes noted below in paragraphs 10.20 to 10.39. The commercially sensitive fees and charges are included in the Part 2 paper to ensure commercial confidentiality.

### **10.25 Place Department Fees and Charges 2020/21**

10.26 Fees and charges for the majority of services within the Place department have been increased in line with inflation. However, following analysis, charges have been reviewed and increased to reflect the relevant cost analysis or benchmarking data and any relevant market conditions.

10.27 The Statutory Planning Application Fees have been updated to reflect the latest statutory fees and charges.

10.28 The proposed fees and charges as set out in the schedule will contribute towards the Medium Term Financial Plan which includes an expectation of £0.25m that was agreed in the 2020/21 budget setting process for increased fees and charges across the Place department as well as other service specific increased income which are based on price and volume increases.

### **10.29 Adult Social Care Fees and Charges 2020/21**

10.30 Under the Care Act 2014, charges can be made for residential and community based social care services. Each client will be financially assessed taking account of income such as pension and benefits. For community-based care, clients who have savings or investments (not including their home) of more than £23,250 will pay the full cost of their care. People who have savings under £23,250 will be assessed to see if they are able to contribute to the cost of their care and support. For residential care the Council can offer financial support on a temporary basis through the Deferred Payment scheme. This is for people who either do not wish to sell their former home during their lifetime or who cannot sell it quickly enough to pay for their care. Under the Care Act, the Council can charge interest on the amounts deferred and an administration

fee. There is a minimum savings and capital threshold that is applied in line with National guidelines.

- 10.31 Other charges such as Safe and Connected and the Blue badge scheme, which are not financially assessed are charged at the full cost of the service and any increases reflect increase in costs.

### **10.32 Resources and Chief Executive's Fees and Charges 2020/21**

- 10.33 Non-statutory land charge fees have been increased in line with RPI (2.6%).
- 10.34 The Registrars service charges have been reviewed and increased to acknowledge market testing conducted. The range of services and fees charged have also increased following a recent review of the service offer.
- 10.35 The Print and Design service charges have been raised slightly above RPI having regard for external market conditions and business costs.
- 10.36 Library charges were reviewed in 2019, in light of consortium unity and localised pricing, to align relevant charges and consider customer demand and the impact of ICT enhancements across the range of services provided. Fees and charges will continue to be reviewed annually and adjusted as required to remain competitive in the market and to maintain where possible cost neutrality.
- 10.37 The Library Service is also keen to promote space in libraries, find new income streams through funding and will work collaboratively with partners to develop income generation by renting out available space and delivering new initiatives.
- 10.38 The Catering Service meal charges have been reviewed to consider the competitiveness of the service and an adjustment to charging will be implemented in the new year and volume incentives also applied.
- 10.39 Music Service tuition fees to parents have been revised to reflect RPI increases, however charges to schools and academies have remain mostly unchanged as these already reflect full cost of delivery.
- 10.40 There has been an increase in the level of court costs charged for council tax and business rates when making an application for a liability order to ensure the council's costs are met. The recovery of the council's element of court costs has not been reviewed since 2010 and is one of the lowest levels in London. Therefore, the percentage increase in court cost related income is to ensure that costs of legal action are predominantly met by the non-paying council tax and business rates customer.

### **10.41 Fees & Charges - Council Tax Enforcement**

- 10.42 'Regulation 34(7) of the Council Tax (Administration and Enforcement) Regulations 1992 (SI 1992 No.613) provides that when granting a liability order the court shall make an order reflecting the aggregate of the outstanding council tax and "a sum of an amount equal to the costs reasonably incurred by the applicant in obtaining the order."
- 10.43 From the 1st April 2020 the court costs reasonably incurred by the Council to be charged are as follows (significant increase from 2019/20):

**Table 14: Court Costs 2020/21**

	Issue of a Summons	Issue of a Liability Order	Total Costs
	£	£	£
Council Tax	75.50	27.00	102.50
Business Rates	150.50	50.00	200.50

10.44 The recovery of the council's element of court costs has not been reviewed since 2010 and is one of the lowest levels in London. Therefore, these charges are being increased to ensure that the costs of legal action are predominantly met by the non-paying council tax and business rates customer.

#### **10.45 FLEXIBLE USE OF CAPITAL RECEIPTS**

10.46 With effect from 2016/17 the Government provided a general capitalisation directive to all councils, enabling them to utilise new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. The 2018/19 LGFS extended the temporary capital receipts flexibility, under which local authorities can fund transformative revenue costs from capital receipts, for a further three years to 2021/22.

10.47 To take advantage of the flexibility local authorities must produce a strategy which discloses the individual projects that will be funded, or part funded, through capital receipts flexibility and this must be approved by full Council or the equivalent. As a minimum, the strategy should list each project that plans to make use of the capital receipts flexibility and provide details, on a project-by-project basis, of the expected savings or service transformation that will result. The strategy should report the impact on the local authority's Prudential Indicators for the forthcoming year and subsequent years. Enfield is planning to use £3.3m of capital receipts to fund transformation projects in 2019/20 and £2.4m in 2020/21. The strategy is therefore set out in Appendix 10, for consideration and for recommendation to Council. The strategy includes details of the proposed schemes for 2019/20 and 2020/21 and a backward look at 2017/18 and 2018/19. The aim is to reduce the reliance on the use of capital receipts to fund transformation over time and to move the budget into an increasingly resilient financial position.

## **11 MEDIUM TERM FINANCIAL PLAN**

11.1 The Corporate Plan is linked to the budget through the Medium Term Financial Plan (MTFP) and the annual budget process. The Budget and MTFP 2020/21 to 2024/25 forecasts funding requirements for the Council's General Fund services and provides the mechanism to redirect limited resources to priorities. The Corporate Plan sets out the Council's financial objectives, which aim to "target resources smartly and reinvest income wisely to deliver excellent value for money and reduce inequality" by:

- Continuing to make best use of all available financial resources and balance risks and opportunities;
  - Ensuring effective governance is in place to support the efficient and smart delivery of our services;
  - Maximising the procurement of services and assets to support local businesses and residents wherever possible.
- 11.2 In setting the Council's 2020/21 Budget and MTFP, the Council's aim has been to continue to maintain, and where possible, improve services provided with a focus on protecting the most vulnerable in the Borough. It has recognised the need to increase in Council Tax to balance the growing pressures being faced by the Council especially the increased demand in Children's and Adults Social Care. The focus continues to be on delivering high quality services more efficiently through reductions in costs. The Council routinely, throughout the year, takes action to cut costs and make efficiency savings wherever possible. Every attempt continues to be made to minimise additional costs, but the ability to influence many of them is limited and the ability to make back office savings is increasingly difficult as a result of the scale of public spending cuts. Decisions are becoming more difficult and potentially not without significant impact.
- 11.3 There has been a focus on pressures and need to invest in services for the five year MTFP. There has been a more robust assessment of future pressures and the MTFP now allows for contractual commitments on Adult Social Care contracts, Children's demographic pressure and increased demand for SEN transport.
- 11.4 All risks related to the delivery of proposals in the MTFP and any future uncertainties will be reviewed on a regular basis, the detailed budget tracker is already in place for 2020/21 savings. The MTFP is based upon the principle that savings identified will be implemented to allow benefit realisation as soon as possible.
- 11.5 There are risks inherent in the MTFP exemplified in Section 12 of this report and Appendix 6. A number of key items in the plan cannot be estimated with 100% accuracy. The figures in the plan also assume that significant savings will be made. In this situation, it is essential to maintain sufficient balances, not only to deal with unforeseen events but also to cover the potential risk of not achieving the savings required. In addition, the Council will need to maintain adequate reserves for future commitments.
- 11.6 No final decision has been taken on taxation levels for 2021/22 and later years, and there is currently no annual increase included in 2021/22 to 2024/25 for planning purposes. The following table summarises the MTFP position over the coming five years and the current forecast of the budget gaps for the period of the MTFP (2020/21 to 2024/25):

**Table 15: Medium Term Financial Plan 2020/21 to 2024/25**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	£'000	£'000	£'000	£'000	£'000
<b>Council Tax Base Provision</b>	127,311	133,280	136,627	140,056	143,566
<b>Movements:</b>					
Inflation/Pay Awards	7,433	7,146	7,170	7,196	7,222
Demography	8,695	3,380	3,380	3,380	3,380
Investment	4,487	360	410	150	150
Capital Financing	3,403	4,709	5,520	4,643	4,800
Pressures	2,530	293	753	753	753
<b>Total Pressures</b>	<b>26,548</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>
New Savings and Income Generation Proposals	(11,905)	(2,508)	(2,457)	(1,440)	(1,925)
Changes to Specific Grants	(4,342)	1,142	1,128	1,161	903
Use of Reserves	(565)	1,565	0	0	0
Business Rates	(3,627)	0	0	0	0
Business Rates - London Pool	2,525	0	0	0	0
Council Tax Discounts/Reduction Scheme	(700)	(1,000)	0	0	0
Full Year Effect of Previous years' decisions	(3,279)	(1,840)	(439)	0	0
Gap Still to be Found	0	(13,266)	(14,083)	(15,163)	(14,602)
Collection Fund	1,314	700	(700)	0	0
<b>Council Tax Requirement</b>	<b>133,280</b>	<b>133,961</b>	<b>134,644</b>	<b>135,325</b>	<b>136,007</b>
<b>Council Tax Base</b>	<b>97,726</b>	<b>98,226</b>	<b>98,726</b>	<b>99,226</b>	<b>99,726</b>
<b>Band D Charge (£)</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>
<b>% tax change</b>	<b>3.99%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

## 12 BUDGET RISKS, UNCERTAINTIES AND OPPORTUNITIES

12.1 In the coming years, more than ever, the Council faces huge financial uncertainty, especially in respect of:

- Local Government funding changes
- BREXIT impact
- Pressures on Children's and Adults' Social Services
- Scope to make savings while maintaining services
- Temporary Accommodation

12.2 The 2020/21 budget includes the best estimate of financial achievement of savings and likely pressures. Where there are potential risks of higher cost pressures as in the areas listed above or slippage in realisation of savings these have been factored into the assessment of budget robustness, balances and reserves to ensure the Council can meet any short-term pressures without

an impact on service delivery. Corporate and Service budget risks are detailed in Appendix 6. Many factors affect the Council's future financial position which can be estimated with some degree of confidence for the first year of the plan (2020/21) but become increasingly uncertain for later years. It is therefore essential to test the sensitivity of the plan to changes in the main assumptions. The figures in the following table illustrate the extent to which the plan would be affected by such changes:

**Table 16: Sensitivity Indicators**

Item	Budget Impact	Total Costs
	£'000	%
1% Change in Pay	1,300	1.0%
1% Increase in Departmental price Inflation across Income and Expenditure	550	0.4%
1% Increase in Community Based Costs	460	0.4%
1% Increase in Residential Care Costs	410	0.3%
1% Change in Settlement Funding Assessment based on 2020/21	980	0.8%

- 12.3 The Government had announced radical changes to Local Government Finance arrangements, the most significant at this stage being the localisation of business rates, and the review of formula funding. Whilst these changes are delayed It is certain that the new arrangements will create winners and losers, and as such represent both opportunity and risk to Enfield and all councils in England. At this stage the MTFP assumes that funding is constant from 2020/21 to 2024/25 and this will be updated as further information becomes available.
- 12.4 Throughout the budget process, officers have kept under review the key risks, uncertainties and opportunities that could have implications for the Council's financial position in 2021/22 and in the medium term. The systematic review, particularly of risks and mitigating actions is a key part of any effective planning system and therefore crucial in the budget setting process. This process was reinforced by the creation in 2018/19 of a Pressures Challenge Board which seeks to find ways to manage in year and ongoing pressures and continued to operate in 2020/21.

### **13 CONTINGENCIES, RESERVES AND BALANCES**

- 13.1 The Budget includes a central contingency for unforeseen circumstances; the balance in 2020/21 is £3m in recognition of the current level of national and local financial risks. The Council also holds centrally a number of contingent items relating to spending requirements that are expected to arise at some point in the budget year but about which there is some uncertainty regarding the timing or magnitude of the financial impact. These will be allocated to services during the year.
- 13.2 The Council's policy will continue to be one of containing spending within the budgets set for each department, without recourse to the central contingency other than in exceptional circumstances. However, there are significant risks

facing the Council in 2020/21 and through the period of the MTFP. Appendix 6 provides details of the high-risk areas identified corporately and by departments. In view of the level of risks it is recommended that the central contingency be retained at £3m for 2020/21.

- 13.3 The Council's General Fund Balances (excluding schools) stood at £14m as at 31 March 2019. The latest 2019/20 Revenue Monitoring report to Cabinet forecasts an overall overspend position of approximately £5.6m as at the end of December, which may require a drawdown of balances if the position has not improved at outturn.
- 13.4 The level of balances is examined each year, along with the level of reserves and contingencies, in light of the risks facing the Authority in the medium term. Following consideration of risks outlined in Appendix 6, which have been analysed against reserves in Appendices 8a and 8b, it is recommended that the General Fund balance be maintained at £14m.
- 13.5 Earmarked reserves are held to meet the cost of specific one-off projects or specific risks. Any balance on reserves once the projects are completed or the risk has ceased is returned to General Fund balances. A list of the Council's Earmarked Reserves and the purposes for which they are held is set out in Appendix 7a. Planned movements in the reserves' balances over the period of the MTFP are shown in Appendix 7b. These are split between revenue and capital projects which are included in the MTFP and Capital Programme respectively.
- 13.6 The current level of available General Fund specific reserves is forecast to reduce from £74.6m as at 31st March 2020 to £62.7m by 31st March 2025 based on the projects currently planned. The use of reserves will be monitored, and projects revised depending on competing priorities for investment to generate revenue savings.
- 13.7 It is also recommended that any uncommitted departmental resources at year end are added to central reserves, so they can be managed more flexibly to support the achievement of corporate priorities.

## **14 OUTLOOK AND BUDGET PROCESS 2020/21**

- 14.1 The impact of changes to business rates, the funding formula and the future of social care funding cannot yet be determined, leaving great uncertainty over the future of local government finance. The Council's medium term financial planning process recognises this uncertainty, but it is clear that savings in addition to those in this report will be needed between 2021/22 and 2024/25 to balance the budget. For example, as shown in Table 17, the budget gap for 2021/22 to 2024/25 is currently expected to be in the region of £57m, assuming the level of core government funding remains static. This is a challenging target for Enfield in the context of £178m of savings already delivered since 2010 and a further £11.9m to be delivered in 2020/21.
- 14.2 Savings workstreams will commence with immediate effect and there will be work corporately to develop and implement new savings proposals as soon as possible. There will need to be a focus on demand management of social care services as well as driving further commercial savings including generating greater levels of income and being more efficient in procurement and contract management.

**Table 17: Medium Term Financial Plan Budget Gap 2020/21 to 2024/25**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	£000	£000	£000	£000	£000
Budget (Gap) / Surplus in future years of MTFP	0	(13,266)	(14,083)	(15,163)	(14,602)

14.3 The approach to the 2020/21 budget has been to increase transparency, enabling enhanced levels of scrutiny and appropriate challenge of budget decisions, and this will continue throughout future budget processes. The current capital programme has been extended to include a ten-year forecast of expenditure that will enable the long-term impact on borrowing to be factored into the extended medium-term plan. This will help to ensure that decisions are made in the context of a longer-term financial view.

14.4 For 2021/22, savings workstreams will include:

- demand management strategies in social care to address the significant demographic pressures being experienced.
- exploitation of commercial opportunities.
- use of digitalisation and system improvement opportunities to improve customer experience and reduce cost
- reduced use of agency staff across the Council
- seeking opportunities to partner with others where this makes financial and operational sense

## **15. ALTERNATIVE OPTIONS CONSIDERED**

15.1 The Council operates a budget planning and consultation process during which a wide range of options are considered in detail before recommendations are made. Issues raised and discussed have greatly contributed to this report including information from the Budget Engagement exercise set out elsewhere in this report. As part of its planning for both 2020/21 and future years the Council has considered future levels of Council Tax.

## **16. REASONS FOR RECOMMENDATIONS**

16.1 To set the Council's Budget Requirement and level of Council Tax for 2020/21 within the timescales set out in legislation.

## **17. COMMENTS OF THE DIRECTOR OF FINANCE AND OTHER DEPARTMENTS**

### **17.1 Financial Implications**

17.2 The Local Government Act 2003 places a duty on the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves. Statutory guidance in this area is provided by Local Authority Accounting Panel (LAAP) Bulletin 77 (Nov 2008) and is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in the Council Budget report. A full statement of robustness is provided at Appendix 8a.

17.3 The 2020/21 budget has been prepared taking into account the following:



- Specific cost pressures set out in section 10.3;
  - The uncertainty around changes in central government funding over the period of the Medium Term Financial Plan – the recent settlement only covered 2020/21;
  - Provision for legislative change and changes to the Council's statutory responsibilities; and
  - The estimated impact of underlying cost pressures, as evidenced by financial monitoring reports in the current year.
- 17.4 Taking into account the budget risks and uncertainties, and assuming that the recommendations set out above are agreed, the Council's contingencies and balances are considered prudent.
- 17.5 **Legal Implications**
- 17.6 This report sets out the basis upon which recommendations will be made for the adoption of a lawful budget and setting of the council tax. The report also outlines the financial outlook for the Council and its services.
- 17.7 The setting of the budget is a matter for the Council, having considered recommendations by the Cabinet. The Council's budget-setting process is set out in the Constitution. Before the final recommendations are made to the Council, an Overview and Scrutiny Committee must have been given an opportunity to scrutinise the proposals and the Cabinet must have taken any comments of the OSC into account when making these proposals.
- 17.8 The amount of Council Tax must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget. Members should be mindful of their fiduciary duty to ratepayers when adopting a budget and setting a council tax.
- 17.9 The Council is required by section 33 of the Local Government Finance Act 1992 ("the Act") to calculate for each financial year the basic amount of its council tax. The basic amount of council tax must be calculated from the Council Tax base. This base is created by applying a prescribed formula under the Local Authorities (Calculation of Council Tax Base) Regulations 2012
- 17.10 The Council is required to submit its council tax base to the GLA between 1 December and 31 January in the financial year preceding the financial year for which the calculation of council tax base is made. If the Council does not submit its council tax base to the Greater Local Authority ('GLA'), then the GLA is required to determine the calculation for itself, in the manner prescribed in the above Regulations.
- 17.11 Members are obliged to consider all relevant considerations and disregard all irrelevant considerations in seeking to ensure that the Council acts lawfully in adopting a budget and setting Council Tax. Members should note that where a service is provided pursuant to a statutory duty, the Council cannot fail to discharge it properly. Where there is discretion as to how to discharge duties, that discretion should be exercised reasonably.
- 17.12 The Council is obliged by section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs. It is consistent with sound financial management and the Council's obligation

under section 151 for the Council to adopt and monitor a Medium Term Financial Strategy as this informs the budget process and is viewed as a related function.

- 17.13 The Council has carried out appropriate budget consultation. Those representations have been taken into account as part of this process and are reflected in this report.
- 17.14 In considering the budget for 2020/21, the Council must have due regard to its ongoing duties under the Equality Act 2010. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to avoid discrimination and other unlawful conduct under the Act, the need to promote equality of opportunity and the need to foster good relations between people who share a protected characteristic and those who do not (the public sector equality duty). The Council should consider how its decisions will contribute towards meeting these duties, against other relevant circumstances such as economic and practical considerations. The relevant departments should undertake detailed impact assessments of major proposals to ensure that any proposals for savings are reasonable and meet Equality Act duties.
- 17.15 Finally, Members should have regard to s106 of the Local Government Finance Act 1992 which provides that members who are in arrears on their Council Tax for two or more months may not vote on matters concerning the level of Council Tax or the administration of it.

#### **17.16 Property Implications**

- 17.17 There are no property implications arising directly from this report, however future property implications will need to be further reviewed and aligned as a result of the proposals set out herein.
- 17.18 Strategic Property Services will continue to work collaboratively to achieve the income targets for the Place Directorate.

### **18. KEY RISKS**

- 18.1 As outlined in section 12 and Appendix 6.

### **19. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

- 19.1 The budget development process for the 2020/21 budget and for future years has been developed in support of the Council's priorities:
- Good homes in well-connected neighbourhoods: The flexible use of capital receipts and adoption of a new Capital Strategy will enable activities to take place that can continue to enhance the infrastructure of the borough and increase its ability to deliver more homes.
  - Sustain strong and healthy communities: The additional allocation of resources to increase social worker capacity, address pressures to support those requiring adult social care, and additional allocation to help tackle serious youth violence will impact positively on the local authority ambitions to support strong and healthy communities.

- Build our local economy to create a thriving place: The ability of the local authority to plan effectively for the future and continue to manage its budget effectively will contribute to enabling a confident outward offer being made to those who would invest in the borough and support long term transformational objectives.

## **20. EQUALITIES IMPACT IMPLICATIONS**

- 20.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. It is important to consider the needs of the diverse groups with protected characteristics when designing and delivering services or budgets so people can get fairer opportunities and equal access to services.
- 20.2 The Council aims to serve the whole borough fairly, tackle inequality and protect vulnerable people. The Council will promote equality of access and opportunity for those in our communities from the protected characteristic groups or those disadvantage through socio-economic conditions.
- 20.3 Through the use of Equality Impact Assessments the Council can analyse and identify where and how proposed changes to services, policies and budgets could improve its ability to serve all members of the community fairly. It helps ensure that the Council does not discriminate, and in taking decisions that it does not unduly or disproportionately affect some groups more than others. The Council also recognises that undertaking full assessments will help to improve the efficiency and effectiveness of the Council by ensuring that residents and service users' needs are met through the delivery of the Council's aims and objectives.
- 20.4 The Council's budget is not subject to a single Equality Impact Assessment, as it is far too complex for this approach. Instead, budget proposals requiring change or new services and policies will be required to carry out an Equality Impact Assessment to evaluate how the proposal will impact on all parts of the community. The impact assessment must include consultation with affected people and organisations. Heads of Service will have to identify what actions will be taken to mitigate against the worst adverse impacts at the end of their EQIA. The Corporate Equalities Group will be providing advice and support to Departments in developing appropriate EQIAs.

## **21. PERFORMANCE AND DATA IMPLICATIONS**

- 21.1 The Corporate Performance Scorecard tracks the progress towards achieving the Council's aims and objectives as outlined in the Corporate plan. This scorecard is monitored on a regular basis by officers and members. The scorecard contains a series of key performance indicators (KPIs) as well as borough context that allows us to gauge the effectiveness of our delivery of services to our residents. It is through this mechanism and associated management structures that officers and members will be able to gauge the effect on performance and outcomes for residents, that any of the proposed changes may bring.
- 21.2 Annually a review is conducted to look at the suitability of the KPIs that feature on the scorecard. This will be conducted again this year. Officers will ensure that suitable and robust KPIs are established to allow us to effectively track

areas where changes are occurring to ensure that any impact on our residents is monitored and then minimised.

## **22. HEALTH AND SAFETY IMPLICATIONS**

- 22.1 There are no direct health and safety implications. However, the setting of an appropriate budget to deliver the Council's statutory duties and its services will ensure that the Council is able to meet its responsibilities under the Health and Safety at Work Act 1974.

## **23. HR IMPLICATIONS**

- 23.1 HR should be engaged in relation to any proposals to change organisation structure or posts. The Council's Principles of Managing Restructures should be followed in relation to any proposed changes.

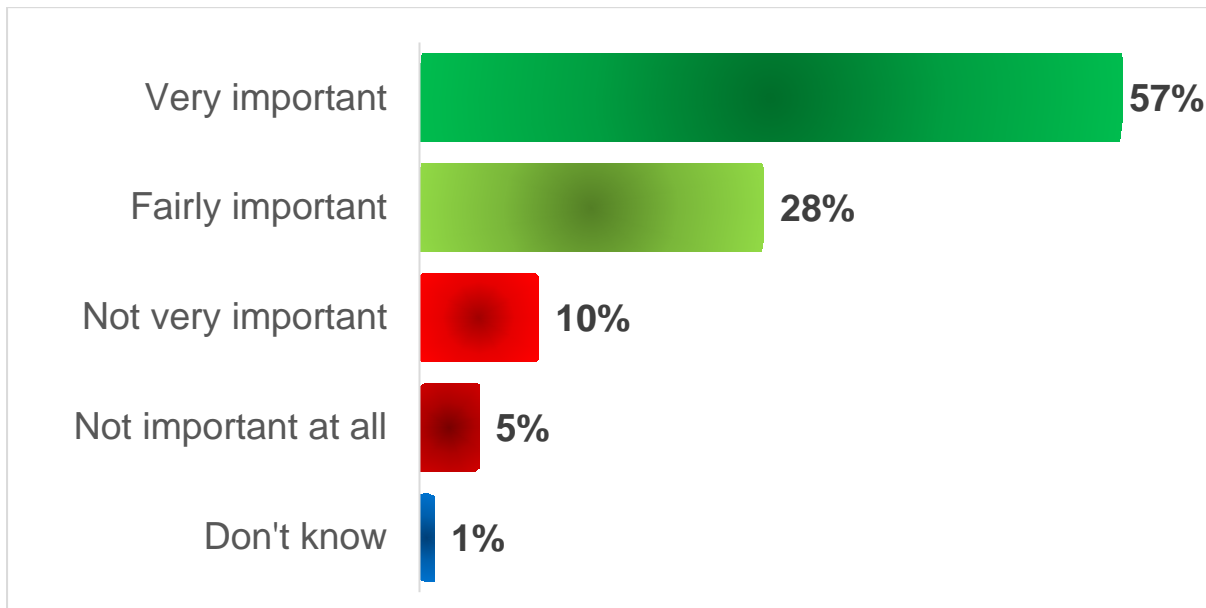
## **24. PUBLIC HEALTH IMPLICATIONS**

- 24.1 The Local Authority is responsible for improving the wellbeing of Enfield residents. This is an organisational responsibility, and as such, the financial stability of the organisation is paramount to the council's ability to execute its functions relating to residents wellbeing and wider service provision.

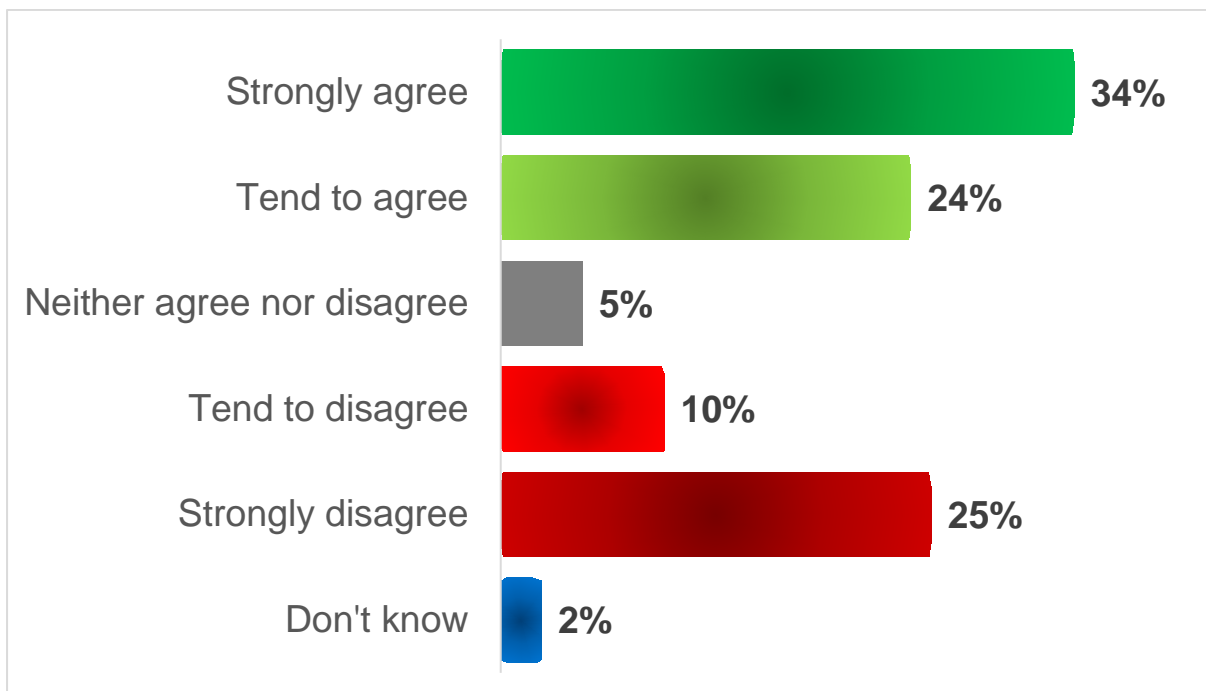
### **Feedback from 2020/21 Budget Engagement**

The 2020/21 Budget Engagement ran for 6 weeks from 31<sup>st</sup> October 2019 to 13<sup>th</sup> December 2019. A total of 83 responses were received. Questions 1 & 2 offered a range of possible answers, whilst question 3 was an open ended question. The feedback is set out below.

**Q1. How important is it the Council delivers a budget which protects the most vulnerable in the community? *All respondents***



**Q2. How much do you agree or disagree with the Council's proposals to increase Council Tax in line with the Government's referendum threshold of 1.99% and collect a 2.00% precept to cover the rising costs of Adult Social Care? *All respondents***



**Q3. If you have any comments on the Budget proposals presented to Cabinet on 16 October 2019, let us know.**

1. "changes to council bin collections: keep them as they are and raise the council tax accordingly. The impact of fortnightly collections will be horrendous on streets and highways where even more fly tipping will take place"
2. "Our services are being reduced - e.g. bin collections, and now we have to pay extra for our garden waste. The roads are not cleaned anymore. It is left to local residents. Pavements are cracked and surfaces are uneven. Some roads have more potholes than road! Grass verges are not cut very often and left to grow wild. These are just some of the services that we already pay for in our Council Tax, but they are not being dealt with on a regular basis, if they are being dealt with at all. AND NOW THE COUNCIL WANTS TO INCREASE OUR COUNCIL TAX? We will be paying more and receiving even less services in return. That is not good for the residents of Enfield! We have roads that are being made narrower and yet we are asked to have electric vehicles which do not produce the fumes that diesel produces. By making the roads narrower the traffic moves slower and therefore produces more fumes. More housing is being built without any thought regarding the infrastructure - GP surgeries, hospitals, schools, public transport, etc."
3. "Reduce salaries paid to counsellors especially their attendance and maintenance allowances. Ignore all input from residents .... as you normally do and stop asking for advice that you just don't take."
4. "Most of the residents in Enfield have not had a pay rise in years even though the cost of living keeps going up. 2% might not seem like much but it all adds up and the struggles for household become even more."
5. "In the last I have agreed with your tax increases. Not any more. You have lost my trust. You are cutting back in services and raising taxes. At the same time as continuing to build more and more flats when the borough is full up and the services you provide are already inadequate."
6. "Adult Social should be highest priority Housing for waiting list is second highest priority"
7. "Whilst services are needed for vulnerable groups, Council tax increases are making my monthly payments unaffordable to be honest. My family are not on benefits, so our monthly payment is already £166 monthly which is a huge amount. I believe that residents on benefits should pay a higher subsidy or higher rent, rather than the working man having to subsidise this which is

grossly unbalanced. Those that pay full council tax aren't necessarily in high paid jobs so can struggle as have mortgages to pay for also."

8. If the above questions are the only opinions canvassed, this whole exercise is a waste of time. What about all the other services? Wake up, get real!"
9. "Please do not increase council tax at all. The level of services being provided by the council seems to be dropping (people are feeling less safe). Definitely do not collect a 2% "precept" costs are rising for us across the board."
10. "I am hugely opposed to the changing of the weekly bin collection - on receiving the weekly food waste bin, I'm disappointed with the quality of the bin, the one I received is faulty, the handle comes off when you lock/unlock it - I cannot see this lasting very long and I imagine when this breaks, I will be expected to pay for a replacement. New bins are being rolled out for the fortnightly collection - this will be at a cost, why not keep the existing bins and collection - the whole point is recycling, why take on the task of recycling 10s of thousands of the existing bins, it's madness. When consulted, most of the populations wanted to retain the weekly collection - but still the council went against this. 2 petitions later and we are still having this change forced upon us. I am massively for recycling and take this very seriously, all our food waste used to go in the shared green bin - but even in my household, we fill our small black bin up each week with rubbish. Something should be done regarding the business rates - the high street/shopping centre in Enfield town has loads of charity shops popping up, it's madness. As a parent with young children, I'm concerned with rising crime in the borough - surely something can be done with obtaining more policing, the government has stated that they are making more money available for policing, when are we going to see the results from this."
11. "I feel that it's important to look after the most vulnerable in the Community, but this must be done without homeowners or people who work full-time and therefore pay their full Council tax being overly penalised to compensate for any shortfall. People do not mind paying their way and perhaps paying a little bit extra, but if we are going to be expected to pay much more, then any goodwill that is there already will slowly but surely evaporate and fade away, to be replaced by disdain and a feeling of "here we go again"."
12. "Being a resident of Enfield Borough for 20 years, I would like to voice out my concern over the reducing amount of public services over the years Could you please stop the cuts and listen to the residents because we are running the risk of letting down the most vulnerable of our society or worse. I understand we all should live within our means but increasing the council tax is not the solution because this policy will take more people into debts which in turn makes matters worse as many of us haven't had a pay rise since 2008."

13. "Yes - Why are you still wasting money on consultations on Kurdish/Turkish participation in sports? The borough is a mess with roadworks and litter, crime and antisocial behaviour. Save money on the important things don't just ask for more - this is intellectually lazy."
14. "Where is the growth in jobs in Enfield? At the moment from what I can see you either have the choice to work in a supermarket or in a restaurant. where is the prosperity to attracting well paid jobs that go on beyond minimum wage? The council seem to be able to sell off land to plant large property developments to squeeze more people into an already suffocating borough however can't provide good standing local jobs or careers for established residents. What does the council plan to do in this case? Property developments in the Enfield area are popping up within kilometres of each other, has the council considered the amount of council tax revenue from these new developments in their forecasting? I can't understand the cuts and rise in my council tax bill when there are more inhabitants in this borough than ever. More transparency is need from Enfield council, what is the bigger picture? I believe more money should be put into social care, but you need to provide a better wage to those that do the care work. From experience I have seen the best carers and the worst. Seems obvious that if you want to attract better candidates, better training and a wage that reflects the challenging work that social work brings should be valued highly."
15. "The link with further information came back page not found so it's bit difficult to comment"
16. "The future implications of bringing cleaning into council funded employment- whilst it will allow more control of efficiency of cleaning staff and their commitment to their job it will also put an increased burden on future budgets as regards pensions and on costs depending upon the type of contract envisaged for workers. It is therefore difficult to know if this venture will save money. Council tax increases are not able to give the desired increase because of the number and nature of families in poverty less of the Population will be able to contribute to rises in council tax. Repairs and maintenance of private rented properties must be enforced to ensure families have a healthy home environment whilst encouraging tenants to take responsibility in their community. Youth employment and engagement in local activities should be a priority to prevent crime but not all of the young people are residents of the borough. Many travel into the borough and there needs to be a pan London approach to the issue of anti-social behaviour and Criminal damage."
17. "A plain English easy to read version of the proposals would be very helpful for the community to comment on."
18. "The recent comparative survey of parks in all London Boroughs showed Enfield in a pretty poor light overall. This should be improved as Enfield is in



danger of losing its fine green heritage. I think your question 1 is tendentious and not worthy of a reputable public body. Many other ""costs"" are also very important."

19. "Considering budgets are tight a lot is being wasted on pushing ill thought out initiatives without proper consultation or consideration of outcomes from other boroughs that have implemented similar things with adverse results, but you still go ahead rather than learn those lessons. A couple of examples are the dangerous orcas that continue to cause accidents to pedestrians and vehicles though other boroughs that used them have subsequently removed them prior to them being used in this borough. Further example is the refuse collection reducing to fortnightly when Haringey have experienced considerable deterioration in keeping their streets clean due to fly tipping etc. The imposition of charges for green bins will add to this. It also increases in traffic and pollution as you encourage people to use their cars more on the congested streets around Palmers Green to visit Barrowell Green. Seems ridiculous when you can collect food waste on a weekly basis. Finally why can't you operate a similar system to hospital car parks where blue badge holders register their cars so that they won't be charged for using Palace Gardens car park when ANPR is being used?"
20. "If the products and services for Adult Social Care are so expensive, outsource them, challenge those costs, challenge Central Government, challenge the Mayor of London - it's about time Enfield got a spine and started protecting their income a lot more. Stop building and allowing people who have never heard of Enfield to move in to our Borough, there's no more room! The infrastructure will surely implode very soon, long standing Enfield residents are sick of losing their heritage to the building of rabbit hutches."
21. "I feel that ensuring services are provided is more important than prevention of getting into deficit. There should also be significant pressure on central government to reverse cuts. I think council tax should be raised above the suggested amount, although this is currently not collected in the fairest and more progressive way. It is important that those that can afford it pay more."
22. "Whilst I understand that the residents of Enfield need to contribute a fair level of Council Tax, I feel that the council is not doing enough to make sure that it is operating all its services as efficient as possible. For example, what is the level of rent arrears in social housing ? What is being done to prevent other local authorities placing their homeless families in our borough thus adding to the burden on local services. The Council should make sure that they have done all they could before going for the easy fix of increasing our Council Tax which seems to be the norm now. I understand that we have to pay for services and protect our vulnerable residents, but you must also understand that I am an average working person who has not had a wage rise and

everything is increasing. Unfortunately, because I am employed and not entitled to any assistance"

23. "Raise council tax beyond the threshold to increase revenue. Focus on increasing physical activity amongst the sedentary population to ensure that people get and stay fitter for longer for a healthier community. This should be free or at minimal cost. The burden on health service will be reduced as a result. Re-instate weekly bin collections and free garden waste collections, as the current scheme will lead to more dumping and therefore increased clear-up costs."
24. "I really don't understand the point of this consultation. The budget proposals are at the same time difficult to read without providing sufficient detail about spend. No alternative proposals are on offer. So really all I can do is state whether I agree or disagree about the CT increase. Whereas what I would prefer to say is that I feel the Council should get the £15m over the next 5 years to cover the rising costs of Adult Social Care from efficiencies. However I cannot state where those efficiencies should be made as the documentation does not provide sufficient detail. However I feel the Council should easily be able to find £15m over 5 years without the need to increase CT"
25. "Not much of a consultation. Given the fact you ignored the residents' views on waste collection changes, is there any point pretending to consult?"
26. "I have previously written to the council regarding the waste of funds regarding road resurfacing and the need to further discipline when utility companies return to dig up the road allegedly under "emergency status". Taking Winchmore Hill Rd as an example I cannot believe that the companies have returned to realign the trenches/spots that have clearly sunk below the surface and remain so today. It is simply not good enough to waste these funds on roads when they return back to the same condition they did before the resurfacing was carried out."
27. "While I agree that vulnerable people need to be helped and protected, this should not be to the detriment of residents who are less vulnerable and whose tax money contributes significantly to the council coffers. Sufficient funds should also be allocated for quality of life issues such as maintaining the parks and libraries, preserving and enhancing green space for the benefit of all and preserving and enhancing the character of our heritage places."
28. "Council should waste much less on vanity projects such as the unused cycle lanes which cause congestion and increase pollution, and focus on core responsibilities"

## OVERVIEW &amp; SCRUTINY COMMITTEE - 19.12.2019

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE  
HELD ON THURSDAY, 19 DECEMBER 2019**

**COUNCILLORS:** OSC Committee Members:  
**PRESENT** Susan Erbil (Chair), Achilleas Georgiou (Vice-Chair), Tolga Aramaz, Edward Smith, Guner Aydin, Sinan Boztas, Lee David-Sanders and Doug Taylor.

Cabinet Members: Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy), Alev Cazimoglu, Guney Dogan, Rick Jewell, Mary Maguire, Gina Needs, George Sawva, Mahtab Uddin.

**OFFICERS:** Ian Davis (Chief Executive), Sarah Cary (Executive Director Place), Tony Theodoulou (Executive Director People), Fay Hammond (Executive Director, Resources), Jeremy Chambers (Director of Law & Governance), Matt Bowmer (Interim Director of Finance), Mark Bradbury (Director of Property and Economy), Andy Ellis (Scrutiny Officer), Elaine Huckell (Scrutiny Secretary).

**Also Attending:** Tony Murphy (co-optee), Councillors Dinah Barry and Charith Gunawardena, Councillors Daniel Anderson and Derek Levy (both attending in their capacity as members of the public), Simon Alin (press) and five members of the public

**401****WELCOME & APOLOGIES**

Councillor Erbil welcomed all attendees to the meeting. Apologies for absence had been received from Councillor Lappage (Councillor Taylor was substituting for her), also from Councillor Nneka Keazor, Bindi Nagra and Stuart Lines.

**402****DECLARATIONS OF INTEREST**

There were no declarations of interest.

**403****LONDON BOROUGH OF ENFIELD BUDGET CONSULTATION 2020/21**

The Chair outlined the structure and process for the update and budget consultation. Overview and Scrutiny Committee would provide comments to feed in to the final report to Cabinet and Council in February.

Councillor Maguire introduced this item and spoke of the legal requirement to set a realistic and achievable budget. She spoke of the substantial Government cuts to local authorities since 2010, with a £178m gap for Enfield

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since 2010 and an additional £18m for this year. The government approach for providing one- off grant funding had not helped the council in their plans to provide a sustainable budget. She said our priorities were to help the most vulnerable. We would be looking to increase Council tax in line with the Government's referendum threshold of 1.99% and collect a 2.00% precept to cover the rising costs of Adult Social Care.

At present £1.5m of reserves are being used on a one- off basis to address the outstanding funding gap. There is ongoing work to identify further savings and income generation proposals to close this gap.

It was essential that we have a sustainable budget to protect our most vulnerable residents under Adult Social Care and Children's Services areas.

Councillor Caliskan endorsed Councillor Maguires comments and said this was a fair budget given the circumstances of a difficult situation. We were facing challenges and were rightly placing an emphasis on the vulnerable, we were also investing in our young people. As custodians of the borough we are looking at the long term to ensure the budget is sustainable.

Fay Hammond (Executive Director, Resources) and Matt Bowmer (Interim Director of Finance) gave a presentation on the 2020/21 to 2024/25 Medium Term Financial plan (MTFP) they spoke of the need to have a resilient budget and highlighted the following:

- The need to deliver on our priorities and Corporate Plan and protect those most in need
- Adult Social Care and Children's Social Care budgets to increase by £6.6m and £3.9m respectively. This includes funding for intervention of £385k (Edge of Care - this programme has already been shown to be successful.)
- It is a long- term budget to ensure decisions are sustainable. We are matching need, for example in the provision of additional social workers.
- The Ten-Year Capital Programme and financing would go to Cabinet January /February 2020.
- We can evidence that our budgets are becoming more resilient – our overspends are reducing and we have a reduced reliance on Capital Receipts.
- In previous years savings put forward have sometimes been overly ambitious. For this year a much smaller area of savings are at risk - as we have worked towards a more resilient budget.
- Relatively stable reserves level maintained over last five years. The budget is in a resilient place
- There are increased demographic pressures with additional numbers of children in need and an increase in the number of referrals. For example, last year 835 children reliant on SEND transport – and for this year - 960 children.
- Adult Social Care and Children's budgets have increased, all other budgets have been reduced to cover for this.
- Higher Value Savings and Income for 2020/21- are all being monitored to ensure deliverable next year.

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- EQIA's for 2020/21 – services are exploring how any impacts can be mitigated.
- Staffing indicates an overall net increase of 41.0 FTE in staff.
- Public Engagement on the budget – a total of 83 responses with 85% stating that they felt it was important that the budget protects the most vulnerable in the community. 58% agree with the proposals to increase core council tax in line with the Government's referendum threshold of 1.99% and to collect an Adult Social Care Precept of 2.00%.
- After the use of reserves to balance 2019/20, the estimated level of reserves will be £39.0m. This would be 17% (16.2% revenue) of the Council's net budget of £231m.
- There are some risks and uncertainties for the future, for example as single year settlement and spending power grants are only confirmed for one year.
- The funding settlement is due- December 2019/ January 2020. We would continue to review pressures and funding.
- This would be reported to Cabinet and Council in February 2020.

Questions and comments raised

Q. There appears to have been a low level response rate to the public consultation exercise -are we looking at ways to increase public consultation without additional costs?

A. Councillor Maguire said one of the reasons why the budget simulator had not been used this time was to try to bring down the cost of the consultation exercise. There is a problem in trying to get the public to engage with us on this. We have prepared briefing notes for ward councillors on this subject so that they are able to discuss any concerns with their residents. Responses received appear to agree with our direction.

Councillor Caliskan said there are a number of ways in which we engage with the public - for example through committees and forums where it is possible to gather information and gauge priorities.

Q. I am concerned that the funding gap of £1.5m will need to be met from reserves, how can we ensure that reserves are not used in this way in future?

A: Fay Hammond said we would like to maintain our level of reserves and in the past more use has been made of reserves and using capital receipts however we have gradually reduced the need for these. We could have made more ambitious savings however we have been robust in our style of budget setting.

Councillor Maguire said we have realistic income targets, it is important not to use capital receipts as we do not wish to 'sell off the family silver'.

Q. On page 14 of the report para 6.4 refers to savings proposals for block booking semi-independent accommodation for 12 young people - this has halved from £0.125m to £0.060m. Councillor Erbil questioned this.

A. Tony Theodoulou (Executive Director People) said accommodation for young people requires 24hr staffing levels but as they reach adulthood - living semi-independent lives, whilst this requires an adult presence it would not

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need to be on a 24hour basis. Because of a better procurement process we have a good reputation working with providers. We have approximately 150 young people living in these facilities mainly within the borough.

Q. Appendix 1A of the report refers to Modern Slavery Team - £120k why is this shown under the investment category?

A. This is following on from us signing up on the Modern Slavery Charter – we are to have a joint group working with the police – We have already commenced work with them looking to understand the criminal element involved and looking at the underlying issues. We will be match funded with the police.

Q. Appendix 2A of the report refers to the effect of prior years savings in respect of temporary accommodation - £780k for 2020/21 and £711k for 2021/22.?

A. It was stated that this does not involve cuts to services. It is about being more efficient with less voids and using regeneration properties as decants for temporary accommodation on a short- term basis.

Q. Appendix 2B of the report refers to Savings and Income Generation Proposals 2020/21 – 2024/25 – Meridian Water meanwhile use income £1.109m.

A. This reflects the decision about our approach to delivering this project – for example Enfield film studio - renting out/ leasing – Building Bloqs providing income and job creation for the area. We are looking at the best way to utilise land at Meridian Water for meanwhile use.

Q. Appendix 2B – Savings and Income Generation Proposals 2020/21 – 2024/25 - - New arrangements for hosting ICT applications and mobile phone contract reductions - £1.300m. It was asked how this would affect services?

A. We are confident we can deliver savings – residents experience should be enhanced – the impact will not be seen until next autumn. This should involve savings.

Q. I do not think the three questions asked during the public consultation are adequate. For example, asking people would they wish to protect the vulnerable – this is a leading question. What is the definition of 'vulnerable'?

A. Tony Theodoulou said someone is considered vulnerable if they are unable to look after themselves for example if they have a disability, have a mental health problem or a child is not receiving adequate parenting.

Councillor Caliskan referred to the need to protect front line services so that people are kept safe and that they can fulfil their potential. There are statutory duties we must cover. We also need to provide services for example to ensure that young people are not left behind, and that old people get the care they need.

Q. Would the term 'vulnerable' cover those who are homeless?

A. You cannot allow a child to be without a home, the Council has a duty to find them somewhere to live.

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Q. You have mentioned that this is a sustainable budget, but you have needed to use reserves this year, and last year. It is stated that there were unrealisable savings and income targets of £2.5m in 2019/20. This seems to indicate that this is a deficit budget.

A. We have unrealisable savings of £600k for the year. Over time our overspends are reducing and the budget is becoming more robust.

Q. Under para 6.3 of the report there is reference to 59 individual savings proposals, of which 36 have required a full EQIA. Where is this information?

A. A summary of this will be available with the February report. It was also mentioned that this information is available through the 'black book' to Labour Councillors.

Q. Councillor Smith said the response to the consultation was poor and with very little information. He suggested we should have said 'we intend to protect the vulnerable by making the following savings...' this may have prompted more responses. He asked how we are going to improve consultation to get a better response?

A. Councillor Caliskan said our political commitment is what is reflected in the budget. We are an active and engaged administration, where people report back views.

Councillor Maguire said over the last two years we have looked at how to get more people involved in the consultation process and we shall do so again. Councillor Smith suggested people are provided with more information and this would encourage more responses.

Q. Regarding future savings in the Medium-Term Financial Plan (MTFP) how much slippage is included?

A. We are not overstating savings.

Reference was made to the Property and Asset Strategy under the remit of Mark Bradbury's team – This would determine the council's assets to consolidate them where possible.

Reference was made to school services and possible demographic pressures. It was stated that the aim was to 'de-risk' the budget – there were 7 top savings which we are monitoring carefully. Additionally, there is a £3m contingency fund to cover for any unforeseen demographic risks.

Q. It appears that £1.0m was used last year and we are looking for £1.5m this year to come from reserves? An additional £6.6m is needed for Adult Social Care and £3.9m for Children's Social Care. Is this coming from the General Fund what is our use of reserves?

A. Fay Hammond referred to slide 10 of the presentation – the increase in pressures for 2020/21 are shown as £29.748m – we have been able to reduce our pension contributions by £3.6m and we have an increase in estimated total funding of £9.908m. Savings and Income generation figures are given which are realistic and we will use £1.5m from reserves. There is a shift for us to be less reliant on capital receipts, as we do not wish to sell our assets.

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It was pointed out that para 5.23 of the report states that the £39m estimated level of reserves is 17% of the council's net budget of £231m. However, the five-year budget gap as set out in the report totals £45.6m exceeding the Council's level of reserves. It was agreed that this was a challenging situation.

Reference was made to Adult Social Care – Innovation hub. A pilot has been undertaken which allows for assistance from the voluntary sector. This has been beneficial to clients as it has helped them to delay their admission into social care.

Councillor Smith referred to additional resources from the government and said the fairer funding settlement may change things in the future. He was concerned at the pressures in the MTFP of approximately £30m shown in Appendix 1A of this report some of which are quite substantial, this would require careful monitoring and budgeting. This includes costs for Meridian Water.

Councillor Caliskan said the £5m from government was inadequate to cover for the pressures in the MTFP. She spoke of the necessity for us to make investment in Meridian Water to provide affordable homes which are needed. She spoke of the need for people to be paid a decent wage and referred to the 1 in 3 children who are living in poverty.

Councillor Taylor referred to the reduction in pension contributions for this year by £3.6m and said it will be 3 years before the next review takes place. He said it would be useful for a report to be prepared looking at the underlying funds/ assets of the funds and indicating to what extent they may be affected by 'Brexit'. This is to be included on the OSC Work Programme

**Action: Fay Hammond**

A question was asked by a member of the public asking what can be done to help those families who are losing £25 to £35 a week under benefit changes. It was stated that we have transitional arrangements to help people from the hardship fund.

It was NOTED that the minutes of the Overview and Scrutiny Committee Budget Meeting would form the Scrutiny response to the Budget Consultation 2020/21.

Cabinet is due to consider the response from the budget consultation process at its meeting on 12 February 2020. The final response agreed by the Committee will be referred onto Cabinet for consideration as part of this process. The Council's final 2020/21 budget proposals are due to be considered and approved at the Council meeting on 26 February 2020.

NOTED

It was suggested by Members that OSC should discuss the budget twice a year.



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Many members and officers left at this point. OSC Members remained to discuss the other items on the agenda.

**404****MINUTES OF MEETINGS 30 OCTOBER, 7, 14 AND 21 NOVEMBER 2019**

The minutes of the meetings held on the 30 October 2019, 7 November 2019, 14 November 2019 and 21 November 2019 were AGREED, with the following amendments/ comments from Councillor Aramaz

*07.11.19 Minutes:*

*On the Smith Institute Report Pg4 it mentions that Enfield faces a serious challenge as other inner London boroughs who face high homelessness do not face low level of social housing. So the report makes it quite clear that to meet our ambitions of not having people in TA for more than 6 months, we must maximise social housing in our borough. I asked the question of why this was not mentioned in the council report by Joanne Drew and she accepted the importance of my contribution and that they would seek to incorporate social housing targets in future reports.*

*14.11.19 Minutes:*

*I asked the question of why we are making decisions as customers and JV shareholders in separate capacities when both have the same ramifications to the same entity, which is the council?*

*21.11.19 Minutes:*

*I mentioned that there should be a column in the performance report of the Annual Targets of the year 2018/19 so that we can compare and contrast whether there has been any progress.'*

**405****DATES OF FUTURE MEETINGS**Business meetings OSC–

Thursday 30 January 2020, Thursday 13 February 2020 and Thursday 2 April 2020

Provisional Call-In dates –

Thursday 30 January 2020, Thursday 6 February 2020, Wednesday 4 March 2020, Thursday 26 March 2020, Tuesday 28 April 2020

The Associate Cabinet Members (ACM's) would not be attending the OSC Committee on 30 January 2020. The Leader would attend to discuss council priorities.

## NOTED

OSC Members disappointment that ACM's would not attend.

**OVERVIEW & SCRUTINY COMMITTEE - 19.12.2019**

Councillor Erbil thanked everyone for attending the meeting.

**Full Year Effect of Prior Year Savings in 2020/21 - 2024/25**

			2020/21	2021/22	2022/23	2023/24	2024/25	Total
Directorate	Department	Title	£000	£000	£000	£000	£000	£000
Corporate	Corporate	Taxbase Growth	(75)					(75)
People	Adult Social Care	Reardon Court - Extra Care		(113)	(377)			(490)
People	Adult Social Care	Reduction in management as a result of service re-modelling	(157)					(157)
Place	Place	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	(6)	(6)	(6)			(18)
Place	Place	Additional T&T income from recharges to capital			25			25
Place	Place	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	(390)	(60)	(31)			(481)
Place	Place	Meridian Water Meanwhile Use income - reversal of 2019/20	1,190					1,190
Place	Place	LED Street Lighting	(250)					(250)
Place	Place	Stop School Crossing Patrols	(34)					(34)
Place	Place	Building Control Income	(50)					(50)
Place	Place	Temporary Accommodation - Future Years	(780)	(711)				(1,491)
Place	Place	Market Rentals for Council Properties	(50)	(50)	(50)			(150)
Place	Place	Management actions to contain pressure	(379)					(379)
Place	Place	Increase income across R&E	(250)					(250)
Place	Place	Organisational Review Savings	(198)					(198)
Place	Place	Waste Savings - Corporate NLWA cost reduction (RC0001)	(1,288)					(1,288)
Corporate	Corporate	Waste Savings - Place element of the £2.5m over 2 years	(512)	(700)				(1,212)
Resources	CEX/Resources	Payments Programme - new system allowing efficiencies in Exchequer	(200)	(200)				(400)
Place	Place	Energy Saving Initiatives - reversal of 2019/20 one-off	150					150
			<b>(3,279)</b>	<b>(1,840)</b>	<b>(439)</b>	<b>0</b>	<b>0</b>	<b>(5,558)</b>

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
<b>Corporate</b>									
CORP 20-21 S01	Corporate	Take system credits as a one-off saving, then assume £500k each year ongoing saving	1	(2,000)	1,500				(500)
CORP 20-21 S02	Corporate	Tail spend savings. Supplier manages spend for the council. Savings achieved through economies	2	(150)	(150)				(300)
CORP 20-21 S03	Corporate	Review HRA recharges, MRP policy and capitalisations and application of grants	2		(500)	(500)			(1,000)
CORP 20-21 S04	Corporate	Obtain rebates by using Purchase Cards for energy bills and matrix invoicing	2	(100)					(100)
<b>Corporate Total</b>				<b>(2,250)</b>	<b>850</b>	<b>(500)</b>	<b>0</b>	<b>0</b>	<b>(1,900)</b>
<b>Resources/CEX</b>									
RES 20-21 S01	Resources	Organisational Review Saving	1	(225)					(225)
RES 20-21 S02	Resources	Update of financial systems. Alternative to SAP & BPC.	1				(250)		(250)
RES 20-21 S04	Resources	Payroll Service expansion to schools	1					(200)	(200)
RES 20-21 S05	Resources	Staff savings from implementation of a vendor payment portal	1					(200)	(200)
RES 20-21 S06	Resources	Single view of the customer debt	1					(50)	(50)
RES 20-21 S07	Resources	On line forms and ability to upload information required to go into back office systems for revenues and benefits	1	(20)	(120)				(140)
RES 20-21 S08	Resources	Greater automation to reduce staff resources in administering DWP notifications	1		(60)				(60)
RES 20-21 S09	Resources	Review of out of hours contracting arrangements; early exit termination fees apply.	1	(14)	(42)				(56)
RES 20-21 S10	Resources	Customer Service Centre demand reduction and channel shift	1		(100)				(100)
RES 20-21 S11	Resources	Sustainable council: reduction in printing across the council by 15%	1	(50)					(50)
RES 20-21 S12	Resources	Re-procurement of bulk printing and postage contract	1	(200)					(200)
RES 20-21 S13	Resources	New arrangements for hosting ICT applications and mobile phone contract reductions	1	(1,300)					(1,300)
RES 20-21 S14	Resources	Reducing costs associated with data storage	1		(300)				(300)
RES 20-21 S15	Resources	Reducing cost of maintaining staff laptops and devices	2			(60)			(60)
RES 20-21 S16	Resources	Procurement saving resulting from replacing our digital customer platform	1	(600)	(200)				(800)
RES 20-21 S17	Resources	Application Rationalisation - ongoing reduction of other applications	2		(200)	(200)			(400)
RES 20-21 S18	Resources	Rationalisation of telephony contracts	1		(200)				(200)

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
RES 20-21 S19	Resources	Automation of routine processes including the exploration of Artificial Intelligence	1		(50)				(50)
RES 20-21 S20	Resources	Reduction in the usage of the interpreting contract	1		(20)				(20)
RES 20-21 S21	Resources	Digital support to the UK immigration and visa verification service.	1	(140)	(140)				(280)
RES 20-21 S21A	Resources		2	(25)					(25)
RES 20-21 S22	Resources	Community libraries. Wireless self service printing to generate income	2	(25)	(25)				(50)
RES 20-21 S23	Resources	Investment in a sensory room for use by individuals, companies and schools	1	(20)					(20)
RES 20-21 S24	Resources	Makerspaces. Equipping community rooms to support crafting and other skill development	1	(20)					(20)
CEX 20-21 S01	CEX	Improve our registration offer to local residents	2		(50)				(50)
CEX 20-21 S02	CEX	Reduce printing	1	(50)					(50)
CEX 20-21 S03	CEX	Organisational Review Saving	1	(250)					(250)
CEX 20-21 S04	CEX	Review of recharges	1	(100)					(100)
<b>Resources/CEX Total</b>				<b>(3,039)</b>	<b>(1,507)</b>	<b>(260)</b>	<b>(250)</b>	<b>(450)</b>	<b>(5,506)</b>
<b>Adults and Public Health</b>									
PEOPLE 20-21 S05	Adult Social Care	Increased income through fees and charges for chargeable Adult Social Care Services	1	(320)	(100)	(100)	(100)	(100)	(720)
PEOPLE 20-21 S06	Adult Social Care	Maximisation of IWE resource for day services	1	(90)					(90)
PEOPLE 20-21 S07	Adult Social Care	Review of residential placements to secure appropriate supported living	1	(200)					(200)
PEOPLE 20-21 S08	Adult Social Care	Increased use of Assistive Technology and support through the VCS	1	(100)					(100)
PEOPLE 20-21 S09	Adult Social Care	Reduced costs of care through early intervention	1	(110)					(110)
PEOPLE 20-21 S10	Adult Social Care	More efficient processing of DoLs and care of Pets	1	(40)					(40)
PEOPLE 20-21 S11	Adult Social Care	Reduction in print costs	1	(25)					(25)
PEOPLE 20-21 S13	Public Health	Review of commissioning contracts and out of borough Sexual Health spend	1	(970)					(970)
<b>Adults and Public Health Total</b>				<b>(1,855)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(2,255)</b>

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
<b>Children's and Education</b>									
PEOPLE 20-21 S04	Education	DSG Funding and capital recharges	1	(90)					(90)
PEOPLE 20-21 S03	Children Social Care	Reduction in business support (vacant post)	1	(39)					(39)
PEOPLE 20-21 S01a	Children Social Care	Reduction in early retirement pension budget	1	(58)					(58)
PEOPLE 20-21 S01b	Children Social Care	Reduction in reparation due to Police contribution	1	(10)					(10)
PEOPLE 20-21 S02a	Children Social Care	Block booking semi-independent accommodation	1	(60)					(60)
PEOPLE 20-21 S02b	Children Social Care	Reducing placement costs	1	(140)					(140)
<b>Children's and Education Total</b>				<b>(397)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(397)</b>
<b>Place</b>									
PLACE 20-21 S01a	Place	Increase in fee income in the planning service	1	(150)	(170)	(20)			(340)
PLACE 20-21 S01b	Place	Building Control Plan Drawing Service	1		(30)	(20)			(50)
PLACE 20-21 S02a	Place	Genotin Road Car Park Redevelopment	1	93	(1,579)				(1,486)
PLACE 20-21 S02b	Place	Montagu Industrial Estate Redevelopment	1				(300)	(900)	(1,200)
PLACE 20-21 S02d	Place	Security contract saving	1	(78)					(78)
PLACE 20-21 S02g	Place	Reardon Court Development Rental Income	1				(600)	(30)	(630)
PLACE 20-21 S02j	Place	Insource Cleaning Contract ongoing efficiencies	1		(50)				(50)
PLACE 20-21 S02l	Place	Sub-stations rent reviews	1		(50)				(50)
PLACE 20-21 S03	Place	Crematorium Development	1			(1,544)			(1,544)
PLACE 20-21 S02	Place	Rationalisation of property estate	1	156	(408)	(440)			(692)
PLACE 20-21 S04	Place	Traffic order income	1	(160)					(160)
PLACE 20-21 S05a	Place	Meridian Water Meanwhile use income	1	(1,309)	387	86	0	(81)	(917)
PLACE 20-21 S05b	Place	Meridian Water Non-Residential Rental Income	1					(194)	(194)
PLACE 20-21 S06a	Place	Parking Contract Renewal	1	(165)	(35)				(200)
PLACE 20-21 S06b	Place	Crown Road Lorry Park and Shared Pound	1		0				0
PLACE 20-21 S07	Place	Additional LED street light savings	1		(260)				(260)
PLACE 20-21 S08	Place	Scaffolding Permit Income	1	(50)					(50)

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
PLACE 20-21 S10	Place	Inflation uplift on external clients and receipts income	1		(180)	(180)	(180)	(180)	(720)
PLACE 20-21 S11	Place	Homelessness Service Review	1	(1,000)	(125)	(125)			(1,250)
PLACE 20-21 S12	Place	Southgate Cemetery Cemeteries Mausoleum and Vaulted graves sales	1	156	149	46	(10)	10	351
PLACE 20-21 S13	Place	Vehicle Fleet Replacement – through borrowing instead of leasing.	1	(1,200)					(1,200)
PLACE 20-21 S14	Place	In house Parks/Cemeteries contracts efficiency	1	(50)					(50)
PLACE 20-21 S15	Place	Commercialisation of the Fleet Workshop	1	(50)					(50)
PLACE 20-21 S16	Place	Staff capitalisation to MW, due to increased staffing levels to meet the revised MW scope	1	(70)					(70)
PLACE 20-21 S17	Place	Reprofiled Holly Hill Bunding Income - legal document has been signed	2	(487)	600	600			713
<b>Place Total</b>				<b>(4,364)</b>	<b>(1,751)</b>	<b>(1,597)</b>	<b>(1,090)</b>	<b>(1,375)</b>	<b>(10,177)</b>
<b>Total Savings and Income Generation proposals</b>				<b>(11,905)</b>	<b>(2,508)</b>	<b>(2,457)</b>	<b>(1,440)</b>	<b>(1,925)</b>	<b>(20,235)</b>

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
CEX	Improve our registration offer to local residents	CEX 20-21 S01		(50)					Y				Accessibility requirements will be built into specification/business case for change
CEX	Insourcing work from the current transactional and bulk printing contractor.	CEX 20-21 S02	(50)									Y	
CEX	Organisational Review	CEX 20-21 S03	(250)							Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
CEX	Review of internal recharges	CEX 20-21 S04	(100)									Y	
Corporate	One off saving from Business Rates/Council Tax credits	CORP 20-21 S01	(2,000)	1,500								Y	
Corporate	Tail end expenditure savings	CORP 20-21 S02	(150)	(150)								Y	
Corporate	Review HRA recharges, MRP policy and capitalisations	CORP 20-21 S03		(500)	(500)							Y	
Corporate	Obtain rebates by using Purchasing cards for energy and matrix invoices	CORP 20-21 S04	(100)									Y	
Resources	Organisational Review	RES 20-21 S01	(225)							Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	Update the Council's financial systems: Alternative to SAP & BPC.	RES 20-21 S02				(250)					Y		Accessibility requirements will be built into specification/business case for change
Resources	Payroll sales to schools	RES 20-21 S04					(200)		Y				Accessibility requirements will be built into specification/business case for change



Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
Resources	Vendor Payment Portal	RES 20-21 S05					(200)		Y				Accessibility requirements will be built into specification/business case for change
Resources	Single view of the customer	RES 20-21 S06					(50)		Y	Y			-HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff -Accessibility requirements will be built into specification/business case for change
Resources	Implement on line forms and upload information directly into Revenue & Benefits systems	RES 20-21 S07	(20)	(120)					Y	Y			-HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff -Accessibility requirements will be built into specification/business case for change
Resources	Automation of DWP Universal Credit notifications (60%-80% automation)	RES 20-21 S08		(60)						Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	Out of hours service- review of current service.	RES 20-21 S09	(14)	(42)					Y				Accessibility requirements will be built into specification/business case for change

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
Resources	Increase channel shift and automation in Customer services	RES 20-21 S10		(100)					Y	Y			-HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff -Accessibility requirements will be built into specification/business case for change
Resources	Review of the number and reduce use Multi-Functional Device's (MFDs).	RES 20-21 S11	(50)									Y	
Resources	Changing mailing agent.	RES 20-21 S12	(200)									Y	
Resources	Infrastructure Rationalisation Programme	RES 20-21 S13	(1,300)									Y	
Resources	Infrastructure Rationalisation additional opportunities	RES 20-21 S14		(300)								Y	
Resources	Reducing costs of maintaining staff laptops and devices	RES 20-21 S15			(60)				Y	Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	CRM and Customer Platform Replacement	RES 20-21 S16	(600)	(200)					Y				Accessibility requirements will be built into specification/business case for change
Resources	Application Rationalisation - ongoing reduction of other applications	RES 20-21 S17		(200)	(200)							Y	
Resources	Enterprise telephony project to reduce from 6 suppliers to 2	RES 20-21 S18		(200)					Y				Accessibility requirements will be built into specification/business case for change

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
Resources	Application Automation: Supporting services	RES 20-21 S19		(50)						Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Resources	Review use of Interpreting services.	RES 20-21 S20		(20)								Y	
Resources	UK immigration and visa service (work permits etc) verification service.	RES 20-21 S21	(140)	(140)					Y				Accessibility requirements will be built into specification/business case for change
Resources	Additional Library Income	RES 20-21 S21A	(25)						Y				Accessibility requirements will be built into specification/business case for change
Resources	Community libraries. Wireless self service printing to generate income	RES 20-21 S22	(25)	(25)					Y				Accessibility requirements will be built into specification/business case for change
Resources	Investment in a sensory room. Used by individuals and companies and schools	RES 20-21 S23	(20)						Y				Accessibility requirements will be built into specification/business case for change
Resources	Makerspaces, equipping community rooms to support crafting and develop skills e.g. IT	RES 20-21 S24	(20)						Y				Accessibility requirements will be built into specification/business case for change
Place	Planning Service increased income generation	PLACE 20-21 S01	(150)	(200)	(40)							Y	
Place	Long term income/savings from investment in property acquisition/development projects	PLACE 20-21 S02	171	(2,087)	(440)	(900)	(930)		Y	Y			Accessibility requirements will be built into specification/business case for change
Place	Development of twin chapel crematorium within Enfield	PLACE 20-21 S03			(1,544)				Y				Accessibility requirements will be built into specification/business case for change

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
Place	Increased traffic order income	PLACE 20-21 S04	(160)									Y	
Place	Meridian Water Non-residential Meanwhile Income from land and retail	PLACE 20-21 S05	(1,309)	387	86	0	(275)					Y	
Place	Parking Services is exploring savings and revenue options on services delivered	PLACE 20-21 S06	(165)	(35)					Y				Accessibility requirements will be built into specification/business case for change
Place	New LED street lights and Central Management System (additional saving)	PLACE 20-21 S07		(260)								Y	
Place	Additional income generation from Scaffolding Licences	PLACE 20-21 S08	(50)									Y	
Place	Additional income generated from the annual inflation on Fees and Charges.	PLACE 20-21 S10		(180)	(180)	(180)	(180)					Y	
Place	Homeless and Temporary Accommodation Service Review	PLACE 20-21 S11	(1,000)	(125)	(125)					Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
Place	Cemeteries Mausoleum and Vaulted graves expansion programme	PLACE 20-21 S12	156	149	46	(10)	10		Y				Accessibility requirements will be built into specification/business case for change
Place	Vehicle Fleet Replacement – through borrowing (capital) instead of leasing (revenue)	PLACE 20-21 S13	(1,200)									Y	
Place	In house Parks/Cemeteries contracts efficiency	PLACE 20-21 S14	(50)					Y					

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
Place	Commercialisation of the Fleet Workshop	PLACE 20-21 S15	(50)									Y	
Place	Staff capitalisation to Meridian Water	PLACE 20-21 S16	(70)									Y	
Place	Reprofiled Holly Hill Bunding Income	PLACE 20-21 S17	(487)	600	600			Y					
People	Reduction in Youth Offending Unit (YOU) costs.	PEOPLE 20-21 S01	(68)					Y					
People	Reduction in commissioning costs of 'looked after' children and care leavers placements	PEOPLE 20-21 S02	(200)					Y					
People	Staffing reductions	PEOPLE 20-21 S03	(39)							Y			HR guidance, "Principles of Managing Reorganisations" will be used to minimise impact for staff
People	Dedicated Schools Grant Substitutions (DSG)	PEOPLE 20-21 S04	(90)									Y	
People	Increased income from fees and charges for chargeable Adult Social Care Services	PEOPLE 20-21 S05	(320)	(100)	(100)	(100)	(100)					Y	
People	Reduced reliance on external placements and increase use of the Council provision	PEOPLE 20-21 S06	(90)					Y					
People	Review of physical disability and mental ill health residential placements	PEOPLE 20-21 S07	(200)						Y				Accessibility requirements will be built into specification/business case for change

Department	2020/21 Proposal	Ref. No	2020/21	2021/22	2022/23	2023/24	2024/25	No planned reduction in service	Customer impact	Staffing Impact	Internal Systems	EQIA Not required/ to follow	EQIA Part 2 & Action Plan Completed
People	Increased use of Assistive Technology and support by Voluntary & Community Sector	PEOPLE 20-21 S08	(100)						Y				Individual service user needs are considered as part of any changes (on a case by case basis)
People	Reduced costs of care through earlier intervention.	PEOPLE 20-21 S09	(110)						Y				Individual service user needs are considered as part of any changes (on a case by case basis)
People	More efficient processing of Deprivation of Liberty's (DoLs) and care of Pets	PEOPLE 20-21 S10	(40)						Y				Individual service user needs are considered as part of any changes (on a case by case basis)
People	Reduction in print costs	PEOPLE 20-21 S11	(25)									Y	
People	Contract Value reductions in Public Health	PEOPLE 20-21 S13	(970)					Y					

Pressures in the Medium Term Financial Plan 2020/21 - 2024/25									
Ref No.	Department	Proposal Summary (from template)	Category	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<b>Pay Awards and Inflation</b>									
General inflation	Corporate	General inflation	Inflation	3,000	3,000	3,000	3,000	3,000	15,000
Pay Awards	Corporate	Pay Awards	Inflation	2,500	2,526	2,550	2,576	2,602	12,754
Customer Experience & Change 1	Corporate	Inflation specifically for IT contracts	Inflation	320	320	320	320	320	1,600
Environment & Operations	Corporate	Impact of deteriorating commodity prices for dry recycling materials	Inflation	330					330
ASC_P1_1920	People	Customer Pathway Contract Inflation ASC	Inflation	708	720	720	720	720	3,588
ASC_P2_1920	People	Learning Disabilities Contract Inflation ASC	Inflation	494	500	500	500	500	2,494
ASC_P3_1920	People	Mental Health Contract Inflation ASC	Inflation	81	80	80	80	80	401
<b>Total Pay Awards and Inflation</b>				<b>7,433</b>	<b>7,146</b>	<b>7,170</b>	<b>7,196</b>	<b>7,222</b>	<b>36,167</b>
<b>Demographic Pressures</b>									
Demographic Pressures	People	Adult Social Care Demographic Pressures estimated July 2019	Demography	1,967	2,000	2,000	2,000	2,000	9,967
Older People	People	Older People - Overspend forecast for 2019/20 at Q1	Demography	1,159					1,159
Older People	People	Older People - Overspend forecast for 2019/20 at Q2	Demography	72					72
Learning Disabilities	People	Learning Disabilities - Overspend forecast for 2019/20 at Q1	Demography	1,194					1,194
Learning Disabilities	People	Learning Disabilities - Overspend forecast for 2019/20 at Q2	Demography	44					44
Demographic Pressures	People	Children's Social Care Demography estimated July 2019	Demography	387					387
CSC Demographic Pressure	People	Further Children's Social Care Demography	Demography	1,792	750	750	750	750	4,792
Home To School Transport/SEN Transport	Place	Home To School Transport Pressures (ongoing annual demand pressures impact of £530k) + other current pressures	Demography	1,480	630	630	630	630	4,000
Home To School Transport/SEN Transport	Place	Home To School Transport/SEN Transport - Overspend forecast for 2019/20 at Q1	Demography	600					600
<b>Total Demographic Pressures</b>				<b>8,695</b>	<b>3,380</b>	<b>3,380</b>	<b>3,380</b>	<b>3,380</b>	<b>22,215</b>
<b>Investment / Capital Financing</b>									
Capital Financing	Corporate	Capital Financing	Cap Fin	1,000	1,000	1,000	1,000	1,000	5,000
Capital Financing existing programme	Corporate	Capital Financing existing programme	Cap Fin	1,500	1,500	1,500	1,500	1,500	7,500
Capital Financing 10 year programme	Corporate	Capital Financing 10 year programme (provisional pending further work)	Cap Fin		1,500	1,500	1,500	1,500	6,000
- Montagu	Corporate	Capital Financing Costs - Montagu	Cap Fin			869			869
- Fleet Replacement	Corporate	Capital Financing Costs - Fleet Replacement	Cap Fin		304	458	360	360	1,482
- Additional Affordable Housing Meridian 1	Corporate	Capital Financing Costs - Additional Affordable Housing Meridian 1	Cap Fin	525	405	193	1	440	1,564
- Crematorium Development	Corporate	Capital Financing Costs - Crematorium Development	Cap Fin				282		282
Invest to Save	Corporate	Capital Financing Costs of Investment in LED Street Lighting	Cap Fin	378					378
Legal	CEX	FOI/MEQ Team restructure	Investment	121					121
Organisational Development	CEX	Continuing Professional Development	Investment	20					20
Organisational Development	Resources	Continuing Professional Development	Investment	50					50
People & Governance	CEX	Director of HR	Investment	150					150
Head of Corporate Strategy	CEX	Head of Corporate Strategy	Investment	110					110
Bid Writing Post	CEX	MM2 post for Bid writing within Law & Governance (new)	Investment	72					72
WIL/EMG/DG	Corporate	Women into Leadership/Ethnic Minorities Group/Disabilities Group	Investment	75					75
ASC	People	Modern Slavery Team	Investment	120					120
Investment in Youth Crime	People	Two Year Pilot on Prevention of Serious Youth Violence ends	Investment		(500)				(500)
Children's Services	People	Permanent increase in the number of front line social workers	Investment	865					865
Summer Uni Programme	People	Summer Uni Programme	Investment	80					80
CSC	People	Children's Social Care - Edge of Care Work - social work team	Investment	385					385
Social Work Apprenticeships	People	Social Work Apprenticeships (new)	Investment	130	260	260			650
Investment in Waste	Place	Investment in Street Cleaning (funded via Waste Savings)	Investment	500					500
Property & Economy	Place	Property Restructure and Asset Management System	Investment	440	100				540
R&M Budget	Place	Repairs and Maintenance budget shortfall (non-capital planned works)	Investment	150	150	150	150	150	750
Property & Economy	Place	Asset Valuations Capital Accounts - Statement of Accounts action plan	Investment	150					150
Commercial	Resources	Procurement Hub staffing	Investment	250					250

<b>Pressures in the Medium Term Financial Plan 2020/21 - 2024/25</b>									
Ref No.	Department	Proposal Summary (from template)	Category	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Customer Experience & Change	Resources	Web Team staffing	Investment	60					60
Customer Experience & Change 2	Resources	IT Team staffing	Investment	350	350				700
Finance	Resources	Debt Strategy - increasing staff levels to focus on debt prevention and benefit maximisation	Investment	170					170
Customer Experience & Change	Resources	Customer Operations - quality manager and training post	Investment	89					89
HOS Organisational Development post	CEX	HOS Organisational Development post	Investment	87					87
Legal monitoring & Investigations	CEX	Legal monitoring & Investigations	Investment	20					20
Organisational Development Training	CEX	Organisational Development Training	Investment	43					43
<b>Total Investment / Capital Financing</b>				<b>7,890</b>	<b>5,069</b>	<b>5,930</b>	<b>4,793</b>	<b>4,950</b>	<b>28,632</b>
<b>North London Waste Authority</b>									
NLWA	Corporate	North London Waste Authority (NLWA) - new waste facility	NLWA		194	753	753	753	2,453
<b>Total NLWA</b>				<b>0</b>	<b>194</b>	<b>753</b>	<b>753</b>	<b>753</b>	<b>2,453</b>
<b>Pressures</b>									
Emergency Planning	CEX	Annual contribution to London Resilience Team (new)	Pressure	30					30
ASC	People	Increasing costs of services delivered by IWE - (original pressure of £2.0m reduced to £1.5m)	Pressure	1,360					1,360
CSC	People	National Accreditation and Assessment System (NAAS) for Social Workers - new requirement (original pressure of £200k reduced to £50k)	Pressure	50					50
Schools Traded	People	Prior year legacy income unrealisable: School traded	Pressure	600					600
ASC/PH	People	Use of one-off Public Health Reserves to support 2019-20 budget reversed	Pressure	937					937
Supporting People	People	Overspend forecast for 2019/2020	Pressure	300					300
R&E_P10_1718	Place	Street Lighting PFI Reserve	Pressure	291					291
R&E_P11_1718	Place	Planning Policy - establish a base budget for the function	Pressure	88					88
ENV_S9_1819_T1	Place	Traffic and Transportation Income (18/19 saving for 3 years only)	Pressure		130				130
Property & Economy	Place	Vacant Properties / Disposals - creation of base budget for function	Pressure	150					150
Trespass and Enforcement Actions On Council Land	Place	Trespass and Enforcement Actions On Council Land £250k per annum	Pressure	250					250
Property & Economy	Place	In sourcing cleaning contract (loss of JV income from NORSE JV £123k)	Pressure	123					123
Property Lease	Place	Increased property lease costs	Pressure	500					500
Customer Experience & Change 3	Resources	Out of hours service-one off contract termination cost	Pressure	31	(31)				0
Commercial	Resources	Procurement Contract review/forward plan legacy savings	Pressure	520					520
Commercial	Resources	Schools Traded Catering Service - Subsidy (originally £200k, now increased to £600k)	Pressure	600					600
IT	Resources	Prior Year Legacy income unrealisable: IT Network Assets and Infrastructure	Pressure	300					300
<b>Total Pressures</b>				<b>6,130</b>	<b>99</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,229</b>
<b>Overall Pressures in the MTFP 2020/21 - 2024/25</b>				<b>30,148</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>95,696</b>
<b>Full Year Effect of savings already agreed</b>				<b>(3,279)</b>	<b>(1,840)</b>	<b>(439)</b>	<b>0</b>	<b>0</b>	<b>(5,558)</b>
<b>Spending Pressures net of FYE savings</b>				<b>26,869</b>	<b>14,048</b>	<b>16,794</b>	<b>16,122</b>	<b>16,305</b>	<b>90,138</b>
<b>Pensions - Actuarial Review</b>				<b>(3,600)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,600)</b>



REVENUE BUDGET- DEPARTMENTAL CONTROL TOTALS 2020/21

APPENDIX 4

	2019/20 Original Controllable Budget	2019/20 Hierarchy Changes	2019/20 Permanent Virements	Revised Base	Full Year Effects	New Services Pressures	New Savings	Reserves & Collection Fund	Core Grants & Business Rates	2020/21 Original Controllable Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive	8,042	82	2,149	10,273	0	653	(400)			10,526
People - Adult Social Care	73,242	595	1,843	75,681	(157)	7,499	(885)		(2,724)	79,414
People - Children & Families	33,571	(1,158)	2,271	34,683	0	3,689	(239)		(2,724)	35,409
People - Early Intervention & Partnerships	6,377	(719)	(1,952)	3,705	0	0	(68)			3,637
People - Education	9,375	(5,481)	1,169	5,062	0	600	(90)			5,572
People - Public Health	(4,351)	0	(72)	(4,423)	0	937	(970)			(4,456)
Place	25,459	8,710	1,974	36,144	(1,559)	4,722	(4,364)			34,943
Resources	39,400	(2,028)	799	38,171	(200)	2,420	(2,639)			37,752
<b>Total Departmental:</b>	<b>191,115</b>	<b>0</b>	<b>8,181</b>	<b>199,295</b>	<b>(1,916)</b>	<b>20,520</b>	<b>(9,655)</b>	<b>0</b>	<b>(5,448)</b>	<b>202,796</b>
<b>Corporate Items:</b>										
Levies	9,222		(545)	8,677	(1,288)					7,389
General Contingency	3,000		0	3,000						3,000
Contingent Items	10,012		(7,636)	2,376	(75)	6,028	(2,250)			6,079
Bad Debt Provision	791		0	791						791
Treasury Management	5,473		0	5,473						5,473
Minimum Revenue Provision	11,376		0	11,376						11,376
<b>Corporate Items:</b>	<b>39,873</b>	<b>0</b>	<b>(8,181)</b>	<b>31,693</b>	<b>(1,363)</b>	<b>6,028</b>	<b>(2,250)</b>	<b>0</b>	<b>0</b>	<b>34,108</b>
<b>Budget Requirement</b>	<b>230,988</b>	<b>0</b>	<b>0</b>	<b>230,988</b>	<b>(3,279)</b>	<b>26,548</b>	<b>(11,905)</b>	<b>0</b>	<b>(5,448)</b>	<b>236,904</b>
Collection Fund Surplus	(1,314)		0	(1,314)				1,314		0
Council Tax Discounts/Reduction Scheme	0		0	0				(700)		(700)
London Business Rates Pilot Pool	(2,950)		0	(2,950)				2,525		(425)
Business Rates	(94,610)		0	(94,610)					(3,627)	(98,237)
Use of Reserves	(1,000)		0	(1,000)				(565)		(1,565)
Other Core Grants	(3,803)		0	(3,803)					1,106	(2,697)
<b>Totals</b>	<b>127,311</b>	<b>0</b>	<b>0</b>	<b>127,311</b>	<b>(3,279)</b>	<b>26,548</b>	<b>(11,905)</b>	<b>2,574</b>	<b>(7,969)</b>	<b>133,280</b>

<b>SCHOOLS BUDGET 2020/21</b>	<b>£m</b>
<b>INCOME</b>	
Schools Block - 5-16 year olds	267.872
Central Services Schools Block	2.678
Early Years Block	25.803
High Needs Block	54.905
<b>TOTAL DSG</b>	<b>351.258</b>
<b>TOTAL RESOURCES</b>	<b>351.258</b>
<b>EXPENDITURE</b>	
<b>SCHOOLS BLOCK</b>	
Total Funding	267.872
0.5% Trf to High Needs Block	-1.339
LAC trf to High Needs Block	-0.140
<b>Net Funding</b>	<b>266.393</b>
Schools Delegated Formula Funding	266.093
Growth Fund	0.300
<b>TOTAL SCHOOLS BLOCK EXPENDITURE</b>	<b>266.393</b>
<b>CENTRAL SERVICES SCHOOLS BLOCK (CSSB)</b>	
<b>Total Funding</b>	<b>2.678</b>
Statutory Functions	1.948
Historic Commitments	0.730
<b>TOTAL CSSB</b>	<b>2.678</b>
<b>EARLY YEARS BLOCK</b>	
<b>Total Funding</b>	<b>25.803</b>
3 & 4 Year Allocations - PVI & Maintained	16.559
3 & 4 Year Allocations - PVI & Maintained - 30 Hours	4.118
2 Year Old Allocations - PVI & Maintained	3.783
Early Years Central Functions	1.088
Early Years Pupil Premium	0.169
Disability Access Fund	0.087
<b>TOTAL EARLY YEARS BLOCK</b>	<b>25.803</b>
<b>HIGH NEEDS BLOCK</b>	
Gross High Needs Block (pre recoupment)	54.905
<b>Total High Needs Funding</b>	<b>54.905</b>
0.5% transfer from Schools Block	1.339
LAC transfer from Schools Block	0.140
<b>Total Funding</b>	<b>56.384</b>
Allocations Update to be provided at next meeting	56.384
<b>TOTAL HIGH NEEDS BLOCK</b>	<b>56.384</b>
<b>TOTAL BUDGET</b>	<b>351.258</b>

## **Dedicated Schools Grant and the Schools Budget**

The Dedicated Schools Grant (DSG) is a ring-fenced grant, the majority of which is used to fund Individual Schools Budgets. In August 2019, the Government confirmed that they would continue with their proposal to implement a National Funding Formula (NFF) for the Schools and High Needs Blocks. With effect from 2018/19, a 'soft' NFF has been in place which means the funding provided to local authorities has been calculated using the NFF, but authorities have had some local flexibility regarding the distribution of these funds. Options for the schools' funding formula ranged from continuing with the local funding formula to partly, or fully, implementing the NFF. Following an annual consultation process with schools, Enfield moved approximately 50% towards NFF unit rates in 2018/19 and 60% towards NFF rates in 2019/20 although for 19/20, the full NFF rate was applied for Enfield priority areas of low prior attainment, English as an additional language and pupil mobility.

The Government initially provided £1.3bn over 2 years to support the implementation of the school funding reforms and implementation of the NFF and Enfield received an additional £7m in 2018/19 and £3m for 2019/20. Following a one-year spending review in Autumn 2019, further additional funding has been made available to support this ongoing transition and the DfE confirmed the following increases in school funding of £2.6bn for 2020/21, £4.6bn for 2021/22 and £7.1bn for 2022/23. Enfield's share of this additional funding for 20/21 is £16.6m and whilst this is welcomed, it does not result in any real terms growth due to funding cuts since 2009/10.

In October 2019, the DfE published information on the funding arrangements for 2020/21, together with indicative information using October 2018 census data on funding individual local authorities would receive. The DfE confirmed that they would continue with the use of a 'soft' NFF for 2020/21 as they were satisfied with the progress that individual local authorities had made in moving towards the NFF.

Under Department for Education regulations, certain specific decisions relating to the distribution of the DSG funding are subject to consultation with the Schools Forum, with the Council making the final decision on the allocation of available resources taking account of any recommendations made by the Schools Forum. The draft 2020/21 School's Budget was presented to Schools Forum on 15<sup>th</sup> January 2020 for agreement of the School Block formula funding allocations prior to submission of the data to the Education, Skills Funding Agency (ESFA) by their deadline of 21<sup>st</sup> January 2020. The draft budget is detailed in Appendix 5a for approval.

Enfield's initial 2020/21 DSG settlement was announced on 19<sup>th</sup> December 2019 as £351.258m. The Early Years Block allocations for 2, 3 and 4 year olds are based on January 2019 data and will be updated during 2020/21 to reflect January 2020 census data. The DSG allocation will be adjusted during 2020/21 to reflect the January 2020 census for early years and academy recoupment. Updates will be provided to the Schools Forum as and when revised allocations are received.

There are ongoing, considerable risks in the school's budget for 2020/21, mainly due to the ongoing increase in numbers of children presenting with special educational needs. The projected, cumulative DSG deficit for 2019/20 is £4.5m which will be carried forward to 2020/21 and although we received an additional £7.6m High Needs Block funding as part of our increased allocation for 20/21, this will not match the increased costs on provision for SEND pupils. The authority is working on various initiatives to develop additional in borough special education provision which will reduce the number of children being educated in independent out of borough provision and reduce costs.

Additional information about the individual blocks is detailed below.

## **Schools Block**

### Grant Income

- For 2020/21 most of the funding is based on a per pupil allocation calculated on the number of pupils recorded on the October 2019 census. Separate per pupil funding rates have been introduced and for Enfield these are £4,601.49 for primary and £6,103.74 for secondary, which reflects 3.5% and 5.9% increases to the 2019/20 funding rates
- The per pupil funding increases for 2020/21 are the first significant increases for over 5 years but are still insufficient to address the pay and inflationary pressures faced by schools during this period.
- In addition to the per pupil funding, the authority receives a block allocation to cover growth and premises factors. For 2020/21, the premises allocation will continue to be based on historic spend but for growth funding a formulaic approach has been introduced which has resulted in a 34% reduction of funding of £0.615m.

### Funding Allocations

- With effect from 2018/19, new funding regulations required the majority of Schools Block funding to be passported to schools via a funding formula. Funding can only be retained centrally to support the requirements of the Growth Fund.
- With the approval of Schools Forum, 0.5% of the Schools Block allocation can be transferred to the High Needs Block. For 2018/19, 2019/20 and 2020/21, this transfer was agreed by the Forum to support the current arrangements for pupils with exceptional needs (special educational needs). In 2020/21, the Forum also agreed to a transfer of £140k to the High Needs Block in respect of funding previously allocated through the formula for Looked After Children (LAC) but following a disapplication request to the DfE this transfer was declined
- 2 formula models were considered for 2020/21 and following consultation with schools and discussion with Schools Forum, it was agreed
  - for 2020/21 – that a model that moves 100% to NFF rates for Low Prior Attainment, English as an Additional Language and mobility factors and 85% towards NFF for other factors will be implemented

- for 2021/22 - that the formula position would be reviewed in line with the guidance and DSG allocation received and would be subject of another consultation exercise with schools

## **Central Services Schools Block**

### Grant Income

- The Central Services Schools Block (CSSB) was introduced as part of the new funding arrangements in 2018/19 and brings together funding for the
  - retained duties element of the Education Services Grant (ESG)
  - ongoing central statutory functions
  - historic commitments
- Funding for statutory duties is allocated on an NFF per pupil basis. For Enfield, the rate for 2020/21 is £38.58 per pupil, a 2.5% reduction on the 2019/20 rate. Funding for historical commitments is based on historic spend in 2017/18 but this is gradually been phased out and a 20% funding reduction has been applied for 2010/21 reducing the Enfield allocation from £913k to £730k.

### Funding Allocations

- For 2020/21 the reduction in funding of £183k for statutory services has been matched by savings that have were identified through a review of these services
- Schools Forum agreed at their meeting in December 2019 to continue to fund the services that had been funded in previous years.

## **Early Years Block**

### Grant Income

- This is a per pupil allocation initially based on the January 2019 census and then updated for the January 2020 census for 3 & 4-year-old free entitlement, 30 hours provision for working parents and 2-year-old free entitlement.
- The Early Years National Funding Formula (EYNFF) was implemented with effect from 2017/18. For 2020/21, Enfield will receive £5,415 per Full Time Equivalent (FTE) pupil for 3 and 4-year olds, a £0.08 per hour increase compared to 2019/20. We are required to pass most funding to providers but can continue to hold back 5% for central early years expenditure.
- The 2020/21 allocation also includes an allocation to reflect the ongoing effect of the 30 hours early years initiative for working parents, which was introduced in September 2017. This allocation will also be revised to reflect the January 2020 census.
- The initial allocation for the 2-year-old free entitlement is also based on January 2019 census data at a rate of £5,453 per pupil (FTE), a £0.08 per hour increase compared to 2019/20. This funding is fully passported to providers
- The overall Early Years Block allocation also includes funding for Early Years Pupil Premium (£169k) and Disability Access Fund (£87k).

Funding Allocations

- 5% of funding received for 3 and 4 years olds will be retained centrally to fund central early years services. The balance of funding will be allocated to providers based on an hourly rate, deprivation allocations and an Inclusion Fund to support pupils with special educational needs.
- Funding received for 2-year olds is fully passed to providers.
- Allocations are made from the Early Years Pupil Premium and Disability Access Fund for pupils who meet specific deprivation and disability criteria.

**High Needs Block**Grant Income

- The High Needs Block is calculated via a national funding formula based on proxy indicators, historic spend and pupil numbers
- The authority has also received an additional £7.6m in 2020/21 following the release of additional funding from the DfE to target high needs pressures.

Funding Allocations

- Funding will be delegated to special schools and mainstream schools for Additional Resource Provisions and pupils with exceptional needs;
- Funding for pupils in external school and college payments has been estimated based on current levels of expenditure and full year effects of starters and leavers. There is a risk that these budgets will overspend during the year if current trends continue and there is no contingency available to address this pressure;
- Funding for commissioned and central services is based on 2019/20 budgets.

**Other Schools' Funding****Pupil Premium Grant**

The Pupil Premium is allocated in addition to the DSG to enable schools to work with pupils who have been registered for free school meals (FSM) at any point in the last six years (known as 'Ever 6 FSM'). The Government has confirmed that the rates for 2020/21 will remain at 2019/20 levels i.e. £1,320 for primary FSM 'Ever 6' and £935 for secondary FSM 'Ever 6' pupils.

Looked After Children (LAC), and children who have been adopted from care, will continue to attract a higher rate of funding than children from low-income families and this will continue at the 2019/20 rate of £2,300 in 2020/21. The NFF does not include a LAC factor and this increase in pupil premium funding will help to compensate schools who previously received formula funding for LAC.

Children who have parents in the armed forces are supported through the Service Child Premium, which remains at £300 per pupil in 2020/21.

The Pupil Premium is a specific grant that the council has to passport directly on to schools, who can then decide how they will use the additional funding to

achieve improved outcomes for this group of children. The latest pupil premium allocation for 2019/20 totals £9.1m and this is expected to stay at a similar level for 2020/21. Allocations for 2020/21 will be based on January 2020 pupil data and will be published in June 2020.

### **Early Years Pupil Premium (EYPP)**

EYPP was introduced in 2015/16 with schools, nurseries and child-minders receiving £300 for every 3 and 4-year-old from a low-income family, to enable these children to start school on an equal footing to their peers. This is based on the 3 and 4-year olds taking up their full entitlement of 570 hours. This will continue at the same rate in 2020/21.

### **Sixth Form Funding**

The ESFA is responsible for the funding of 16-19 provision in academies, general further education colleges, sixth-form colleges and independent provision. The ESFA also distributes resources to local authorities for them to pass on to maintained schools.

Funding is being increased by 4.7% for the 2020/21 academic year, with a base rate of £4,188 for full time students. School sixth forms will receive their 2020/21 indicative allocations by the end of January 2020 followed by final allocations in March 2020. Similarly, to 2019/20, the ESFA will set a deadline in April to receive business cases where exceptional circumstances have affected their 2020/21 indicative allocation. Considerations will be given to:

- Cases where there has been a major error in the data submitted by the institution via the school census
- Cases where exceptional growth has been experienced based on a minimum threshold of 5% of students or a minimum of 50 students, whichever is lower
- other cases not covered above, reviewed individually

### **Universal Infant Free School Meals**

Funding for free school meals for infant pupils will continue in 2020/21 based on a rate of £2.30 per day.

### **Primary PE and Sport Premium**

This grant will continue in 2020/21 for schools with pupils in years 1 to 6. The funding rates are expected to continue as a lump sum of £16,000 plus £10 per pupil.

## **Summary of Budget Risks**

This Appendix sets out the main financial risks the Council faces over the period of the Medium Term Financial Plan. Risk assessment and planning will minimise risk. Risks have been categorised as:

- Corporate
- Service Specific

### **CORPORATE RISKS**

These are risks that may affect all or a number of Council services.

- **Effects of the Current Economic Climate**

Enfield Council faces a general financial risk if businesses fail in the borough, which is heightened in the current economy. This would result in a loss of rental income, which would also be incurred by businesses moving out of Council owned commercial premises, and a loss of business rates. The current economic climate risks losses of other forms of income to the Council and increased difficulty in income collection. There is also an ongoing increase in the number of residents reliant on Council services.

- **Brexit**

The Council set up a Brexit Panel which first met in December 2018 and has continued to meet regularly since then. This group was established to advise the council on managing its response to the UK leaving the European Union. Workstreams have been set up to research the likely impact of Brexit on council services and local residents. Any identified risks are recorded in a risk register with recommendations of mitigating actions made by the Panel to Cabinet.

Some of the main concerns identified for local government regarding Brexit include data access and storage, insurance provided by companies registered in the EU, the risk of European Parliamentary elections being required to run at short notice, and the resource implications of preparing for Brexit on both staff and finances. There is also the risk of increased community tensions and public disorder, and concerns over the complexity of the settlement scheme application process for vulnerable groups the authority has a statutory responsibility for.

As part of the Local Government Finance Settlement, £56.5m funding was announced in January 2019 to help local authorities prepare for Brexit. Of this amount, Enfield Council has received £0.2m across 2018/19 and 2019/20. A further pot of £20m was announced in with Enfield Council receiving another £0.1m. With Brexit now confirmed, costs are being incurred throughout the Council preparing for it. These are being covered by the grant funding awarded.

- **Spending Review 2020 and Changes to Local Government Funding**

Despite draconian cuts to government funding, the four-year funding deal which took us up to 2019/20 did provide some certainty over the period. The settlement for 2020/21 was only a one year settlement so there is considerable



uncertainty about funding beyond 2021. There are major changes pending within local government finance with the Fair Funding Review aiming to establish new funding baselines for local authorities. The Business Rates retention scheme is also undergoing significant changes, and this is a substantial income stream for the Council. Proposed changes to the distribution formula for government funding will inevitably lead to winners and losers unless the overall funding pot is increased. The green paper on the future of Social Care funding is also still awaited, increasing uncertainty over future finances.

- **Retention of Business Rates**

The future of Business Rates Retention is uncertain. The Government has been consulting on it and delays are being experienced in taking it forward. In general, increased business rates retention for local authorities transfers the risk from lower yields to local government. There are safety net arrangements, but local authorities will still need to bear a share of any shortfalls. Enfield were part of the pilot London pool for business rates in 2018/19 (100% retention) and again in 2019/20 (75% retention). There is a potential budget risk relating to business rates appeals where responsibility for significant backdated refunds fall on local authorities.

- **Litigation and Legal Actions**

All Councils face potential litigation cases and the size and range of services provided by Enfield make this a risk that should not be ignored. There are no single specific legal items to be reported but it is recommended that the Council includes some assessment for any uninsured litigation when assessing the adequacy of balances.

- **Demographic and Other Changes in the Borough**

One of the main risks to the Council's budget relates to the uncertainties surrounding demographic change. The birth rate has increased and residents are living longer, with greater levels of disability, and have greater expectations of independence, care and achievement. Assumptions have been made in the budget about the likely increases in demand for services, particularly in respect of social services clients (both adults and children).

- **New Savings included in the 2020/21 Budget**

New savings and additional income totalling £11.9m have been identified for 2020/21. Although the savings have been scrutinised and the proposals have been assessed as viable and realistic, there is still an element of risk involved in their achievement.

The risks in relation to the achievement of the savings have been taken into account in setting the level of contingencies and general balances. Monitoring the achievement of these savings will, as in previous years, form an integral part of the 2020/21 revenue monitoring process. If required, appropriate action will be taken to ensure that they are delivered, if not the first call will be a review of other savings measures to compensate for any shortfall, failing this reserves and balances will be considered until this major project is fully implemented.

- **Changes in External Factors such as Interest Rates**

Interest rates are outside the Council's control and therefore represent a continuing area of significant risk. An Interest Rate Equalisation Reserve has been in place for several years to reduce the effect of fluctuations in interest rates and this reserve will be used in a planned way to support the MTFP. Interest rates will continue to be closely monitored and planning assumptions will be updated as required. Although the low interest rate environment especially in short term rates gives a reduced return on investment it also does allow the Council to borrow at historically low rates which has resulted in savings in interest costs over the past three years. The Council is, however, aware of the risk that interest rates may start to rise and is taking advantage of opportunities to fix into longer term low interest loans.

- **Inflation and other Cost Increases**

Staff pay represents a significant proportion of the Council's expenditure. Consequently, variations in pay levels represent a significant risk. A two year pay deal was in place for 2018/19 and 2019/20 but the 2020/21 pay award is still being negotiated. Estimated costs of future pay deals have been included in the MTFP. It should also be noted that the Council works in a range of labour markets, and supply and demand in London is pushing up costs in certain sectors. The mandatory living wage introduced from April 2016 has also put pressure on costs to the Council from external suppliers. In addition, in order to make savings, departments have been required to contain inflationary pressures in most areas of the Council's spending. Once again in 2020/21 departments have been asked to contain price inflation. This could be a financial risk given the 6.2% increase, and the revenue monitoring process for 2020/21 will be important in the early identification of these potential cost pressures.

- **Increased Costs of Waste Disposal**

The MTFP reflects the changes in the North London Waste Authority (NLWA) levy to cover the estimated cost of the North London Heat and Power Project (NLHPP). This project will build a new Energy Recovery Facility in Edmonton, replacing the existing Energy from Waste plant at the EcoPark that has served North London for around 50 years but is coming to the end of its operational life. The estimated cost of building this new facility will significantly increase the Council's NLWA levy requirement and, as with all major construction projects, comes with significant risks. Whilst the provision over the 5 years of the MTFP aims to meet these increased costs, as with all major projects there is a risk that estimated costs could rise further in the future.

- **Income, including Fees and Charges**

The budget includes a number of assumptions about income levels. Although all income assumptions have been validated using the most up to date information available, there is inevitably an element of risk in the current economic climate that they might not all be achieved.

- **Future Revaluations of the Pension Fund**

From the actuarial Review in 2019 it was found that the funding level of the pension fund had improved since the last valuation which has allowed a drop in the employers' contribution rate in 2020/21 from 24.8% to 20.2%. The

Pension Board will continue to closely monitor the position on the fund as this may affect the future contributions required from the Council.

- **VAT Exemption Limit**

As a Section 33 Body, the Council is allowed to recover VAT on expenditure related to its exempt supplies & services, **provided** this VAT amount does not exceed 5% of total annual VAT expenditure. This is known as the 'Partial Exemption Threshold'. Theoretically if the Council breached this threshold it would be unable to recover VAT on any of its expenditure, but in reality there is little risk of this happening.

- **Bellwin Scheme**

The Government's Bellwin Scheme provides emergency financial assistance to local authorities. The scheme may be activated where councils incur expenditure on an emergency or disaster to

- safeguard life or property, or
- to prevent suffering or severe inconvenience, in their area or among its inhabitants.

There is no automatic entitlement to financial assistance: Ministers are empowered by Section 155 of the Local Government and Housing Act 1989 to decide whether or not to activate a scheme after considering the circumstances of each individual case.

- **Welfare Benefits and a Challenging Housing Market**

The Government's changes to the benefit system have continued to impact on the Council's budgets as Housing costs paid through Housing Benefit have continued to reduce. Collection rates for rents are impacted and the challenges caused by Universal Credit (UC) are being experienced. The yearly additional funding received for UC burdens continues to be less than the reduction in Housing Benefit Admin Subsidy, so overall funding is reducing. There is also additional work generated dealing with UC with approximately 8,000 households in Enfield receiving it through natural migration following a relevant change. Managed migration to UC due to start July 2020 and be completed by 2023, where those on remaining legacy benefits will be targeted to claim UC.

Combining this with Enfield's challenging housing market and the demand for homelessness services, housing support and Children's Services 'no recourse to public funds' services, costs will continue to rise as a result.

## **SERVICE SPECIFIC RISKS**

Finance staff, working with staff in Departments, have assessed the risks associated with individual budgets. The most significant risks within departmental budgets are set out below:

### **Schools and Children & Families Services**

- **Demand Led Services**

There are a number of areas within the Department's services that are statutory and demand led, meaning that the service must be provided if the client meets the relevant criteria. Examples include supporting the placement of children with special education needs in independent and out of borough settings, purchasing care packages for vulnerable children, paying Special Guardianship Orders allowance, increasing numbers of pupils in primary schools. These budgets are at risk from any change in the numbers of children requiring services. The number of referrals of children possibly at risk remains high which can lead to increases in Child Protection Plans and the number of placements needed. Children's Social Care budgets have been prepared based on known levels of activity, demographic forecasts and historical trends. However, these factors plus changes in welfare benefits, social economics, market factors and population increases will continue to pose a risk because they cannot be fully quantified at this stage, particularly in respect of looked after children. Whilst additional resources have been included in the budget reflecting forecast demand, the following demand led areas have experienced pressures in year, that may continue in 2020/21.

- **Looked After Children**

Historically, Enfield's numbers of looked after children have been and still remain low in comparison with other local authorities. However, with a growing population in Enfield the knock-on effect is likely to result in additional children and young people being taken into council care for their protection. In the last year the numbers have remained around 400. Whilst all measures have been taken to control the costs of placements, this is not always possible due to the challenging nature and needs of the individuals which require very high cost specialist placements. There has been a significant increase in high cost placements, such as secure remand and secure welfare, in order to protect the individuals and prevent serious harm. In addition, the complexities of the cohort increased, and more young people are placed in specialised or highly staffed accommodation provision.

- **Parent and Child Assessments**

The number of Parent and Child Assessments have increased, and these families are often placed in an expensive Parent & Child residential unit for a Parenting Capacity Assessment. The assessment usually lasts for 12 weeks and might take a further 2 weeks for the full report to be finalised. At the end of the process, the Court might make the final decision to separate the child from the parent(s). Recently, due to delays in Court, the timescales shifted causing pressure on the budget.

- **Special Guardianship Orders**

The number of Special Guardianship Orders (SGO's) have been growing at a rapid pace over the last 5 years and this trend is expected to continue. SGO's offer children and young people permanency without them becoming looked after children. They are cared for by friends or family, often within the community that they know which is far preferable to them being looked after by the local authority. The significant increase in SGO's has directly contributed to maintaining the relatively low number of looked after children in Enfield in comparison to statistical neighbours and nationally.

- **Leaving Care**

There have been changes relating to the care of 16-year olds and over which has resulted in additional budget pressures arising as local authorities are required to support children who were looked after until they are much older. This means that individual young people may choose to 'stay put' with their existing carers for a few more years rather than be moved into their own independent accommodation when they turn 18. In some circumstances this can be more expensive to the authority and it reduces the number of carers available. There is also a change in the profile of the Looked After Children population in that we are seeing a steep increase in the number of adolescents entering the care system and moving swiftly into the leaving care teams. There are potentially further pressures on this budget with changes in the Children's & Social Work Act 2017 introducing increased expectations requiring all Leaving Care clients up to 25 years of age being offered support in future. Though there has been an increase in the number of clients, the average cost per capita has been reduced to contain the overspend.

- **Former Unaccompanied Asylum Seekers**

Many children present as unaccompanied asylum-seeking children (UASCs) and the local authority supports them fully as looked after children and each local authority receives funds from the Home Office to cover costs of supporting UASCs. When these young people turn 18, they are eligible for support as care leavers until their immigration status is finalised. If the Home Office decision is negative (they have not been given leave to remain) the Home Office funding to the local authority ceases at the point the initial decision is made. There are significant financial pressures as Enfield continues to support young people until they are appeal rights exhausted.

- **Staffing**

The Department's salaries budgets include a vacancy factor, which recognises the potential cost savings as a result of staff turnover. This can be difficult to achieve in certain areas where it is necessary to maintain higher staffing levels in order to deliver safe essential services, although some vacancy factors have been removed within some of the social work teams as part of the budget setting process to ease this ongoing pressure. In addition, the area faces significant challenges in recruitment and retention of social workers. The critical vacant posts are filled with agency workers putting further pressure on the budgets. The continuing high number of referrals to the service has resulted in an increased

pressure on staffing budgets and additional resources have been allocated to Children's services to address these pressures.

### **Schools Budget - Dedicated Schools Grant (DSG)**

- **School places**

The provision of school places is continually under review and over the past 10 years the Council's Capital Programme has included funding for a primary expansion programme. From 2018/19, the pressure for additional places has passed to secondary schools and currently this increase in demand can be managed due to additional places in the borough being offered by academies. In the future, there could be a risk that the cost of providing additional places required will not be fully funded by central government grant, leaving the Council to meet any shortfall

- **Special Educational Needs (SEN)**

As the school population increases, the number of high needs learners has also increased and short and long-term provision for places is being assessed on an ongoing basis. There is a risk that this may lead to unfunded increased costs to the school's budget, as under current funding arrangements capital and revenue grant funding does not fully cover the costs of the additional places needed for children with Education, Health and Care Plans. There has been a significant increase in the number of pupils with SEN, particularly those on the autistic spectrum and with complex behavioural issues. These pupils are often placed in expensive, specialist independent provision whilst the authority works towards the development of more in house provision. With effect from 2018/19, High Needs DSG funding has been allocated on a formulaic rather than historic basis and for 2020/21 the authority has received a significant increase in high needs funding but this additional funding will not cover the increase in costs which continues to place a significant additional pressure on the DSG budgets overall.

- **National Fair Funding Formula**

The Government has confirmed that they are implementing a National Funding Formula (NFF) and a 'soft' NFF has been implemented for 2020/21. The intention is still to move to a hard NFF but the date for this has not been confirmed. For 2020/21 the funding provided to local authorities has been calculated using the NFF, but authorities retain some local flexibility regarding the distribution of these funds. An additional £2.6bn has been provided in 2020/21 to support the ongoing transition to the NFF and Enfield's share of this is £16.6m. This increase in funding has enabled the authority to apply some protection to school funding allocations with all schools seeing a minimum increase of 1.84% in their per pupil funding but this varies significantly between schools. There will be both gains and losses on an individual school basis as we move towards NFF unit rates. Cost pressures, particularly in terms of pay award and overheads, continue to increase which is an issue for all schools but particularly those who will receive less funding under the NFF which could result in an increased number of schools being unable to set a balanced budget.

## **Adult Social Care**

- **Social Care Demand**

Care purchasing budgets have been prepared based on known levels of activity plus those that might reasonably be foreseen as unavoidable, based on demographic forecasts and historical trends. There remains, however, the possibility that demand will exceed these assumptions. Enfield's older Adult population (over 65s) is increasing at the rate of over 2% a year, however those aged 90 and above, the rate of increase is predicted to be over 9% over the next four years. (ONS). Improved healthcare means that more adults with disabilities are surviving into adulthood and into old age. As older people are living longer this has associated with it longer term health issues. This is driving an increased demand for services and the ability to offer appropriate and sustainable levels of support to an increasing number of people and delivering savings in 2020/21 is not without risk. There has been for some years a sustained growth in the number of adults living with a learning disability. This is forecast to continue, in particular with larger numbers of younger adults with multiple and complex needs.

- **Contractual Price**

The Government increased the National Minimum wage for over 25s to £8.72 per hour from 1<sup>st</sup> April 2020. This is an increase of 6.2% from 2019/20. As the majority of care costs are for labour, this will have a significant impact on providers of social care. The majority of these services are to local people with eligible needs are provided by the independent and voluntary sectors. In negotiating contracts with these providers the Council seeks to strike a fair balance between a meaningful recognition of providers' costs, affordability to local taxpayers and quality of services. The Council also needs to be mindful of those areas of service provision where there is a shortage or risk of insufficient capacity to meet demand. These are factors which can push prices up and working with the market and with other authorities to increase capacity which achieves value for money remains a priority. The procurement and commissioning service is also working with providers of services to understand price structures and how the cost of services provided is broken down. Retaining skilled staff, payment for travel time, pension scheme requirements, paying a living wage and investing in new technologies as well as cost of living pressures are all factors which can push prices up. An analysis will be completed for other types of provision in order to achieve best value and deliver our duty around market sustainability as defined within the Care Act 2014. Social Care is a labour intensive service, with direct employee costs often equating to 70-80% of overall service costs, further national increases in the living wage will inevitably result in further price pressures in coming years.

- **Provider Failure**

There is a risk that provider failures may occur. The Council has a duty under the Care Act, however there is a possibility of interruptions to care and support services with additional cost implications should a business fail. The Council's priority is to work with all registered care providers in the borough, to avoid the risk of business failure and to minimise the disruption and impact for service users of any such failure. The Council will focus its activity on those providers

where there is assessed to be greater risk of business failure to ensure a targeted approach and efficient use of resources.

- **Pressures on the Local NHS**

Sustained increases in demand upon local NHS services, many of whom are currently overspending, often lead to both additional demand for social care and actions to contain NHS overspends that pose a risk of costs being transferred, directly or indirectly to social care, this will continue to be kept under close review.

- **Fees & Charges paid by service users**

Given the significant income assumptions in the budget, there is a risk that they might not be achieved in full. This is especially the case in the current economic climate, where vulnerable residents may be making difficult choices regarding basic living requirements and paying charges.

## **Public Health**

The government have announced that the Public Health Grant which is £16.384m in 2019/20 will be increased in line with CPI. The exact amount is to be confirmed by Public Health England.

The Council has NHS contracts with North Middlesex Hospital and Enfield Barnet and Haringey (BEH) Mental Health Trust, for 0-19s, Substance Misuse and Sexual Health, totalling some of £8.5m. These mainly pay for NHS staff. The NHS introduced Agenda for Change (AfC) in April 2019 for most NHS staff, which harmonises pay scales and career progression. As part of the AfC, the employer contribution rate for the period 1 April 2019 to 31 March 2023 was increased from 14.3 to 20.6 per cent of pensionable pay.

In 2019/20, NHS providers were directly funded for this increase in 2020/21, but the Government have not provided any additional funding to date for increases in 2020/21 and beyond. The currently risk is calculated in excess of over £600k.

London has a significantly higher population than other parts of the country of key risk groups for sexually transmitted infections (STIs) and HIV. Local authorities are required by law to provide 'open access' sexual health services for everyone present in their area. In practice this means that people can access services anywhere, providers then bill the local authority of residence. There is a high and rising demand for sexual health services which takes up 30% of the public health budget. The clinics at Silverpoint and Enfield Town, are designed to reduce the number of out of borough treatments and hence help to control costs. The nature of this risk is expected to lead to additional activity and cost pressures.



## Place Department

- **Temporary Accommodation (TA)**

There continue to be a number of factors giving rise to pressure within the TA budgets, such as increases in demand, price, changes in the way that benefits are paid, and market pressure brought about by reduced availability of affordable rented accommodation. We propose to mitigate this with a new service structure across TA and homelessness that focuses on prevention activity further 'upstream' in order that households wherever possible remain in the Private Rented Scheme (PRS). We also, subject to Cabinet approval, intend to join Capital Letters, a Ministry of Housing, Communities and Local Government funded pan London letting agency that should assist us with a further supply of PRS properties to assist in discharging our homeless duties.

- **Empty Property Compulsory Purchase Order (CPO) programme**

The Council is liable to make 'Basic Loss payments'. Basic Loss Payments are statutory entitlements payable to former owners for interest in land, subject to certain criteria being met and up to a maximum amount. There is currently a potential exposure on one CPO case which the Council may be liable to make payments for in the future.

- **Special Educational Need (SEN) Transport**

SEN Transport costs continue to rise driven by a large increase in passenger numbers in 2019/20 (743 per day in July, and 885 per day as of 31<sup>st</sup> December). It is anticipated that these numbers will continue to rise year on year, with the distinct possibility that next school year numbers will exceed 1,000 per day, if we are to follow trends and data about pupil numbers analysed from 2016 onwards. Additionally more provision is being requested for children with complex needs. Whilst we are mitigating the costs as best as possible with new initiatives between transport, SEN and the brokerage team, many new provisions are for the more costly options of out of borough transport requirements due to in borough education places being at capacity.

- **Commercial Property Portfolio**

The Council's commercial property portfolio is expected to generate gross rental income in excess of £10m in 2020/21. The economic uncertainty, together with current regeneration initiatives and level of disposals continues to impact adversely on income streams. A number of rent reviews and lease renewals will seek to mitigate the downturn. In addition, major income producing regeneration schemes will in the longer term increase rental growth.

- **Security of Council Premises**

Due to the heightened risk of the Council's vacant and open spaces being illegally occupied, there are potential additional costs on security to prevent illegal occupation of Council land.

- **Meridian Water**

In July 2018 Cabinet took the decision to place the Council as the master developer for Meridian Water and for the Council to lead the project on a phase by phase basis. Since then the Council has appointed Vistry to deliver the first 900 homes, delivered the new Meridian Water Station, won £156m of government funding, submitted a planning application for 2,300 homes and opened the Drumsheds music venue. The Council are committed to negotiating the delivery of, as a minimum, 10,000 homes and thousands of new jobs over the contract period. Meridian Water is a significant financial undertaking for the Council, there are therefore a number of associated financial risks which are managed within the Meridian Water financial model and monitored on a regular basis.

- **Development Management**

The following risks are noted for development management. Economic downturn or uncertainty could impact on income from planning fees, pre-app fees, Planning Performance Agreement fees and Building Control fees; continued difficulties recruiting permanent staff will require continued reliance on agency staff with associated budget pressures and costs associated with appeals, hearings, public inquiries over-and-above what would normally be expected.

- **Maintenance of Reservoirs**

The authority has a statutory requirement to maintain all reservoirs within the borough. The last 10-year inspection was carried out in April 2018. No major works are required, some minor works have been identified but these are likely to cost no more than £20k.

## Resources Department

- **Income Generation**

There are significant income generation expectations across traded services. There will be a risk that these are not achieved as planned due to events outside the services control e.g. economic climate.

- **IT & Transformation**

There are savings expectations from contract reviews, but these have yet to be concluded and therefore remain a risk for 2020/21. There is a risk that the annual maintenance/licence costs associated with the capital programme continue to be a financial pressure should the efficiencies anticipated to be delivered not be realisable. This could be magnified by the dual running of applications and annual licence costs not included in the budget. There is also a risk of increased costs of Contracts and Licence renewals through market pressure.

## Council Investment in Companies

- **energetik**

The energetik Business Plan and investment value is sensitive to the rate of build-out of new build developments. This risk is greatest at Meridian Water, where 10,000 homes will be connected to the Meridian Water Heat Network. Due to the master developer negotiations being incomplete in 2016, the funding strategy for energetik was amended to be based on two tranches. This was to allow the Meridian Water development strategy to take form and be agreed before energetik receive funding approval for Tranche 2 and commit to the bulk of their capital expenditure.

Tranche2 funding was approved by Full Council in the autumn 2019 subject to receiving low cost funding via HNIP (BEIS) and MEEF. The HNIP funding application, made up of £5m grant and £10m low cost loan has been successful with Terms and Conditions received. For the £5m grant, it must be drawn down in full by March 2020 or it is lost. There are several tasks that are conditions precedent to drawdown of this grant, and if all tasks are not completed then this may leave a shortfall of £5m in 2020/21, a minor risk at present but noteworthy. The MEEF match funding of £15m has also been applied for and Heads of terms have been received.

Managing the MW development risk, as detailed previously energetik delayed the build of its energy centre to match the delay to the first homes being connected. The first phase of Meridian Water, Meridian One, is near to contract completion with the Council. Assuming this continues on programme, Meridian One is predicted to commence building in 2020 with the first substantive number of homes being delivered in 2022. energetik's energy centre and heat network is presently programmed to be completed towards the end of 2021 to align with this programme and to ensure that monies are spent in line with the two funding streams as detailed above.

- **Housing Gateway Ltd**

Housing Gateway Ltd (HGL) has invested £121m in properties in and around Enfield, now valued upwards of £125m. HGL continues to align to its original business plan with a Year-on-Year growth anticipated over the next 50 years, although the pace of growth is slower compared with earlier years due to the incongruent property prices as compared to LHA rate, the Council's directive to only purchase within the Borough and properties not meeting HGL's minimum yield. It is expected that the proposed shareholder equity injection will facilitate the next 100 property purchase supporting HGL's continued long-term expansion. However, in the short-term, the pressures continue to be debt financing, property prices and rental incomes posing immediate risk to the model as detailed below:

- Debt financing – HGL's existing portfolio is fully funded through Debt and the increase in the PWLB rates will further increase the strain on HGL's operating cashflow. In order to mitigate this risk, HGL will put measures in place and regularly update its financial model to establish the cash flow pressure points in advance and actively make use of its working capital facility. Additionally, HGL has reviewed alternative finance streams through the proposed equity injection of £5m.
- Property market fluctuations – HGL's portfolio is valued annually in line with audit expectations and, as such, any appreciation/depreciation in local property prices may have an impact on the value of HGL's asset base. However, HGL has reached a point of significant gearing where expected minor market fluctuations will not impact the overall model. In the long term, the market is expected to increase over 50 years and HGL's asset base will appreciate accordingly.
- Rental Income – HGL's initial business model aligned rents to Local Housing Allowance (LHA) rates, which were predicted to increase at a rate of 2% per annum. Further to the 5-Year Freeze by Central Government, there has been a steady increase in LHA rates in 2019/20 and a further increase of 1.7% in 2020/21. Further increases beyond 2020/21 is unknown and may pose a potential risk in HGL meeting its income target in future years.

- **Enfield Innovations Ltd**

Enfield Innovations is part of a wider housing development strategy. It is focused on developing new, energy efficient homes to increase the supply of good quality housing. Some of the key risks are set out below, together with the ways in which these risks are being mitigated.

Deflation in the housing market – EIL requires the remaining properties held to be sold for current values in order to repay its outstanding loan commitments to the Council, with the risk that properties will be sold lower than valued. This risk is low as offers on the all properties being sold (except for 3) have been received by EIL.

Delay in sale of properties – if EIL is unable to find a buyer for the remaining 3 properties i.e. without offers, it will continue to incur additional operational costs, interest charges on its loan repayments, and be unable to repay its loan to the Council. Similarly, if the Council do not consent to the sale of the properties to the identified purchaser, additional costs will be incurred. As mitigation against this risk, EIL has intensified its marketing campaign to ensure disposal of the properties is prioritised before the end of the current financial year end. Furthermore, EIL has secured a Housing Association to purchase 21 of its properties. The sale is progressing well, but until the sale completes there remains a risk that it could fall through. EIL is mitigating this risk by pressing for an immediate exchange on the portfolio.

## **Earmarked Reserves Summary**

This Appendix explains the purpose of the Council's main earmarked reserves. The reserves table also shows planned movements in the balances over the period of the Medium Term Financial Plan. Comments regarding the adequacy of the reserves held are set out below while Appendix 7b summarises forecast use and commitment of the reserves.

<b>Specific Reserves</b>	
Council Development Reserve	This reserve helps support the implementation of Council initiatives, and funds various one-off projects.
Regeneration Reserve	This reserve is used for contributions towards and funding for the Council's regeneration agenda.
Vehicle & Equipment Replacement Fund	The Fund is to finance the planned programme of replacement vehicles and equipment.
General Fund Capital Reserve	This resource is available to fund new capital investment in the approved Capital Programme over the medium term. It supports the delivery of the Capital Programme set out in the Capital Strategy 2019/20 and Four Year Capital Programme Report 2019/23.
ICT Investment Fund	This reserve has in the past supported IT upgrades, new developments and implementation costs and was the principal source of funding for the corporate ICT Work Plan.
Waste Recycling Reserve	This funding is set aside for invest to save initiatives to improve waste recycling and contamination rates, which are designed to mitigate or reduce the implications of recycling and contamination costs.
European Social Fund Match Funding	This fund has not been used for several years. It is proposed to move this to the Risk Reserve.
Enfield Community Capacity Building Fund	As part of the Council's determination to actively assist and build the capacity of all of our communities in Enfield, ring-fenced funding of £1.9m was set aside for defrayment over several years to build community capacity in the Borough.
Industrial Estates Improvements	Support to the North London Chamber of Commerce, to the Enfield Business & Retailers Association; to North London Business and North London Strategic Alliance, etc. to improve the state of repairs of industrial estates in order to make them attractive for letting.
Empty Properties (New Homes Bonus)	This reserve represents Government Grant Funding for New Homes Bonus. This has been allocated to the Private Sector Housing Team to be spent on their empty properties programme to bring back empty properties into use.
New Homes Bonus	Authorities that deliver new homes are awarded a New Homes Bonus. The Council is fully committed to the delivery of more homes in the borough and continues to progress a number of major housing renewal schemes including the Alma and Ladderswood Estates.
Public Health	From April 2013, local authorities took on responsibility from the NHS, for improving the health & well-being of their local population and reducing health inequalities. The Authority was awarded ring-fenced grant in 2013/14 with specific grant conditions including the carry forward of underspends to future years.

<b>Reserves set aside to smooth expenditure between years and meet contingent risks</b>	
Public Finance Initiative Investment Reserve	These balances will equalise the funding available for the PFI Street Lighting project over the whole life. Holding an earmarked reserve for this purpose is considered prudent and good practice.
Insurance Fund	The internal Insurance Fund provides cover in full for tree root damage claims, burglary and "all risks" on specified equipment. The Fund also meets the cost of all claims within the external policy excesses for general building fire damage (including housing properties), motor, cash and public and employer liability claims. In addition, there is a potential liability with a former insurer of the council which would be a call on this fund.
Repair & Maintenance of Council buildings	The revenue budget includes an annual contribution to the R & M fund. The fund supports day-to-day repairs, responsive maintenance, and service contracts in respect of Council buildings. With an ageing portfolio of buildings, the risk of expensive repairs and maintenance is increasing.
Interest Equalisation Reserve	This reserve is intended to address increases in interest rates. The global economic turbulence has had significant effects on the UK economy, of which the reduction in interest rates is one of the most significant. This reserve is designed to provide some cushioning against further fluctuations.
Restructuring and Redundancy Reserve	This reserve refers to funding set aside to meet the one-off costs associated with service restructuring to achieve efficiency savings.
Repairs Fund for private sector housing leased to Council	This funding is set aside to cover the cost of repairs to PSL properties when the leases come to an end and the properties are handed back to their owners. It is "routine" business, with a low risk, and this reserve acts as a buffer to support the repairs work.
Welfare Reforms & Hardship Fund	The changes in the benefit regime increase the risk of residents being unable to pay council tax bills and additional costs relating to the new benefit administration and regulations. This reserve will be available to meet these potential pressures. In recognition of the hardship faced by working age households affected by the changes to Council Tax support, the Council established a Hardship Fund in 2013/14. The balance of this fund will be continuously rolled forward for use in future years.
Collection Fund Equalisation Reserve	This reserve was created in 2017/18 primarily in order to smooth business rates receipts during the transition to the new funding regime. Additional business rates growth income received via the London Pilot Pool will be initially held in the reserve and allocated to the general fund in the following year in accordance with budget decisions.
Minimum Revenue Provision Equalisation Reserve	Following a change in MRP policy in 2017/18 this reserve was created to smooth annual MRP requirements
<b>Other Reserves</b>	
HRA Repairs Fund and Capital Reserve	These funds represent the resources available for major repairs to the Housing stock and works to achieve the Decent Homes Standard.
Risk Reserve	Set aside as a contingency sum in order to provide financial funding over the period of the Medium Term Financial Plan for potential pressures.

**MOVEMENT IN EARMARKED RESERVES 2019/20 and FUTURE USE  
FORECAST**

APPENDIX 7B

RESERVE	Balance at 31 March 2019	Estimated Net Transfers 2019/20	Forecast Balance at 31 March 2020	2020/21 to 2024/25 Programmes		Forecast Reserves as at 31 March 2025
				Revenue	Capital	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>General Fund Reserves</b>						
<b>Projects / Programmes</b>						
Council Development Reserve	351	(70)	281	(280)		1
Regeneration Reserve	861	0	861		(861)	0
Vehicle and Equipment Replacement Fund	0	0	0			0
Capital Reserve - General Fund	257	(150)	107		(107)	0
ICT Investment Fund	871	0	871		(871)	0
Homelessness Initiatives	1,577	(787)	790	(790)		0
Waste Recycling Reserve	97	0	97	(97)		0
European Social Fund match funding	0	0	0			0
Enfield Community Capacity Building Fund	358	(128)	230	(230)		0
Troubled Families	1,373	0	1,373	(1,373)		0
Troubled Families UASC Migration Fund	197	0	197	(197)		0
Industrial Estates Improvements	78	0	78	(78)		0
Empty Properties (New Homes Bonus 2011/12)	0	0	0			0
Performance reward grant receivable (LSP)	292	(30)	262	(220)		42
Residents Priority Fund	150	0	150	(150)		0
New Homes Bonus	1,456	0	1,456	0		1,456
EU Exit Grant	105	150	255	(255)		0
Other General Fund Reserves for small projects	4,269	0	4,269	(2,100)		2,169
<b>Projects / Programmes Total</b>	<b>12,293</b>	<b>(1,015)</b>	<b>11,278</b>	<b>(5,770)</b>	<b>(1,839)</b>	<b>3,670</b>
<b>Risk / Smoothing reserves</b>						
PFI Investment Reserves	494	(240)	254	0		254
Insurance Fund	6,563	0	6,563	0		6,563
Repair & Maintenance of Council buildings	1,863	(900)	963	(963)		0
Restructuring and redundancy reserve	0	0	0	0		0
Repairs Fund for private sector housing leased to the Council	591	(90)	501	(360)		141
Risk Reserve	12,236	(5,600)	6,636	197		6,833
Welfare Reforms & Hardship Fund	2,084	(200)	1,884	(800)		1,084
Housing Benefits Smoothing Reserve	1,777		1,777			1,777
NLWA Reserve	1,000	0	1,000	(1,000)		0
Invest to Save	2,000	0	2,000	(200)		1,800
Collection Fund Equalisation Reserve	10,543	3,000	13,543	(3,000)		10,543



**MOVEMENT IN EARMARKED RESERVES 2019/20 and FUTURE USE  
FORECAST**

APPENDIX 7B

RESERVE	Balance at 31 March 2019	Estimated Net Transfers 2019/20	Forecast Balance at 31 March 2020	2020/21 to 2024/25 Programmes		Forecast Reserves as at 31 March 2025
				Revenue	Capital	
Capital Financing Reserves (MRP & IRER)	22,751	5,469	28,220	1,801		30,021
<b>Risk/Smoothing Reserves Total</b>	<b>61,903</b>	1,439	<b>63,342</b>	<b>(4,325)</b>	<b>0</b>	<b>59,017</b>
<b>General Fund Reserves</b>	<b>74,196</b>	424	<b>74,620</b>	<b>(10,095)</b>	<b>(1,839)</b>	<b>62,687</b>
<b>Other Ring-Fenced Reserves</b>						
Dedicated Schools Grant	1,094	(681)	413	(413)		0
Public Health	2,046	(1,300)	746	(746)		0
S106 Receipts	345	(345)	0	0		0
	<b>3,485</b>	<b>(2,326)</b>	<b>1,159</b>	<b>(1,159)</b>	<b>0</b>	<b>0</b>
<b>Total General Fund Earmarked Reserves</b>	<b>77,681</b>	<b>(1,902)</b>	<b>75,779</b>	<b>(11,253)</b>	<b>(1,839)</b>	<b>62,687</b>
<b>Housing Revenue Account Reserves</b>						
HRA - Repairs Fund	11,076	(1,200)	9,876	0	0	9,876
HRA - Major Repairs Reserve	0	220	220	0	0	220
HRA - Capital Reserve	908	17,400	18,308	0	0	18,308
HRA Insurance Fund	177	150	327	0	0	327
<b>Total HRA Earmarked Reserves</b>	<b>12,161</b>	<b>16,570</b>	<b>28,731</b>	<b>0</b>	<b>0</b>	<b>28,731</b>
<b>Total GF and HRA Earmarked Reserves</b>	<b>89,665</b>	<b>14,518</b>	<b>104,183</b>	<b>(11,253)</b>	<b>(1,839)</b>	<b>91,091</b>
<b>Summary of Reserves &amp; Balances</b>						
General Fund Balances	14,000	0	14,000	0	0	14,000
Schools Balances	700	(700)	0	0	0	0
General Fund Earmarked Reserves	77,681	(1,902)	75,779	(11,253)	(1,839)	62,687
<b>General Fund Balances and Reserves</b>	<b>92,381</b>	<b>(2,602)</b>	<b>89,779</b>	<b>(11,253)</b>	<b>(1,839)</b>	<b>76,687</b>
HRA Balance	4,620	80	4,700	0	0	4,700
HRA Earmarked Reserves	12,161	16,570	28,731	0	0	28,731
<b>HRA Balance and Reserves</b>	<b>16,781</b>	<b>16,650</b>	<b>33,431</b>	<b>0</b>	<b>0</b>	<b>33,431</b>

**STATEMENT OF THE SECTION 151 OFFICER UNDER THE  
REQUIREMENTS OF SECTION 25 OF THE LOCAL GOVERNMENT ACT  
2003**

**ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF THE  
RESERVES - FEBRUARY 2020**

## **1 Introduction**

The Local Government Act 2003 places a duty on the Chief Finance Officer (the Council's Section 151 Officer) to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves.

Guidance on balances and reserves is provided by Local Authority Accounting Panel (LAAP) Bulletin 77 (Nov 2008) which is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in this report. The LAAP emphasises the importance of taking account of the Council's medium-term plans and forecasts of resources, and not to focus solely on short term considerations. The majority of Council services face external demand and cost pressures in future years, and in addition, the Council continues to need to transform in order to meet rising demand with fewer resources and invest in capital projects to ensure the long-term viability of Council assets.

This Appendix focuses on the robustness of estimates and the adequacy of reserves which are central to the Council's risks and uncertainties and need to be considered together.

## **2 Processes**

Budget estimates are made at a point in time and this statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but, instead, gives members reasonable assurances that the budget has been based on the best available information and assumptions.

To meet the requirement on the robustness of estimates a few key processes are in place, including:

- the issuing of clear guidance to all officers involved in the preparation of budgets including the importance of proposed savings and income generation proposals to be realistic and deliverable;
- the use of budget monitoring in 2019/20 to re-align budgets with current demand where possible, and, for 2020/21 to update the Medium-Term Financial Plan (MTFP) and build in known pressures;
- development of savings and income generation proposals by savings workstreams;
- scrutiny and review via weekly meetings of the Executive Management Team (EMT) and by Overview and Scrutiny budget challenge in December 2019 of the proposed savings and their achievability;
- weekly meetings with the Cabinet Member for Finance and Procurement and regular meetings with the Leader to review key issues and provide ongoing direction to the process.

- the Chief Financial Officer providing advice throughout the process on robustness, including reflecting current demand and service standards (unless standards and eligibility are to be changed through a change in policy);

In addition to these arrangements, which are designed to test the budget throughout its various stage of development, reliance is placed on the Service Managers having proper arrangements in place to identify issues, project demand data, and consider value for money and efficiency. These arrangements are managed via Departmental Management Teams, drawing on monthly information in the financial monitor, performance reporting systems and the Council's risk management strategy (which in itself results in the strategic risk register being reported to and challenged by the Audit Committee on a regular basis).

### **3 Robustness of Revenue Estimates**

The 2020/21 draft budget includes £11.9m of new service savings and increased income proposals and £3.3m of prior year savings and income savings, totalling £15.2m overall. Service and corporate pressures totalling £30.1m have been reflected in the 2020/21 budget to address demand and cost pressures as detailed in section 10.3 of the report. The savings identified to balance the 2020/21 budget have been closely scrutinised by both officers and members, and where appropriate Equality Impact Assessments (EQIAs) have been completed by departments. Savings and income generation proposals approved in the budget round will be closely monitored through 2020/21 until they are fully embedded into the Council's budget.

The risks in relation to the achievement of all savings are taken into account in setting the level of contingencies and general balances. The monitoring of the achievement of these savings, as in previous years, will form an integral part of the 2020/21 revenue monitoring process, which culminates in quarterly reporting to Cabinet. During 2019/20 the Pressures Challenge Board continued to focus on areas of key pressures to develop action plans to ensure that pressures contained. Where no recourse was identified to manage 2019/20 pressures and unachieved savings these were built into the MTFP in 2020/21, and remaining pressures will be monitored alongside new savings in 2020/21 to ensure delivery.

In the event that management action fails to ensure delivery of savings, income generation and containment of pressures, a contingency of £3m has been retained in the Corporate Budget. Should a temporary in-year call on general fund balances be required, balances would need to be restored to at least the minimum prudent level in the following year.

#### The Treatment of Inflation and Interest Rates

Services are required to manage inflation pressures within their budgets through procurement efficiencies. An allowance has been provided for inflation in the MTFP.

Interest rates for 2020/21 have been assumed at 0.90% for temporary investment (up to 6 months). Most of the Council's debt is long term with fixed interest rates, with 3.5% prudent assumption for any new long-term new borrowing resulting from the draft Capital Programme. The revenue financing costs for the approved Capital Programme are provided for in the draft revenue budget. Interest rate risk is mitigated by a reserve specifically set aside for this purpose.

### The Availability of other Funds and Insurance to deal with Major Contingencies

Besides the general budget contingency of £3m, there are also General Balances of £14m and General Fund Earmarked Reserves estimated at 31<sup>st</sup> March 2020 to be £74.6m (Appendix 7b). However, of the £74.6m reserves, these in part are committed, and therefore the available reserves are estimated to be circa £40m taking account of the reserves set aside for repayment of debt and interest £28.2m and £6.6m insurance reserve.

The minimum level of general fund earmarked reserves assumes that management actions will be taken to address major issues that might arise. The General Balance of £14m should be retained for unforeseen, emergency events.

The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self-insure" some areas. External premiums are also managed by an excess payable by Enfield Council for claims received. Premiums and self-funds are reactive to external perceptions of the risks faced by the Council which includes both risks that are generic to all organisations and those specific to the authority.

The level of the Insurance Reserve is subject to regular actuarial reviews. At present it is judged to be reasonable, the position being that estimated outstanding liabilities are covered by the balance on the Reserve. The current reserve balance is £6.6m.

### The Overall Financial Standing of the Authority

In addition to the revenue spend that the Council will incur in 2020/21, it also has a Capital Programme that requires increasing levels of borrowing in 2020/21 and future years. This is assessed as affordable based on key projects meeting revenue income stream and capital receipt targets, and for compensating decisions being made on other revenue costs and income to live within the overall affordability envelope set by the revenue budget.

However, the Council has a large capital programme which will put increasing pressure on the revenue budget; which will need to be managed via the MTFP process through ongoing savings and income generation proposals. This risk has been recognised in the adequacy of reserves assessment and the capital programme and its funding will be kept under review to minimise borrowing requirements.

Similarly, although significant elements of the borrowing costs of the capital associated with Meridian Water and other regeneration schemes are capitalised, and therefore do not affect the revenue budget, any change in the assumptions affecting these projects may require some or all of these borrowing costs to be charged to the revenue budget. Decisions on future additions to the Capital Programme and any associated borrowing requirement must be taken with reference to the latest guidance on capital financing and with regard to proportionality.

The assumed Council Tax collection rate for 2020/21 is 98.0% and is judged to be achievable. For each 1% not collected, the cost is approximately £1.5m in lost income to the Council (including GLA share). Legislation requires that any Collection Fund deficit be corrected through the Council Tax in the next year. The Council Tax Collection Fund is forecast to be in surplus (£2.3m, including GLA share) at 31<sup>st</sup> March

2020. Council Tax collection levels have been adjusted to take into account the local Council Tax Support system based on actual collection since 2013/14 and changes to the Scheme agreed at Council in January 2020. The 2020/21 collection estimate is projected over the life of the MTFP as achievable and will continue to be closely monitored to ensure collection estimates used are achievable.

The Government sets the business rates multiplier and the Valuation Office Agency determines rateable values and deals with appeals. The Council has made prudent estimates of business rates reliefs and collection levels based on recent experience. In 2020/21 the London business rates pool government pilot has ended. The business rate risk reserve is held for the purpose of smoothing the impact of significant changes in business rates as key funding source.

### Enfield Council's Track Record in Budget and Financial Management

The latest revenue monitoring forecasts a departmental overspend of £5.6m in 2019/20 (position as at February 2020). The Council has faced increased pressure on its budget with demographic and inflationary pressures. Although specific government funding was increased for social care in 2020/21, the pressures exceeded the funding available. However, the Council will need to maintain its strict monitoring regime as part of its risk management approach to the budget. The Pressures Challenge Board was introduced in 2018/19 continues to provide additional rigour to monitor financial management – this year focussed on Adult Social Care, SEN Transport and ICT.

The full year effect of previous decisions, demographic growth and legislative change has been identified and will continue to be identified during the budget and MTFP process.

As reported in the December and February monitor, the number of savings and income generation proposals at risk of delivery has significantly reduced since last year. This has been delivered through a change of approach for proposing savings, and also because the MTFP recognised that a number of historic unrealisable savings and income generating savings needed to be reversed.

Ultimately, financial performance relies on all budget managers actively managing their budgets and complying with financial regulations, including not committing expenditure if there is insufficient budget provision, either within individual managers' cost centres, or in the department or Council more generally. In other words, the first call on any underspend (which must be reported at the earliest opportunity) is and will continue to be the Council's overall financial position, which must be sustained in order to ensure the Council remains a going concern.

## 4 Risk

The key risks are detailed in Appendix 6 and can be summarised as follows:

- **Demographic Pressures** affecting adult and children social care and temporary accommodation provision and SEN Transport
- **Impact of Brexit**
- **Local Government funding changes**, including fair funding review and business rates retention;
- future **legislation** creating extra burdens that are not fully funded

- Scope to make **savings** while maintaining services
- **Capital programme.** Managing the programme to meet deadlines within agreed allocations, income and capital receipt targets. See section 5 for details (below).

The budget assumptions and potential changing circumstances will require forecasts for future years to be reviewed early in each financial year leading to more detailed budgets being prepared for the next financial year and the medium term during the autumn of each financial year.

## 5 Capital Budget 2020/21 - 2029/30

The approved capital programme's revenue implications are incorporated in the MTFP. The Council's policy is to include the revenue cost of its capital programme over the five-year MTFP cycle, mainly from three sources, capital receipts, grants and borrowing. For the first time at Enfield a Ten-year Capital Programme has been developed in order to inform sustainable decisions and the longer term Treasury Strategy. The Capital Strategy (2020/21) and Ten-Year Capital Programme (2020/21-2029/30) (also on this agenda) consider the risks and mitigations specifically for the capital programme. The Capital Finance Board (CFB) was set up to enable the strategic oversight of the prioritisation, affordability and monitoring of the Capital Programme to provide additional rigour.

The capital programme sets out a proposed ten-year indicative programme. The funding and revenue implications of the projects in the ten-year programme have been built into the MTFP and Treasury estimates for 2020/21 onwards. In addition to the projects proposed for approval are Pipeline projects. These are projects where further work is required to develop the projects prior to requesting capital investment. Once a fully developed business case is available, each new project requires a completed project appraisal template to be presented to CFB for approval and recommendation to EMT, prior to Cabinet and Council approval, to add the project to the approved Capital programme.

Quarterly programme updates on the approved programme are presented to Cabinet throughout the year to inform decision making and to show progress against agreed budgets. All the various major capital projects require clear business cases to be completed including a full assessment of affordability and management of risk at each major stage before they are progressed. This includes, for example, Meridian Water, Housing Regeneration Schemes.

## 6 Adequacy of the level of General Balances

Under the 2003 Act, the Secretary of State has reserve powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their Chief Financial Officer.

Determining the appropriate levels of reserves is not a precise science or a formula e.g. a percentage of the Council's budget. It is the Council's "safety net" for unforeseen or other circumstances and must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot

be judged merely against the current risks facing the Council as these can and will change over time.

Determining the appropriate levels of balances is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budgets, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management.

The table below brings together the risk quantification, the current level of General Fund balances and the value of specific reserves as yet not committed and which could be available to temporarily meet unplanned costs. The summary indicates that the Council has sufficient funds available to meet one-off expenditure in the short term based on the likely cost if the risks materialised. In the longer term headroom to cover risks begins to diminish. The Council will need to monitor this position and look to increase reserves or reduce risks if possible.

<b>MTFP Risk summary (Excluding Schools &amp; HRA)</b>	<b>Likely £m</b>
Risk Evaluation 2020/21 (appendix 8(b), column 5)	11.479
Estimated General Fund Balance at 31 March 2020	(14.000)
Forecast Reserves uncommitted at 31 March 2020 (Appendix 7(b)) *	(39.800)
2019/20 latest forecast outturn	5.600
<b>MTFP Resources to risks at 31 March 2019</b>	<b>(36.721)</b>
Future risks if not addressed in 2020/21 MTFP	31.340
<b>MTFP Resources Shortfall/ (Surplus) to risks in longer term</b>	<b>(5.381)</b>

*\*MRP reserve balance is excluded from this figure as it is committed outside of the MTFP period*

It should be noted that the consequences of not keeping a minimum prudent level of balances can be serious. Appendix 8b identifies total risks significantly in excess of the balances and reserves shown above and whilst this scenario would never arise, in the event of a major problem or a series of events, the Council might run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.

Any drawing from balances to meet non-budgeted expenditure or loss of income has to be made good in the following year's base budget, which would compound the risks in that year and weaken the Council's financial standing should the minimum level be breached.

## **7. External Auditor's Review of the Council's Arrangements for Securing Financial Resilience**

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

BDO, as the Council's External Auditors, are required under Section 20 of the Local Audit and Accountability Act 2014 to satisfy themselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office requires them to report their conclusion relating to proper arrangements, having regard to relevant criteria specified by the National Audit Office.

In the audit of the 2018/19 statement of accounts there were three sub criteria that BDO considered as part of their overall risk assessment:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties.

In their 2018/19 Audit Completion Report BDO concluded that there were no significant unaddressed risks and they were satisfied that in all significant respects the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

## **8. Conclusions, Statutory Advice and Guidance of the S151 Officer**

The continuing reduction in public spending and growing demand for services requires the Council to ensure its financial planning is robust. There are various issues set out above which are having an ongoing effect on the Council's budget. Essentially, costs, if unmanaged, are increasing, whilst funding has been reducing. The Council has therefore made and will need to continue to make, difficult decisions in future budget rounds to remain within the resources available.

For future budget planning rounds further action will be needed to focus resources on the highest priority services; prevent/reduce demand, to invest in vital infrastructure; to seek alternative funding mechanisms for services and/or assets previously funded by the Council; and to continue to develop commercial revenue streams to offset any loss in government funding.

Taking account of all the above considerations, the Executive Director of Resources is of the view that the 2020/21 budget is robust.

In light of the risks facing the authority, the Executive Director of Resources recommends that the General Fund balance is maintained at £14m, and that this recommendation is taken into account when determining the level of transfers to and from reserves in the 2019/20 revenue outturn.



**ADEQUACY OF RESERVES: RISK EVALUATION 2020/21**

Probability	Grade	Range	% Used
High	A	>80%	100.0%
Probable	B	60%-80%	75.0%
Possible	C	30%-60%	40.0%
Low	D	<30%	15.0%

	Risk Period	Risk Cost	Risk Level	Risk Assessed Impact Profiled					Total Assessed Risk
				2020/21	2021/22	2022/23	2023/24	2024/25	
1	2	3	4	5	6	7	8	9	10
		£'000		£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund Revenue</b>									
Inflation. No provision for service inflation in 20/21 which must be contained by service savings. 2% risk assumption	One-off	2,000	D	300	0	0	0	0	300
Reduction in Income / Non-Payment	One-off	2,000	D	300	0	0	0	0	300
Non-Achievement of Service Savings	Total	43,450	D	2,468	1,800	750	750	750	6,518
Non collection of Council Tax	pa	1,250	D	38	38	38	38	38	188
Temporary Accommodation Costs exceed budget provision	pa	10,000	C	800	800	800	800	800	4,000
Business rates underestimate of appeals	One-off	3,750	B	563	563	563	563	563	2,813
VAT Exemption Limit	One-off	4,000	D	600	0	0	0	0	600
Bellwin Scheme	One-off	2,210	D	66	66	66	66	66	332
Demographics	Total	12,050	C	1,620	800	800	800	800	4,820
Litigation costs	One-off	2,000	D	300	0	0	0	0	300
Funding Review	Total	10,000	D	300	300	300	300	300	1,500
Interest Rates	Total	16,000	D	375	450	525	525	525	2,400
Major Regeneration and Development Schemes	Total	125,000	D	3,750	3,750	3,750	3,750	3,750	18,750
<b>General Fund Total</b>		<b>233,710</b>		<b>11,479</b>	<b>8,566</b>	<b>7,591</b>	<b>7,591</b>	<b>7,591</b>	<b>42,819</b>

**Specific Grants**

**APPENDIX 9**

Description and Comment	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
<b>Non Ring-Fenced Specific Grants</b>					
<b>New Homes Bonus Grant (NHB)</b> The New Homes Bonus Grant is based on the number of properties newly liable for Council Tax. The Government has reduced the number of years over which this grant is paid, and has also introduced a threshold of 0.4% new homes before any bonus will be paid. Source: Provisional Settlement for 2020/21, LBE estimate for further years currently based on a reduction of £200k per annum with 2022/23 being the final year any grant is projected. There is a possibility that NHB will be discontinued but the review of local government finance has been delayed.	646.0	446.0	246.0	-	-
<b>Housing Benefit Administration Grant</b> Notice of the 2019/20 grant allocation was received in early February 2019. Autumn Budget and Universal Credit announcements will impact on the HB administration subsidy allocations. To reflect this, a reduction to the grant year on year of around 10% has been estimated over the period of the MTFP.	1,417.0	1,275.0	1,147.0	1,038.0	935.0
<b>Local Council Tax Support Administration</b> Funding subject to confirmation. Estimate for future years rolls forward 2019/20 grant.	634.4	634.4	634.4	634.4	634.4
<b>Total Non Ring-Fenced Specific Grants</b>	<b>2,697.4</b>	<b>2,355.4</b>	<b>2,027.4</b>	<b>1,672.4</b>	<b>1,569.4</b>

**Specific Grants**

**APPENDIX 9**

Description and Comment	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
<b>Ring-Fenced Specific Grants</b>					
<p><b>Public Health Grant</b> The grant is ring-fenced for promoting public health within the borough and cannot be used to support general Council expenditure. The associated grant conditions are specific to public health outcomes, with the requirement to submit both quarterly &amp; annual expenditure returns, to the MHCLG &amp; Public Health England. The ring-fenced Public Health grant is designed to cover all expenditure incurred in delivering the Public Health function</p> <p>Enfield's 2019/20 grant allocation is £16.384m. This is expected to increase by 3.4% in 2020/21 to £16.941m (to be confirmed by Public Health England). Future years are currently assumed as constant at the 2020/21 level throughout the MTFP period, but this is expected to be reviewed as part of the wider local government finance changes which are pending.</p>	16,941.0	16,941.0	16,941.0	16,941.0	16,941.0
<p><b>Flexible Homelessness Support Grant</b> This grant replaced the Temporary Accommodation Management Fee in 2017/18. It is a ring-fenced grant to provide support for local authorities in expenditure incurred in preventing and dealing with homelessness. It is not known whether the grant will continue beyond 2020/21.</p>	8,348.1				
<p><b>Rough Sleeping Initiative Funding</b> The Government have combined two major rough sleeping programmes; the Rough Sleeping Initiative (RSI) and Rapid Rehousing Pathway (RRP) to form one consolidated funding pot for 2020/21. This grant is to enhance services that connect people with the right support and sustainable housing to move them swiftly away from the street and facilitate their recovery. Allocations after 2020/21 are not certain.</p>	699.0				
<p><b>The (Improved) Better Care Fund</b> This grant represents the original improved Better Care Fund and the additional funding announced in the Spring 2017 Budget. The conditions of the additional improved BCF include meeting social care needs, reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported. The budgets of the improved BCF must be agreed with the CCG and signed off by the Health and Wellbeing board. Adult Social Care is to be the subject of a green paper, expected in 2020. At the moment the 2019/20 allocation has been projected forward to 2020/21 and throughout the MTFP period, pending confirmation.</p>	10,082.6	10,082.6	10,082.6	10,082.6	10,082.6
<b>Total Ring-Fenced Specific Grants</b>	<b>36,070.7</b>	<b>27,023.6</b>	<b>27,023.6</b>	<b>27,023.6</b>	<b>27,023.6</b>
<b>Total Specific Grants</b>	<b>38,768.1</b>	<b>29,379.0</b>	<b>29,051.0</b>	<b>28,696.0</b>	<b>28,593.0</b>

## **London Borough of Enfield: Flexible Use of Capital Receipts Strategy**

### **Our approach to Efficiency and the Use of Capital Receipts**

With effect from 2016/17 the Government has provided a general capitalisation directive to all councils. This enables the utilisation of new capital receipts to finance projects that are designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery in a way that reduces costs or demand for services in future years for the Council and any of the public sector delivery partners.

Enfield Council has a proven track record in successfully responding to the financial pressures in local government, demonstrated by managing with significantly reduced resources and delivering savings of £178m since 2010, with a further £11.9m proposed for 2020/21.

The Government has extended this capital receipts flexibility until 2021/22. However, the Council is mindful of over reliance on and sustainability of this one-off funding. The EDGE contract, Edge of Care and co-managed procurement and commissioning arrangements are time limited costs. However, the Council's ongoing investment in transformation and ICT indicates that longer term solutions to fund these pressures will be needed in future years.

This Strategy reports on how capital receipts were used to fund investment in 2017/18 and 2018/19 as well as how they are planned to be used to fund investment in 2019/20 and 2020/21. In using this flexibility, £2.405m of capital receipts have been earmarked as one-off funding in 2020/21.

### **Impact on the Prudential Indicators**

The Prudential Indicators for 2018/19 to 2020/21 are set out in the Treasury Management Strategy Report, also on this agenda. These demonstrate that Enfield's capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators take account of the proposals for the use of capital receipts set out in this strategy. On the basis of the current capital programme, if the capital receipts were to be applied to fund capital expenditure, this would have the estimated impact of reducing the annual minimum revenue provision in future years by £0.08m for each £1m of applied capital receipts.

**Use of Capital Receipts in 2017/18**

The table below shows how we used capital receipts in 2017/18

<b>2017/18 Initiatives Funded from Capital Receipts</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>Housing, Health and Adult Social Care Services</b>		
Adults with Learning Disabilities: Groundwork for the Transforming Care Programme	797,000	There is a national plan, Building the Right Support, in the cross-system Transforming Care programme, to meet individuals' needs, more choice for people and their families, and more say in their care. This will include more innovative services to give people a range of care options, with personal budgets, so that care meets individuals' needs and providing early more intensive support for those who need it, so that people can stay in the community, close to home. This approach will also reduce duplication and review existing care packages and cost savings will be achieved where appropriate. This will save £1.5m on the cost of existing contracts from 2017/18 to 2019/20.
Review of residential, nursing and supported accommodation to older people and people with physical disabilities	92,000	To maximise income particularly in the field of complex care packages. This will achieve additional income of £425k over 2017/18 and 2018/19.
Customer Pathway Review	217,000	Reviewing care packages for older people and people with physical disabilities to determine changes could better suit their needs. This will contribute towards achievement of the £4.8m savings target in the MTFP from 2017/18 to 2019/20.
Review of Mental Health Packages	157,000	Review complex mental health packages to maximise income. This will contribute towards achievement of the £415k target in the MTFP.
<b>Schools and Children's Services</b>		
Work on new databases for children, including SEN children, together with work to deliver the savings needed to respond to the cut in Educational Support Grant	157,700	Will support savings in the MTFP, including the reductions needed to offset the cut in ESG Grant which has resulted in a net loss of £2.2m in funding for Enfield.

<b>2017/18 Initiatives Funded from Capital Receipts</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>Finance, Resources and Customer Services</b>		
Financial Support	337,000	Financial support to Service Departments and Transformation programme in identifying and assessing feasibility of savings proposals, identifying mitigating actions on cost pressures to ensure delivery of the savings targets required by the Council's Medium Term Financial Plan, and providing financial input and business partnering support to services for restructuring and other savings initiatives.
Operational Support	23,000	Continued review of operational support activities to reduce resources required and transform service delivery.
Transformation Management	150,000	Programme management of Enfield's Transformation Programme.
Transport Management Reviews	679,377	Operational and Demand Management Initiatives which delivered savings of £562 in 2016/17, £1,050k in 2017/18 and £1,329k in 2018/19.
Contract and commissioning reviews, innovative procurement and programme management of MTFP savings programme.	1,437,500	Contract and commissioning reviews, innovative procurement and programme management of MTFP savings programme.
Cultural Survey and Organisational review	200,933	This work will inform the design and implementation of the new leadership and management staffing structure.
ICT Costs to support Transformation	1,252,390	ICT projects that will deliver transformation and more efficient ways of working that will generate revenue savings and improve performance.
Redundancy	1,146,048	These redundancies will enable future years' savings in the MTFP to be achieved.
<b>Total funded from Capital Receipts in 2017/18</b>	<b>6,739,000</b>	

**Planned Use of Capital Receipts in 2018/19**

The table below shows how we plan to use capital receipts in 2018/19.

<b>2018/19 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Edge of Care (Children's)	390,000	The Edge of Care transformation project will commission a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision.
<b>Place</b>		
EDGE Transport Contract	182,000	The EDGE Transport Contract is an invest to save initiative relating to the Councils People Transport Service, carried out by EDGE Public Solutions with and on behalf of the Council. This is the third and final year of the project and has been successful in terms of both savings and improvement of customer experience.
<b>Resources</b>		
IT Services and Transformation Team	1,750,000	ICT projects that will deliver transformation and more efficient ways of working that will generate revenue savings and improve performance.
Procurement and Commissioning co-managed service contract	1,890,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-managed partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<b>Total to be funded from Capital Receipts 2018/19</b>	<b>4,212,000</b>	

**Planned Use of Capital Receipts in 2019/20**

The table below shows how we plan to use capital receipts in 2019/20.

<b>2019/20 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Edge of Care (Children's)	320,000	The Edge of Care transformation project will commission a Family Breakdown prevention team to reduce the short and long-term costs of Looked After Children provision.
<b>Resources</b>		
Procurement and Commissioning co-managed service contract	1,457,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-manage partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
IT Service	500,000	The service is implementing changes to the infrastructure contracts aimed at achieving significant cost reductions and transforming how services are delivered.
Transformation Team	377,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
<b>Place</b>		
EDGE Transport Contract	30,000	The EDGE Transport Contract is an invest to save initiative relating to the Councils People Transport Service, carried out by EDGE Public Solutions with and on behalf of the Council. This is the third and final year of the project and has been successful in terms of both savings and improvement of customer experience.



2019/20 Estimated Cost of Start-Up Initiatives to be funded:	£	Planned Savings and Demand Reductions
Mobilisation costs associated with the implementation of waste service changes	572,000	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>• To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>• To collect dry recycling every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for refuse)</li> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt</li> <li>• into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• recruitment of 2 additional Recycling Officers</li> <li>• recruitment of 2 additional Enforcement Officers</li> <li>• To invest £500k in Street Cleaning Services.</li> </ul> <p>The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
<b>Total to be funded from Capital Receipts 2019/20</b>	<b>3,256,000</b>	

**Planned Use of Capital Receipts in 2020/21**

The table below shows how we plan to use capital receipts in 2020/21.

<b>2020/21 Estimated Cost of Start-Up Initiatives to be funded:</b>	<b>£</b>	<b>Planned Savings and Demand Reductions</b>
<b>People</b>		
Children's & Families	45,000	Pilot scheme for 1 year to evaluate the use of Virtual Reality to improve Social Worker practice and increase recruitment and retention of Foster Carers.
<b>Chief Executive</b>		
Procurement and Commissioning co-managed service contract	800,000	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-manage partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<b>Resources</b>		
Exchequer Services	200,000	Revenue costs associated with the implementation of PayPoint which forms part of the Payments Programme and the options considered for transforming the Counter Service and face to face payment options.
IT	900,000	The service is continuing to implement changes to the infrastructure contracts aimed at achieving significant cost reductions and transforming how services are delivered.
Transformation	400,000	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.

Place		
Mobilisation costs associated with the implementation of waste service changes	60,000	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>• To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>• To collect dry recycling every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for refuse)</li> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt</li> <li>• into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• recruitment of 2 additional Recycling Officers</li> <li>• recruitment of 2 additional Enforcement Officers</li> <li>• To invest £500k in Street Cleaning Services.</li> </ul> <p>The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
<b>Total to be funded from Capital Receipts 2020/21</b>	<b>2,405,000</b>	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	£	£	£	£	£	£	
<b>STREET NAMING &amp; NUMBERING</b>							
List of streets, places & footpaths in LBE (- Alphabetical Street Index) on hard copy or CD		52.90	0.00	52.90	54.30	0.00	54.30
Amendments to the LSPF (annual charge)		58.80	0.00	58.80	60.30	0.00	60.30
Postage & Packing		Standard Council charges apply			Standard Council charges apply		
Numbering New Residential & Commercial Units – per unit		123.80	0.00	123.80	127.00	0.00	127.00
Naming a Street – per street		309.60	0.00	309.60	317.60	0.00	317.60
Naming a Block – per block		206.40	0.00	206.40	211.80	0.00	211.80
Penalty for retrospective engagement with Street Naming & Numbering Process		154.80	0.00	154.80	158.80	0.00	158.80
Provision of historical information for Street Naming & Numbering		27.60	0.00	27.60	28.30	0.00	28.30
<b>PROVISION OF-PLANNING /BUILDING CONTROL INFORMATION</b>							
<b>COPYING / SCANNING</b>							
Scan on Demand Service per planning case file for up to 1 hr work	√				16.67	3.33	20.00
Top up charge of £10.00 basic per 30 minutes beyond the initial hour if needed	√				Price on Application		
A4 Sheet (includes VAT at standard rate)	√	5.70	1.14	6.80	5.82	1.16	6.98
Extra Copy (includes VAT at standard rate)	√	0.60	0.12	0.70	0.60	0.12	0.72
A3 Sheet	√	6.80	0.00	6.80	5.82	1.16	6.98
Extra Copy	√	1.20	0.00	1.20	1.02	0.20	1.23
A3 Plan	√	6.80	0.00	6.80	5.82	1.16	6.98
Extra Copy	√	1.20	0.00	1.20	1.02	0.20	1.23
A2 Plan	√	10.20	0.00	10.20	8.73	1.74	10.47
Extra Copy	√	1.80	0.00	1.80	1.54	0.31	1.85
A1 Plan	√	11.40	0.00	11.40	9.75	1.95	11.70
Extra Copy	√	2.90	0.00	2.90	2.48	0.50	2.98
A0 Plan	√	13.50	0.00	13.50	11.54	2.31	13.85
Extra Copy	√	3.40	0.00	3.40	2.91	0.58	3.49
<b>Postage for letters, large letters and packets.</b>	√	Standard Council charges apply			Standard Council charges apply		
<b>BUILDING CONTROL SERVICES</b>							
Viewing Building Control Plans	√	29.50	5.90	35.40	30.42	6.08	36.50
Application check and comfort/ 6 year letter for non complete works	√	57.90	11.58	69.50	62.50	12.50	75.00
Building control information including Solicitor's enquiries	√	62.50	12.50	75.00	66.67	13.33	80.00
Copy of Decision Notice	√	12.90	2.58	15.50	13.33	2.67	16.00
Copy of Completion Certificate	√	62.50	12.50	75.00	66.67	13.33	80.00
Demolition Notice		268.10	0.00	268.10	280.00	0.00	280.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>BUILDING CONTROL FEES</b>							
<b>Standard Domestic Charges for Estimate of costs less than £200,000</b>							
<i>Loft conversions &lt; 40m<sup>2</sup></i>							
Full plan	√	235.90	47.18	283.10	238.67	47.73	286.40
Inspection charge	√	353.90	70.78	424.70	358.00	71.60	429.60
Full Plan & Inspection Charge	√	580.80	116.16	697.00	596.67	119.33	716.00
<i>Loft conversions 40m<sup>2</sup> - 60m<sup>2</sup></i>							
Full plan	√	278.70	55.74	334.40	285.83	57.17	343.00
Inspection charge	√	418.20	83.64	501.80	429.17	85.83	515.00
Full Plan & Inspection Charge	√	697.00	139.40	836.40	715.00	143.00	858.00
<i>Each additional 20m<sup>2</sup> over 60m<sup>2</sup></i>							
Full plan	√	25.70	5.14	30.80	26.67	5.33	32.00
Inspection charge	√	38.60	7.72	46.30	40.00	8.00	48.00
Full Plan & Inspection Charge	√	64.30	12.86	77.20	66.67	13.33	80.00
<i>Extension &lt;6m<sup>2</sup></i>							
Full plan	√	203.70	40.74	244.40	209.17	41.83	251.00
Inspection charge	√	305.60	61.12	366.70	313.33	62.67	376.00
Full Plan & Inspection Charge	√	509.30	101.86	611.20	522.50	104.50	627.00
<i>Extension 6m<sup>2</sup> - 40m<sup>2</sup></i>							
Full plan	√	235.90	47.18	283.10	242.50	48.50	291.00
Inspection charge	√	353.90	70.78	424.70	363.33	72.67	436.00
Full Plan & Inspection Charge	√	589.80	117.96	707.80	605.83	121.17	727.00
<i>Extension 40m<sup>2</sup> - 60m<sup>2</sup></i>							
Full plan	√	289.50	57.90	347.40	297.50	59.50	357.00
Inspection charge	√	434.30	86.86	521.20	445.83	89.17	535.00
Full Plan & Inspection Charge	√	723.70	144.74	868.40	743.33	148.67	892.00
<i>Extension 60m<sup>2</sup> - 100m<sup>2</sup></i>							
Full plan	√	375.30	75.06	450.40	385.00	77.00	462.00
Inspection charge	√	563.00	112.60	675.60	577.50	115.50	693.00
Full Plan & Inspection Charge	√	938.20	187.64	1,125.80	962.50	192.50	1,155.00
<i>Each additional 20m<sup>2</sup> over 100m<sup>2</sup></i>							
Full plan	√	25.70	5.14	30.80	26.67	5.33	32.00
Inspection charge	√	38.60	7.72	46.30	40.00	8.00	48.00
Full Plan & Inspection Charge	√	64.30	12.86	77.20	66.67	13.33	80.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>Basements as extension above plus</i>							
Full plan	√	139.40	27.88	167.30	143.33	28.67	172.00
Inspection charge	√	209.10	41.82	250.90	215.00	43.00	258.00
Full Plan & Inspection Charge	√	348.50	69.70	418.20	358.33	71.67	430.00
<i>Attached garage &lt;30m<sup>2</sup></i>							
Full plan	√	171.50	34.30	205.80	175.83	35.17	211.00
Inspection charge	√	257.40	51.48	308.90	264.17	52.83	317.00
Full Plan & Inspection Charge	√	428.90	85.78	514.70	440.00	88.00	528.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<u>Detached garage 30m<sup>2</sup> - 60m<sup>2</sup></u>							
Full plan	√	171.50	34.30	205.80	175.83	35.17	211.00
Inspection charge	√	257.40	51.48	308.90	264.17	52.83	317.00
Full Plan & Inspection Charge	√	428.90	85.78	514.70	440.00	88.00	528.00
<u>Through lounge</u>							
Full plan	√	96.50	19.30	115.80	99.17	19.83	119.00
Inspection charge	√	144.80	28.96	173.80	148.33	29.67	178.00
Full Plan & Inspection Charge	√	241.30	48.26	289.60	247.50	49.50	297.00
<u>Removal of chimney breasts</u>							
Full plan	√	96.50	19.30	115.80	99.17	19.83	119.00
Inspection charge	√	144.80	28.96	173.80	148.33	29.67	178.00
Full Plan & Inspection Charge	√	241.30	48.26	289.60	247.50	49.50	297.00
<u>Installation of new wc/shower/utility</u>							
Full plan	√	96.50	19.30	115.80	99.17	19.83	119.00
Inspection charge	√	144.80	28.96	173.80	148.33	29.67	178.00
Full Plan & Inspection Charge	√	241.30	48.26	289.60	247.50	49.50	297.00
<u>Garage conversion</u>							
Full plan	√	171.50	34.30	205.80	175.83	35.17	211.00
Inspection charge	√	257.40	51.48	308.90	264.17	52.83	317.00
Full Plan & Inspection Charge	√	428.90	85.78	514.70	440.00	88.00	528.00
<u>Replacement windows up to 5 windows</u>							
Full plan	√	85.80	17.16	103.00	88.33	17.67	106.00
Inspection charge	√	128.70	25.74	154.40	132.50	26.50	159.00
Full Plan & Inspection Charge	√	214.40	42.88	257.30	220.83	44.17	265.00
<u>per extra 10 windows</u>							
Full plan	√	37.60	7.52	45.10	39.17	7.83	47.00
Inspection charge	√	53.70	10.74	64.40	55.83	11.17	67.00
Full Plan & Inspection Charge	√	91.10	18.22	109.30	95.00	19.00	114.00
<u>Re-roofing</u>							
Full plan	√	118.00	23.60	141.60	121.67	24.33	146.00
Inspection charge	√	176.90	35.38	212.30	181.67	36.33	218.00
Full Plan & Inspection Charge	√	294.80	58.96	353.80	303.34	60.66	364.00
<u>New wiring (non competent person)</u>							

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Full plan	√	118.00	23.60	141.60	121.67	24.33	146.00
Inspection charge	√	176.90	35.38	212.30	181.67	36.33	218.00
Full Plan & Inspection Charge	√	294.80	58.96	353.80	303.34	60.66	364.00
<i>Discount for each multiple works above</i>							
Full plan	√	34.30	6.86	41.20	35.83	7.17	43.00
Inspection charge	√	51.50	10.30	61.80	53.33	10.67	64.00
Full Plan & Inspection Charge	√	85.80	17.16	103.00	89.16	17.84	107.00



Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>NEW BUILD DWELLINGS</b>							
(<300m <sup>2</sup> per dwelling)							
<b>1 new dwelling</b>							
Full plan	√	353.90	70.78	424.70	363.33	72.67	436.00
Inspection charge	√	530.80	106.16	637.00	545.00	109.00	654.00
Full Plan & Inspection Charge	√	884.60	176.92	1,061.50	908.33	181.67	1,090.00
<b>2-5 dwellings per extra dwelling</b>							
Full plan	√	118.00	23.60	141.60	121.67	24.33	146.00
Inspection charge	√	160.90	32.18	193.10	165.83	33.17	199.00
Full Plan & Inspection Charge	√	278.70	55.74	334.40	287.50	57.50	345.00
<b>6 -20 new dwellings per extra dwelling</b>							
Full plan	√	825.60	165.12	990.70	847.50	169.50	1,017.00
Inspection charge	√	1,174.10	234.82	1,408.90	1,205.00	241.00	1,446.00
Full Plan & Inspection Charge	√	2,017.70	403.54	2,421.20	2,052.50	410.50	2,463.00
<b>Extra dwelling over 5</b>							
Full plan	√	85.80	17.16	103.00	88.33	17.67	106.00
Inspection charge	√	128.70	25.74	154.40	132.50	26.50	159.00
Full Plan & Inspection Charge	√	214.40	42.88	257.30	220.83	44.17	265.00
<b>Flat conversion to form 2 flats</b>							
Full plan	√	289.50	57.90	347.40	296.67	59.33	356.00
Inspection charge	√	434.30	86.86	521.20	445.83	89.17	535.00
Full Plan & Inspection Charge	√	723.70	144.74	868.40	742.50	148.50	891.00
<b>Plus for each additional flat</b>							
Full plan	√	85.80	17.16	103.00	88.33	17.67	106.00
Inspection charge	√	128.70	25.74	154.40	132.50	26.50	159.00
Full Plan & Inspection Charge	√	214.40	42.88	257.30	220.83	44.17	265.00
<b>Other works -Estimate of cost:</b>							
<b>&lt;£5000</b>							
Full plan	√	100.10	20.02	120.10	102.50	20.50	123.00
Inspection charge	√	150.80	30.16	181.00	155.83	31.17	187.00
<b>£5001 - £10,000</b>							
Full plan	√	120.40	24.08	144.50	123.33	24.67	148.00
Inspection charge	√	181.10	36.22	217.30	185.83	37.17	223.00
<b>£10,001 - £20,000</b>							
Full plan	√	171.00	34.20	205.20	175.83	35.17	211.00
Inspection charge	√	257.40	51.48	308.90	264.17	52.83	317.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>£20,001 - £30,000</b>							
Full plan	<i>Y</i>	221.60	44.32	265.90	227.50	45.50	273.00
Inspection charge	<i>Y</i>	332.70	66.54	399.20	341.67	68.33	410.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>£30,001 - £40,000</b>							
Full plan	√	272.00	54.40	326.40	279.17	55.83	335.00
Inspection charge	√	408.10	81.62	489.70	419.17	83.83	503.00
<b>£40,001 - £50,000</b>							
Full plan	√	321.80	64.36	386.20	330.00	66.00	396.00
Inspection charge	√	483.50	96.70	580.20	495.83	99.17	595.00
<b>£50,001 - £60,000</b>							
Full plan	√	363.10	72.62	435.70	372.50	74.50	447.00
Inspection charge	√	544.20	108.84	653.00	558.33	111.67	670.00
<b>£60,001 - £70,000</b>							
Full plan	√	403.50	80.70	484.20	414.17	82.83	497.00
Inspection charge	√	604.90	120.98	725.90	620.83	124.17	745.00
<b>£70,001 - £80,000</b>							
Full plan	√	443.00	88.60	531.60	455.00	91.00	546.00
Inspection charge	√	665.50	133.10	798.60	683.33	136.67	820.00
<b>£80,001 - £90,000</b>							
Full plan	√	483.50	96.70	580.20	495.83	99.17	595.00
Inspection charge	√	726.10	145.22	871.30	745.00	149.00	894.00
<b>£90,001 - £100,000</b>							
Full plan	√	524.00	104.80	628.80	537.50	107.50	645.00
Inspection charge	√	785.00	157.00	942.00	830.83	166.17	997.00
<b>£100,001 - £120,000</b>							
Full plan	√	564.40	112.88	677.30	579.17	115.83	695.00
Inspection charge	√	845.70	169.14	1,014.80	867.50	173.50	1,041.00
<b>£120,001 - £140,000</b>							
Full plan	√	604.90	120.98	725.90	620.83	124.17	745.00
Inspection charge	√	906.30	181.26	1,087.60	930.00	186.00	1,116.00
<b>£140,001 - £160,000</b>							
Full plan	√	645.30	129.06	774.40	662.50	132.50	795.00
Inspection charge	√	966.10	193.22	1,159.30	991.67	198.33	1,190.00
<b>£160,001 - £180,000</b>							
Full plan	√	684.80	136.96	821.80	702.50	140.50	843.00
Inspection charge	√	1,026.60	205.32	1,231.90	1,053.33	210.67	1,264.00
<b>£180,001 - £200,000</b>							
Full plan	√	726.10	145.22	871.30	745.00	149.00	894.00
Inspection charge	√	1,088.30	217.66	1,306.00	1,116.67	223.33	1,340.00
<b>Standard Non Domestic Charges for work less than £200,000</b>							
<b>Non Domestic New Builds &amp; extensions up to 100m<sup>2</sup></b>							

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Other Residential/Institutional/Assembly/Recreational (<6m <sup>2</sup> )							
Full plan	Y	203.70	40.74	244.40	209.17	41.83	251.00
Inspection charge	Y	305.60	61.12	366.70	313.33	62.67	376.00
Full Plan & Inspection Charge	Y	509.30	101.86	611.20	522.50	104.50	627.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<u>Industrial and Storage(&lt;6m<sup>2</sup>)</u>							
Full plan	√	139.40	27.88	167.30	143.33	28.67	172.00
Inspection charge	√	209.10	41.82	250.90	215.00	43.00	258.00
Full Plan & Inspection Charge	√	348.50	69.70	418.20	358.33	71.67	430.00
<u>Office and Shops(&lt;6m<sup>2</sup>)</u>							
Full plan	√	203.70	40.74	244.40	209.17	41.83	251.00
Inspection charge	√	305.60	61.12	366.70	313.33	62.67	376.00
Full Plan & Inspection Charge	√	509.30	101.86	611.20	522.50	104.50	627.00
<u>Other Residential/Institutional/Assembly/Recreational (&lt;6-40m<sup>2</sup>)</u>							
Full plan	√	278.70	55.74	334.40	285.83	57.17	343.00
Inspection charge	√	418.20	83.64	501.80	429.17	85.83	515.00
Full Plan & Inspection Charge	√	697.00	139.40	836.40	715.00	143.00	858.00
<u>Industrial and Storage(&lt;6-40m<sup>2</sup>)</u>							
Full plan	√	203.70	40.74	244.40	209.17	41.83	251.00
Inspection charge	√	305.60	61.12	366.70	313.33	62.67	376.00
Full Plan & Inspection Charge	√	509.30	101.86	611.20	522.50	104.50	627.00
<u>Office and Shops(&lt;6-40m<sup>2</sup>)</u>							
Full plan	√	235.90	47.18	283.10	242.50	48.50	291.00
Inspection charge	√	375.30	75.06	450.40	385.00	77.00	462.00
Full Plan & Inspection Charge	√	589.80	117.96	707.80	627.50	125.50	753.00
<u>Other Residential/Institutional/Assembly/Recreational (&lt;40-100m<sup>2</sup>)</u>							
Full plan	√	471.80	94.36	566.20	484.17	96.83	581.00
Inspection charge	√	707.60	141.52	849.10	725.83	145.17	871.00
Full Plan & Inspection Charge	√	1,179.50	235.90	1,415.40	1,210.00	242.00	1,452.00
<u>Industrial and Storage(&lt;40-100m<sup>2</sup>)</u>							
Full plan	√	321.70	64.34	386.00	330.00	66.00	396.00
Inspection charge	√	482.60	96.52	579.10	495.00	99.00	594.00
Full Plan & Inspection Charge	√	804.20	160.84	965.00	825.00	165.00	990.00
<u>Office and Shops(&lt;40-100m<sup>2</sup>)</u>							
Full plan	√	375.30	75.06	450.40	385.00	77.00	462.00
Inspection charge	√	563.00	112.60	675.60	577.50	115.50	693.00
Full Plan & Inspection Charge	√	938.20	187.64	1,125.80	962.50	192.50	1,155.00
<u>Shop Fit out each 100m<sup>2</sup> or part</u>							
Full plan	√	139.40	27.88	167.30	143.33	28.67	172.00
Inspection charge	√	209.10	41.82	250.90	215.00	43.00	258.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Full Plan & Inspection Charge	√	348.50	69.70	418.20	358.33	71.67	430.00
<i>Shop Front</i>							
Full plan	√	107.20	21.44	128.60	110.00	22.00	132.00
Inspection charge	√	160.90	32.18	193.10	165.00	33.00	198.00
Full Plan & Inspection Charge	√	268.10	53.62	321.70	275.00	55.00	330.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>Office Partitioning per 50m run</i>							
Full plan	√	107.20	21.44	128.60	110.00	22.00	132.00
Inspection charge	√	160.90	32.18	193.10	165.00	33.00	198.00
Full Plan & Inspection Charge	√	268.10	53.62	321.70	275.00	55.00	330.00
<i>New Windows up to 10</i>							
Full plan	√	107.20	21.44	128.60	110.00	22.00	132.00
Inspection charge	√	160.90	32.18	193.10	165.00	33.00	198.00
Full Plan & Inspection Charge	√	268.10	53.62	321.70	275.00	55.00	330.00
<i>Per Extra 10</i>							
Full plan	√	37.60	7.52	45.10	38.33	7.67	46.00
Inspection charge	√	53.70	10.74	64.40	55.00	11.00	66.00
Full Plan & Inspection Charge	√	91.10	18.22	109.30	93.33	18.67	112.00
<i>Mezzanine Floor per 500m2 or part</i>							
Full plan	√	214.40	42.88	257.30	220.83	44.17	265.00
Inspection charge	√	321.70	64.34	386.00	330.00	66.00	396.00
Full Plan & Inspection Charge	√	536.10	107.22	643.30	550.83	110.17	661.00
<b>Other Works- Estimate of cost:</b>							
<b>&lt;£5,000</b>							
Full plan	√	100.10	20.02	120.10	102.50	20.50	123.00
Inspection charge	√	150.80	30.16	181.00	155.83	31.17	187.00
<b>£5001-10,000</b>							
Full plan	√	120.40	24.08	144.50	123.33	24.67	148.00
Inspection charge	√	181.10	36.22	217.30	185.83	37.17	223.00
<b>£10,001-£20,000</b>							
Full plan	√	171.00	34.20	205.20	175.83	35.17	211.00
Inspection charge	√	257.40	51.48	308.90	264.17	52.83	317.00
<b>£20,001-£30,000</b>							
Full plan	√	221.60	44.32	265.90	227.50	45.50	273.00
Inspection charge	√	332.70	66.54	399.20	341.67	68.33	410.00
<b>£30,001-£40,000</b>							
Full plan	√	272.00	54.40	326.40	279.17	55.83	335.00
Inspection charge	√	408.10	81.62	489.70	419.17	83.83	503.00
<b>£40,001-£50,000</b>							
Full plan	√	321.80	64.36	386.20	330.00	66.00	396.00
Inspection charge	√	483.50	96.70	580.20	495.83	99.17	595.00
<b>£50,001-£60,000</b>							
Full plan	√	363.10	72.62	435.70	372.50	74.50	447.00
Inspection charge	√	544.20	108.84	653.00	558.33	111.67	670.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>£60,001-£70,000</b>							
Full plan	Y	403.50	80.70	484.20	414.17	82.83	497.00
Inspection charge	Y	604.90	120.98	725.90	620.83	124.17	745.00



Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>£70,001-£80,000</b>							
Full plan	√	442.10	88.42	530.50	453.33	90.67	544.00
Inspection charge	√	663.70	132.74	796.40	680.83	136.17	817.00
<b>£80,001-£90,000</b>							
Full plan	√	483.50	96.70	580.20	495.83	99.17	595.00
Inspection charge	√	726.10	145.22	871.30	745.00	149.00	894.00
<b>£90,001-£100,000</b>							
Full plan	√	524.00	104.80	628.80	537.50	107.50	645.00
Inspection charge	√	785.00	157.00	942.00	805.83	161.17	967.00
<b>£100,001-£120,000</b>							
Full plan	√	564.40	112.88	677.30	579.17	115.83	695.00
Inspection charge	√	845.70	169.14	1,014.80	867.50	173.50	1,041.00
<b>£120,001-£140,000</b>							
Full plan	√	604.90	120.98	725.90	620.83	124.17	745.00
Inspection charge	√	906.30	181.26	1,087.60	930.00	186.00	1,116.00
<b>£140,001-£160,000</b>							
Full plan	√	645.30	129.06	774.40	662.50	132.50	795.00
Inspection charge	√	967.00	193.40	1,160.40	992.50	198.50	1,191.00
<b>£160,001-£180,000</b>							
Full plan	√	684.80	136.96	821.80	702.50	140.50	843.00
Inspection charge	√	1,026.60	205.32	1,231.90	1,053.33	210.67	1,264.00
<b>£180,001-£200,000</b>							
Full plan	√	726.10	145.22	871.30	745.00	149.00	894.00
Inspection charge	√	1,088.30	217.66	1,306.00	1,116.83	223.37	1,340.20

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Planning Application Fees</b>							
<i>Prior Approval under the General Permitted Development Order (Amendment) 2013</i>							
<i>An application which involves the making of any material change in the use of any buildings, or other land under Classes J, K and M of the General Permitted Development Order</i>		80.00	0.00	80.00	80.00	0.00	80.00
<b>Application Type</b>							
<i>Householder</i>							
<i>Relating to one dwelling</i>		206.00	0.00	206.00	206.00	0.00	206.00
<i>Relating to 2 or more dwellings</i>		407.00	0.00	407.00	407.00	0.00	407.00
<i>Certificate of Lawfulness</i>							
<i>Section 191 (1) (c) - Establish Use</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Section 191 (1) (a) or (b) - Existing per unit</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Section 191 (1) (a) or (b) - Existing 50 units</i>		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
<i>Section 191 (1) (a) or (b) - Existing 51 and over units - per unit</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<i>Section 192 - Proposed</i>		Half full fee	0.00	Half full fee	Half full fee	0.00	Half full fee
<b>Outline</b>							
<i>Site area not exceeding 2.5 ha - per 0.1ha</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Site area of 2.5 ha</i>		11,432.00	0.00	11,432.00	11,432.00	0.00	11,432.00
<i>Site in excess of 2.5ha - per 0.1ha</i>		Max 150,000	0.00	Max 150,000	Max 150,000	0.00	Max 150,000
<b>Dwellings</b>							
<i>Per dwelling created - below 50</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>50 dwellings</i>		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
<i>Per dwelling - above 50</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<i>Change of use</i>		462.00	0.00	462.00	462.00	0.00	462.00
<b>Other buildings</b>							
<i>No additional floor space and Floor space up to 40 sq.m</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Floor space between 40 sq.m. and 75 sq.m.</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Floor space between 75 sq.m. and 3750 sq.m. - for each additional 75 sq.m.</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>3750 sq.m. created</i>		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
<i>Each additional 75 sq.m. (or part thereof) above 3750 sq.m.</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<i>Erection, on land used for the purpose of agriculture</i>							
<i>Works up to 465 sq.m.</i>		96.00	0.00	96.00	96.00	0.00	96.00
<i>Floor space between 465 sq.m. and 540 sq.m.</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Floor space between 540 sq.m. and 4215 sq.m. - for each additional 75 sq.m</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>4215 sq.m. created</i>		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
<i>Each additional 75 sq.m. (or part thereof) above 3750 sq.m.</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<i>Erection of glasshouses on land used for the purposes of agriculture</i>							
<i>Works up to 465 sq.m.</i>		96.00	0.00	96.00	96.00	0.00	96.00
<i>Works creating more than 465 sq.m.</i>		2,580.00	0.00	2,580.00	2,580.00	0.00	2,580.00
<i>The erection, alteration or replacement of plant or machinery</i>							
<i>Site area not exceeding 5ha- each 0.1ha or part thereof</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Site area of 5ha</i>		22,859.00	0.00	22,859.00	22,859.00	0.00	22,859.00
<i>Site area in excess of 5ha - each additional 0.1ha or part thereof</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<i>The carrying out of any operations not coming within any of the above categories - for each 0.1 ha of site area</i>		£234 up to a max of £2028	0.00	£234 up to a max of £2028	£234 up to a max of £2028	0.00	£234 up to a max of £2028
<i>Operations connected with exploratory drilling for oil or natural gas</i>							
<i>Site area not exceeding 7.5 ha - for each 0.1 ha of site area</i>		508.00	0.00	508.00	508.00	0.00	508.00
<i>Site area of 7.5 ha</i>		38,070.00	0.00	38,070.00	38,070.00	0.00	38,070.00
<i>Per 0.1ha in excess of 7.5ha</i>		Max 300,000	0.00	Max 300,000	Max 300,000	0.00	Max 300,000
<b>Winning and working of materials</b>							
<i>Per 0.1 ha site area to maximum 15 ha</i>		234.00	0.00	234.00	234.00	0.00	234.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>Site area of 15 ha</i>		34,934.00	0.00	34,934.00	34,934.00	0.00	34,934.00
<i>Per 0.1 ha site area in excess of 15 ha</i>		£138 up to a max of £78,000	0.00	£138 up to a max of £78,000	£138 up to a max of £78,000	0.00	£138 up to a max of £78,000
<i>Disposal of refuse or waste materials or for the deposit of material remaining after minerals have been extracted from the land or for the storage of minerals in the open.</i>							
<i>Per 0.1 ha site area to maximum 15 ha</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Site area of 15 ha</i>		34,934.00	0.00	34,934.00	34,934.00	0.00	34,934.00
<i>Per 0.1 ha site area in excess of 15 ha</i>		£138 up to a max of £78,000	0.00	£138 up to a max of £78,000	£138 up to a max of £78,000	0.00	£138 up to a max of £78,000
<i>Construction of car parks, service roads and access for the purpose of a single undertaking</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Extant Planning Permission</i>							
<i>Householder</i>		68.40	0.00	68.40	68.40	0.00	68.40
<i>Major development</i>		690.00	0.00	690.00	690.00	0.00	690.00
<i>All other applications</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Non-Material Amendment</i>					0.00		
<i>Householder</i>		34.00	0.00	34.00	34.00	0.00	34.00
<i>All other applications</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Minor Material Amendment</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Reserved matters</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>For non-compliance with conditions, variation or renewal of a temporary permission</i>		234.00	0.00	234.00	234.00	0.00	234.00
<i>Householder</i>		34.00	0.00	34.00	34.00	0.00	34.00
<i>All other applications</i>		116.00	0.00	116.00	116.00	0.00	116.00
<i>Playing Fields</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Telecoms prior approval</i>		462.00	0.00	462.00	462.00	0.00	462.00
<i>Buildings and roads constructed under PD for agriculture/forestry</i>		96.00	0.00	96.00	96.00	0.00	96.00
<i>Demolition prior approval</i>		96.00	0.00	96.00	96.00	0.00	96.00
<i>Advert to premises</i>		132.00	0.00	132.00	132.00	0.00	132.00
<i>Directional advert</i>		132.00	0.00	132.00	132.00	0.00	132.00
<i>All other adverts</i>		462.00	0.00	462.00	462.00	0.00	462.00
Request for written confirmation of compliance with condition(s)					350.00	0.00	350.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Coordinated Development Process &amp; Sustainability Assessment Services-Development Control Permission in Principal</b>		<b>£402.00 per 0.1 ha</b>		<b>£402.00 per 0.1ha</b>		<b>£402.00 per 0.1ha</b>	
<b>Coordinated Plan Drawing and Approval Service</b>							
<b>N.B. 20% discount on Building Control Application fees included in the fees shown below.</b>							
Single Storey Extension	√	1,654.60	330.92	1,985.50	1,708.33	341.67	2,050.00
Two Storey Extension	√	1,985.50	397.10	2,382.60	2,083.33	416.67	2,500.00
Loft Conversion	√	1,930.40	386.08	2,316.50	1,999.17	399.83	2,399.00
Combination Loft & Extension	√	3,033.40	606.68	3,640.10	3,166.67	633.33	3,800.00
Lawful Development Certificate	√	93.80	18.76	112.60	95.83	19.17	115.00
<b>CONTAMINATED LAND INFORMATION</b>							
Contaminated Land Enquiry - Site History - where no records held		33.10	0.00	33.10	50.00	0.00	50.00
Contaminated Land Enquiry - Site History - where records are held		141.20	0.00	141.20	150.00	0.00	150.00
<b>DEVELOPMENT CONTROL SERVICES</b>							
Provision of Information including Solicitors & Developers Inquires - per hour (1 hour minimum charge)		60.70	0.00	60.70	62.00	0.00	62.00
Providing written confirmation of compliance with planning permission, including a site visit.	√	273.40	54.68	328.10	291.67	58.33	350.00
London Local Authorities (Charges for Stopping Up Orders) Regulations 2000		2,878.90	0.00	2,878.90	2,955.00	0.00	2,955.00
<b>PUBLIC REGISTER COPIES</b>							
IPC Authorised Premises Provision of copies – per premise – per officer half hour or part		25.40	0.00	25.40	26.10	0.00	26.10
Environmental Regulation of Industrial Plant		Price on Application			Price on Application		
Fee for a formal complaint made in respect of high hedges and trees, under part 8 of the Anti-Social Behaviour Act 2003		1,039.00	0.00	1,039.00	1,066.00	0.00	1,066.00
<b>Design Panel Fees</b>							
<b>First Meeting:</b>							
Design Workshop	√	3,000.00	600.00	3,600.00	4,000.00	800.00	4,800.00
Design Review	√	4,000.00	800.00	4,800.00	4,000.00	800.00	4,800.00
Minor Major	√		N/A		1,000.00	200.00	1,200.00
Desktop Meeting	√	1,500.00	300.00	1,800.00	1,541.67	308.33	1,850.00
<b>Follow Up Meeting/s</b>							
Design Workshop	√	2,500.00	500.00	3,000.00	3,000.00	600.00	3,600.00
Design Review	√	2,500.00	500.00	3,000.00	3,000.00	600.00	3,600.00
Design Meeting	√	1,500.00	300.00	1,800.00	1,500.00	300.00	1,800.00
Charge where planning application found to be invalid					20% of application fee		
<b>ENVIRONMENTAL PERMITTING (PPC)</b>							
<i>Statutory fee (set by DEFRA)</i>							
<i>LAPPC Application Fees:</i>							
<i>Application for an environmental permit part B - Standard Activities</i>		<i>1,579.00</i>	<i>0.00</i>	<i>1,579.00</i>	<i>1,579.00</i>	<i>0.00</i>	<i>1,579.00</i>
<i>Additional Fee for operating without a permit</i>		<i>1,137.00</i>	<i>0.00</i>	<i>1,137.00</i>	<i>1,137.00</i>	<i>0.00</i>	<i>1,137.00</i>

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>PVRI, SWOB and Dry Cleaners Reduced Fee Activities</i>		148.00	0.00	148.00	148.00	0.00	148.00
<i>PVRI &amp; II Combined</i>		246.00	0.00	246.00	246.00	0.00	246.00
<i>VRs and Other Reduced Fee Activities</i>		346.00	0.00	346.00	346.00	0.00	346.00
<i>Reduced fee activities: Additional fee for operating without a permit</i>		68.00	0.00	68.00	68.00	0.00	68.00
<i>Mobile screening and crushing plant</i>		346.00	0.00	346.00	346.00	0.00	346.00
<i>Application fee for mobile crusher 3rd - 7th Permit</i>		346.00	0.00	346.00	346.00	0.00	346.00
<i>Application fee for mobile crusher 8th Permit and higher</i>		346.00	0.00	346.00	346.00	0.00	346.00
<i>Where an application for any of the above is for a combined Part B and waste application, add an extra £297 to the above amounts</i>		297.00	0.00	297.00	297.00	0.00	297.00
<i>LAPPC Annual Subsistence Charge</i>							
<i>Standard Processes- Low Risk</i>		739.00	0.00	739.00	739.00	0.00	739.00
<i>Standard Processes- Low Risk - Additional charge where a permit is for a combined Part B &amp; Waste installation</i>		99.00	0.00	99.00	99.00	0.00	99.00
<i>Standard Processes- Medium Risk</i>		1,111.00	0.00	1,111.00	1,111.00	0.00	1,111.00
<i>Standard Processes- Medium Risk - Additional charge where a permit is for a combined Part B &amp; Waste installation</i>		149.00	0.00	149.00	149.00	0.00	149.00
<i>Standard Processes- High Risk</i>		1,672.00	0.00	1,672.00	1,672.00	0.00	1,672.00
<i>Standard Processes- High Risk - Additional charge where a permit is for a combined Part B &amp; Waste installation</i>		198.00	0.00	198.00	198.00	0.00	198.00
<i>Annual Subsistence Fee - Reduced Fee Activity - Low Risk</i>		76.00	0.00	76.00	76.00	0.00	76.00
<i>Annual Subsistence Fee - Reduced Fee Activity - Medium Risk</i>		151.00	0.00	151.00	151.00	0.00	151.00
<i>Annual Subsistence Fee - Reduced Fee Activity - High Risk</i>		227.00	0.00	227.00	227.00	0.00	227.00
<i>Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Low Risk</i>		108.00	0.00	108.00	108.00	0.00	108.00
<i>Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Medium Risk</i>		216.00	0.00	216.00	216.00	0.00	216.00
<i>Annual Subsistence Fee - Reduced Fee Activity PVR I+II -High Risk</i>		326.00	0.00	326.00	326.00	0.00	326.00
<i>Annual Subsistence Fee - Vehicle Respraying + other processes in this category - Low Risk</i>		218.00	0.00	218.00	218.00	0.00	218.00
<i>Annual Subsistence Fee - Vehicle Respraying + other processes in this category - Medium Risk</i>		349.00	0.00	349.00	349.00	0.00	349.00
<i>Annual Subsistence Fee - Vehicle Respraying + other processes in this category - High Risk</i>		524.00	0.00	524.00	524.00	0.00	524.00
<i>Annual Subsistence Fee - Mobile Crushing - Low Risk</i>		218.00	0.00	218.00	218.00	0.00	218.00
<i>Annual Subsistence Fee - Mobile Crushing - Medium Risk</i>		349.00	0.00	349.00	349.00	0.00	349.00
<i>Annual Subsistence Fee - Mobile Crushing - High Risk</i>		524.00	0.00	524.00	524.00	0.00	524.00
<i>Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Low Risk</i>		218.00	0.00	218.00	218.00	0.00	218.00
<i>Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Medium Risk</i>		349.00	0.00	349.00	349.00	0.00	349.00
<i>Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - High Risk</i>		524.00	0.00	524.00	524.00	0.00	524.00
<i>Annual Subsistence Fee - Mobile Crushing 8th &amp; subsequent permits - Low Risk</i>		218.00	0.00	218.00	218.00	0.00	218.00
<i>Annual Subsistence Fee - Mobile Crushing 8th &amp; subsequent permits - Medium Risk</i>		349.00	0.00	349.00	349.00	0.00	349.00
<i>Annual Subsistence Fee - Mobile Crushing 8th &amp; subsequent permits - High Risk</i>		524.00	0.00	524.00	524.00	0.00	524.00
<i>Late payment fee</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Where a Part B installation is subject to reporting under E-PRTR Regulation add an extra £99 to the above amounts</i>		99.00	0.00	99.00	99.00	0.00	99.00
<i>Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36</i>							
<i>Transfer &amp; Surrender</i>							
<i>Standard process transfer</i>		162.00	0.00	162.00	162.00	0.00	162.00
<i>Standard process partial transfer</i>		476.00	0.00	476.00	476.00	0.00	476.00
<i>New operator at low risk reduced fee activity</i>		75.00	0.00	75.00	75.00	0.00	75.00
<i>Surrender: all Part B activities</i>							
<i>Reduced fee activities: transfer</i>							
<i>Reduced fee activities: partial transfer</i>		45.00	0.00	45.00	45.00	0.00	45.00
<i>Temporary transfer for mobiles: first transfer</i>		51.00	0.00	51.00	51.00	0.00	51.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>Temporary transfer for mobiles: repeat following enforcement or warning</i>		51.00	0.00	51.00	51.00	0.00	51.00
<i>Substantial Change</i>							
<i>Standard process</i>		1,005.00	0.00	1,005.00	1,005.00	0.00	1,005.00
<i>Standard process where the substantial change results in a new PPC activity</i>		1,579.00	0.00	1,579.00	1,579.00	0.00	1,579.00
<i>Reduced fee activities</i>		98.00	0.00	98.00	98.00	0.00	98.00
<b>LA-IPPC Charges:</b>							
<i>Application</i>		3,218.00	0.00	3,218.00	3,218.00	0.00	3,218.00
<i>Additional fee for operating without a permit</i>		1,137.00	0.00	1,137.00	1,137.00	0.00	1,137.00
<i>Annual subsistence fee: Low risk</i>		1,384.00	0.00	1,384.00	1,384.00	0.00	1,384.00
<i>Annual subsistence fee: Medium risk</i>		1,541.00	0.00	1,541.00	1,541.00	0.00	1,541.00
<i>Annual subsistence fee: High risk</i>		2,233.00	0.00	2,233.00	2,233.00	0.00	2,233.00
<i>Late payment fee</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Substantial variation</i>		1,309.00	0.00	1,309.00	1,309.00	0.00	1,309.00
<i>Transfer</i>		225.00	0.00	225.00	225.00	0.00	225.00
<i>Partial transfer</i>		668.00	0.00	668.00	668.00	0.00	668.00
<i>Surrender</i>		668.00	0.00	668.00	668.00	0.00	668.00
<i>Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36</i>							
<b>ADOPTED ROAD ENQUIRIES</b>							
Single Property					46.20	0.00	46.20
Site comprising multiple properties					92.40	0.00	92.40
<b>TEMPORARY TRAFFIC ORDER</b>							
TTO / Notice Standard Charge		2,200.00	0.00	2,200.00	2,445.00	0.00	2,445.00
Road Closure for Filming (Notice & Order)					880.00	0.00	880.00
Site visit to agree TM for filming road closure, where required.					115.00	0.00	115.00
A Special Event Orders - (excluding community street parties)		856.60	0.00	856.60	880.00	0.00	880.00
Temporary Traffic Orders to support Major Events (over 10,000 people)					4,520.00	0.00	4,520.00
Approval by the Highway authority to close a road for a street party or other event on the highway (including provision of road closure barriers by the authority)					Price on Application		
<b>TRANSPORTATION PLANNING</b>							
S115E Licence - single site					590.00	0.00	590.00
S115E Licence - for each additional site on same licence					100.00	0.00	100.00
<b>TRANSPORTATION SERVICES</b>							
Monitoring outputs of travel plans secured by S106 Obligations - Framework Travel Plan		Flat contribution of £2,000 + annual contribution of £500 for the life of the travel plan			Flat contribution of £2,500 + annual contribution of £500 for the life of the travel plan		
Monitoring outputs of travel plans secured by S106 Obligations - Single Phase of Development		4,024.80	0.00	4,024.80	5,000.00	0.00	5,000.00
S247 Stopping-Up Order - Relating to Minor Planning Application		2,878.90	0.00	2,878.90	3,000.00	0.00	3,000.00
S247 Stopping-Up Order - Relating to Major Planning Application					5,000.00	0.00	5,000.00
Mobility assessment to support application for disabled parking bay					250.00	0.00	250.00

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Application for temporary directional signage		114.60	0.00	114.60	120.00	0.00	120.00
Temporary directional signs returnable deposit to cover costs in removing the signs in default		100.00	0.00	100.00	100.00	0.00	100.00
Requests for Advice and Policy Guidance on Directional Signs		57.30	0.00	57.30	60.00	0.00	60.00
Checking fee for S38 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of <b>£3,500.00</b> for works up to £10,000 in value + 9% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract			Flat rate of <b>£3,500.00</b> for works up to £10,000 in value + 11% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract		
Checking & supervision fee for S278 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of <b>£3,500.00</b> for works up to £10,000 in value + 11% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract			Flat rate of <b>£3,500.00</b> for works up to £10,000 in value + 11% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract		

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Enforcement of Temporary Traffic Orders - Resident &amp; Business bays, waiting and loading:</b>							
Admin fee		99.00	0.00	99.00	101.60	0.00	101.60
Cancellation charge		49.00	0.00	49.00	50.30	0.00	50.30
Enforcement by Civil Enforcement Officer per day		70.80	0.00	70.80	72.60	0.00	72.60
Cost of an Enforcement notice	√	30.00	6.00	36.00	30.83	6.17	37.00
Use of removal vehicle (per removal)		200.00	0.00	200.00	200.00	0.00	200.00
<i>Please note the charges for Enforcement detailed above are separate and in addition to any charges which the applicant may incur in obtaining a Temporary Traffic Order or Street Works permits</i>							
<b>Lorry parking prices</b>	√						
<b>Rigid vehicles</b>							
1 day	√	15.20	3.04	18.20	15.58	3.12	18.70
2 days	√	30.30	6.06	36.40	31.08	6.22	37.30
3 days	√	45.60	9.12	54.70	46.83	9.37	56.20
4 days	√	60.80	12.16	73.00	62.42	12.48	74.90
5 days	√	76.00	15.20	91.20	78.00	15.60	93.60
6 days	√	91.10	18.22	109.30	93.50	18.70	112.20
1 week	√	98.20	19.64	117.80	100.83	20.17	121.00
1 month	√	393.20	78.64	471.80	403.42	80.68	484.10
3 months	√	1,179.50	235.90	1,415.40	1,210.17	242.03	1,452.20
<b>Articulated vehicles</b>							
1 day	√	17.90	3.58	21.50	18.42	3.68	22.10
2 days	√	35.70	7.14	42.80	36.58	7.32	43.90
3 days	√	53.70	10.74	64.40	55.08	11.02	66.10
4 days	√	71.50	14.30	85.80	73.42	14.68	88.10
5 days	√	89.40	17.88	107.30	91.67	18.33	110.00
6 days	√	107.20	21.44	128.60	110.00	22.00	132.00
1 week	√	116.20	23.24	139.40	119.17	23.83	143.00
1 month	√	464.60	92.92	557.50	476.67	95.33	572.00
3 months	√	1,393.90	278.78	1,672.70	1,430.08	286.02	1,716.10
<b>FOOTPATH CROSSINGS &amp; PATHS ACROSS VERGES</b>							
<b>Please note the prices under the heading 'Footpath Crossings &amp; Paths Across Verges' are likely to change as we are due to go out to tender shortly.</b>							
Costs associated with amending Traffic Management Orders to facilitate footway crossovers in Controlled Parking Zones		141.50	0.00	141.50	145.20	0.00	145.20
Application for Footway Crossovers - The Local Authorities (Transport Charges) Regulation 1998. The application process includes a maximum of three site visits.		190.00	0.00	190.00	195.00	0.00	195.00
Additional Site visits for approval and estimation of vehicle crossover applications. Up to half hour of officer's time per visit.		37.20	0.00	37.20	38.00	0.00	38.00
Construction of a crossover <b>per square metre</b> in paving slabs/blocks or asphalt. Excluding existing obstructions e.g. street lighting columns, street furniture, trees or utility apparatus. <b>Note:</b> Where a footway is currently constructed in asphalt / tarmacadam a new footway crossing will only be permitted to be constructed in asphalt / tarmacadam		213.00	0.00	213.00	218.50	0.00	218.50
Uplift on the cost per square metre for constructing a crossover on a traffic sensitive street.		20.00	0.00	20.00	32.00	0.00	32.00



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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Provision of a footway crossover when constructed as part of a planned footway reconstruction scheme - <b>(20% discount</b> on full price shown above) (per square metre). Note: crossover specification to comply with scheme construction.		170.00	0.00	170.00	174.80	0.00	174.80
<b>There will be no discount where it is identified that a resident is crossing the footway illegally and contributing to damage of the footway.</b>							
Renewal of existing White line Entrance Marking on Highway		150.00	0.00	150.00	155.00	0.00	155.00
New White line Entrance Marking on Highway		150.00	0.00	150.00	155.00	0.00	155.00
White line Entrance marking application charge (if work not progressed admin fee to be charged)		61.00	0.00	61.00	65.00	0.00	65.00
Removal and replanting of shrub bed elsewhere in the Borough - per square metre		112.00	0.00	112.00	119.00	0.00	119.00
Removal and replanting of grass verge elsewhere in the Borough - per square metre		96.00	0.00	96.00	98.50	0.00	98.50
Application to request a tree removal in accordance with the tree strategy.		165.00	0.00	165.00	294.00	0.00	294.00
Application for Heavy Duty Footway crossover - The Local Authorities (Transport Charges) Regulation 1998		905.00	0.00	905.00	929.00	0.00	929.00
Construction and site supervision of Heavy Duty crossover excluding statutory utility diversions.		Price on Application			Price on Application		
<b>PROVISION OF STREET SEATS</b>							
Per seat (Estimate will be provided on request at actual contractors cost, officer time and actual cost of plaque)		Price on Application			Price on Application		
<b>PROVISION OF STREET NAME PLATES</b>							
Per Street Name Plate		Price on Application			Price on Application		
Relocation only of existing Street Name Plate for footway crossing application		Price on Application			Price on Application		
<b>LICENCE FOR SKIPS</b>							
Inspection fee for skip placed off highway		58.00	0.00	58.00	60.00	0.00	60.00
Skip Licence - 14 days		58.00	0.00	58.00	60.00	0.00	60.00
Continuation Licence - 14 days		58.00	0.00	58.00	60.00	0.00	60.00

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>LICENCE FOR HOARDING/SCAFFOLDING</b>							
Deposit before commencement of works (refundable against damage) Per square metre of highway occupied by scaffold/hoarding(minimum deposit of £500)		51.60	0.00	51.60	50.00	0.00	50.00
<b>Licence:</b>							
<b>Application Fee</b> all scaffolds/hoardings (Non Refundable)		125.00	0.00	125.00	130.00	0.00	130.00
<b>Licence Fee for 30 days</b> per square metre of highway occupied by scaffold/hoarding (minimum cost to be £235, max to be £2,350)		23.00	0.00	23.00	23.50	0.00	23.50
<b>Licence Extension Fee</b> for each 30 day period per square metre of highway occupied by scaffold/hoarding UP TO 180 DAYS (minimum cost to be £230, max to be £2,000) £23.00psqm		23.00	0.00	23.00	23.50	0.00	23.50
<b>Charge for additional inspections</b>		68.00	0.00	68.00	69.00	0.00	69.00
<b>LICENCE FOR THE ISSUE OF A STREET WORKS LICENCE UNDER S50 OF THE NEW ROADS &amp; STREET WORKS ACT 1991</b>							
Administration fee		260.00	0.00	260.00	267.00	0.00	267.00
Capitalisation fee in lieu of annual charge		1,200.00	0.00	1,200.00	1,231.00	0.00	1,231.00
Inspection Fee		300.00	0.00	300.00	310.00	0.00	310.00
Refundable Deposit (subject to satisfactory inspection of works at end of guarantee period) - per square metre for reinstatements up to 5 M <sup>2</sup>		200.00	0.00	200.00	200.00	0.00	200.00
over 5M2 - per square metre for reinstatements		160.00	0.00	160.00	160.00	0.00	160.00
Bond payable to cover any penalty payments associated with the works		Price on Application			Price on Application		
<b>APPLICATION FOR AUTHORITY TO EXECUTE WORKS ON THE HIGHWAY</b>							
Administration fee		260.00	0.00	260.00	267.00	0.00	267.00
Inspection Fee		210.00	0.00	210.00	310.00	0.00	310.00
Refundable Deposit (subject to satisfactory inspection of works at end of guarantee period) - per square metre for reinstatements up to 5 M <sup>2</sup>					200.00	0.00	200.00
over 5M2 - per square metre for reinstatements					160.00	0.00	160.00
<b>LICENCE FOR CRANES/OVERSAILING</b>							
Application Fee for Cranes/Oversailing (Non refundable)		168.00	0.00	168.00	173.00	0.00	173.00
Licence for Cranes on the highway - per day		169.00	0.00	169.00	173.00	0.00	173.00
Licence for Oversail over the highway - per day. £10.00 per day		10.00	0.00	10.00	11.00	0.00	11.00
Charge for additional inspections - complaints/enquiries. £66 per hour (min. 1 hr)		68.00	0.00	68.00	69.00	0.00	69.00
Deposit before commencement of works (refundable against damage)		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
<b>HIGHWAY RELATED CHARGES</b>							

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Any works / repairs to public assets on the highway				Price on Application			
Sponsored Tree Planting (including 3 year after care).				590.00	0.00	590.00	
Sponsored Tree Plaque - price on application				Price on Application			
Bollard removal - charge per bollard (any type)		88.00	0.00	88.00	90.00	0.00	90.00
Provision of Arborist Services (private works)		Price on Application			Price on Application		

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>CESSPOOL EMPTYING</b>							
<b>Domestic Properties (No VAT)</b>							
Normal time per hour	√	Price on Application			Price on Application		
Call out (time and ½ rates)	√	Price on Application			Price on Application		
Sundays, Bank Holidays or after Midnight	√	Price on Application			Price on Application		
<b>Thames Water disposal charge to be added to above rates.</b>							
<b>DOMESTIC COLLECTIONS</b>							
<b>N.B. Domestic Bin Hire/Collection is Non Business - i.e. no VAT to be charged</b>							
<b>Special Bulky Waste Collections</b>							
<b>Bulky waste collection in 12 months:</b>							
1 item		39.10	0.00	39.10	40.10	0.00	40.10
2 Items		43.40	0.00	43.40	44.50	0.00	44.50
3 Items		47.70	0.00	47.70	48.90	0.00	48.90
4 Items		52.00	0.00	52.00	53.30	0.00	53.30
5 Items		56.30	0.00	56.30	57.70	0.00	57.70
6 Items		60.60	0.00	60.60	62.10	0.00	62.10
Premium Service (Fastrack service) bookable £10.50 fee		10.20	0.00	10.20	10.50	0.00	10.50
Bulky waste collection cancellation charge for between 1-3 days notice		16.60	0.00	16.60	17.00	0.00	17.00
Additional charge for non standard sized items		59.50	0.00	59.50	61.00	0.00	61.00
<b>Electrical bulky item collections:</b>							
1 item		39.10	0.00	39.10	40.10	0.00	40.10
2 Items		43.40	0.00	43.40	44.50	0.00	44.50
3 Items		47.70	0.00	47.70	48.90	0.00	48.90
4 Items		52.00	0.00	52.00	53.30	0.00	53.30
5 Items		56.30	0.00	56.30	57.70	0.00	57.70
6 Items		60.60	0.00	60.60	62.10	0.00	62.10
Premium Service (Fastrack service) bookable £10.50 fee		Price on application			10.50	0.00	10.50
Bulky electrical item collection cancellation charge for between 1-3 days notice		16.90	0.00	16.90	17.30	0.00	17.30
<b>New bin and bin replacements:</b>							
Delivery and provision of 1 domestic 140 or 240 litre wheeled bin		56.20	0.00	56.20	57.70	0.00	57.70
Delivery of each additional 140 or 240 litre wheeled bin (limited to a maximum of two additions per property)		27.90	0.00	27.90	28.60	0.00	28.60
Hire of additional 240 litre Green Bin (fortnightly service)*		37.20	0.00	37.20	65.00	0.00	65.00
Hire of additional 140 litre Green Bin (fortnightly service)*		31.00	0.00	31.00	65.00	0.00	65.00
New bin and bin replacement cancellation charge for between 1-3 days notice		16.90	0.00	16.90	17.30	0.00	17.30
<b>PARKS AND OUTDOOR FACILITIES</b>							
<b>Charges marked ** do not include VAT, which will be added in certain circumstances in accordance with VAT Regulations</b>							
<b>Public Liability Insurance is not included in these charges.</b>							
<b>IN COMMEMORATION</b>							

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
To supply and plant tree with 3 year after care. Tree species from contractors planting list. Plaque size 6"x 4" limited to 60 characters (additional charge over 60 characters)	√	650.00	130.00	780.00	666.67	133.33	800.00
Memorial Bench	√	1,412.50	282.50	1,695.00	1,450.00	290.00	1,740.00
Plaque for Bench		270.00	0.00	270.00	277.00	0.00	277.00
<b>Tennis Courts</b>							
Per hour peak mid-week	√	3.33	0.67	4.00	3.75	0.75	4.50
No charge off-peak		0.00	0.00	0.00	No Charge		
Per hour weekend & bank holidays	√	3.33	0.67	4.00	3.75	0.75	4.50
Per hour floodlights (as required)	√	1.67	0.33	2.00	2.08	0.42	2.50
<b>CRICKET **</b>							
Season bookings can be made for 10 or 20 matches							
Grade 1 - Saturdays (10 Matches)		678.00	0.00	678.00	696.00	0.00	696.00
Grade 1 - Sundays (10 Matches)		738.00	0.00	738.00	757.00	0.00	757.00
Grade 2 - Saturdays or Sundays (10 Matches)		580.00	0.00	580.00	595.00	0.00	595.00
<b>Casual matches, per day</b>							
Grade 1	√	86.70	17.34	104.00	89.17	17.83	107.00
Grade 2	√	73.00	14.60	87.60	75.00	15.00	90.00
<b>BASEBALL – Enfield Playing Fields</b>							
Grade 1 (Inc. changing rooms & showers) Sat or Sun per session	√	68.90	13.78	82.70	70.83	14.17	85.00
<b>FISHING (15 June - 15 March)</b>							
<b>Grovelands Park &amp; Trent Country Park</b>							
Licensed adult, per day	√	7.30	1.46	8.80	7.50	1.50	9.00
Licensed junior, per day	√			FREE			FREE
Season Ticket - adult	√	54.70	10.94	65.60	56.08	11.22	67.30
Season Ticket - junior	√			FREE			FREE
<b>FOOTBALL / GAELIC FOOTBALL / RUGBY **</b>							
Season bookings can be made for 16 or 32 games							
<b>SENIOR</b>							
Manned site - Saturday (16 Games)		770.00	0.00	770.00	790.00	0.00	790.00
Manned site - Sunday (16 Games)		908.00	0.00	908.00	931.00	0.00	931.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Grade 1 - Saturdays (16 games)		721.00	0.00	721.00	740.00	0.00	740.00
Grade 1 - Sundays (16 games)		856.00	0.00	856.00	878.00	0.00	878.00
Grade 2 - Saturdays (16 games)		495.40	0.00	495.40	508.00	0.00	508.00
Grade 2 - Sundays (16 games)		536.00	0.00	536.00	550.00	0.00	550.00
<b>Casual matches, per match</b>							
Grade 1 Saturday	√	82.90	16.58	99.50	85.00	17.00	102.00
Grade 1 Sunday	√	90.00	18.00	108.00	92.50	18.50	111.00
Grade 2 Saturday	√	61.00	12.20	73.20	62.50	12.50	75.00
Grade 2 Sunday	√	66.70	13.34	80.00	68.33	13.67	82.00
<b>JUNIOR</b>							
Grade 2 - Saturdays or Sundays (16 games)		292.00	0.00	292.00	300.00	0.00	300.00
<b>Casual matches, per match</b>							
Grade 2	√	33.70	6.74	40.40	34.58	6.92	41.50
<b>Mini-Soccer (7v7)</b>							
Every Saturday or Sunday (32 Matches)		361.00	0.00	361.00	370.00	0.00	370.00
Casual, per match	√	15.60	3.12	18.70	15.83	3.17	19.00
<b>5-a-side Football, per pitch, casual</b>							
Casual, per match	√	15.60	3.12	18.70	15.83	3.17	19.00
<b>Every Saturday or Sunday (32 Matches)</b>		361.00	0.00	361.00	370.00	0.00	370.00
<b>9-a-side Football, per pitch</b>							
Grade 2 - Saturdays / Sundays (16 games)		402.50	0.00	402.50	413.00	0.00	413.00
Grade 2 Saturday /Sunday, casual	√	47.50	9.50	57.00	48.33	9.67	58.00
Post Football litter clearance	√	57.50	11.50	69.00	59.17	11.83	71.00
<b>GOLF (WHITEWEBBS)</b>							
<b>Golf Card: Adults only</b>							
5 day Season	√	59.30	11.86	71.20	61.50	12.30	73.80
Weekday per round discount for Golf card holders (5 day season)	√	3.00	0.60	3.60	3.00	0.60	3.60
Maximum total payment (5 day season)	√	503.50	100.70	604.20	516.58	103.32	619.90
<b>Annual Season Tickets:</b>							
7 Days play	√	598.70	119.74	718.40	614.33	122.87	737.20
5 Days play excluding week-ends	√	419.90	83.98	503.90	430.83	86.17	517.00

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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Green fees:</b>							
Standard weekday (Adults)	√	16.50	3.30	19.80	17.92	3.58	21.50
Standard weekend (Adults)	√	21.90	4.38	26.30	22.92	4.58	27.50
Standard weekday (Adults) - loyalty offer six rounds for price of five							
Weekend off peak ticket (variable times through year)	√	16.80	3.36	20.20	17.92	3.58	21.50
Weekday off peak ticket (variable times through year)	√	10.10	2.02	12.10	11.67	2.33	14.00
Juniors weekday	√	6.70	1.34	8.00	7.08	1.42	8.50
Juniors weekend (variable times throughout year)	√	8.00	1.60	9.60	9.58	1.92	11.50
Twilight ticket (2pm GMT 4pm BST)	√	10.10	2.02	12.10	11.67	2.33	14.00
60+ Monday to Thursday	√	10.50	2.10	12.60	11.67	2.33	14.00
Super Twilight ticket 2 hours before dusk (BST)	√	6.70	1.34	8.00	7.50	1.50	9.00
<b>Golf Lessons</b>							
Adult per half hour	√	17.90	3.58	21.50	18.42	3.68	22.10
Adult per 60 mins	√	31.30	6.26	37.60	32.08	6.42	38.50
Up to 3 adults sessions per half hour	√	44.70	8.94	53.60	45.92	9.18	55.10
Up to 3 adults sessions per 60 mins	√	80.40	16.08	96.50	82.50	16.50	99.00
Up to 5 adults sessions per half hour	√	67.00	13.40	80.40	68.67	13.73	82.40
Up to 5 adults sessions per 60 mins	√	122.80	24.56	147.40	126.00	25.20	151.20
Juniors (under 16) per hour group lessons only (min 8)	√	7.10	1.42	8.50	7.33	1.47	8.80
Junior Block booking (12 weeks)	√	64.30	12.86	77.20	66.00	13.20	79.20
<b>Equipment Hire</b>							
Buggy Hire - Peak	√	18.80	3.76	22.60	19.17	3.83	23.00
Buggy Hire 9 holes	√	9.80	1.96	11.80	10.00	2.00	12.00
Trolley hire - 18 holes	√	3.40	0.68	4.10	3.50	0.70	4.20
Club hire - 18 holes (13 clubs)	√	5.80	1.16	7.00	8.33	1.67	10.00
<b>Golf Society Days</b>							
Spoon	√	39.30	7.86	47.20	40.33	8.07	48.40
Brassie	√	32.20	6.44	38.60	33.00	6.60	39.60
Mashie	√	30.30	6.06	36.40	31.08	6.22	37.30
Niblick	√	26.80	5.36	32.20	27.50	5.50	33.00
Monthly play card	√	71.50	14.30	85.80	74.58	14.92	89.50
Junior Season Ticket - under 18's	√	89.40	17.88	107.30	91.67	18.33	110.00
Seven Day golf card (3.50 discount during week, and 6.50 discount at weekends)	√	89.40	17.88	107.30	104.17	20.83	125.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>NETBALL**</b>							
Adult Teams per court, per hour (incl changing rooms & showers)	√	14.60	2.92	17.50	15.00	3.00	18.00
Junior Teams per court, per hour (incl changing rooms & showers)	√	9.44	1.89	11.30	9.67	1.93	11.60
<b>ATHLETIC TRACK-QEII</b>							
Per hour (Mon- Friday)	√	30.00	6.00	36.00	30.83	6.17	37.00
<b>HIRE OF PITCHES FOR SCHOOLS</b>							
(the charges are normally VATable but the supply to LBE maintained schools is outside the scope of VAT)							
<b>FOOTBALL</b>							
Junior Pitch	√	22.30	4.46	26.80	22.92	4.58	27.50
Senior Pitch	√	43.30	8.66	52.00	44.17	8.83	53.00
<b>NETBALL</b>	√	9.50	1.90	11.40	10.00	2.00	12.00
<b>RUGBY</b>							
Senior Pitch	√	43.30	8.66	52.00	44.17	8.83	53.00
<b>Athletics</b>							
Per hour (Mon- Friday)	√	25.80	5.16	31.00	26.67	5.33	32.00



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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>CEMETERY CHARGES</b>							
<b>The service is non-business for VAT where marked * i.e. no VAT to be charged.</b>							
<b><u>DIGGING FEES (including interment fee and soil box on request)</u></b>							
<b>Depth:</b>							
5'0" (Aged 2 years and under - fee waived for residents only)		1,640.00	0.00	1,640.00	1,685.00	0.00	1,685.00
7'0" (Minimum depth applies to all new graves)		1,755.00	0.00	1,755.00	1,800.00	0.00	1,800.00
9'0"		1,880.00	0.00	1,880.00	1,930.00	0.00	1,930.00
10'6"		1,990.00	0.00	1,990.00	2,045.00	0.00	2,045.00
12'0"		2,145.00	0.00	2,145.00	2,200.00	0.00	2,200.00
14'0"		2,255.00	0.00	2,255.00	2,315.00	0.00	2,315.00
Caskets or coffins in excess of 6'10" x 2'6" x 1'10"		300.00	0.00	300.00	310.00	0.00	310.00
<b>SCATTERING OF CREMATED REMAINS ON GRAVES</b>		115.00	0.00	115.00	120.00	0.00	120.00
<b>BURIAL OF CREMATED REMAINS IN GRAVES</b>		290.00	0.00	290.00	300.00	0.00	300.00
<b>BURIAL OF CREMATED REMAINS IN COFFIN</b>		155.00	0.00	155.00	160.00	0.00	160.00
<b>CHAPEL (per half hour)</b>		130.00	0.00	130.00	135.00	0.00	135.00
<b>Additional fee in excess of 1½ timeslot per half hour</b>		190.00	0.00	190.00	200.00	0.00	200.00
<b>Rose Petal service</b>		28.00	0.00	28.00	29.00	0.00	29.00
<b>GREEN BURIALS</b>		As for Grave digging			As for Grave digging		
TREE PLANTING ASSOCIATED WITH GREEN BURIALS		At cost			At cost		
<b><u>PRIVATE GRAVES</u></b>							
<b><u>(Exclusive Right of Burial 100 years)</u></b>							
<b>(Charge includes £51.00 for Grave Deed)</b>							
Reservation fee for Traditional graves [subject to location and availability].		540.00	0.00	540.00	555.00	0.00	555.00
Buyback of Unused Traditional Graves		50% of current market value			50% of current market value		
Baby Graves (inc wooden surround 3' x 1'8")		385.00	0.00	385.00	395.00	0.00	395.00
Traditional Grave (inc wooden surround except for pre-purchases) 6' 6" x 2' 6"		3,850.00	0.00	3,850.00	3,950.00	0.00	3,950.00
Traditional Grave (inc wooden surround except for pre-purchases) 6' 6" x 2' 6" Premium or Front Row		4,650.00	0.00	4,650.00	4,770.00	0.00	4,770.00
Lawn Grave (inc wooden surround except for pre-purchases)		2,650.00	0.00	2,650.00	2,750.00	0.00	2,750.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Traditional Grave Outer Circle (inc wooden surround except for pre-purchases) 9' x 4'		5,200.00	0.00	5,200.00	6,000.00	0.00	6,000.00
Traditional Grave Inner Circle (inc wooden surround except for [pre-purchases) 9' x 4'		4,100.00	0.00	4,100.00	4,500.00	0.00	4,500.00
Traditional Grave (inc wooden surround except for pre-purchases) 7'x 3' Premium or Front Row		7,200.00	0.00	7,200.00	7,400.00	0.00	7,400.00
Non-Residents (Traditional or Front Row Graves 7' x 3')					2,400.00	0.00	2,400.00
<b>Non Residents may purchase graves where the Exclusive Right of Burial will be DOUBLED unless specified otherwise.</b> To qualify for the residency rate, proof of residency of the proposed registered owner must be provided at time of booking otherwise non resident fees will be charged Current Council tax bill or electoral roll. The Exclusive Right of Burial is non transferable except upon death or from one resident to another resident.							
<b>Extension of Exclusive Right of Burial Graves 10 years</b>		520.00	0.00	520.00	535.00	0.00	535.00
<b>Extension of Exclusive Right of Burial Graves 25 years</b>		1,030.00	0.00	1,030.00	1,060.00	0.00	1,060.00
<b><u>MAINTENANCE on traditional graves</u></b>							
Tidying p.a. 6'6" x 2'6"	√	208.30	41.66	250.00	216.67	43.33	260.00
Tidying p.a. 9'0" x 4'0"	√	295.80	59.16	355.00	304.17	60.83	365.00
Planting twice 6'6" x 2'6"	√	300.00	60.00	360.00	308.33	61.67	370.00
Planting twice 9'0" x 4'0"	√	396.70	79.34	476.00	408.33	81.67	490.00
Purchase of full wooden surround -Traditional	√	125.00	25.00	150.00	129.17	25.83	155.00
Purchase of mini kerb wooden surround - Lawn	√	51.70	10.34	62.00	54.17	10.83	65.00
Supply and install foot kerb (Strayfield Rd-Lawn grave)	√				58.33	11.67	70.00
<b><u>MEMORIAL RIGHTS (10 years)</u></b>							
Lawn Grave		130.00	0.00	130.00	135.00	0.00	135.00
Traditional		195.00	0.00	195.00	200.00	0.00	200.00
Garden of Rest, Kerbed Memorial Plot, Garden of Remembrance plot or other plot for cremated remains		45.00	0.00	45.00	50.00	0.00	50.00
<b><u>MEMORIAL permit fees [Includes Replacement Memorials]</u></b>							
Up to 3'0" with headstone only		220.00	0.00	220.00	230.00	0.00	230.00
Mini kerbs 1'6" x 2' 6"		90.00	0.00	90.00	95.00	0.00	95.00
Kerbs only(Traditional)		220.00	0.00	220.00	230.00	0.00	230.00
Up to 3'0" with headstone and kerb		325.00	0.00	325.00	335.00	0.00	335.00
Up to maximum of 4' with headstone and kerb for 6'6" x 2'6" grave		445.00	0.00	445.00	460.00	0.00	460.00
Up to maximum of 5' with headstone and kerb <b>up to</b> 9' x 4' grave		485.00	0.00	485.00	500.00	0.00	500.00
Up to 9'0"		860.00	0.00	860.00	885.00	0.00	885.00
Inscription fee		95.00	0.00	95.00	100.00	0.00	100.00
Vase/Lawn plaque		95.00	0.00	95.00	100.00	0.00	100.00
Headstone and kerb for baby grave				1/2 above rates			1/2 above rates

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Clean/renovation		44.00	0.00	44.00	46.00	0.00	46.00
<b>MEMORIAL REPAIRS</b>							
Re-Fix	Y	69.70	13.94	83.60	71.50	14.30	85.80
Lawn headstone full repair including new base	Y	202.20	40.44	242.60	207.50	41.50	249.00
<b>EXHUMATION</b>			POA			POA	
Pricing is specific to individual grave.			Special charge			Special charge	
<b>COPY OF GRAVE DEED</b>		49.50	0.00	49.50	51.00	0.00	51.00
<b>REGISTRATION OF TRANSFER OF RIGHTS:</b>							
Assignment or Probate		82.00	0.00	82.00	85.00	0.00	85.00

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Statutory Declaration		102.00	0.00	102.00	105.00	0.00	105.00
<b>SEARCH FEE PER ENTRY</b>	Y	18.75	3.75	22.50	19.17	3.83	23.00
<b>Grave inspection including photo or map</b>	Y	20.50	4.10	24.60	21.00	4.20	25.20
<b>GARDEN OF REMEMBRANCE</b>							
Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		289.00	0.00	289.00	298.00	0.00	298.00
Scattering of cremated remains:		115.00	0.00	115.00	118.00	0.00	118.00
Burial of cremated remains:		290.00	0.00	290.00	300.00	0.00	300.00
Plaque with plinth	Y	300.00	60.00	360.00	308.33	61.67	370.00
<b>Memorial bench</b> with plaque including maintenance (10 years lease)	Y	1,412.50	282.50	1,695.00	1,450.00	290.00	1,740.00
Extension of lease 10 years		220.00	0.00	220.00	226.00	0.00	226.00
Plaque Only		270.00	0.00	270.00	277.00	0.00	277.00
Refurbished bench		850.00	0.00	850.00	875.00	0.00	875.00
<b>MEMORIAL TREE</b>							
10 year lease (Double for non residents)		220.00	0.00	220.00	226.00	0.00	226.00
Tree planting with 3 year care		575.00	0.00	575.00	590.00	0.00	590.00
Scattering of cremated remains		115.00	0.00	115.00	118.00	0.00	118.00
Plaque with concrete plinth	Y	300.00	60.00	360.00	308.33	61.67	370.00
<b>Kerbside memorial plot</b>							
Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		290.00	0.00	290.00	298.00	0.00	298.00
Kerbside Memorial including plaque, inscription & vase	Y	370.80	74.16	445.00	380.83	76.17	457.00
<b>GARDENS OF REST:</b>							
Exclusive Right of Burial site fee [50 years] (DOUBLE for non residents)		725.00	0.00	725.00	743.90	0.00	743.90
Memorials		142.00	0.00	142.00	145.70	0.00	145.70
Inscription fee		95.00	0.00	95.00	97.50	0.00	97.50
Interment fees		290.00	0.00	290.00	297.50	0.00	297.50
Reservation Fee		220.00	0.00	220.00	225.70	0.00	225.70
Extension of Lease - 5 years		180.00	0.00	180.00	184.70	0.00	184.70
<b>SHARED/COMMON GRAVES</b>							
<b>Adult</b>							
Contribution towards headstone	Y	75.00	15.00	90.00	77.50	15.50	93.00
Interment fee		580.00	0.00	580.00	595.00	0.00	595.00
<b>Baby</b>							
Maximum coffin size 18" x 9"		No charge			No charge		
Remove / replace headstone		108.00	0.00	108.00	110.80	0.00	110.80
Remove / replace monument		300.00	0.00	300.00	307.80	0.00	307.80
<b>Boards</b>	Y	77.50	15.50	93.00	79.50	15.90	95.40

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Concrete chamber for shallow graves</b>	Y	333.30	66.66	400.00	342.00	68.40	410.40
<b>MAUSOLEUM/VAULTED BURIAL CHAMBER</b>							
Mausoleum Chamber (one burial)		7,650.00	0.00	7,650.00	7,900.00	0.00	7,900.00
25% discount on 2nd Mausoleum Chamber when purchasing two plots		5,730.00	0.00	5,730.00	5,925.00	0.00	5,925.00
Double Vaulted Burial Chamber (for two burial)		8,200.00	0.00	8,200.00	8,450.00	0.00	8,450.00
Premium Double Vaulted Chamber with Niche (for two burials and four cremated remains)		9,000.00	0.00	9,000.00	9,500.00	0.00	9,500.00
Non residents additional purchase fee		1,800.00	0.00	1,800.00	1,900.00	0.00	1,900.00
Keepsake Niche		965.00	0.00	965.00	990.00	0.00	990.00
Interment fee - Burial		755.00	0.00	755.00	780.00	0.00	780.00
Interment fee - Cremated Remains		290.00	0.00	290.00	300.00	0.00	300.00
Inscription fee per line	Y	49.20	9.84	59.00	50.83	10.17	61.00
Posy holder (Bronze) 12.5cm high	Y	149.20	29.84	179.00	153.33	30.67	184.00
Vase (Bronze) 16cm x 8cm x 9cm with plastic insert	Y	171.70	34.34	206.00	176.67	35.33	212.00
Motifs up to 200mm high	Y	48.30	9.66	58.00	50.00	10.00	60.00
Custom motif	Y		POA			POA	
Remove and refit charge	Y	67.50	13.50	81.00	70.00	14.00	84.00
Remove and refit charge (Large tablet)	Y	134.20	26.84	161.00	138.33	27.67	166.00
Oval ceramic plaque 5cm x 7cm (colour)	Y	80.00	16.00	96.00	82.50	16.50	99.00
Oval ceramic plaque 5cm x 7cm (black and white)	Y	58.30	11.66	70.00	60.00	12.00	72.00
Oval ceramic plaque 7cm x 9cm (colour)	Y	103.30	20.66	124.00	106.67	21.33	128.00
Oval ceramic plaque 7cm x 9cm (black and white)	Y	75.80	15.16	91.00	77.50	15.50	93.00
Decorative Memorial Cross	Y	180.80	36.16	217.00	185.83	37.17	223.00
Decorative Candle Box	Y	111.70	22.34	134.00	115.00	23.00	138.00
Funeral and burial services outside of standard specified times			POA			POA	
Assisted grave visits (for relatives who are unable to attend)-Photo provided			POA			POA	
Assisted grave visits (for relatives who are unable to attend)-Photo (emailed) provided and Flower laid on grave for 2 important dates (premium)			POA			POA	
Assisted grave visits (for relatives who are unable to attend)-Photo (emailed) provided (premium plus) A arrangement of flowers laid on grave for 2 important dates per year plus clearing of grave side.			POA			POA	
Referral and multiple discount Commission			POA			POA	
Burial Chamber/Mausoleum clean	Y				108.33	21.67	130.00
<b>EVENTS</b>							
<b>Commercial Events/National Charities (Inc. Funfair and Circus's)</b>							
Administration Fee (Non refundable) Per application per venue		135.00	0.00	135.00	139.00	0.00	139.00
<u>Booking Fee (non refundable) Per application per venue</u>							
Small		54.00	0.00	54.00	55.00	0.00	55.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Medium		214.00	0.00	214.00	220.00	0.00	220.00
Large		536.00	0.00	536.00	550.00	0.00	550.00
<b><u>Funfairs &amp; Circus's</u></b>							
Per Operating Day		600.00	0.00	600.00	616.00	0.00	616.00
Non Operating Day		157.00	0.00	157.00	161.00	0.00	161.00
Children's holiday long-term hire (12 days or more) - per operating day		270.00	0.00	270.00	277.00	0.00	277.00
Children's holiday long-term hire (12 days or more) - per non-operating day		135.00	0.00	135.00	139.00	0.00	139.00
<b><u>Commercial Events/National charities</u></b>							
<b><u>Small 50- 200 attendance</u></b>							
Per Operating Day		278.70	0.00	278.70	286.00	0.00	286.00
Per Non Operating Day		139.40	0.00	139.40	143.00	0.00	143.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b><u>Medium Between 201-999 attendance</u></b>							
Per Operating Day		697.00	0.00	697.00	715.00	0.00	715.00
Per Non Operating Day		348.50	0.00	348.50	357.00	0.00	357.00
<b><u>Large 1000-4999 attendance</u></b>							
Per Operating Day			POA			POA	
Per Non Operating Day			POA			POA	
<b><u>Major Events - Over 5000 people</u></b>							
Per Operating Day			POA			POA	
Per Non Operating Day			POA			POA	
<b><u>Community/Charities/Schools/Sporting/Internal departments</u></b>							
Administration Fee for events over 201 attendance (Non refundable)		135.00	0.00	135.00	139.00	0.00	139.00
75% Discount on Operating and Non Operating day (only applies for small and medium events)							
Ticketed Events - 10% of Gate Receipts for Community and Local Charities and internal departments or £1000 minimum fee (whichever is greater)							
Ticketed Events - minimum of 12% of Gate Receipts for National Charities or £1200 minimum fee (whichever is greater)							
<b><u>Environmental Impact Fee (Commercial Events/National Charity only)</u></b>							
<b><u>Large Events (Over 1000 people-£1,100.00 or £0.22 per person whichever is greater)</u></b>		1,100.00	0.00	1,100.00	1,129.00	0.00	1,129.00
Medium Event (between 200-999)		222.00	0.00	222.00	228.00	0.00	228.00
Small (between 50-200)		57.00	0.00	57.00	59.00	0.00	59.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Bonds</b>							
Funfair and Circus's		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
Medium Events Over 501 -1000 attending		500.00	0.00	500.00	500.00	0.00	500.00
Large Events 1001 – 5000 attending		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
Major Events 5001-10,000+attending		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
Major Events 10,000-14999		7,500.00	0.00	7,500.00	7,500.00	0.00	7,500.00
Major Events 15,000+ attending		10,000.00	0.00	10,000.00	10,000.00	0.00	10,000.00
Activities - Private commercial Enfield based organisation (exercise/running classes) per day per park (annual fee)		170.30	0.00	170.00	175.00	0.00	175.00
Activities - Charitable/Community (exercise/running classes) per day per park (annual fee)		115.00	0.00	115.00	118.00	0.00	118.00
Activities - Private commercial National Organisation (exercise/running classes) per day per park (annual fee)		560.00	0.00	560.00	575.00	0.00	575.00
Exemptions - Memorial /remembrance services				FREE			FREE
Post event parks staff clear up (per hour)	Y	34.50	6.90	41.40	35.42	7.08	42.50
Administration Fee - Street Events					139.00	0.00	139.00
Consultations for Street Events					300.00	0.00	300.00
Street Markets						POA	
Commercial Marketing						POA	
Street Funfair rides						POA	
Bond (Streets)						POA	
<b>ALLOTMENTS</b>							
<b>These charges require 1 year notice to allotment plot holders, therefore the proposed charges in this schedule relate to 2021/22. Allotment charges for 2019/20 were agreed at Full Council meeting in February 2019. They are shown below for the purpose of comparison.</b>							
<b>Residents:</b>							
Grade A, 25 sq. metres (per pole)		14.40	0.00	14.40	14.80	0.00	14.80
Grade B, 25 sq. metres (per pole)		10.70	0.00	10.70	11.00	0.00	11.00
Concessionary rate - age concession/low Inc./unemployed (Enfield Residents only from 1 April 2021)							
Water charge per pole		2.50	0.00	2.50	2.80	0.00	2.80
Shed rentals		22.50	0.00	22.50	23.00	0.00	23.00



Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Key deposits		15.00	0.00	15.00	15.00	0.00	15.00
Plot deposit		35.00	0.00	35.00	35.00	0.00	35.00
<b>Non-Enfield Residents</b>							
Grade A, 25 sq. metres (per pole)		20.60	0.00	20.60	21.10	0.00	21.10
Grade B, 25 sq. metres (per pole)		15.50	0.00	15.50	15.90	0.00	15.90
Water charge per pole		2.60	0.00	2.60	3.00	0.00	3.00
Shed rentals		30.00	0.00	30.00	31.00	0.00	31.00
Key deposits		15.00	0.00	15.00	15.00	0.00	15.00
Plot deposit		35.00	0.00	35.00	35.00	0.00	35.00
Beehive Licence					10.00	0.00	10.00
<b>COMMUNITY HALLS</b>							
<b>Community Halls Hire:</b>							
Commercial rates per hour		27.90	0.00	27.90	28.60	0.00	28.60
Concessionary rate per hour ( for voluntary organisations or those deemed to be providing services of organisational benefit)		16.10	0.00	16.10	16.50	0.00	16.50
<b>(A further concessionary rate will be offered to recognised Tenants and Residents Associations who will be offered space once a month at no charge for meetings) maximum period of 4 hrs</b>							
Daily rate 11am-11pm (for those paying full rate )		280.90	0.00	280.90	288.00	0.00	288.00
Daily rate 11am-11pm (for those paying concessionary rate )		171.50	0.00	171.50	176.00	0.00	176.00
<b>FOOD CERTIFICATES</b>							
Certificate		93.30	0.00	93.30	95.70	0.00	95.70
Additional Charge per certificate if physical examination is required		214.40	0.00	214.40	220.00	0.00	220.00
<b>REQUEST FOR FOOD HYGIENE REVISIT</b>							
Request for a revisit under the National Food Hygiene Rating System		301.30	0.00	301.30	306.50	0.00	306.50
<b>FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY COURSES – HELD AT CIVIC CENTRE</b>							
<b>(i) BASIC HEALTH &amp; SAFETY COURSES</b>							
(include. materials & exam registration)							
Total Fee per person		75.00	0.00	75.00	77.00	0.00	77.00
<b>(ii) FOOD HYGIENE COURSES</b>							
(include materials & exam registration)							
Total Fee per person		75.00	0.00	75.00	77.00	0.00	77.00
(i) Replacement Certificates		36.40	0.00	36.40	37.30	0.00	37.30
(ii) Examination Certificates		27.90	0.00	27.90	28.60	0.00	28.60
<b>FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY TRAINING - OFF SITE</b>							
<b>(i) BASIC HEALTH &amp; SAFETY COURSES</b>							
(include. materials & exam registration)							
Per Course (No VAT applicable)		804.20	0.00	804.20	825.10	0.00	825.10

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Exam Registration charged by CIEH							
<b>(ii) FOOD HYGIENE COURSES</b>							
(include materials & exam registration)							
Per Course (No VAT applicable) up to 10 persons and £20 per person thereafter		804.20	0.00	804.20	825.10	0.00	825.10
Exam Registration charged by CIEH							
Food Hygiene Training Level 3 (3 days course)					350.00	0.00	350.00
Safer Food Better Business Training (half day)					50.00	0.00	50.00
Safer Food Better Business Pack					10.00	0.00	10.00
Pre-inspection business visit and report					312.00	0.00	312.00
<b>ENVIRONMENTAL CRIME UNIT</b>							
Daily storage fee in pound for vehicles and goods and includes trailers and caravans or parts thereof (other than an abandoned vehicle or untaxed vehicle)		43.80	0.00	43.80	44.90	0.00	44.90
Removal and release fee to pound for vehicles and includes trailers and caravans or parts thereof (other than an abandoned vehicle or untaxed vehicle)		218.80	0.00	218.80	224.50	0.00	224.50
<i>Abandoned vehicle disposal fee</i>		70.00	0.00	70.00	70.00	0.00	70.00
<i>Abandoned vehicle removal fee</i>		200.00	0.00	200.00	200.00	0.00	200.00
<i>Abandoned vehicle daily storage fee</i>		40.00	0.00	40.00	40.00	0.00	40.00
<i>DVLA untaxed vehicle release fee within 24 hours</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>DVLA untaxed vehicle release fee over 24 hours</i>		200.00	0.00	200.00	200.00	0.00	200.00
<i>Storage of DVLA untaxed vehicle—for each period of 24 hours or part thereof</i>		21.00	0.00	21.00	21.00	0.00	21.00
<i>Disposal of vehicle</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Surety fee Payable if unable to provide current tax disc at time of vehicle collection. This fee is refundable if the tax disc is produced within 14 days.</i>		160.00	0.00	160.00	160.00	0.00	160.00
<i>Bond payable if unable to prove vehicle has current road tax and or produce MOT certificate at time of collection of an abandoned vehicle. This fee is refundable if the tax and or Mot is produced before or at time collection</i>		120.00	0.00	120.00	120.00	0.00	120.00
Fee for investigation of suspected abandoned vehicle on private land		154.80	0.00	154.80	158.80	0.00	158.80
<b>LICENCES</b>							
<b>A. ANIMAL BOARDING ESTABLISHMENT</b>							
Animal Commercial Boarding - New/Variation/Renewal Application		650.00	0.00	650.00	667.00	0.00	667.00
Animal Commercial Boarding - Re-Inspection		375.00	0.00	375.00	385.00	0.00	385.00
<b>Animal Day Care Boarding New/Variation/Renewal Application</b>							
1- 6 animals		564.00	0.00	564.00	579.00	0.00	579.00
7 - 10 animals		604.00	0.00	604.00	620.00	0.00	620.00
11 + animals		650.00	0.00	650.00	666.90	0.00	666.90
<b>Animal Day Care Boarding Re-Inspection</b>							
1- 6 animals		289.00	0.00	289.00	297.00	0.00	297.00
7 - 10 animals		329.00	0.00	329.00	338.00	0.00	338.00
11 + animals		375.00	0.00	375.00	385.00	0.00	385.00
<b>B. BREEDING OF DOGS</b>		329.20	0.00	329.20	338.00	0.00	338.00

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Dog Breeding - New Application		884.00	0.00	884.00	907.00	0.00	907.00
Dog Breeding - Variation/Renewal Application		664.00	0.00	664.00	682.00	0.00	682.00
Dog Breeding - Re-Inspection (new licence)		595.00	0.00	595.00	611.00	0.00	611.00
Dog Breeding - Re-Inspection (existing licence)		375.00	0.00	375.00	385.00	0.00	385.00
<b>C. DANGEROUS WILD ANIMALS</b>		470.70	0.00	470.70	483.00	0.00	483.00
New Application for Dangerous Wild Animals		566.60	0.00	566.60	582.00	0.00	582.00
Renewal Application for Dangerous Wild Animals		537.70	0.00	537.70	552.00	0.00	552.00
<b>D. PERFORMING ANIMALS</b>							
Performing Animals - New/Variation/Renewal		775.00	0.00	775.00	796.00	0.00	796.00
Performing Animals - Re-Inspection		500.00	0.00	500.00	513.00	0.00	513.00
<b>E. PET SHOPS</b>		300.20	0.00	300.20			
Pet Shop - New/Variation/Renewal		729.00	0.00	729.00	748.00	0.00	748.00
Pet Shop - Re-Inspection		375.00	0.00	375.00	385.00	0.00	385.00
<b>F. STREET TRADING</b>							
Vans/Stalls		197.10	0.00	197.10	203.00	0.00	203.00
Forecourt of shops and cafes/restaurants in designated areas		953.60	0.00	953.60	979.00	0.00	979.00
<b>G. OCCASIONAL SALES</b>							
Initial Application		444.80	0.00	444.80	457.00	0.00	457.00
Subsequent Applications		193.00	0.00	193.00	198.00	0.00	198.00
<b>H. RIDING ESTABLISHMENTS</b>							
<b>Riding Establishments - New/Variation/Renewal</b>							
Under 15 horses		1,101.00	0.00	1,101.00	1,130.00	0.00	1,130.00
15 - 29 horses		1,451.00	0.00	1,451.00	1,489.00	0.00	1,489.00
30 + horses		1,731.00	0.00	1,731.00	1,776.00	0.00	1,776.00
<b>I. SEX SHOPS</b>							
New application for sex establishment venue		2,293.10	0.00	2,293.10	2,353.00	0.00	2,353.00
Renewal application for sex establishment venue		1,482.00	0.00	1,482.00	1,521.00	0.00	1,521.00
<b>J. TABLES &amp; CHAIRS</b>							
Up to 3 sq. m		340.60	0.00	340.60	350.00	0.00	350.00
Between 3 and 10 sq. m		516.00	0.00	516.00	530.00	0.00	530.00
Between 10 and 15 sq. m		1,006.20	0.00	1,006.20	1,033.00	0.00	1,033.00
Between 15 and (maximum) 25 sq. m		1,986.60	0.00	1,986.60	2,039.00	0.00	2,039.00
<b>K. Zoos</b>							
Notification of intention to apply for a zoo licence		103.20	0.00	103.20	106.00	0.00	106.00
New application for a zoo licence		2,848.30	0.00	2,848.30	2,923.00	0.00	2,923.00

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		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Renewal of licence		2,161.00	0.00	2,161.00	2,218.00	0.00	2,218.00
Transfer of licence		511.90	0.00	511.90	526.00	0.00	526.00
Variation of a zoo licence		498.50	0.00	498.50	512.00	0.00	512.00
<b>L. Pleasure Boats</b>							
Application for a boat hire licence		244.50	0.00	244.50	251.00	0.00	251.00
Variation of a boat hire licence		122.20	0.00	122.20	126.00	0.00	126.00
<b>M. Hypnotism</b>							
Application for consent to conduct an exhibition, demonstration or performance of hypnotism		122.20	0.00	122.20	126.00	0.00	126.00
<b>TEMPORARY STREET TRADING LICENSE</b>							
Single event for a 'Seasonal' or 'Farmers' Market of up to 20 stalls for a maximum of 4 days' duration within a designated street trading area (3 Types)							
1. Market which requires the closure of a non-classified road		458.20	0.00	458.20	471.00	0.00	471.00
2. Market on the footway only		344.70	0.00	344.70	354.00	0.00	354.00
3.Any other market / event, a licence fee will be set to recover the Council's costs		Price on application			Price on application		
<b>Note: a licence will only be granted for an area where the Council is satisfied that highway safety and free pedestrian passage requirements are not compromised. Where the Council concludes that a Market cannot be held without compromising these requirements, a refusal fee will be applied as indicated for the relevant category of temporary licence</b>							
<b>MANDATORY HMO LICENCES</b>							
Licence applicaton fee for 5 lettable rooms					1,100.00	0.00	1,100.00
Licence application fee for more than 5 lettable rooms if £1,100 plus £125 per room thereafter					£1100 + £125.00 per room	0.00	£1100 + £125.00 per room
Copy of HMO Register		120.10	0.00	120.10	123.20	0.00	123.20
<b>APPROVALS</b>							
<b>CIVIL MARRIAGE VENUES - Inspection Fee:</b>							
New application for civil marriage venue		985.60	0.00	985.60	1,011.20	0.00	1,011.20
Renewal application for civil marriage venue		959.80	0.00	959.80	984.80	0.00	984.80
Notification of Changes (e.g. naming new person as licence holder) & issue of amended certificate					39.00	0.00	39.00
<b>LICENSING ACT 2003 - FEES AND EXEMPTIONS (statutory fee VAT Exempt)</b>							
<b>FEES PAYABLE:</b>							
<i>1.1 The fee for an application for the grant or variation of a premises licence is based on the rateable value of the property and the band specified for that rateable value, is as follows:</i>		<i>GRANT &amp; VARIATION FEE PAYABLE</i>	<i>VAT</i>	<i>GRANT &amp; VARIATION FEE PAYABLE</i>	<i>GRANT &amp; VARIATION FEE PAYABLE</i>	<i>VAT</i>	<i>GRANT &amp; VARIATION FEE PAYABLE</i>
<b>RATEABLE VALUES</b>							
<i>No rateable value to £4,300</i>		<i>100.00</i>	<i>0.00</i>	<i>100.00</i>	<i>100.00</i>	<i>0.00</i>	<i>100.00</i>
<i>£4,300 to £33,000</i>		<i>190.00</i>	<i>0.00</i>	<i>190.00</i>	<i>190.00</i>	<i>0.00</i>	<i>190.00</i>
<i>£33,001 to £87,000</i>		<i>315.00</i>	<i>0.00</i>	<i>315.00</i>	<i>315.00</i>	<i>0.00</i>	<i>315.00</i>
<i>£87,001 to £125,000</i>		<i>450.00</i>	<i>0.00</i>	<i>450.00</i>	<i>450.00</i>	<i>0.00</i>	<i>450.00</i>
<i>£125,001 and above</i>		<i>635.00</i>	<i>0.00</i>	<i>635.00</i>	<i>635.00</i>	<i>0.00</i>	<i>635.00</i>

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD PLACE DEPARTMENT			LONDON BOROUGH OF ENFIELD PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>1.2 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:</i>		GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE	GRANT & VARIATION FEE PAYABLE	VAT	GRANT & VARIATION FEE PAYABLE
<b>RATEABLE VALUES</b>							
<i>£87,001 to £125,000</i>		450.00	0.00	450.00	450.00	0.00	450.00
<i>£125,001 and above</i>		1,270.00	0.00	1,270.00	1,270.00	0.00	1,270.00
<i>1.3 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:</i>		GRANT & VARIATION ADDITIONAL FEE	VAT	GRANT & VARIATION ADDITIONAL FEE	GRANT & VARIATION ADDITIONAL FEE	VAT	GRANT & VARIATION ADDITIONAL FEE
<b>MAXIMUM NUMBER OF PERSONS</b>							
<i>5,000 to 9,999</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>10,000 to 14,999</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>15,000 to 19,999</i>		4,000.00	0.00	4,000.00	4,000.00	0.00	4,000.00
<i>20,000 to 29,999</i>		8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00
<i>30,000 to 39,999</i>		16,000.00	0.00	16,000.00	16,000.00	0.00	16,000.00
<i>40,000 to 49,999</i>		24,000.00	0.00	24,000.00	24,000.00	0.00	24,000.00
<i>50,000 to 59,999</i>		32,000.00	0.00	32,000.00	32,000.00	0.00	32,000.00
<i>60,000 to 69,999</i>		40,000.00	0.00	40,000.00	40,000.00	0.00	40,000.00
<i>70,000 to 79,999</i>		48,000.00	0.00	48,000.00	48,000.00	0.00	48,000.00
<i>80,000 to 89,999</i>		56,000.00	0.00	56,000.00	56,000.00	0.00	56,000.00
<i>90,000 and over</i>		64,000.00	0.00	64,000.00	64,000.00	0.00	64,000.00
<i>1.4 The annual fee payable for a premises licence, is based on the rateable value of the property and the band specified for that rateable value, as follows:</i>		ANNUAL FEE PAYABLE	VAT	ANNUAL FEE PAYABLE	ANNUAL FEE PAYABLE	VAT	ANNUAL FEE PAYABLE
<b>RATEABLE VALUES</b>							
<i>No rateable value to £4,300</i>		70.00	0.00	70.00	70.00	0.00	70.00
<i>£4,300 to £33,000</i>		180.00	0.00	180.00	180.00	0.00	180.00
<i>£33,001 to £87,000</i>		295.00	0.00	295.00	295.00	0.00	295.00
<i>£87,001 to £125,000</i>		320.00	0.00	320.00	320.00	0.00	320.00
<i>£125,001 and above</i>		350.00	0.00	350.00	350.00	0.00	350.00
<i>1.5 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:</i>		ANNUAL ADDITIONAL FEE	VAT	ANNUAL ADDITIONAL FEE	ANNUAL ADDITIONAL FEE	VAT	ANNUAL ADDITIONAL FEE
<b>RATEABLE VALUES</b>							
<i>£87,001 to £125,000</i>		640.00	0.00	640.00	640.00	0.00	640.00
<i>£125,001 and above</i>		1,050.00	0.00	1,050.00	1,050.00	0.00	1,050.00
<i>1.6 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:</i>		ANNUAL ADDITIONAL FEE	VAT	ANNUAL ADDITIONAL FEE	ANNUAL ADDITIONAL FEE	VAT	ANNUAL ADDITIONAL FEE
<b>MAXIMUM NUMBER OF PERSONS</b>							
<i>5,000 to 9,999</i>		500.00	0.00	500.00	500.00	0.00	500.00
<i>10,000 to 14,999</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>15,000 to 19,999</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>20,000 to 29,999</i>		4,000.00	0.00	4,000.00	4,000.00	0.00	4,000.00
<i>30,000 to 39,999</i>		8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00
<i>40,000 to 49,999</i>		12,000.00	0.00	12,000.00	12,000.00	0.00	12,000.00
<i>50,000 to 59,999</i>		16,000.00	0.00	16,000.00	16,000.00	0.00	16,000.00
<i>60,000 to 69,999</i>		20,000.00	0.00	20,000.00	20,000.00	0.00	20,000.00
<i>70,000 to 79,999</i>		24,000.00	0.00	24,000.00	24,000.00	0.00	24,000.00
<i>80,000 to 89,999</i>		28,000.00	0.00	28,000.00	28,000.00	0.00	28,000.00
<i>90,000 and over</i>		32,000.00	0.00	32,000.00	32,000.00	0.00	32,000.00
<b>FEES PAYABLE:</b>							

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD PLACE DEPARTMENT			LONDON BOROUGH OF ENFIELD PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>2.1 The fee for an application for the grant or variation of a club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:</i>							
<i>RATEABLE VALUES</i>							
<i>No rateable value to £4,300</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>£4,300 to £33,000</i>		190.00	0.00	190.00	190.00	0.00	190.00
<i>£33,001 to £87,000</i>		315.00	0.00	315.00	315.00	0.00	315.00
<i>£87,001 to £125,000</i>		450.00	0.00	450.00	450.00	0.00	450.00
<i>£125,001 and above</i>		635.00	0.00	635.00	635.00	0.00	635.00
<i>2.2 The annual fee payable for club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:</i>							
<i>RATEABLE VALUES</i>							
<i>No rateable value to £4,300</i>		70.00	0.00	70.00	70.00	0.00	70.00
<i>£4,300 to £33,000</i>		180.00	0.00	180.00	180.00	0.00	180.00
<i>£33,001 to £87,000</i>		295.00	0.00	295.00	295.00	0.00	295.00
<i>£87,001 to £125,000</i>		320.00	0.00	320.00	320.00	0.00	320.00
<i>£125,001 and above</i>		350.00	0.00	350.00	350.00	0.00	350.00
<i>OTHER FEES PAYABLE IN RESPECT OF APPLICATIONS MADE OR NOTICES GIVEN , ARE AS FOLLOWS</i>							
<i>APPLICATION OR NOTICE</i>							
<i>Notification of theft, loss, etc. of premises licence or summary</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Application for provisional statement where premises being built, etc.</i>		315.00	0.00	315.00	315.00	0.00	315.00
<i>Notification of change of name or address of premises licence holder or designated premises supervisor</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Application to vary premises licence to specify individual as designated premises supervisor</i>		23.00	0.00	23.00	23.00	0.00	23.00
<i>Application for transfer of premises licence</i>		23.00	0.00	23.00	23.00	0.00	23.00
<i>Application for a minor variation to a premises licence</i>		89.00	0.00	89.00	89.00	0.00	89.00
<i>Notice of interim authority following death etc. of the premises licence holder</i>		23.00	0.00	23.00	23.00	0.00	23.00
<i>Notification of theft, loss, etc. of club premises certificate or summary</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Notification of change of name or alteration of rules of club</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Notification of change of relevant registered address of the club</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Application for temporary event notice</i>		21.00	0.00	21.00	21.00	0.00	21.00
<i>Notification of theft, loss, etc. of temporary event notice</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Application for grant of a personal licence</i>		37.00	0.00	37.00	37.00	0.00	37.00
<i>Notification of theft, loss, etc. of personal licence</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Notification of change of name or address of personal licence holder</i>		10.50	0.00	10.50	10.50	0.00	10.50
<i>Notification of right of freeholder to be notified of licensing matters</i>		21.00	0.00	21.00	21.00	0.00	21.00
<b>SPECIAL TREATMENT LICENCE FEES &amp; EXEMPTIONS ANNUAL LICENCES</b>							
<b>GROUP A</b>							
<b>Establishments that offer invasive and high risk procedures such as lasers, electrolysis, tattooing, body piercing, body message.</b>							
<b>The treatments are:</b>							
Anthroposphical Medicine							
Polarity Therapy							
Aromatherapy							
Qi Gong							
Body Massage							
Remedial/Sports Massage							
Bowen Technique							
Rolfing							
Champiassage/Indian Head Massage							

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Shiatsu							
Endermologie							
Fairbane/Tangent Method							
Stone Therapy							
Gyratory Massage							
Thai Massage							
Manual Lymphatic Drainage							
Therapeutic/Holistic Massage							
Marma Therapy							
Metamorphic Technique							
Physiotherapy							
Tui-Na							
Acupressure							
Botox							
Lasers/Intense Pulse Light							
Collagen Implants							
Moxibustion (if not accompanied by acupuncture it will be Group B)							
Osteopathy							
Sclerotherapy							
Acupuncture							
Micropigmentation							
Beading							
Bio Skin Jetting							
Namripad Allergy Elimination Technique							
Body Piercing							
Electrolysis							
Tattoo Removal							
Korean Hand Therapy							
Tattooing							
<b>NEW LICENCES</b>		758.50	0.00	758.50	779.00	0.00	779.00
<b>RENEWALS</b>		605.80	0.00	605.80	623.00	0.00	623.00
<b>VARIATIONS</b>		375.60	0.00	375.60	386.00	0.00	386.00
<b>TRANSFER</b>		282.80	0.00	282.80	291.00	0.00	291.00
<b>OCCASIONAL LICENCE</b>		377.70	0.00	377.70	388.00	0.00	388.00
<b>GROUP B</b>							
Establishments that offer medium risk and non invasive treatments such as UV tanning, facials and others. The treatments are:							
Ayurvedic Medicine							
Reiki							
Sauna							
Chiroprody/Podiatry							
Spa							
Steam Room/Bath							
Foot Detox							
Hydrotherapy							
Thalassotherapy							
Thermo Auricular Therapy/Hopi Ear candles							
Infra Red							
Micro Currant Therapy/Non-Surgical Face lifts							

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Colour Therapy							
Detox Box							
Facials							
Faradism							
Reflexology							
Floatation Tank							
Galvanism							
Ultra Sonic							
High Frequency							
Ultra Violet Tanning							
Trichology							
<b>NEW LICENCES</b>		557.30	0.00	557.30	572.00	0.00	572.00
<b>RENEWALS</b>		440.70	0.00	440.70	453.00	0.00	453.00
<b>VARIATIONS</b>		251.80	0.00	251.80	259.00	0.00	259.00
<b>TRANSFER</b>		158.90	0.00	158.90	163.00	0.00	163.00
<b>OCCASIONAL LICENCE</b>		279.70	0.00	279.70	287.00	0.00	287.00
<b>GROUP C</b>							
Establishments that offer manicures, pedicures, nail extensions and/or ear piercing only. The treatments are:							
Nail Extensions							
Pedicure							
Manicure							
Ear Piercing							
<b>NEW LICENCES</b>		379.80	0.00	379.80	390.00	0.00	390.00
<b>RENEWALS</b>		323.00	0.00	323.00	390.00	0.00	390.00
<b>VARIATIONS</b>		225.00	0.00	225.00	231.00	0.00	231.00
<b>TRANSFER</b>		158.90	0.00	158.90	163.00	0.00	163.00
<b>OCCASIONAL LICENCE</b>		235.30	0.00	235.30	242.00	0.00	242.00
<b>AMENDMENT</b>		34.10	0.00	34.10	35.00	0.00	35.00
<b>REPLACEMENT COPY OF LICENCE</b>		34.10	0.00	34.10	35.00	0.00	35.00
<b>SCRAP METAL DEALERS</b>							
<b>Now covered by Scrap Metal Dealers Act 2013</b>							
Site Licence:							
New		723.40	0.00	723.40	382.00	0.00	382.00
Variation		355.00	0.00	355.00	294.00	0.00	294.00
Renewal		348.80	0.00	348.80	294.00	0.00	294.00
<b>Collector's Licence:</b>							
New		723.40	0.00	723.40	225.00	0.00	225.00
Variation		355.00	0.00	355.00	121.00	0.00	121.00
Renewal		300.30	0.00	300.30	121.00	0.00	121.00
<b>WEIGHTS AND MEASURES FEES</b>							



Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Fees for the purpose of Section II(5) of the Weights and Measures Act 1985 &amp; EEC Measuring Instrument (Fees) (as amended)</b>							
All weights and measuring equipment (£60.00 per hour or part thereof)		64.30	0.00	64.30	66.00	0.00	66.00
second officer if required (£36 per hour or part thereof)		38.60	0.00	38.60	39.60	0.00	39.60
specialist equipment required		Price on application			Price on application		
<b>Calibration and certification fees for the purpose of section 74 of the Weights and Measures Act 1985</b>							
All weights and measuring equipment (£60.00 per hour or part thereof)		64.30	0.00	64.30	66.00	0.00	66.00
second officer if required (£36 per hour or part thereof)		38.60	0.00	38.60	39.60	0.00	39.60
specialist equipment required		Price on application			Price on application		
<b>GREATER LONDON (GENERAL POWERS ACT) 1984</b>							
Registration to hold sales by competitive bidding		336.60	0.00	336.60	346.00	0.00	346.00
Exemption from registration		112.60	0.00	112.60	116.00	0.00	116.00
<b>LICENSING OF STORES AND REGISTRATION OF PREMISES FOR THE KEEPING OF EXPLOSIVES</b>							
<b>STATUTORY FEES</b>							
<i>New licence to store explosives UNDER 250kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, no minimum separation distance or a 0 metres separation is prescribed</i>							
<i>1 YEAR</i>		109.00	0.00	109.00	109.00	0.00	109.00
<i>2 YEARS</i>		141.00	0.00	141.00	141.00	0.00	141.00
<i>3 YEARS</i>		173.00	0.00	173.00	173.00	0.00	173.00
<i>4 YEARS</i>		206.00	0.00	206.00	206.00	0.00	206.00
<i>5 YEARS</i>		238.00	0.00	238.00	238.00	0.00	238.00
<i>Renewal of licence to store explosives UNDER 250kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, no minimum separation distance or a 0 metres separation is prescribed</i>							
<i>1 YEAR</i>		54.00	0.00	54.00	54.00	0.00	54.00
<i>2 YEARS</i>		86.00	0.00	86.00	86.00	0.00	86.00
<i>3 YEARS</i>		120.00	0.00	120.00	120.00	0.00	120.00
<i>4 YEARS</i>		152.00	0.00	152.00	152.00	0.00	152.00
<i>5 YEARS</i>		185.00	0.00	185.00	185.00	0.00	185.00
<i>New licence to store explosives OVER 250kg BUT LESS than 2,000kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed</i>							
<i>1 YEAR</i>		185.00	0.00	185.00	185.00	0.00	185.00
<i>2 YEARS</i>		243.00	0.00	243.00	243.00	0.00	243.00
<i>3 YEARS</i>		304.00	0.00	304.00	304.00	0.00	304.00
<i>4 YEARS</i>		374.00	0.00	374.00	374.00	0.00	374.00
<i>5 YEARS</i>		423.00	0.00	423.00	423.00	0.00	423.00
<i>Renewal of licence to store explosives OVER 250kg BUT LESS than 2,000kg, where by virtue of regulation 27 and Schedule 5 to the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed</i>							
<i>1 YEAR</i>		86.00	0.00	86.00	86.00	0.00	86.00
<i>2 YEARS</i>		147.00	0.00	147.00	147.00	0.00	147.00
<i>3 YEARS</i>		206.00	0.00	206.00	206.00	0.00	206.00
<i>4 YEARS</i>		266.00	0.00	266.00	266.00	0.00	266.00

Description of Fees & Charges Italics denotes statutory fees	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>5 YEARS</b>		326.00	0.00	326.00	326.00	0.00	326.00
<i>Any kind of variation</i>		<i>Reasonable cost of the work done by the licensing authority</i>			<i>Reasonable cost of the work done by the licensing authority</i>		
<i>Transfer of licence or registration</i>		36.00	0.00	36.00	36.00	0.00	36.00
<i>Replacement licence document</i>		36.00	0.00	36.00	36.00	0.00	36.00
<i>All year Fireworks supply licence</i>		500.00	0.00	500.00	500.00	0.00	500.00
<b>GAMBLING ACT 2005</b>							
<i>FEES AND EXEMPTIONS (VAT exempt)</i>							
<i>NB Fee capped by Government</i>							
<i>New Applications</i>							
<i>Bingo</i>		3,500.00	0.00	3,500.00	3,500.00	0.00	3,500.00
<i>Betting Shop</i>		3,000.00	0.00	3,000.00	3,000.00	0.00	3,000.00
<i>Adult Gaming Centre</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>Track</i>		2,500.00	0.00	2,500.00	2,500.00	0.00	2,500.00
<i>Family Entertainment Centre</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>New Applications - where provisional statement already issued</i>							
<i>Bingo</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Betting Shop</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Adult Gaming Centre</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Track</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Family Entertainment Centre</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Provisional Statement Applications</i>							
<i>Bingo</i>		3,500.00	0.00	3,500.00	3,500.00	0.00	3,500.00
<i>Betting Shop</i>		3,000.00	0.00	3,000.00	3,000.00	0.00	3,000.00
<i>Adult Gaming Centre</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>Track</i>		2,500.00	0.00	2,500.00	2,500.00	0.00	2,500.00
<i>Family Entertainment Centre</i>		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
<i>Transfer Applications</i>							
<i>Bingo</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Betting Shop</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Adult Gaming Centre</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Track</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Family Entertainment Centre</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Reinstatement Applications</i>							
<i>Bingo</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Betting Shop</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Adult Gaming Centre</i>		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
<i>Track</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Family Entertainment Centre</i>		950.00	0.00	950.00	950.00	0.00	950.00
<i>Variation Applications</i>							
<i>Bingo</i>		1,750.00	0.00	1,750.00	1,750.00	0.00	1,750.00
<i>Betting Shop</i>		1,500.00	0.00	1,500.00	1,500.00	0.00	1,500.00
<i>Adult Gaming Centre</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>Track</i>		1,250.00	0.00	1,250.00	1,250.00	0.00	1,250.00
<i>Family Entertainment Centre</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>Annual Fees</i>							
<i>Bingo</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>Betting Shop</i>		600.00	0.00	600.00	600.00	0.00	600.00
<i>Adult Gaming Centre</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>Track</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
<i>Family Entertainment Centre</i>		750.00	0.00	750.00	750.00	0.00	750.00
<i>Notification of Change of Circumstances</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Request for copy of Premises Licence</i>		25.00	0.00	25.00	25.00	0.00	25.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>GAMBLING ACT 2005 - FEES AND EXEMPTIONS (STATUTORY FEE VAT exempt)</b>							
<i>Alcohol Licensed Premises Gaming Machine Permit Fees</i>							
<i>New</i>		150.00	0.00	150.00	150.00	0.00	150.00
<i>New Existing S34 Permit holder (more than 2 machines)</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Variation of information on permit e.g. number of machines</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Notification of 2 machines or less (new &amp; existing)</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Transfer - If transfer of Premises Licence to sell alcohol granted</i>		25.00	0.00	25.00	25.00	0.00	25.00
<i>Name change i.e. new married name etc.</i>		25.00	0.00	25.00	25.00	0.00	25.00
<i>Replacement permit</i>		15.00	0.00	15.00	15.00	0.00	15.00
<i>Annual fee (payable by premises with three or more machines)</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Club Gaming &amp; Club Gaming Machine Permit Fees</i>							
<i>New</i>		200.00	0.00	200.00	200.00	0.00	200.00
<i>New Existing Part II or Part III Gaming Act 1968 registrations</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>New (fast track) holder of Club Premises Certificate under Licensing Act 2003</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Renewal</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Variation</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Replacement permit</i>		15.00	0.00	15.00	15.00	0.00	15.00
<i>Annual fee</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>Unlicensed Family Entertainment Centre Gaming Machine Permit Fees</i>							
<i>New</i>		300.00	0.00	300.00	300.00	0.00	300.00
<i>New Existing Part II and Part III Gaming Act 1968 registrations</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Renewal</i>		300.00	0.00	300.00	300.00	0.00	300.00
<i>Change of Name</i>		25.00	0.00	25.00	25.00	0.00	25.00
<i>Replacement permit</i>		15.00	0.00	15.00	15.00	0.00	15.00
<i>Prize Gaming Permit Fees</i>							
<i>New</i>		300.00	0.00	300.00	300.00	0.00	300.00
<i>New Existing Section 16 Lotteries &amp; Amusement Act 1976 Permit holder</i>		100.00	0.00	100.00	100.00	0.00	100.00
<i>Renewal (every 10 years)</i>		300.00	0.00	300.00	300.00	0.00	300.00
<i>Change of name</i>		25.00	0.00	25.00	25.00	0.00	25.00
<i>Replacement permit</i>		15.00	0.00	15.00	15.00	0.00	15.00
<i>Temporary Use Notice</i>		250.00	0.00	250.00	250.00	0.00	250.00
<i>Small Society Lotteries</i>							
<i>New</i>		40.00	0.00	40.00	40.00	0.00	40.00
<i>Annual fee</i>		20.00	0.00	20.00	20.00	0.00	20.00
<b>SAFETY CERTIFICATES FOR SPORTS GROUNDS</b>							
<b>Sports Grounds:</b>							
Application for a sport ground safety certificate		2,263.50	0.00	2,263.50	2,322.40	0.00	2,322.40
Application to change a safety certificate for a sports ground		1,695.30	0.00	1,695.30	1,739.40	0.00	1,739.40
<b>Regulated Stands at sports grounds:</b>							
Application to certify a regulated stand at a sports ground		1,695.30	0.00	1,695.30	1,739.40	0.00	1,739.40
Application to change a safety certificate for a regulated stand at a sports ground		1,126.90	0.00	1,126.90	1,156.20	0.00	1,156.20
<b>STRAY DOGS SERVICE</b>							
<i>Reclaim of a stray dog:</i>							
Kennelling fee (per day)		12.00	0.00	12.00	12.00	0.00	12.00
Seizure fee		130.00	0.00	130.00	130.00	0.00	130.00
Veterinary fees(Depends on any treatment that is needed)		Price on application			Price on application		
Microchipping							
<b>Charges for Notices served under the Housing Act 2004</b>							
Hazard Awareness Notice (if a subsequent notice is not required)							

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Hazard Awareness Notice (if a subsequent notice is required)		190.90	0.00	190.90	195.90	0.00	195.90
Improvement Notice		381.80	0.00	381.80	391.70	0.00	391.70
Prohibition Order		381.80	0.00	381.80	391.70	0.00	391.70
Emergency Prohibition Order		381.80	0.00	381.80	391.70	0.00	391.70
Emergency Remedial Action		381.80	0.00	381.80	391.70	0.00	391.70
Demolition Order		381.80	0.00	381.80	391.70	0.00	391.70
Review of a suspended Improvement Notice		218.80	0.00	218.80	224.50	0.00	224.50
Review of a suspended Prohibition Order		218.80	0.00	218.80	224.50	0.00	224.50
Charge for any subsequent notice served at the same time for the same property		164.10	0.00	164.10	168.40	0.00	168.40
<b>Angel Community Centre</b>							
<b>Conference Room (meeting space for up to 16 people)</b>							
Monday - Friday - hourly rate		11.50	0.00	11.50	11.80	0.00	11.80
Saturday - Sunday - hourly rate		17.00	0.00	17.00	17.40	0.00	17.40
<b>Small Hall (meeting space for up to 40 people)</b>							
Monday - Friday - hourly rate		17.00	0.00	17.00	17.40	0.00	17.40
Saturday - Sunday - hourly rate		25.50	0.00	25.50	26.20	0.00	26.20
<b>Large Hall (meeting space for up to 150 people)</b>							
Monday - Friday - hourly rate		32.00	0.00	32.00	32.80	0.00	32.80
Saturday - Sunday - hourly rate		34.50	0.00	34.50	35.40	0.00	35.40
<b>Large Hall (social functions for up to 140 people)</b>							
Monday - Friday - hourly rate		38.00	0.00	38.00	39.00	0.00	39.00
Saturday - Sunday - hourly rate		67.00	0.00	67.00	68.70	0.00	68.70
<b>Kitchen Hire (hourly rate)</b>							
Kitchen Hire (all facilities such as fridge, cookers, ovens, hot cabinet)		10.00	0.00	10.00	10.30	0.00	10.30
Part Kitchen Hire (for serving of pre-prepared food/drink only)		21.00	0.00	21.00	21.50	0.00	21.50
<b>Corkage Fee (one off charge)</b>		50.00	0.00	50.00	50.00	0.00	50.00
<b>Discount Weekend Packages</b>							
Social Full Day 12 hours ( Large Hall + Kitchen)		790.00	0.00	790.00	810.50	0.00	810.50
Social Half Day 7 hours ( Large Hall + Kitchen)		465.00	0.00	465.00	477.10	0.00	477.10
<b>Youth Centres</b>							
<b>Alan Pullinger Youth Centre</b>							
Room/Facility hire			Price On Application			Price On Application	
Whole Centre hire			Price On Application			Price On Application	
<b>Bell Lane Youth Centre</b>							
Room/Facility hire			Price On Application			Price On Application	
Whole Centre hire			Price On Application			Price On Application	
<b>Craig Park Youth Centre</b>							
Room/Facility hire			Price On Application			Price On Application	
Whole Centre hire			Price On Application			Price On Application	
<b>Croyland Youth Centre</b>							
Room/Facility hire			Price On Application			Price On Application	
Whole Centre hire			Price On Application			Price On Application	
<b>Ponders End Youth Centre</b>							
Room/Facility hire			Price On Application			Price On Application	
Whole Centre hire			Price On Application			Price On Application	
<b>LEISURE-SPORTS</b>							
<b>Sports &amp; Development</b>							
<b>Term time activities</b>							

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Badminton - Beginners (block of 14 weeks , £6.00 per session)		77.00	0.00	77.00	84.00	0.00	84.00
Badminton - Improvers (block of 14 weeks, £6.00 per session)		77.00	0.00	77.00	84.00	0.00	84.00
Gymnastics - Beginners (block of 14 weeks, £7.80 per session) plus £2.50 one off costs for badge & certificate.		79.50	0.00	79.50	111.70	0.00	111.70
Gymnastics - Improvers (block of 14 weeks, £7.80 per session) plus £2.50 one off costs for badge & certificate.		79.50	0.00	79.50	111.70	0.00	111.70
Gymnastics - Preschool (block of 12 weeks, £5.50 per session)		60.00	0.00	60.00	66.00	0.00	66.00
Gymnastics & Trampoline (block of 14 weeks, £7.80 per session )plus £2.50 one off costs for badge & certificate.)		79.50	0.00	79.50	111.70	0.00	111.70
Trampoline - Tots (block of 12 weeks, £5.50 per session)		60.00	0.00	60.00	66.00	0.00	66.00
Badminton - Adults (block of 15 weeks, £5.50 per session) a.m.		75.00	0.00	75.00	82.50	0.00	82.50
Boxing - Adults (block of 14 weeks, £5.50 per session) p.m.		77.00	0.00	77.00	77.00	0.00	77.00
Pilates - Adults (block of 15 weeks , £5.50 per session)		82.50	0.00	82.50	97.50	0.00	97.50
Tai Chi - Adults (block of 13 weeks, £5 per session)		65.00	0.00	65.00	78.00	0.00	78.00
Yoga - Adults (Women only) (block of 15 sessions, £6.50 per session) Grange Park		90.00	0.00	90.00	97.50	0.00	97.50
Yoga - Adults (block of 15 weeks, £6.00 per session) David Lloyd		75.00	0.00	75.00	90.00	0.00	90.00
Nordic Walking - adults (block of 15 weeks session, £3.75 per session)		52.50	0.00	52.50	56.25	0.00	56.25
Keep Fit Mature Moves - 50+ (block of 15 weeks, £5.00 per session)		67.50	0.00	67.50	75.00	0.00	75.00
Swimming - 50+ (block of 15 weeks, £4.50 per session)		60.00	0.00	60.00	67.50	0.00	67.50
Tennis - Adults (block of 15 weeks, £5.00 per session)		67.50	0.00	67.50	75.00	0.00	75.00
Bowls - Adults (block of 11 weeks, £5.50 per session)		55.00	0.00	55.00	60.50	0.00	60.50
Ballroom and Latin 3 session course					18.00	0.00	18.00
Weekend Gymnastics					5.00	0.00	5.00
Dance Social					7.00	0.00	7.00
Tai Chi in the Park					3.00	0.00	3.00
LBE Staff Boxing					5.00	0.00	5.00
Normally block bookings of 10 or more are VAT exempt (subject to HMRC conditions being met)							
<b>Holiday Activities</b>							
Junior horse riding (per 3/4 hr)		19.00	0.00	19.00	22.00	0.00	22.00
Tots horse riding (per 1/4 hr)		11.00	0.00	11.00	12.50	0.00	12.50
Horse riding - half day (3 hrs)		27.00	0.00	27.00	30.00	0.00	30.00
Multisport					8.50	0.00	8.50
Boxing at Edmonton Leisure Centre					6.50	0.00	6.50
Boxing at Southbury Leisure Centre					8.50	0.00	8.50
Kung Fu					8.00	0.00	8.00
Judo					8.50	0.00	8.50

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Judo - 2 day course				16.00	0.00	16.00	
Basketball				8.50	0.00	8.50	
Yoga for Children				6.50	0.00	6.50	
Boxing - 2 day course				17.00	0.00	17.00	
Athletics - Junior (per 3 x 45 minute sessions course)		37.00	0.00	37.00	8.50	8.50	
Tots Trampoline (3 day course, 2 hours each day)		12.00	0.00	12.00	48.00	48.00	
Junior Trampoline (3 day course, 2 hours each day)		14.00	0.00	14.00	48.00	48.00	
Preschool Gym (per 2 days course 1 hour each session)		12.00	0.00	12.00	14.00	14.00	
Gymnastics (per 2 days course 1hr 30 minutes each session)		14.00	0.00	14.00	18.00	18.00	
Gymnastics and Trampoline (single 1 hour session)		9.50	0.00	9.50	8.50	8.50	
Street dance Junior (per hr)		6.20	0.00	6.20	7.00	7.00	
Tennis - Junior (per 3 day course 1hr each)		12.50	0.00	12.50	21.00	21.00	
Tennis - Junior Plus (per 3 day course 1hr)		12.50	0.00	12.50	21.00	21.00	
Golf - Junior (2 day course 1.5hr each)		30.00	0.00	30.00	32.00	32.00	
Golf - Junior Plus (2 days course @ 1.5hr each day)		30.00	0.00	30.00	32.00	32.00	
Swimming - disability (5 weeks @ 1hr per session)		18.00	0.00	18.00	25.00	25.00	
Swimming - Adults (3 week course @ 1hr per session)		18.00	0.00	18.00	15.00	15.00	
Tennis - Adults (4 week course @ 1hr per session)		20.00	0.00	20.00	18.50	18.50	
Normally admission to sports and leisure activities/centres are standard VAT rated. Holiday activities for childcare purposes can be exempt from VAT							
<b>LEISURE -CULTURE</b>							
<b>DUGDALE-VENUE</b>							
Dugdale Venue Hire Rates & Charges							
(These prices are relevant to the dates of hire, not the date of the booking.)							
<b>Ground Floor</b>							
Ground -Studio Theatre( Weekdays) per hour		82.60	0.00	82.60	85.00	85.00	
Ground -Studio Theatre( Weekends) per hour		108.40	0.00	108.40	112.00	112.00	
<b>1st Floor</b>							
Executive Suite per hour		39.20	0.00	39.20	40.00	40.00	
Conference Room 1 per hour		37.20	0.00	37.20	40.00	40.00	
Conference Room 2 per hour		33.00	0.00	33.00	35.00	35.00	
Conference Room 3 per hour		33.00	0.00	33.00	35.00	35.00	
Conference Room 4 per hour		29.90	0.00	29.90	30.00	30.00	
<b>MILLFIELD THEATRE</b>							
<b>Theatre Hire Rates:</b>							
Mon/Tues/Wed/Thur/Friday( Performance of up to 3 hours including a 20 minute interval)		1,135.20	0.00	1,135.20	1,175.00	1,175.00	
Mon/Tues/Wed/Thur/Friday-Hourly rate after the 3 hours		294.10	0.00	294.10	300.00	300.00	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
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		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Sat/ Sun/Bank Holiday ( Performance of up to 3 hours including a 20 minute interval)		1,341.60	0.00	1,341.60	1,375.00	0.00	1,375.00
Sat/ Sun/Bank Holiday-Hourly rate after the 3 hours		345.70	0.00	345.70	360.00	0.00	360.00
Use of theatre prior to the performance per hour		103.20	0.00	103.20	110.00	0.00	110.00
<b>MILLFIELD HOUSE</b>							
<b>Venue Hire Rates &amp; Charges:</b>							
<u>Ground- per hour:</u>							
Strand		33.00	0.00	33.00	34.00	0.00	34.00
Ambassadors		27.90	0.00	27.90	30.00	0.00	30.00
<u>1st Floor- per hour</u>							
Huxley		33.00	0.00	33.00	34.00	0.00	34.00
Bridport		28.90	0.00	28.90	30.00	0.00	30.00
Aylward		23.70	0.00	23.70	25.00	0.00	25.00
<u>2nd Floor- Sawyer per hour</u>		27.90	0.00	27.90	30.00	0.00	30.00
<b>FLEET SERVICES (Public Realm)</b>							
<b>Car Service Maintenance Repair &amp; grounds equipment self propelled</b>							
<b>This includes Car derived vans. I.E Vauxhall Corsa Van</b>							
<b>All Services are undertaken based on Autodata times</b>							
<b>The labour rate per vehicle category will be able to be adjusted in the event of the Councils Fleet department tendering for a contract containing more than a single vehicle. Or a prospective customer wishes to offer a number of vehicles to the Fleet department to undertake Service Maintenance Repair work on.</b>			POA			POA	
<b>Underutilised services within Public Realm - ability to offer discounts if required</b>			New			New	
Labour Rate per Hour	√		Price on Application			Price on Application	
Preimum guranteed workshop slot AM or PM. Wwork under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	√		Price on Application			Price on Application	
Parts	√		Price on Application			Price on Application	
Consumable items	√		Price on Application			Price on Application	
Enviromental charge (disposal of oils when changed)	√		Price on Application			Price on Application	
Any work of specialist nature outsourced to 3rd party	√		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	√		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	√		Price on Application			Price on Application	
MOT test class 4			Price on Application			Price on Application	
MOT retest			Price on Application			Price on Application	
Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
<b>LCV up to 3.5t Service Maintenance Repair</b>							
<b>All Services are undertaken based on Autodata times</b>							
Labour Rate per hour	√		Price on Application			Price on Application	
Preimum guranteed workshop slot AM or PM. Wwork under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	√		Price on Application			Price on Application	
Parts	√		Price on Application			Price on Application	
Consumable items	√		Price on Application			Price on Application	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Variable	LONDON BOROUGH OF ENFIELD			LONDON BOROUGH OF ENFIELD		
		PLACE DEPARTMENT			PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Environmental charge (disposal of oils when changed)	<u>✓</u>		Price on Application			Price on Application	
Any work of specialist nature outsourced to 3rd party	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
MOT test class 7			Price on Application			Price on Application	
MOT retest			Price on Application			Price on Application	
LOLER testing tail lifts	<u>✓</u>		Price on Application			Price on Application	
Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
<b>Section 19 &amp; 22 mini bus Service Maintenance Repair and vehicles up to 7.5t</b>							
<b>All Services where possible are undertaken based on autodata times</b>							
Labour Rate	<u>✓</u>		Price on Application			Price on Application	
Preimum guranteed workshop slot AM or PM. Wwork under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	<u>✓</u>		Price on Application			Price on Application	
Parts	<u>✓</u>		Price on Application			Price on Application	
Consumable items	<u>✓</u>		Price on Application			Price on Application	
Environmental charge (disposal of oils when changed)	<u>✓</u>		Price on Application			Price on Application	
Any work of specialist nature outsourced to 3rd party	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
DVSA safety inspection including interior fitting up to 22 seats	<u>✓</u>		Price on Application			Price on Application	
DVSA standard brake test with print out	<u>✓</u>		Price on Application			Price on Application	
DVSA standard Headlamp test	<u>✓</u>		Price on Application			Price on Application	
MOT test class 5 - 5a			Price on Application			Price on Application	
MOT retest			Price on Application			Price on Application	
LOLER testing tail lifts	<u>✓</u>		Price on Application			Price on Application	
Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	
<b>LGV / RCV and vehicles above 7.5t</b>							
<b>All Services where possible based on industry standard times</b>							
Labour Rate			Price on Application			Price on Application	
Preimum guranteed workshop slot AM or PM. Wwork under 3 hours will be started and finished if presented before 09:00hrs AM and 15:00hrs PM. (NOTE any additional work discovered during this period may not be completed in the agreed time slot)	<u>✓</u>		Price on Application			Price on Application	
Parts	<u>✓</u>		Price on Application			Price on Application	
Consumable items			Price on Application			Price on Application	
Environmental charge (disposal of oils when changed)			Price on Application			Price on Application	
Any work of specialist nature outsourced to 3rd party	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
Collection and delivery within London Borough of Enfield outside of 08:00 - 16:00hrs	<u>✓</u>		Price on Application			Price on Application	
HGV DVSA safety inspection	<u>✓</u>		Price on Application			Price on Application	
RCV DVSA Safety inspection	<u>✓</u>		Price on Application			Price on Application	
DVSA standard brake test with print out + DVSA h/lamp test	<u>✓</u>		Price on Application			Price on Application	
DVSA standard Hedlamp test only	<u>✓</u>		Price on Application			Price on Application	
HGV rigid MOT test (in house)	<u>✓</u>		Price on Application			Price on Application	
MOT retest (In house)	<u>✓</u>		Price on Application			Price on Application	
LOLER testing tail lifts	<u>✓</u>		Price on Application			Price on Application	
Air Conditioning - Service and Re-Gas			Price on Application			Price on Application	



Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	£	£	£	£	£	£	
<b>IWE Residential/Nursing/Continuing Care – suggested rates included</b>							
Bridgewood House:							
Residential EMI		809.00	0.00	809.00	838.00	0.00	838.00
Nursing EMI (excluding FNC)		842.00	0.00	842.00	872.00	0.00	872.00
Block CHC beds		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
Private or Voluntary sector home		Maximum is full cost as determined by the home			Maximum is full cost as determined by the home		
Charges for residents placed by other Local Authorities in Enfield Homes are made at the full cost of the service.							
<b>Community Based Services – suggested rates included</b>							
<b>Day Services will be charged at the of provision</b>							
Physically disabled		At full cost of provision			At full cost of provision		
Mental Health		At full cost of provision			At full cost of provision		
Learning Disabilities		At full cost of provision			At full cost of provision		
Older People		At full cost of provision			At full cost of provision		
Meal contribution		4.00	0.00	4.00	4.10	0.00	4.10
- Snacks at Centre		At full cost of provision			At full cost of provision		
Day care attendance for less than 4 hours will be charged at half the full day rate. Where clients attend a “drop in” service there is no charge as this service is usually for a brief period, e.g. 30 mins to 1 hour.							
<b>Transport</b>							
Per journey		5.20	0.00	5.20	5.50	0.00	5.50
<b>Homecare</b>							
Maximum (including Additional Support)		At full cost of provision			At full cost of provision		
<b>Brokerage of support plans</b>							
For self financing clients		255.00	0.00	255.00	260.00	0.00	260.00
<b>Supported Housing</b>		Charges may apply			Charges may apply		
<b>Respite</b>							
A flat rate contribution for respite care for people with savings below £23,250. These are based on MIG rates minus personal allowance. As detailed below:							
<b>Daily Rates (Age &amp; Relationship Status)</b>							
18-24 TBA dependent on benefit uplift - Single		9.30	0.00	9.30	9.30	0.00	9.30
From 25 and under pension age TBA dependent on benefit uplift - Single		11.45	0.00	11.45	11.45	0.00	11.45
Pension age TBA dependent on benefit uplift - Single		18.00	0.00	18.00	18.00	0.00	18.00
From 18 and under pension age TBA dependent on benefit uplift - In a couple		7.90	0.00	7.90	7.90	0.00	7.90
Pension age TBA dependent on benefit uplift - In a couple		12.90	0.00	12.90	12.90	0.00	12.90
<b>Weekly Rates (Age &amp; Relationship Status)</b>							
18-24 TBA dependent on benefit uplift - Single		65.10	0.00	65.10	65.10	0.00	65.10

Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
From 25 and under pension age <b>TBA dependent on benefit uplift</b> - Single		80.15	0.00	80.15	80.15	0.00	80.15
Pension age <b>TBA dependent on benefit uplift</b> - Single		126.00	0.00	126.00	126.00	0.00	126.00
From 18 and under pension age <b>TBA dependent on benefit uplift</b> - In a couple		55.30	0.00	55.30	55.30	0.00	55.30
Pension age <b>TBA dependent on benefit uplift</b> - In a couple		90.30	0.00	90.30	90.30	0.00	90.30
<b>Direct Payments</b>		Assessed as a weekly contribution in accordance with Care Act 2014 guidelines as part of a Personal Budget.			Assessed as a weekly contribution in accordance with Care Act 2014 guidelines as part of a Personal Budget.		
<b>Adult Placements</b>		Assessed as a weekly contribution in accordance with Care Act 2014 guidelines. The maximum charge for placements in the private or voluntary sector is the full cost as determined by the placement.			Assessed as a weekly contribution in accordance with Care Act 2014 guidelines. The maximum charge for placements in the private or voluntary sector is the full cost as determined by the placement.		
<b>Enablement</b>		Enablement may be provided for up to 6 weeks. There is no charge for this service.			Enablement may be provided for up to 6 weeks. There is no charge for this service.		
<b>Safe &amp; Connected</b>							
<b>Weekly charge per client</b>							
Monitoring Service only		4.25	0.00	4.25	4.50	0.00	4.50
Monitoring & Response service		6.25	0.00	6.25	6.50	0.00	6.50
Monitoring & Response & Keep in Touch service		8.25	0.00	8.25	8.50	0.00	8.50
<b>Equipment &amp; Adaptations Under £1000</b>		Nil			Nil		
For equipment/adaptations in excess of £1000, there may be a charge subject to financial assessment. For works carried out through the Disabled Facilities Grant process there may also be a charge subject to financial assessment, unless the disabled person for whom work is being completed is a child for whom child benefit is being claimed.							
<b>Emergency Card Scheme</b>							
Weekly charge		1.50	0.00	1.50	1.50	0.00	1.50
Set up costs		10.00	0.00	10.00	10.00	0.00	10.00
Note: Safe & Connected fees also apply							
<b>Blue Badge</b>							
Administration charge (valid for up to 3 years)		10.00	0.00	10.00	10.00	0.00	10.00
<b>Treatment of an Individuals Capital Resources (determined by Department of Health and Social Care)</b>							

Description of Proposed Charges, Allowance & Disregards	Service is Vatable	LONDON BOROUGH OF ENFIELD ASC DEPARTMENT			LONDON BOROUGH OF ENFIELD ASC DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
(i) Capital Resources Retained		As published on Gov.uk. Social care charging for local authorities: 2019 to 2020			As published on Gov.uk. Social care charging for local authorities: 2020 to 2021		
(ii) Income Assumed for every £250 in excess of (i) above		As above			As above		
(iii) Maximum charge applies where Capital Resources exceed		As above			As above		
Interest Charge for late payment		Bank of England base rate plus 1%			Bank of England base rate plus 1%		
Legal charge for setting up agreement				200.00			205.00
Property Valuation Fee				300.00			305.00
Land Registry Fee				45.00	Cost as detailed on gov.uk		
Set up Administration costs				325.00			330.00
Annual Administration fee				100.00			102.00
Termination fee				50.00			50.00
Interest charges on Deferred Payment Loans					In line with the current gilt rate, published by the Office for Budget Responsibility (OBR).		
<b>Disability Related Expenditure Allowances</b>							
(i) DRE applicable under a full assessment		CPIX (2%) (rounded to nearest £0.05)			CPIX (2%) (rounded to nearest £0.05)		
(ii) Optional minimum flat rate (Individuals are able to request a full assessment if required)		Now subject to Policy Guidance			Now subject to Policy Guidance		
Minimum cost of the service for charging is set at £2.50 per week.				2.50			2.50

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
		£	£	£	£	£	£
<b>LAND CHARGES</b>							
<i>Residential LLC1</i>		50.00	0.00	50.00	50.00	0.00	50.00
<i>LLC1 additional parcel</i>		4.00	0.00	4.00	4.00	0.00	4.00
CON29	v	154.80	31.00	185.80	158.80	31.80	190.60
Full search additional parcel	v	14.40	2.90	17.30	14.80	3.00	17.80
<i>Commercial LLC1</i>		50.00	0.00	50.00	50.00	0.00	50.00
Commercial CON29	v	196.10	39.20	235.30	201.20	40.20	241.40
Commercial CON29 additional parcel	v	15.50	3.10	18.60	15.90	3.20	19.10
CON29 (O) enquiries	v	10.30	2.10	12.40	10.60	2.10	12.70
Enquiry 22	v	14.40	2.90	17.30	14.80	3.00	17.80
Expedited search fee	v	30.10	6.00	36.10	30.90	6.20	37.10
<i>Applications for CLVG register</i>		1,000.00	0.00	1,000.00	1,000.00	0.00	1,000.00
Copy documents for CON29	v	10.30	2.10	12.40	10.60	2.10	12.70
<i>Copy documents for LLC1</i>		10.00	0.00	10.00	10.00	0.00	10.00
<i>Light Obstruction Notices Reg of part 11 on register</i>		60.00	0.00	60.00	60.00	0.00	60.00
<i>Filing a Lands Tribunal Light Obstruction Notice</i>		14.00	0.00	14.00	14.00	0.00	14.00
<i>Filing a variation or cancelling a Light Obstruction Notice</i>		14.00	0.00	14.00	14.00	0.00	14.00
<i>Inspection of documents relating to Light Obstruction Notices ( for each parcel of land)</i>		12.00	0.00	12.00	12.00	0.00	12.00
Heritage partnership agreement	v	8.30	1.70	10.00	8.50	1.70	10.20
Building Regulation Decisions & Pending Applications	v	16.50	3.30	19.80	16.90	3.40	20.30
Roads	v	6.20	1.20	7.40	6.40	1.30	7.70
Land acquired for Public Purposes	v	6.20	1.20	7.40	6.40	1.30	7.70
Land to be acquired for road works	v	6.20	1.20	7.40	6.40	1.30	7.70
Drainage agreements and consents	v	6.20	1.20	7.40	6.40	1.30	7.70
Nearby road schemes	v	19.60	3.90	23.50	20.10	4.00	24.10
Nearby railway schemes	v	6.20	1.20	7.40	6.40	1.30	7.70
Traffic schemes	v	19.60	3.90	23.50	20.10	4.00	24.10
Outstanding Notices	v	19.60	3.90	23.50	20.10	4.00	24.10
Contravention of building regulations	v	19.60	3.90	23.50	20.10	4.00	24.10
Notices, orders, directions and proceedings under planning acts	v	16.50	3.30	19.80	16.90	3.40	20.30
Conservation area	v	6.20	1.20	7.40	6.40	1.30	7.70
Compulsory purchase	v	6.20	1.20	7.40	6.40	1.30	7.70
Highways Plan	v	5.20	1.00	6.20	5.30	1.10	6.40
Copy Tree Preservation Order	v	5.20	1.00	6.20	5.30	1.10	6.40
Copy Combined Drainage Order	v	5.20	1.00	6.20	5.30	1.10	6.40
Copy Section 106 Agreement	v	5.20	1.00	6.20	5.30	1.10	6.40
Road proposals by private bodies	v	10.30	2.10	12.40	10.60	2.10	12.70
Public paths or byways	v	10.30	2.10	12.40	10.60	2.10	12.70
Advertisements	v	10.30	2.10	12.40	10.60	2.10	12.70
Completion notices	v	10.30	2.10	12.40	10.60	2.10	12.70
Parks and countryside	v	10.30	2.10	12.40	10.60	2.10	12.70
Houses in multiple occupation	v	10.30	2.10	12.40	10.60	2.10	12.70
Noise abatement	v	10.30	2.10	12.40	10.60	2.10	12.70
Urban development areas	v	10.30	2.10	12.40	10.60	2.10	12.70
Enterprise zones	v	10.30	2.10	12.40	10.60	2.10	12.70
Inner urban improvement areas	v	10.30	2.10	12.40	10.60	2.10	12.70
Simplified planning zones	v	10.30	2.10	12.40	10.60	2.10	12.70
Land maintenance notices	v	10.30	2.10	12.40	10.60	2.10	12.70

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Mineral consultation areas	v	10.30	2.10	12.40	10.60	2.10	12.70
Hazardous substance consents	v	10.30	2.10	12.40	10.60	2.10	12.70
Food safety notices	v	10.30	2.10	12.40	10.60	2.10	12.70
Hedgerow notices	v	10.30	2.10	12.40	10.60	2.10	12.70
Smoke control orders	v	10.30	2.10	12.40	10.60	2.10	12.70
Common land, town and village greens	v	14.40	2.90	17.30	14.80	3.00	17.80
<b>REGISTRARS</b>							
<b>Certificates:</b>							
<i>Birth and Death Registrations-Certificates issued on the day</i>		<i>4.00</i>	<i>0.00</i>	<i>4.00</i>	<i>11.00</i>	<i>0.00</i>	<i>11.00</i>
<i>Certificate issued after Registration</i>		<i>10.00</i>	<i>0.00</i>	<i>10.00</i>	<i>11.00</i>	<i>0.00</i>	<i>11.00</i>
<i>Short Certificate requested after registration (Birth only)</i>		<i>10.00</i>	<i>0.00</i>	<i>10.00</i>	<i>11.00</i>	<i>0.00</i>	<i>11.00</i>
<i>Priority Service Fee (Same day service)</i>	v	<i>21.00</i>	<i>4.20</i>	<i>25.20</i>	<i>35.00</i>	<i>7.00</i>	<i>42.00</i>
Recorded Delivery Service (Up to two certificates)	v	3.00	0.60	3.60	4.00	0.80	4.80
Add £1 for each additional certificate	v	1.00	0.20	1.20	1.50	0.30	1.80
<b>Marriages &amp; Civil Partnerships</b>							
<i>Notice fee per person</i>		<i>35.00</i>	<i>0.00</i>	<i>35.00</i>	<i>35.00</i>	<i>0.00</i>	<i>35.00</i>
<i>Notice fee with referral to the Home Office per person</i>		<i>47.00</i>	<i>0.00</i>	<i>47.00</i>	<i>47.00</i>	<i>0.00</i>	<i>47.00</i>
<i>Conversion of a civil partnership into marriage at the Register Office</i>		<i>45.00</i>	<i>0.00</i>	<i>45.00</i>	<i>45.00</i>	<i>0.00</i>	<i>45.00</i>
<i>Completing the declaration</i>		<i>27.00</i>	<i>0.00</i>	<i>27.00</i>	<i>27.00</i>	<i>0.00</i>	<i>27.00</i>
<i>Signing the declaration in a religious building</i>		<i>91.00</i>	<i>0.00</i>	<i>91.00</i>	<i>91.00</i>	<i>0.00</i>	<i>91.00</i>
Amending Notice of marriage					30.00	0.00	30.00
<b>Consideration fee to accept or reject divorce or civil partnership dissolution documents obtained outside the UK, Channel Islands or Isle of Man.</b>							
<i>If considered by the Registrar</i>		<i>50.00</i>	<i>0.00</i>	<i>50.00</i>	<i>50.00</i>	<i>0.00</i>	<i>50.00</i>
<i>If request has to be referred to GRO</i>		<i>75.00</i>	<i>0.00</i>	<i>75.00</i>	<i>75.00</i>	<i>0.00</i>	<i>75.00</i>
<b>Correction to a Certificate</b>							
<i>Fee for name changes to a birth certificate</i>		<i>40.00</i>	<i>0.00</i>	<i>40.00</i>	<i>40.00</i>	<i>0.00</i>	<i>40.00</i>
<i>(Applies for changes to child's forenames within 12 months of first registration)</i>							
<i>Fee for consideration of a correction to a birth, death, marriage or civil partnership certificate.</i>							
<i>If considered by the Registrar</i>		<i>75.00</i>	<i>0.00</i>	<i>75.00</i>	<i>75.00</i>	<i>0.00</i>	<i>75.00</i>
<i>If request has to be referred to GRO</i>		<i>90.00</i>	<i>0.00</i>	<i>90.00</i>	<i>90.00</i>	<i>0.00</i>	<i>90.00</i>
PD1 form signatures					40.00	0.00	40.00
<b>Historical Searches</b>							
<i>Per Visit</i>		<i>18.00</i>	<i>0.00</i>	<i>18.00</i>	<i>18.00</i>	<i>0.00</i>	<i>18.00</i>
<b>Booking Fees</b>							
Fee for provisional ceremony bookings-deposit		50.00	0.00	50.00	50.00	0.00	50.00

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Admin fee for notice of marriage/CP bookings weekday				35.00	0.00	35.00	
Admin fee for notice of marriage/CP bookings Saturdays (In addition to any statutory fee due, between £50 & £112)				50.00	0.00	50.00	
<i>Fee for re-registration of appointments</i>		50.00	0.00	50.00	0.00	50.00	
<i>Fee for Saturday appointments (only when appointments are at high demand)</i>		50.00	0.00	50.00	0.00	50.00	
Wedding co-ordination appointments				50.00	0.00	50.00	
<b>Consideration fee to accept or reject divorce or civil partnership dissolution documents obtained outside the UK, Channel Islands or Isle of Man.</b>							
<i>If considered by the Registrar</i>		50.00	0.00	50.00	50.00	0.00	
<i>If request has to be referred to GRO</i>		75.00	0.00	75.00	75.00	0.00	
<b><i>Ceremony fees (Marriages and Civil Partnerships)</i></b>							
Ceremony in the Admiral's Suite on a Monday to Thursday before 5pm		130.00	0.00	130.00	180.00	0.00	
Ceremony in the Admiral's Suite on a Friday before 5pm		260.00	0.00	260.00	300.00	0.00	
Ceremony in the Admiral's Suite on a Saturday before 5pm		300.00	0.00	300.00	350.00	0.00	
Ceremony in the Admiral's Suite on a Sunday before 5pm				550.00	0.00	550.00	
Ceremony in the Admiral's Suite on Monday to Thursday after 5pm				400.00	0.00	400.00	
Ceremony in the Admiral's Suite on a Friday and Saturday after 5pm				500.00	0.00	500.00	
Ceremony in the Mayors Parlour on a Saturday *				400.00	0.00	400.00	
Ceremony in the Council Chamber on a Saturday *				600.00	0.00	600.00	
Ceremony fee at an approved venue Monday to Thursday before 5pm		460.00	0.00	460.00	500.00	0.00	
Ceremony fee at an approved venue Friday, Saturday, Sunday before 5pm		460.00	0.00	460.00	550.00	0.00	
Ceremony fee at an approved venue Monday to Sunday after 5pm		650.00	0.00	650.00	700.00	0.00	
Ceremony fee on a bank holiday				800.00	0.00	800.00	
Garden Ceremonies at approved venues before 5pm		550.00	0.00	550.00	650.00	0.00	
<b><i>Ceremony fees (Renewal of vows, Baby naming)</i></b>							
Ceremony in the Admiral's Suite on a Monday to Thursday before 5pm	v	108.33	21.67	130.00	150.00	30.00	
Ceremony in the Admiral's Suite on a Friday before 5pm	v	216.67	43.33	260.00	250.00	50.00	
Ceremony in the Admiral's Suite on a Saturday before 5pm	v	250.00	50.00	300.00	291.67	58.33	
Ceremony in the Admiral's Suite on a Sunday before 5pm	v				458.33	91.67	
Ceremony in the Admiral's Suite on Monday to Thursday after 5pm	v				333.33	66.67	
Ceremony in the Admiral's Suite on a Friday and Saturday after 5pm	v				416.67	83.33	
Ceremony in the Mayors Parlour on a Saturday *	v				333.33	66.67	
Ceremony in the Council Chamber on a Saturday *	v				500.00	100.00	
Ceremony fee at an approved venue Monday to Thursday before 5pm	v	383.33	76.67	460.00	416.67	83.33	
Ceremony fee at an approved venue Friday, Saturday, Sunday before 5pm	v	383.33	76.67	460.00	458.33	91.67	
Ceremony fee at an approved venue Monday to Sunday after 5pm	v	541.67	108.33	650.00	583.33	116.67	
Ceremony fee on a bank holiday	v				666.67	133.33	
Garden Ceremonies at approved venues before 5pm	v	458.33	91.67	550.00	541.67	108.33	
Private Citizenship Ceremony	v	83.33	16.67	100.00	104.17	20.83	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>DESIGN &amp; PRINT SERVICE</b>							
<b>Highly Creative Design ( per hour)</b>	v	48.00	9.60	57.60	48.00	9.60	57.60
A minimum charge of £24 is charged (based on 30 mins of work)							
<b>Print, Photocopying &amp; Finishing (per hour)</b>							
A minimum charge of £13.00 is charged (based on 15 mins of work)	v	50.00	10.00	60.00	52.00	10.40	62.40
<b>PRINT SERVICES PRICE LIST OF HIGH VOLUME PHOTOCOPING</b>							
VAT charged is dependant on the nature of print requests e.g. books, leaflets, magazines, newsletters are zero rated							
<b>100 to 200 images</b>							
Single sided on 80gsm white paper		12.50	0.00	12.50	13.00	0.00	13.00
Double sided on 80gsm white paper		12.50	0.00	12.50	13.00	0.00	13.00
Single sided on 80gsm tinted paper		12.50	0.00	12.50	13.00	0.00	13.00
Double sided on 80gsm tinted paper		12.50	0.00	12.50	13.00	0.00	13.00
<b>300 to 400 images</b>							
Single sided on 80gsm white paper		12.50	0.00	12.50	13.10	0.00	13.10
Double sided on 80gsm white paper		12.50	0.00	12.50	13.10	0.00	13.10
Single sided on 80gsm tinted paper		14.00	0.00	14.00	14.70	0.00	14.70
Double sided on 80gsm tinted paper		12.50	0.00	12.50	13.10	0.00	13.10
<b>500 images</b>							
Single sided on 80gsm white paper		18.00	0.00	18.00	18.90	0.00	18.90
Double sided on 80gsm white paper		20.00	0.00	20.00	21.00	0.00	21.00
Single sided on 80gsm tinted paper		22.00	0.00	22.00	23.10	0.00	23.10
Double sided on 80gsm tinted paper		24.00	0.00	24.00	25.20	0.00	25.20
<b>600 images</b>							
Single sided on 80gsm white paper		31.00	0.00	31.00	32.60	0.00	32.60
Double sided on 80gsm white paper		30.00	0.00	30.00	31.50	0.00	31.50
Single sided on 80gsm tinted paper		33.00	0.00	33.00	34.70	0.00	34.70
Double sided on 80gsm tinted paper		31.00	0.00	31.00	32.60	0.00	32.60
<b>700 images</b>							
Single sided on 80gsm white paper		32.00	0.00	32.00	33.60	0.00	33.60
Double sided on 80gsm white paper		31.00	0.00	31.00	32.60	0.00	32.60
Single sided on 80gsm tinted paper		34.00	0.00	34.00	35.70	0.00	35.70
Double sided on 80gsm tinted paper		32.00	0.00	32.00	33.60	0.00	33.60
<b>800 images</b>							
Single sided on 80gsm white paper		33.00	0.00	33.00	34.70	0.00	34.70
Double sided on 80gsm white paper		32.00	0.00	32.00	33.60	0.00	33.60
Single sided on 80gsm tinted paper		35.00	0.00	35.00	36.80	0.00	36.80
Double sided on 80gsm tinted paper		33.00	0.00	33.00	34.70	0.00	34.70
<b>900 images</b>							
Single sided on 80gsm white paper		34.00	0.00	34.00	35.70	0.00	35.70

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Double sided on 80gsm white paper		33.00	0.00	33.00	34.70	0.00	34.70
Single sided on 80gsm tinted paper		36.00	0.00	36.00	37.80	0.00	37.80
Double sided on 80gsm tinted paper		34.00	0.00	34.00	35.70	0.00	35.70
<b>1000 images</b>							
Single sided on 80gsm white paper		35.00	0.00	35.00	36.80	0.00	36.80
Double sided on 80gsm white paper		34.00	0.00	34.00	35.70	0.00	35.70
Single sided on 80gsm tinted paper		37.00	0.00	37.00	38.90	0.00	38.90
Double sided on 80gsm tinted paper		35.00	0.00	35.00	36.80	0.00	36.80
<b>1100 images</b>							
Single sided on 80gsm white paper		39.00	0.00	39.00	41.00	0.00	41.00
Double sided on 80gsm white paper		37.00	0.00	37.00	38.90	0.00	38.90
Single sided on 80gsm tinted paper		43.00	0.00	43.00	45.20	0.00	45.20
Double sided on 80gsm tinted paper		39.00	0.00	39.00	41.00	0.00	41.00
<b>1200 images</b>							
Single sided on 80gsm white paper		40.00	0.00	40.00	42.00	0.00	42.00
Double sided on 80gsm white paper		38.00	0.00	38.00	39.90	0.00	39.90
Single sided on 80gsm tinted paper		44.00	0.00	44.00	46.20	0.00	46.20
Double sided on 80gsm tinted paper		40.00	0.00	40.00	42.00	0.00	42.00
<b>1300 images</b>							
Single sided on 80gsm white paper							
Double sided on 80gsm white paper		51.00	0.00	51.00	53.60	0.00	53.60
Single sided on 80gsm tinted paper		49.00	0.00	49.00	51.50	0.00	51.50
Double sided on 80gsm tinted paper		55.00	0.00	55.00	57.80	0.00	57.80
		51.00	0.00	51.00	53.60	0.00	53.60
<b>1400 images</b>							
Single sided on 80gsm white paper		52.00	0.00	52.00	54.60	0.00	54.60
Double sided on 80gsm white paper		50.00	0.00	50.00	52.50	0.00	52.50
Single sided on 80gsm tinted paper		56.00	0.00	56.00	58.80	0.00	58.80
Double sided on 80gsm tinted paper		52.00	0.00	52.00	54.60	0.00	54.60
<b>1500 images</b>							
Single sided on 80gsm white paper		53.00	0.00	53.00	55.70	0.00	55.70
Double sided on 80gsm white paper		51.00	0.00	51.00	53.60	0.00	53.60
Single sided on 80gsm tinted paper		57.00	0.00	57.00	59.90	0.00	59.90
Double sided on 80gsm tinted paper		53.00	0.00	53.00	55.70	0.00	55.70
<b>1600 images</b>							
Single sided on 80gsm white paper		58.00	0.00	58.00	60.90	0.00	60.90
Double sided on 80gsm white paper		55.00	0.00	55.00	57.80	0.00	57.80
Single sided on 80gsm tinted paper		63.00	0.00	63.00	66.20	0.00	66.20
Double sided on 80gsm tinted paper		58.00	0.00	58.00	60.90	0.00	60.90
<b>1700 images</b>							
Single sided on 80gsm white paper		59.00	0.00	59.00	62.00	0.00	62.00
Double sided on 80gsm white paper		56.00	0.00	56.00	58.80	0.00	58.80
Single sided on 80gsm tinted paper		64.00	0.00	64.00	67.20	0.00	67.20



Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Double sided on 80gsm tinted paper		59.00	0.00	59.00	62.00	0.00	62.00
<b>1800 images</b>							
Single sided on 80gsm white paper		60.00	0.00	60.00	63.00	0.00	63.00
Double sided on 80gsm white paper		57.00	0.00	57.00	59.90	0.00	59.90
Single sided on 80gsm tinted paper		65.00	0.00	65.00	68.30	0.00	68.30
Double sided on 80gsm tinted paper		60.00	0.00	60.00	63.00	0.00	63.00
<b>1900 images</b>							
Single sided on 80gsm white paper		61.00	0.00	61.00	64.10	0.00	64.10
Double sided on 80gsm white paper		60.00	0.00	60.00	63.00	0.00	63.00
Single sided on 80gsm tinted paper		66.00	0.00	66.00	69.30	0.00	69.30
Double sided on 80gsm tinted paper		61.00	0.00	61.00	64.10	0.00	64.10
<b>2000 images</b>							
Single sided on 80gsm white paper		62.00	0.00	62.00	65.10	0.00	65.10
Double sided on 80gsm white paper		63.00	0.00	63.00	66.20	0.00	66.20
Single sided on 80gsm tinted paper		71.00	0.00	71.00	74.60	0.00	74.60
Double sided on 80gsm tinted paper		66.00	0.00	66.00	69.30	0.00	69.30
<b>2500 images</b>							
Single sided on 80gsm white paper		79.00	0.00	79.00	83.00	0.00	83.00
Single sided on 80gsm white paper		73.00	0.00	73.00	76.70	0.00	76.70
Double sided on 80gsm white paper		88.00	0.00	88.00	92.40	0.00	92.40
Single sided on 80gsm tinted paper		89.00	0.00	89.00	93.50	0.00	93.50
Double sided on 80gsm tinted paper							
<b>3000 images</b>							
Single sided on 80gsm white paper		84.00	0.00	84.00	88.20	0.00	88.20
Double sided on 80gsm white paper		78.00	0.00	78.00	81.90	0.00	81.90
Single sided on 80gsm tinted paper		104.00	0.00	104.00	109.20	0.00	109.20
Double sided on 80gsm tinted paper		94.00	0.00	94.00	98.70	0.00	98.70
<b>3500 images</b>							
Single sided on 80gsm white paper		89.00	0.00	89.00	93.50	0.00	93.50
Double sided on 80gsm white paper		82.00	0.00	82.00	86.10	0.00	86.10
Single sided on 80gsm tinted paper		108.00	0.00	108.00	113.40	0.00	113.40
Double sided on 80gsm tinted paper		99.00	0.00	99.00	104.00	0.00	104.00
<b>4000 images</b>							
Single sided on 80gsm white paper		98.00	0.00	98.00	102.90	0.00	102.90
Double sided on 80gsm white paper		87.00	0.00	87.00	91.40	0.00	91.40
Single sided on 80gsm tinted paper		112.00	0.00	112.00	117.60	0.00	117.60
Double sided on 80gsm tinted paper		104.00	0.00	104.00	109.20	0.00	109.20
<b>4500 images</b>							
Single sided on 80gsm white paper		110.00	0.00	110.00	115.50	0.00	115.50
Double sided on 80gsm white paper		110.00	0.00	110.00	115.50	0.00	115.50
Single sided on 80gsm tinted paper		138.00	0.00	138.00	144.90	0.00	144.90
Double sided on 80gsm tinted paper		110.00	0.00	110.00	115.50	0.00	115.50

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD CEX DEPARTMENT			LONDON BOROUGH OF ENFIELD CEX DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<i>Over 5000 images</i>		Price on application			Price on application		

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	£	£	£	£	£	£	
<b>LIBRARIES</b>							
<b>Overdue Charges</b>							
<b>Books, CDs, Talking Books:</b>							
Full charges (per day)		0.20	0.00	0.20	0.25	0.00	0.25
DVDs (Price Code B/D) :							
Price Code B ( per day)		0.50	0.00	0.50	1.00	0.00	1.00
Price Code D ( per day)		0.25	0.00	0.25	0.50	0.00	0.50
<b>Concessionary Charge:</b>							
60+/Disabled/Unemployed		0.10	0.00	0.10	0.10	0.00	0.10
Age0-17/Housebound		Free of charge			Free of charge		
A £10 administration fee is added to all account Adult and Concessionary where accounts are referred to a third party to recover unreturned items or money owed.							
The amount customers can owe before their accounts are blocked is reducing from £20 to £10. This is an LLC wide decision.							
<b>DVDS</b>							
Full Charge		0.50	0.00	0.50	0.50	0.00	0.50
Concessionary charge: Age 0-17/60+		0.25	0.00	0.25	0.25	0.00	0.25
<b>DVDs and music recordings: loan charges</b>							
DVD Price code B-1 week loan							
Full Charge		2.50	0.00	2.50	2.50	0.00	2.50
Concessionary charge: Age 0-17/60+/Disabled		2.00	0.00	2.00	2.00	0.00	2.00
DVD Price code C-1 week loan							
Full Charge		1.50	0.00	1.50	1.50	0.00	1.50
Concessionary charge: Age 0-17/60+/Disabled		1.00	0.00	1.00	1.00	0.00	1.00
<b>Compact Discs-2 weeks loan</b>							
Full Charge		0.60	0.00	0.60	0.60	0.00	0.60
Concessionary charge: Age 0-17/60+/Disabled		0.40	0.00	0.40	0.40	0.00	0.40
Housebound and Registered Blind		Free of charge			Free of charge		
<b>Spoken word: loan charges</b>							
Full Charges							
CD /Cassette sets - 3 weeks loan		Free of charge			Free of charge		
Concessionary charge		Free of charge			Free of charge		
CD /Cassette sets: Age 0-17 / 60+ / Unemployed /Disabled/Low Income/Housebound		Free of charge			Free of charge		
<b>Cassette sets-3 weeks loan</b>							
Full Charge		Free of charge			Free of charge		
Concessionary charge		Free of charge			Free of charge		
Age 0-17 / 60+ / Unemployed /Disabled/Low Income/Housebound		Free of charge			Free of charge		
Disabled/Low income/Housebound		Free of charge			Free of charge		

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Languages Courses: Loan charges</b>							
Full Charges							
9 weeks loan		2.00	0.00	2.00	2.00	0.00	2.00
3 weeks loan		1.00	0.00	1.00	1.00	0.00	1.00
<b>Concessionary Charge (Age 0-17 / 60+ / Unemployed /Low Income)</b>							
9 weeks loan		1.00	0.00	1.00	1.00	0.00	1.00
3 weeks loan		0.50	0.00	0.50	0.50	0.00	0.50
<b>English Language Courses:</b>		Free of charge			Free of charge		
IT Facilities							
PC use							
First Hour		Free of charge			Free of charge		
Then 25p for 15 mins	v	0.21	0.04	0.25	0.21	0.04	0.25
<b>Introductory Sessions:</b>							
Full Charges	v	4.17	0.83	5.00	4.17	0.83	5.00
Concessionary Charge							
<i>Age 0-17 / 60+ / Unemployed /Low Income/Housebound/Students/Disabled</i>	v	2.08	0.42	2.50	2.08	0.42	2.50
<b>Supported Sessions for Enfield Residents</b>		Free of charge			Free of charge		
Printouts:							
A4 Black and white	v	0.13	0.02	0.15	0.13	0.03	0.16
A4 Colour	v	0.42	0.08	0.50	0.42	0.08	0.50
<b>Reservations:</b>							
Full charge: Books( if copy available in Enfield)		0.80	0.00	0.80	0.80	0.00	0.80
Concessionary Charge: books							
Unemployed/Low income/Disabled/60+		0.40	0.00	0.40	0.40	0.00	0.40
Age 0-17		Free of charge			Free of charge		
Full charge: Books( if copy needs to be purchased )		1.50	0.00	1.50	1.50	0.00	1.50
Concessionary Charge: Age 0-17/Low income/Disabled/60+		1.00	0.00	1.00	1.00	0.00	1.00
<b>On-line Reservations</b>							
Full charge:		0.50	0.00	0.50	0.50	0.00	0.50
Concessionary Charge: Age 0-17/Low income/Disabled/60+		Free of charge			Free of charge		
<b>Audio Visual /Spoken word reservations:</b>							
Full charge:		0.80	0.00	0.80	0.80	0.00	0.80
Concessionary Charge: Unemployed/Low Income/Disabled/60+		0.40	0.00	0.40	0.40	0.00	0.40
Concessionary Charge: Age 0-17		Free of charge			Free of charge		
<b>Replacement Charges</b>							
Membership cards		2.50	0.00	2.50	2.50	0.00	2.50
Lost items		Full replacement cost			Full replacement cost		
Library Market place notice boards							
Per week		2.00	0.00	2.00	2.00	0.00	2.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Photocopies</b>							
Black & White A4	√	0.13	0.02	0.15	0.13	0.02	0.15
Black & White A3	√	0.25	0.05	0.30	0.25	0.05	0.30
Colour A4	√	0.42	0.08	0.50	0.42	0.08	0.50
Colour A3	√	0.83	0.17	1.00	0.83	0.17	1.00
<b>Faxes</b>							
Outgoing faxes-UK - 1st page	√	0.83	0.17	1.00	0.83	0.17	1.00
Outgoing faxes-UK per page- subsequent page	√	0.42	0.08	0.50	0.42	0.08	0.50
Outgoing faxes-Overseas -1st page	√	1.25	0.25	1.50	1.25	0.25	1.50
Outgoing faxes-Overseas per page-subsequent page	√	0.83	0.17	1.00	0.83	0.17	1.00
Incoming faxes-UK-1st page	√	0.42	0.08	0.50	0.42	0.08	0.50
Incoming faxes-UK per page-subsequent page	√	0.17	0.03	0.20	0.17	0.03	0.20
<b>Community Room hire charges:</b>							
<b>Edmonton Green:</b>							
Room 1		13.50	0.00	13.50	13.50	0.00	13.50
Room1 concessionary		3.50	0.00	3.50	3.50	0.00	3.50
Room 2		22.00	0.00	22.00	22.00	0.00	22.00
Room 2 Concessionary		5.00	0.00	5.00	5.00	0.00	5.00
Office 1		16.00	0.00	16.00	16.00	0.00	16.00
Office 1 concessionary		16.00	0.00	16.00	16.00	0.00	16.00
Office 2		16.00	0.00	16.00	16.00	0.00	16.00
Office 2 concessionary		16.00	0.00	16.00	16.00	0.00	16.00
Office 3		16.00	0.00	16.00	16.00	0.00	16.00
Office 3 concessionary		16.00	0.00	16.00	16.00	0.00	16.00
Office /month introductory price		750.00	0.00	750.00	750.00	0.00	750.00
Office /month introductory price concessionary		750.00	0.00	750.00	750.00	0.00	750.00
<b>Enfield Town:</b>							
Room		13.50	0.00	13.50	13.50	0.00	13.50
Room concessionary		3.50	0.00	3.50	3.50	0.00	3.50
<b>Palmers Green:</b>							
Room		13.50	0.00	13.50	13.50	0.00	13.50
Room concessionary		3.50	0.00	3.50	3.50	0.00	3.50
<b>Ordnance Unity Centre</b>							
Room		13.50	0.00	13.50	13.50	0.00	13.50
Room concessionary		3.50	0.00	3.50	3.50	0.00	3.50
<b>Oakwood</b>							
Room+ kitchenette		13.50	0.00	13.50	13.50	0.00	13.50
Room+ kitchenette concessionary		3.50	0.00	3.50	3.50	0.00	3.50
<b>Enfield Highway</b>							
Room		13.50	0.00	13.50	13.50	0.00	13.50
Room concessionary		3.50	0.00	3.50	3.50	0.00	3.50
<b>Local Studies</b>							

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>Photocopies &amp; Printouts</b>							
Black & White A4	√	0.13	0.02	0.15	0.13	0.02	0.15
Black & White A3	√	0.21	0.04	0.25	0.21	0.04	0.25
Colour A3	√	0.25	0.05	0.30	0.25	0.05	0.30
Colour A4	√	0.50	0.10	0.60	0.50	0.10	0.60
Premium Photographic paper A4	√	1.08	0.22	1.30	1.13	0.22	1.35
By post (admin fee)	√	0.92	0.18	1.10	0.96	0.19	1.15
<b>Scanning</b>							
By Email (per image)	√	0.92	0.18	1.10	0.96	0.19	1.15
CD/Memory Disk (per image)	√	0.92	0.18	1.10	0.96	0.19	1.15
<b>Photography</b>							
Own equipment (per day)		2.10	0.00	2.10	2.15	0.00	2.15
By staff (per image)		1.10	0.00	1.10	1.15	0.00	1.15
<b>Research Service</b>							
First Hour		Free of charge			Free of charge		
2nd-3rd hour (per hour to a maximum of 2 hours)		15.50	0.00	15.50	15.90	0.00	15.90
<b>Reproduction Charges</b>							
Community website/exhibition (per image)	√	4.33	0.87	5.20	4.42	0.88	5.30
Commercial website /exhibition (per image)	√	34.42	6.88	41.30	35.33	7.07	42.40
Commercial publication (per image)	√	34.42	6.88	41.30	35.33	7.07	42.40
<b>Museums</b>							
Schools Sessions		3.60	0.00	3.60	3.60	0.00	3.60
<b>CONCESSIONARY TRAVEL</b>							
<b>Blue Badge</b>		10.00	0.00	10.00	10.00	0.00	10.00
Disabled Persons' Freedom Pass scheme or the Taxi Card Scheme.		Free of charge			Free of charge		
<b>CATERING</b>							
<b>Primary Schools</b>							
Menu A:without repairs & maintenance			Price on Application			Price on Application	
Menu A:with repairs & maintenance			Price on Application			Price on Application	
Menu B:without repairs & maintenance			Price on Application			Price on Application	
Menu B:with repairs & maintenance			Price on Application			Price on Application	
Adult meal (Duty meal paid by school)			Price on Application			Price on Application	
Adult meal	√		Price on Application			Price on Application	
After school club meal		As per individual arrangement			As per individual arrangement		
Breakfast Club		As per individual arrangement			As per individual arrangement		
<b>Special Schools</b>							
Meals with repairs & maintenance			Price on Application			Price on Application	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Meals without repairs & maintenance			Price on Application			Price on Application	
Adult meal (Duty)	√		Price on Application			Price on Application	
Adult meal	√		Price on Application			Price on Application	
<b>Secondary schools</b>							
Free school meal			Price on Application			Price on Application	
Adult meal (Duty)	√		Price on Application			Price on Application	
Adult meal	√		Price on Application			Price on Application	
<b>MUSIC SERVICES</b>							
<b><u>Instrumental Programmes (All schools &amp; academies):</u></b>							
<b><u>Recorder, Tin Whistle &amp; Ukulele (1 tutor):</u></b>							
2 terms (1 class)		1,200.00	0.00	1,200.00	1,200.00	0.00	1,200.00
2 terms (2 classes)		2,100.00	0.00	2,100.00	2,100.00	0.00	2,100.00
2 terms (3 classes)		2,950.00	0.00	2,950.00	2,950.00	0.00	2,950.00
2 terms (4 classes)		3,750.00	0.00	3,750.00	3,750.00	0.00	3,750.00
3 terms (1 class)		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
3 terms (2 classes)		3,300.00	0.00	3,300.00	3,300.00	0.00	3,300.00
3 terms (3 classes)		4,550.00	0.00	4,550.00	4,550.00	0.00	4,550.00
3 terms (4 classes)		5,750.00	0.00	5,750.00	5,750.00	0.00	5,750.00
<b><u>All Other Instruments:</u></b>							
2 Enfield Music Service Tutors:							
3 terms (1 class)		2,700.00	0.00	2,700.00	2,700.00	0.00	2,700.00
3 terms (2 classes)		4,800.00	0.00	4,800.00	4,800.00	0.00	4,800.00
3 terms (3 classes)		6,850.00	0.00	6,850.00	6,850.00	0.00	6,850.00
3 terms (4 classes)		8,800.00	0.00	8,800.00	8,800.00	0.00	8,800.00
<b><u>1 Enfield Music Service Tutor+1 specialist member of school staff:</u></b>							
3 terms (1 class)		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
3 terms (2 classes)		3,300.00	0.00	3,300.00	3,300.00	0.00	3,300.00
3 terms (3 classes)		4,550.00	0.00	4,550.00	4,550.00	0.00	4,550.00
3 terms (4 classes)		5,750.00	0.00	5,750.00	5,750.00	0.00	5,750.00
<b><u>Partnership Festivals:</u></b>							
Cost of taking part (per school)		45.00	0.00	45.00	50.00	0.00	50.00
<b><u>Instrument Hire (All Schools &amp; Academies):</u></b>							
Cost per term		37.00	0.00	37.00	38.00	0.00	38.00
<b><u>Tuition (All Schools &amp; Academies):</u></b>							
Cost per hour		36.00	0.00	36.00	38.00	0.00	38.00
<b><u>School based ensembles:</u></b>							
Cost per week(All schools & Academies):							
30 mins rehearsal		40.00	0.00	40.00	40.00	0.00	40.00
45 mins rehearsal		51.00	0.00	51.00	51.00	0.00	51.00
60 mins rehearsal		61.00	0.00	61.00	61.00	0.00	61.00

Description of Fees & Charges Italics denotes statutory fees	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
<b>CHARGES TO PARENTS</b>							
<b>Tuition fees for 10 lessons</b>							
10 x small group lessons		67.00	0.00	67.00	69.00	0.00	69.00
10 x paired lessons (30 minutes)		87.00	0.00	87.00	90.00	0.00	90.00
10 x 20 minutes individual lessons		116.00	0.00	116.00	120.00	0.00	120.00
10 x 30 minutes individual lessons		174.00	0.00	174.00	180.00	0.00	180.00
Additional termly fee for lessons taking place out of school hours		12.50	0.00	12.50	15.00	0.00	15.00
<b>Out of school music groups, charged to parents per term</b>							
Mini Music Makers (30 mins)		35.00	0.00	35.00	36.00	0.00	36.00
All junior groups (1 hr)		52.00	0.00	52.00	54.00	0.00	54.00
Concert Band/Orchestra (1.5 hrs)		70.00	0.00	70.00	72.00	0.00	72.00
Enfield Youth Wind Band (2 hrs)		84.00	0.00	84.00	87.00	0.00	87.00
Enfield Youth Symphony Orchestra (2.5 hrs)		90.00	0.00	90.00	93.00	0.00	93.00
<b>DEPUTYSHIP FEES:</b>							
<b>Remuneration of public authority deputies</b>							
The following fixed rates of remuneration will apply where the court appoints a holder of an office in a public authority to act as deputy. These rates should be applied regardless of who carries out the function within the public authority							
<b>Category 1</b>							
Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs.		An amount not exceeding £745			An amount not exceeding £745		
<i>An amount not exceeding £745</i>							
<b>Category II</b>							
Annual management fee where the court appoints a local authority deputy for property and affairs, payable on the anniversary of the court order. Management costs are assumed to cover any incidental costs incurred in management of P's affairs with the <b>exception of those mentioned under paragraph 20 below</b>							
<b>20. Public Authorities are allowed to use P's funds to pay for specialist services that P would have normally be expected to pay if he had retained capacity such as conveyancing, obtaining expert valuations and obtaining investment advice</b>							
a) For the first year: <i>An amount not exceeding £775</i>		An amount not exceeding £775			An amount not exceeding £775		
b) For the second and subsequent years: <i>An amount not exceeding £650</i>		An amount not exceeding £650			An amount not exceeding £650		
c) Where the net assets of P are below £16,000, the local authority deputy for <b>property and affairs</b> may take an annual management fee not exceeding 3.5% of P's net assets on the anniversary of the court order appointing the local authority as deputy		An Annual management fee not exceeding 3.5% of net assets			An Annual management fee not exceeding 3.5% of net assets		



Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
d) Where the court appoints a local authority deputy for <b>health and welfare</b> , the local authority may take an annual management fee not exceeding 2.5% of P's net assets on the anniversary of the court order appointing the local authority as deputy for health and welfare up to a maximum of £555		An Annual management fee not exceeding 2.5% of net assets up to maximum of £555			An Annual management fee not exceeding 2.5% of net assets up to maximum of £555		
<b>Category III</b>		An amount not exceeding £300			An amount not exceeding £300		
Annual property management fee to include work involved in preparing property for sale, instructing agents, conveyancers, etc or the ongoing maintenance of property including management and letting of a rental property or properties where 'P' is a tenant		An amount not exceeding £300			An amount not exceeding £300		
<i>An amount not exceeding £300</i>							
<b>Category IV</b>		An amount not exceeding £216			An amount not exceeding £216		
Preparation and lodgement of a report or account to the Public Guardian		An amount not exceeding £216			An amount not exceeding £216		
<i>An amount not exceeding £216</i>							
<b>Category V</b>		An amount not exceeding £70			An amount not exceeding £70		
Preparation of a Basic HMRC income tax return (bank or NS&I interest and taxable benefits) on behalf of P		An amount not exceeding £70			An amount not exceeding £70		
<i>An amount not exceeding £70</i>							
Preparation of a Complex HMRC income tax return (bank or NS&I interest, taxable benefits, small investment portfolio) on behalf of P		An amount not exceeding £140			An amount not exceeding £140		
<i>An amount not exceeding £140</i>							
<b>Travel Rates</b>		£40 per hour			£40 per hour		
Public authority and other third sector deputies are allowed the fixed rate of £40 per hour for travel costs		£40 per hour			£40 per hour		
<b>APPOINTEESHIP FEES: Charge per annum</b>		An amount not exceeding £650			An amount not exceeding £650		
<b>COUNCIL TAX COURT COSTS:</b>							
<b>Council Tax:</b>							
Summons		67.00	0.00	67.00	75.00	0.00	75.00
Liability Order		25.00	0.00	25.00	27.00	0.00	27.00
Magistrates Court costs					0.50	0.00	0.50
<b>Business Rates:</b>							
Summons		87.00	0.00	87.00	150.00	0.00	150.00
Liability Order		45.00	0.00	45.00	50.00	0.00	50.00
Magistrates Court costs					0.50	0.00	0.50
<b>Discount options</b>							
Provision to offer discount to adapt to the market (Where required and appropriate)			New			New	

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT			LONDON BOROUGH OF ENFIELD RESOURCES DEPARTMENT		
		PROPOSED FEES & CHARGES 2019/20			PROPOSED FEES & CHARGES 2020/21		
		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
Online Discount (Provision to provide online discount where appropriate)			New		New		

**MUNICIPAL YEAR 2019/2020 REPORT NO. 191****MEETING TITLE AND DATE:**

**Cabinet: 12 Feb. 2020**  
**Council: 26 Feb 2020**

**REPORT OF:**

Executive Director of  
 Resources

<b>Agenda – Part: 1</b>	<b>Item: 6</b>
<b>Subject: Capital Strategy and Ten-Year Capital Programme 2020/21 to 2029/30</b>	
<b>Wards: All</b>	
<b>Key Decision No: 5026</b>	
<b>Cabinet Member consulted: Cllr Maguire</b>	

Contact officer and telephone number:

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**1. EXECUTIVE SUMMARY**

- 1.1. The purpose of the report is to set out the 2020/21 Capital Strategy and 2020/21 to 2029/30 Ten-Year Capital Programme.
- 1.2. The requirement to have an annual Capital Strategy approved by Council is a requirement that became mandatory in 2019/20 as part of the update to the Prudential Code. The main purpose of the Capital Strategy is to ensure the Council's investment in capital projects supports the delivery of its corporate objectives.
- 1.3. The strategy document is an overarching document which sets out the framework for the development, managing and monitoring of the Council's capital programme. It is integrated with the Council's Medium-Term Financial Plan and Treasury Management Strategy and aligns with the Council's overall objectives.
- 1.4. In previous years, the capital programme has been reported on a four-year rolling basis. From 2020/21 onwards the Council is moving to a ten-year Capital Programme, alongside a ten-year treasury management strategy. This will improve the Council's ability to take a strategic view of planned capital investment and the impacts on the Council's revenue budgets and overall borrowing.

**2. RECOMMENDATIONS**

Cabinet recommend to Council to:

- 2.1. Approve the 2020/21 Capital Strategy.
- 2.2. Approve 2020/21 Capital Programme and to note the 2020/21 to 2029/30 Ten Year Capital Programme as set out in Appendix 1 - Table 3C, this includes the following additions considered by Cabinet on 28<sup>th</sup> January:
  - i. Capital programme monitor Period 8 (November) 2019 additions (£359.97m),

- ii. 2020/21 Corporate Condition Programme (CCP) - KD5004, £2.5m,
  - iii. Montagu Industrial Estate Redevelopment - KD4876, £33.36m
  - iv. Business Case for Capital Funding for Highways, Street Scene and Parks infrastructure 2020/21-2029/30 - KD5044, £7.2m.
- 2.3. And the following presented as separate agenda items:
- i. Housing Revenue Account (HRA) -10-year Capital Programme £1,173m.

### **3. BACKGROUND/OVERVIEW**

- 3.1. The report is seeking approval for the Capital Strategy and 2020/21 Programme and for Cabinet to note the 2021/22 to 2029/30 Ten Year Capital Programme.
- 3.2. In previous years the capital programme has been presented on a rolling four-year basis. 2020/21 will be the first year a ten-year capital programme is presented. This is to facilitate long term financial planning which has become more important as the Council's capital programme becomes larger and more complex. Reporting on a rolling ten-year basis also assists the Authority in understating the impact of the capital investment being made on the revenue budgets and overall level of borrowing. The Treasury Management strategy is also being reported on a ten-year basis.
- 3.3. The overarching aim of the Council's Capital Strategy is to provide a framework within which the Council's investment plans can be delivered. These plans are informed by the Council's strategic objectives as detailed in the Enfield Corporate Plan 2018 to 2022. The objectives are to:
  - Deliver good homes in well-connected neighbourhoods
  - Sustain strong and healthy communities
  - Build our local economy to create a thriving place
- 3.4. The Corporate plan also identifies 3 guiding principles, which underpin, these objectives; they will govern how the Council communicates with residents, works with residents and works as efficiently as possible, including increasing resident access to digital services and transactions.
- 3.5. The Capital Strategy sets out the medium to long term context in which capital expenditure and investment decisions are made. It will assist in ensuring the Council understands the long-term implications and risks of its investment decisions.
- 3.6. Following an overview of how the Capital programme is governed and monitored, the report is split into two main sections. The first section is the Capital strategy, which explains how the Council invests its

capital funds and the various sources of funding and how this facilitates the delivery of its objectives. The second section provides details of the capital programme and how each departmental programme contributes to the delivery of the Council's Corporate objectives. Further details of the programme are detailed in Appendix 1.

#### **4. GOVERNANCE**

- 4.1. At the end of 2018/19, the Council created a Capital Finance Board (CFB) which is responsible for the overall strategic financial management of the General Fund Capital Programme, on behalf of the Executive Management Team (EMT).
- 4.2. The Board is chaired by the Director of Finance and can approve projects up to £100k, without reference to EMT. The Board acts as the gatekeeper of the capital programme ensuring all affordability and risks are duly considered and mitigated. The Board reports to EMT on a quarterly basis.
- 4.3. The main responsibilities of the board are to:
  - Review and recommend to EMT, all new General Fund Capital projects,
  - Ensure capital resources are viewed corporately demonstrating a clear link to Corporate objectives,
  - Ensure any revenue costs are identified and considered in the Treasury management strategy and the Council's MTFP,
  - Develop a capital strategy which supports the delivery of the Council's Corporate objectives, and
  - Review new capital project requests on behalf of EMT.
- 4.4. The Board through the Chair, the Director of Finance has the authority to approve new schemes up to a value of £100k and recommend schemes above that level to EMT, for Cabinet/Council approval. The Board will be quorate providing the S151 officer or nominated deputy is at the meeting.
- 4.5. In moving to a ten-year programme, the Board has been responsible for reviewing requests on an individual basis.
- 4.6. The Board has been heavily involved in the review of projects as part of the move from a four to ten year rolling programme.
- 4.7. Project managers are required to submit a project evaluation template for all new capital projects. Each scheme is evaluated against both financial and non-financial criteria. Projects agreed by CFB are presented to EMT for review prior to being considered by Cabinet and presented to full Council for approval before being added to the approved capital programme.
- 4.8. The approval to add a project to the capital programme, approves the budget envelope only. This does not give departments the right to

spend. The right to spend the budget envelope is only granted following the production and authorisation of a separate report, which provides the authorised decision to spend the funds allocated in the approved capital programme. The governance to approve such reports will depend on whether it is classed as an operational or portfolio decision.

- 4.9. In addition to projects recommended for inclusion in the approved programme, there are a number of projects which have been classified as Pipeline projects. Pipeline projects are projects where further work is required to complete the business case requesting investment. Where indicative figures are known they have been included for the purpose of calculating capital financing costs for treasury and medium-term financial planning purposes. These projects are not part of the approved capital programme and are subject to the governance process described above.

## **5. MONITORING**

- 5.1. Once a capital project is approved it forms part of the Council's approved capital programme which is monitored on a quarterly basis. The responsibility for detailed quarterly budget monitoring sits with individual responsible service officers. Individual returns are consolidated before being reviewed at individual Departmental Management Teams (DMT) meetings. These approved forecasts form the basis of the Quarterly monitoring report. This report is reviewed at CFB, discussed at EMT before being presented to Cabinet and Council to approve any amendments to the approved programme.

## **6. CAPITAL STRATEGY 2020/21**

- 6.1. It is a corporate document and forms part of the Council's strategic planning, integrating with other key documents including the Corporate plan, Medium Term Financial Plan (MTFP), Treasury Management Strategy and Asset Management Plan. The Strategy is refreshed on an annual basis and is an integral part of the Council's annual budget setting process.
- 6.2. It provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 6.3. The Strategy sets out the Council's plans for capital expenditure over the next ten years, the financing of the expenditure and the associated risks. It will demonstrate how the Capital Strategy forms part of the Council's overall governance framework for delivering its Corporate objectives.
- 6.4. The overarching aim of Enfield's Capital Strategy is to provide a framework within which the Council's investment plans can be delivered, which are currently informed by the Enfield Corporate

Plan, and Medium-Term Financial plan. The Capital Strategy sets out the medium to long term context in which capital expenditure and investment decisions are made. It will assist in ensuring the Council understands the long-term implications and risks of its investment decisions

- 6.5. The approved capital budgets underpinned by the Capital Strategy contribute to the achievement of the Council's three strategic objectives as detailed in the Enfield Corporate Plan 2018 to 2022. Further details of how key projects promote the delivery of the Council's objectives are summarised below.
- 6.6. As the capital programme grows, the Council is focussing on maximising income from external sources as well as entering formal arrangements with external commercial organisations to limit the need to take on additional borrowing.
- 6.7. The current ten-year programme is designed to support the Council's delivery of its corporate objectives and ensure the required infrastructure is in place to work efficiently with the Council's residents. A brief overview is provided below, with more specific information, by department, provided in the Capital programme section of the report.
- 6.8. **Good homes in well-connected neighbourhoods - £1.875bn over ten years**
- 6.9. The Council has an ambitious estate renewal and regeneration programme with proposed investment over the 10-year period of £1.437bn, split £917.315m funded by the HRA and £519.951m funded by the General fund.
- 6.10. The Council has spent £268m on Meridian Water to date acquiring land, remediation, building the new train station and professional fees. The Project is now in the delivery phase with a partner appointed for Meridian One for the first 725 homes, appointed in April 2019, due to start construction in 2020. The procurement exercise to appoint a partner for Meridian Two, to deliver 250 affordable units is also complete. In August 2019, the Council was awarded £156M as a Housing Infrastructure Fund (HIF), which will fund major infrastructure costs.
- 6.11. **Sustain strong and healthy communities - £97.514m over ten years**
- 6.12. To meet the Council healthy living vision for the borough, transport services will continue the annual Highways and street scene programme. The local transport implementation plan sets out how the Council will invest to encourage walking, cycling and the use of public transport to increase levels of active travel and to improve the health of residents.
- 6.13. Each year the Council receives grant funding from TFL to assist in achieving the above.

6.14. **Build our local Economy to create a thriving place - £245.924m over ten years**

6.15. The Strategic Asset Management Plan provides a framework for how the Council will use its property holdings to support the local economy.

6.16. Education services has an ambitious capital programme to carry out expansion works on Enfield's schools to meet increasing demand for school places. It continues to undertake the necessary maintenance works to ensure school buildings continue to meet the required standards. This is funded by Government Capital Grants.

6.17. **Delivering through our guiding principles - £54.169m over ten years**

6.18. The Council's delivery of these objectives is underpinned by 3 guiding principles to:

- Communicate with you
- Work with you and
- Work smartly for you

6.19. The Customer Experience and Change Strategy (as represented by capital investment in ICT and Libraries) addresses the need for a robust, high performing and secure digital infrastructure for the Borough. It aims to empower customers with initiatives that enable users to succeed the first time they engage with services, including the use of assisted technologies and encouraging self-service options improving the cost effectiveness of Council Services.

6.20. **Capital Expenditure and Financing**

6.21. Capital expenditure is where the Council spends money on tangible assets, such as property or vehicles, or intangible assets such as computer software that will be used for more than one year. It also includes loans and grants to other bodies enabling them to buy assets, for example the loans to Housing Gateway Limited (HGL), Enfield Innovations Limited (EIL) and Lea Valley Heat Network Limited (LVHN), as well as the Housing Revenue Account (HRA).

6.22. The Table below provides an overview of the capital programme. In the ten-year period 2020/21 to 2029/30 the Council is planning capital expenditure of £2.254bn as summarised below. This excludes projects in the pipeline detailed in Table 9 in paragraph 7.21.

**Table 1: Ten Year Capital Programme Summary**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund (GF) Projects	114,065	73,735	75,302	47,116	37,761	129,361	477,339
Meridian Water	125,959	149,467	63,534	26,672	25,826	128,493	519,951
Commercial Investment in	71,126	13,250	-	-	-	-	84,376



Companies							
<b>Total General Fund</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
Council Housing (HRA)	144,563	127,362	194,155	173,093	97,161	436,651	1,172,985
<b>Total Capital Programme</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>

6.23. All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or borrowing.

6.24. Table 2 details how the 10-year capital programme is financed

**Table 2: Ten Year Capital Programme Financing Summary**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Sources - Grants & External Contributions	48,859	42,454	84,442	72,587	13,776	48,504	310,622
LBE Resources - Reserves & Capital Receipts	5,965	2,660	688	688	688	3,440	14,129
Borrowing	269,575	178,087	53,706	513	49,123	205,910	756,914
<b>Total General Fund</b>	<b>324,399</b>	<b>223,202</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
External Sources - Grants & External Contributions	14,004	14,450	49,048	6,460	9,464	80,900	174,326
LBE Resources - Reserves & Capital Receipts	81,560	48,912	50,606	72,633	81,696	197,751	533,158
Borrowing	49,000	64,000	94,500	94,000	6,000	158,000	465,500
<b>Total HRA</b>	<b>144,564</b>	<b>127,362</b>	<b>194,154</b>	<b>173,093</b>	<b>97,160</b>	<b>436,651</b>	<b>1,172,984</b>
<b>Total Programme</b>	<b>455,713</b>	<b>363,814</b>	<b>332,990</b>	<b>246,881</b>	<b>160,747</b>	<b>694,505</b>	<b>2,254,650</b>

6.25. The Council's external resources consists of the following:

#### 6.26. Grants

6.27. The Council has already been notified of most of the grant allocations that can be expected to be received in 2020/21. It is possible that additional capital grant allocations may be announced for 2020/21 onwards, but it is unknown as to whether the funding would be earmarked for spending on specific Government rather than local priorities. Should any further grant allocations become available during 2020/21, information will be included in the quarterly capital monitoring reports to Cabinet.

6.28. The Council receives highways capital funding via Transport for London (TfL) as the London strategic highways authority rather than the Highways Agency. This funding is used to support the Council's highways improvement programme.

6.29. Table 3 sets out the forecast grant contributions.

**Table 3: Grant Allocations**

	2020/21	2021/22 to 2029/30	TOTAL	Funding Sources
	£'000	£'000	£'000	
<b>PEOPLE</b>				
<b><u>Adult Social Care</u></b>				
Extra Care Housing: Reardon Court	7,082	2,361	9,443	Greater London Authority (GLA)
Mental Health and Wellbeing Centre	2,500	-	2,500	Better Care Fund (BCF)
<b><u>Total Adult Social Care</u></b>	<b>9,582</b>	<b>2,361</b>	<b>11,943</b>	
<b><u>Education</u></b>				
School Expansions	453	21,000	21,453	Education and Skills Funding Agency (ESFA)
Schools Maintenance	-	35,000	35,000	Education and Skills Funding Agency (ESFA)
Schools' Future Programme	23,740	12,556	36,296	Education and Skills Funding Agency (ESFA)
<b><u>Total Education</u></b>	<b>52,749</b>	<b>40,000</b>	<b>92,749</b>	
<b>Total PEOPLE</b>	<b>62,331</b>	<b>42,361</b>	<b>104,692</b>	
<b>PLACE</b>				
<b><u>Environment &amp; Operations</u></b>				
Highways:				
Flood Alleviation	758	1,000	1,758	Various including GLA, Thames21 and Environment Agency (EA)
LED Street Lighting	2,859	-	2,859	SALIX
Parks:				
Tennis Courts Works	250	-	250	LMCT & Sports England
Traffic & Transportation:				
Enfield Town Centre	500	500	1,000	Transport for London
TFL: Healthy Streets	3,350	22,200	25,550	Transport for London
TFL: Local Implementation Plans	2,584	7,752	10,336	Transport for London
<b><u>Total Environment &amp; Operations</u></b>	<b>10,302</b>	<b>31,452</b>	<b>41,754</b>	
<b><u>Meridian Water</u></b>				
Meridian Water	9,863	145,748	155,611	Housing Infrastructure Fund
<b><u>Total Meridian Water</u></b>	<b>9,863</b>	<b>145,748</b>	<b>155,611</b>	
<b><u>Housing &amp; Regeneration</u></b>				
Assessment Services:				
Housing Adaptations (DFG)	2,001	16,008	18,009	Disabled Facilities Grant (BCF)
<b><u>Total Housing &amp;</u></b>	<b>2,001</b>	<b>16,008</b>	<b>18,009</b>	

<b>Regeneration</b>				
<b>Total PLACE exc. HRA</b>	<b>22,166</b>	<b>193,208</b>	<b>215,373</b>	
<b>Total GENERAL FUND</b>	<b>84,497</b>	<b>235,568</b>	<b>320,065</b>	
<b>Housing Revenue Account:</b>				
Development Programme	14,004	160,322	174,326	Greater London Authority
<b>Total HRA</b>	<b>14,004</b>	<b>160,322</b>	<b>174,326</b>	
<b>Total PLACE inc. HRA</b>	<b>36,170</b>	<b>353,530</b>	<b>389,700</b>	
<b>Total Capital Grants</b>	<b>98,501</b>	<b>395,890</b>	<b>494,392</b>	

6.30. Grant allocations for 2020/21 are confirmed except for the TFL programmes, where these figures are indicative and will be settled in-year. The Education grant allocation includes carried forward grant receipts and £7m announced for 2020/21 Basic Needs. There are no announcements on grants beyond 2020/21 hence the above are forecasts based on previous allocations.

### 6.31. **Capital Receipts**

6.32. The Council realises capital receipts through the sale of property each year. In 2019/20 Cabinet approved a Strategic Asset Management Plan to guide those disposals and ensure good value for the Council. The Council has taken advantage of the Government's announcements in 2015/16 allowing the use of capital receipts to fund the revenue costs of transformation or efficiency programmes, rather than funding the capital programme. However, it is recognised that this is not a sustainable financial position and therefore the Medium-Term Financial Plan aims to reduce reliance on capital receipts over time, recognising that transformation will remain an ongoing feature of future budgets.

6.33. Further details regarding the Council's policy on utilising capital receipts is included in the 2020/21 estimates and Medium-Term Financial Plan 2020/21 to 2024/25 report.

6.34. The Council is also undertaking alternative methods of capital investment including the use of wholly owned Council Private Companies to develop housing and to support the provision of temporary accommodation, whilst also generating profits.

6.35. Over the coming years the Property Strategy will identify opportunities to realise capital receipts where appropriate to support the Capital Programme.

### 6.36. **Section 106 Agreements**

6.37. A Section 106 Agreement is a legal agreement between the Council and a developer under Section 106 of the 1990 Town and Country Planning Act, or a unilateral undertaking by the developer, to ensure that certain extra works related to a development are undertaken. The Council can enter into a Section 106 Agreement, otherwise known as a 'planning obligation', with a developer where it is necessary to provide contributions to offset negative impacts caused by construction and development. Examples of such contributions range

from the provision of affordable homes and new open space to funding of school places or employment training schemes. The developer will either implement these or make payments to the council for them to be carried out. The S106 agreements generally contain several of these elements and the responsibility of managing the expenditure is split across the relevant departments. S106 agreements are usually very specific about what and where the monies can be spent, with required conditions attached.

- 6.38. Available S106 receipts as at Q3 2019-20 is £4.6m.
- 6.39. Service areas are required to put bids to the strategic infrastructure delivery board to request for S106 funding for projects. Capital Finance Board is also required to scrutinise S106 supported schemes during the annual capital budget setting process to ensure value for money.
- 6.40. **Community Infrastructure Levy (CIL)**
- 6.41. CIL is a new standard developer charge that local authorities can apply in their area. Monies collected from CIL will help to fund essential infrastructure needed to support planned growth in the Borough such as transport improvements. In March 2016 full Council adopted the CIL Charging Schedule. The schedule contains a variable residential charge based on geographic location and a charge for retail development regardless of location. The Council commenced charging a local CIL on 1st April 2016.
- 6.42. Available CIL receipts as at Q3 2019/20 is £3.9m.
- 6.43. Service areas are required to put bids to the strategic infrastructure delivery board to request for CIL funding for infrastructure projects.
- 6.44. **Asset disposals**
- 6.45. When a capital asset is no longer needed, it may be sold so that the proceeds; known as capital receipts, can be spent on new assets or to repay borrowing. The Council is currently also permitted to spend capital receipts on revenue service transformation projects until 2021/22. Full details of the Council's flexible use of Capital receipts policy are contained within 2020/21 Budget report.
- 6.46. **Asset Management**
- 6.47. The Council has a substantial corporate property portfolio and given the challenging financial position facing all local authorities, the Council must optimise use of those assets while ensuring that all Health and Safety responsibilities are properly managed.
- 6.48. The Council has now approved a Corporate Landlord Policy which centralises the premises functions under the Director of Property & Economy to improve strategic decision making and provide more certainty on statutory compliance. All corporate premises will be managed by Strategic Property Services with support from a combined Construction, Maintenance & Facilities Management

service, which means that Service managers and staff will only be required to provide a consultation lead at each site.

- 6.49. The Council's Strategic Asset Management Plan (SAMP) was approved in June 2019 and describes the Council's approach to management of its assets and provides links to the operational and technical details that underpin the overall strategy. The SAMP provides the framework for decision-making across the estate and for individual buildings, and shape delivery of a resource at the heart of the Council's current and future offer to residents.
- 6.50. The Council's assets are the means within which service delivery takes place. They have a significant, and growing, value and represent a means to drive investment and resources despite the significant pressures on public finances. Good asset management requires an accompanying capital investment strategy.
- 6.51. This was initiated in 2019/20 in the form of a Corporate Property Investment Programme (CPIP) for the Council. This long-term capital programme will invest capital in the property portfolio, to achieve increased financial return, cost efficiencies as well as equality for all staff and customers in terms of standards, condition and safety.
- 6.52. This will be supported by the Corporate Condition Programme; previously known as the Buildings Improvement Programme (BIP), which is a capital funded, planned property maintenance programme that is driven from building condition survey data.
- 6.53. **Treasury Management**
- 6.54. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 6.55. The Council currently (as at 31 December 2019) has £911m borrowing at an average interest rate of 3.24% and £39m treasury investments at an average rate of 0.65%.
- 6.56. **Borrowing Strategy**
- 6.57. The Council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.85%) and long-term fixed rate loans where the future cost is known but higher (currently 2.4% to 3.2%).

- 6.58. Projected levels of the Council's total outstanding borrowing (which comprises External borrowing, PFI liabilities, leases are shown in Table 4 below, compared with the capital financing requirement.

**Table 4: Prudential Indicator: Gross Debt and the Capital Financing Requirement**

	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 to 2029/30 Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Loans Capital Financing Requirement	952.2	1,052.8	1,328.8	1,561.1	1,746.1	1,884.0	1,931.3
PFI & Finance Leases	44.6	42.9	41.3	39.7	38.0	36.3	34.5
<b>Total Capital Financing Requirement</b>	<b>996.8</b>	<b>1,095.7</b>	<b>1,370.1</b>	<b>1,600.8</b>	<b>1,784.1</b>	<b>1,920.3</b>	<b>1,965.8</b>
External Borrowing	850.8	975.0	1,254.0	1,486.0	1,672.0	1,809.0	1,857.0
Other Long- Term Liabilities	44.6	42.9	41.3	39.7	38.0	36.3	34.5
<b>Total Borrowing</b>	<b>895.4</b>	<b>1,017.9</b>	<b>1,295.3</b>	<b>1,525.7</b>	<b>1,710.0</b>	<b>1,845.3</b>	<b>1,891.5</b>

- 6.59. Statutory guidance is that borrowing should remain below the capital financing requirement, except in the short-term. As can be seen, the Council expects to comply with this in the medium term.

**6.60. Investment Strategy**

- 6.61. Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 6.62. The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer term is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy and the Council may request its money back at short notice.

- 6.63. Near term investments are anticipated to be circa £15m across the full ten years of the Programme, as set out in Table 5.

**Table 5: Treasury Management Investments**

	2018/19 Actual	2019/20 Forecast	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 to 2029/30 Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Near-term Investments	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Longer-term Investments	0	0	0	0	0	0	0	0
<b>Total Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**6.64. Governance**

- 6.65. Decisions on treasury management, investment and borrowing are made daily and are therefore delegated to the Director of Finance and staff, who must act in line with the treasury management strategy approved by Council. Reports on treasury management activity are presented to Council. The Audit & Risk Management Committee is responsible for scrutinising treasury management decisions.

**6.66. Commercial Activities**

- 6.67. The Council is open to consider commercial capital investment opportunities where they meet wider Council priorities. The Council has agreed to undertake commercial projects using wholly owned Council companies to acquire assets for housing and regeneration that can fund the necessary borrowing, either by selling acquired assets at a profit or using annual income flows to meet capital financing costs such as interest and provision for borrowing repayment.
- 6.68. All proposed commercial investment activities will have regard to the CIPFA prudential code and the Statutory Guidance on Local Authority investment. This is particularly pertinent because capital investments will require the Council to borrow. Integral to the Council's approach to capital investment is the preparation of a project appraisal case for review and recommendation by the Capital Finance board to EMT, prior to Council approval. The case includes financial and non-financial metrics. The financial metrics include Net Present Value (NPV) and Internal Rate of Return (IRR) calculations which consider the full implications on the annual revenue budget position in terms of

interest, Minimum Revenue Provision (MRP), revenue income as well as the longer-term financial implications.

- 6.69. Section 6.58 above details the Council's investment strategy, the objective of which is to 'minimise risk rather than maximise returns', which ensures the Council's funds are not exposed unnecessary risks. The Council' treasury management policy provides further details on how Council ensures borrowing remains affordable.
- 6.70. The Council currently has three wholly owned subsidiaries, Housing Gateway Limited (HGL), Lea Valley Heat Network (LVHN) and Enfield Innovations Limited (EIL) which are funded through Council loans.
- 6.71. The Council is also in a joint venture with Henry boot limited, which was established in July 2017 to redevelop Montagu industrial estate, with an original budget of £15m to fund land acquisition, of which £3.5m has been spent to date. This may increase by £36.33m subject to full Council approving the request. A key aspect of the joint venture is the fact that the Council is guaranteed to continue to receive circa £1m guaranteed rental income during the period of redevelopment.
- 6.72. HGL was established in April 2014 to acquire and manage properties in the private rented sector, to be used by the Council to discharge its statutory homeless duties. The actual loan drawdown as at November 2019 was £121.097m, at which point 541 properties had been purchased. The Company is repaying its loans.
- 6.73. LVHN was established in August 2015 to provide low carbon energy from waste to Enfield residents, through developing, owning and operating a series of community energy networks throughout Enfield. The company is funded through Council loans, with £45m approved to date. Actual loan drawdown as at the end November 2019 is £10.133m. It currently has 200 connections at the Alma Estate, 61 at Electric Quarter, 40 at Ladderswood and 8 at New Avenue.
- 6.74. EIL Ltd was established in October 2014 to develop, own and manage a portfolio of properties made available for private rent. It has a current Portfolio of 57 private homes and is part of the Small Sites Housing project phase 1 Enfield. Changes to the Small housing sites project (approved at July 2017 Cabinet) mean EIL will sell all 57 properties, to enable the repayment of outstanding borrowing, capped at £17.3m, by the end of 2019/20.
- 6.75. **Revenue Budget Implications**
- 6.76. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants. Table 6 sets out the of the financing ratio.

**Table 6: Prudential Indicator: Ratio of financing costs to net revenue**



	2020/21 Forecast	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 to 2029/30 Estimate
	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund (GF)</b>						
Financing costs (£m)	19,473	29,231	31,580	34,701	36,436	40,332
Proportion of net revenue stream	8.2%	12.1%	12.9%	13.9%	14.3%	15.6%
<b>Housing Revenue Account (HRA)</b>						
Financing costs (£m)	10,743	12,711	15,474	18,773	20,523	22,448
Proportion of net revenue stream	22.1%	25.2%	23.9%	22.5%	22.2%	20.5%

### 6.77. Sustainability

6.78. Historically the approach has been to prepare a capital programme that spans four years, however, with effect from 2020/21 the programme has been extended to a ten-year period. This will support long term thinking and particularly identify future financing and borrowing risks which will impact on the Council's revenue position. This will align with the treasury management strategy which is also over a ten-year period. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 25 years into the future.

6.79. The addition of new projects to the Capital Programme is subject to the Council's approval process as detailed in the governance section of the report. The Capital Finance Board has been set up to strengthen the strategic financial management of the capital programme and to ensure the programme remains sustainable and affordable in the long term. Reporting over a longer time period will improve longer term planning and ensure the implications of capital investment decisions including impact on revenue budgets is understood.

### 6.80. Risks and Mitigation

6.81. Revenue cost of borrowing arising from interest rate rises

6.82. The economic uncertainty is heightened from the UK leaving the EU and could lead to increases in interest rates. This would increase the Council's financing costs, therefore placing further pressure on delivering the capital strategy. To mitigate this and in conjunction with information from treasury management advisers, the Council has used interest rate forecasts which include a prudent provision against interest rate rises. The Council has also set-up an interest rate equalisation reserve to mitigate the impact of potential rises.

- 6.83. Moreover, the Council assumes to borrow at interest rates of 3.5%, whether to re-finance borrowing or for borrowing in relation to growth in the capital programme.
- 6.84. Brexit Uncertainty
- 6.85. Following the UK's decision to leave the European Union in June 2016, uncertainty surrounding the economic climate has remained. This may result in volatility in the property market where sale prices and construction costs could become unstable and consequently impacting the capital strategy. This risk is being identified and monitored as part of the Council's Brexit Panel and will be considered as an integral part of procurement and development planning.
- 6.86. Programme Deliverability and Monitoring
- 6.87. Financial forecasts for all capital projects are reviewed and updated on a quarterly basis identifying areas subject to the risk of overspending, underspending or to be delayed. The finance team are continuously working with service departments to improve the quality of the forecasts.
- 6.88. Capital Finance Board
- 6.89. The Board provides scrutiny over capital projects to ensure they have been prudently costed and contributes to achieving the Council's objectives.
- 6.90. All projects are subject to financial appraisals that determine their value for money and the time that it takes to pay back their borrowing. Once again, it is important to note that a 3.5% interest rate is assumed.
- 6.91. **Knowledge and Skills**
- 6.92. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council supports staff to study towards relevant professional qualifications including CIPFA, as well as supporting attendance at Continuing Professional Development events to increase general understanding of construction, project appraisal methods, as well as on the job coaching etc.
- 6.93. When necessary, for example when specific skills are required, use is made of external advisers and consultants that are specialists in their field. This approach ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 6.94. Further details on staff training can be found here on the Council's website.
- 7. CAPITAL PROGRAMME 2020/21 to 2029/30**
- 7.1. The Capital programme has historically been reported on a 4-year rolling basis. With effect from 2020/21 the Council is moving to

reporting on a 10-year basis. This will improve overall financial planning and provide greater transparency on the borrowing and revenue implications of the investment decisions the Council makes.

7.2. There has been an extensive review of all new schemes being added to the Ten-Year Capital Programme. Whilst the focus of attention was on delivering the Council's corporate objectives the Capital Finance Board, which met on five occasions across December and January, also assessed schemes across several other criteria:

- Grant funded
- Health and Safety
- Match Funding
- Delivering MTFP savings
- Delivering additional income
- Other

7.3. There are detailed templates in places for all 44 new schemes initially considered for inclusion in the Programme. For those delivering savings and additional income, these were tested to ensure the assumptions match those in the MTFP. Factors such as Net Present Value and Internal Rate of return and cost avoidance are also considered.

7.4. **Approved Capital Programme**

7.5. Table 7 provides an overview of the Council's proposed 10-year Capital Programme.

**Table 7: Capital Programme Summary**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	8,624	8,907	4,890	1,500	2,700	3,200	5,700	26,897
People	13,411	34,547	22,907	9,603	8,360	8,360	41,590	125,367
Place	43,329	70,583	45,937	64,198	36,056	26,201	82,071	325,047
Meridian Water	44,453	125,959	149,467	63,534	26,672	25,826	128,493	519,951
Chief Executive	29	29	-	-	-	-	-	29
Companies	8,560	71,126	13,250	-	-	-	-	84,376
<b>Total General Fund</b>	<b>118,406</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
Development Programme	71,449	79,211	150,355	135,976	81,471	363,831	882,293	71,449
Estate Regeneration	21,962	6,379	2,195	1,712	1,150	1,625	35,022	21,962
Fire Works	12,732	12,316	13,749	7,450	-	-	46,247	12,732
Major Works	31,945	26,133	24,533	24,633	11,216	54,580	173,040	31,945
Minor Works	6,476	3,323	3,323	3,323	3,323	16,615	36,383	6,476
<b>Total HRA</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>	<b>144,563</b>

<b>Total Capital Programme</b>	<b>215,472</b>	<b>468,963</b>	<b>350,564</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>
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- 7.6. Further detail is included in the Appendices to this report:
- 1a Existing Capital Programme by Directorate
  - 1b Existing Capital Programme by Department
  - 1c Existing Capital Programme by Corporate Objective
  - 2a Requested Additions by Directorate
  - 2b Requested Additions by Department
  - 2c Requested Additions by Corporate Objective
  - 2d Requested Additions by Priority
  - 3a Proposed Ten Year Capital Programme by Directorate
  - 3b Proposed Ten Year Capital Programme by Department
  - 3c Proposed Ten Year Capital Programme by Corporate Objective

**7.7. Approved Capital Programme Funding**

- 7.8. The Capital Programme is funded from several sources, each identified below. The reductions in Government funding mean the Council cannot rely solely upon these funding streams to meet the capital investment needs of the Council, especially in respect of regeneration. The Council has agreed to undertake commercial projects using wholly owned Council companies to acquire assets for housing and regeneration that can fund the necessary borrowing, either by selling acquired assets at a profit or using annual income flows to meet capital financing costs such as interest and provision for borrowing repayment.

- 7.9. The funding sources are detailed in Table 8.

**Table 8: Capital Programme Funding Sources**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Grants & Contributions	48,859	42,454	42,454	84,442	72,587	13,776	48,504	310,622
Revenue Contributions	-	-	-	-	-	-	-	-
Capital Receipts	4,105	2,660	2,660	688	688	688	3,440	12,269
Earmarked Reserves	1,860	-	-	-	-	-	-	1,860
Borrowing	256,325	191,337	178,087	53,706	513	49,123	205,910	756,914
<b>Total General Fund</b>	<b>311,149</b>	<b>236,452</b>	<b>223,202</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>

External Grants & Contributions	14,004	14,450	49,048	6,460	9,464	80,900	174,326	14,004
Revenue Contributions	30,120	7,454	6,385	5,570	8,872	14,705	73,106	30,120
Capital Receipts	51,440	41,458	44,222	67,063	72,824	183,046	460,052	51,440
Earmarked Reserves	-	-	-	-	-	-	-	-
Borrowing	49,000	64,000	94,500	94,000	6,000	158,000	465,500	49,000
<b>Total HRA</b>	<b>144,564</b>	<b>127,362</b>	<b>194,154</b>	<b>173,093</b>	<b>97,160</b>	<b>436,651</b>	<b>1,172,984</b>	<b>144,564</b>
<b>Total Capital Programme</b>	<b>455,713</b>	<b>363,814</b>	<b>332,990</b>	<b>246,881</b>	<b>160,747</b>	<b>694,505</b>	<b>2,254,650</b>	<b>468,963</b>

## 7.10. CAPITAL PROGRAMME OUTCOMES

7.11. This section of the report provides an overview of the Capital programme by Department, highlighting key outcomes and how the projects will deliver the Council's corporate objectives.

### 7.12. Place

7.13. The Council has an ambitious housebuilding programme of direct delivery, direct affordable housing purchases and estate regeneration which is planned to deliver circa 3,500 Council owned homes over the next 10 years. The programme furthermore includes circa 1,000 homes which will be delivered through council projects but sold to the private sector and homeowners. The programme is funded by grants and through future income and through future sales of homes, spread across the general fund and the HRA. This will assist the Council in delivering its objective to create thriving neighbourhoods and increase the supply of affordable housing.

7.14. The ten-year capital budget plan also includes significant sums to invest in our existing council housing, bringing them up to modern standards and investing in necessary remedial fire safety works. These works are funded through the HRA and the income we receive from tenants and leaseholders.

7.15. The Council's investment in Meridian Water is fully aligned with the Councils' objective to deliver good homes in well-connected neighbourhoods, and the ten-year budget includes an allocation of £519.951m towards the creation of a new neighbourhood in Enfield, with thousands of homes delivered in the next ten years. The Council's investment is supplemented with government infrastructure and housing grant and is planned to be recovered through land and housing sales, as well as future rental income.

7.16. The strategic asset management plan adopted in 2019 sets out how the Council will use its property to support out local economy. The 10-year capital programme includes two substantial projects which will see growth in business and local jobs and support the budget through increased income. First the Council is investing to build a new office building in Enfield Town on the site of Genotin Road Car park, which will result in retaining a local employer and providing an income

stream for the Council. Second through a joint venture with Henry Boot, the Council is investing to redevelop the Montagu Industrial estate in Edmonton green; this will see modern industrial facilities for a range of businesses, resulting in a range of new jobs for one of the most deprived Wards in the Borough.

- 7.17. The Council's Corporate Property Investment Programme will be brought forward to Cabinet in March. It seeks to invest across four areas of the estate – corporate residential, operational property, park buildings and rural to generate operational savings and generate income for inclusion in the MTFP.
- 7.18. Currently the Capital Programme only includes the HRA element of the Joyce & Snells regeneration, through the overall 3,500 additional homes over the next ten years. The full Joyce & Snells financial business case is still in development and there will need to be a further Capital Programme report to Council when this work is complete.
- 7.19. **People**
- 7.20. Education Services within the People Department forecast to spend an estimated £60m over the next four years to deliver several school improvement projects, including the increase of Special Educational Needs school places. Expansion works are ongoing across several schools including refurbishment of Durants School to provide 120 new places, works to West Lea school to provide 70 new places and expansion works to Springfield school to provide 20 new school places.
- 7.21. Through the Schools Capital Programme, People will continue to carry out the Council's Corporate Landlord responsibility in maintaining school buildings and implement strategies to improve the school estate. In the short to medium term the focus will continue to be providing places for vulnerable children requiring specialist care in the SEND sector. The Council is planning significant improvement and increase of the housing available within the Borough and strategies will be implemented to improve and increase the school estate to provide sufficient good quality school places as demand grows.
- 7.22. Adult social care – The number of people in Enfield over 65 years of age is forecast to increase by 23% over the next 10 years and this will therefore increase demand for care services. To help meet demand for quality accessible care services, the Council is investing, with the support of GLA funding in the provision of a new extra care housing development at Reardon Court in Winchmore Hill. This facility will provide 91 new self-contained accommodation to support independent living and facilitate social inclusion for older people and adults with disabilities. Further, independent living arrangements also contribute to reducing costs as they are more cost effective than residential care provision.

### 7.23. Resources

7.24. The Council's investments in ICT are to enable the Council's to deliver its objectives underpinned by the guiding principles detailed in the Corporate plan. The investment in ICT will enable smarter working and improved communication with Enfield's residents and support budget savings through increasing cost effectiveness.

### 7.25. Pipeline Projects

7.26. Separate to the projects included in the approved programme are Pipeline projects. These are projects which have been presented to the Capital Finance Board, however for a variety of reasons the Project appraisal cases lacked sufficient information. These projects will be represented to CFB at a later date and will be subject to normal governance arrangements with regards to being added to the approved programme.

**Table 9: Projects in the Pipeline**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>PEOPLE</b>							
<b><u>Adult Social Care</u></b>							
Care Village	-	-	-	-	-	40,000	40,000
<b>Total Adult Social Care</b>	-	-	-	-	-	<b>40,000</b>	<b>40,000</b>
<b>Total PEOPLE</b>	-	-	-	-	-	<b>40,000</b>	<b>40,000</b>
<b>RESOURCES</b>							
<b><u>Customer Experience &amp; Change</u></b>							
Corporate- Application Migration/Upgrades	200	500	3,000	3,000	2,500	12,000	21,200
Civica Hosted Systems (Housing, Open Rev)	50	50	50	50	1,500	1,200	2,900
Corporate- Data	100	100	100	100	100	400	900
Corporate- Single View of Customer (Internal/External)	700	1,000	-	-	-	-	1,700
IT Investment - Chief Exec.	400	300	-	-	-	-	700
IT Investment - Resources	1,000	1,000	-	-	-	-	2,000
Place- Systems Migration and	1,000	500	-	-	-	-	1,500

Upgrade							
Rationalisation of People's ICT Systems	-	1,500	1,500	500	500	-	4,000
Innovation Led Change (Telephony 5g)	200	200	200	200	200	800	1,800
<b>Total Customer Experience &amp; Change</b>	<b>3,650</b>	<b>5,150</b>	<b>4,850</b>	<b>3,850</b>	<b>4,800</b>	<b>14,400</b>	<b>36,700</b>
<b>Total RESOURCES</b>	<b>3,650</b>	<b>5,150</b>	<b>4,850</b>	<b>3,850</b>	<b>4,800</b>	<b>14,400</b>	<b>36,700</b>
<b>PLACE</b>							
<b>Property &amp; Economy</b>							
Broomfield House	500	-	-	-	-	-	500
<b>Total Property &amp; Economy</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500</b>
<b>Total PLACE</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500</b>
<b>Total GENERAL FUND exc. COMPANIES</b>	<b>4,150</b>	<b>5,150</b>	<b>4,850</b>	<b>3,850</b>	<b>4,800</b>	<b>54,400</b>	<b>77,200</b>
<b>COMPANIES</b>							
Investment in build to rent projects	2,064	8,254	-	-	-	-	10,318
<b>Total COMPANIES</b>	<b>2,064</b>	<b>8,254</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,318</b>
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>6,214</b>	<b>13,404</b>	<b>4,850</b>	<b>3,850</b>	<b>4,800</b>	<b>54,400</b>	<b>87,518</b>

## 8. ALTERNATIVE OPTIONS CONSIDERED

8.1. Not applicable to this report.

## 9. REASONS FOR RECOMMENDATIONS

9.1. To set the 2020/21 to 2029/30 Capital Programme and agree the Capital Strategy 2020/21.

## 10. COMMENTS FROM OTHER DEPARTMENTS

### 10.1. Financial Implications

10.1.1. The Section 151 Officer is required to keep under review the financial position of the Authority. The Capital Programme supports the discharge of this duty, the revenue implications of the Capital Programme proposed have been incorporated into the Medium-Term Financial Plan.

### 10.2. Legal Implications

10.2.1. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

10.2.2. The Chartered Institute of Public Finance and Accounting (CIPFA) *Prudential Code for Capital Finance in Local Authorities* (the



Prudential Code) underpins the system of capital finance. Local authorities determine their own programmes for capital investment in non-current assets that are central to the delivery of quality local public services. As mentioned above in this report, The Prudential Code has been developed as a professional code of practice to support local authorities in taking decisions, such as those relating to capital strategies and programmes contained in this report. Authorities are required by regulation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.

10.2.3. The legal implications for each individual scheme within the Capital Programme will be considered when approval is sought for that scheme. Each scheme within the Capital programme will be approved in accordance with the Council's constitution.

### 10.3. **Property Implications**

10.3.1. All property implications are included within the main report.

## 11. **KEY RISKS**

11.1. **All the key risks are included within the main report.**

## 12. **IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

12.1. Section 2 of this report sets on how the Capital Programme supports the delivery of the Council's Corporate Plan.

## 13. **EQUALITIES IMPACT IMPLICATIONS**

13.1. The Capital Programme seeks to reduce inequalities in the borough by, for example, investing in regeneration.

## 14. **PERFORMANCE AND DATA IMPLICATIONS**

14.1. The delivery of the Capital Programme will be integrated into the monitoring of the Council's Corporate Plan.

## 15. **PUBLIC HEALTH IMPLICATIONS**

15.1. The Capital Programme seeks to improve or impact upon the health and well-being of the public in Enfield. This includes, for example, improving the environment to encourage healthy lifestyles and delivering high quality housing.

## **Background Papers**

Strategic Asset Management Plan  
2018 to 2022 Corporate Plan

## APPENDIX 1 – TABLES

Table 1A: Existing Capital Programme by Corporate Objective

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	FUTURE YEARS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Good homes in well-connected neighbourhoods	163,388	342,972	290,079	194,155	173,093	1,163,687	97,161
Sustain strong and healthy communities	9,443	10,381	12,420	6,515	-	38,758	-
Build our economy to create a thriving place	33,805	54,427	11,977	4,590	-	104,799	-
Delivering through our guiding principles	8,836	5,312	-	-	-	14,148	-
<b>TOTAL</b>	<b>215,472</b>	<b>413,092</b>	<b>314,476</b>	<b>205,259</b>	<b>173,093</b>	<b>1,321,392</b>	<b>97,161</b>
External Grants & Contributions	32,640	54,303	49,045	51,626	6,460	194,074	9,464
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	60,811	8,872
Capital Receipts	31,535	51,895	41,458	44,222	67,063	236,172	72,824
Earmarked Reserves	14,296	1,860	-	-	-	16,155	-
Borrowing	125,720	274,914	216,520	103,026	94,000	814,179	6,000
<b>TOTAL</b>	<b>215,472</b>	<b>413,092</b>	<b>314,476</b>	<b>205,259</b>	<b>173,093</b>	<b>1,321,392</b>	<b>97,161</b>

The future years refers to the Housing Revenue Account only. Reported as at period 8.

Table 1B: Existing Capital Programme by Directorate

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	FUTURE YEARS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	8,624	3,807	-	-	-	12,431	8,624
People	13,411	34,037	22,397	9,093	-	78,938	13,411
Place	43,329	38,572	2,000	2,011	-	85,912	43,329
Meridian Water	44,453	125,959	149,467	-	-	319,879	44,453
Chief Executive	29	29	-	-	-	57	29
Companies	8,560	66,126	13,250	-	-	87,936	8,560
Total General Fund	118,406	268,528	187,114	11,105	-	585,153	118,406
HRA	97,066	144,563	127,362	194,155	173,093	736,239	97,066
<b>TOTAL</b>	<b>215,472</b>	<b>413,092</b>	<b>314,476</b>	<b>205,259</b>	<b>173,093</b>	<b>1,321,392</b>	<b>215,472</b>
External Grants & Contributions	32,640	54,303	49,045	51,626	6,460	194,074	32,640
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	60,811	11,282
Capital Receipts	31,535	51,895	41,458	44,222	67,063	236,172	31,535
Earmarked Reserves	14,296	1,860	-	-	-	16,155	14,296
Borrowing	125,720	274,914	216,520	103,026	94,000	814,179	125,720
<b>TOTAL</b>	<b>215,472</b>	<b>413,092</b>	<b>314,476</b>	<b>205,259</b>	<b>173,093</b>	<b>1,321,392</b>	<b>215,472</b>

Table 1C: Existing Approved Capital Programme by Department

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	FUTURE YEARS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>CHIEF EXECUTIVE</b>							
<b><u>Law &amp; Governance</u></b>							
Gentlemen's Row Internal Works	29	29	-	-	-	57	-
<b>Total Law &amp; Governance</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>
<b>Total CHIEF EXECUTIVE</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>
<b>RESOURCES</b>							
<b><u>Commercial</u></b>							
Forty Hall	68	-	-	-	-	68	-
<b>Total Commercial</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>-</b>
<b><u>Customer Experience &amp; Change</u></b>							
IT Investment	8,425	3,453	-	-	-	11,878	-
Libraries	131	354	-	-	-	485	-
<b>Total Customer Experience &amp; Change</b>	<b>8,556</b>	<b>3,807</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,363</b>	<b>-</b>
<b>Total RESOURCES</b>	<b>8,624</b>	<b>3,807</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,431</b>	<b>-</b>
<b>PEOPLE</b>							
<b><u>Adult Social Care</u></b>							
Extra Care Housing: Reardon Court	974	7,343	12,420	6,515	-	27,252	-
Mental Health and Wellbeing Centre	-	2,500	-	-	-	2,500	-
<b>Total Adult Social Care</b>	<b>974</b>	<b>9,843</b>	<b>12,420</b>	<b>6,515</b>	<b>-</b>	<b>29,752</b>	<b>-</b>
<b><u>Education</u></b>							
School Expansions	6,609	453	-	-	-	7,062	-
Schools Maintenance	3,191	-	-	-	-	3,191	-
Schools' Future Programme	2,337	23,740	9,977	2,578	-	38,633	-
<b>Total Education</b>	<b>12,137</b>	<b>24,193</b>	<b>9,977</b>	<b>2,578</b>	<b>-</b>	<b>48,886</b>	<b>-</b>
<b><u>Strategic Commissioning</u></b>							
Community Safety	300	-	-	-	-	300	-
<b>Total Strategic Commissioning</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>-</b>
<b>Total PEOPLE</b>	<b>13,411</b>	<b>34,037</b>	<b>22,397</b>	<b>9,093</b>	<b>-</b>	<b>78,938</b>	<b>-</b>
<b>PLACE</b>							
<b><u>Environment &amp; Operations</u></b>							
Alley Gating	100	-	-	-	-	100	-
Highways:							
Flood Alleviation	614	633	-	-	-	1,247	-
LED Street Lighting	1,140	5,236	-	-	-	6,375	-
Highways & Street Scene	6,995	-	-	-	-	6,995	-
Parks:							
Edmonton Cemetery	1,327	-	-	-	-	1,327	-
Southgate Cemetery	1,116	210	-	-	-	1,326	-
Play Areas	41	-	-	-	-	41	-
Tennis Courts Works	5	537	-	-	-	542	-
Waste, Recycling & Fleet:							
Changes to Waste & Recycling Collections	1,434	455	-	-	-	1,889	-
Vehicle Replacement Programme	411	1,860	-	-	-	2,270	-
Traffic & Transportation:							
TFL: Angel Walk	865	-	-	-	-	865	-
TFL: Cycle Enfield	6,010	-	-	-	-	6,010	-
TFL: Local Implementation Plans	2,261	-	-	-	-	2,261	-
<b>Total Environment &amp; Operations</b>	<b>22,319</b>	<b>8,931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,250</b>	<b>-</b>
<b><u>Meridian Water</u></b>							
Meridian Water	44,453	125,959	149,467	-	-	319,879	-
<b>Total Meridian Water</b>	<b>44,453</b>	<b>125,959</b>	<b>149,467</b>	<b>-</b>	<b>-</b>	<b>319,879</b>	<b>-</b>
<b><u>Property &amp; Economy</u></b>							
Broomfield House	266	-	-	-	-	266	-
Corporate Condition Programme	2,174	-	-	-	-	2,174	-
Corporate Property Investment Programme	700	1,200	-	-	-	1,900	-
Edmonton Cemetery Chapel Conversion	108	-	-	-	-	108	-
Electric Quarter	2,369	5,746	-	-	-	8,116	-
Genotin Road (Metaswitch)	12,575	9,249	-	-	-	21,824	-
Montagu Industrial Estate	500	10,946	-	-	-	11,446	-
Ponders End	55	-	-	-	-	55	-
Town Centre Regeneration	250	2,500	2,000	2,011	-	6,761	-
<b>Total Property &amp; Economy</b>	<b>18,997</b>	<b>29,641</b>	<b>2,000</b>	<b>2,011</b>	<b>-</b>	<b>52,650</b>	<b>-</b>
<b><u>Housing &amp; Regeneration</u></b>							
Assessment Services:							
Housing Adaptations (DFG)	2,001	-	-	-	-	2,001	-
Housing Assistance	12	-	-	-	-	12	-

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	FUTURE YEARS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Total Housing &amp; Regeneration</b>	2,013	-	-	-	-	2,013	-
<b>Total PLACE exc. HRA</b>	<b>87,782</b>	<b>164,531</b>	<b>151,467</b>	<b>2,011</b>	-	<b>405,791</b>	-
<b>Total GENERAL FUND exc. COMPANIES</b>	<b>109,846</b>	<b>202,402</b>	<b>173,864</b>	<b>11,105</b>	-	<b>497,217</b>	-
<b>COMPANIES</b>							
Energetik	3,060	19,726	13,250	-	-	36,036	-
Housing Gateway Ltd	5,500	46,400	-	-	-	51,900	-
<b>Total COMPANIES</b>	<b>8,560</b>	<b>66,126</b>	<b>13,250</b>	-	-	<b>87,936</b>	-
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>118,406</b>	<b>268,528</b>	<b>187,114</b>	<b>11,105</b>	-	<b>585,153</b>	-
<b>Housing Revenue Account:</b>							
Development Programme	51,344	71,449	79,211	150,355	135,976	488,334	81,471
Estate Regeneration	19,422	21,962	6,379	2,195	1,712	51,669	1,150
Fire Works	2,400	12,732	12,316	13,749	7,450	48,647	-
Major Works	19,083	31,945	26,133	24,533	24,633	126,327	11,216
Minor Works	4,817	6,476	3,323	3,323	3,323	21,262	3,323
<b>Total HRA</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>736,239</b>	<b>97,161</b>
<b>Total PLACE inc. HRA</b>	<b>184,848</b>	<b>309,094</b>	<b>278,829</b>	<b>196,166</b>	<b>173,093</b>	<b>1,142,030</b>	<b>97,161</b>
<b>TOTAL APPROVED PROGRAMME</b>	<b>215,472</b>	<b>413,092</b>	<b>314,476</b>	<b>205,259</b>	<b>173,093</b>	<b>1,321,392</b>	<b>97,161</b>

Table 2A: Requested Additions by Corporate Objective

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Good homes in well-connected neighbourhoods	14,884	11,507	74,379	37,623	35,566	603,625	777,583
Sustain strong and healthy communities	6,191	5,741	12,991	9,191	6,091	9,994	50,199
Build our economy to create a thriving place	13,546	24,659	36,807	22,361	16,868	60,689	174,931
Delivering through our guiding principles	8,000	7,431	3,554	4,613	5,062	20,197	48,857
<b>TOTAL</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>
External Grants & Contributions	8,560	7,860	81,863	72,587	13,776	129,404	314,050
Revenue Contributions	-	-	-	-	-	14,705	14,705
Capital Receipts	3,650	2,660	688	688	688	186,486	194,860
Earmarked Reserves	-	-	-	-	-	-	-
Borrowing	30,411	38,817	45,180	513	49,123	363,910	527,954
<b>TOTAL</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>

Table 2B: Requested Additions by Directorate

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	5,100	4,890	1,500	2,700	3,200	5,700	23,090
People	510	510	510	8,360	8,360	41,590	59,840
Place	32,011	43,937	62,187	36,056	26,201	82,071	282,464
Meridian Water	-	-	63,534	26,672	25,826	128,493	244,525
Chief Executive	-	-	-	-	-	-	-
Companies	5,000	-	-	-	-	-	5,000
Total General Fund	42,621	49,337	127,731	73,788	63,587	257,854	614,919
HRA	-	-	-	-	-	436,651	436,651
<b>TOTAL</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>
External Grants & Contributions	8,560	7,860	81,863	72,587	13,776	129,404	314,050
Revenue Contributions	-	-	-	-	-	14,705	14,705
Capital Receipts	3,650	2,660	688	688	688	186,486	194,860
Earmarked Reserves	-	-	-	-	-	-	-
Borrowing	30,411	38,817	45,180	513	49,123	363,910	527,954
<b>TOTAL</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>

Table 2C: Requested Additions by Department

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>RESOURCES</b>							
<b>Customer Experience &amp; Change</b>							
Corporate- Application Rationalisation	100	100	100	-	-	-	300
Corporate- Automation (AI Bots and Chat Bots, Voice Enable)	200	200	200	200	200	600	1,600
Full Migration to the Cloud	-	-	500	-	-	-	500
Hardware Replacements & End User Computing	300	200	200	2,000	1,500	4,100	8,300
Infrastructure Rationalisation Phase2	-	-	500	-	-	-	500
Network Refresh	-	-	-	500	1,500	1,000	3,000
Place- Property Asset Management System	1,500	1,390	-	-	-	-	2,890
SAP	3,000	3,000	-	-	-	-	6,000
<b>Total Customer Experience &amp; Change</b>	<b>5,100</b>	<b>4,890</b>	<b>1,500</b>	<b>2,700</b>	<b>3,200</b>	<b>5,700</b>	<b>23,090</b>
<b>Total RESOURCES</b>	<b>5,100</b>	<b>4,890</b>	<b>1,500</b>	<b>2,700</b>	<b>3,200</b>	<b>5,700</b>	<b>23,090</b>
<b>PEOPLE</b>							
<b>Children &amp; Family Services</b>							
Extensions to Foster Carers' Homes	210	210	210	210	210	840	1,890
<b>Total Children &amp; Family Services</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>840</b>	<b>1,890</b>
<b>Education</b>							
School Expansions	-	-	-	3,000	3,000	15,000	21,000
Schools Maintenance	-	-	-	5,000	5,000	25,000	35,000
<b>Total Education</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,000</b>	<b>8,000</b>	<b>40,000</b>	<b>56,000</b>
Strategic Commissioning							
Community Safety	300	300	300	150	150	750	1,950
<b>Total Strategic Commissioning</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>150</b>	<b>150</b>	<b>750</b>	<b>1,950</b>
<b>Total PEOPLE</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>8,360</b>	<b>8,360</b>	<b>41,590</b>	<b>59,840</b>
<b>PLACE</b>							
<b>Environment &amp; Operations</b>							
Alley Gating	80	80	80	80	80	400	800
Highways:							
Flood Alleviation	250	250	250	250	250	1,000	2,250
Highways & Street Scene	6,450	6,773	7,111	7,467	7,840	35,481	71,121
Play Areas and Paths in Parks	200	200	200	200	200	1,000	2,000
Structures and Bridges	200	1,000	-	-	1,000	1,000	3,200
Parks:							
Crematorium (New Development)	150	7,500	2,450	-	-	-	10,100
Edmonton Cemetery	450	-	-	-	-	-	450
Waste, Recycling & Fleet:							
Expansion of Workshops for External Commercialisation	-	250	250	-	-	-	500
Growth of Trade Waste Service/ Commercial Fleet and Containers	-	250	250	250	250	-	1,000
Vehicle Replacement Programme	2,900	2,541	2,054	1,913	1,862	14,497	25,767
Traffic & Transportation:							
Enfield Town Centre	1,000	1,000	-	-	-	-	2,000
TFL: Healthy Streets	3,600	3,150	10,400	6,750	3,650	-	27,550
TFL: Local Implementation Plans	2,584	2,584	2,584	2,584	-	-	10,336
<b>Total Environment &amp; Operations</b>	<b>17,864</b>	<b>25,577</b>	<b>25,629</b>	<b>19,494</b>	<b>15,132</b>	<b>53,378</b>	<b>157,074</b>
<b>Meridian Water</b>							
Meridian Water	-	-	63,534	26,672	25,826	128,493	244,525
<b>Total Meridian Water</b>	<b>-</b>	<b>-</b>	<b>63,534</b>	<b>26,672</b>	<b>25,826</b>	<b>128,493</b>	<b>244,525</b>
<b>Property &amp; Economy</b>							
Corporate Condition Programme	2,500	2,650	2,809	2,978	3,156	14,636	28,728
CPIP - Corporate Residential	500	-	-	-	-	-	500
CPIP - Operational Property	3,910	10,030	11,257	3,957	2,500	6,053	37,707
CPIP - Park Buildings	500	-	-	-	-	-	500
CPIP - Rural Estate	1,000	1,554	-	-	-	-	2,554
Montagu Industrial Estate	3,536	1,925	20,291	7,427	3,212	-	36,392
<b>Total Property &amp; Economy</b>	<b>11,946</b>	<b>16,159</b>	<b>34,357</b>	<b>14,361</b>	<b>8,868</b>	<b>20,689</b>	<b>106,381</b>
<b>Housing &amp; Regeneration</b>							
Vacant Property Review	200	200	200	200	200	-	1,000
Assessment Services:							
Housing Adaptations (DFG)	2,001	2,001	2,001	2,001	2,001	8,004	18,009
<b>Total Housing &amp; Regeneration</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>8,004</b>	<b>19,009</b>



	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>Total PLACE exc. HRA</b>	<b>32,011</b>	<b>43,937</b>	<b>125,721</b>	<b>62,728</b>	<b>52,027</b>	<b>210,564</b>	<b>526,989</b>
<b>Total GENERAL FUND exc. COMPANIES</b>	<b>37,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>609,919</b>
<b>COMPANIES</b>							
Housing Gateway Ltd - Equity Investment	5,000	-	-	-	-	-	5,000
<b>Total COMPANIES</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
<b>Total GENERAL FUND including COMPANIES</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>614,919</b>
<b>Housing Revenue Account:</b>							
Development Programme	-	-	-	-	-	363,831	363,831
Estate Regeneration	-	-	-	-	-	1,625	1,625
Major Works	-	-	-	-	-	54,580	54,580
Minor Works	-	-	-	-	-	16,615	16,615
<b>Total HRA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436,651</b>	<b>436,651</b>
<b>Total PLACE including HRA</b>	<b>32,011</b>	<b>43,937</b>	<b>125,721</b>	<b>62,728</b>	<b>52,027</b>	<b>647,215</b>	<b>963,640</b>
<b>TOTAL 10-YEAR CAPITAL PROGRAMME</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>

Table 2D: Requested Additions by Priority

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Priority 0 - Fully Grant Funded</b>							
Housing Adaptations (DFG)	2,001	2,001	2,001	2,001	2,001	8,004	18,009
School Expansions	-	-	-	3,000	3,000	15,000	21,000
Schools Maintenance	-	-	-	5,000	5,000	25,000	35,000
TFL: Healthy Streets	3,600	3,150	10,400	6,750	3,650	-	27,550
TFL: Local Implementation Plans	2,584	2,584	2,584	2,584	-	-	10,336
<b>Total Priority 0 - Fully Grant Funded</b>	<b>8,185</b>	<b>7,735</b>	<b>14,985</b>	<b>19,335</b>	<b>13,651</b>	<b>48,004</b>	<b>111,895</b>
<b>Priority 1 - Statutory and Health &amp; Safety</b>							
Corporate Condition Programme	2,500	2,650	2,809	2,978	3,156	14,636	28,728
Highways & Street Scene	6,450	6,773	7,111	7,467	7,840	35,481	71,121
Place- Property Asset Management System	1,500	1,390	-	-	-	-	2,890
Play Areas and Paths in Parks	200	200	200	200	200	1,000	2,000
Structures and Bridges	200	1,000	-	-	1,000	1,000	3,200
<b>Total Priority 1 - Statutory and Health &amp; Safety</b>	<b>10,850</b>	<b>12,013</b>	<b>10,120</b>	<b>10,644</b>	<b>12,196</b>	<b>52,117</b>	<b>107,940</b>
<b>Priority 2 - MTFP Savings</b>							
Corporate- Application Rationalisation	100	100	100	-	-	-	300
Corporate- Automation (AI Bots and Chat Bots, Voice Enable)	200	200	200	200	200	600	1,600
CPIP - Corporate Residential	500	-	-	-	-	-	500
CPIP - Operational Property	3,910	10,030	11,257	3,957	2,500	6,053	37,707
CPIP - Park Buildings	500	-	-	-	-	-	500
CPIP - Rural Estate	1,000	1,554	-	-	-	-	2,554
Crematorium (New Development)	150	7,500	2,450	-	-	-	10,100
Full Migration to the Cloud	-	-	500	-	-	-	500
Infrastructure Rationalisation Phase2	-	-	500	-	-	-	500
Montagu Industrial Estate	3,536	1,925	20,291	7,427	3,212	-	36,392
SAP	3,000	3,000	-	-	-	-	6,000
<b>Total Priority 2 - MTFP Savings</b>	<b>12,896</b>	<b>24,309</b>	<b>35,298</b>	<b>11,584</b>	<b>5,912</b>	<b>6,653</b>	<b>96,653</b>
<b>Priority 3 - Cost Avoidance or/and Income Generating</b>							
Alley Gating	80	80	80	80	80	400	800
Community Safety	300	300	300	150	150	750	1,950
Edmonton Cemetery	450	-	-	-	-	-	450
Expansion of Workshops for External Commercialisation	-	250	250	-	-	-	500
Extensions to Foster Carers' Homes	210	210	210	210	210	840	1,890
Growth of Trade Waste Service/ Commercial Fleet and Containers	-	250	250	250	250	-	1,000
Housing Gateway Ltd - Equity Investment	5,000	-	-	-	-	-	5,000
Vacant Property Review	200	200	200	200	200	-	1,000
<b>Total Priority 3 - Cost Avoidance or/and Income Generating</b>	<b>6,240</b>	<b>1,290</b>	<b>1,290</b>	<b>890</b>	<b>890</b>	<b>1,990</b>	<b>12,590</b>
<b>Priority 4 - Match Funding</b>							
Enfield Town Centre	1,000	1,000	-	-	-	-	2,000
Flood Alleviation	250	250	250	250	250	1,000	2,250
<b>Total Priority 4 - Match Funding</b>	<b>1,250</b>	<b>1,250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>1,000</b>	<b>4,250</b>
<b>Priority 5 - Others</b>							
Hardware Replacements & End User Computing	300	200	200	2,000	1,500	4,100	8,300
Network Refresh	-	-	-	500	1,500	1,000	3,000
Vehicle Replacement Programme	2,900	2,541	2,054	1,913	1,862	14,497	25,767
<b>Total Priority 5 - Others</b>	<b>3,200</b>	<b>2,741</b>	<b>2,254</b>	<b>4,413</b>	<b>4,862</b>	<b>19,597</b>	<b>37,067</b>
<b>Total General Fund (exc. MW)</b>	<b>42,621</b>	<b>49,337</b>	<b>64,197</b>	<b>47,116</b>	<b>37,761</b>	<b>129,361</b>	<b>370,394</b>
Meridian Water	-	-	63,534	26,672	25,826	128,493	244,525
<b>Total General Fund</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>614,919</b>
<b>Housing Revenue Account</b>							
Development Programme	-	-	-	-	-	363,831	363,831
Estate Regeneration	-	-	-	-	-	1,625	1,625
Major Works	-	-	-	-	-	54,580	54,580
Minor Works	-	-	-	-	-	16,615	16,615
<b>Total HRA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436,651</b>	<b>436,651</b>
<b>TOTAL 10-YEAR CAPITAL PROGRAMME</b>	<b>42,621</b>	<b>49,337</b>	<b>127,731</b>	<b>73,788</b>	<b>63,587</b>	<b>694,505</b>	<b>1,051,570</b>

Table 3A: Proposed 10-Year Capital Programme by Corporate Objective

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Good homes in well-connected neighbourhoods	163,388	357,856	301,585	268,534	210,716	132,727	603,625	1,875,043
Sustain strong and healthy communities	9,443	16,572	18,161	19,506	9,191	6,091	9,994	79,514
Build our economy to create a thriving place	33,805	67,973	36,637	41,397	22,361	16,868	60,689	245,924
Delivering through our guiding principles	8,836	13,312	7,431	3,554	4,613	5,062	20,197	54,169
<b>TOTAL</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>
External Grants & Contributions	32,640	62,863	56,905	133,490	79,047	23,240	129,404	484,949
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	8,872	14,705	73,106
Capital Receipts	31,535	55,545	44,118	44,910	67,751	73,512	186,486	472,321
Earmarked Reserves	14,296	1,860	-	-	-	-	-	1,860
Borrowing	125,720	305,325	255,337	148,206	94,513	55,123	363,910	1,222,414
<b>TOTAL</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,990</b>	<b>246,881</b>	<b>160,747</b>	<b>694,505</b>	<b>2,254,650</b>

Table 3B: Proposed 10-Year Capital Programme by Directorate

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	8,624	8,907	4,890	1,500	2,700	3,200	5,700	26,897
People	13,411	34,547	22,907	9,603	8,360	8,360	41,590	125,367
Place	43,329	70,583	45,937	64,198	36,056	26,201	82,071	325,047
Meridian Water	44,453	125,959	149,467	63,534	26,672	25,826	128,493	519,951
Chief Executive	29	29	-	-	-	-	-	29
Companies	8,560	71,126	13,250	-	-	-	-	84,376
Total General Fund	118,406	311,149	236,452	138,836	73,788	63,587	257,854	1,081,666
HRA	97,066	144,563	127,362	194,155	173,093	97,161	436,651	1,172,985
<b>TOTAL</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>
External Grants & Contributions	32,640	62,863	56,905	133,490	79,047	23,240	129,404	484,949
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	8,872	14,705	73,106
Capital Receipts	31,535	55,545	44,118	44,910	67,751	73,512	186,486	472,321
Earmarked Reserves	14,296	1,860	-	-	-	-	-	1,860
Borrowing	125,720	305,325	255,337	148,206	94,513	55,123	363,910	1,222,414
<b>TOTAL</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,990</b>	<b>246,881</b>	<b>160,747</b>	<b>694,505</b>	<b>2,254,650</b>

Table 3C: Proposed 10-Year Capital Programme by Department

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>CHIEF EXECUTIVE</b>								
<b>Law &amp; Governance</b>								
Gentlemens Row Internal Works	29	29	-	-	-	-	-	29
<b>Total Law &amp; Governance</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>
<b>Total CHIEF EXECUTIVE</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>
<b>RESOURCES</b>								
<b>Commercial</b>								
Forty Hall	68	-	-	-	-	-	-	-
<b>Total Commercial</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Customer Experience &amp; Change</b>								
Corporate- Application Rationalisation	-	100	100	100	-	-	-	300
Corporate- Automation (AI Bots and Chat Bots, Voice Enable)	-	200	200	200	200	200	600	1,600
Full Migration to the Cloud	-	-	-	500	-	-	-	500
Hardware Replacements & End User Computing	-	300	200	200	2,000	1,500	4,100	8,300
Infrastructure Rationalisation Phase2	-	-	-	500	-	-	-	500
IT Investment	8,425	3,453	-	-	-	-	-	3,453
Libraries	131	354	-	-	-	-	-	354
Network Refresh	-	-	-	-	500	1,500	1,000	3,000
Place- Property Asset Management System	-	1,500	1,390	-	-	-	-	2,890
SAP	-	3,000	3,000	-	-	-	-	6,000
<b>Total Customer Experience &amp; Change</b>	<b>8,556</b>	<b>8,907</b>	<b>4,890</b>	<b>1,500</b>	<b>2,700</b>	<b>3,200</b>	<b>5,700</b>	<b>26,897</b>
<b>Total RESOURCES</b>	<b>8,624</b>	<b>8,907</b>	<b>4,890</b>	<b>1,500</b>	<b>2,700</b>	<b>3,200</b>	<b>5,700</b>	<b>26,897</b>
<b>PEOPLE</b>								
<b>Adult Social Care</b>								
Extra Care Housing: Reardon Court	974	7,343	12,420	6,515	-	-	-	26,278
Mental Health and Wellbeing Centre	-	2,500	-	-	-	-	-	2,500
<b>Total Adult Social Care</b>	<b>974</b>	<b>9,843</b>	<b>12,420</b>	<b>6,515</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,778</b>
<b>Children &amp; Family Services</b>								
Extensions to Foster Carers' Homes	-	210	210	210	210	210	840	1,890
<b>Total Children &amp; Family Services</b>	<b>-</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>840</b>	<b>1,890</b>
<b>Education</b>								
School Expansions	6,609	453	-	-	3,000	3,000	15,000	21,453
Schools Maintenance	3,191	-	-	-	5,000	5,000	25,000	35,000
Schools' Future Programme	2,337	23,740	9,977	2,578	-	-	-	36,296
<b>Total Education</b>	<b>12,137</b>	<b>24,193</b>	<b>9,977</b>	<b>2,578</b>	<b>8,000</b>	<b>8,000</b>	<b>40,000</b>	<b>92,749</b>
<b>Strategic Commissioning</b>								
Community Safety	300	300	300	300	150	150	750	1,950
<b>Total Strategic Commissioning</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>150</b>	<b>150</b>	<b>750</b>	<b>1,950</b>
<b>Total PEOPLE</b>	<b>13,411</b>	<b>34,547</b>	<b>22,907</b>	<b>9,603</b>	<b>8,360</b>	<b>8,360</b>	<b>41,590</b>	<b>125,367</b>
<b>PLACE</b>								
<b>Environment &amp; Operations</b>								
Alley Gating	100	80	80	80	80	80	400	800
Highways:								
Flood Alleviation	614	883	250	250	250	250	1,000	2,883
LED Street Lighting	1,140	5,236	-	-	-	-	-	5,236
Highways & Street Scene	6,995	6,450	6,773	7,111	7,467	7,840	35,481	71,121
Play Areas and Paths in Parks	-	200	200	200	200	200	1,000	2,000
Structures and Bridges	-	200	1,000	-	-	1,000	1,000	3,200
Parks:								
Crematorium (New Development)	-	150	7,500	2,450	-	-	-	10,100
Edmonton Cemetery	1,327	450	-	-	-	-	-	450
Play Areas	41	-	-	-	-	-	-	-
Southgate Cemetery	1,116	210	-	-	-	-	-	210
Tennis Courts Works	5	537	-	-	-	-	-	537
Waste, Recycling & Fleet:								
Changes to Waste & Recycling Collections	1,434	455	-	-	-	-	-	455
Expansion of Workshops for External Commercialisation	-	-	250	250	-	-	-	500
Growth of Trade Waste Service/ Commercial Fleet and Containers	-	-	250	250	250	250	-	1,000
Vehicle Replacement Programme	411	4,760	2,541	2,054	1,913	1,862	14,497	27,626

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>Traffic &amp; Transportation:</b>								
Enfield Town Centre	-	1,000	1,000	-	-	-	-	2,000
TFL: Angel Walk	865	-	-	-	-	-	-	-
TFL: Cycle Enfield	6,010	-	-	-	-	-	-	-
TFL: Healthy Streets	-	3,600	3,150	10,400	6,750	3,650	-	27,550
TFL: Local Implementation Plans	2,261	2,584	2,584	2,584	2,584	-	-	10,336
<b>Total Environment &amp; Operations</b>	<b>22,319</b>	<b>26,795</b>	<b>25,577</b>	<b>25,629</b>	<b>19,494</b>	<b>15,132</b>	<b>53,378</b>	<b>166,005</b>
<b>Meridian Water</b>								
Meridian Water	44,453	125,959	149,467	63,534	26,672	25,826	128,493	519,951
<b>Total Meridian Water</b>	<b>44,453</b>	<b>125,959</b>	<b>149,467</b>	<b>63,534</b>	<b>26,672</b>	<b>25,826</b>	<b>128,493</b>	<b>519,951</b>
<b>Property &amp; Economy</b>								
Broomfield House	266	-	-	-	-	-	-	-
Corporate Condition Programme	2,174	2,500	2,650	2,809	2,978	3,156	14,636	28,728
Corporate Property Investment Programme	700	1,200	-	-	-	-	-	1,200
CPIP - Corporate Residential	-	500	-	-	-	-	-	500
CPIP - Operational Property	-	3,910	10,030	11,257	3,957	2,500	6,053	37,707
CPIP - Park Buildings	-	500	-	-	-	-	-	500
CPIP - Rural Estate	-	1,000	1,554	-	-	-	-	2,554
Edmonton Cemetery Chapel Conversion	108	-	-	-	-	-	-	-
Electric Quarter	2,369	5,746	-	-	-	-	-	5,746
Genotin Road (Metaswitch)	12,575	9,249	-	-	-	-	-	9,249
Montagu Industrial Estate	500	14,482	1,925	20,291	7,427	3,212	-	47,337
Ponders End	55	-	-	-	-	-	-	-
Town Centre Regeneration	250	2,500	2,000	2,011	-	-	-	6,511
<b>Total Property &amp; Economy</b>	<b>18,997</b>	<b>41,587</b>	<b>18,159</b>	<b>36,368</b>	<b>14,361</b>	<b>8,868</b>	<b>20,689</b>	<b>140,033</b>
<b>Housing &amp; Regeneration</b>								
Vacant Property Review	-	200	200	200	200	200	-	1,000
Assessment Services:								
Housing Adaptations (DFG)	2,001	2,001	2,001	2,001	2,001	2,001	8,004	18,009
Housing Assistance	12	-	-	-	-	-	-	-
<b>Total Housing &amp; Regeneration</b>	<b>2,013</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>2,201</b>	<b>8,004</b>	<b>19,009</b>
<b>Total PLACE exc. HRA</b>	<b>87,782</b>	<b>196,542</b>	<b>195,404</b>	<b>127,732</b>	<b>62,728</b>	<b>52,027</b>	<b>210,564</b>	<b>844,998</b>
<b>Total GENERAL FUND exc. COMPANIES</b>	<b>109,846</b>	<b>240,023</b>	<b>223,202</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>997,290</b>
<b>COMPANIES</b>								
Energetik	3,060	19,726	13,250	-	-	-	-	32,976
Housing Gateway Ltd	5,500	46,400	-	-	-	-	-	46,400
Housing Gateway Ltd - Equity Investment	-	5,000	-	-	-	-	-	5,000
<b>Total COMPANIES</b>	<b>8,560</b>	<b>71,126</b>	<b>13,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,376</b>
<b>Total GENERAL FUND inc. COMPANIES</b>	<b>118,406</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
<b>Housing Revenue Account:</b>								
Development Programme	51,344	71,449	79,211	150,355	135,976	81,471	363,831	882,293
Estate Regeneration	19,422	21,962	6,379	2,195	1,712	1,150	1,625	35,022
Fire Works	2,400	12,732	12,316	13,749	7,450	-	-	46,247
Major Works	19,083	31,945	26,133	24,533	24,633	11,216	54,580	173,040
Minor Works	4,817	6,476	3,323	3,323	3,323	3,323	16,615	36,383
<b>Total HRA</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>
<b>Total PLACE inc. HRA</b>	<b>184,848</b>	<b>341,105</b>	<b>322,766</b>	<b>321,887</b>	<b>235,821</b>	<b>149,188</b>	<b>647,215</b>	<b>2,017,982</b>
<b>TOTAL 10-YEAR CAPITAL PROGRAMME</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>

Table 4A – HRA existing Capital Programme by scheme

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL	FUTURE YEARS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Development Programme	51,344	71,449	79,211	150,355	135,976	488,334	81,471
Estate Regeneration	19,422	21,962	6,379	2,195	1,712	51,669	1,150
Fire Works	2,400	12,732	12,316	13,749	7,450	48,647	-
Major Works	19,083	31,945	26,133	24,533	24,633	126,327	11,216
Minor Works	4,817	6,476	3,323	3,323	3,323	21,262	3,323
<b>TOTAL</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>736,239</b>	<b>97,161</b>
External Grants & Contributions	8,668	14,004	14,450	49,048	6,460	92,631	9,464
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	60,811	8,872
Capital Receipts	30,231	51,440	41,458	44,222	67,063	234,413	72,824
Earmarked Reserves	13,885	-	-	-	-	13,885	-
Borrowing	33,000	49,000	64,000	94,500	94,000	334,500	6,000
<b>TOTAL</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>736,239</b>	<b>97,161</b>

Table 4B – HRA requested additions by scheme

	2020/21 to 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
		£'000	£'000	£'000	£'000	£'000	£'000
Development Programme	-	175,941	90,830	42,708	54,208	144	363,831
Estate Regeneration	-	1,177	448	-	-	-	1,625
Fire Works	-	-	-	-	-	-	-
Major Works	-	11,216	11,216	11,216	11,216	9,716	54,580
Minor Works	-	3,323	3,323	3,323	3,323	3,323	16,615
<b>TOTAL</b>	-	<b>191,657</b>	<b>105,817</b>	<b>57,247</b>	<b>68,747</b>	<b>13,183</b>	<b>436,651</b>
External Grants & Contributions	-	31,150	-	21,500	28,250	-	80,900
Revenue Contributions	-	6,973	7,732	-	-	-	14,705
Capital Receipts	-	49,535	44,085	35,747	40,497	13,183	183,046
Earmarked Reserves	-	-	-	-	-	-	-
Borrowing	-	104,000	54,000	-	-	-	158,000
<b>TOTAL</b>	-	<b>191,657</b>	<b>105,817</b>	<b>57,247</b>	<b>68,747</b>	<b>13,183</b>	<b>436,651</b>



Table 4C – HRA Proposed 10-Year Capital programme by scheme

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Development Programme	51,344	71,449	79,211	150,355	135,976	81,471	363,831	882,293
Estate Regeneration	19,422	21,962	6,379	2,195	1,712	1,150	1,625	35,022
Fire Works	2,400	12,732	12,316	13,749	7,450	-	-	46,247
Major Works	19,083	31,945	26,133	24,533	24,633	11,216	54,580	173,040
Minor Works	4,817	6,476	3,323	3,323	3,323	3,323	16,615	36,383
<b>TOTAL</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>
External Grants & Contributions	8,668	14,004	14,450	49,048	6,460	9,464	80,900	174,326
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	8,872	14,705	73,106
Capital Receipts	30,231	51,440	41,458	44,222	67,063	72,824	183,046	460,052
Earmarked Reserves	13,885	-	-	-	-	-	-	-
Borrowing	33,000	49,000	64,000	94,500	94,000	6,000	158,000	465,500
<b>TOTAL</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>



**MUNICIPAL YEAR 2019/2020 - REPORT NO. 192****MEETING TITLE AND DATE:**Cabinet 12<sup>th</sup> February 2020**Agenda – Part: 1****Item: 7****REPORT OF:**

Director of Finance

**Subject:****TREASURY MANAGEMENT  
STRATEGY STATEMENT 2020/21****Key Decision: 5027****Wards: All****Contact officer and telephone no:**

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**Cabinet Member consulted:****Cllr Maguire****1. EXECUTIVE SUMMARY**

- 1.1. This report sets out the Council's proposed Treasury Management Strategy Statement (TMSS) for the period 2020/21 to 2022/23, and Annual Investment Strategy (AIS) for the year ended 31 March 2021, together with supporting information.
- 1.2. The CIPFA Code of Practice for Treasury Management in Public Services (the "TM Code") requires the Council to determine its Treasury Management Policy and Strategy for 2020/21 and the following 3 years.
- 1.3. This year, the TMSS has been extended, beyond the required minimum, to ten years. This reflects the Council's priority to ensure that revenue budgets are sustainable in the longer term. Due diligence has been carried out on the ten year capital programme projects but to it must be recognised that these are provisional estimates, undertaken to inform and support the development of a robust, affordable and sustainable Treasury Strategy.
- 1.4. The Local Government Act 2003 also requires Local Authorities to adopt Prudential Indicators and Minimum Revenue Provision Statements.
- 1.5. The TMSS and AIS form part of the Council's overall budget setting and financial framework and will be finalised and updated as work on the Council's 2020/21 budget is progressed in January and February 2020.
- 1.6. The Annual Treasury Management Strategy Statement sets out the Council's strategy for ensuring that:
  - its capital investment plans are prudent, affordable and sustainable;
  - the financing of the Council's capital programme and ensuring that cash flow is properly planned;
  - cash balances are appropriately invested to generate optimum returns having regard to security and liquidity of capital.
- 1.7. The Council's cashflow management, use of banks, investments and borrowing is governed by the Treasury Management Strategy (TM Strategy)
- 1.8. The Investment strategy will continue to give priority to security and liquidity of investment capital over return. It will also be prudent and transparent.

## **2. RECOMMENDATIONS**

- 2.1 That the Cabinet members review and comment on the attached Draft Treasury Management Strategy and recommend the six listed items below for the full Council consideration and approval at their Strategy meeting in February:
- a) Agree the attached Treasury Management Strategy Statement for 2020/21;
  - b) Note the Economic context & Interest rate forecast (Appendices A and B);
  - c) Agree the Prudential Indicators set out in Appendix D;
  - d) Agree the Minimum Revenue Provision Statement (Appendix E); and
  - e) Agree Counterparty List and Limits set out in Appendix F.
  - f) Note the plans to develop options for financing the ten year capital programme and report to Cabinet in December 2020, as per section 4 Next Steps. In the interim the Cabinet Member for Finance and Procurement will regularly update and progress will be reported in the formal treasury reports (outturn and mid-year).

## **3. BACKGROUND**

- 3.1 The Council has adopted the CIPFA Treasury Management in Public Services Code of Practice (Treasury Management Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year.
- 3.2 The Council will continue to have regard for the MHCLG's guidance on Local Government Investments and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectional Guidance Notes.
- 3.3 In addition, the Department for Communities and Local Government (DCLG) issued revised Guidance on Local Council Investments in March 2010 that requires the Council to approve an Investment Strategy before the start of each financial year.
- 3.4 The Treasury Management Strategy fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the Treasury Management Code and the DCLG Guidance.
- 3.5 The Council has borrowed and invested sums of money and is therefore exposed to financial risks including the potential loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy and to mitigate these risks. In addition, professional expert advice is provided from the Council Treasury Advisers (3.7).
- 3.6 The Council is currently required to receive and approve, as a minimum, three main reports each year. which incorporate a variety of policies, estimates and actuals.
- I. A treasury management strategy statement (this report) – it covers:
    - the capital spending plans (including prudential indicators);
    - the treasury management strategy (how the investments and

borrowings are to be organised, the parameters on how investments are to be managed) including treasury indicators; and

- an investment strategy report (detailing the Council's service investments and commercial investments).
- II. A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.
  - III. A treasury outturn report – This provides details of annual actual prudential and treasury indicators and annual actual treasury operations compared to the annual estimates within the strategy.
- 3.7 In prior years, the Council prepared a capital budget spanning three years unfortunately that did not make the revenue impact and borrowing requirements sufficiently clear to be support effective long term decision making of the authority. During 2019/20, a ten year capital programme was developed to reflect the ambitions of the council capital investment programme in affordable housing, ICT programme, road maintenance and projects to make savings, especially income generation.
- 3.8 This detailed set of proposals are necessary for the development of robust, sustainable treasury planning. This analysis is reflected in the attached TMSS, however, that is only the first stage in this process. A key part of the development of the TMSS will include a review of the Council's current property portfolio and potential opportunities for capital receipts, ongoing lobbying for grant funding and alternative options for financing as set out in the TMSS.

### **Treasury Management Consultants**

- 3.9 The Council uses Arlingclose Limited as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with this organisation at all times and officers will ensure that undue reliance is not placed upon the external service providers.

### **Training**

- 3.10 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members' responsible for scrutiny. Training will be arranged as required. The Audit and Risk management Committee received training from the Council's treasury adviser on 16<sup>th</sup> January 2019. The training needs of treasury management officers are periodically reviewed.

### **The Strategy for 2019/20 and the Current Borrowing & Investment Position and Performance**

- 3.11 The Strategy for 2019/20 was approved by the full Council in February 2019 and set the following objectives: -
- a) The minimum Fitch credit ratings for the Council's investment policy:
    - Short Term: 'F1'

- Long Term: 'A-'

b) Investments stood at £39.05m as at 31<sup>st</sup> December 2019 with £21.75m placed in two different Call accounts, one with HSBC and the other with Handelsbanken and the remaining £17.5m invested in three money markets funds (MMFs).

3.12 The Council's forecast to borrow £246.5m for 2019/20 for new capital expenditure, as at 31<sup>st</sup> December 2019, £208m was borrowed but £141.8m borrowing matured during the period.

3.13 Out of the new borrowing of £208m, the Council borrowed £140m from PWLB at an average rate of 1.43% for 20 years term for its planned capital expenditure.

3.14 The below table show the position of the Council outstanding borrowing and investments for this financial year to 31 December 2019.

Instrument	Average Rate	Month End Balance	Interest Received / (Paid)
Cash Deposits	0.65%	£39.050m	£0.414m
Loans to Enfield Companies		£141m	(£3.973m)
Borrowings	3.16%	£911m	(£15.597m)

3.15 As at 31<sup>st</sup> December 2019 the Council had £911m of borrowing in total. This is split between £838m in Long Term Loans (92%) and £73m (8%) held in Short Term Loans with nine different local authorities.

3.16 The Council did not borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within the forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

### **TREASURY MANAGEMENT STRATEGY FOR 2020/21**

3.17 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

3.18 The Council will also achieve optimum return on its investments commensurate with proper levels of security and liquidity. The borrowing of monies purely to lend on and make a return is unlawful and the Council will not engage in such activity.

3.19 The Treasury Management Strategy Statement covers the three main areas:

**a) Capital spending plans**

- the capital expenditure and capital finance requirement (CFR);
- the prudential indicators (PI); and
- the minimum revenue provision (MRP) policy.

**b) Treasury management considerations:**

- economic and interest rates forecast;

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- the borrowing strategy;
- maturing structure of borrowing;
- policy on borrowing in advance of need; and
- debt rescheduling.

**c) Managing cash balances:**

- the current cash position and cash flow forecast;
- Prospects for investment returns
- creditworthiness policy;
- service/policy investments

**Developing the Strategy for 2020/21**

- 3.20 The Council, in conjunction with its treasury management advisor, Arlingclose, will use Fitch, Moodys and Standard and Poor's ratings to derive its credit criteria. The Council's treasury adviser alerted officers to changes in ratings of all agencies.
- 3.21 **The Annual Investment Strategy (AIS)** is set out in Section 4 of the TMSS for approval of the full Council. This provides more detail on how the Council's surplus cash investments are to be managed in 2020/21.
- 3.22 The Council's Treasury team is responsible for managing **the Pension Fund working capital cash** and this is being invested in line with this Treasury Management Strategy. The Pension Policy & Investment Committee is updated of the cash balance position and investment performance on a quarterly basis. As at 31<sup>st</sup> December 2019, the in-house pension fund cash balance was £32.75m.
- 3.23 During the financial crisis, a number of **Money Market Funds (MMFs)** faced difficulty hence the European Commission proposed new rules to safeguard investors and restrict the Constant Net Asset Value (CNAV) Funds for the government funds only, and a new type of fund was introduced, named Low Volatility NAV (LVNAV) fund. LVNAV is intended to replicate some of the utility of CNAV funds, but with greater sensitivity to market pricing, however extra controls were built into the fund structure to maintain stable price/NAV to avoid price volatility.
- 3.24 Note, the Council's investments in Money Market Funds are in LVNAV funds, although these funds used to be called Constant Net Asset Value (CNAV) Funds. The money market funds (MMFs) the Council invested in have never exhibited any meaningful price volatility. We have been assured by the MMF managers and the Council's treasury advisor that stable price/NAV would still be maintained to avoid price volatility going forward.

**Capital Programme and Prudential Borrowing**

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

3.26 The table below summarises the Council's capital expenditure plans, both in terms of those agreed previously, and those forming part of the current budget cycle. The table sets out the Council's current capital financing expectations.

3.27 Comparing 2019/20 forecast to the 2018/19 TMSS, capital spend has slipped back in 2019/20 revised budget and there remains an element of further slippage in future years. The risks and benefit are that:

- continued slippage in new starts will push borrowing requirements to later years and this could be an advantage as interest rates are forecast to be lower than currently but with inherent risk of uncertainty;
- slippage in the programme of capital receipts may increase the need to borrow in the medium term.

Capital Expenditure	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 to 2029/30	10-Year Capital Programme
	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund (Ex. Meridian & Companies)	58.398	65.393	114.064	73.735	75.302	47.116	37.761	129.361	477.339
Companies	64.001	8.56	71.126	13.250	0.000	0.000	0.000	0.000	84.376
Meridian		44.453	125.959	149.467	63.534	26.672	25.826	128.493	519.951
HRA	71.152	97.066	144.564	127.362	194.154	173.093	97.160	436.651	1,172.984
<b>Total</b>	<b>193.551</b>	<b>215.472</b>	<b>455.713</b>	<b>363.814</b>	<b>332.990</b>	<b>246.881</b>	<b>160.747</b>	<b>694.505</b>	<b>2,254.650</b>
<b>Financed by:</b>									
<i>External Grants &amp; Contributions</i>	(43.200)	(32.640)	(62.863)	(56.905)	(133.490)	(79.047)	(23.240)	(129.404)	(484.949)
<i>Revenue Contributions</i>	0.000	(11.282)	(30.120)	(7.454)	(6.385)	(5.570)	(8.872)	(14.705)	(73.106)
<i>Capital Receipts</i>	(19.100)	(31.535)	(55.545)	(44.118)	(44.910)	(67.751)	(73.512)	(186.486)	(472.322)
<i>Earmarked Reserves</i>	(58.300)	(14.296)	(1.860)	0.000	0.000	0.000	0.000	0.000	(1.860)
<b>Impact on Borrowing</b>	<b>72.951</b>	<b>125.719</b>	<b>305.325</b>	<b>255.337</b>	<b>148.205</b>	<b>94.513</b>	<b>55.123</b>	<b>363.910</b>	<b>1,222.413</b>

3.28 As shown in the table above, there is a need to borrow £1.2bn in total from 2019/2020 to 2023/24. For this financial year 2019/20, £140m has been borrowed for financing our capital expenditure and replacing matured loans as included in the 2019/20 capital programme, TMSS and the current prudential indicators. If the Council is to borrow, the affordability of the capital programme has been included in assessing the cost of borrowing along with the loss of investment income from the use of capital resources held in cash.

3.29 Nonetheless, the Council recognises the challenges of borrowing greater sums of money and it believes that borrowing beyond £2 billion may limit the available funding options, following advice from its Treasury Advisors, Arlingclose. Therefore, alongside the development of the Property Strategy, it will be examining financing options as noted in Section 4.

#### **Prudential Indicators for Treasury Management**

3.30 The Council is required by regulation to give due regard to the requirements of the CIPFA Prudential Code for Capital Finance in Local Authorities. The



key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. Further, the Code requires that Treasury Management decisions are taken in accordance with good professional practice. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code of Practice and CIPFA Treasury Management Code of Practice set out the indicators that must be used, and the factors that must be taken into account.

- 3.31 Within the prudential indicators there are several key indicators to ensure that the Council operates its activities within well-defined limits. For example, the operational borrowing limit set by the Council, determines the external debt levels which are not normally expected to be exceeded, whereas the authorised borrowing limit represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs Council to approve any increase.
- 3.32 The Council has adopted the Treasury Management Code of Practice as part of its Financial Standing Orders. Prudential Indicators are set each year and approved by Council. Prudential Indicators for Treasury Management relate to:
- Limits for external debt;
  - Interest rate exposures;
  - Maturity structure of borrowings; and
  - Investment for periods of longer than one year.
- 3.33 The Prudential Code requires that these indicators are monitored and if appropriate revised to reflect changes to forecast positions. Capital and borrowing indicators for 2019/20 has been revised to reflect the year end forecast position and the 2020/21 to 2022/23 forecasts. The Treasury Prudential Indicators are shown at Appendix D for approval.

#### **Minimum Revenue Provision**

- 3.34 In accordance with the Local Government Act 2003, the Council is required to pay off an element of the accumulated General Fund capital expenditure which was funded from borrowing, through an annual revenue charge known as the Minimum Revenue Provision (MRP).
- 3.35 When preparing the MRP Policy Statement, the Council is required to have regard to the statutory guidance issued by the Ministry for Housing, Communities and Local Government (MHCLG) in February 2018. This guidance provides commentary and options for the provision of MRP. The MRP Policy Statement for 2020/21 has been prepared regarding this guidance and is attached as Appendix E for the full Council approval.
- 3.36 Based on the Council's latest estimate of its capital financing requirement, the budget for MRP for 2019/20 is £1m based on 2018/19 CFR of £997m and the budgeted MRP for 2020/21 is £10.8m based on estimated CFR for 2019/20 of £1,160m. But only £1m will be charged to General Fund, this is because £9.8m from the overprovision set aside in the MRP Reserve will be used to offset this annual charge as detailed in Appendix E of the attached TMSS.

- 3.37 To date all treasury activities have been undertaken within the approved treasury limits and Prudential Indicators, in accordance with the requirements of the Council's Treasury Management Strategy.
- 3.38 Officers also introduced a 10 year capital programme with great detail for greater transparency, to further assist risk management of the Council's determined projects to ensure prudent decisions are being made.
- 3.39 The Council's Treasury Management Strategy continues to provide a sound basis for undertaking treasury activities. Borrowing requirements will be monitored closely and financing arranged in accordance with the borrowing strategy. Investments will be managed having regard to the Council's investment strategy and creditworthiness criteria. The Council's treasury activities remain within the limits of the Prudential Indicators as set by Council.

#### **Change to PWLB Borrowing Rate**

- 3.40 The current long term borrowing rate from the Public Works Loan Board is 3.28% (maturity loans) for 25 years and 2.98% (Annuity loans) for 25 years.
- 3.41 On 9 October 2019, HM Treasury increase the Public Works Loan Board (PWLB) rate by 100 basis points (1%), the new margin above gilts is now 180 basis points (1.8%) for certainty rate loans. This sharp increase to the PWLB borrowing rate was due to concerns around the pace at which councils had been borrowing from the facility. The LGA is currently lobbying for an exception around regeneration and housing and such an approach has previously been well received. Nonetheless, with only £10bn remaining available for local government, the amount may need to be rationed in the future.
- 3.42 Alternative sources of financing may represent better value and they form part of the overall strategy under development. The increase in PWLB rate has opened up opportunities for banks, other financial institutions and quite possibly alternative financing arrangements. None of them are currently as cheap as the 1.23% for 20 years that the Council previously obtained. However, over the next year, there are no concerns as there are plenty of short term borrowing options. Moreover, the Council's prudent position that business cases are based on 3.5% interest rates ensures that this potential risk is already built into our decision-making processes.

#### **NEXT STEPS**

- 4.1 The draft strategy is based on the indicative ten-year capital programme, therefore, the figures contained within the report have potential for further amendment, even if the overall position remains broadly the same. The Housing Revenue Account will need to borrow to ensure its estate is well maintained, even before major estate regeneration schemes are considered and therefore, all options to deliver and retain assets have not been discounted at this point in time.
- 4.2 The overall indicative borrowing levels set out in the Treasury Management Strategy demonstrate that the options for financing the capital projects need to be fully considered. There are potential limiting factors to the borrowing capacity of the Council. The Prudential Code and local government regulation requires us to be judicious in our financial assumptions to ensure the

affordability of the capital expenditure.

- 4.3 Over the next six to nine months, the Council will be reviewing the financing arrangements of the Capital Programme as it seeks to maximise the leveraging of its balance sheet, while minimising the risk it undertakes. There is a clear intent for this review to be reported to Council with the mid-year Treasury Management report. Financing options are considered in greater detail within the Treasury Management Strategy Statement, however, it is important to note that the Council may consider obtaining a credit rating.
- 4.4 It is important to recognise that, of the £2bn borrowing estimated in ten years:
- £0.41bn is for Meridian Water which already has a well-developed business plan;
  - £0.24bn is for companies that repay the debt with interest;
  - £0.67bn is HRA, which has a 30 year HRA business plan in place with parameters for financing which have been subject to expert advice, and
  - £0.77bn is for investment in general fund projects which include roads maintenance, ICT programme, investments in projects that both generate income and make revenue savings.

This overview of the big picture, alongside the review of our property strategy and financing options will support the development of a robust TMSS that is both affordable and sustainable.

- 4.5 Due to the change in accounting regulations in relation to leases, the Council will be producing an updated Capital Financing Requirement (CFR) that includes leasing numbers. This is likely to significantly increase the CFR. It will not increase the borrowing figures in and of itself, however, the Council will refresh all its capital financing projections in the Mid-year Report.

## **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The Council is bound by legislation to have regard to the CIPFA requirements for treasury management. If the Council were to deviate from those requirements, there would need to be some good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that the Council's capital investment plans are affordable, sustainable and prudent.
- 5.2 The strategies and policy statement put forward in the report are considered the best methods of achieving the CIPFA requirements. Whilst it may be possible to adopt variations of the strategies and policy statement, this would risk failing to achieve the goals of affordability, sustainability and prudence.

## **6 REASONS FOR RECOMMENDATIONS**

- 6.1 It is consistent with the requirements of treasury management specified by CIPFA, to which the Council is required to have regard under the Local Government Act 2003 and regulations made under that Act, for the Council to produce three strategy statements to support the Prudential Indicators which ensure that the Council's capital investment plans are affordable, sustainable and prudent. The three documents that the Council should produce are:
- High level Capital Strategy

- Treasury Management Strategy, including prudential indicators
- Investment Strategy

## 7 COMMENTS OF OTHER DEPARTMENTS

### 7.1 Financial Implications

- a) This report provides Treasury Management budget and forecasts for the next 10 years. Also included is the 10 year capital expenditure plan for prudent and sustainability check.
- b) The Council held outstanding investments of £39.05m as at 31st December 2019. This portfolio has receivable interest of £0.45m to date.
- c) The Council notes that its capital programme would entail borrowing sums of approximately £1.2bn taking it to approximately £2 billion within the next 5 years and it will be reviewing all financing options in light of this information.
- d) The impact of the TMSS is reflected in the five year MTFP report as follows: £23m growth in revenue budgets from 2019/20 to 2024/25(MRP/Interest split to follow). The table below demonstrates the impact on revenue and how the financing reserves act to protect the General Fund budget. Detailed breakdowns of the interest budgets including the Housing Revenue Account charges can be reviewed in the Treasury Management Strategy Statement in Table 4.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Interest Charged to General Fund	6,814	8,992	10,839	12,452	14,011	15,092	18,111	21,878	20,001	18,567	17,132
MRP	4,473	10,097	17,478	18,113	19,626	20,262	21,128	21,264	19,708	19,211	19,640
<b>Total Financing Cost Charged to General Fund</b>	<b>11,287</b>	<b>19,089</b>	<b>28,317</b>	<b>30,565</b>	<b>33,637</b>	<b>35,354</b>	<b>39,239</b>	<b>43,142</b>	<b>39,709</b>	<b>37,778</b>	<b>36,772</b>
<b>Budget</b>	<b>16,453</b>	<b>19,856</b>	<b>24,565</b>	<b>30,085</b>	<b>34,728</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>
<b>Variance</b>	<b>(5,166)</b>	<b>(767)</b>	<b>3,752</b>	<b>480</b>	<b>(1,091)</b>	<b>(4,174)</b>	<b>(289)</b>	<b>3,614</b>	<b>181</b>	<b>(1,750)</b>	<b>(2,756)</b>
<b>Reserves</b>	<b>28,220</b>	<b>28,987</b>	<b>25,235</b>	<b>24,755</b>	<b>25,846</b>	<b>30,020</b>	<b>30,309</b>	<b>26,695</b>	<b>26,514</b>	<b>28,264</b>	<b>31,020</b>

### 7.2 Legal Implications

- a) The Local Government Act 2003 ('the 2003 Act') provides a framework for the capital finance of local authorities. It provides a power to borrow and imposes a duty on local authorities to determine an affordable borrowing limit. It provides a power to invest. Fundamental to the operation of the scheme is an understanding that authorities will have regard to proper accounting practices recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) in carrying out capital finance functions.
- b) The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 ('the 2003 Regulations') require the Council to have regard to the CIPFA publication "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes" ("the Treasury Management Code") in carrying out capital finance functions under the 2003 Act. If after

having regard to the Treasury Management Code the Council wished not to follow it, there would need to be some good reason for such deviation.

- c) It is a key principle of the Treasury Management Code that an authority should put in place “comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities”. Treasury management activities cover the management of the Council’s investments and cash flows, its banking, money market and capital market transactions, the effective control of risks associated with those activities and the pursuit of optimum performance consistent with those risks. It is consistent with the key principles expressed in the Treasury Management Code for the Council to adopt the strategies and policies proposed in the report.
- d) The report proposes that the treasury management strategy will incorporate prudential indicators. The 2003 Regulations also requires the Council to have regard to the CIPFA publication “Prudential Code for Capital Finance in Local Authorities” (“the Prudential Code”) when carrying out its duty under the Act to determine an affordable borrowing limit. The Prudential Code specifies a minimum level of prudential indicators required to ensure affordability, sustainability and prudence. The report properly brings forward these matters for determination by the Council. If after having regard to the Prudential Code the Council wished not to follow it, there would need to be some good reason for such deviation.
- e) The Local Government Act 2000 and regulations made under the Act provide that adoption of a plan or strategy for control of a local authority’s borrowing, investments or capital expenditure, or for determining the authority’s minimum revenue provision, is a matter that should not be the sole responsibility of the authority’s executive and, accordingly, it is appropriate for the Cabinet to agree these matters and for them to then be considered by Council.
- f) The report sets out the recommendations of the Executive Director of Resources in relation to the Council’s minimum revenue provision, treasury management strategy and its annual investment strategy. The Executive Director of Resources has responsibility for overseeing the proper administration of the Council’s financial affairs, as required by section 151 of the Local Government Act 1972 and is the appropriate officer to advise in relation to these matters.
- g) When considering its approach to the treasury management matters set out in the report, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don’t (the public sector equality duty).

### **7.3 Property Implications**

Not applicable.

## **8 KEY RISKS**

- 8.1 There is inevitably a degree of risk inherent in all treasury activity. The Investment Strategy identifies the risk associated with different classes of investment instruments and sets the parameters within which treasury

activities can be undertaken and controls and processes appropriate for that risk.

8.2 Treasury operations are undertaken by nominated officers within the parameters prescribed by the Treasury Management Policy Statement as approved by the Council.

8.3 The Council is ultimately responsible for risk management in relation to its treasury activities. However, in determining the risk and appropriate controls to put in place the Council has obtained independent advice from Arlingclose who specialise in Local Authority treasury issues.

8.4 The primary risks are:

- Interest Rate Changes. Currently, a 1% interest rate rise would cost approximately £12m at its peak. However, the Council budgets at 3.5% and borrows at least than 2.5% for 20 years. Nonetheless, the Council will consider locking in borrowing rates during its review over the Summer.
- Brexit means that it is challenging to predict future rates, however, our Treasury Advisors, Arlingclose, do not currently believe that rates will change over the next 3 years significantly.
- As the Council borrowing grows, options for borrowing at competitive rates reduce. The Council is reviewing its financing and development options over the Summer to ensure that it can deliver on the aspirations of the Capital Programme.

## **9 IMPACT ON COUNCIL PRIORITIES**

- Good homes in well-connected neighbourhoods
- Build our Economy to create a thriving place
- Sustain Strong and healthy Communities

9.1 The Treasury Strategy indirectly contributes to the Council's ability to address the values set out within the Council's priorities

## **10 PERFORMANCE MANAGEMENT IMPLICATIONS**

10.1 The report provides clear evidence of sound financial management, efficient use of resources, promotion of income generation and adherence to Best Value and good performance management.

## **11 EQUALITIES IMPACT IMPLICATION**

11.1 The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

### **Background Papers**

1. Treasury Management Strategy Statement 2019/20 (Approved by Council February 2019)
2. Section 3 Local Government Act 2003
3. Local Authorities (Capital Finance and Accounting) (England)

Regulations 2003, as amended

4. MHCLG Guidance on Minimum Revenue Provision (fourth edition)  
February 2018
5. MHCLG Capital Finance Guidance on Local Government Investments  
February 2018
6. CIPFA Prudential Code for Capital Finance in Local Authorities, 2017

**Annexes** - Annex 1 – Treasury Management Strategy Statement for 2020/21

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**Draft Treasury Management Strategy  
Statement**

Minimum Revenue Provision Policy Statement and  
Annual Investment Strategy

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London Borough of Enfield  
2020/21

## Treasury Management Strategy - 2020/21

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<b>Appendix F.</b>	<b>Approved Investment Counterparties and Limits</b>

## Treasury Management Strategy Statement 2020/21

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### 1. Introduction

- 1.1. Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. Borrowing arises from spending on the Council's Capital Programme; this report should be considered alongside the Ten Year Capital Programme. The Authority has borrowed and/or invested substantial sums of money and is therefore exposed to potential financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.
- 1.2. Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.3. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.4. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.5. CIPFA defines treasury management as:  
*"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*
- 1.6. Investments held for service purposes or for cashflow purposes are considered in a different report, the Investment Strategy (**Section 4**).

## 2. Economic Outlook

- 2.1. **Appendix A** sets out the economic national context within which this Strategy has been constructed. There remains uncertainty with the Brexit negotiation still underway, UK GDP growth is behind trend and there are still low expectations for significant increase in base rate although this naturally dependent on inflationary pressures which are broadly under control at this point.
- 2.2. A forecast of future interest rates provided by the Council's Treasury Management advisers Arlingclose is set out in **Appendix B**. For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.75%, and that new long-term loans will be borrowed at an average rate of 3.5%.

## 3. Borrowing Strategy

- 3.1. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.2. The Authority has an increasing CFR due to the requirements of the Authority's capital programme and will therefore be required to borrow up to £1.3bn over the forecast 10-Year period. As can be seen in Table below, the Council's programme over the next 5 years is £1.56bn, of which £0.86bn is funded through borrowing.

Capital Expenditure	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 to 2029/30	10-Year Capital Programme
	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund (Ex. Meridian & Companies)	58.398	65.393	114.064	73.735	75.302	47.116	37.761	129.361	477.339
Companies	64.001	8.560	71.126	13.250	0.000	0.000	0.000	0.000	84.376
Meridian		44.453	125.959	149.467	63.534	26.672	25.826	128.493	519.951
HRA	71.152	97.066	144.564	127.362	194.154	173.093	97.160	436.651	1,172.984
<b>Total</b>	<b>193.551</b>	<b>215.472</b>	<b>455.713</b>	<b>363.814</b>	<b>332.990</b>	<b>246.881</b>	<b>160.747</b>	<b>694.505</b>	<b>2,254.650</b>
<b>Financed by:</b>									
<i>External Grants &amp; Contributions</i>	(43.200)	(32.640)	(62.863)	(56.905)	(133.490)	(79.047)	(23.240)	(129.404)	(484.949)
<i>Revenue Contributions</i>	0.000	(11.282)	(30.120)	(7.454)	(6.385)	(5.570)	(8.872)	(14.705)	(73.106)
<i>Capital Receipts</i>	(19.100)	(31.535)	(55.545)	(44.118)	(44.910)	(67.751)	(73.512)	(186.486)	(472.322)
<i>Earmarked Reserves</i>	(58.300)	(14.296)	(1.860)	0.000	0.000	0.000	0.000	0.000	(1.860)
<b>Impact on Borrowing</b>	<b>72.951</b>	<b>125.719</b>	<b>305.325</b>	<b>255.337</b>	<b>148.205</b>	<b>94.513</b>	<b>55.123</b>	<b>363.910</b>	<b>1,222.413</b>

**Table 1: Capital Expenditure & Financing (not including Pipeline)**

- 3.3. This does not include projects that have not yet been approved or recommended in the 10-Year Capital Programme, as the Council is undertaking more research. Such an example is that Joyce & Snells General fund element is not included as the business case is in early development but the HRA element is included within the HRA business plan for 3500 new affordable homes. This would add an additional £0.3bn General Fund net spend to this table. As set out in **Table 2** below:

**Table 2: Change in Capital Financing Requirement**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Companies	(1.3)	84.9	51.7	(2.9)	(2.9)	(3.0)	(3.0)	(3.1)	(3.5)	(3.5)	(3.7)	109.7
Meridian Water	34.5	34.0	57.8	6.2	4.1	4.9	4.3	(1.4)	(16.6)	(3.3)	9.7	134.2
Other GF*	18.5	108.1	59.4	87.2	42.7	39.4	189.6	(24.4)	(22.9)	(22.3)	(22.8)	452.5
HRA	48.9	49.0	63.4	94.5	94.0	6.0	104.0	54.0	0.0	0.0	0.0	513.8
<b>Total</b>	<b>100.6</b>	<b>276.0</b>	<b>232.3</b>	<b>185.0</b>	<b>137.9</b>	<b>47.3</b>	<b>294.9</b>	<b>25.1</b>	<b>(43.0)</b>	<b>(29.1)</b>	<b>(16.8)</b>	<b>1,210.2</b>

\* Other General Fund over the ten years includes but is not limited to £71m spend on ICT, £18m spend on Reardon Court, £133m spend on Highways, Parks, Crematoria, Vehicle Replacement and Street Lighting, £48m spend on Montagu Industrial Estate and over £60m on Property Condition works and Investment.

- 3.4. CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years – **Table 3** sets out the position over the forecasted period. It is worth noting that each year the Council sets aside a certain proportion of monies for borrowing via its Minimum Revenue Provision charge.

**Table 3: Relation between Total Borrowing & Capital Financing Requirement.**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Change
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Companies	132.5	131.2	216.1	267.8	264.9	262.0	259.0	256.0	252.9	249.4	245.9	242.2	109.7
Meridian Water	273.6	308.1	342.1	399.9	406.1	410.2	415.1	419.4	418.0	401.4	398.1	407.8	134.2
Other GF*	388.4	406.9	515.0	574.4	661.6	704.3	743.7	933.3	908.9	886.0	863.7	840.9	452.5
HRA	157.7	206.6	255.6	319.0	413.5	507.5	513.5	617.5	671.5	671.5	671.5	671.5	513.8
<b>Total</b>	<b>952.2</b>	<b>1,052.8</b>	<b>1,328.8</b>	<b>1,561.1</b>	<b>1,746.1</b>	<b>1,884.0</b>	<b>1,931.3</b>	<b>2,226.2</b>	<b>2,251.3</b>	<b>2,208.3</b>	<b>2,179.2</b>	<b>2,162.4</b>	<b>1,210.2</b>
<b>Net Borrowing</b>	<b>814.0</b>	<b>975.0</b>	<b>1,254.0</b>	<b>1,486.0</b>	<b>1,672.0</b>	<b>1,809.0</b>	<b>1,857.0</b>	<b>2,152.0</b>	<b>2,177.0</b>	<b>2,134.0</b>	<b>2,105.0</b>	<b>2,088.0</b>	<b>1,274.0</b>

- 3.5. As at 31 December 2019 the Authority holds £911 million of loans, an increase of £107 million on the previous year, as part of its strategy for funding previous years' capital programmes. This is set out in detail in **Appendix C**, which includes level of investments held at that time too. The balance sheet forecast in Table 1 shows that the Authority expects to borrow approximately £200m in 2019/20. The Authority may also borrow additional sums to prefund future years' requirements,

providing this does not exceed the authorised limit for borrowing of £1.4 billion. This is not considered to be likely at present.

3.6. Table 4 below shows how the interest is funded, broken down by fund. It is important to note that it is based on a 3.5% interest rate as the Council is being deliberately overly prudent. The Council is currently borrowing in the short term at approximately 1% and current rates for 20-25 years is 2.5% or at least £1m for every £100m borrowed. Therefore, as the Council borrows long-term for the Capital Programme and re-financing existing debt the Council will update the Treasury Management Strategy with revised (and reduced figures).

3.7. The impact on the General Fund in 2019/20 of £11.287m (made up of £4.473m MRP charge and £6.814m of interest payments) is therefore net of:

- a) Housing Revenue Account recharge of £9.023m, which is funded by rents
- b) Income generated by companies, which have separate sound business cases
- c) Capitalised interest on Meridian Water, which will repaid by capital receipts and which is anticipated to be completely repaid by 2043/44 and the difference of which will then be used to finance other aspects of the Capital Programme.

**Table 4: Breakdown of Indicative Interest rates (more detail in Appendix C)**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Gross Interest</b>	<b>30,084</b>	<b>36,198</b>	<b>43,974</b>	<b>50,557</b>	<b>55,630</b>	<b>58,614</b>	<b>63,724</b>	<b>70,300</b>	<b>68,779</b>	<b>66,556</b>	<b>65,077</b>
	0	0	0	0	0	0	0	0	0	0	0
HRA	(9,023)	(10,743)	(12,711)	(15,474)	(18,773)	(20,523)	(22,448)	(25,213)	(26,158)	(26,158)	(26,158)
Companies	(4,143)	(4,479)	(6,238)	(6,315)	(6,241)	(6,164)	(6,085)	(6,004)	(5,752)	(5,602)	(5,504)
Meridian	(10,104)	(11,984)	(14,186)	(16,316)	(16,605)	(16,835)	(17,080)	(17,205)	(16,868)	(16,229)	(16,283)
Investment Income	(255)	0	0	0	0	0	0	0	0	0	0
<b>Interest Charged to General Fund</b>	<b>6,814</b>	<b>8,992</b>	<b>10,839</b>	<b>12,452</b>	<b>14,011</b>	<b>15,092</b>	<b>18,111</b>	<b>21,878</b>	<b>20,001</b>	<b>18,567</b>	<b>17,132</b>
MRP	4,473	10,097	17,478	18,113	19,626	20,262	21,128	21,264	19,708	19,211	19,640
<b>Total Financing Cost Charged to General Fund</b>	<b>11,287</b>	<b>19,089</b>	<b>28,317</b>	<b>30,565</b>	<b>33,637</b>	<b>35,354</b>	<b>39,239</b>	<b>43,142</b>	<b>39,709</b>	<b>37,778</b>	<b>36,772</b>

3.8. The Council ensures that its borrowing can be financed by ensuring that there are appropriate budgets. Consequently, the Council is increasing capital financing budgets from £16.453m in 2019/20 to £39.528m in 2024/25. This increase of over £23m during the next five-year period in its Medium Term Financial Plan (MTFP) is to ensure the Council can afford its aspirations.

3.9. As can be seen in the table below, the Council is able to draw down on the Capital Financing Reserves that it prudently put aside to mitigate any impact on revenue.

If the Capital Programme was delayed or the Council was able to borrow at rates below 3.5% for an extended period of time, it would have the ability to release these reserves for other purposes. This is particularly important with the continual demographic pressures that Councils face.

3.10. The table below (**Table 5**) shows the Capital Financing charges to the General Fund budget. As can be seen in 2019/20, the Council puts £5.166m into reserve, followed by £0.767m before starting draw out £3.752m in 2021/22. Under the current capital programme projections, reserves would increase to £31.02m to 2029/30 and stay positive the entire 10-year period.

**Table 5: Capital Financing Impact on General Fund Revenue Budget**

(net of recharges to companies, HRA and Meridian Water, i.e. General Fund impact)

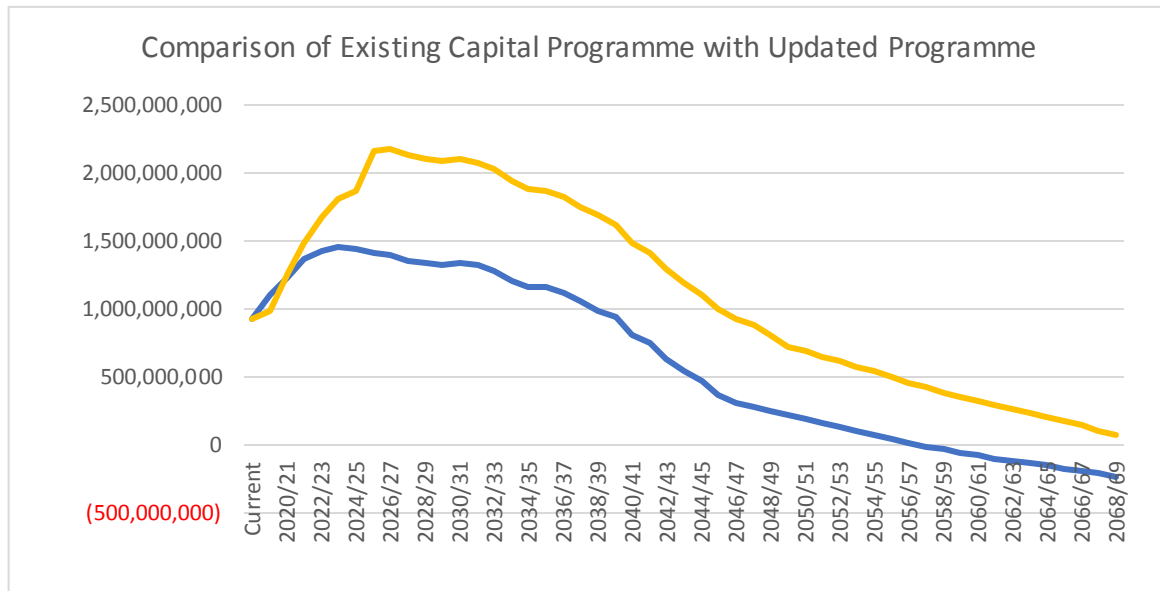
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Interest Charged to General Fund	6,814	8,992	10,839	12,452	14,011	15,092	18,111	21,878	20,001	18,567	17,132
MRP	4,473	10,097	17,478	18,113	19,626	20,262	21,128	21,264	19,708	19,211	19,640
<b>Total Financing Cost Charged to General Fund</b>	<b>11,287</b>	<b>19,089</b>	<b>28,317</b>	<b>30,565</b>	<b>33,637</b>	<b>35,354</b>	<b>39,239</b>	<b>43,142</b>	<b>39,709</b>	<b>37,778</b>	<b>36,772</b>
<b>Budget</b>	<b>16,453</b>	<b>19,856</b>	<b>24,565</b>	<b>30,085</b>	<b>34,728</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>
<b>Variance</b>	<b>(5,166)</b>	<b>(767)</b>	<b>3,752</b>	<b>480</b>	<b>(1,091)</b>	<b>(4,174)</b>	<b>(289)</b>	<b>3,614</b>	<b>181</b>	<b>(1,750)</b>	<b>(2,756)</b>
<b>Reserves</b>	<b>28,220</b>	<b>28,987</b>	<b>25,235</b>	<b>24,755</b>	<b>25,846</b>	<b>30,020</b>	<b>30,309</b>	<b>26,695</b>	<b>26,514</b>	<b>28,264</b>	<b>31,020</b>

3.11. To ensure the financing position is sustainable, the Council also chooses to have both a 5 Year MTFP and 10 Year Capital Programme and to project capital financing costs in the TMSS over 10 years. The Council carefully takes time to analyse how its debt is repaid. In Chart 1 below, the light blue line shows the current programme and the orange line shows the inclusion of all items within the Capital Programme. The graph below reflects the current plans of the Council and assumes that the Council does not choose to speed up its debt repayments by increasing asset sales or leasing finished assets.

3.12. Every year, the Council refreshes its 10-Year Capital Strategy, ensuring that it focusses on the Corporate Priorities and that the programme is affordable, which can mean deleting items, reprofiling as well as adding new items. (Note, Joyce & Snells General Fund costs are not included as the scheme is still in its early stages of development). More sensitivity analysis is being undertaken to evaluate the impacts of changes in interest rates. Note, assumptions for Capital Programme financing and models such a Meridian Water is based on 3.5% which exceeds the current borrowing rates available to build in this risk. It is important to recognise that as the Council has locked in much of its debt for decades to come that the impact relates to the additional capital expenditure it is undertaking and in the re-financing of existing loans. Moreover, the ability to borrow in the short term

at sub 1% rates in the local government market means that the short term impact of interest rate changes is relatively small. However, in the longer term the impact on the capital financing budgets can be significant.

**Chart 1: Borrowing Profile over 50 Years**

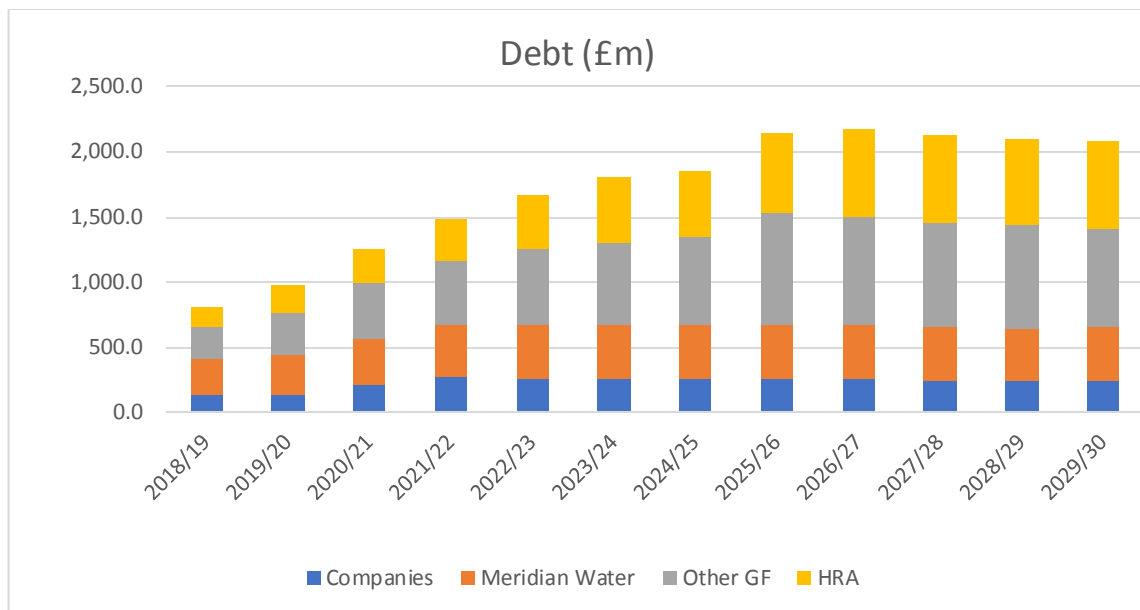


3.13. It is also worth understanding the split of the Council's borrowing between the four main categories (Meridian Water, Companies, HRA and Other General Fund). It is worth noting that increasingly the Housing Revenue Account and non-Meridian Water General Fund capital expenditure will drive the Group Borrowing over the next 10 years.

3.14. Meridian Water has a business plan in place which repays all debt by 2043/44; the Council lends to the Companies at rates higher than it borrows and therefore, the company borrowing does not have an adverse impact on the revenue budget; the HRA borrowing is supported through the 30 year HRA business plan and in part, some of the General Fund borrowing increases income and reduces expenditure.

**Chart 2: Borrowing Net Of Investments**





- 3.15. The Treasury Management Prudential Indicators – shown in **Appendix D** set out the limits on Council borrowing and helps inform the its decision-making process around the affordability of the capital programme over the budgeted period.
- 3.16. **Appendix E** sets out how the Council accounts for the repayment of debt. This is termed the Minimum Revenue Provision (MRP). This ensures the Council repays loan debt over a period of in line with the economic life of the assets.
- 3.17. **Objectives:** The Authority’s chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority’s long-term plans change is a secondary objective.
- 3.18. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Authority’s borrowing strategy continues to address the key issue of affordability without compromising the longer term stability of the debt portfolio. With short term interest rates currently much lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources, or to borrow short term loans instead.
- 3.19. By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal/short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this ‘cost of carry’ and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short term.

**3.20. Sources of borrowing:** The approved sources of long term and short-term borrowing are:

- i. Public Works Loan Board (PWLB) and any successor body
- ii. any institution approved for investments (see below)
- iii. any other bank or building society authorised to operate in the UK
- iv. any other UK public sector body
- v. UK public and private sector pension funds (except the London Borough of Enfield Pension Fund)
- vi. capital market bond investors
- vii. UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- viii. Mayor of London Energy Efficiency Fund (MEEF)
- ix. LEEF/EIB
- x. Insurance Funds

**3.21. Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- i. leasing
- ii. hire purchase
- iii. Private Finance Initiative
- iv. sale and leaseback

**3.22.** The Authority has previously raised the majority of its long term borrowing from the PWLB. However, this is now under review in light of the 100 basis point increase in the margin applied to loan rates that happened in October. If an exception is not made for regeneration and housing schemes, then the Council will need to seek other opportunities, as LB Enfield could borrow from the marketplace. Furthermore, there is currently less than £10 billion capacity for local government and set against the context of known requirements for other organisations, such as the North London Waste Authority's borrowing requirements in excess of £1 billion, LB Enfield may find itself unable to borrow large sums from the PWLB.

**3.23.** To borrow efficiently, Enfield may need to have a credit rating and Arlingclose believe that there will likely be a 'stratification of funding costs between "strong" and "weak" authorities. Due to the ambition of the authority, it is unlikely to attract the lowest rates. This may affect the investment models for projects, if they involve greater levels of debt, regardless of the investment return. This will form part of the next steps.

**3.24. Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision



3.29. The Council has recently been refinancing short term loans with longer term loans, locking in the very low rates that were on offer until November 2019. However, as its investments reduce to near zero, it may be forced to increase short term ones again while it takes time to determine as to how it will finance the Capital Programme.

#### **4. Investment Approach**

- 4.1. The Council invests primarily via its capital programme. This is because during this era of low interest rates, treasury returns on cash balances tend to be lower and its cost effective to develop the Council's estate with such low revenue charges for interest. However, this does not mean that there is no limit to borrowing. As the Council is primarily a borrower for social purposes and less for commercial investment, the returns are lower and the Council's Treasury Advisors, Arlingclose, have advised us that it would become increasingly difficult to borrow and/or expensive as it approaches £2 billion in today's monetary terms. Ultimately, the Council prudently budgets at a 3.5% interest rate as this rate is close to its historical rate of borrowing and is also the current Treasury (HMT) Discount Rate.
- 4.2. As such, the Council will limit itself to a hard cap of £2 billion plus inflation from 2020/21 onwards. In practice, it would also like to maintain a £0.2 billion gap below that in case any urgent needs are determined. For instance, previously the Council needed to find resources for fire prevention works and inevitably new unanticipated priorities will be uncovered.
- 4.3. There is the related challenge of officer capacity and capability to manage the capital programmes that needs to be recognised. Currently, the organisation is heavily reliant on a few key officers and agency staff in critical roles. In particular, Finance, Legal, Property and Regeneration are gradually developing new skillsets that will take time to embed. The Capital Programme must be understood against the backdrop of the development of existing staff and the practical capacity limits on the authority to support the range of schemes against the service demands, especially in social care.
- 4.4. Overall, the Council's investment approach is aligned with its corporate priorities and as such regenerating the Borough and delivering affordable homes form the largest part of its capital programme and its borrowing requirements. That is not to say that investment in new schools, highways and transport improvements and internal investment to support productivity improvements are not included. It is just that the latter, with the exception of those necessary for operations (ICT, centralisation of office buildings), tend to be heavily grant funded or are less resource intensive.
- 4.5. The Council's investment in social and affordable housing in the Borough can be demonstrated in Meridian Water and other planned schemes such as Joyce & Snells. However, as social housing struggles to cover the capital financing costs (interest and principal repayments), even with grants, the Council has to be innovative in ensuring it can achieve on its aspirations.

- 4.6. Over the next six to nine months, the Council will be reviewing the financing arrangements and delivery models of the Capital Programme as it seeks to maximise the leveraging of its balance sheet, while minimising the risk it undertakes. There is a clear intent for this review to be reported to Council with the mid year Treasury Management report and to be undertaken under the context of retaining and developing existing assets, whenever it is in the best interests of the Borough.
- 4.7. The next year will also the development of a fully fledged property strategy that examines all existing assets for their investment potential as compared with their realisable market value. Currently, the Council has limited data as to the most efficient 'sweating' of assets. The Asset Management Software that is being commissioned by Property should support the considered decision making necessary to maximise the assets of the Council's estates.

## **5. Treasury Investment Strategy**

- 5.1. The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. All cash balances the Authority holds during the year are invested with approved financial institutions as set out in **Appendix F**. The Authority plans to have a zero daily current bank closing balance every day ensuring all surplus cash is always appropriately invested.
- 5.2. The level of cash deposit will fluctuate during the course of the year. During 2019/20, the Authority on average held £60m in investments. However, this position is unlikely to continue in the forthcoming year, as the Council runs down its investments rather than undertake borrowing, as it waits to discover whether the 1% increase in borrowing is a permanent change or whether there will be a housing related lower rate of interest. Appendix C sets the position as at 31 December 2019. The year-end actual invested cash balance is anticipated to be in line with the previous year of £15m, as the Council prefers to have some cash easily accessible.
- 5.3. **Objectives:** The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 5.4. **Negative interest rates:** If the UK enters into a recession in 2020/21, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short term investment options. This situation already exists in many other European

countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

- 5.5. **Strategy:** Given the low interest rate environment and that the Authority continues not to hold any non core cash (i.e. deposits that will not be used in year). The Authority continues to diversify cash deposits between short term unsecured bank deposits and money market funds.
- 5.6. **Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.7. **Approved counterparties:** The Authority may invest its surplus funds with any of the counterparty types set out in **Appendix F**, subject to the cash limits (per counterparty).
- 5.8. **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
- 5.9. **Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 5.10. **Banks secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
- 5.11. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

- 5.12. **Pooled funds:** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 5.13. Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.
- 5.14. **Operational bank accounts:** The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail in, and balances will therefore be kept below £15 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed in than made insolvent, increasing the chance of the Authority maintaining operational continuity.
- 5.15. **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
  - any existing investments that can be recalled or sold at no cost will be, and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.16. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.17. **Other information on the security of investments:** The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management

adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

- 5.18. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.
- 5.19. **Investment limits:** The Authority will limit the risk of loss from a default from lending to any one organisation (other than the UK Government) will be £15 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.
- 5.20. **Liquidity management:** The Authority uses its own in house cash flow forecasting software model (Predictor) to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

## 6. Treasury Management Indicators

- 6.1. The Authority measures and manages its exposures to treasury management risks using the following indicators.
- 6.2. **Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit score	6



- 6.3. **Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£25m

- 6.4. **Interest rate exposures:** This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one year revenue impact of a 1% <u>rise</u> in interest rates	+£4.0m
Upper limit on one year revenue impact of a 1% <u>fall</u> in interest rates	-£4.0m

- 6.5. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates. The effect of an increase in interest rates will be mitigated through the Authority's risk budget.
- 6.6. **Maturity structure of borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	30%	0%
12 months and within 24 months	35%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	45%	0%
10 years and above	100%	0%

- 6.7. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.
- 6.8. **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2020/21	2021/22	2022/23
Limit on principal invested beyond year end	£15m	£15m	£15m

## 7. Related Matters

- 7.1. The CIPFA Code requires the Authority to include the following in its treasury management strategy.

- 7.2. **Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
- 7.3. The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 7.4. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
- 7.5. **Financial Derivatives:** In the absence of any explicit legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.
- 7.6. **Housing Revenue Account:** On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk. This is currently under review, as going forward keeping the historical HRA debt separate seems appropriate but it would be simpler and cheaper for both funds for the remaining debt to be split on a financing requirement basis, as it would prevent unnecessary borrowing.
- 7.7. **Markets in Financial Instruments Directive:** The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and

small companies. Given the size and range of the Authority's treasury management activities, the Director of Finance believes this to be the most appropriate status.

- 7.8. **Local Authority Companies:** The Authority will only lend to wholly own companies by the Authority or where the Authority has a controlling majority interest in the company.
- 7.9. All borrowing to companies owned by the London Borough of Enfield will require a formal on-lending agreement.
- 7.10. Prior to that they will have to achieve to meet the following requirements:
- An independently reviewed business case and cashflow forecast.
  - To be able to demonstrate the ability to repay both interest and principal over the agreed repayment scheduled.
  - Where possible the Council will secure the loan on the Council
- 7.11. **Lending to Schools with the HSBC Banking Scheme:** Where LA schools with a HSBC bank account are in a structural overdraft position then the Council will provide a credit facility to endure they remain in a credit position. In interest will be charged at ½% above the prevailing bank rate.

## 8. Other Options Considered

- 8.1. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below:

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

variable loans instead of long-term fixed rates	initially be lower	costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

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## Economic Context

Economic background: The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will be a major influence on the Authority's Treasury Management Strategy for 2020/21.

UK Consumer Price Inflation (CPI) for September registered 1.7% year on year, unchanged from the previous month. Core inflation, which excludes the more volatile components, rose to 1.7% from 1.5% in August. The most recent labour market data for the three months to August 2019 showed the unemployment rate ticked back up to 3.9% while the employment rate was 75.9%, just below recent record-breaking highs. The headline 3-month average annual growth rate for pay was 3.8% in August as wages continue to rise steadily. In real terms, after adjusting for inflation, pay growth increased 1.9%.

GDP growth rose by 0.3% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.0% from 1.2%. Services and construction added positively to growth, by 0.6% and 0.4% respectively, while production was flat and agriculture recorded a fall of 0.2%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.

The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.

Growth in Europe remains soft, driven by a weakening German economy which saw GDP fall -0.1% in Q2 and is expected to slip into a technical recession in Q3. Euro zone inflation was 0.8% year on year in September, well below the European Central Bank's target of 'below, but close to 2%' and leading to the central bank holding its main interest rate at 0% while cutting the deposit facility rate to -0.5%. In addition to maintaining interest rates at ultra-low levels, the ECB announced it would recommence its quantitative easing programme from November.

In the US, the Federal Reserve began easing monetary policy again in 2019 as a pre-emptive strike against slowing global and US economic growth on the back on of the ongoing trade war with China. At its last meeting the Fed cut rates to the range of 1.50-1.75% and financial markets expect further loosening of monetary policy in 2020. US GDP growth slowed to 1.9% annualised in Q3 from 2.0% in Q2.

Credit outlook: Credit conditions for larger UK banks have remained relatively benign over the past year. The UK's departure from the European Union was delayed three times in 2019 and while there remains some concern over a global economic slowdown, this has yet to manifest in any credit issues for banks. Meanwhile, the post financial crisis banking reform is now largely complete, with the new ringfenced banks embedded in the market.

Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.

Looking forward, the potential for a "no-deal" Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be significantly weighted to the downside, particularly given the , the need for greater clarity on Brexit next steps and the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even in the event of a deal.

Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose's interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix B.

**Arlingclose Economic and Interest Rate Forecast November 2019****Underlying assumptions:**

- The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased.
- Some positivity on the trade negotiations between China and the US has prompted worst case economic scenarios to be pared back. However, information is limited, and upbeat expectations have been wrong before.
- Brexit has been delayed until 31 January 2020. While the General Election has maintained economic and political uncertainty, the opinion polls suggest the Conservative position in parliament may be strengthened, which reduces the chance of Brexit being further frustrated. A key concern is the limited transitional period following a January 2020 exit date, which will maintain and create additional uncertainty over the next few years.
- UK economic growth has stalled despite Q3 2019 GDP of 0.3%. Monthly figures indicate growth waned as the quarter progressed and survey data suggest falling household and business confidence. Both main political parties have promised substantial fiscal easing, which should help support growth.
- While the potential for divergent paths for UK monetary policy remain in the event of the General Election result, the weaker external environment severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to loosen monetary policy. Indeed, two MPC members voted for an immediate cut in November 2019.
- Inflation is running below target at 1.7%. While the tight labour market risks medium-term domestically-driven inflationary pressure, slower global growth should reduce the prospect of externally driven pressure, although political turmoil could push up oil prices.
- Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

**Forecast:**

- Although we have maintained our Bank Rate forecast at 0.75% for the foreseeable future, there are substantial risks to this forecast, dependant on General Election outcomes and the evolution of the global economy.

- Arlingclose judges that the risks are weighted to the downside.
- Gilt yields have risen but remain low due to the soft UK and global economic outlooks. US monetary policy and UK government spending will be key influences alongside UK monetary policy.
- We expect gilt yields to remain at relatively low levels for the foreseeable future and judge the risks to be broadly balanced.

## **Risk**

1. The table below sets out and assumes:

PWLB Certainty Rate (maturity loans) = Gilt yield + 1.80%

PWLB Infrastructure Rate (maturity loans) = Gilt yield + 0.60%



	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Average
<b>Official Bank Rate</b>														
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.21
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73
<b>3-month money market rate</b>														
Upside risk	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.25
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73
<b>1yr money market rate</b>														
Upside risk	0.10	0.20	0.20	0.20	0.20	0.20	0.20	0.25	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85
Downside risk	-0.30	-0.50	-0.55	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.60
<b>5yr gilt yield</b>														
Upside risk	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.45	0.45	0.45	0.37
Arlingclose Central Case	0.50	0.50	0.50	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
Downside risk	-0.35	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.56
<b>10yr gilt yield</b>														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.85	0.85	0.90	0.90	0.95	0.95	1.00	1.00	1.00	0.88
Downside risk	-0.40	-0.40	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.45
<b>20yr gilt yield</b>														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	1.20	1.20	1.25	1.25	1.25	1.30	1.30	1.30	1.35	1.35	1.35	1.40	1.40	1.30
Downside risk	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.45
<b>50yr gilt yield</b>														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	1.20	1.20	1.25	1.25	1.25	1.30	1.30	1.30	1.35	1.35	1.35	1.40	1.40	1.30
Downside risk	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.45

## Appendix C

## Existing Investment &amp; Debt Portfolio Position

<b>Treasury Management: Borrowing Summary</b>				
<b>Type of Loan</b>	<b>1<sup>st</sup> April 2019</b>	<b>New Borrowing</b>	<b>Repaid Borrowing</b>	<b>31<sup>st</sup> December 2019</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Short-terms loans</b>	<b>145,000</b>	84,000	(156,000)	<b>73,000</b>
<b>PWLB</b>	<b>673,846</b>	140,000	(11,628)	<b>817,218</b>
<b>European Investment bank</b>	<b>8,921</b>	-		<b>8,921</b>
<b>Commercial Loan</b>	<b>0</b>	-		<b>0</b>
<b>LEEF</b>	<b>4,157</b>	-	(317)	<b>3,840</b>
<b>Local Authority</b>	<b>13,000</b>	-	(5,000)	<b>8,000</b>
<b>SALIX</b>	<b>101</b>		(34.)	<b>67</b>
<b>Total*</b>	<b>845,025</b>	<b>224,000</b>	<b>(172,979.0)</b>	<b>911,046</b>

## Investments

<b>Treasury Management: Investment Summary</b>				
<b>Type of Loan</b>	<b>1<sup>st</sup> April 2019</b>	<b>30<sup>th</sup> June 2019</b>	<b>30<sup>th</sup> Sept. 2019</b>	<b>31<sup>st</sup> Dec 2019</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>On-call accounts</b>	<b>30,000</b>	27,900	24,600	<b>21,750</b>
<b>Money Market Funds (MMFs)</b>	<b>20,000</b>	36,200	54,500	<b>17,300</b>
	<b>50,000</b>	<b>64,100</b>	<b>79,100</b>	<b>39,050</b>

## Detailed Breakdown of Interest and MRP Impact on Budgets

This table breaks down the interest charges as to how they are funded. It also shows the impact on the General Fund, and how the underspends and overspends are managed through reserve.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Interest											
Maturity	16,652	16,548	16,441	16,352	16,352	16,352	16,352	16,352	16,317	15,958	15,902
EIP	2,108	2,335	2,167	1,998	1,845	1,708	1,573	1,438	1,303	1,168	1,033
Annuity	7,581	7,889	7,567	7,233	6,885	6,524	6,149	5,759	5,355	4,934	4,497
Short-Term	705	86	0	0	0	0	0	0	0	0	0
EIB	279	363	352	340	327	314	301	286	271	256	239
LEEF	88	102	83	63	43	22	3	0	0	0	0
Future Borrowing (assumed flat)	2,671	8,875	17,364	24,571	30,178	33,694	39,346	46,465	45,533	44,240	43,406
<b>Gross Interest</b>	<b>30,084</b>	<b>36,198</b>	<b>43,974</b>	<b>50,557</b>	<b>55,630</b>	<b>58,614</b>	<b>63,724</b>	<b>70,300</b>	<b>68,779</b>	<b>66,556</b>	<b>65,077</b>
HRA	(9,023)	(10,743)	(12,711)	(15,474)	(18,773)	(20,523)	(22,448)	(25,213)	(26,158)	(26,158)	(26,158)
Companies	(4,143)	(4,479)	(6,238)	(6,315)	(6,241)	(6,164)	(6,085)	(6,004)	(5,752)	(5,602)	(5,504)
Meridian	(10,104)	(11,984)	(14,186)	(16,316)	(16,605)	(16,835)	(17,080)	(17,205)	(16,868)	(16,229)	(16,283)
Investment Income	(255)	0	0	0	0	0	0	0	0	0	0
<b>Interest Charged to General Fund</b>	<b>6,814</b>	<b>8,992</b>	<b>10,839</b>	<b>12,452</b>	<b>14,011</b>	<b>15,092</b>	<b>18,111</b>	<b>21,878</b>	<b>20,001</b>	<b>18,567</b>	<b>17,132</b>
MRP	4,473	10,097	17,478	18,113	19,626	20,262	21,128	21,264	19,708	19,211	19,640
<b>Total Financing Cost Charged to GF</b>	<b>11,287</b>	<b>19,089</b>	<b>28,317</b>	<b>30,565</b>	<b>33,637</b>	<b>35,354</b>	<b>39,239</b>	<b>43,142</b>	<b>39,709</b>	<b>37,778</b>	<b>36,772</b>
<b>Budget</b>	<b>16,453</b>	<b>19,856</b>	<b>24,565</b>	<b>30,085</b>	<b>34,728</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>	<b>39,528</b>
<b>Variance</b>	<b>(5,166)</b>	<b>(767)</b>	<b>3,752</b>	<b>480</b>	<b>(1,091)</b>	<b>(4,174)</b>	<b>(289)</b>	<b>3,614</b>	<b>181</b>	<b>(1,750)</b>	<b>(2,756)</b>
<b>Reserves</b>	<b>28,220</b>	<b>28,987</b>	<b>25,235</b>	<b>24,755</b>	<b>25,846</b>	<b>30,020</b>	<b>30,309</b>	<b>26,695</b>	<b>26,514</b>	<b>28,264</b>	<b>31,020</b>

## Prudential Indicators

## Appendix D

## Prudential Indicators

This report covers the requirements of the 2017 CIPFA Prudential Code to set prudential indicators. This item should be approved by the full Council before the start of the new financial year which is a legislative requirement. The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow.

The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

**Prudential Indicator: Capital Expenditure**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans. In considering the affordability of its capital plans, the Council is required to consider all of the resources currently available to it/estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years.

Capital Expenditure	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 to 2029/30	10-Year Capital Programme
	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund (Ex. Meridian & Companies)	58.398	65.393	114.064	73.735	75.302	47.116	37.761	129.361	477.339
Companies	64.001	8.56	71.126	13.250	0.000	0.000	0.000	0.000	84.376
Meridian		44.453	125.959	149.467	63.534	26.672	25.826	128.493	519.951
HRA	71.152	97.066	144.564	127.362	194.154	173.093	97.160	436.651	1,172.984
<b>Total</b>	<b>193.551</b>	<b>215.472</b>	<b>455.713</b>	<b>363.814</b>	<b>332.990</b>	<b>246.881</b>	<b>160.747</b>	<b>694.505</b>	<b>2,254.650</b>
<b>Financed by:</b>									
External Grants & Contributions	(43.200)	(32.640)	(62.863)	(56.905)	(133.490)	(79.047)	(23.240)	(129.404)	(484.949)
Revenue Contributions	0.000	(11.282)	(30.120)	(7.454)	(6.385)	(5.570)	(8.872)	(14.705)	(73.106)
Capital Receipts	(19.100)	(31.535)	(55.545)	(44.118)	(44.910)	(67.751)	(73.512)	(186.486)	(472.322)
Earmarked Reserves	(58.300)	(14.296)	(1.860)	0.000	0.000	0.000	0.000	0.000	(1.860)
<b>Impact on Borrowing</b>	<b>72.951</b>	<b>125.719</b>	<b>305.325</b>	<b>255.337</b>	<b>148.205</b>	<b>94.513</b>	<b>55.123</b>	<b>363.910</b>	<b>1,222.413</b>

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### Prudential Indicator: Capital Financing Requirement (CFR)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historical outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next four years. The tables and graph below show that the Council expects to comply with this recommendation during 2019/20.

### Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium-term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Estimated Debt	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Capital Financing Requirement	952.2	1,052.8	1,328.8	1,561.1	1,746.1	1,884.0	1,931.3	2,226.2	2,251.3	2,208.3	2,179.2	2,162.4
PFI and Finance Leases	44.6	42.9	41.3	39.7	38.0	36.3	34.5	32.7	30.9	29.1	27.2	25.2
<b>Total Capital Debt Requirement</b>	<b>996.8</b>	<b>1,095.7</b>	<b>1,370.1</b>	<b>1,600.8</b>	<b>1,784.1</b>	<b>1,920.3</b>	<b>1,965.8</b>	<b>2,258.9</b>	<b>2,282.2</b>	<b>2,237.4</b>	<b>2,206.4</b>	<b>2,187.6</b>
External Borrowing	850.8	975.0	1,254.0	1,486.0	1,672.0	1,809.0	1,857.0	2,152.0	2,177.0	2,134.0	2,105.0	2,088.0
Other Long-Term Liabilities	44.6	42.9	41.3	39.7	38.0	36.3	34.5	32.7	30.9	29.1	27.2	25.2
<b>Total Debt</b>	<b>895.4</b>	<b>1,017.9</b>	<b>1,295.3</b>	<b>1,525.7</b>	<b>1,710.0</b>	<b>1,845.3</b>	<b>1,891.5</b>	<b>2,184.7</b>	<b>2,207.9</b>	<b>2,163.1</b>	<b>2,132.2</b>	<b>2,113.2</b>

### Prudential Indicator: Operational Boundary

The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst-case scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance leases, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Operating Boundary	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Borrowing	1,067	1,200	1,450	1,750	1,900	2,000	2,000	2,200	2,200	2,200	2,200	2,200
Other Long Term Liabilities	75	75	75	75	75	75	75	75	75	75	75	75
<b>Total Operating Limit</b>	<b>1,142</b>	<b>1,275</b>	<b>1,525</b>	<b>1,825</b>	<b>1,975</b>	<b>2,075</b>	<b>2,075</b>	<b>2,275</b>	<b>2,275</b>	<b>2,275</b>	<b>2,275</b>	<b>2,275</b>

### Prudential Indicator: Authorised Limit

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

Operating Boundary	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Borrowing	1,147	1,300	1,500	1,800	1,950	2,050	2,050	2,300	2,300	2,300	2,300	2,300
Other Long Term Liabilities	100	100	100	100	100	100	100	75	75	75	75	75
<b>Total Operating Limit</b>	<b>1,247</b>	<b>1,400</b>	<b>1,600</b>	<b>1,900</b>	<b>2,050</b>	<b>2,150</b>	<b>2,150</b>	<b>2,375</b>	<b>2,375</b>	<b>2,375</b>	<b>2,375</b>	<b>2,375</b>

### Prudential Indicator – Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream and the gross revenue budget for the General Fund and the Housing Revenue Account, respectively. It also exemplifies the element of housing rental that relates to financing costs, this calculation is notional and assumes all other things are equal.

Estimated Ratio of Financing Costs to:	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	%	%	%	%	%	%	%	%	%	%	%
General Fund Net Revenue Stream	4.8%	8.2%	12.1%	12.9%	13.9%	14.3%	15.6%	16.8%	15.2%	14.2%	13.6%
Housing Revenue Account Gross Revenue Budget	19.4%	22.1%	25.2%	23.9%	22.5%	22.2%	20.5%	19.1%	18.0%	17.8%	18.5%

**Appendix E****Annual Minimum Revenue Provision Statement (With effect from 1 April 2019)**

- 1) When the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Ministry for Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance).
- 2) The broad aim of the MHCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 3) The MHCLG Guidance requires the Authority to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods. Council is asked to approve the continuation of the existing policy for the calculation of MRP, which is consistent with the guidance issued under the regulations and the introduction of the following:
  - a) the principle that the determination of a prudent amount of MRP for any given year will take account of payments made in previous years, and an assessment of whether those payments exceed what the current policy would require in terms of prudence;
  - b) For capital expenditure incurred before 1 April 2008, and for capital expenditure incurred from 1 April 2008 to 31 March 2011, and which is Supported Capital Expenditure (SCE), MRP will be calculated at 2% on a straight-line basis.
- 4) The approaches are therefore as follows, with effect from 1 April 2019.
  - a) For capital expenditure incurred before 1 April 2008, and for capital expenditure incurred from 1 April 2008 to 31 March 2011, and which is Supported Capital Expenditure (SCE), MRP will be calculated at 2% on a straight-line basis;
  - b) For unsupported borrowing incurred from 1 April 2008 onwards, MRP is calculated based on amortising the amount borrowed over the estimated lives of the assets acquired (or the enhancement made) as a result of the related expenditure using the annuity repayment method in accordance with MHCLG Statutory guidance.
  - c) For borrowing by companies for housing assets for onward rental, due regards has been given to the MHCLG guidance but due to the nature of the assets, a 75-year asset life is considered appropriate.
  - d) While no MRP is required to be charged in respect of assets held within the Housing Revenue Account, the Council may provide for a voluntary MRP charge so that all schemes undertaken are viable (i.e. repay all their debt over an appropriate period) and so that the HRA maintains borrowing capacity for future years.



- e) Capital expenditure financed from borrowing incurred during one financial year will not be subject to an MRP charge until the asset moves into operation, except where the Section 151 officer deems it appropriate to charge it an earlier date.
- f) Assets acquired with the intention of onward sale which will not be used in the delivery of services will not generally attract MRP as in these events the capital receipts generated by the loan and sale will be set aside to repay debt. Loans made to third parties to enable them to incur capital expenditure are repaid by the borrower and so MRP provision does not need to be made by the Council from Council Tax. In the case of loans for investment assets, a prudent amount will be set aside for MRP in accordance with Government Guidance based on asset life.
- g) From 1 April 2020 onwards, asset lives for MRP charges will be charged on the following basis, except for schemes in which the asset is already in operation:
  - i) ICT equipment – 5 years
  - ii) Vehicles – 10 years
  - iii) Highways & Transport Assets – 25 years
  - iv) Parks & Landscape – 25 years
  - v) Investment Assets – 40 years unless a business can be made that there is a residual value that means a longer asset life is possible
  - vi) School buildings and community assets – 40 years unless a business case for a specific asset justifies a different lifespan
  - vii) Housing Assets – 75 years
  - viii) Leased Assets on the basis of the lease asset unless the above categories have a smaller asset life
  - ix) All capital expenditure schemes less than £50k will be charged immediately to revenue
- h) MRP in respect of PFI liabilities will be calculated by spreading the cost of the capital repayments included in the ongoing charges over the estimated life of the asset on an annuity basis.
- i) Unless a specific justification for another MRP rate is given, the Council's hurdle rate for investment of 3.5% shall be used.

**Date of implementation and estimated MRP**

- 5 This policy will take effect from 2020/21. Government Guidance requires that an annual statement on the Council's policy for its MRP should be submitted to Council for approval before the start of the financial year to which the provision will relate but that changes during the year are permitted if approved by full Council. Based on the Authority's latest estimate of its Capital Financing Requirement on 31st March 2019, the MRP for 2019/20 is estimated as follows:

	<b>Est. CFR 31 Mar 2020 £m</b>	<b>Est. MRP 2019/20 £m</b>
<b>General Fund</b>		
Capital expenditure before 1 April 2008 and Supported capital expenditure from 1 April 2008 to 31 Mar 2011	144.4	3.9
Unsupported capital expenditure after 31 Mar 2008	326.7	8.6
Land acquisition for regeneration and disposal	308.1	-
Loans to Council owned companies (met by repayments from the companies)	131.1	-
<b>Total General Fund</b>	<b>910.3</b>	<b>12.5</b>
<b>HRA</b>		
Assets in the Housing Revenue Account	124.8	-
HRA subsidy reform payment	32.9	-
New Capital Spend	48.8	-
<b>Total Housing Revenue Account</b>	<b>206.5</b>	<b>0.0</b>
<b>PFI</b>	<b>42.9</b>	<b>1.5</b>
<b>Total</b>	<b>1,159.7</b>	<b>14.0</b>
PFI Contract Payment		<b>(3.2)</b>
Overprovision set aside in MRP Reserve		<b>(9.8)</b>
<b>Charge to General Fund</b>		<b>1.0</b>

## Counterparties

## Appendix F

## Approved Investment Counterparties and Limits

General Counterparty List	Credit Rating	Cash Limit	Max Time Limit
Banks Unsecured	AAA	£25m	5 years
	AA+		5 years
	AA		4 years
	AA-		3 years
	A+		2 years
	A		£15m
	A-	6 months	
Banks Secured	AAA	£25m	20 years
	AA+	£15m	10 years
	AA		5 years
	AA-		4 years
	A+		3 years
	A		2 years
	A-		13 months
UK Government	AA+	Unlimited	50 years
Corporates	AA+	£5m	10 years
	AA		5 years
	AA-		4 years
Registered Providers	AA+	£5m	10 years
	AA		10 years
	AA-		10 years
Money Market Funds*	AAA	75% per fund (de minimus level £5m)	Next Day

\* As from 21 July 2018, there will be three structural options for existing MMFs, these are as follows:

1. Public Debt Constant Net Asset Value ("CNAV") MMFs (mainly government assets)
2. Low Volatility NAV ("LVNAV") MMFs (market fund doesn't deviate by more than 20bps)
3. Variable NAV ("VNAV") MMFs (more fluctuating assets)

A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below

The following table provides additional information on the counterparties mentioned above

**Table 7**

Councils' Main Bank Account - HSBC	The Council banks with HSBC and will continue to bank with HSBC with a revised contract. At the current time, it does meet the minimum credit criteria of A- (or equivalent) long term. If the credit rating falls below the Council's minimum criteria A-, it will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements. If funds come into the bank account during the day (after daily dealing has been undertaken) and cannot be placed out with any other approved financial institutions, they can be placed into the HSBC Call Account to attract interest even if it breaches the counterparty limit (the matter will be reported to the Director of Finance, Resources & Customer Services). The temporary breach will be addressed on the next banking business day.
Banks Unsecured	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
Banks Secured	Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
Government	Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
Corporates	Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.
Registered Providers	Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed
Money Market	Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the

Funds	advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
Bond, Equity and Property Funds	These offer the potential for enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

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## Appendix G

Annuity	A method of repaying a loan where the cash payment remains constant over the life of the loan, but the proportion of interest reduces and the proportion of principal repayment increases over time. Repayment mortgages and personal loans tend to be repaid by the annuity method.
Asset backed security (ABS)	A bond that pays to investors the return received on its collateral.
Authorised limit	The maximum amount of debt that a local authority may legally hold, set annually in advance by the authority itself. One of the Prudential Indicators.
BACS	Bankers' automated payment system. UK bulk payments system allowing transfers between bank accounts with two days' notice, for a small charge.
Bail-in	A bail-in is rescuing a financial institution on the brink of failure by making its creditors and depositors take a loss on their holdings rather than the government or taxpayers.
Bail-out	A bailout is a colloquial term for the provision of financial help to a corporation or country which otherwise would be on the brink of failure or bankruptcy.
Bank	Regulated firm that provides financial services to customers. But see also Bank of England.
Bank of England	The central bank of the UK, based in London, sometimes just called "the Bank". See also Monetary Policy Committee and PRA.
Bank Rate	The official interest rate set by the Monetary Policy Committee, and the rate of interest paid by the Bank of England on commercial bank deposits. Colloquially termed the "base rate".
BCA	Baseline credit assessment - a credit rating agency's risk assessment of a bank's intrinsic credit risk, before considering the impact of junior debt and external support.
Bid	A bid to buy a security at a certain price (the bid price), or a bid to borrow money at a certain interest rate (the bid rate). See also offer.
Bill	A certificate of short-term debt issued by a company, government, or other institution, which is tradable on financial markets
Bond	A certificate of long-term debt issued by a company, government, or other institution, which is tradable on financial markets.
Bond fund	A collective investment scheme that invests mainly in bonds.
Bookrunner	Investment bank that maintains the book of orders from potential investors for a new bond or share issue.
Borrowing	Usually refers to the stock of outstanding loans owed and bonds issued.
Borrowing Portfolio	A list of loans held by the Council.
Borrowing Requirements	The principal amount the Council requires to borrow to finance capital expenditure and loan redemptions.
Broker	Regulated firm that matches either borrowers and lenders (a money broker) or buyers and sellers of securities (a stockbroker) with each other in order to facilitate transactions.
Brokerage	Fee charged by a broker, normally paid by the borrower.
Call account	A deposit account that can be called back, normally on

	instant access.
Cap	Derivative option that requires payment when a variable, such as an interest rate, rises above a certain level. Can be embedded in a floating rate loan or deposit to prevent the variable rate rising above a certain limit. See also collar and floor.
Capital	(1) Long-term, as in capital expenditure and capital receipt. (2) Principal, as in capital gain and capital value. (3) Investments in financial institutions that will absorb losses before senior unsecured creditors.
Capital expenditure	Expenditure on the acquisition, creation or enhancement of fixed assets that are expected to provide value for longer than one year, such as property and equipment, plus expenditure defined as capital in legislation such as the purchase of certain investments.
Capital finance	Arranging and managing the cash required to finance capital expenditure, and the associated accounting.
Capital finance regulations	Legislation covering local authorities' activities in capital finance, treasury management and accounting. Separate regulations are published for the four nations of the UK.
Capitalisation direction or regulations	Approval from central government to fund certain specified types of revenue expenditure from capital resources.
Capital Financing Requirement (CFR)	Capital Financing Requirement- a measure of the Council's underlying need to borrow to fund capital expenditure.
Capital gain or loss	An increase or decrease in the capital value of an investment, for example through movements in its market price.
Capital markets	The markets for long-term finance, including bonds and shares. See also money markets.
Capital receipt	Cash obtained from the sale of an item whose purchase would be capital expenditure. The law only allows local authorities to spend capital receipts on certain items, such as new capital expenditure. They are therefore held in a capital receipts reserve until spent.
Capital strategy	An annual report required by the Prudential Code that sets out a local authorities' high-level plans for capital expenditure, debt and investments and its Prudential Indicators for the forthcoming financial year.
Cash plus fund	A collective investment scheme similar to a money market fund but with a WAM up to around six months.
Central bank	A government agency responsible for setting interest rates, regulating banks and maintaining financial stability.
CET1	Core equity tier 1 - the purest form of capital for a financial institution, which is available to absorb losses while it remains a going concern, usually expressed as a ratio to risk weighted assets.
Certainty rate	Discount on PWLB rates for new loans borrowed, available to all local authorities that provide a forecast for their borrowing requirements.
Certificates of Deposits	A certificate of deposit (CD) is a time deposit, a financial product. CDs are similar to savings accounts in that they are insured and thus virtually risk free; they are "money in the bank." They are different from savings accounts in that the CD has a specific, fixed term (often monthly, three months, six months, or one to five years) and, usually, a fixed interest

	rate. It is intended that the CD be held until maturity, at which time the money may be withdrawn together with the accrued interest.
CHAPS	Clearing House Automated Payment System. UK payments system for same-day transfer between bank accounts, commonly used for treasury management payments.
CIPFA The Chartered Institute of Public Finance and Accountancy	The professional body for accountants working in the public sector. CIPFA also sets various standards for local government – see Treasury Management Code and Prudential Code.
Constant net asset value (CNAV)	A money market fund where the net asset value is held at a constant £1 per share providing the value of the underlying investments is between 99.5p and 100.5p per share. Since 2019, this style of fund is restricted to those that only invest in government securities.
Collar	A combination of a cap and floor, so that the variable moves within a certain range only. Where the premium payable on the cap is equal to the premium receivable on the floor, it is known as a zero-cost collar.
Collateral	Assets that provide security for a loan or bond, for example the house upon which a mortgage is secured.
Collective investment scheme	Scheme in which multiple investors collectively hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
Commercial investment	An investment whose main purpose is generating income, such as investment property.
Commercial property	Land and buildings used by businesses, as opposed to households.
Commercial paper	Commercial paper is a money-market security issued (sold) by large corporations to obtain funds to meet short-term debt obligations (for example, payroll), and is backed only by an issuing bank or corporation's promise to pay the face amount on the maturity date specified on the note. Since it is not backed by collateral, only firms with excellent credit ratings from a recognized credit rating agency will be able to sell their commercial paper at a reasonable price. Commercial paper is usually sold at a discount from face value, and carries higher interest repayment rates than bonds
Cost of carry	When a loan is borrowed in advance of need, the difference between the interest payable on the loan and the income earned from investing the cash in the interim.
Counterparties	Organisations or Institutions the Council lends money to e.g. Banks; Local Authorities and MMF.
Counterparty limit	The maximum amount an investor is willing to lend to a counterparty, in order to manage credit risk.
Corporate bonds	A corporate bond is a bond issued by a corporation. It is a bond that a corporation issues to raise money effectively in order to expand its business. The term is usually applied to longer-term debt instruments, generally with a maturity date falling at least a year after their issue date.
Country limit	The maximum amount an investor is willing to lend to all counterparties based in a foreign country, in order to manage credit risk.



Coupon	The contractual interest rate payable on a bond, as a percentage of the nominal amount. This normally reflects market conditions when the bond was originally issued.
Covenant	A clause in a loan contract where the borrower makes certain commitments, for example to maintain a particular financial ratio or to publish regular financial statements. Breach of a covenant is usually classed as a default.
Covered bonds	Bond issued by a financial institution that is secured on that institution's assets, usually residential mortgages, and is therefore lower risk than unsecured bonds. Covered bonds are exempt from bail-in.
Consumer Prices Index & Retail Prices Index (CPI & RPI)	The main inflation rate used in the UK is the CPI. The Chancellor of the Exchequer bases the UK inflation target on the CPI. The CPI inflation target is set at 2%. The CPI differs from the RPI in that CPI excludes housing costs. Also used is RPIX, which is a variation of RPI, one that removes mortgage interest payments.
Credit Default Swap (CDS)	A kind of protection that can be purchased by MMF companies from insurance companies (for their investment) in exchange for a payoff if the organisation they have invested in does not repay the loan i.e. they default.
Credit watch	Variety of special programmes offered by credit rating agencies and financial institutions to monitor organisation/individual's (e.g. bank) credit report for any credit related changes. A credit watch allows the organisation/individuals to act on any red flags before they can have a detrimental effect on credit score/history.
Credit Arrangements	Methods of Financing such as finance leasing
Credit Ratings	A scoring system issued by credit rating agencies such as Fitch, Moody's and Standard & Poors that indicate the financial strength and other factors of a bank or similar Institution.
Creditworthiness	How highly rated an institution is according to its credit rating.
Custodian	Regulated firm that provides custody.
Custody	The safekeeping of securities that are dematerialised, i.e. no longer held in paper form, including the vast majority of bonds and shares traded on financial markets.
Debt	(1) A contract where one party owes money to another party, such as a loan, deposit or bond. Contrast with equity. (2) In the Prudential Code, the total outstanding borrowing plus other long-term liabilities.
Debt Management Office (DMO)	The DMO is an agency of the HM Treasury which is responsible for carrying out the Government's Debt Management Policy.
Debt Rescheduling	The refinancing of loans at different terms and rates to the original loan.
Depreciation Method	The spread of the cost of an asset over its useful life.
Default	Failure to meet an obligation under a debt contract, including the repayment of cash or compliance with a covenant, usually as a result of being in financial difficulty (rather than an administrative oversight).
Deflation	Negative inflation, which central banks are keen to avoid since households tend to delay spending waiting for prices to fall further, leading to further deflation.

Deposit	A regulated placing of cash with a financial institution. Deposits are not tradable on financial markets.
Depository	Regulated firm that performs safeguarding, record keeping and ownership verification of a collective investment scheme's assets, including those which are not held in custody.
Derivative	Financial instrument whose value is derived from an underlying instrument or index, such as a swap, option or future. Derivatives can be used to gain exposure to, or to help protect against, changes in the value of the underlying. See also embedded derivative and hedge.
Discount	(1) The amount that the early repayment cost of a loan is below its principal, or the price of a bond is below its nominal value. See also premium. (2) To calculate the present value of an investment taking account of the time value of money.
Discount rate	The interest rate used in a present value calculation. Diversification The spreading of risk across a variety of exposures in order to reduce the risk. For example, investing in a range of counterparties to limit credit risk or borrowing to a range of maturity dates to limit refinancing risk.
Diversified income fund	A collective investment scheme that invests in a range of bonds, equity and property in order to minimise price risk, and also focuses on investments that pay income
Dividend	Income paid to investors in shares and collective investment schemes. Dividends are not contractual, and the amount is therefore not known in advance.
DMADF	Debt Management Account Deposit Facility – a facility offered by the DMO enabling local authorities to deposit cash at very low credit risk. Not available in Northern Ireland.
DMO	Debt Management Office – an executive agency of HM Treasury that deals with central government's debt and investments.
Dove	Monetary policy maker with a preference for lower interest rates. See also hawk.
Duration	In relation to a bond or bond fund, the weighted average time of the future cash flows from today, usually expressed in years. The longer the duration, the more the price moves for a given change in interest rates.
ECB	European Central Bank – the central bank of the Eurozone, based in Frankfurt, Germany.
EIB	European Investment Bank – a supranational bank owned by the member states of the European Union that mainly lends within the Union.
EIP	Equal instalments of principal. A method of repaying a loan where the principal is repaid over the life of the loan, in equal instalments. Interest payments reduce over time as the principal is repaid.
EIR	Effective interest rate - IFRS term for the average interest rate on a financial instrument, including the effect of premiums, discounts and fees. For a simple deposit or loan, the EIR is usually equal to the contractual interest rate; for a bond the EIR is usually equal to the yield.

Embedded derivative	A derivative that is combined into another financial instrument, such as the options embedded in a LOBO.
ESG	Environmental, social and governance considerations.
Equity	(1) The residual value of an entity's assets after deducting its liabilities. (2) An investment in the residual value of an entity, for example ordinary shares.
Equity fund	A collective investment scheme that mainly invests in company shares.
Ex-dividend date	The first date that a share or unit is traded without the right to receive the next dividend. The price therefore falls by the amount of the dividend.
FATCA	Foreign Account Tax Compliance Act – a US regime applicable worldwide to limit tax evasion by US citizens. Local authorities are classed as exempt beneficial owners under FATCA.
Fair value	IFRS term for the price that would be obtained by selling an investment, or paid to transfer debt, in a market transaction.
FCA	Financial Conduct Authority – UK agency responsible for regulating financial markets and the conduct of financial institutions, brokers, custodians, fund managers and treasury management advisors.
Federal Reserve	The central bank of the USA, often just called “the Fed”.
Fiscal policy	Measures taken by government to boost or slow the economy via taxation and spending decisions. Fiscal loosening or easing refers to cuts in taxes or increases in spending, while fiscal tightening refers to the opposite. See also monetary policy.
Financial institution	A bank, building society or credit union. Sometimes the term also includes insurance companies. Financial instrument IFRS term for investments, borrowing and other cash payable and receivable.
Financing costs	In the Prudential Code, interest payable on debt less investment income plus premiums less discounts plus MRP.
Floating rate note (FRN)	A bond where the interest rate changes at set intervals linked to a market variable, most commonly 3-month LIBOR.
Floor	Derivative option that requires payment when a variable, such as an interest rate, falls below a certain level. Can be embedded in a floating rate loan or deposit to prevent the variable rate falling below a certain limit. See also cap and collar.
Foreign exchange (FX) risk	The risk that unexpected changes in foreign exchange rates cause a loss. Rarely an issue for local authorities since they are unable to borrow and tend not to invest in foreign currency.
Forward deal	An arrangement where a loan or deposit is arranged in advance of the cash being transferred, with the advance period being longer than the standard period (if any) for such a transaction.
Financial Services Compensation Scheme	UK deposit guarantee scheme that will compensate most depositors up to £85,000 in the event of a bank failure. However, most public sector organisations, financial institutions and collective investment schemes are excluded from receiving compensation.

FSMA	Financial Services and Markets Act 2000, the main piece of UK legislation regulating financial services.
FTSE	Financial Times stock exchange – a series of indices on the London Stock Exchange. The FTSE 100 is the index of the largest 100 companies on the exchange, the FTSE 250 is the next largest 250 and the FTSE 350 combines the two.
Future	A derivative whose payments depend on the future value of a variable.
Fund manager	Regulated firm that manages collective investment schemes. Gate Restriction on the subscription or redemption of shares or units in a collective investment scheme.
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
General Fund	A local authority reserve that holds the accumulated surplus or deficit on revenue income and expenditure, except on council housing. See also Housing Revenue Account.
Gilt	Gilt-edged securities are bonds issued by certain national governments. The term is of British origin, and originally referred to the debt securities issued by the Bank of England, which had a gilt (or gilded) edge. Hence, they are known as gilt-edged securities, or gilts for short. Today the term is used in the United Kingdom as well as some Commonwealth nations, such as South Africa and India. However, when reference is made to "gilts", what is generally meant is "UK gilts," unless otherwise specified.
Gilt yield	Yield on gilts. Commonly used as a measure of risk-free long-term interest rates in the UK
Guarantee	An arrangement where a third party agrees to pay the contractual payments on a loan to the lender if the borrower defaults. Haircut A reduction in the value of a bond or deposit as the result of a bail-in or other restructuring of the counterparty.
Hawk	Monetary policy maker with a preference for higher interest rates. See also dove.
Hedge	An arrangement where one instrument (typically a derivative) is used to offset the variability in another instrument. For example, an interest rate swap where interest is receivable at a variable rate can be an effective hedge for a variable rate loan.
Hedge accounting	Optional IFRS accounting arrangements to ensure that the accounting impact of a hedge matches the economic impact.
IFRS	International Financial Reporting Standards, the set of accounting rules in use by UK local authorities since 2010.
Impairment	A reduction in the value of an investment caused by the counterparty being in financial difficulty.
Income return	Return on investment from dividends, interest and rent but excluding capital gains and losses. See also total return.
Income strip	Long-term lease arrangement where the tenant pays indexed rent and has an option to buy back the property at the end of a lease for a nominal payment. Effectively a form of loan finance.
Inflation risk	The risk that unexpected changes in inflation rates cause an

	unplanned loss, for example by costs rising faster than income.
Interest	Compensation for the use of cash paid by borrowers to lenders on debt instruments.
Interest Rate exposures	A measure of the proportion of money invested and what impact movements in the financial markets would have on them.
Interest rate risk	The risk that unexpected changes in interest rates cause an unplanned loss, for example by increased payments on borrowing or lower income on investments.
Interest rate swap	A derivative where the parties swap a fixed and a variable interest rate on an agreed nominal sum for an agreed period of time. Widely used to manage interest rate risk.
Internal borrowing	A local government term for when actual “external” debt is below the capital financing requirement, indicating that difference has been borrowed from internal resources instead; in reality this is not a form of borrowing.
Inverted yield curve	Yield curve where yields decrease over time, suggesting that short-term interest rates will fall in future. A possible indicator of a recession. See also normal yield curve.
Investment bank	A bank that provides services including issuing new securities in the primary market and arranging company mergers and acquisitions. Investment banks may also undertake proprietary trading, i.e. investing the bank’s own money with a view to making a profit.
Investment grade	Entities and securities with a credit rating of BBB- and above, and therefore relatively unlikely to default.
Investment guidance	Statutory guidance issued by MHCLG and the devolved governments on local government investments. Local authorities are required by law to have regard to the relevant investment guidance.
Investment property	Land and buildings that are held purely for rental income and/or capital growth. Investment properties are not owner-occupied and provide no direct service benefit.
Investment strategy	A document required by investment guidance that sets out a local authority’s investment plans and parameters for the coming year. Sometimes forms part of the authority’s treasury management strategy.
The International Monetary Fund (IMF)	is an intergovernmental organisation which states its aims as to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
Impaired investment	An investment that has had a reduction in value to reflect changes that could impact significantly on the benefits expected from it.
Junior creditor	Creditor that ranks below senior unsecured creditors but above equity investors in the event of a bank insolvency or bail-in, for example, subordinated bonds.
Lease	A contract where one party permits another to make use of an asset in return for a series of payments. It is economically similar to buying the asset and borrowing a loan, and therefore leases are often counted as a type of debt.
Lessee	Party to a lease contract that uses an asset owned by the

	lessor.
Lessor	Party to a lease contract that own an asset but permits another (the lessee) to use it.
Leverage ratio	A measure of financial strength of a financial institution, calculated as tier 1 capital divided by total assets plus lending commitments.
Liability benchmark	Term in CIPFA's Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level. Used to compare against the actual and forecast level of borrowing.
LIBID	The London Interbank Bid Rate – it is the interest rate at which major banks in London are willing to borrow (bid for) funds from each other, traditionally 0.125% lower than LIBOR.
LIBOR	London interbank offer rate - the benchmark interest rate at which banks offer to lend cash to other banks. Published every London working day at 11am for various currencies and terms. Due to be phased out by 2022.
Liquidity risk	The risk that cash will not be available to meet financial obligations, for example when investments cannot be recalled and new loans cannot be borrowed.
Loan	Contract where the lender provides a sum of money (the principal) to a borrower, who agrees to repay it in the future together with interest. Loans are not normally tradable on financial markets. There are specific definitions in government investment guidance.
Loan commitment	An arrangement where a lender is committed to lend a loan if the borrower requests it.
Loans CFR	The capital financing requirement less the amount met by other long-term liabilities; i.e. the amount to be met by borrowing.
LOBO	Lender's option borrower's option – a long-term loan where the lender has the option to propose an increase in the interest rate on pre-determined dates. The borrower then has the option to either accept the new rate or repay the loan without penalty. LOBOs increase the borrower's interest rate risk and the loan should therefore attract a lower rate of interest initially.
Local indicators	Prudential indicators or treasury management indicators that are not required by the relevant code of practice but have been designed locally to meet similar purposes.
Local infrastructure rate	Discount on PWLB rates for new loans borrowed, available to local authorities that have been successful in a bidding round.
Long-term	Usually means longer than one year. Long-term rating A credit rating, assessing of the risk of default over the long-term. Where an agency publishes a range of long-term ratings, Arlingclose reports the rating most relevant to wholesale depositors. See also short-term rating.
LVNAV	Low volatility net asset value – the most common type of money market fund introduced in 2019 that can be bought and sold for £1 per share providing that the true net asset value is between 99.8p to 100.2p.
Mark to market	A process by which investments are revalued to market prices, usually with the entity accounting for the capital gain

	or loss as income or expenditure.
Market risk	The risk that movements in market variables will have an unexpected impact. Usually split into interest rate risk, price risk and foreign exchange risk.
Market Loans	Loans from banks available from the London Money Market including LOBOS (Lender Option, Borrowing Option) which enable the authority to take advantage of low fixed interest for a number of years before an agreed variable rate comes into force.
Maturity	(1) The date when an investment or borrowing is scheduled to be repaid. (2) A type of loan where the principal is only repaid on the maturity date.
Maturity profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. MHCLG
Minimum Revenue Provision (MRP)	This is the amount which must be set aside from the revenue budget each year to cover future repayment of loans.
MiFID	The second Markets in Financial Instruments Directive - a legislative framework instituted by the European Union to regulate financial markets in the bloc and improve protections for investors.
Money Market Fund (MMF)	A 'pool' of different types of investments managed by a fund manager that invests in lightly liquid short term financial instruments with high credit rating.
Monetary Policy	Measures taken by central banks to boost or slow the economy, usually via changes in interest rates. Monetary easing refers to cuts in interest rates, making it cheaper for households and businesses to borrow and hence spend more, boosting the economy, while monetary tightening refers to the opposite. See also fiscal policy and quantitative easing.
Monetary Policy Committee (MPC)	Committee designated by the Bank of England, whose main role is to regulate interest rates. Responsible for implementing monetary policy in the UK by changing Bank Rate and quantitative easing with the aim of keeping CPI inflation at around 2%.
Money markets	The markets for short-term finance, including deposits and T-bills.
Money Markets Code	Code of practice issued by the Bank of England for the operation of the London money market, which is mostly unregulated by MiFID II.
Municipal bond	Bond issued or guaranteed by local authorities.
Municipal bonds agency (MBA)	Company that issues bonds in the capital market and lends the proceeds back to local authorities. The bonds are guaranteed by the local authorities.
NDA	Non-disclosure agreement. Contract where two organisations agree not to disclose each other's confidential information. Often required at the start of commercial loan negotiations.
Negative Pledge	Covenant where a borrower agrees to not to pledge certain assets as collateral for other loans.
Net asset value (NAV)	The current value of a fund's assets, net of its liabilities, usually expressed as an amount per share or unit.
Net borrowing	Borrowing minus treasury investments.
Net revenue stream	In the Prudential Code, income from general government

	grants, Council Tax and rates.
Normal yield curve	A yield curve where yields increase over time, which is the more common shape. See also inverted yield curve.
Nominal	The face value of a bond or share, often quite different from the market value.
Note	Another term for a bond.
Notice account	A deposit account where the cash can be called back after a given notice period.
Non Specified Investments	Government term for investments not meeting the definition of a specified investment or a loan upon which limits must be set. Since 2018, the term does not apply to treasury investments in England.
Non treasury investment management practices (NTIMPs)	Document required by the Treasury Management Code setting out a local authority's detailed processes and procedures for commercial investments and service investments.
OCF	Ongoing charges figure – amounts charged to collective investment scheme that reduce the return for investors. Includes the AMC plus direct charges such as brokerage.
OEIC	Open-ended investment company, a type of collective investment scheme that is structured as a company, where investors buy shares in the company.
Offer	An offer to sell a security at a certain price (the offer price or ask price), or an offer to lend money at a certain interest rate (the offer rate).
Other long term liabilities	Prudential Code term for credit arrangements.
Operational boundary	A prudential indicator showing the most likely, prudent, estimated level of external debt, but not the worst-case scenario. Regular breaches of the operational boundary should prompt management action.
Operational risk	The risk that fraud, error or system failure leads to an unexpected loss.
Option	A derivative where the holder pays a premium to have the right, but not the obligation, to buy or sell a security or enter into a defined transaction.
PRA	Prudential Regulation Authority – the part of the Bank of England that regulates UK banks.
Present value	The value today of a series of future cash flows, calculated using a discount rate.
Premium	(1) The amount that the early repayment cost of a loan is above the principal (for example cost of early repayment of loan to PWLB to compensate for any losses that they may incur), or the price of a bond is above its nominal value. (2) The initial payment made under a derivative.
Price risk	The risk that unexpected changes in market prices lead to an unplanned loss. Managed by diversifying across a range of investments.
Primary market	A financial market where securities are initially issued, and investors buy from issuers or their agents. See also secondary market.
Principal	The amount of money originally lent on a debt instrument.
Private finance initiative	A government scheme where a private company designs, builds, finances and operates assets on behalf of the public sector, in exchange for a series of payments, typically over 30



	years. Counts as a credit arrangement and debt.
Private placement	A loan or bond that is not traded on a financial market.
Professional client	MiFID II term for a client of a regulated firm that has a higher level of experience in financial markets than a retail client, and therefore needs a lower level of protection. Local authorities may "opt up" to be treated as professional clients if they meet certain requirements.
Property fund	A collective investment scheme that mainly invests in property. Due to the costs of buying and selling property, including stamp duty land tax, there is usually a significant fee charged on initial investment, or a significant difference between the bid and offer price.
Prudential borrowing	Another term for unsupported borrowing. Prudential Code Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice. Local authorities are required by law to have regard to the Prudential Code.
Prudential indicators	Indicators required by the Prudential Code and determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable.
PWLB	Public Works Loans Board - a statutory body operating within the DMO that lends money from the National Loans Fund to local authorities and other prescribed bodies and collects the repayments.
Quantitative easing (QE)	Process by which central banks directly increase the quantity of money in the economy in order to promote GDP growth and prevent deflation. Normally achieved by the central bank buying government bonds in exchange for newly created money. Reversing QE by selling back bonds, or allowing them to mature without replacement, is sometimes called quantitative tightening.
Rating watch	A term used by credit rating agencies to indicate that a credit rating is under review, and that a change is likely within three months. The direction of potential change is usually indicated.
Realised gain or loss	Gain or loss that will not be reversed later, e.g. because the instrument has been sold. See also unrealised gain or loss. RCF Revolving credit facility.
Recession	A period of economic slowdown. The technical definition is two consecutive quarters of negative GDP growth.
Specified Investments	Investments that meet the Council's high credit quality criteria and repayable within 12 months.
Security	(1) A financial instrument that can be traded on a secondary market. (2) The concept of low credit risk. (3) Collateral.
Secured investment	An investment that is backed by collateral and is therefore normally lower credit risk and lower yielding than an equivalent unsecured investment.
Senior unsecured	Creditors that are not secured, but rank above junior creditors

	and equity in the event of insolvency or bail-in.
Service investments	Investments made to promote a local authority's public service objectives, for example a loan to a local charity or shares in a local company.
Share	An equity investment, which usually also confers ownership and voting rights.
Share class	A class of shares in a collective investment scheme with a set AMC and minimum investment size.
Short bond fund	A bond fund with a duration of less than one year. Short-term Usually means less than one year.
Short-term rating	A credit rating, reflecting the risk of default within the next 13 months, usually linked directly to the long-term rating.
Soft loan	A loan made at below market interest rates. See also state aid.
SONIA	Sterling overnight interest average – a benchmark interest rate for overnight deposits.
SORP	Statement of Recommended Practice – an old term for the Code of Practice on Local Authority Accounting in the United Kingdom.
Specified investments	Term used in government investment guidance for investments that are denominated in sterling, mature in less than a year, are not defined as capital expenditure, and are made with the UK government, another UK local authority or a high credit quality body, as defined by the local authority. Since 2018, the term does not apply to treasury investments in England.
Speculative grade	Investments with a credit rating of BB+ or below, and therefore more vulnerable to default than investment grade securities.
Stamp duty land tax (SDLT)	Tax levied on property transactions at between 0 and 15% of the purchase price. The rate on commercial property valued above £250,000 is 5%.
State aid	Financial assistance provided by the public sector to the private sector, such as grants and soft loans, which has the potential to distort competition and is therefore often, but not always, illegal.
Strategic bond fund	Bond fund with a duration of longer than one year.
Strategic funds	Collective investment schemes that are designed to be held for the long-term, comprising strategic bond funds, diversified income funds, equity funds and property funds.
Subordinated bonds	Bonds that rank below other bonds in the event of an insolvency or bail-in. They are therefore higher risk, but also higher yielding.
Subscription	The process of placing cash in a collective investment scheme and creating units or shares.
Support rating	A credit rating agency's view on the likelihood and ability of parent companies or governments to provide external support to prevent a bank failure leading to losses for investors.
Supported borrowing	Borrowing for which the repayment costs are supported by government grant.
Supranational bonds	Supranational bonds are issued by institutions that represent a number of countries, not just one. Thus, organisations that issue such bonds tend to be the World Bank or the European Investment Bank. The issuance of these bonds are for the

	purpose of promoting economic development
Swap	A derivative where the counterparties exchange cash flows, for example fixed rate interest and variable rate interest. See also interest rate swap.
Swap rate	The fixed rate on an interest rate swap. Commonly used as a measure of risk-free long-term interest rates.
Tap	Process by which additional amounts of an existing bond are issued.
Temporary borrowing	Borrowing with a term of less than one year. Term deposit A deposit that is repayable after a fixed period of time.
TMS	(1) Treasury management strategy. (2) Treasury management system.
Total return	The overall return on an investment, including interest, dividends, rent, fees and capital gains and losses. See also income return.
Transferred debt	Debt contractually held by one local authority but whose costs are borne by another authority, usually following local government reorganisation.
Treasury bills (or T-bills)	Treasury bills (or T-bills) mature in one year or less. Like zero-coupon bonds, they do not pay interest prior to maturity; instead they are sold at a discount of the par value to create a positive yield to maturity. Many regard Treasury bills as the least risky investment available.
Treasury investments	Investments made for treasury management purposes, as opposed to commercial investments and service investments.
Treasury management	The management of an organisation's cash flows, investment and borrowing, with a particular focus on the identification, control and management of risk. Specifically excludes the management of pension fund investments
Treasury management advisor	Regulated firm providing advice on treasury management, capital finance and related issues.
Treasury Management Code (TM Code)	CIPFA's Code of Practice for Treasury Management in the Public Services and Cross-Sectoral Guidance Notes, to which local authorities are required by law to have regard.
Treasury management indicators	Indicators required by the Treasury Management Code to assist in the management of credit risk, interest rate risk, refinancing risk and price risk. Treasury management policy statement Document required by the Treasury Management Code setting out a local authority's definition of and objectives for treasury management.
Treasury management practices (TMPs)	Document required by the Treasury Management Code setting out a local authority's detailed processes and procedures for treasury management.
Treasury management strategy	Annual report required by the Treasury Management Code covering the local authority's treasury management plans for the forthcoming year.
Treasury management system	Computer programme for recording investments, borrowing, cash flow forecasts and market data to assist with treasury management operations.
Unrated institution	An institution that does not possess a credit rating from one of the main credit rating agencies.
Unrealised gain or loss	Gain or loss that may be reversed later, e.g. from marking to

	market. Also called a paper gain or loss. See also realised gain or loss.
Unsupported Borrowing	Borrowing where costs are wholly financed by the Council. Sometimes called prudential borrowing since it was not permitted until the introduction of the Prudential Code in 2004. See also supported borrowing.
Usable reserves	Resources available to finance future revenue and/or capital expenditure. Some usable reserves are ringfenced by law for certain expenditure such as on schools or council housing.
Vanilla	A simple instrument without any additional features such as embedded derivatives.
Volatility	A measure of the variability of a price or index, usually expressed as the annualised standard deviation.
WAL	Weighted average life – the average time to maturity of an investment portfolio, weighted by the size of the investment and normally expressed in days.
WAM	Weighted average maturity – the average time to the next interest rate reset on an investment portfolio, weighted by the size of the investment and normally expressed in days. A portfolio of fixed rate investments will have a WAM identical to its WAL.
Working capital	The cash surplus or deficit arising from the timing differences between income/expenditure in accounting terms and receipts/payments in cash terms.
Yield	A measure of the return on an investment, especially a bond. The yield on a fixed rate bond moves inversely with its price.
Yield curve	A chart of yields or interest rates for similar instruments over a range of maturity dates. See also inverted yield curve and normal yield curve.

## MUNICIPAL YEAR 2019/2020 REPORT NO. **193**

**MEETING TITLE AND DATE:****Cabinet: 12<sup>th</sup> February 2020****Council: 26<sup>th</sup> February 2020****REPORT OF:**

Executive Director – Place

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**Agenda – Part: 1****Item: 8****Subject:**

**Housing Revenue Account (HRA)  
Business Plan Budget 2020/21, Rent Setting  
and Service Charges  
KD5008.**

**Cabinet Member consulted: Cllr Needs****1. EXECUTIVE SUMMARY**

1.1 This report sets out the proposed HRA 30-Year Business Plan, the detailed HRA Revenue Budget for 2020/21, the ten-year Capital Programme and Right to Buy (RTB) One for One Receipts programme (2020/21 to 2024/25).

1.2 The report seeks approval for the following:

- The levels of rents, service charges and heating charges to be charged with effect from 1st April 2020 for HRA Council Tenants and Leaseholders.
- The principles of a revised Financial and Investment Framework.
- 10 Year HRA Capital programme.
- The new pricing structure for Community Halls and Garages as outlined in paragraph 3.46 of the report.
- The adoption of an extensive programme 3,500 new affordable council homes between 2020-2030.
- An increase in the Under Occupation incentive to support our downsizing strategy.
- A change to Landlord Consent fees to enable us to provide a faster service for residents.
- New arrangements for billing following Thames water decision to charge residents directly.
- Addressing climate change and affordable warmth through our Ground Source Heat Pump strategy and the implications for Leaseholder Charges

## 2. RECOMMENDATIONS

### **Cabinet:**

- 2.1 Recommends full Council to approve the HRA 30-Year Business Plan shown in Appendix 1
- 2.2 Recommends full Council to approve the detailed HRA Revenue Budget for 2020/21
- 2.3 Notes the 10-year HRA Capital Programme and additional borrowing requirements to deliver 3,500 additional units
- 2.4 Notes the social and affordable rent levels for circa.10,100 properties in 2020/21 and note the London Affordable Rent levels applicable for new homes to new tenants
- 2.5 Approves the level of service charges for 2020/21 for those properties receiving this service.
- 2.6 Approves the new pricing structure for Community Halls and Garages as outlined in paragraph 3.46 of the report
- 2.7 Notes changes to the Landlord consent process and introduction of tiered application fees for 2020/21
- 2.8 Approves increasing the Under-Occupation incentive to support the downsizing strategy as shown in paragraph 3.66. In addition, delegate to Director of Housing and Regeneration to increase the incentive aiming for flexible, bespoke packages that meet the needs of vulnerable tenants on a case by case basis by up to £2,000 per case.
- 2.9 Approves the Leaseholder Ground Source Heat Pump charging proposal outlined in paragraph 3.78.
- 2.10 Notes the change in Thames Water billing, from the Council collecting the charges to Thames Water directly charging residents outlined in paragraph 3.88.
- 2.11 Notes the heating charges for 2020/21 for those properties on communal heating systems.

### **3. BACKGROUND**

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3.1 This report is presented to Cabinet on annual basis for the following reasons:

- a) To ensure that a balanced 30-Year HRA Business Plan is approved by Council
- b) To ensure that the HRA Budget is set by the Council and that this budget does not put the HRA into deficit
- c) To set the affordable and social rent and service charge levels for HRA properties, in line with the Governments Social Housing Rent Policy. This decision must be taken early enough for the tenants to be advised of the change at least 4 weeks prior to the date of that change.

3.2 In October 2019 the Government announced a change to the Social Rent Policy that from April 2020 local authorities would be allowed to increase rents by CPI+1% which has been incorporated into the Business Plan. This follows a 1% reduction in rents for the last 4 years. It should be noted that this reduction had a negative impact on the Business Plan with reduced income of c. £300m over the 30 year plan. If applied going forward this would result in a loss of circa 1,200 capacity for new homes.

3.3 Below are the key changes for Housing since the 2019/20 Rent Setting report:

- The creation of a new 10-year development programme of 3,500 units overall including updated GLA and RTB programme and borrowing requirement
- Investment in our existing council homes arising from stock condition survey results
- Introduction of financial metrics to ensure future investment decisions are financially affordable and can be sustained within the business plan
- 25% (c. £1.3m per annum) efficiency savings in Management and Maintenance over the next 5 years (5% per annum with total saving of £6.8m)
- Disposal of uneconomic properties, estimated to generate forecast additional income of £1m per annum for the next 10 years
- Proposed new pricing structures for community halls and garages.
- An increase in the under-occupation incentive to support our downsizing strategy

#### **3.4 HRA 30-YEAR BUSINESS PLAN**

3.5 The overarching assumptions in the HRA Business Plan are as follows

**ASSUMPTIONS**

<b>Item</b>	<b>Assumption</b>	<b>Information</b>
Inflation on supplies and services	1.7% Consumer Prices Index (CPI) increase for 20-21, 2% on going	CPI is assumed at 1.7%
Salaries	2% Pay Award	In consultation period
Rent – Existing council housing tenants	CPI (1.7%) plus 1% assumed from 2020/21 for 5 years, then CPI only	CPI is assumed at 1.7%
Rents - Council new build affordable homes	CPI (1.7%) plus 1% assumed from 2020/21 for 5 years, then CPI only	London Affordable Rents
Repairs & Maintenance cost increases	1.7% Consumer Prices Index (CPI) increase for 20-21, 2% on going	
Capital Programme – Major Works	Annual amounts based on the updated estimated cost of replacing components, kitchens, roofs, windows, bathrooms etc. in the year that they fall due for replacement. This excludes any costs for any Decent Homes enhancements arising from the forthcoming Social Housing White paper	Budget reflects updated stock condition survey
Fire Safety Works	Based on estimated costs of fire safety works but excluding any new requirements arising from legislation	All costs budgeted for included in the capital programme. Still awaiting Government guidance on the new Building Safety Standards
Capital Programme – Estate Renewal and Development	Costs of current Estate Renewals included in the Business Plan based on the latest capital monitoring information.	3,500 new homes built into the plan over the next 10 years
RTB Sales	60 from 2020/21 to 2022/23 then 20 from 2023/24 onwards	The current trend shows that RTB sales are reducing, actual sales in 19-20 shows 48 sales up to the end of Q3
Operation of the Governments RTB One for One Replacement scheme	The Council will operate the scheme in accordance with Government guidelines. The RTB receipts are currently match funded by the HRA on a 30/70 basis.	
Interest rate on borrowing	5.5% on existing debt 3.48% on self-financing debt 3.5% on new debt	Reflects actual debt costs and estimates from Treasury Management
Interest rate on balances	0.75%	Estimated 7-Day London Inter Bank Bid (LIBID) rate
Repayment of Debt	The loan principal will be paid back in full when it falls due. Interest is charged annually over	HRA debt is expected to increase by £341m over the next 10 years



	the life of the loan.	
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### 3.6 2020/21 BASE BUDGET

3.7 The table below sets out the base budget for 2020/21 compared to 2019/20 figures.

Category	2019/20 Budget	2020/21 Proposed Budget	Reason for differences
Bad Debts	812	710	The provision has been reduced to reflect the actual debt position
Corporate & Democratic Core	367	367	no change to budget
Cost of Capital	9,414	10,424	Increase in interest payments due to an increase in level of debt required
Depreciation	14,101	14,168	The amount set aside for depreciation is expected to increase due to the increase in property numbers held in the HRA - new properties will be generated from the GLA and RTB programme
Interest on Balances	-331	-280	The amount of interest receivable is expected to decrease due to a reduction in balances
Rent Rates and other Charges	710	722	increase in council tax on regeneration void properties charges due to the introduction of a premium on empty properties
Rents Dwellings	-56,477	-58,724	Income from dwellings rent is expected to increase this year due to the increase in rental income of 2.7% and additional properties being developed
Rents Shops/Commercial	-2,309	-2,350	shop income is expected to increase
Repairs and Maintenance	14,485	14,764	Contract inflation
Supervision & Management General & Special	22,007	22,318	2% pay award applied to all staff costs and a reduction in the Councils pension contribution
Leaseholder Service Charges	-4,671	-4,848	Increase in service charge income from leaseholders due to contract inflation
Self-Financing Contribution	2,787	3,624	Balance the Housing Revenue Account
Non-Dwelling Rents	-894	-894	Charges remain the same as last year
Grand Total	0	0	

### 3.8 EFFICIENCY SAVINGS

3.9 Efficiency savings will need to be delivered in the first 5 years of the Business Plan. Its proposed that 5% efficiency saving in Management and Maintenance will be applied per annum ending 2024-25. This will generate

additional revenue of c. £6.8m. The efficiencies will be partly achieved by the introduction of a new IT system (Civica CX) and insourcing the repairs, these changes are expected to make long term savings. The service is working on a delivery plan on how to achieve these savings. These efficiencies will assist in ensuring the Business Plan remains sustainable.

### 3.10 CAPITAL FINANCE AND PRUDENTIAL CODE

- 3.11 The Prudential Code for Capital Finance requires the authority to have regard to affordability, prudence and sustainability when considering its capital investment plans and to set and keep under review a range of prudential indicators. In December 2017 the prudential code changed, and it is recognised that indicators of affordability are best determined in the light of local constraints around precepts and ring-fenced and statutory funds such as the HRA and Police Fund. Authorities are encouraged to use local indicators that reflect how capital finance is permitted to be financed locally. For example, for those authorities with an HRA, the ratio of financing costs to revenue budget should be calculated within the HRA ring-fence and an impact on rents calculated.
- 3.12 The General Fund Budget report for 2020/21 along with the Treasury Management and Capital Strategy elsewhere on the agenda sets out the background to the prudential code and shows the indicators for the HRA and the General Fund.
- 3.13 On 3rd October 2018 the Government scrapped the HRA borrowing cap to enable more affordable homes to be built. This will now enable Enfield to fund additional affordable homes within the borough. The current level of HRA debt is £315.2m and the expected level of borrowing will increase to £656m. As reported to Cabinet in January through the comprehensive review of the HRA Business Plan, the increase in debt is affordable within the current business plan and ensures that the HRA retains a healthy level of reserves to fund the future development programme.
- 3.14 A financial framework has been implemented this year to ensure the business plan remains financially viable and within affordable limits. This framework will also enable us to assess future investments decisions. The metrics are Interest Cover Ratio (ICR) and Loan to Value (LTV).

### 3.15 CAPITAL PROGRAMME

- 3.16 The table below sets out the overall capital expenditure planned for the next 10 years. These budgets are aligned with the P8 capital monitoring report. The programme is broken down into four areas detailed below.

10 Year Capital Programme	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Estate Renewal Programme	21,962	6,379	2,195	1,712	1,150	1,625	35,023

Development Programme	71,449	79,211	150,355	135,976	81,471	363,827	<b>882,289</b>
Major Works Programme	38,421	29,456	27,856	27,956	14,539	71,199	<b>209,427</b>
Fire led Projects	12,732	12,316	13,749	7,450	0	0	<b>46,247</b>
	<b>144,564</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,160</b>	<b>436,651</b>	<b>1,172,985</b>

3.17 The 10-year capital programme totalling £1,172m will be funded as follows:

Funding	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
External Grants	14,004	14,450	49,048	6,460	9,464	80,900	<b>174,326</b>
Revenue Contributions	30,119	7,454	6,385	5,570	8,872	14,705	<b>73,105</b>
Capital Receipts including RTB receipts	51,440	41,458	44,222	67,063	72,825	183,046	<b>460,054</b>
Borrowing	49,000	64,000	94,500	94,000	6,000	158,000	<b>465,500</b>
<b>Total</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>

### 3.18 Major Works to the Stock (including fire safety works)

3.19 A stock condition survey was completed in 2019/20 on 25% of the stock. This concluded that the overall provisions within the previous HRA business plan were generally sound over the long term but recommended alternative phasing and investment profiles.

3.20 These results have enabled us to develop a detailed 10 year major works programme and has identified the key areas of required works:

- Maintaining decent homes standards
- A risk-based programme of building safety works across our high rise and specialised housing units
- Delivering the existing Enfield Homes standard on stock which has a long-term life and taking a life cycle

3.21 The 10 year programme is as follows:

Scheme Description	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£000's	£000's
Stock Condition led Works	18,720	24,883	24,883	24,983	12,444	60,780	<b>166,693</b>
Defined Asset led Projects	13,825	1,600	0	0	0	0	<b>15,425</b>
Demand led Works	5,400	2,497	2,497	2,497	1,850	9,250	<b>23,991</b>
Support Services	476	476	476	476	246	1,169	<b>3,319</b>
<b>Major Works Programme</b>	<b>38,421</b>	<b>29,456</b>	<b>27,856</b>	<b>27,956</b>	<b>14,539</b>	<b>71,199</b>	<b>209,427</b>
Fire led Projects	12,732	12,316	13,749	7,450	0	0	<b>46,247</b>

<b>Total</b>	<b>51,153</b>	<b>41,772</b>	<b>41,606</b>	<b>35,406</b>	<b>14,539</b>	<b>71,199</b>	<b>255,675</b>
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### 3.22 Estate Renewal Programme and Development Programme (including GLA grant and RTB receipts)

- 3.23 In the updated Business Plan report it was proposed to increase the number of new affordable homes to 3,500 in the next 10 years (currently 1,031 over 3 years). A high level programme to establish a pipeline of schemes has been produced by the development team and these schemes have been built into the business plan.
- 3.24 The programme contains estate regeneration projects, new build schemes on Council owned land and strategic partnerships to be developed.
- 3.25 The estate regeneration projects are replacing existing properties and the development programme is developing new properties.
- 3.26 These schemes will be funded from GLA grant, RTB receipts and additional borrowing. GLA funding assumptions are based on £100k per home for social and affordable rent and £28k for shared ownership. It is planned that RTB receipts will be spent in line with Government requirements (within 3 years). However, the Council has also entered into an agreement with the GLA to enable the Council to ringfence right to buy receipts plus any interest for a further 3 years if required.
- 3.27 Rents for re-provision in regeneration projects will be charged at social rent levels and new build developments will be charged London Affordable rent levels as part of GLA funding requirements.

<b>Scheme Description</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26 to 2029/30</b>	<b>TOTAL</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£000's</b>	<b>£000's</b>
Estate Renewals Projects	1,329	2,000	0	0	0	0	<b>3,329</b>
Alma Buybacks and Project costs	17,298	4,078	1,940	1,347	895	1,625	<b>27,183</b>
New Avenue Buybacks and Project costs	3,335	301	255	365	255	0	<b>4,511</b>
<b>Estate Renewal Programme</b>	<b>21,962</b>	<b>6,379</b>	<b>2,195</b>	<b>1,712</b>	<b>1,150</b>	<b>1,625</b>	<b>35,023</b>
Development Programme other & Future GLA schemes	28,744	42,403	26,775	37,708	34,244	186,753	<b>356,627</b>
Joyce and Snells			70,830	70,830	35,415	177,074	<b>354,149</b>
Electric Quarter	13,366	6,683	0	0	0	0	<b>20,049</b>
GLA Programme - Alma additional units	8,250	8,250	7,500	7,500	0	0	<b>31,500</b>
GLA Programme - Rooftops	8,375	21,875	21,625	8,125	0	0	<b>60,000</b>
GLA Programme -	0	0	23,625	11,813	11,813	0	<b>47,251</b>

Ladderswood additional units							
GLA Programme - New Avenue additional units	7,638	0	0	0	0	0	7,638
Bury Street	5,076	0	0	0	0	0	5,076
<b>Development Programme</b>	<b>71,449</b>	<b>79,211</b>	<b>150,355</b>	<b>135,976</b>	<b>81,471</b>	<b>363,827</b>	<b>882,289</b>

### 3.28 HRA BALANCES

The estimated position on balances is set out below:

	Balance at 31/03/2019	Movement in 2019/20	Estimated balance as at 31/03/20
	£m	£m	£m
HRA General Balances	4.62	0.08	4.71
Repairs Fund	11.08	-1.20	9.88
Major Repairs Reserve	0.00	0.22	0.22
Capital Reserve	0.91	17.40	18.31
Insurance Reserve	0.18	0.15	0.33
<b>Total Earmarked reserves</b>	<b>16.78</b>	<b>16.65</b>	<b>33.43</b>

### 3.29 PROPOSED RENT CHARGES FOR HRA PROPERTIES FOR 2020/21

3.30 In October 2017 the Government announced that from April 2020 local authorities would be allowed to increase rents by CPI+1%. The table below shows examples of the rents for 2020/21 for different types and sizes across the borough. It should be noted that these will vary for each tenant. The new rents will be operative from 6th April 2020 (the first Monday in the month)

Property Type	Average Rent 2019/20	Average Rent 2020/21	£ Increase	% Increase
Bedsit	80.77	82.95	2.18	2.70%
1 Bed Flat	85.61	87.92	2.31	2.70%
1 Bed House	96.88	99.50	2.62	2.70%
2 Bed Flat	94.58	97.13	2.55	2.70%
2 Bed House	107.76	110.67	2.91	2.70%
3 Bed Flat	104.72	107.55	2.83	2.70%
3 Bed House	118.06	121.25	3.19	2.70%
4 Bed Flat	111.11	114.11	3.00	2.70%
4 Bed House	123.91	127.26	3.35	2.70%
5 Bed House	135.27	138.92	3.65	2.70%
6 Bed House	156.57	160.80	4.23	2.70%
Grand Total	98.9	101.57	2.67	2.70%

3.31 In October 2016, Cabinet agreed Affordable Rent levels to apply to all New Homes built or acquired by the Council. The Rent Setting Policy agreed that 'When the Council builds or acquires new or additional properties then

consideration will be given to letting these at the higher affordable rent level inclusive of service charges. Affordable rents are based on Local Housing Allowance (LHA) rates and median income in Enfield.

- 3.32 As part of the GLA grant conditions all future development schemes will be charged the 'London Affordable Rent' instead of 'Enfield Affordable Rent'. Tenants currently on Enfield Affordable rents will remain and increased as part of the Social Rent Policy.
- 3.33 These rents are inclusive of service charges and have been increased by 2.7% (CPI +1%) as follows:

Bedroom size	2019/20	2020/21
1 bed	156.82	161.05
2 bed	190.14	195.27
3 bed	206.8	212.38
4 bed	221.5	227.48

- 3.34 In 2016 the Mayor of London introduced the London Affordable Rent on all new schemes funded with Greater London Authority (GLA) grants. These affordable rents will only be applicable on properties delivered through our GLA programme which have received grant. It should be noted that these rents are weekly and exclude service charges.
- 3.35 The following table shows the published rents for 2020/21:

Bedroom size	2019/20	2020/21
Bedsit and one bedroom	155.13	159.32
Two bedrooms	164.24	168.67
Three bedrooms	173.37	178.05
Four bedrooms	182.49	187.42
Five bedrooms	191.61	196.78
Six or more bedrooms	200.73	206.15

- 3.36 The below table shows the increase in properties in the Borough over the next 10 years, this is based on Council Housing's development programme. These will be a mix of affordable, shared ownership and private sale units across the borough:

Current stock numbers	10,693
RTB sales	-320
Current estate renewal programme	262
GLA grant funded & RTB programme	3,185
<b>Expected stock numbers</b>	<b>13,820</b>

- 3.37 It is useful to note that national research on housing affordability, suggests that spending a third of net household income (33%) on housing is a reasonable measure of housing affordability. Spending over 40% of net

income, particularly for those on median and lower incomes, could signal serious affordability issues.<sup>1</sup> These households are far more likely to struggle to make housing payments, resulting in arrears and defaults. Research has found they are also far more likely to experience material hardship because the effort required to prioritise their housing commitments creates problems elsewhere in their budgets.<sup>2</sup>

3.38 Many households in Enfield on median and lower incomes living in the private rented sector are having to spend more than 40% of their disposable income on housing rent. London Affordable Rent levels, set by the GLA, are lower than Local Housing Allowance rates for all bedroom sizes. This means any household receiving Local Housing Allowance would be able to afford London Affordable Rent. As the table below sets out, both social and LAR rents are considerably cheaper than both lower quartile and median private sector rents.

3.39 Latest data on rent levels for Enfield across tenures is set out in the table below

Bedroom Size	Enfield Social Rent 2020/21*	Enfield Target Social Rent 2020/21	London affordable rent 2020/21**	Lower quartile private rented sector	Median private rented sector***	Local Housing Allowance 2020/21
1 bed	93.71	94.62	159.32	231.00	242.00	211.84
2 bed	103.9	118.77	168.67	288.00	300.00	263.00
3 bed	114.4	138.46	178.05	340.00	368.00	324.57
4 bed	120.68	135.42	187.42	404.00	462.00	388.65

Based on average rent levels. There is the ability to charge up to 5% more on social rent levels for specific reasons, for example, a new build council house, these rents exclude service charges

\*\* this charge is inclusive of service charges

\*\*\* Private rented sector rents from private rented market statistics from Government Valuation Office, March 2019

### 3.40 PROPOSED SERVICE CHARGES 2020/21

3.41 It is recommended that the following service charges are made to those tenants in receipt of the services below

#### PROPOSED TENANTS SERVICE CHARGES

Service	2019/20	Proposed 2020/21	Change	Reason for change
	£	£	£	
Concierge	11.84	10.67	-1.17	1 block now receiving this service
CCTV	From 0.14 to 2.00	From 0.15 to 2.03	From 0.01 to 0.03	Increase in line with costs

Grounds Maintenance	1.90	1.94	0.04	Increase in line with costs
Caretaking Service	From 2.20 to 5.85	From 2.24 to 5.95	0.11	Increase in line with costs
Sheltered Caretaking	From 1.57 to 3.44	From 1.60 to 3.50	From 0.03 to 0.06	Increase by CPI
Sheltered Cleaning – Level 1 *	0.88	0.89	0.01	Increase by CPI
Sheltered Cleaning – Level 2 *	2.04	2.07	0.03	Increase by CPI
Sheltered Cleaning – Level 3 *	2.90	2.95	0.05	Increase by CPI
Landlord Communal Service Charge	From 0.27 to 3.22	From 0.28 to 3.27	From 0.01 to 0.05	Increase by CPI
Communal Electricity (Average)	14.10	15.16	1.06	Increase due to energy price increases

\* Sheltered Cleaning has three different charges based on a combination of the number of weekly cleaning hours and the number of properties within a block.

- 3.42 The Council's Housing Advisory Board and Customer Voice have been consulted on these proposals and consider that the new charges are acceptable.
- 3.43 In addition to the above service charges, water and sewerage charges which were previously collected by Enfield Council will now be collected by Thames Water directly. The impact of this change will result in a reduction of income to the HRA for the administration and collection of this of c. £300k per annum.
- 3.44 The garages which are let to Council tenants, leaseholders and private tenants are standard lock-up. A non-Council tenant premium' is also charged on all lets to private tenants, and any Council tenant or leaseholder who rents more than 2 garages.
- 3.45 It is proposed that from 2020/21 there will be no rental increase in the garage charges. There has been a recognition of the detrimental impact of the substantive price increase set 2018 that gave rise to 87 terminations of licence from licensees. Prior to 2018 rent increase a certain acceptance of daily problems encountered by licensees were tolerable as rent levels were reasonable. The private let terminations contributed to an estimated loss of revenue of £113k (calculated across a 52 week period). We have set out new garage strategy and following the steer from the Cabinet Member for Housing, it was decided that the garage rents should remain the same for 20/21. It was also agreed that a new concessionary rate will be introduced for private tenants in receipt of certain welfare benefits.
- 3.46 We are further proposing to introduce a concessionary rate for Private lets (non-council tenants) for those in receipt of the following benefits:



- Job Seekers Allowance
- Universal Credit
- Income support
- Pension Credit Guarantee
- Employment Support Allowance
- Disability Living Allowance
- Carers Allowance
- Mobility Allowance

3.47 The proposed charges for 2020/21 are:

	2019/20 weekly Rent per week £	2020/21 Proposed Rent per week £	Change %
Standard lock-up Garages	13.00	13.00	0%
Private Garage Rental	25.00	25.00	0%
Private Garage Rental Concessionary (New)	N/A	20.00	N/A
Garage Storage	25.00	25.00	0%
Parking Bay	8.00	8.00	0%

3.48 Following consultation with Residents we are proposing the following revised pricing structure for HRA Community Halls:

Community Hall Hourly Rate	2019/20 £	2020/21 Proposed Charges £	Change %
Private Hire	31.49	31.00	-2%
Charitable	18.36	18.36	0%
Council Housing resident	31.49	23.00	-27%
Enfield resident rate	31.49	25.00	-21%

3.49 In addition to the charge changes its proposed to offer the following:

- Tenant and Resident Associations – 2 hours free hire per month for activities supporting resident priorities
- Reduction in the minimum length of hall hire to 2 hours only
- Public Liability Insurance provided by the HRA in limited circumstances

### 3.50 LEASEHOLDER SERVICE CHARGES

3.51 The administration and management charge is a flat rate added to the cost of services to cover the preparation of estimates and actual costs, billing consultation on repairs and improvement works and estate management.

3.52 It is estimated that in 2019/20 a total of 4892 properties will have been sold under leasehold arrangements.

3.53 At the end of each financial year, the actual cost is determined, and an appropriate adjustment made to the charge.

- 3.54 The cost of administration and management for 2020/21 is estimated at £1.067m and it is therefore recommended that the charge for 2020/21 is set at £209.52 per leasehold unit.
- 3.55 The charges below are estimates for 2020/21. Adjustments will be made mid-year to reflect actual charges.

### **ADMINISTRATION / MANAGEMENT / SERVICE CHARGES FOR LEASEHOLD UNITS**

	Charge per week 2019/20	Charge per week 2020/21
	£	£
Administration & Management Charge	3.95	4.03
Caretaking Service	From 2.20 to 5.85	From 2.24 to 5.95
Communal Electricity	From 0.28 to 3.39	From 0.29 to 3.54
Concierge	11.84	10.86
CCTV	From 0.14 to 2.00	From 0.15 to 2.03
Grounds Maintenance	1.90	1.94
Paladin Bins	0.57	0.58
<i>INSURANCE</i>		
1 Bed	4.11	4.21
2 Bed	4.83	4.96
3 Bed	5.84	5.98
4 beds	6.34	6.50
Flat Repairs (Annual Charge)	0.02	0.02
Ground Rent (Annual Charge)	0.19	0.19
Estate Charge (Annual Charge)	0.25	0.25

### **3.56 Heating Charges**

- 3.57 The Council has in the region of 1800 properties in 68 blocks of flats serviced by communal heating systems.

### **3.58 Electricity Charges**

- 3.59 The advice that LASER (the Council's energy advisors) have provided shows that the non-commodity element (standing charge) of the electricity price is likely to increase by 9.2% in October 2020. The non-commodity charges cover the cost of delivering electricity, balancing the grid, all network costs including maintenance and development and Government taxes and levies. This element represents 50% of the total electricity price. In addition to this, there is a predicted commodity price increase of 4.3%. Affecting prices from October 1st, 2020 – September 30<sup>th</sup>, 2021.

The impact of this will be for 6 months of 20/21 with an overall (estimated) increase in electricity of be 7.5% in 20/21.

3.60 At present the political situation in the UK is unclear with Brexit taking the lead and causing uncertainty in the market. Consequently, the budget data should be treated with some caution as it is possible that predicted pricing from 1st October 2020 – 30th September 2021 may change.

3.61 It should be remembered that whilst prices are increasing Enfield Borough Council have in the past made significant savings on energy through consortium purchasing via LASER (part of Kent County Council) who are experts in energy procurement. They purchase energy for many public bodies enabling Enfield to benefit not only from their expertise but also from cost and price reductions gained through bulk buying. This continues to be the case even in a market with this level of uncertainty.

### **3.62 Gas Charges**

3.63 Similarly, gas prices have been affected with predicted increases from 1<sup>st</sup> October 2020 (through to 30th September 2021) non-commodity charge of 11% and commodity charge for most sites of 0.4%. The impact of this will be for 6 months of 19/20 with an overall (estimated) increase in electricity of be 4.4% in 20/21.

### **3.64 Other Charges**

3.65 The gas standing charge will rise in line with the Gas increase of 4.4% for 19-20, and fuel oil will increase by CPI at 1.7%

### **3.66 Under Occupation Project**

3.67 The aim of this 3 year project starting in 2020-21 is to make best use of Council stock by moving tenants that are under-occupying Council Homes into suitably sized accommodation thereby freeing up larger accommodation. With an increase in the incentive and flexible bespoke packages including support that meet the needs of tenants, and a supply of good quality homes in the right locations we will aim to do 60 Under-occupation moves per year.

3.68 The main benefits are:

- Freeing up much needed property with more than one bedroom to let to transfers (often severely overcrowded or in medical need), decants, applicants on the housing register and those in Temporary Accommodation. This benefits not only households but reduces the cost to the Council of providing Temporary Accommodation.
- The under-occupation incentive provides a cost effective way of providing larger Council accommodation. At a cost of £1250 to a maximum of £2500 for the incentive, it is far cheaper than purchasing property. The average cost of purchasing a flat in Enfield is £306,458.

- Prevention of rent arrears and possible eviction for tenants subject to the 'Bedroom tax' (because their accommodation is too big for their household) and there is a shortfall in housing benefit.

3.69 The current downsizing scheme offers a maximum of £750 towards the cost of moving which is relatively low compared to other London Boroughs. It is important to the tenants we have spoken too that the real cost of the move is covered, and this involves much more than the price of a removal van; This should also include provision for carpets and curtains and the disposal of furniture which by definition all downsizers will need to do.

3.70 Also, in continuing to allow tenants who have been affect by the bedroom tax and accrued arrears to downsize, we can use some of the funding available to pay the rent arrears and still provide enough funds to facilitate the move.

3.71 The increased proposal (from £750 for all sizes of units) is as follows:

£1,250 for giving up 1 x room

£2,000 for giving up 2 x rooms

£2,500 for giving up 3 x rooms

3.72 In addition, with the authorisation of the Head of Housing Services, increase the incentive aiming for flexible, bespoke packages that meet the needs of tenants on a case by case basis (with the authorisation of the Head of Housing Services), up to £2,000 per case.

### **3.73 Landlord Consent**

3.74 We are establishing a new process in which Landlord Consent applications will be processed. The applicable fees for each application type reflect the administration involved and the complexity of the work. The new Landlord Consent process will ensure that the Council is comfortable with the work being completed within leasehold properties and that the conditions of the work are adhered to.

3.75 The Council proposes to introduce the following tiered application fees for 2020/2021:

- Like for Like Alterations - £50.00
- Minor Structural Alterations - £100.00
- Major Structural Alterations - £200.00
- Retrospective Alterations - £350.00

3.76 It is estimated that there could be 15-20 applications in 2020-21, with estimated income generation of c. £4k.

3.77 Alongside this change we will be committing to provide a response within a 10 day period for like for like alterations reflecting feedback received from

residents. Timescales for other more complex alterations are subject to consultation with internal stakeholders and Leaseholders.

### **3.78 Ground Source Heat Pumps – Leaseholder Charging proposal**

3.79 GSHP are renewable heating systems which take free heat from the ground via boreholes and convert this through heat pumps into the provision of heating and hot water to individual properties.

3.80 Whilst the capital cost of these systems is currently higher than that of other systems such as gas, the governments Renewable Heat Incentive (RHI) schemes provides a subsidy which provides the capital repayment within circa 18 years. Essential the cost to Enfield is the carry cost of finance over the 18 years, the management of the installation works and any ongoing maintenance costs which are included in our annual revenue costs.

3.81 Currently RHI is due to end this year but we await an announcement of whether the scheme will be extended, or an alternative scheme developed.

3.82 GSHP only require electricity to run the pumps, the heat from the ground is free, so residents will see lower fuels bills over time. We are working with residents in the first schemes to evaluate the actual costs savings.

3.83 The systems also remove gas from our blocks (which has traditionally been the fuel source) which significantly reduced the risk of fire and explosion in our blocks, which is especially pertinent given the Grenfell Tower disaster.

3.84 On all of the previous GSHP schemes we have only charged leaseholders £2.5k, which reflects Enfield's costs, as a way of encouraging them to be included (we have a duty to provide a means of heating to their flats, but we do not define what that heating will be).

3.85 We design the system to ensure there is capacity for leaseholders to join but if they do not then we cannot get the RHI for their flat (around £14-£15k) so in essence we are paying in full for infrastructure which we could be fully funded from the RHI.

3.86 As part of our commitment to reducing carbon emissions and providing affordable warmth solutions, where we are proposing the installation of Ground Source Heat pumps.

3.87 We are proposing the following charging mechanism for Leaseholders:

1. Where properties are already on a communal heating system that we are upgrading or renewing than the cost to Leaseholders will be chargeable via a major works service, but the cost reduced by the value of the RHI grant so no profit made.
2. For all schemes where leaseholders are on individual boilers and we are introducing an environmentally more energy efficiency system we

incentivise leaseholders to join the system. Incentives include a reduction in heating costs, the council to manage and maintain the heating system and where the cost is £2500 or less agree a payment plan over 3-4 years to encourage leaseholders to agree to the installation.

### **3.88 Thames Water – Billing Changes**

3.89 In September 2019 Thames Water advised the Council that the way they were collecting water and wastewater from tenants was going to change.

3.90 Thames Water have reviewed the current arrangements and have decided they would like to have a more direct relationship with residents to discuss the full range of services, including those for people who need extra help and support directly.

3.91 Currently the Council collect the water charges on behalf of Thames Water and we receive an income to cover the cost of administration, this change will result in loss of income of c. £300k per annum.

3.92 All tenants affected have been contacted regarding the change which will commence on 1st April 2020 when billing will be direct.

## **4. ALTERNATIVE OPTIONS CONSIDERED**

4.1 Annual efficiency savings of 5% are being implemented across various departments to ensure a healthy level of balances are held and the business plan remains sustainable.

## **5. REASONS FOR RECOMMENDATIONS**

5.1 The Council must comply with the law in setting its rents for Council tenants. Setting an annual budget, capital programme and balanced HRA 30-Year Business Plan are also legal requirements. Increasing rent and service charges will allow the Council to provide new and better services to tenants, and the charges set out in this report are supported by the Council's Housing Board and Customer Voice (the Tenant and Leaseholder representative body).

## **6. COMMENTS FROM OTHER DEPARTMENTS**

### **6.1 Financial Implications**

6.2 The Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of estimates and the adequacy of proposed financial reserves. The 2020/21 HRA estimates have been prepared considering the following:

- The estimated impact of inflationary pressures. Allowance has been made for cost increases over and above the general rate of inflation where these are known;

- The estimated impact of increasing demands on resources where these are unavoidable;
- The estimated impact of underlying costs pressures, evidence by financial monitoring reports in the current year; and
- An assessment of key risks and uncertainties.
- The impact of additional borrowing requirements on the 30 year business plan.

6.3 It is therefore the view of the Director of Finance that the HRA budget is robust and that the balances held are prudent.

#### **6.4 Legal Implications**

6.5 Local authorities have the ability to set their own rents under section 24 of the Housing Act 1985. The charge must be reasonable for the tenancy or occupation of their premises. Section 24 also requires local authorities to periodically review rents and make such changes as circumstances may require. The section confers a broad discretion as to rents and charges made to tenants.

6.6 Under Section 76 of the Local Government and Housing Act 1989, the Council is required to prepare proposals in January and February each year relating to the income of the authority from rents and other charges, expenditure in respect of repair, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be based on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance.

6.7 The Council is a local housing authority within the meaning of the Housing Act 1985 and is specifically empowered to provide housing accommodation, either by erecting houses, or converting buildings into houses on land acquired by it for the purposes of Part 2 of the Housing Act, or by acquiring houses.

6.8 Right to buy receipts are capital receipts within the meaning of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and those Regulations generally require the Council to pay the amounts received to the Secretary of State on a quarterly basis. However, pursuant to section 11(6) of the Local Government Act 2003, the Council may enter into an agreement with the Secretary of State to retain the whole or part of a capital receipt. An agreement was entered into by the Council in 2012 which specifies circumstances in which the Council is not required to pay specified capital receipts to the Secretary of State.

6.9 Pursuant to Part III, Schedule 6 of the Housing Act 1985, repairing obligations are placed on the Council as Landlord in respect of properties held on leases after having been sold under the Right to Buy scheme. The Council's standard form of residential Lease with leaseholders further sets out these obligations.

- 6.10 Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred in accordance with the Landlord and Tenant Act 1985.
- 6.11 The Council's Lease entered into with Leaseholders require the Leaseholder to obtain consent for any alterations they wish to make to their home. The Landlord and Tenant Act 1927 is the statutory framework governing such requests which are not to be unreasonably withheld.
- 6.12 Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred in accordance with the Landlord and Tenant Act 1985.
- 6.13 The Council is required to act in accordance with the public sector equality duty under the Equality Act 2010 and have due regard to the duty when carrying out its functions, which includes making decisions in the current context. The Council also has a duty to show they have consciously addressed their mind to carrying out an Equality Impact Assessment (which includes any decision to increase or introduce charges to tenants).

#### **6.14 Property Implications**

- 6.15 Whilst Strategic Property Services (SPS) supports the HRA Rent Setting Report and its objectives, the range of underlying assumptions and their sensitivities means that it is impractical at this stage to speculate on the likely property implications arising from each possible scenario.
- 6.16 It would be prudent therefore to re-visit the impact on the HRA arising from specific changes, impacts or initiatives at the appropriate time as and when they occur.
- 6.17 Consideration should also be given to confirming the likelihood or otherwise of income from the commercial portfolio remaining at current levels or whether it would be prudent to introduce a forecast increase/decrease depending upon the status of the portfolio over the programme period.
- 6.18 Consideration should be given to ensuring that programmed land acquisition values adhere to the Council's Property Procedure Rules (PPR's) in relation to third party acquisitions and those between the HRA and General Fund. In particular any transfer between the HRA and General fund will be at market value at the moment of appropriation and at a figure in accordance with a valuation report and market circumstances as they apply at the time. In addition, the PPR's make reference to the procedure for Appropriation at section 8 which must also be adhered to.



## **7. KEY RISKS**

### **7.1 Building Safety**

7.2 The Grenfell fire in 2017 and the Government led Building Safety programme has placed a significant burden on the HRA over the last two years and additional funding has had to be identified and bought forward to finance reactive cladding works and large scale door replacement programmes, following the release of advice notes and changes to Approved Documents.

7.3 The Council is considering its building safety programme in preparedness for the forthcoming regulatory framework to ensure the risk of non-compliance at implementation, is mitigated.

7.4 The full financial requirements and implications associated with the new primary legislation are still to be fully understood as the findings of the 2019 consultation and scope have not been confirmed.

7.5 A draft bill is expected in early 2020. As such financial requirements in this area, will need to be kept under review.

### **7.6 Economic Uncertainty**

7.7 Risks around Brexit, possible increase in interest rates and details of the removal of the HRA Headroom Cap will all be kept under constant review during 2020/21 as part of the business planning process.

7.8 There is always a risk that at any point during the 30-year Business Plan the Government proposes a plan of action it intends to take which could influence the HRA balance. It is imperative that, at the point where there is reliable knowledge that a change is likely to occur, a full review must be taken to allow mitigation against all potential risks.

## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **8.1 Good homes in well-connected neighbourhoods**

8.2 We will ensure the delivery of regeneration to create thriving, affordable neighbourhoods and places by maximising development opportunities.

8.3 We will increase the supply of affordable housing including shared ownership by delivering planned estate regeneration programmes.

8.4 Well maintained council homes have an important impact on the standard of property in the borough. Council rent income is a key income for the housing revenue account to maintain housing stock

**8.5 Sustain strong and healthy communities**

8.6 Setting fair charges, investing in the Council's housing stock and effective management are some areas of this report that will have a positive effect on the local community.

**8.7 Build our local economy to create a thriving place**

8.8 Minimising tenant debt by maximising benefit take up will help the local economy.

**9. EQUALITIES IMPACT IMPLICATIONS**

9.1 The HRA 30-Year Business Plan supports the delivery of high quality services that promote equality and values diversity

**10. PERFORMANCE AND DATA IMPLICATIONS**

10.1 Setting a balanced budget for 2020/21 should enable the HRA performance targets to be met. Sound medium term financial plans are essential to support the delivery of excellent services and efficient use of resources. The budget proposals will ensure that limited resources are targeted at key priorities.

**11. HEALTH AND SAFETY IMPLICATIONS**

11.1 Noted within the report is our approach to fire safety including safety works and installation of sprinklers in all high-rise blocks.

**12. HR IMPLICATIONS**

12.1 Additional resources to deliver comprehensive developments is a requirement and review of the team's capacity is being undertaken to ensure the team has the key staff it requires.

**13. PUBLIC HEALTH IMPLICATIONS**

13.1 Good quality housing plays an essential role in improving public health and wellbeing.

13.2 Managing council rental income and mitigating welfare reform is an important part of avoiding debt issues and contributes to the general well-being of residents

**Background Papers**

None

## Appendix 1

HRA 30 year Business Plan	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	2041-2045	2046-2050
<b>CAPITAL PROGRAMME</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
HRA Planned Renewals	51.15	41.77	41.61	35.41	14.54	<b>71.34</b>	<b>72.86</b>	<b>93.80</b>	<b>103.49</b>	<b>97.35</b>
New Build Properties - Eligible	21.14	32.99	39.99	27.46	6.48	<b>32.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
New Build Properties - Non-Eligible	64.86	52.60	112.56	110.22	76.14	<b>332.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>37.94</b>
Receipts Used For Replacement Homes Non HRA	7.41	0	0	0	0	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Programme</b>	<b>144.56</b>	<b>127.36</b>	<b>194.16</b>	<b>173.09</b>	<b>97.16</b>	<b>436.65</b>	<b>72.86</b>	<b>93.80</b>	<b>103.49</b>	<b>135.28</b>
<b>CAPITAL RESOURCES</b>										
HRA Use Of Major Repairs Reserve	14.17	14.55	15.03	15.63	16.29	<b>54.63</b>	<b>36.61</b>	<b>38.71</b>	<b>55.10</b>	<b>108.84</b>
Borrowing	49.00	64.00	94.50	94.00	6.00	<b>158.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Grant Funding	14.00	14.45	49.05	6.46	9.46	<b>80.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.24</b>
Useable One-to-One RTB Receipts	7.60	8.27	6.53	4.64	0	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Other RTB Useable Capital Receipts	1.86	1.91	1.97	0.8528	0.8736	<b>4.70</b>	<b>5.32</b>	<b>6.03</b>	<b>6.85</b>	<b>7.75</b>
Receipts Used For Replacement Homes Non HRA	7.41	0	0	0	0	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Other Sources Of Finance	17.13	16.73	20.70	45.95	55.66	<b>123.72</b>	<b>30.93</b>	<b>49.06</b>	<b>41.55</b>	<b>16.45</b>
Revenue Contributions To Capital Total	33.39	7.45	6.39	5.57	8.87	<b>14.70</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Resources Detail</b>	<b>144.56</b>	<b>127.36</b>	<b>194.16</b>	<b>173.09</b>	<b>97.16</b>	<b>436.65</b>	<b>72.86</b>	<b>93.80</b>	<b>103.49</b>	<b>135.28</b>

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**MUNICIPAL YEAR 2019/2020 REPORT NO. 194****MEETING TITLE AND DATE:**

Cabinet  
12th February 2020

**REPORT OF:**

Executive Director Place

Director of Housing and Regeneration

[Joanne.drew@enfield.gov.uk](mailto:Joanne.drew@enfield.gov.uk)

<b>Agenda - Part: 1</b>	<b>Item - 9</b>
<b>Subject: Enfield Repairs Direct</b> KD: 5070	
<b>Wards: All</b>	
<b>Cabinet Member consulted: Cllr Needs</b>	

**1. EXECUTIVE SUMMARY**

- 1.1. In June 2019 Cabinet approved the in-sourcing of the Housing repairs service, with a soft start planned for April 2020.
- 1.2. This report sets out the good progress made to date, the design of the service and the service standards which support the delivery of the service.
- 1.3. It also seeks approval of the relevant policies which underpin the service, defining clear tenant and landlords' responsibilities, timescales for delivery of repairs and compliance and clear approaches to other relevant areas of the service which will be published.

**2. RECOMMENDATIONS****Cabinet:**

- 2.1. Agrees the proposed service model for Enfield Repairs Direct at appendix 1 and to monitor performance through the indicators highlighted in section 9.
- 2.2. Approves the Housing Repairs, Maintenance and Planned works Policy at appendix 2 which sets out what is in the scope of the service and what is the responsibility of tenants and leaseholders.
- 2.3. Agrees the Housing Compliance Policy at appendix 3 setting out our standards for ensuring we meet our legal obligations and ensure residents safety.
- 2.4. Delegates to the Director of Housing and Regeneration in consultation with the Cabinet Member for Social Housing further operational arrangements to support the delivery of the service as necessary.
- 2.5. Notes the business plan shown in appendix 5
- 2.6. Note the branding as shown in appendix 4

2.7. Agrees the charging policy for works delivered outside of the Council's responsibilities under the Repairs Policy.

### **3. BACKGROUND AND CURRENT POSITION**

3.1. Cabinet agreed to take direct responsibility for the delivery of the day to day repairs service in June 2019 (KD4868). This report provides an update on progress and seeks approval to the service model and policy which outlines the service to be delivered. This project sits within the wider Better Council Homes programme which is seeking to transform the Council Housing Service in line with the Good Growth Housing Strategy through investment in the quality of homes and in the service supported by a new housing ICT system.

3.2. We have been working closely with contractors as part of the demobilisation process to sustain service standards. We are working to mobilise the service by April 2020 with the contractors providing back up provision as necessary for a further 6 months.

#### **The current service is performing as follows:**

External Contractors – job completed on time in December 2019 is at 85%

#### **MOT team**

The pilot MOT service which commenced in January 2019 has delivered the following improved outcomes:

- In excess of 2400 MOTS completed (including property checks, minor repairs and stock condition surveys)
- Customer satisfaction with MOTS in excess of 94.7%
- Follow on jobs undertaken in excess of 1100
- In addition to the above, the MOT team has also supported the council in delivering the winter rough sleeper initiative, various health and safety fire risk related works and assistance to the borough wide smart meter rollout programme.

### **4. DESIGNING THE SERVICE MODEL**

4.1. The new service has been designed to respond to feedback from residents and Members, from knowledge of the housing stock arising from the stock condition survey and to reflect best practice and the requirements under the Homes Standard of the Regulator for Social Housing. Customer Feedback included:

- Calls should be answered quickly by knowledgeable staff who diagnose issues and can book a convenient appointment slot.
- The repairs service needs to be more reliable and achieving a high level of first-time fix.
- Keep residents informed, communication is key

- Improve on-line offer for reporting of repairs and provision of information for self-help.
- Provide an enhanced repairs service for our vulnerable residents.
- Better recruitment, retention and training of local staff.
- Staff must be provided with the right tools, with well-equipped van stock so they can do the job on the first visit
- We must tackle long term issues in the housing stock, it's bigger than just day to day repairs.
- Support residents who want to self-help.

4.2. The proposed service model attached at appendix 1 summarises the offer, standards and service outcomes. The full model will be implemented on a phased basis as follows:

- Housing Resolution Centre by the end of February 2020.
- Improved booking of repairs on-line via an incremental improvement over the next year.
- Responsive Repairs by April 2020.
- Rapid Intervention by April 2020.
- MOT service is already being offered.
- Active Asset Management is already being delivered (as evidence by the intelligence led 30-year business plan) and will continue to be developed with the introduction of a new Housing Asset Management strategy in June 2020 and continuation of stock survey programme.

4.3. We anticipate that it will take 12 months to fully bed the new service in. It is proposed that Cabinet will keep the performance under review by receiving quarterly reports on:

- Appointments made and kept.
- First time fix rate.
- Customer satisfaction with the Repairs Service.

4.4. It should also be recognised that whilst it has been designed to deliver the improvements identified it also provides additional benefits. For example, there will be a rapid intervention service capable of responding to any major problems or failings in services that occur from time to time

4.5. The Repairs Policy at appendix 2 sets out what is in the service scope and our timescales for completing repairs and what is a tenant/leaseholder responsibility where we will provide advice and guidance on how to maintain the home.

4.6. Whilst it is clear that a number of the issues are caused by the current arrangements for responsive repairs, a significant part of customers dissatisfaction is with the longer term, larger issues in their homes, for example end of life failing infrastructure, Decent Homes works and damp and mould problems. We have the reviewed Housing Property Services team to ensure it

is fit for purpose and has the right areas of focus, roles, capacity and skills sets to tackle all of the areas in the future. The following features are included.

## **5. A Housing Resolution Centre**

- 5.1. To ensure the success of the new service it is acknowledged that improved access to reporting repairs and to ensuring their resolution is an integral part of the new solution. We will therefore embed within the housing service a Housing Resolution Centre diagnosing repair requirements, agreeing responsibilities, scheduling the works and seeking feedback on completion.
- 5.2. The service will be made up of operatives who will be given specialist housing training to provide a one stop solution for all housing related issues and help eliminate the handoff of calls for customers with multiple housing related issues.
- 5.3. This will be co-located with the repairs and other housing services in Edmonton which will allow for greater knowledge exchanges and collaboration between the teams.
- 5.4. This team will also promote all available contact channels to give our residents maximum choice in how and when they choose to engage with us, in particular with an improved on-line reporting and tracking facility.
- 5.5. The role of Head of Service Quality (Council Housing) will be created to develop and implement a framework for driving up resident satisfaction with Council housing services ensuring compliance with the standards of the Regulator for Social Housing.
- 5.6. It will also be responsible for the development of an overarching performance measurement framework, collection and response to customer insight, resident satisfaction, testing, complaints, prevention and learning.
- 5.7. As this role utilises insight from across Council Housing and has oversight of the end to end customer journey this role will provide the day to day management and supervision of the Housing Resolution Centre.
- 5.8. As we develop this service, we may need to implement new direct telephone numbers, email addresses and web pages. All changes will be publicised to all existing and new residents and leaseholders once they have been agreed and implemented.

## **6. Repairs and maintenance – direct delivery**

- 6.1. The direct delivery team will deliver all day to day repairs alongside a task force to deliver MOTs, targeted approaches to areas, estates or buildings and difficult to solve issues including damp and mould and disrepairs cases. (See appendix 6)



- 6.2. The repairs teams will be broken down into three area-based teams geographically assigned to the North East, South East and West of the borough (although can work cross borough in time of high demand). Each of the areas is based around the stock numbers and density, this will minimise journey times for operatives and will allow teams to get to know both the stock in their areas and also the residents. These teams will each consist of a repairs manager who has responsibility for performance of their team and the service, a working chargehand who will be responsible for checking the quality of works plus a number of multiskilled operatives. Each team will also have a trades apprentice as part of our grow our own objective.
- 6.3. The direct delivery teams will complete all responsive emergency and urgent works and the smaller routine works which do not require large amounts of plant or equipment, with the exception of works to gas heating systems which will continue to be provided by external contractors. The teams will also be providing an out of hours emergency service. As well as undertaking the repairs, operative will be tasked with identifying other issues, either with the property or tenants and will either signpost tenants to how they can obtain additional help or raise the issue with the appropriate teams in the council.
- 6.4. The model is based around delivering 40,000 repairs per year plus 2000 MOTs, this represents 3.81 repairs per property per year. We have however built into the five-year model a reduction in the number of jobs which will be a result of the MOTs, significant investment programmes and the reintroduction of cyclical programmes to 2.93 repairs per property per year.
- 6.5. The MOT/rapid response team will continue to target high- and low-end users of the repairs service and offer additional help to vulnerable tenants as required. They will also provide target interventions on estates, undertaking communal MOTs on a cyclical basis and targeted approaches as necessary.
- 6.6. We will also start to robustly enforce both the rechargeable repairs policy and the landlords consent policy, ensuring that residents who abuse their homes are made accountable and that the safety and integrity of our properties is not compromised.
- 6.7. The direct delivery team will also mobilise to offer a chargeable service offering, which will provide additional potential income stream for the service and help generate efficiency benefits from increased scale of the overall service.
- 6.8. We will be developing our offer over time but initially will be looking to offer our service to leaseholders and other customers on commercial terms which reflect our costs. Initially this offering will be limited to work areas where the service has additional capacity and direct resource and will not detract from delivery to our core customers, but as we continue to develop the commercial offering, we will look to increase resource as necessary.

## 7. Planning team

7.1. The delivery team will be supported by a team of intelligence led planners who will organise the works, ensure sufficient resource is available to complete the works, arrange special materials and liaise with tenants if appointments or works are changed.

7.2. This team will work closely with the Housing Resolution service (located together in Edmonton) to provide answers to customers at the first point of call. This close relationship, and the upskilling of the Housing Resolution staff is essential to make the service work effectively for our customers.

## 8. Repairs and Maintenance - Contracted delivery

8.1. To provide a full service we are procuring a number of support contracts for larger works which our direct teams will not deliver or for specialist and high risk activities which are better delivered by the external market. These include scaffolding, asbestos surveying and removal, large roofing works, cyclical works including decorating, works to gas appliances and all compliance services

8.2. A break down of the anticipated support contracts is shown below:

Work stream	Estimated value (2020/21)
Specialist Sub-contractors (e.g. asbestos works, scaffolding, roofing repairs, metal work)	£1,100,000
Cyclical Programmes (e.g. external decorating, drain clearance)	£1,100,000
Planned repairs (e.g. fire risk works, large concrete works, large fencing works, boiler repairs)	£1,985,000
Voids (HRA properties)	£1,750,000
Compliance (e.g. gas servicing, electrical checks, legionella)	£4,540,000
Planned asbestos surveys	£525,000

8.3. Whilst we will be looking to continue to bring some of these services in-house in the future this approach allows us to hone our processes, ensure a manageable recruitment need and minimise risk as we implement the service. This team has been built to provide enough contract management and surveying support to ensure quality is maintained and the contractors work within the KPIs for the service. It also ensures we can manage some of the cyclical programmes which have previously been stopped, which has led to the deterioration of our properties.

8.4. This team is also responsible for the overall performance of the repairs service, essentially acting as the client to manage performance, provide financial control and identify and implement continued business improvement. Whilst we have built a conservative efficiency gain into our business plan, this team will be tasked with ensuring that we outperform the plan.

## **9. Housing Landlords Compliance**

9.1. Of high importance is our continued commitment to ensure the safety of our residents in their homes. For the majority of our compliance activities (gas servicing, electrical checks, legionella etc) we will continue to out-source to specialist contractors on a risk-based approach.

9.2. For Fire risk activities our Resident Safety Director has developed a series of property standards and a clear approach to identifying fire related works, a tracking system and a reporting mechanism to provide assurance. Additionally, a clear set of demonstratable material and workmanship standards has been developed to ensure the quality of fire related works in our properties. Fire related works will be delivered by our direct delivery teams where appropriate, and external contractors for larger more complex works packages.

9.3. We have built sufficient specialist skills and the capacity within the team to ensure 100% compliance and tackle any issues which arise.

9.4. We have also invested in additional modules on our housing asset management system (APEX) which will allow us to fully track our compliance activities and enable clear reporting and tracking of activities.

9.5. The detailed approach toward compliance is shown in our Housing compliance policy, appendix 3.

## **10. Asset management**

10.1. One of the significant reasons for the poor performance of repairs has been the lack of long-term asset management approaches over the last few years. Our stock condition data was old, and we were not undertaking programmes or work which tackled issues based on asset life and component replacement need, but more around areas and block approaches.

10.2. We have now completed a 25% stock condition survey and will continue to survey all of our properties over the next few years. An Asset Management Strategy for Council Housing will be submitted by June 2020

10.3. This strategy will be subject to the publication of the Social Housing White paper which may require us to adopt a new standard, and which will address all statutory and regulatory requirements, as well as the wider changes on Building Safety which the Hackett report will require.

- 10.4. This strategy will also address forthcoming changes to the decent homes standard which requires us to consider our properties in their wider context (environmental improvements, tackling ASB etc) and the impact of meeting a zero carbon agenda by 2050 (with the likely ban on the installation of fossil fuel burning appliances in 2025).
- 10.5. This intelligence led technical team will ensure we have one point of truth for all of our HRA assets, we understand their needs over the next 30 years, and we have appropriate plans in place. They will lead on the replace not repair approach, working closely with the repairs teams to identify properties in which elements have become beyond economic repair (BER) and add to works programmes.
- 10.6. They will also offer a full building surveying service to properly diagnose and solve problems, create and own the standards for our properties, deal with HRA land licencing and sales and provide technical support on landlord consent applications.

## 11. Planned Works

- 11.1. The planned works team is responsible for the full procurement and delivery of the capital works programmes of circa £195 million over 5 years, including all of the fire related works programmes, fed from our fire risk assessments. The team will work closely with repairs and asset management teams to deliver works which support 100% on all compliance measures, including decent homes and have in place flexible contracts in place which allow us to quickly tackle problems if they arise.
- 11.2. In order to facilitate the delivery of sizable approaches we have taken a short-term approach of simplifying packages and working with smaller companies to deliver these programmes, whilst engaging larger contractors on more complex works which better reflect their skill sets and access to supply chains.
- 11.3. Over the next year we will be developing and implementing a five-year mixed delivery procurement strategy, which will target the local economy and allow us to bring projects quickly to site, whilst ensure an appropriate level of risk is maintained. This will also include the provision to directly deliver some of these works as we increase our in-house service.
- 11.4. To date it has been difficult to recruit the technical officers into this team, but we have worked closely with our HR colleagues to develop a recruitment approach and have introduced a number of roles which have a clear career progression, again taking the *grow our own* approach.

## 12. IMPLEMENTATION

The existing maintenances contracts end in April 2020 and as approved by Cabinet a phased approach to implementing the new service is being taken.

### 13. Progress made against our mobilisation plan as follows:

- 13.1. **Recruitment** - We have fully developed the team structure and required number of operatives based on an analysis of the repairs history we hold. Looking at the number of jobs and type of works plus an analysis of complaints and MEQs we believe this is the required structure to deliver the service. There will be three area-based teams each consisting of a repair's manager, a chargehand, 12 operatives and an apprentice.
- 13.1.1. The existing MOT service will continue as part of the rapid response team which will consist of a repair manager, a chargehand, 9 operatives and an apprentice.
- 13.1.2. Where possible we are recruiting multiskilled operatives who each have a lead trade (carpenter, plasterer, decorator etc), however Electricians tend to be more single trade and accordingly each team will have at least one electrician.
- 13.1.3. The planning team has been developed to support the teams, with 4 planners (one allocated to each team) plus a senior planner to oversee the planning and provide cover as required.
- 13.1.4. Overseeing the direct delivery team is the introduction of a new Head of Service reporting directly to the Head of Housing Property Services.
- 13.1.5. This structure and changes in the existing structure has gone through a consultation process with unions and staff and is being implemented. A core principle of this structure of the service has been to protect the knowledge retained in our existing permanent workforce whilst creating a structure which can deliver change.
- 13.1.6. In order to deliver the phased implementation, we have directly recruited a number of the staff on a temporary basis, this has allowed us to test the quality and skills of operative, ensuring they understand the importance of customer service and have the softer skills necessary for these roles.
- 13.1.7. We have been working with the HR and recruitment teams to take a temp-to-perm approach where appropriate and we are working with contractors to ensure our TUPE obligations to the existing contracted workforce are met.
- 13.2. **Branding** - We have worked with the insourcing Stakeholder Group to develop the branding which clearly associates the service with Enfield council

whilst giving the service a clear commercial identity. (see appendix 4). All vehicle will be branded accordingly, and all operatives will be required to wear branded uniforms to make it easy for our customers to identify them. The preferred name of the service is Enfield Repairs Direct (ERD).

13.3. **Housing Resolution Service** - We have been working with the corporate call centre teams to develop an embedded Housing Resolution Service using the same telephone platform. The dedicated team will be based in Edmonton, we have worked with the Build the Change programme to provide the infrastructure in the Edmonton office and with the L&D team develop an enhanced housing specific training programme.

13.1.8. We will employ a Head of Service Quality (Council Housing) role to manage the operational functions of the Housing Resolution Service and act as the client in the relationship with the corporate call centre.

13.1.9. The corporate team currently use the Lagan CRM system to monitor customer contact but are looking to introduce a new system which will correctly classification calls for accurate analysis of customer demand and develop strategies to drive up avoidable contact.

13.1.10. Until the new system is in place Housing will introduce a CRM module as part of the Civica CX implementation in April which will give Housing one point of view of our Housing customers and allow us to fully track the multiple needs of our customers.

13.4. **Systems and IT interface** - We have tested, procured and implement the IT system to support the delivery of the service. This is a stand-alone product which can work independently from other systems but in order to provide full visibility we are working on the integration with Civica CX, our new housing management system which will go live in May 2020.

13.4.1. This system provides a full mobile working solution, using standard phone devices and allows operative to see their jobs, including resident details, property information sect, record the progress of the job, including uploading photographs before, during and after the works and book following on jobs with the resident whilst on site. It also allows managers to identify service failures in real time, for example missed appointments, jobs missing their timescales or low customer satisfaction and therefore deal with them immediately before they become a compliant.

13.4.2. Whilst we have ensured that the system can be largely implemented independently from other systems there are a number of key risks which remain;

Risk	Mitigation
IT resource available for configuration and support	Specialist support has been recruited and budget was included in implementation costs

System not suitable	Requirements developed and an initial trial period was undertaken prior to full procurement and implementation
Integrations not developed	Manual workaround has been identified if necessary
Mobile devices not available	Working with IT to ensure devices are available as and when required

13.5. **Training and development** - To ensure the new repairs service starts positively and improvement is seen by both the workforce and residents, an extensive training and induction programme is being developed. This will cover all Enfield Repairs Direct, Housing Resolution Centre Staff and back office teams. Priorities within the programme include:

- Customer Service Excellence.
- Systems Use- Civica, Service Connect,
- Risk Assessments and Health and Safety including lone working
- Equality and Diversity.
- Development of an operating manual to provide guidance and practical support to operatives out in customer homes.
- The Enfield Council Behaviours.
- Management Training (Managers)
- Contract Management (Managers)

13.5.1. All new starters are completing the induction and complete a full skills analysis, this will enable individual development plans to be created and support the continuous professional development of our workforce.

13.6. **Supply chains development and procurement** -We have worked with our procurement colleagues and some external consultants to put in place the support contracts required for the successful delivery of the service. We have in place a materials, tools and PPE contract with Travis Perkins who have a large depot in the centre of our district, each of our Repairs managers will also have a P-card for ad-hoc material purchases. We have also putting in place a number of contracts for scaffolding, asbestos, large fencing and concrete works and the new compliance contract which will support the service. These are currently going through the appropriate procurement and sign off routes.

13.7. **Fleet** - We have used the current corporate fleet contracts to purchase the full fleet required, which will be fully branded to provide visibility. This is included in the HRA capital business plan. All servicing and maintenance will be provided by the corporate teams as an annual package undertaken at the Morson road depot, operative will also refuel their vehicle at Morson Road. The corporate team already have robust approach to monitoring fuel use and ensure there is no mis-use of fuel or their vehicles and as such we will be adopting their control systems

13.8. **Governance and Control** - We have developed a full suite of process maps, policies and schemes of delegation to provide a clear governance and control structure within the new service. At all stages we have worked with the internal audit teams as a critical friend to agree the appropriate control measures and have requested an internal audit within the first quarter of operation to provide assurance that these processes are embedded in the service, are being followed and are fit for purpose. Operationally the Housing management team are overseeing the continued performance and the Insourcing Stakeholder Group, chaired by the portfolio holder for social housing, which is made up of councillors, residents and leaseholders will continue to monitor the service against its core objectives.

## 14. FINANCIAL

14.1. The cabinet paper in June 2019 approved the expenditure of £1.2m for the implementation of the in-sourced service and approval to deliver the service within the existing budgets. The current spend on implementation is included in the appendix as is the five-year business plan for the service will provides a full cost forecast. This has been considered by our finance teams.

14.2. We have included a realistic level of service improvement which will repay the £1.2million initial investment by year four but will be aiming to outperform this. We believe that we will see efficiency savings from two core areas;

- as we embed the service, fully develop the IT system and gain a greater understanding of the type of works and products we expect to be able to deliver the service more effectively.
- the improved asset management approach, the introduction of the proactive MOT, cyclical programme and a full capital programme will see a reduction in the number of repairs required.

14.3. The five-year Business Plan is shown in appendix 5

## 15. COMMENTS FROM OTHER DEPARTMENTS

### 15.1. Legal Implications

15.2. The Council has the power under the Housing Act 1985 to provide housing and to alter, enlarge, repair or improve its housing stock. It also has a number of statutory and contractual obligations to its tenants and leaseholders to ensure that the structure of their homes and the communal areas are kept in repair and that in its tenants' homes and the communal areas are kept in proper working order. The in-sourcing of repairs and maintenance gives the council greater control of day to day HRA spending and means there is the potential for more flexibility in implementing new initiatives and service improvements with the proposed policies and business plan in this report.



Residents have been kept informed of the changes through the Customer Voice group.

- 15.3. Pursuant to Part III, Schedule 6 of the Housing Act 1985, repairing obligations are placed on the Council as Landlord in respect of properties held on leases after having been sold under the Right to Buy scheme. The Council's standard form of residential Lease with leaseholders further set out these obligations.
- 15.4. The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles. This power encompasses the power to enter into contracts. In addition, Section 111 of the Local Government Act 1972 permits local authorities to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of their functions.
- 15.5. There are to be a number of contracts that are planned to be awarded to support the new inhouse Enfield Repairs Direct service. These include the Repairs and Maintenance - Contracted delivery contracts, the Planned Works contracts, contracts for scaffolding, asbestos, large fencing and concrete works, the new compliance contract. For each of these types of contracts the Council must comply with all requirements of its Constitution, Contract Procedure Rules ("CPRs") and the Public Contracts Regulations 2015 ("Regulations") as appropriate, depending on the value of each contract.
- 15.6. For any contracts to be awarded with a value that exceeds £250,000 this is a Key Decision and the Council must comply with the Key Decision procedure.
- 15.7. Attention should be drawn to the Council's Public Sector Equality duty (PSED General Duty) under the Equality Act 2010 when making decisions.

## **Procurement**

- 15.8 The Procurement and Commissioning Hub will support the Service needs to ensure that the continued outsourcing of compliance works, major works programme and voids is undertaken to ensure procurement compliance alongside the development of the commissioning strategies to drive best outcomes.
- 15.9 Any procurement to support the delivery of the 'Future of Responsive Repairs Service including the 'Better Council Homes' programme for Housing will be undertaken in accordance with the Councils Contract Procedure Rules and the Public Contracts Regulations (2015).
- 15.10 Consideration of the use of any Framework Agreement must first be approved by the Procurement and Commissioning Hub and it is essential that any procurement follows the framework process to remain compliant. Use of

Frameworks Agreements must always be considered alongside all alternative procurement options and routes to markets,

- 15.11 The award of contracts, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

## Property Implications

No corporate property implications considered at this time

## 16. KEY RISKS

<b><u>RISK</u></b>	<b><u>MITIGATION</u></b>
<b><u>Mobilisation/demobilisation</u></b>	
Ineffective service mobilisation	The insourcing Project Board has been established and sits under the wider Better Council Homes Programme enabling oversight of all strands of the programme and in particular the co-dependencies.
IT infrastructure and integrations not in place and working to deliver a smooth customer experience.	The Civica Project Team is fully resources and working with property services to deliver the interface between Service Connect. An extension of Northgate is being managed to ensure there is a smooth transition and the legacy system remain live.  Back up arrangements with existing contractors procured
The existing contractor's performance dips significantly during the demobilisation period	Continue to work closely with the existing contractors to help manage the de-mobilisation. In addition, the MOT team are being deployed to support interventions around service failure during this period.
Cost overruns	The project board provides financial control over the mobilisation budget.
<b><u>Service development:</u></b>	
Available workforce on LBE pay grades and contracts	The roles have been market tested. Building the team capacity over time through the extension of the MOT service.

TUPE (poor quality transferred or no transfer)	Legal requirement, limited ability to influence Scaling up of MOT service gradually provides some capacity. HR is supporting the TUPE process.
Business support to mobilise the individual elements, especially around HR, Procurement and IT	HR and IT are represented on the Project Board. In addition, procurement is supporting the supply chain requirements including vans, materials and sub-contractors.
External competition for staff	Job descriptions have been subject to job evaluation. Phased recruitment campaign to build capacity over time. Internal recruitment campaign to be delivered
Suitable back office support	Key back office roles have been recruited to in order to support the delivery of the expanding MOT / Rapid Intervention Service and ensure effective training and induction prior to mobilising the broader responsive repairs offer.
Internal processes are not dynamic enough to support the pace required to develop the service	Work with governance teams to understand key milestones and potential bottlenecks. The delivery programme will need to be developed to reflect this.
<b>Service delivery:</b>	
Reputational risk for service failures fall directly on LBE	Ensure quality of staff, systems, quality control measures are in place ahead of go live including a clearly documented staff manual with guidance and templates. Rapid Intervention Service also helping to address issues relating to service failure building back trust and reducing reputational risk / damage.
Poor quality control	Service Connect enables a balance between
Failure to successfully integrate core systems	Reporting and escalation through programme board is in place. Northgate will be retained so the legacy system will be available if required.
Delivering and evidencing value for money	Develop a core KPI suite and benchmark against others, ensure

	measures reflect Economy, Efficiency and Effectiveness
All H&S matters	Comprehensive H&S training matrix has been developed, tool box talks and risk assessment role specific completed
Fleet and driving issues	Adequate policies and controls have been developed and in place
Maintaining the right supply chain	Ensure suitable procurement exercise undertake, due diligence and mobilisation.

## 17.IMPACT ON COUNCIL PRIORITIES - CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

### **Good Homes in Well-Connected Neighbourhoods**

The service will support the wider asset management strategy and resident safety programme in delivering well maintained homes which meet the requirements of our residents, help residents stay in their home and tackle fuel poverty.

### **Sustain Strong and Healthy Communities**

Our service will give us the flexibility to tackle both individual homes and the communities in which residents live. By taking a proactive approach to responsive repairs we will be able to help tackle anti-social behaviours and give residents pride in their communities.

### **Build our Local Economy to Create a Thriving Place**

We will focus on supporting residents into work opportunities within the service and using the local supply chain to support the service.

## 18.EQUALITIES IMPACT IMPLICATIONS

The service has significant opportunity to promote fair access, diversity and inclusion and should have been subject to a full equality impact assessment covering each of the protected characteristics covered under the Equality Act 2010 to include reference to how we will:

- Diversify the workforce.
- Our enhanced offer for vulnerable residents.
- Aids and adaptations.
- Language barriers.
- Responding to issues relating to disability.
- Domestic Violence.

- Hate Crime.

## **19. PERFORMANCE AND DATA IMPLICATIONS**

A full suite of KPIs is under development reflecting a broad range of measure for the service. These include:

### **Housing Resolution Centre:**

- Calls answered in 30 seconds.
- % of calls handed off to planners or property teams.
- Repairs appointed at first point of contact.
- Abandonment rate.
- % of repairs transactions online.

### **Responsive Repairs:**

- Appointments Made and Kept.
- Emergency attend within 2 hours, completed within 4 hours.
- Urgent within 48 hours.
- Routine within 90 working days (average 15 days).
- Pass rate post inspections.
- First Time Fix.

### **Rapid Intervention Team:**

- Number if property MOT's completed.
- Customer Satisfaction with MOT service.
- Average number of repairs completed per MOT.
- Average number of follow-on works per MOT.
- Average number of days to complete follow-on works arising from a MOT.
- % of works from estate inspections completed on target.

### **Compliance: the full suite as already published**

### **Productivity / VfM Measures:**

- Average no of repairs per property per annum.
- Average cost per property of repairs.
- Average cost for each of emergency, urgent and routine repairs.
- % of works to sub-contractors.
- Average number of jobs per operative per day.
- Open Jobs (Work in Progress Report).
- Number of cancelled jobs.

### **Customer Satisfaction:**

- Satisfaction with last repair.
- Satisfaction with Repairs Service.

### **Complaints:**

- Complaints as a % of jobs raised.

- % Complaints responded to within target.
- % Members Enquiries completed within target.

Customer satisfaction will be measured at the end of every job, our new IT system will send a satisfaction survey to every resident, via text, email or post and the responses collated, where resident are unhappy with the service they will be contacted by a repairs manager to understand the issue and rectify where necessary.

These measures will be embedded within the Council Housing Property Services performance reporting framework to offer assurances of compliance against the regulatory Home standard.

They will be monitored operationally by the Head of Housing Property Services and strategically by the Director of Housing and Regeneration and reported to the Executive Directors and other appropriate groups.

## **20. HEALTH AND SAFETY IMPLICATIONS**

The health and safety of the service will be embedded as part of our culture. All staff will be appropriately qualified and competent in the task assigned. A mandatory training register will be monitored and reviewed for compliance during staff performance management meetings. A training matrix has been developed for role specific requirements.

Task specific risk assessments have been developed and issued to staff and are regularly reviewed. Also provided via the mobile application for each task is a requirement for a dynamic risk assessment to be completed on site by trade staff. This will be supported by a safe system of working and tool box talks.

All work that are covered by CDM requirements will be completed under the under the 2015 legislation.

The corporate H&S team will be invited to complete regular advisory audits and the British Safety Council will provide an annual independent audit of the service.

All staff with supervisory duties will be required to be IOSH managing safely qualified and will complete all mandatory training as directed by the corporate H&S policy.

## **21. PUBLIC HEALTH IMPLICATIONS**

Tenants living in social housing are often amongst the most vulnerable residents in the borough. Housing is a key element within wider determinants of well-being, meaning that good housing is essential for good mental and physical wellbeing. We know that poor quality of housing can be a cause of significant health issues such as asthma, as well as a contributing factor in issues such as poor mental health. Nationally published literature also indicates

that accidents in the home, often associated with poor housing conditions, are also contributory factors to falls among older people, injuries among children, and other accidents. In creating a service that is able to maintain excellent levels of housing maintenance in a timely manner we will contribute towards providing home environments that promote resident's wellbeing.

## **22. HR IMPLICATIONS**

The proposal outlined has significant HR implications and includes a service provision TUPE, substantial recruitment and impact on current teams within the LBE.

## **23. TUPE**

The TUPE regulations require that the impacted staff are: informed and consulted by their employer; are advised that the transfer is going to take place and approximately when; informed of the implications of the transfer; measures need to be consulted on and agreed and it is also best practice to allow 30 days for consultation with the staff and their representatives. Formal consultation will be led by the current employer as the "transferor" in the transfer arrangements.

There will need to be close communication between the outgoing employer and LBE as the incoming employer to ensure that joint consultation takes place; employee liability information is received by the LBE 28 days prior to the transfer and all due diligence protocols are adhered to etc.

There may also need to be engagement with the HR Business Systems and Payroll teams depending on the specifics of the protected employment terms and conditions of the incoming staff.

The transferring employees will also need to be set up on the MI Portal system and complete standard paperwork and employment checks required of all employees.

## **24. Recruitment**

24.1. As the MOT team and Enfield Repairs Direct team are new roles, they will require new fully evaluated job descriptions and person specifications and will be recruited to in accordance with LBE processes. Consideration will need to be given to the volume of recruitment in particular the time it can take to get relevant DBS clearances which may be required as a significant number of posts involve entering residents' homes.

24.2. Consideration will need to be given to the current team and any changes that there may be in in the scope of current roles and current teams. Should there be any substantive changes this will need to be reflected in revised and re-evaluated JDs and employees and unions will need to be fully informed and consulted with. There is the possibility that this could put current staff at risk.

24.3. Housing Resolution Centre

The creation of an embedded Housing Resolution Service based at Edmonton will need to be completed in collaboration with the current Customer Service team. Moving forward these two teams will need to work closely together to ensure we deliver excellent service for all our customers and that the two strands of Customer Service complement not duplicate each other.

- 24.4. The current Customer Service job descriptions include some elements of housing query resolution however have a wider remit that encompasses a broad range of customer queries. It is possible that a new job description will be required for the Housing Resolution Service should these call handlers not be answering more general queries or that the current Customer Service job description may need to be amended to reflect the needs of the new service.
- 24.5. Any significant change to a job description will need to be evaluated and may change the grade of that post and will clearly have implications for the post holder and the service budget.
- 24.6. The current Customer Service team is based at Thomas Hardy House and the proposal is for the new Housing Resolution Service to be based at Edmonton.
- 24.7. Any current employees impacted by the creation of the Housing Resolution Service will need to be kept informed and, depending on the scope of the changes, formal consultation may be required which may put employees at risk.

## **25. General**

As a result of the proposals outlined in this report there will be an increase in the number of office-based employees located at Edmonton Green. Thought will need to give to the facilities provided within the workspace at Edmonton and the impact on those currently based there.

This increase in permanent employee headcount will also have wider long-term implications across the core LBE employee support services such as payroll, Occupational Health, IT and HR.

## **26. NEXT STEPS**

The Insourcing Stakeholder group will continue to monitor the performance of the service against the objectives and we see this as a core governance control measure.

We will continue to improve the service, ensuring we deliver the objectives identified by residents, whilst looking at how we can continue to develop the service further in the future.

Once the service is embedded for our residents we will be looking at;



- Developing a leaseholder chargeable repairs service.
- Developing a commercial service which can be offered to other landlords.
- Look to bring other works streams in-house, including voids works, decent homes work, cyclical programmes and larger planned maintenance works.

All decisions will be considered in terms of ensuring an appropriate level of risk to the council and our tenants is maintained and will not detract from the core service offer to our customers.

**27. APPENDICES:**

- Appendix 1 - Service on a Page
- Appendix 2 - Repairs and Maintenance policy
- Appendix 3 - Housing Compliance policy
- Appendix 4 - Branding
- Appendix 5 - Business Plan
- Appendix 6 – Repairs structure

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Delivering Better Council Homes through a high quality and customer focused in-house repairs service

Housing Resolution Centre		Repairs		Service Outcomes
Service offer	<p><b>Service Features:</b></p> <ul style="list-style-type: none"> <li>Our Customer Service Team will provide flexible based repairs reporting provision via online, mobile app, email, and telephones during office hours.</li> <li>Extended service 8am-6pm</li> <li>24/7 out of hours reporting for emergencies</li> <li>Co-located with planners and surveying teams</li> <li>Accurate diagnostics resulting in right appointment with the right trade supporting right first time principles</li> <li>Multi skilled agents able to deal with a full range of housing and property related enquiries</li> <li>We will provide a range of appointments to be booked at the time of reporting. appointments will be available for AM, PM, and to avoid school run</li> <li>Face to face reception offer from Edmonton Green library to support self serve</li> <li>SMS appointment confirmation and on route message</li> </ul> <p><b>Repairs online:</b></p> <ul style="list-style-type: none"> <li>Web chat during office hours</li> <li>Take requests for repairs 24 hours a day, 7 days a week, via online repairs reporting portal.</li> <li>Easy to use self diagnostic tool</li> <li>Book a convenient appointment slot online and confirmation of appointment</li> <li>Proactive advice on caring for your home</li> </ul>	<p><b>Scheduling Team</b></p> <ul style="list-style-type: none"> <li>Ensure right operatives get to the right property at the right time (right man, right van, right plan)                             <ul style="list-style-type: none"> <li>Co-ordinate follow-on works to ensure successful job completion</li> <li>Keep customers updated on scheduling works</li> <li>Manage sub-contractor resources</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>Customer Satisfaction with Repair Service 80% (STAR)</li> <li>Satisfaction with last repair 95% (Transactional)</li> <li>50% reduction in customer complaints</li> <li>40% of repairs transactions online</li> <li>90% First Time Fix</li> <li>95% Appointments Made and Kept</li> <li>Satisfaction with your home 75%</li> <li>Average no of repairs per property per annum &lt; 3.2</li> <li>Average cost per property of repairs below £400</li> <li>No of apprenticeships delivered 4</li> <li>% of works to sub-contractors &lt; 20%</li> <li>100% compliance</li> </ul>
		<p><b>Responsive Repairs (DLO)</b></p> <ul style="list-style-type: none"> <li>Service delivered through 3 area based teams covering West, North East and South east</li> <li>Highly skilled multi-trade operatives delivering high quality repairs</li> <li>Comprehensive van stock</li> <li>Complete work in one visit where possible</li> <li>Provide advice and guidance on tenants responsibilities and self care</li> <li>Real time customer satisfaction checks</li> <li>Keep our residents informed</li> <li>Follow-on works agreed and appointment made prior to the operative leaving the property</li> </ul>	<p><b>Rapid Intervention:</b></p> <ul style="list-style-type: none"> <li>Complex works affecting more than one property or requiring multiple visits</li> <li>Complex cases requiring additional customer support</li> <li>Requires diagnostic and multi skilled solutions</li> <li>Dealing with issues of damp and mould</li> <li>Complaints resolution and legal disrepair</li> <li>Works identified through estate inspections and walkabouts</li> <li>Target hoarding and victim support measures</li> </ul>	
		<p><b>Repairs (Sub-contractors)</b></p> <ul style="list-style-type: none"> <li>Specialist works:</li> <li>Gas</li> <li>Asbestos</li> <li>Roofing works</li> <li>Water Safety</li> <li>Lift Servicing / Repairs</li> <li>Fire Safety works</li> <li>Out of Hours Emergency works</li> <li>Additional works during periods of high demand</li> </ul>	<p><b>MOT Service:</b> Proactive property inspections targeting:</p> <ul style="list-style-type: none"> <li>High and low demand repair properties</li> <li>Vulnerable residents</li> <li>Intelligence led from staff</li> <li>Referrals for major works / Aids and Adaptations</li> <li>Improved stock condition data</li> </ul>	
Service Standards	<ul style="list-style-type: none"> <li>90% of repairs appointed at first point of contact</li> <li>80% calls answered in 30 seconds</li> <li>Abandonment rate &lt; 5%</li> <li>% of calls handed off to planners or property teams &lt;10%</li> <li>Complaints as a percentage of calls handled</li> </ul>	<p>We will carry out repairs within the following timescales:</p> <ul style="list-style-type: none"> <li>Emergency attended within 4 hours</li> <li>Urgent within 48 hours</li> <li>Routine within 90 working days (average 15 days)</li> <li>95% pass rate post inspections</li> </ul>	<ul style="list-style-type: none"> <li>% of estate inspection repairs completed in time</li> <li>Customer Satisfied with major works</li> <li>MOT's Completed</li> <li>Average No repairs completed per MOT</li> <li>Follow-on works per MOT</li> <li>Satisfaction with MOT Service</li> <li>Successful resolution of complaints and legal disrepair cases</li> </ul>	

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# Better Council Homes

## Housing Repairs, Maintenance and Planned works Policy



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## 1.0 INTRODUCTION

The aim of this document is to clearly define how the Council will ensure it fulfils its statutory landlord duties as required under current primary and secondary legislation and thus, comply with the Social Housing Regulators Home Standards.

## 2.0 SCOPE

This document applies to:

- all employees of the council,
- Interim and temporary council employees,
- Consultants working for the council directly or through an agency,
- Contractors
- Subsidiary companies

Contractors and others working on the council's premises will be expected to comply with all the Councils health and safety policies and procedures, all relevant statutory provisions, as well as Approved Codes of Practice (ACoPs) and relevant guidance.

The Council will, whenever possible, work with independent Contractors to assist them in developing health and safety management systems within their own organisations to help them achieve the standards required Council, although the responsibility for doing so remains entirely theirs.

## 3.0 STATUTORY FRAMEWORK

As a landlord the Council is required to meet the minimum requirements of the below listed Acts and Regulations and Approved Codes of Practice;

- The Landlord and Tenant Act (LTA)
- The Housing Act 2004 The Housing Act 2004 – specifically the Housing, Health and Safety Ratings System; (HHSRS)
- Management of Health and Safety at Work Regulations (MHSWR)
- Environmental Protection Act (EPA)
- The Regulatory Reform (Fire Safety) Order (RRFSO)
- Control of Asbestos Regulations (CAR)
- Furniture and Furnishings (Fire Safety) Regulations; (FFFSR)
- Electrical Equipment (Safety) regulations;
- Dangerous substances and Explosive Atmospheres Regulations (DESAR)
- The Gas Safety (Installation and Use) Regulations (GSIUR)
- Electricity at work Regulations (EWR)
- Water Hygiene ACOP (L8).

- Control of Substances Hazardous to Health Regulations (COSHH)
- Provision and Use of Work Equipment Regulations (PUWER)

In securing compliance, we will also have regard to the needs of our residents including those who are vulnerable.

#### **4.0 AIMS AND OBJECTIVES**

The Council's key aim is to ensure Enfield is the safest Borough in London

To achieve this where reasonably practicable, the Council will seek to comply not only with the minimum statutory requirement governing its operations, but will deliver services in line with British Standards or published national best practice guidelines where practicable

The Council will achieve this by ensuring:

- We develop and implement a safety management system to govern our landlord compliance operations;
- there are documented policies and processes in place governing its landlord operations;
- Staff have the appropriate knowledge, skills and experience to fulfil their role and responsibilities at all level;
- All external consultants and contractors are adequately vetted prior to appointment to ensure they have the appropriate, skills, knowledge, experience and are adequately resourced to fulfil their appointment/ contract;
- There are adequate mechanisms in place to intervene at the early signs of poor or declining service levels;
- There are robust internal and external auditing processes in place to monitor and challenge performance and drive continuous improvement
- Processes and performance are subject to resident scrutiny

#### **5. ROLES AND RESPONSIBILITIES**

The Council recognises the importance of clearly defined management responsibilities to implement a compliance framework and to facilitate, the contribution of individuals to achieve its aims and objectives.

##### **The Leader of the Council and Cabinet**

The leader will:

- Promote a positive health and safety culture throughout the Council by providing strong leadership and a commitment to continuous improvement,
- Set the general strategic direction for the Council's aims and objectives ensuring in relation to social housing that they confirm to the Social Housing Regulators Regulatory Standards,
- Ensure that any decisions made reflects the health and safety intentions articulated in this health and safety policy statement.



### **The Councils Chief Executive Officer (CEO)**

The CEO holds the statutory roles of “Responsible Person” and “Accountable Person”, under current and proposed legislation for fire safety compliance.

As the “Controlling mind” as defined under current Health and Safety legislation, the CEO is also deemed to hold ultimate responsibility and accountability for ensuring the council fulfils its statutory duties as landlord. As such the CEO will:

- Ensure that adequate arrangements are in place for the implementation, maintenance, monitoring and revision of the policy
- Ensuring that health and safety performance is regarded as an integral function of management
- Ensuring adequate resources are made available to help achieve the aims and objectives of this document

### **The Executive Director of Place/ Director of Housing and Regeneration**

Are responsible for:

- Ensuring awareness and compliance with the Social Housing Regulators standards
- Ensuring that their staff are aware of their personal responsibilities and that they (themselves) are aware of their own personal responsibilities;
- Ensuring that health, safety and compliance is embedded in their day-to-day operations, and business planning arrangements;
- Ensuring that all their staff adequately manage the health safety and compliance functional aspects of the work under their control;
- Ensuring that all their staff are made aware of matters which could affect their health and safety at work;
- Ensuring that the training needs for all their staff are assessed and fulfilled;
- Ensuring that all necessary risk assessments are carried out within their department or operations;
- Implementing and monitoring any identified risk management control measures within their designated area(s) and scope of responsibility
- Receiving regular reports from their staff on performance;
- Ensuring that their staff report and investigate incidents as required by the relevant LBE policy.

Exec Directors/ Directors will implement fulfil their role and responsibilities by:

- Ensuring that they have adequate knowledge and/or access to all legislation relevant to their area to ensure that compliance to such legislation is maintained;
- Ensuring that adequate resources are made available to provide safe systems of work. This will include making provision for training, risk assessments, appropriate control measures, raising outstanding concerns, ensuring safe

- working procedures/practices and continual monitoring of these is in place;
- Ensuring that adequate resources are made available to provide health and safety expertise where required;
  - Ensuring that employees are released to attend appropriate training sessions for their role as specified in the council' training matrix and that the training is funded
  - Ensuring that any contractors (including contract or agency staff) employed on are competent;
  - Promoting risk management and health & safety awareness amongst all staff by example, and by ensuring that only properly trained and competent staff are responsible for assessing risks and determining adequate control measures within the working environment
  - By proactively monitoring health and safety standards and performance in their areas of responsibility regularly
  - Ensuring all staff are aware of the business' emergency and business contingency plans at induction and adequate provisions to ensure that emergencies and incident effecting business continuity are appropriately dealt with.

### **Head of Property Services**

The Head of Property services is responsible for the operational delivery of "Landlord Compliance" across the Councils HRA portfolio.

The role holder is supported by

- the Head of Licensing and Corporate Safety, who fulfils the role of Competent Person for both Health and Safety and Fire Safety.
- The Corporate Asbestos Manager, who fulfils the role of Competent Person for Asbestos Management and;
- The Resident Safety Director.

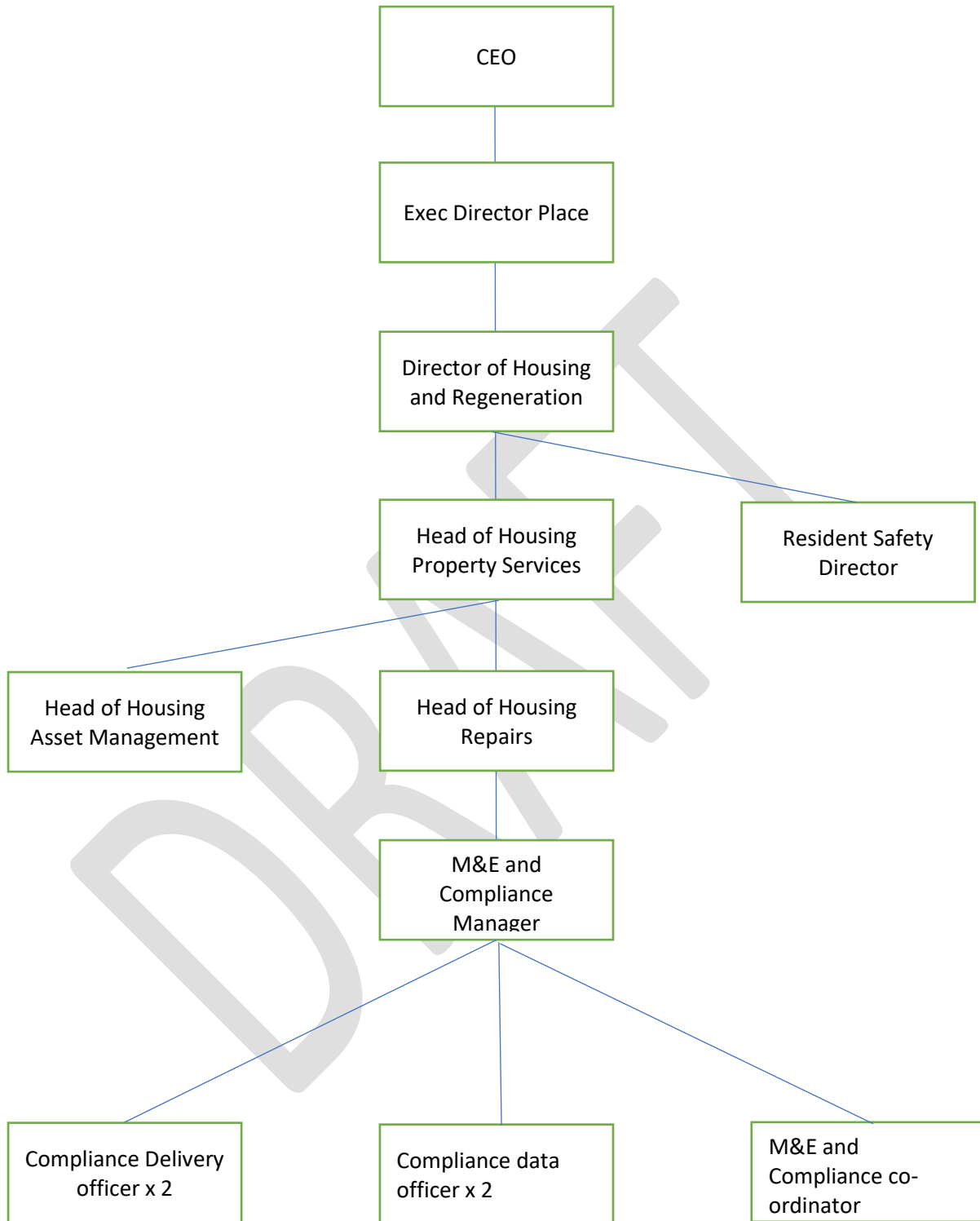
The Head of Property Services is responsible for:

- Ensuring that their staff are aware of their personal roles and responsibilities and ensuring that they (themselves) are aware of their personal responsibilities,
- Ensuring that health, safety and compliance management is embedded in their day-to-day operations, performance oversight and business planning of the organisation
- Ensuring that all they adequately manage the health, safety and compliance requirements of the work under their control
- Ensuring that all their staff are made aware of matters which could affect them health and safety at work
- Ensuring that the training needs of all their staff are assessed and fulfilled
- Ensuring that any contractors (including contract or agency staff) taken on are competent to fulfil their roles and responsibilities

- Ensuring that all necessary risk assessments are carried out within their department or operations,
- Implementing and monitoring any identified risk management control measures within their designated area(s) and scope of responsibility exceptions listed within the policy.
- Ensuring they have adequate resources in place to achieve and maintain performance across compliance areas
- Ensuring that there is adequate monitoring and testing of data to provide assurance as to the quality of data being reported.
- Ensuring that action plans, produced via audit or scrutiny programmes are implemented in appropriate timescales.

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## 6. ORGANISATIONAL STRUCTURE



## **7.0 LANDLORD COMPLIANCE ARRANGEMENTS**

### **Housing Asset Information**

The Head of Housing Asset management is responsible for maintaining a full register of all HRA assets owned by the Council. These will be recorded on the HRAs asset management system (APEX) which will record all relevant property information, on an individual and block basis, including compliance information.

During Quarter 4 of each financial year, the M&E Manager will audit and reconcile the Councils asset list with the servicing register to identify any areas where changes to ownership, systems or appliances may have occurred. This audit will be reviewed by the LBE Data and MI team as part of the annual verification that performance information is accurate and from a valid source.

The Council will make every effort to ensure, that its asset list captures the presence of a live gas supply, gas pipe work, oil tank and supply pipework, LPG and supply pipework, and appliances. All gas, oil, LPG and solid fuel appliances will be added to the servicing programme to ensure compliance with the relevant legislation.

### **ELECTRICAL SAFETY**

#### **Legislation**

Under UK law the Health and Safety at Work etc. Act 1974 (HSW Act) is the primary legislation under which landlords have a duty to protect the Health, safety and welfare of tenants. Additional duties in regards to the safety of electrical installation prior to the letting of flats and during the tenancy, stem from the Landlord & Tenants Act 1985.

Whilst the IET Wiring Regulations 18TH Edition (IETWR18) is non-statutory, they will be used in a court of law to evidence a landlord's compliance with a statutory requirement.

All new electrical installation work undertaken in domestic dwellings must comply with Part B of Building Regulations.

#### **Key Principles & Standards to achieve compliance**

#### **Programme of Works**

The M&E Manager is responsible for implementing an appropriate programme of works in agreement with the Head of Property Services and will instruct the relevant competent contractor to complete the work.

All electrical work in our properties will be carried out by registered electrical contractors. Working live is not permitted.

Works may also be carried out by LBE in-house repairs service, all operative will be suitably qualified and registered with an appropriate registration scheme.

## **Repairs and Rectification**

All electrical installations or equipment which is replaced within domestic dwellings, must comply with the 'Councils Electrical and Fire Safety Performance specification' and conform to the IETWR18.

Except where there is a requirement to undertake emergency repairs (Cat 1) whilst carrying out the inspection and testing regime, no repairs or rectification works shall be commenced without first obtaining the correct authority from the Council M&E Manager.

Category 1 failures will always be completed at the time of the inspection or where this is not possible the system will be isolated and left safe.

Any unauthorised electrical installation alterations/additions carried out by a tenant, which are identified during the test and inspection, could lead to the cost of rectification being recharged to the tenant.

## **New Installations**

All new installations shall be provided with an Electrical Installation Certificate complete with a schedule of inspection and test results. These certificates must be fully completed and in compliance with 'BS 7671: (2015) Requirements for Electrical Installations, Guidance Note 1 (Selection and Erection)' and all current amendments.

All new installation certificates shall be kept on the Asset Management System (APEX).

As standard an electrical installation condition test and inspection shall be carried out not more than 10 years after the initial electrical installation date unless otherwise advised on the installation report.

## **Portable appliance testing**

The Compliance and M&E Manager is responsible for the programme of annual Portable Appliance Testing (PAT) throughout Housing Service's area of responsibility. This will include all portable electrical items in communal areas of properties and halls but not appliances in domestic properties.

Each appliance will be tested annually

## **Frequency of Inspection and Testing**

The frequency of periodic inspection and testing must be determined considering:

- a) the type of installation;
- b) its use and operation;
- c) the frequency and quality of maintenance;
- d) the external influences on which it is subjected.

The Council will aim to undertake electrical mains test and complete an Electrical Installation Condition Report (EICR) at the following intervals:

- Landlords mains (communal) at a minimum of 10 years moving to 5 yearly intervals, (subject to appropriate risk assessment and dependent on the environment and use)
- Domestic systems-
  - At least every 10 years moving to a 5-year programme or
  - at the commencement of a new tenancy.

Partial testing of circuits or installations is not generally permitted. However, should detailed records, test results and drawings be available, the Council may relax the requirements subject to risk assessment. This is especially relevant to properties which may be the subject of short term lets.

The frequency of testing will be increased if the history indicates signs of progressive deterioration. Tests must be carried out on each periodic inspection and test as per BS7671:2015.

Head of Property Services with the M&E Manager will agree an appropriate programme of works, and issue instructions for this to be carried out.

## **Record Management**

### **Labelling**

Labelling will be provided in accordance with BS 7671: 2015 Requirements for Electrical Installations and Guidance Note 3 (Inspection and Testing) including all current amendments.

All portable appliance equipment must have a visible portable appliance test sticker, providing a unique identification code to enable equipment to be referenced and giving the status of the equipment following the test i.e. 'PASS' or 'FAIL'. It must also show the date the equipment was tested together with the re-test period or the re-test date.

### **Records**

Records shall be provided in full accordance with BS 7671: 2015 Requirements for Electrical Installations and Guidance Note 3 (Inspection and Testing), including all amendments.

Additionally, where appropriate associated drawings shall be provided with annotation to illustrate the electrical layout and circuit configuration of the installation following the completion of the Inspection and testing regime and identify areas of any necessary rectification works.

Records of portable appliance testing shall be provided in a report format agreed by the M&E Manager, showing the results of all equipment tested on the electrical inventory.

Original inspection certificates & electrical inventories must be provided to the M&E team, where copies of the reports and certificates of minor works will be uploaded onto the Asset Management System, (Apex).

## **GAS SAFETY**

### **Scope**

The Council will service all gas heating appliances within one year of the previous inspection to ensure all properties have a valid safety inspection certificate, for both domestic and communal systems. They will also undertake annual inspections of all gas carcassing in both domestic and communal areas

The Council does not have the same legal responsibilities towards leasehold properties as with tenanted properties however as failures in gas safety may impact on the safety of other residents in the vicinity and the buildings in general, the council requires leaseholder owners to complete and provide copy of an annual gas safety certificate (CP12) for their property.

### **Legislation**

The Gas Safety (Installation and Use) Regulations 1998 (GSIUR) state: -

“(2) Every landlord shall ensure that there is maintained in a safe condition –  
(a) Any relevant gas fitting; and  
(b) Any flue which serves any relevant gas fitting,

so as to prevent the risk of injury to any person in lawful occupation or relevant premises.

(3) Without prejudice to the generality of paragraph (2) above, a landlord shall - ensure that each appliance and flue to which that duty extends is checked for safety within 12 months of being installed and at intervals of not more than 12 months since it was last checked for safety (whether such check was made pursuant to these Regulations or not);”

As such a landlord, the Council has a responsibility to:

- Repair and maintain gas pipework, flues and appliances in safe condition,
- Ensure an annual gas safety check on each appliance and flue,
- Keep a record of each safety check for a minimum of two years.

To fulfil this the Council has procured a commercial and domestic gas servicing repair contract which ensures that an annual gas safety certificate (CP12, LSF SR) is provided for all mains gas appliances in all properties within the Housing Revenue Account.



This service contract does not encompass leasehold dwellings; tenants gas appliances (i.e. cooker) or potable gas appliances. However, the contractor will undertake a visual inspection (only) of any tenant owned appliance and may isolate the appliance if they are found to be faulty. A warning label will be placed on the appliance and the tenant will be advised of the defect.

### **Key Principles & Standards to achieve compliance**

#### **Contractor Competence and Registration requirements:**

The Council will ensure that individuals will not be allowed to complete any gas work until the criteria below is satisfied:

- A Gas Safe Registration Certificate and card has been inspected and copied for records and provided to the M&E Manager.
- An Original ACS certificates/qualification have been inspected and copied for records and provided to the Compliance and M&E Manager

The Head of Property Services will ensure that processes are in place to:

- Audit and supervise contractors
- Ensure all service engineers working on behalf of the council are Gas Safe Registered and competent for any servicing, inspection, repair, or replacement activities they are instructed to carry out.
- Ensure auditable records showing effective checks have been carried out to ensure the competence of any contractor or agency staff are available and retain for two year.
- Ensure ACS and relevant qualifications are maintained and renewed, when required, for all service engineers (including agency staff and sub-contractors).
- Guarantee any gas operative whose ACS has expired, does not carry out any work relating to the elements which have expired.
- Ensure any technical updates, changes in legislation and company policy is communicated to gas operatives (including agency staff and sub-contractors).
- Ensure use and correct completion of statutory documentation.
- Ensure work notification takes place when required under building regulations.

### **Programme of work**

#### **Cyclical Domestic gas servicing**

The Council will service all gas heating appliances within one year of the previous inspection to ensure all properties have a valid safety inspection certificate.

To ensure adequate time within the servicing procedure to obtain full access to all properties, the council operates a 10-month cycle for servicing. The Head of property services and M&E manager will develop an annual gas servicing programme to ensure that all tenanted properties have been accessed and a Landlords Gas Safety Check

completed and a certificate (CP12) issued to the tenant, within 72 hours of inspection, by post.

The programme will aim to ensure that a new LGSC is issued within 52 weeks of the date of the last certificate. To achieve this access arrangements will be made on or prior to week 42.

Records will be maintained on the councils Asset Management System (Apex)

### **Access procedure**

To mitigate the risk of no access to tenants' homes, the council will start its access process with sufficient time prior to the expiration of the current LGSC. The compliance team will identify properties where access has historically been difficult and commence engagement with the tenant as early as practicable to facilitate access.

Where an appointment cannot be confirmed, or the tenant has not provided access on two consecutive contractor attendances, the council will implement its Gas access process.

Where all the full process of gaining access has been unsuccessful the council will either;

- 1 For properties which have external gas meters, cap the gas until the resident allows access for the appliance to be tested
- 2 For properties with no external gas meter obtain the appropriate legal warrant to force entry to the property.

Where legal proceedings to gain access, are resorted to, the Council will seek to recover, from the tenant, any legal costs incurred. In addition to legal costs, the costs and expenses incurred in undertaking forced entry will be recovered from the tenant.

### **Change of Tenancy**

The Council will undertake a Gas Safety Check each time the status of a property or its tenancy changes. During the "void" period or when a mutual exchange takes place.

A copy of the LGSC will be provided to the in-coming tenants within their welcome pack

### **Landlords (Communal) gas services**

Where a landlord's gas supply is present, serving a communal heating system, an annual test will be undertaken to produce a CP15 certificate.

### **Other Heating and Hot water Systems;**

#### **Electric Heating**

All Electric heating systems will be tested as part of the electric safety checks, any category 1 faults will be rectified immediately, or the system or individual heater decommissioned.

### **Solid fuelled appliances**

Tenants and leaseholders are not permitted to use solid fuelled appliances and open fires within their homes. Where open fireplace is identified within a property, the council will seal and ventilate flues and chimneys.

Landlord consent will not be given for wood or coal burning appliance and should residents install appliances without consent they will be required to immediately remove the items.

Should resident not remove the appliance themselves the Council will remove the appliance and charge the resident accordingly.

### **Oil Fuelled appliances**

Unlike gas appliances there are no statutory requirements that require the Council to maintain oil burning appliances, although best practice is determined by OFTEC. However, to ensure that the risk to residents is effectively managed, within the context of our wider legal responsibilities under the HSWR, all oil-fired appliances, storage tanks, fire break devices and oil lines will be checked annually.

We will undertake the same access process as for gas appliances

### **Ground Source Heat pump systems**

Communal Elements of each system (pumps, pressure valves etc) will be serviced annually by a competent contractor

Heat Interface Units (HIUs) will be service bi annually by a competent contractor

### **Unvented Hot water Cylinders**

All unvented cylinders will be serviced annually for correct operation of the safety devices (pressure relief valves, temperature relief valves and pressure vessels)

Where any part of an unvented cylinder fails it will be decommissioned until the fault is rectified.

### **Unauthorised alterations**

Tenants are not permitted to undertake any work to gas services or appliances within their homes without full Landlords consent Where unauthorised works are identified by the Council, they will immediately be isolated, until such time as the system/appliance can be thoroughly inspected and confirmed as safe.

Any identified unauthorised alterations will be subject to the “Repairs Recharge Policy” whereby tenants will be charged for any works to make the installation safe.

### **Room changes of use**

It is acknowledged that some households within the borough are living in overcrowded accommodation and that in some households, family members are sleeping in rooms designated as living, rather than sleeping accommodation.

Under GSIUR, any gas appliance within a sleeping room where the heat output must be room sealed where the rated heat input is greater than 12.7kW net.

Where rated heat input is less than or equivalent to 12.7kW net, appliances do not need to be room-sealed, but must incorporate a safety control designed to shut down the appliance before a dangerous amount of combustion product spills into the room.

In accordance with the Council's duty of care, under Section 3 of the HSWA, the council's contractor, where it identifies that living rooms are being used as temporary sleeping accommodation (i.e. a lounge or sitting room, or other space not normally designated as a bedroom), where an appliance is not suitably room-sealed or otherwise protected, the contractor will isolate the appliance and inform the Council. The Council will make alternative temporary heating provision, until such time as the boiler/ alternative can be reinstated.

The M&E manager will inform the Neighbourhood Manager and request a home visit be initiated.

### **Unsafe appliances and installations**

Where the Contractor deems an installation, or any part, section or appliance of the installation to be unsafe, the Engineer will advise the tenant and the Council accordingly and issue a ‘Warning’ or ‘Advice Notice’.

This procedure is used whether the equipment is owned by the Council or the Tenant.

The Engineer will leave a copy of the ‘Warning/Advice Notice’ with the Tenant, place a ‘Warning Sticker’ on the installation/appliance and proceed to complete work to prevent its use. If the condemned appliance is owned by the tenant, the Engineer will disconnect the unsafe appliance from the supply; explain to the tenant the reason why the appliance must be disconnected and inform them to either; repair the appliance or replace it.

Where boilers are condemned the council will provide temporary heating, until such time as a new boiler can be installed and commissioned.

In all cases the tenant will be advised and an appropriately registered ‘Gas Safe’ installer must be used by the tenant to remedy their own appliances.

## **Carbon monoxide Detection**

Carbon monoxide detectors will be installed within rooms where there are open flued appliances; gas fires or concealed flues. The Council will provide hardwired combined heat/ Carbon monoxide detection, as part of a rolling programme of fire detection upgrades over the next ten years.

## **Void properties**

Refence is to be made to the Councils Void process regarding the process for gas testing, servicing and repair within void properties.

## **Record Management**

### **Monitoring**

The M&E manager will ensure that there is adequate contract management and supervision in place to ensure the Councils contractor fulfils their contractual requirements, this will include but not be limited to:

- Undertake spot checks of certificates to ensure that are accurate and bring any deficiencies to the attention of the Contractor
- conduct 10% regular quality audits of Landlord Safety inspections carried out.
- post inspect and audit 10% heating installations;
- review monthly performance reports to enable the Council to verify the completion of Landlord Gas / Oil / Solid Fuel Safety Certificates within the required 12-month period;
- report and monitor actions being taken by the Council to resolve no access properties

### **Record Keeping**

The Councils contractor will;

- maintain a complete servicing database of all the council's property assets.
- maintain a database for the data storage of all inspection information, which must be retained for the duration of the contract.
- check all certificates before releasing them to the Council and ensuring the appointed person has signed and dated the safety certificate (or electronically authorised) to show the record is accurate.
- ensuring all certificates are passed to the Council
- Informing the council regarding "no access" properties, where two consecutive appointments have been missed.

All documents will be kept in accordance with the Data Protection Act 2018 within the Councils Asset management database (Apex)

## **Temporary Accommodation units**

Where the Council places individuals in non-council managed properties (Temporary accommodation), the councils Temporary accommodation management (TAM) team, will ensure that a LGSC has been undertaken by the landlord, before placing the individual.

Where the individual is within the temporary accommodation unit for more than 42 weeks and is likely to remain for 52 weeks, TAM will request that landlord provides a new LGSC at 42 weeks, to allow sufficient time for a new certificate to be attained.

If a new LGSC has not been provided by week 51, the Councils will undertake the LGSC and recharge the Landlord.

## **FIRE SAFETY**

### **Scope**

The Council fulfils the role of "Responsible Person" under the Regulatory Reform (Fire Safety) Order and is responsible for managing the risk to persons within the workplace.

In the context of the council's operations this duty extends to the communal areas of blocks of flats, community facilities and the councils office accommodation. (NB the councils offices and commercial units, are not within scope of this document).

As Landlord the Council is also required, to ensure the risk from fire, within the dwelling is also controlled, to comply both with the requirements of the Housing Health and Safety Rating system and the Homes Standard.

The Councils Head of Licencing and Corporate Safety fulfils the statutory role of Competent person for Health, Safety and Fire.

Fire Risk Assessments are undertaken by internal Fire Risk Assessor, within the Councils Corporate H&S team. Quality Assurance is provided by the Housing H&S Manager.

FRA's will be transferred into Apex from Quarter 4 2019-20, to enable mobile data capture and workflow management.

The Councils Resident Safety Director is responsible for the prioritisation and packaging of the significant findings from the risk assessments and monitoring and reporting on fire safety performance.

The Head of Property Services is responsible for the procurement and delivery of remediation work programmes and the inspection, testing and maintenance of fire precautions.

## **Legal Requirements:**

Under the Regulatory Reform (Fire Safety) Order the Council is required to;

- undertake suitable and sufficient risk assessments of its buildings within scope
- address any significant findings from the risk assessments, where reasonably practicable to do so, to reduce the risk as low as practicable
- have appropriate systems in place for the testing, inspection and maintenance of active and passive fire precautions
- have an engagement strategy in place to effectively engage and communicate with residents.
- have a process(es) in place to identify and control hazards and risks to residents within their home (Please refer to the Councils Person Centric Risk Assessment process and Safeguarding and Hoarding policy).

Under the HHSRS the council is required to have appropriate measures in place to minimise any fire hazards within the home. The level controls and measures required will vary based on the size of the home; the layout; the construction of the building and the occupancy. As standard the council will provide the following fire precautions within dwellings:

- A certified 30 minute flat fire door set
- In-flat fire detection to tenanted flats to Grade D1 LD3 in accordance with BS5839 Part 6.\*
- Internal notional flat fire doors to the kitchen and habitable rooms. The level of provisions of internal fire doors will be dependent on the internal travel distances and layout of the home. In all circumstances the council will aim to comply with the requirements of BS9991.

No provision is made for in-flat detection in leasehold flats, unless a landlord's system to Grade A L2 is installed within the communal areas and has been extended into the property.

All construction works to build council houses; refurbish existing stock or install new fire active and passive fire precautions will be undertaken by third party certified contractors in accordance with the Requirements of Approved Document B. The council will always seek via good quality design to reduce the risk at occupation to "as low as reasonably practicable" hence compliance with the Approved Documents is deemed to be the minimum standard.

## **Programme of work**

### **FRA significant findings**

The Resident Safety Director in conjunction with; the Head of Asset Strategy and Head of Property Services will agree on a five-year strategic investment strategy, as part of the council's wider investment plan. The five-year plan will be kept under review to enable the Council to respond to new legislation; best practice and incidents, as they arise.

A detailed annual building safety works programme, to deliver both reactive and capital work programmes to enhance fire and building safety standards, will be agreed in quarter 4, for delivery within the next financial year.

The Building Safety Programme Manager will review the outputs from the councils rolling programme of FRAs and other building inspections and prioritise and package works for delivery. Where appropriate additional surveys and inspections are required these will be procured/ delivered by the Building Safety team, to enable work requirements to be fully scoped.

Project briefs will be developed and passed to the Capital project programme manager/ Planned works manager to procure and deliver the required works. Reactive work requirements will be issued via the Building Safety team, directly to the Councils DLO or M&E term contractors, via Civica.

The Building Safety team will monitor and report on delivery against programme and the quality of works across building safety programme.

The Building safety team will update the FRA workflow, as works are completed. A sample of both reactive and capital work will be audited annually to provide assurance that works are being completed in accordance with the Councils quality requirements.

### **New developments quality management**

The building safety team will provide technical support and advice to the Regeneration and Development teams to ensure that all new Council homes are designed and Constructed in accordance with the Councils requirements for building safety.

The Building Safety team will provide a technical quality assurance function during the construction process to ensure buildings are constructed in accordance with the Councils quality standards.

The Building Safety team will act as a gateway consultee as part of the Councils Governance framework to ensure compliance with existing and future regulatory requirements for all new developments of 6 storeys or more.

The Building Safety team will review and audit handover documentation (Regulation 38 and H&S file), prior to the issuing of Practical completion to ensure that all the required documentation is held by the Council for its to manage and register the building for occupation.

### **Inspection, testing and maintenance requirements**

#### **Inspection of passive and active systems**

Neighbourhood inspectors undertake a monthly inspection of the communal areas of all council buildings over 6 storeys or more and collate information regarding the functionality of both passive and active control measures. Defects are reported via Civica to the relevant contract management team for action.



Additional training will be provided to Neighbourhood staff to allow them to fulfil this requirement.

From 2021, the Council will increase the frequency of its FRAs from 12 to 6-month frequencies (12 months, T3 FRA inspection, 6-month interval T2 FRA) in its high-rise blocks (6 storeys and above) to provide additional assurance that adequate management is in place.

## **Testing and maintenance requirements**

### **Active systems**

All active systems are subject to a formal maintenance programme, with tests and inspections undertaken at prescribed intervals as detailed in the relevant British Standard.

The Head of Property Services is responsible for ensuring all systems are adequately maintained.

### **Passive systems**

All fire breaks and seals will be recorded at installation and a schedule for each block will be stored in Apex.

The condition of accessible breaks and seals will be checked during the FRA review process. All council employees and contractors are required to report breaches in compartmentation identified during their day to day operations to the Building Safety team for rectification.

The condition of concealed breaks and seals will be checked, during refurbishment or construction works, where the structure is opened to facilitate the required works.

The Council will develop and implement a rolling programme of flat fire door and communal door set inspection and maintenance, following launch of its borough wide fire door set replacement programme, to ensure that all new third-party certified fire door sets are maintained fit for purpose.

## **Record Management**

### **FRAs**

The Council's FRAs will be hosted in the council's asset management system (Apex) from Quarter 4 2019-2020. Actions will be tracked to completion using the module workflow.

### **Asset information; Building Safety Case files and Golden Thread information**

All property records will be stored in Apex, against individual UPRNs, until Central Government confirm future software and data storage requirements.

## **Testing and Maintenance records**

All inspection, test and maintenance records will be held in the Compliance module of the Councils asset management system (Apex)

## **Monitoring**

The Resident Safety Director and the Housing H&S Manager will report monthly (via Pentana) on the delivery against programme, of the FRA significant findings delivery programmes and the FRA review programme.

The Resident Safety Director will also attend the Council Assurance Board quarterly to provide an update on the wider Building Safety programme.

All managers are individually responsible for ensuring their direct reports complete mandatory fire awareness training. Training status is monitored via monthly performance review meetings.

## **ASBESTOS MANAGEMENT**

### **Scope**

The Councils Corporate Asbestos Manger is the Competent Person, for the Council, as required by the Control of Asbestos Regulations.

Management Surveys are undertaken of all communal areas by the Councils in-house Asbestos Surveyors.

Requirements for the provision of Refurbishment & Demolition; Demolition or air testing are procured via an external UKAS accredited survey and analytical consultant.

The Councils arrangements for the management of asbestos containing materials is detailed in the Councils Asbestos Policy.

From 2020 the Council will procure two new term contracts;

- Survey and analytical services contract for the provision of a rolling programme of in-flat management surveys; full R&D and targeted R&D surveys; air testing and sampling
- Removal and remediation service contract, to enable the removal, remediation (encapsulation) of ACMs and decontamination where damage is identified.

The Council will develop a separate asbestos management plan for the residential portfolio, commencing in 2020.

## **Legal Requirements**

The Councils is required in accordance with the Control of Asbestos Regulations (CAR) to manage the risk from exposure to asbestos containing materials (ACMs) in the workplace. The workplace within the context of the housing portfolio, being defined as the communal areas of blocks of flats and within the domestic dwellings, when they become void.

To fulfil this duty the Council will:

- Complete management surveys to identify the location; type of ACM; its condition and quantified the risk posed
- Maintain a register which details the above
- Undertake a rolling programme of re-inspections to ensure this information remains valid
- Undertake works to remove or encapsulate ACMs were recommended by the management survey programme
- Proactively seek to remove ACMs from flats, when properties have become void

## **Programme of work**

### **Management survey and re-inspection programme**

The Councils Corporate Safety (Asbestos) team are responsible for undertaking a management survey in accordance with HSG for all new properties acquired by the council and creating a new asset register on the councils Asbestos Management system.

The Corporate Asbestos Manager is responsible for developing and delivering a risk based re-inspection programme to monitor the condition of ACM materials across the residential stock.

### **Remedial works programme**

The Head of Repairs is responsible for ensuring all asbestos remediation works, identified via the completion of a new management survey/ or reinspection survey are completed in appropriate timescales, by a licenced asbestos removal contractor and all relevant statutory notifications are issued.

### **Capital works programme**

The Head of Major Works is responsible for ensuring that R&D surveys are procured from a UKAS accredited external supplier for inclusion within Pre-Construction Information Packs (PCIs) to enable the delivery of capital work programmes and ensure the Councils fulfils its statutory duties under the Construction (Design and Management) Regulations (CDMR).

## **In-flat Management Survey programme**

Whilst there is no statutory duty which requires the Council to survey and maintain asbestos registers for individual dwellings, it is acknowledged that to ensure residents are not exposed to risk, through the completion of alterations or DIY works to their homes and that the Council's staff, are able to implement suitable control measures during the completion of in-flat repair works, that information pertaining to the location; type, extent and condition of ACMs within dwellings should be attained and managed as best practice.

The Council will procure a new Asbestos and Analytical survey term contract during the 2019-20 financial year to enable flats to be surveyed over a three-year programme to enable in-flat register to be created. Where access to all flats cannot be attained, sample data will be cloned where appropriate.

Cyclical programme Manager will be responsible for the management and delivery of the three-year programme.

## **Training programme**

All Councils employees are required to complete "Asbestos awareness training" as part of their induction. Refresher training is provided at intervals.

All contractors are required to demonstrate that their operatives have completed appropriate asbestos awareness training; have safe systems of work in place for work adjacent to ACMs and that employees have been informed on emergency arrangements in case of damage or disturbance to ACM materials.

## **Record Management**

### **Management Surveys and Asbestos Registers (Communal and flat)**

The Councils Management Surveys and Asbestos registers are currently hosted on a bespoke Asbestos Management system.

The register will be transferred in the Councils Asset Management System (Apex), to enable mobile data collection and improved workflow management. This transfer is also required to enable the transfer of data and risk information to the council's trades operatives.

### **Refurbishment and Demolition Surveys and Demolition Surveys**

Copies of all R&D surveys or Demolition surveys procured from external UKAS accredited survey companies (pre-implementation of the new Survey and Analytical term contract) are to be passed to the Asset Management team, for upload into Apex.

It is envisaged that the term contractor, when appointed will have access to a contractor's interface which will allow for the collation and issue of survey information directly into the Apex system.

The Asset Management officer(s) (AMO) will upload a PDF copy of the survey; plan and sampling report and photo schedule against the UPRM and will update the buildings register. Should any works be identified the AMO will create an action in the asbestos management workflow and place a work order with the Asbestos remediation term contractor.

### **Monitoring**

The Corporate H&S team will submit a monthly TBC report to via Pentana demonstrating progress of the reinspection programme against target and the status of any high risks identified

## **WATER SERVICES**

### **Scope**

The Council aims to demonstrate that it has sufficiently robust control measures in place to ensure that the risks associated with the supply of hot and cold-water services, such as legionella bacteria, are effectively managed in all homes and communal areas. This includes but is not limited to:

- Cooling towers and evaporative condensers.
- Humidifiers and air washers.
- Domestic and communal showering facilities
- Other plant and systems containing water likely to exceed 20oC and able to release a spray or aerosol.

### **Legal Requirements**

The Health and Safety Executive's (HSE) Approved Code of Practice (ACOP) L8 entitled "The Control of Legionella Bacteria in Water Systems", establishes the water hygiene standards to be adopted in order to comply with legal responsibilities under the Health and Safety at Work Act and the Control of Substances Hazardous to Health Regulations.

### **Programme of works**

### **Management plan**

The Head of Property Services and the M&E manager will develop a legionella management plan and supporting processes that detail the following:

- How the Council will assess sources of risk, by implementing a programme of water hygiene risk assessments
- Appoint a competent contractor to complete the required risk assessments
- Ensure new or refurbished water systems are designed, so far as reasonably practicable, to eliminate/minimise the risk of legionella development within the system.

- Prepare and maintain a written scheme for preventing and controlling the water hygiene risks present
- Implement, manage and monitor all precautions following a water hygiene risk assessment.
- Identify and specify necessary routine water hygiene tasks and checks for each of our buildings.
- Provide training for all staff engaged in routine water hygiene tasks and checks.
- Provide an appropriate level of information and training for those with responsibilities under the management plan.
- Review risk assessments at least once every 2 years, or when the risk assessment is deemed no longer valid e.g. change of use, demographics and water systems upgrades.
- How schematic diagrams for hot and cold-water systems for each of our premises and dwellings, will be captured and collated.

### **Water Hygiene Risk Assessments**

All Council managed premises will be subject to a water hygiene risk assessment carried out by a competent contractor.

The assessments will be conducted in accordance with the 'HSE Approved Code of Practice and Guidance' document L8.

The order and timescales for assessments will be prioritised based on the risks presented. This will be determined by the age of the building, its occupancy and use and any other relevant criteria.

The risk assessment will identify the remedial actions necessary, in order of priority, to ensure the risk of legionnaires disease is minimised.

Following each risk assessment, a re-assessment date will be set as required (at least once every two years), the risk assessment will be reviewed ahead of the planned date whenever there is reason to suspect the assessment is no longer valid.

A copy of the risk assessment (subsequent reviews) and written scheme of control will be held centrally on the Councils asset management systems (Apex).

Where the assessment shows there is a reasonably foreseeable risk, the use of water systems, parts of water systems or systems of work which lead to exposure, will be avoided so far as is reasonably practicable.

Where this is not reasonably practicable, there will be a written scheme for controlling the risk from exposure which will be implemented and monitored by the M&E Manager.

## **Written Schemes of Control**

A 'Scheme of Control' will be established by the risk assessor to minimise the risks of legionella and ensure good water hygiene for each premises. The 'Scheme of Control' will include:

- A detailed schematic drawing of the hot and cold-water system;
- A description of the correct and safe operation of the system;
- Precautions to be taken;
  - The required routine water hygiene tasks and checks for the building to ensure the system is functioning efficiently;
  - Remedial action to be taken in the event of the current scheme being shown not to be effective;
  - Routine water testing/monitoring where identified for the system e.g. legionella bacteria, other general bacterial testing.

## **Water Hygiene Monitoring**

### **Communal facilities (specialised housing blocks; staff welfare facilities and community halls):**

Monthly temperature checks are undertaken at all water outlets.

Where the water temperature cannot be used as a control, then additional checks are carried out in the form of legionella tests at the cold-water storage tank, furthest outlet, calorifier outlets, or nearest tap along with the return supply. This will be carried out on a quarterly basis with TVC tests taken in between.

Where present Chlorine Dioxide dosing units will be subject to a formal monthly inspection process.

Should the results of any test be unsatisfactory, then appropriate action will be taken in line with the ACOP recommendations.

Users of highly susceptible occupancy (i.e Specialised housing blocks) will be informed of an unsatisfactory test result. However, users at other sites, where unsatisfactory test results are found, will only be informed if results are considered imminently dangerous (this is in accordance with the ACOP recommendations).

Cold water storage tanks and calorifiers are to be inspected annually.

Weekly temperature monitoring will be conducted at little-used outlets, as identified in the risk assessment such as communal shower / bathrooms or guest rooms.

Inspections and routine maintenance will only be carried out by a competent Water Hygiene Contractor

## **Domestic dwellings**

Water risk will be completed when a tenanted property becomes void. The Council will complete any required actions identified in the risk assessment, prior to re-letting the dwelling.

Residents are provided with advice via the council's website and welcome pack, regarding the need to:

- Retain hot water temperatures within a safe range
- Clean outlets on a regular basis
- Flush water systems after long periods of absence/ drain down systems, during periods of long absence.
- Maintain water storage tanks

### **Record management:**

#### **Risk assessments and written schemes of work**

All documentation is to be retained in the Councils asset management system (Apex) for a minimum period of 5 years and will include detail of:

- the person responsible for conducting the risk assessment;
- the arrangements for implementing the written scheme;
- the significant findings of any risk assessment;
- the written scheme itself and all monitoring results.

### **Monitoring**

The M&E Manager submits a monthly report via Pentana detailing the number of risk assessments completed against target and the number of actions and their current status.

To manage and minimise the risk from hot and cold-water systems in the majority of our individual residential properties is considered to be low owing to regular water usage and turnover. Cold water will be direct from the mains supply or they will have their own water tank. These tenants are given advice on flushing outlets should they be absent for long periods.

Sites served by a communal water tank and/or housing vulnerable population have been identified as posing a foreseeable risk of exposure to legionella and hence require a legionella risk assessment. These sites include our Sheltered properties and properties with communal services.

## **PROVISION AND USE OF WORKPLACE EQUIPMENT**

### **Scope**

The Council aims to ensure that it has sufficient inspection and maintenance regimes in place to manage the risks posed by the provision and use of workplace equipment.



This will include:

- Lifting equipment – including passenger lifts; platform lifts; stair lifts; hoists and pulleys
- Fall prevention equipment – including edge protection systems; man-safe systems; eye bolts.
- Access equipment – including fixed and unfixed ladders; gantries; walkways; access platforms; cradles

### **Legislative requirements**

The Council has a legal responsibility under a number of primary and secondary statutes, primarily:

- Health and safety at Work Act
- Provision and Use of Workplace Equipment Regulations;
- Lifting Operations and Lifting Equipment Regulations
- Work at Height Regulations

To make adequate provisions to provide a safe place of work; make provision for safe access and egress; and have adequate systems in place to inspect test and maintain workplace equipment.

### **Programme of works**

#### **Fixed systems**

The Head of Housing Asset Management will ensure a register of all fixed systems is maintained on the Councils asset management system and that the condition of such is monitored

This will include:

- Edge protection systems
- External and Internal, gantries; walkways; staircases; access platforms
- Fixed ladders

Any defects identified, will be collated and passed to the Head of Property Services to agree an appropriate programme of works to deliver either repair to or replacement of the element.

#### **Unfixed work ladders**

A register detailing the location and type of ladder, will be held by the Head of Housing Asset Management within the council's asset management systems (Apex).

An annual inspection regime will be completed which will record the condition of each ladder. Each ladder will be identified by a unique asset reference and will be clearly marked with the data of its last inspection and indicate if the ladder passed or failed the inspection.

Ladders which fail, should be taken out of use within 48 hours and repaired and replaced as appropriate. No Council employee or contractor is to use a ladder which has been marked as having failed its inspection.

### **Access and fall arrest equipment**

The Head of Housing Asset Management will hold a register of all access and fall arrest equipment.

Where additional equipment is installed to facilitate maintenance or capital work programme the Head of Repairs; M&E or Major Works as applicable is responsible for providing relevant information to the Asset management team to enable the register to be updated.

The Asset team will issue (via Apex) to the Head of M&E annually a revised asset register, detailing the required inspection; testing and maintenance requirements for each system, as defined by the manufacturer.

Inspection and testing requirements will be fulfilled by a competent contractor.

The M&E and Compliance manager is responsible for ensuring that any defects or remedial works identified via the planned maintenance programme are completed in the relevant timescales and/ or putting temporary control measures in place to ensure systems are not utilised whilst awaiting remediation (i.e. locking off systems and placing clear signage, to prevent use).

### **Passenger lifts**

The Compliance and M&E manager will ensure all passenger lifts within residential building are subject to;

- monthly inspection undertaken by a competent lift engineer
- a 6 monthly thorough examination
- an annual insurance inspection
- a planned maintenance regime in accordance with the manufacturer's recommendations
- a replacement programme in line with expected life cycles or in response to repeated failures

Where defects or actions are identified the M&E Manager will ensure actions are scheduled and completed within appropriate timescales. Where lifts fail their annual check they will be immediately decommissioned until such time as defects are addressed and the inspection certificate issued.

In every high rise block a "PEEP register" of vulnerable tenants with mobility issues will be maintained and available to staff, should any block be without adequate lift

provision for more than 24 hours then appropriate actions will be taken to provide support to all tenants.

### **Platform or stair lifts (within communal areas/ within dwellings)**

The Aids and Adaptations manager is responsible for informing the Head of Housing Asset Management regarding the location of all lifting equipment installed within the residential portfolio.

The Head of Housing Asset Management will ensure an asset register is maintained in the council's asset management system (Apex). A copy of the register will be issued to the M&E Manager annually to ensure a suitable testing and maintenance programme is commissioned via an external competent contractor.

Any lift which is deemed unsafe will be immediately decommissioned until such time as defects are addressed

### **Record Management**

All inspection records; schedules of maintenance; thorough examination and insurance reports, are to be stored against the asset within the Councils Asset management system (Apex).

All records are to be retained for a minimum of two years.

## **8.0 SAFEGUARDING**

The Council will provide its contractors will appropriate training and guidance to enable contractors working in resident's homes to identify and refer residents who may be vulnerable, subject to abuse, hoarding or have a mental health or health condition which places them at risk, to appropriate council services.

## **9.0 DATA ASSURANCE**

The Council is currently putting new software systems in place to improve its data management and reporting capabilities. These new systems will assist the councils in ensuring that the quality of data is robust.

The Head of Housing Asset management and Compliance and M&E manager will provide information to the Data and MI team to allow them to undertake annual reviews of data and reporting to provide additional reassurance.

Further assurance will be provided by programmes of internal and external audit and scrutiny.

## **10.0 PERFORMANCE REPORTING**

The relevant Council officer, will provide a monthly written report (via Pentana) to the Housing & Regeneration Performance Monitoring meeting, indicating the current status of their programmes of work.

The performance target for all compliance programmes is **100%**.

A Service recovery plan (SRP) must be provided where the performance has fallen below 85% detailing the actions which are being taken/ are required to be taken, by the department to address the performance level.

The relevant Council officer will be required to present a monthly update report on the implementation of the SRP until such time as performance is recovered.

The relevant head of service is responsible for ensuring that sufficient resources are allocated to service recovery action plans, to ensure delivery.

Where performance falls below 75% this must be recorded on the departmental risk register and where any service falls below 65% this must be escalated to the Place H&S Committee.

The performance review thresholds will be reviewed annually by the Data and MI team to ensure they provide the appropriate level of assurance.

## **11.0 AUDIT AND SCRUTINY**

### **Internal audit (peer)**

As part of the development of a safety management system for compliance operations, the department will identify and upskill a number of employees to act as an internal audit team. Their role will be to undertake a programme of internal audits across services, to identify service gaps and promote continuous improvement.

### **Internal audit (Governance)**

As part of its risk and governance framework, all services are subject to internal audit by the Councils Corporate Health and Safety team and internal Risk & Audit function.

### **External audit**

The Council is not currently subject to proactive external audit. However, the Council acknowledges that should it fail to meet its statutory duty and by doing so fails to uphold the Home Standard, it would be subject to audit and investigation by the Social Housing Regulator and other external enforcement bodies.

### **Resident Scrutiny**

The Council acknowledges the value of involving residents in the design and monitoring of the services we provide. We will embed the requirement for residents to

participate in designing and scrutinising our services within our Building Safety Resident Engagement Strategy.

DRAFT

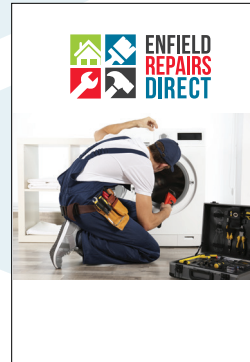
**Version control**

	Name	Signature	Date
Prepared by:	Sarah Stevenson-Jones		
Checked by:	Garry Knights		
Approved by:	Joanne Drew		
Document Title:	Landlords Compliance Policy		
Version Number:	1	Date of Next Review:	

DRAFT



# ENFIELD REPAIRS DIRECT



**ENFIELD REPAIRS DIRECT**

**ENFIELD Council**

A contractor will call you within 10 working days to arrange a convenient time to undertake the work.

**Dear Resident,**  
We attended your property today to carry out the following repair(s):

We found the following/took the following action:

In order to resolve this repair issue further repairs by Southwark Council are recommended

A new appointment had been recommended

Date: \_\_\_\_\_ Time: \_\_\_\_\_

If you do not receive a call from us within his time period please contact the repairs team to request a new appointment at a date and time when you will be present.

You may be liable for a missed appointment without giving reasonable notice that you cannot attend.

Further repairs by Enfield Council are not recommended. Any additional information:

**ENFIELD Council**

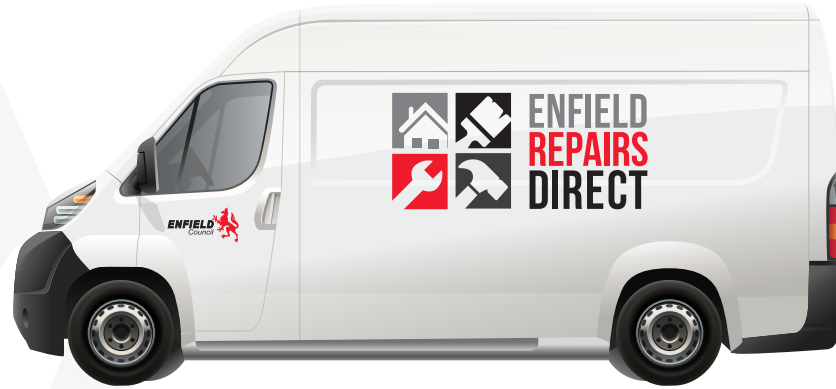
**ENFIELDREPAIRSDIRECT**

- ▶ Easy to report
- ▶ Provide convenient appointments
- ▶ When possible complete the work in one visit
- ▶ Produce a high quality repair
- ▶ Deliver a repairs - plus housing repairs service
- ▶ Keep our residents informed
- ▶ Ask for feedback and continually improve our service





# ENFIELD REPAIRS DIRECT



**ENFIELD**  
Council

A contractor will call you within 10 working days to arrange a convenient time to undertake the work.

If you do not receive a call from us within his time period please contact the repairs team to request a new appointment a date and time when you will be present.

You may be liable for a missed appointment without giving reasonable notice that you cannot attend.

Further repairs by Enfield Council are not recommended  
Any additional information:

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**Dear Resident,**  
We attended your property today to carry out the following repair/repairs:

We found the following/took the following action:

In order to resolve this repair issue further repairs by Southwark Council are recommended

A new appointment had been recommended

Date: \_\_\_\_\_ Time: \_\_\_\_\_

**ENFIELD**  
Council

## ENFIELD REPAIRS DIRECT

- ▶ Easy to report
- ▶ Provide convenient appointments
- ▶ When possible complete the work in one visit
- ▶ Produce a high quality repair
- ▶ Deliver a repairs - plus housing repairs service
- ▶ Keep our residents informed
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## Enfield Repairs Direct - 5 year business plan



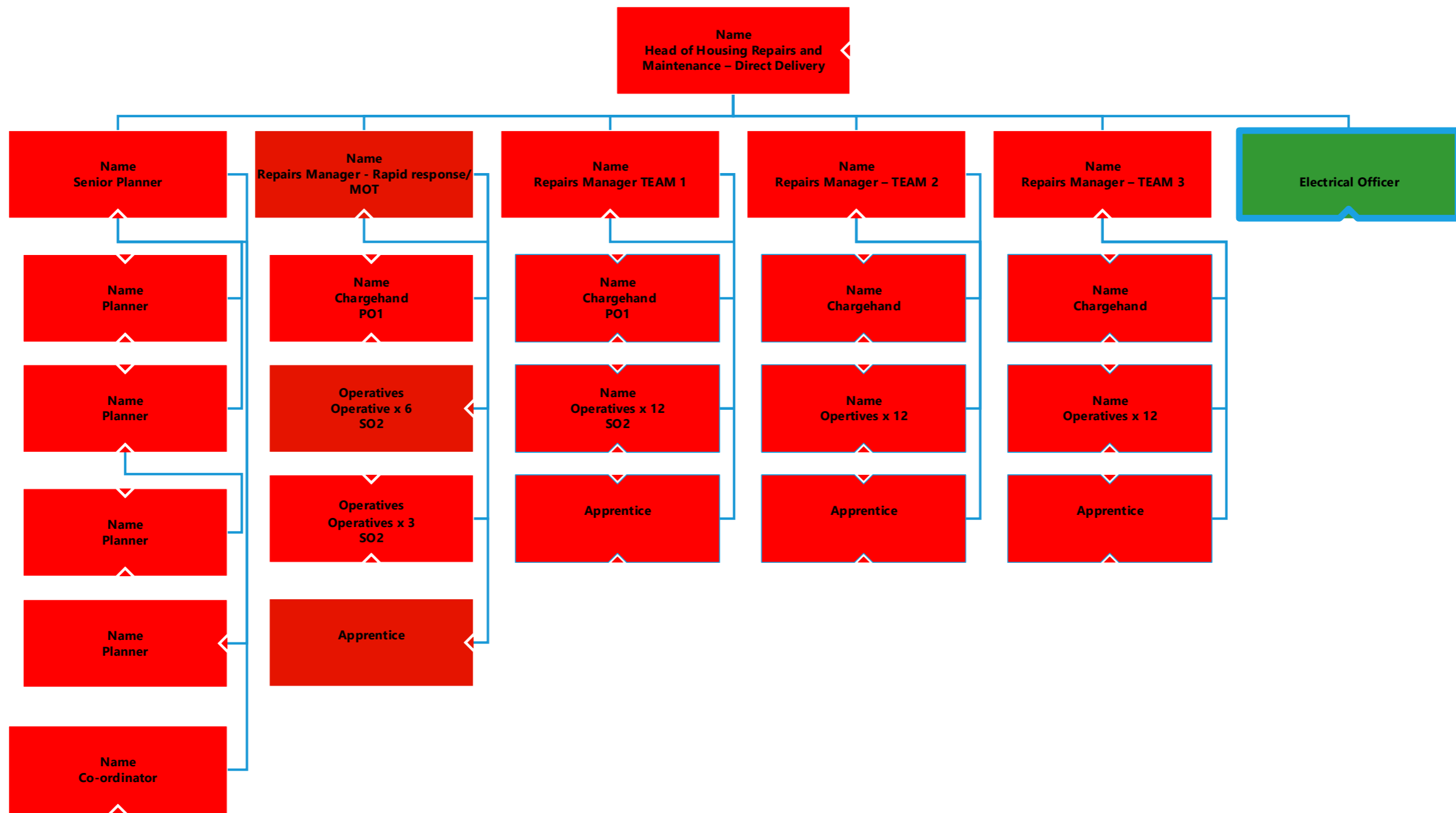
Assumed annual inflation for indexation	2%
Contribution to SLA % of salary cost	10%
Number of properties	10500

	Year						Total
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
<b>Efficiency saving (staff and material) (1)</b>			4.50%	6.00%	7.00%	8.00%	
<b>Expense Items</b>							
<i>Start Up cost</i>							
Approved cost	-£ 1,200,000						
<i>Employee Costs</i>							
Trades Operatives inc on-cost (2)		-£ 2,127,674	-£ 2,074,482	-£ 1,991,503	-£ 1,891,928	-£ 1,778,412	-£ 9,863,999
Back Office staff inc on-cost (2)		-£ 629,476	-£ 613,739	-£ 589,190	-£ 559,730	-£ 526,146	-£ 2,918,281
Uniforms PPE		-£ 10,000	-£ 9,750	-£ 9,360	-£ 8,892	-£ 8,358	-£ 46,360
Training		-£ 65,000	-£ 32,000	-£ 32,000	-£ 32,000	-£ 32,000	-£ 193,000
<i>Infrastructure</i>							
ICT and phone, data		-£ 61,040	-£ 45,000	-£ 45,900	-£ 46,818	-£ 47,754	-£ 246,512
Materials (2)		-£ 555,000	-£ 541,125	-£ 519,480	-£ 493,506	-£ 463,896	-£ 2,573,007
Tools		-£ 55,000	-£ 20,000	-£ 20,000	-£ 55,000	-£ 55,000	-£ 205,000
<i>Transport and plant</i>							
Capital repayments		-£ 151,429	-£ 151,429	-£ 151,429	-£ 151,429	-£ 151,429	-£ 757,143
Fuel (2)		-£ 203,520	-£ 198,432	-£ 190,495	-£ 180,970	-£ 170,112	-£ 943,528
Servicing, maintenance, insurance (2)		-£ 67,310	-£ 65,627	-£ 63,002	-£ 59,852	-£ 56,261	-£ 312,052
Insurance (2)		-£ 42,400	-£ 43,248	-£ 44,113	-£ 44,995	-£ 45,895	-£ 220,651
Specialist subcontractors		-£ 1,100,000	-£ 1,000,000	-£ 900,000	-£ 800,000	-£ 700,000.00	-£ 4,500,000
Contribution to SLA		-£ 275,715	-£ 268,822	-£ 258,069	-£ 245,166	-£ 230,456	-£ 1,278,228
Contingency		-£ 200,000	-£ 204,000	-£ 208,080	-£ 212,242	-£ 216,486	-£ 1,040,808
<b>Total Expense</b>	<b>-£ 1,200,000</b>	<b>-£ 5,543,564</b>	<b>-£ 5,267,654</b>	<b>-£ 5,022,620</b>	<b>-£ 4,782,527</b>	<b>-£ 4,482,205</b>	<b>-£ 26,298,570</b>
<b>Income</b>							
Rechargeable repairs			£ 50,000	£ 51,000	£ 52,020	£ 53,060	£ 206,080
<b>Budget</b>							
Current Budget - Repairs		£ 4,800,000	£ 4,896,000	£ 4,993,920	£ 5,093,798	£ 5,195,674	£ 24,979,393
Current Budget - MOT		£ 500,000	£ 510,000	£ 520,200	£ 250,000		£ 1,780,200
<b>Total Budget</b>	<b>£ -</b>	<b>£ 5,300,000</b>	<b>£ 5,406,000</b>	<b>£ 5,514,120</b>	<b>£ 5,343,798</b>	<b>£ 5,195,674</b>	<b>£ 26,759,593</b>
<b>Financial Performance</b>							
Annual Surplus/Deficit	-£ 1,200,000	-£ 243,564	£ 188,346	£ 542,500	£ 613,291	£ 766,529	
Cashflow		-£ 1,443,564	-£ 1,255,218	-£ 712,718	-£ 99,426	£ 667,103	£ 667,103
Internal rate of return							10.77%
<b>KPIs - demonstrate efficiency savings</b>							
Unadjusted costs (no indexing)		-£ 5,543,564	-£ 5,110,432	-£ 4,763,756	-£ 4,413,287	-£ 3,964,165	
Total number of jobs		40000	38200	35908	33394	30723	
Repairs per property		3.81	3.64	3.42	3.18	2.93	
Average cost per job (inc MOT)		-£ 138.59	-£ 133.78	-£ 132.67	-£ 132.16	-£ 129.03	
Average cost per property (unadjusted)		-£ 527.96	-£ 486.71	-£ 453.69	-£ 420.31	-£ 377.54	
% of responsive repairs subcontracted		21%	18%	16%	15%	13%	

## Notes

- (1) Reduction in the number of jobs as MOT, cyclical and planned programme develop  
(2) Reduction from indexation and efficiency impact, staff reduction or reallocation

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KEY

- Only FTE shown
- Green – no change, post filled
- Red – new post

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**MUNICIPAL YEAR 2019/2020 REPORT NO. 195****MEETING TITLE AND DATE:**

Cabinet (12.2.20)

Council (26.2.20)

**REPORT OF:**

Executive Director of Place

Contact officer and telephone number:

Philip Wadsworth (020 8379 1451)

**Agenda - Part: 1****Item: 10****Subject:****New decision-making arrangements to spend the Enfield community infrastructure levy and section 106 agreements****Wards: All KD 5029****Cabinet member consulted: Cllr Caliskan****1. EXECUTIVE SUMMARY**

- 1.1 Section 106 agreements and the Community Infrastructure Levy (CIL) are used to fund the provision of supporting infrastructure in association with development. They maximise the benefits and opportunities from growth such as employment opportunities and affordable homes.
- 1.2 Both receipts have increased significantly over the past financial year (2018/2019), as a result of major developments in Enfield and improvements to monitoring and collection. In 2018/2019, we collected over £2.7 million of section 106 receipts and over £6.3 million of CIL receipts.
- 1.3 This report seeks approval to set up new decision-making and reporting system to inform the prioritisation and allocation of community infrastructure levy (CIL) and section 106 funding (S106) and ensure compliance with the new CIL regulations, which will facilitate the delivery of timely infrastructure and the phasing of development across the borough.

**2. RECOMMENDATIONS****2.1 Cabinet is asked to:**

- recommend to Full Council that from April 2020 onwards to allocate CIL spend through the main capital programme and agree on the priorities on its allocation, as part of the annual budget setting process;
- approve the proposed governance arrangements through which decisions on the funding of infrastructure (CIL and S106 agreements) will be determined (see section 3.12);
- note the revocation of the Regulation 123 List (April 2016) which restricts the use of CIL to specified projects;
- delegate authority to the Cabinet Member for Strategic Planning to approve consultation on the neighbourhood portion (based on 15% of CIL receipts) and the priorities on how it is spent;
- approve the publication of the borough's first Infrastructure Funding Statement (see appendix 1) setting out how CIL and S106 income has been spent over the previous financial year (2018/2019) and how spend will be prioritised over the next reporting period; and

- delegate authority to the Executive Director of Place in consultation with the Cabinet Member for Strategic Planning to approve the publication of future Infrastructure Delivery Statements and authority to consult on updates to the Infrastructure Delivery Plan.

### 3. BACKGROUND

#### Introduction

- 3.1 This report proposes the key governance and reporting arrangements to secure the delivery of infrastructure through developer contributions (CIL and section 106) and other funding sources in the borough. It also draws on experience from other charging authorities and the principles of administering the CIL and section 106 agreements set out in the government's Planning Practice Guidance ("PPG").

#### Context

- 3.2 The current system of securing developer contributions (Enfield CIL and section 106 agreements) has been in operation since April 2016, following the adoption of the Enfield CIL Charging Schedule and the Enfield Section 106 Supplementary Planning Document.
- 3.3 **Section 106 agreements (S106)** are used to mitigate the impacts of development (e.g. site-specific) and support the provision of services and infrastructure such as highways, recreational facilities, education, employment and skills, health and affordable housing in association with planning applications. Enfield's adopted S106 Supplementary Planning Document sets out how section 106 agreements will be secured through development (published in 2016 and available on the council's website).

<b>Summary of main S106 spending during 2018/19</b>	
<b>£</b>	<b>Items of infrastructure</b>
2.46 million	Affordable housing delivery as part of the council's estate renewal programme
1.2 million	School expansion projects identified in the pupil places capacity and delivery strategy
303,564	Various transport improvements around the borough
75,862	Parks improvements works
52,707	Air quality/sustainability measures

- 3.4 The **Enfield Community Infrastructure Levy (CIL)** is a tariff-based charge on most developments to help fund the delivery of infrastructure that is needed to support the borough's future growth. The Enfield CIL Charging Schedule sets out the rates on which the levy is based (depending on the extent of floorspace and the nature and location of the proposed development).

<b>Enfield CIL income since 2016/17</b>	
	<b>Received in year</b>
<b>Year</b>	<b>£</b>
2016/17	207,304.96
2017/18	502,858.61
2018/19	6,398,498.38

- 3.5 Unlike section 106 agreements, CIL is non-negotiable and can be levied on a much wider range of developments (although there are some exceptions, such as small-scale affordable housing and self-build projects).
- 3.6 In Enfield, CIL is divided into three parts:

Type	Percentage of total receipts	Commentary
Strategic	80%	Receipts can only be spent on capital projects to fund a wide range of infrastructure projects.  However, funding is currently restricted to road and rail projects within the Meridan Water scheme (as identified in the “Regulation 123 List”).
Neighbourhood	15% (or up to 25% in a neighbourhood planning area)	Receipts can be spent on both capital projects and revenue projects, such as the maintenance of infrastructure. However, it does not have to be spent in the same area as the development.
Administration	5%	This covers administrative expenses (e.g. staff costs).

- 3.7 The Community Infrastructure Levy Regulations 2010 (as amended) (“CIL Regulations”) were revised in September 2019, with these amendments introducing greater flexibility in how CIL and S106 monies can be spent. Key changes include:
- removing the restriction on pooling and the number of section 106 agreements that can be used to fund projects or types of infrastructure (CIL and S106 income from any number of agreements can now be combined to fund the same infrastructure project or item);
  - removing the requirement to maintain and publish a list of infrastructure projects or items that will benefit from CIL funding (“Regulation 123 List”)<sup>1</sup>; and
  - introducing new reporting requirements through the preparation of annual infrastructure funding statements to monitor CIL and S106 income and expenditure.
- 3.8 Enfield has been set challenging growth targets through the draft London Plan (2019) and National Planning Policy Framework (2019) (“NPPF”) to significantly increase the supply of new homes and jobs to meet the growing needs of population. Meeting these will require significant on-going investment aligned with the provision of infrastructure from a range of partners.
- 3.9 The new Local Plan will set out a framework through which developer contributions (CIL and S106) will be sought towards the provision of necessary infrastructure and services (including new schools, open spaces, transport improvements, health facilities and utilities) to support the planned growth of the borough up to 2036.
- 3.10 Careful planning and coordination will be required to ensure that sufficient funding is available from CIL, S106 and other sources (e.g. match funding) to facilitate the timely delivery of this infrastructure. CIL and S106 receipts are expected to increase over the

<sup>1</sup> The Regulation 123 List specified what Enfield’s CIL could be spent on.

next few years in response to rising levels of development. Spending levels will need to be closely monitored to take account of changing priorities and the phasing requirements of development.

- 3.11 Consequently, we need to put in place new governance and reporting arrangements to determine how CIL and S106 income will be spent and administered in the borough. In addition, we need to consult with local communities and stakeholders on how CIL monies should be spent at the neighbourhood level.

### Proposed decision-making arrangements

- 3.12 The table below outlines the proposed governance structure through which decisions on the funding of infrastructure (CIL and S106 agreements) will be determined.

Decision making level	When	How
<p><b>Enfield Capital Programme</b> – the process of allocating CIL income will be undertaken through the capital programme, as part of the annual budget-setting process.</p>	Annual	<p>The current capital programme covers a four-year period (2018/19-2021/22).</p> <p>As part of the annual refresh of the capital budget, specific projects will be identified to meet the spending priorities set out in the Enfield Corporate Plan (2018-2022), with focus on income-generation and match-funding opportunities.</p> <p>Projects will be scrutinised at the Capital Finance Board and then formally approved at Cabinet / Full Council.</p> <p>Once approved, projects will be added to the capital programme and published on the Forward Plan.</p>
<p><b>Strategic Infrastructure Delivery Board</b> - a director-level group which will approve the allocation of CIL/S106 funding to support the delivery of strategic projects, in consultation with Corporate Finance</p> <p><b>Chair:</b> Executive Director of Place</p>	<p>Quarterly</p> <p>CIL/S106 income and expenditure will be referred up to the board on a quarterly basis.</p> <p>Project leads will also be expected to report back on scheme delivery and the benefits arising to the Strategic Infrastructure Board.</p>	<p>Strategic CIL: Directorates and service areas will be invited to submit new projects to the Strategic Infrastructure Board.</p> <p>Recommendations will be reported to Cabinet and Full Council in January / March of each year (as part of the capital programme).</p> <p>Neighbourhood CIL: Decisions on spending will be discussed at the Strategic Infrastructure Board, with recommendations made to EMT as part of the annual budget setting process.</p> <p>Funding bids will be expected to show evidence of how the project or</p>



		<p>programme will meet the agreed selection criteria (based on identified priorities set out in the Corporate Plan and the Infrastructure Delivery Plan).</p> <p>Section 106: The Strategic Infrastructure Board will also scrutinise and approve S106 and joint-funded projects.</p> <p>Where appropriate, the Strategic Infrastructure Board will make recommendations to the lead member/portfolio holder and the Capital Finance Board to approve S106/CIL-funded projects in line with the scheme of delegation.</p>
<p><b>Infrastructure Delivery Steering Group</b> – an officer-level group to discuss the allocation and distribution of S106 and CIL funds and other sources of funding</p> <p>Chair: Head of Strategic Planning &amp; Design</p>	<p>Monthly (prior to Strategic Infrastructure Board meetings)</p>	<p>The Infrastructure Delivery Steering Group will discuss S106/CIL projects at the relevant stages of the planning process.</p> <p>Where a S106/CIL-funded project requires sign-off at director level and above, it will be referred to the Strategic Infrastructure Board.</p>

- 3.13 Decisions on the approval of projects will be made in line with the council's current decision-making procedures for capital and, where appropriate, revenue spend.

### **Allocation & distribution of Enfield's CIL**

#### **Strategic CIL**

- 3.14 Over the past three financial years (2016-2017, 2017-2018 and 2018-2019), the entire strategic CIL allocation (circa £6.86 million) has been used to help fund the construction of the new Meridian Water station, in line with the requirements set out in the Regulation 123 List<sup>2</sup>. The new station officially opened in June 2019<sup>3</sup>.
- 3.15 CIL funding is no longer restricted to the infrastructure items or projects identified in the Regulation 123 List (which has been now revoked following amendments to the regulations).
- 3.16 Instead, the council must now publish an annual infrastructure funding statement setting out the types of infrastructure and projects it intends to fund through the levy over the next reporting period (see appendix 1).

<sup>2</sup> The Regulation 123 List (April 2016) was limited to specific road and rail projects within the Meridian Water development.

<sup>3</sup> 2016-2017, 2017-2018 and 2018-2019

3.17 CIL spending priorities will then be determined on an annual basis as part of the budget-setting process set out in the capital programme (taking account of the specific and cumulative needs arising from development) and in line with the emerging Infrastructure Delivery Plan (see paragraphs 3.33-35). For example, the capital budget agreed at Full Council in January 2020 has allocated £5 million from Enfield's 2019/20 CIL to match fund the Housing Infrastructure Fund (HIF) grant at Meridian Water. Going forward, spend on CIL will be determined through the capital programme aligned with corporate priorities.

### **Neighbourhood CIL**

3.18 The neighbourhood portion of the Enfield CIL can be used to fund a wide range of projects that relate to the provision of infrastructure or address the demands arising from development in an area. Examples include but not limited to:

- cultural spaces and cafes;
- youth facilities;
- public realm works (e.g. street furniture);
- drainage improvements (e.g. SUDS);
- pedestrian and cycle routes;
- community events (e.g. festivals and galas) in association with long term regeneration programmes (e.g. town centres);
- community gardens/orchards;
- skills and training hubs (e.g. digital technology); and
- security measures to reduce crime and anti-social behaviour (e.g. CCTV).

3.20 Each year, local community groups and stakeholders (including service leads, ward councillors and elected members) will be invited to put forward proposed projects through a new Enfield Neighbourhood Fund that will be established later in 2020.

3.21 The recent report of the Enfield Poverty and Inequality Commission Poverty Commission (January 2020) has highlighted 27 measures to tackle Enfield's on-going deprivation and inequalities. The 27 recommendations of the report will form clear criteria for assessing and prioritising spending proposals. This in turn will feed into our corporate priorities and neighbourhood spend.

3.22 The administration of the Enfield Neighbourhood Fund (including the nature of the consultation on future priorities) and decisions on how this money is spent will be reported to Cabinet at a future date.

### **Allocation & expenditure of section 106 agreements**

3.23 Section 106 contributions, once received, will be ringfenced to spend on the projects identified under the terms of the legal agreement. In most cases, a section 106 agreement specifies how the money collected from the development must be spent.

3.24 At the end of each financial quarter, service leads and directorates will seek to spend the funds in accordance with the terms of the section 106 agreements. Once approved, section 106 funding will be allocated for the spend purpose (which may include new open space provision, public transport improvements and education and health facilities) as specified in the agreement.

- 3.25 Many of these projects will be identified in the borough's emerging Infrastructure Delivery Statement and the annual capital programme. The Infrastructure Funding Statement (see appendix 1) identifies several of the key projects that will be funded through S106 agreements over the next reporting period.
- 3.26 Wherever possible, S106 contributions will be used alongside other sources of funding (including crowdfunding, levy receipts and government grants) to secure the delivery of a project or programme.

### **Reporting & monitoring**

#### **Enfield Infrastructure Funding Statement**

- 3.27 Under the CIL regulations, local authorities must now publish an annual infrastructure funding statement (before 31 December in each calendar year) to report on the collection, allocation and spending of CIL and S106 contributions.
- 3.28 The (draft) Enfield Infrastructure Funding Statement (see appendix 1) sets out how CIL and section 106 income has been collected and spent over the past financial year (2018/2019) and how it will be spent over the year ahead (taking account of known and expected infrastructure costs and other potential sources of funding).

#### **Enfield's emerging Infrastructure Delivery Plan**

- 3.29 The Enfield Infrastructure Delivery Plan will provide the mechanism through which infrastructure projects will be identified and prioritised to support the growth requirements set out in the emerging Local Plan.
- 3.30 As part of the ongoing engagement process of the Local Plan, officers are working with relevant stakeholders (including infrastructure providers, neighbouring authorities and other relevant organisations) to determine the emerging priorities and projects through the Infrastructure Delivery Plan over the short, medium and long term.
- 3.31 The Infrastructure Delivery Plan will be updated annually alongside the Infrastructure Funding Statement to inform the capital programme and monitor the progress of projects and programmes.

## **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Spending decisions on the use of developer contributions (CIL and section 106) could be determined at member level through a publicly accountable board (e.g. sub-committee). Another option would be to delegate spending decisions to the Executive Director of Place and/or the Leader of the Council/Portfolio Holder for Strategic Planning and/or Finance.
- 4.2 However, it would be more efficient and cost effective to administer CIL and S106 spending through existing governance structures and engagement processes, such as the capital programme and internal cross-directorate officer boards (as per government guidance<sup>4</sup>). This is the standard approach to CIL and S106 governance. A growing

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<sup>4</sup> National Planning Policy Guidance (Ministry of Housing, Communities & Local Government, 2019).

number of London boroughs (including Waltham Forest, Haringey and Harrow) are administering the allocation of CIL through the capital programme and annual budget process.

- 4.3 Other options considered include delegating the allocation of the neighbourhood portion to ward or parliamentary constituency level. However, the benefits of infrastructure also rarely adhere to ward or constituent boundaries. Spreading the funding across several wards or neighbourhoods would also limit the potential wider benefit of schemes and increase administration costs.

## 5. REASONS FOR RECOMMENDATIONS

- 5.1 The council needs to develop transparent and accountable governance and reporting structures to decide how CIL/S106 income is spent and administered (see paragraph 3.12) in line with the CIL regulations.

- 5.2 This approach will be implemented to ensure that:

- the right infrastructure and land is delivered at the right time and in the right place to support the growth and regeneration of the borough (as per the requirements of the NPPF);
- decisions on the allocation of funding (CIL and S106) are transparent, accountable and based on robust and up-to-date evidence;
- adequate funding and resources are available to support the delivery of infrastructure and services (for example, through pooling contributions and match funding/income-generating opportunities);
- development remains viable across the borough to ensure that new jobs and homes can be delivered;
- infrastructure can be carefully planned through the masterplanning and phasing of development sites; and
- infrastructure spending is aligned with the strategic priorities and requirements set out in the new Local Plan, Corporate Plan and other relevant strategies.

### Indicative timeline

Event	Indicative date
Cabinet approval – capital programme, decision-making structure & new reporting arrangements	February 2020
Full Council approval – capital programme	February 2020
Publication of the Enfield Infrastructure Funding Statement	March 2020
Ongoing engagement on the emerging Enfield Infrastructure Delivery Plan	March 2020
Cabinet approval to publish the Enfield Infrastructure Delivery Plan	Summer – Autumn 2020

## 6 COMMENTS OF OTHER DEPARTMENTS

### Financial implications

#### Enfield's community infrastructure levy

- 6.1 CIL receipts can only be spent on capital projects, although associated revenue spending to maintain those capital items is also permissible.
- 6.2 It is the responsibility of the section 151 officer (Director of Finance) to ensure that decisions relating to the expenditure of Enfield's community infrastructure levy accords with the annual budget. CIL will be used as a resource to help finance the borough's capital programme based on priorities set out in the Corporate Plan in line with the regulations.
- 6.3 Enfield's CIL will be integrated with the medium-term financial strategy and budget setting process and formally allocated through the capital programme (before the end of each financial year).
- 6.4 Since its introduction in April 2016, Enfield's CIL has raised over £5.68 million towards the new railway station within the Meridian Water scheme. CIL receipts have increased year-on-year in response to major development schemes (commencement of planning permissions) and improved monitoring.
- 6.5 The level and timing of CIL funding will, however, depend on the nature and scale of the development, the number of implemented planning permissions, build-out rates, and the phasing of development etc. Due to the uncertainty over forecasting, the amount of CIL funding will be based on the total receipts collected from the previous financial year and any unspent receipts from previous financial years.
- 6.6 Enfield's CIL will be allocated through capital programme in the next financial year (2020/2021) as follows:

Type	Amount of projected funding*	Purpose	Note
Strategic	£2-4 million	<ul style="list-style-type: none"> <li>To support the capital programme (including Meridian Water)</li> </ul>	<ul style="list-style-type: none"> <li>Contributions will be sought towards the following items of infrastructure:</li> <li>Public realm improvements within estate regeneration schemes and town centres</li> <li>Sustainable transport (Cycle Enfield &amp; highway maintenance)</li> <li>Road infrastructure (Meridan Water)</li> <li>Open spaces (cemeteries and burial space)</li> </ul>

Neighbourhood	Up to £1 million <sup>5</sup>	<ul style="list-style-type: none"> <li>Funding has been ringfenced to spend on community projects and services</li> </ul>	<ul style="list-style-type: none"> <li>Receipts from last three financial years remain unspent.</li> <li>The size of the fund could decrease in future years.</li> </ul>
Administration	5% of total receipts	<ul style="list-style-type: none"> <li>Services from planning and finance will be required to support the smooth running of the new arrangements and oversee the collection and management of Enfield's CIL.</li> </ul>	

<sup>5</sup>based on the current charging rates set out in the CIL Charging Schedule

- 6.8 Future projections (beyond the current capital programme) will be dependent on the outcome of the review of the Enfield CIL Charging Schedule undertaken to support the new Local Plan 2036. Enfield's charging rates will need to be updated to reflect the emerging infrastructure and growth requirements set out in the Local Plan (taking account of changing market conditions, such as increasing housing prices and the viability of development) in line with the regulations<sup>6</sup>.

### Section 106 agreements

- 6.9 Unlike CIL, S106 agreements are subject to negotiation at the planning application stage. S106 income varies on a site-by-site basis depending on a range of factors, such as viability and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.
- 6.10 Both CIL and S106 spending will be reported on an annual basis through the Infrastructure Funding Statement (see appendix 1).

### Legal implications

- 6.11 CIL monies can only be spent on infrastructure, as defined in the Planning Act 2008 (as amended), apart from the neighbourhood portion (15% of CIL monies if there is no adopted neighbourhood plan) which may also be spent on, in addition to infrastructure, anything else that is concerned with addressing the demands that development places on an area. Obligations can be obtained from section 106 agreements for any purpose, provided they comply with the requirements of section 106 of the Town and Country Planning Act 1990 (as amended) and regulation 122 of the CIL regulations. Monies and obligations pursuant to a section 106 agreement must be spent or provided in accordance with any contractual provisions contained therein.

<sup>5</sup> This figure is based on the approximate amount of CIL collected (15% of all receipts) over the past three financial years (2016-2017, 2017-2018 and 2018-2019).

<sup>6</sup> Any new charging rates will need to be subject to public consultation and independent examination in line with the requirements set out in the CIL regulations and planning policy guidance.

- 6.12 The CIL regulations have revoked the Regulation 123 List. The first annual infrastructure funding statement, noting what CIL receipts have been spent on and how it is intended they will be spent, must be published no later than 31st December 2020. For the financial year 2018/19, charging authorities must report on CIL it has collected, or any CIL collected on its behalf (as outlined in the PPG).
- 6.13 The infrastructure funding statement must include the details prescribed in schedule 2 of the CIL regulations. This will also include a section 106 report detailing monies and obligations pursuant to section 106 agreements, including affordable housing which is not defined as 'infrastructure' for CIL purposes. There is also now a requirement to publish an annual CIL rate summary each calendar year, no earlier than 2nd December and no later than 31st December, in relation to the next calendar year.
- 6.15 Clear and transparent governance mechanisms (CIL and section 106 agreements) will ensure robust and effective expenditure and reporting in line with the above requirements and ensure compliance with the CIL regulations and the NPPF/PPG to which the council must have regard.

### Property implications

- 6.12 This report does not of itself commit the council to any expenditure on its property portfolio. Any related proposals with cost implications would need to be subject to separate reports and full financial appraisal.

## 7. KEY RISKS

Key risk	Action to mitigate
Lack of accountability/transparency: failure to disclose CIL/S106 income and expenditure activities	Produce and publish an infrastructure funding statement before 31 December of each calendar year (as per the CIL regulations)
Legislative: Risk of legal challenge from developers and landowners (due to non-compliance with the CIL regulations)	Ensure a new governance system is put in place to prioritise CIL and S106 receipts
Lack of adequate funding could adversely affect collection and allocation of CIL/S106 monies.	Ensure adequate resources are available to implement CIL/S106 governance in a timely manner in line with the regulations.
Failure to allocate sufficient funding could undermine the viability of development and inhibit the delivery of infrastructure	Ensure that decision-makers direct CIL/S106 income to delivery of critical infrastructure to support development
Community engagement and accountability: Neighbourhoods and stakeholders may not be given the opportunity to influence how the money is spent at the local level	Ensure all S106/CIL receipts are spent within set deadlines and on the projects identified in the legal agreement/capital programme.
Failure to implement these arrangements would undermine the ability of the council to effectively coordinate the provision and maintenance of infrastructure	Ensure effective decision-making structures/processes are in place to coordinate the future planning and delivery of infrastructure in parallel with the Local Plan.

## **8. IMPACT ON COUNCIL PRIORITIES**

8.1 The approach to infrastructure funding and delivery set out in this report (including the proposed decision-making structure) has been developed to support the overarching priorities as set out in the Corporate Plan.

- **Good homes in well-connected neighbourhoods**

CIL/S106 income will be used to effectively plan and coordinate the delivery of infrastructure alongside new development (e.g. affordable homes) to meet the future needs of the borough.

- **Sustain strong and healthy communities**

CIL/S106 income will be spent in a way that supports development and the creation of sustainable and healthy communities set out in the Local Plan, especially in terms of the provision of new infrastructure (e.g. physical, social and community) and supporting services.

- **Build our local economy to create a thriving place**

CIL/106 income will make a significant positive contribution to infrastructure investment and place-making in the borough.

## **9. EQUALITY IMPACT IMPLICATIONS**

9.1 Local authorities have a responsibility to meet the public-sector duty of the 2019 Equality Act. The act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these diverse groups when prioritising and spending S106/CIL income so that our decisions do not unduly or disproportionately affect access by some groups more than others. Corporate advice has been sought with regards to equalities and an agreement has been reached that an equalities impact assessment/analysis is not relevant or proportionate in this instance.

9.2 Equality issues will be addressed and integrated into the process of preparing the new Local Plan and the review of the CIL Charging Schedule through the Integrated Impact Assessment.

## **10. PERFORMANCE & DATA IMPLICATIONS**

10.1 The report provides clear evidence of sound financial management, efficient use of resources, promotion of income generation and adherence to best value and good performance management.

## **11. RESOURCES IMPLICATIONS**

11.1 There are no notable human resource implications arising from this report.



## **12. PUBLIC HEALTH IMPLICATIONS**

- 12.1 Better and more effective coordination of infrastructure delivery and financing is vital to the future health and wellbeing of the borough. S106/CIL income will be used to address the impact of development (e.g. carbon offsetting) and secure adequate provision of infrastructure (including health and education facilities, green-grid connections and community facilities) to the support future needs of the borough.

### **APPENDICES:**

Appendix 1 – Infrastructure Funding Statement

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## Appendix 1:

# INFRASTRUCTURE FUNDING STATEMENT: ENFIELD'S APPROACH TO SECURING CONTRIBUTIONS FROM DEVELOPMENTS 2019/2020

# 1. Introduction

## 1.1: About this statement

Welcome to the **Enfield Infrastructure Funding Statement** income and expenditure relating to the Community Infrastructure Levy (CIL) and section 106 (S106) agreements.

London boroughs, such as Enfield, are now required to produce an infrastructure funding statement on an annual basis, as a result of recent changes to government legislation<sup>1</sup>. This represents the borough's first infrastructure funding statement.

S106 agreements and CIL (both known as planning obligations or developer contributions) are used to help fund the provision of supporting infrastructure in association with development and maximise the benefits and opportunities from growth, such as employment opportunities and affordable homes.

Sections 2 and 3 of this statement sets out progress in the collection and spending of CIL and S106 income over the last financial year (2018/19).

Section 4 sets out CIL and S106 planned expenditure over the next reporting period (2020/21).

### Key headlines from the statement

In 2018/2019, the headline figures are as follows<sup>2</sup>:

#### Enfield Community Infrastructure Levy:

- CIL receipts have increased significantly over the past financial year, as a result of major developments and improvements to the way in which receipts are monitored and recorded (**£6.4 million** represents the highest amount received since the introduction of CIL in 2016).

- **£5.1 million** of receipts from Enfield's CIL was drawn down to help fund the new Meridian Water station (see table 3).
- **£959,775** of receipts was collected from Enfield's CIL towards local community projects (known as the 'neighbourhood portion').

#### Mayoral Community Infrastructure Levy:

- **£2.6 million** of funding was collected on behalf of the Mayor of London to help finance Crossrail.

#### Section 106 agreements:

- **£4.18 million** of funding was drawn down towards the provision of affordable housing and meeting the borough's increased demand for extra primary school places as well as other types of infrastructure. Please note: this is the highest S106 expenditure recorded to date.
- **£2.78 million** has been received in S106 receipts - mostly commuted sums towards affordable housing and education contributions. There is a remaining balance of **£4.16million** in the pot.

In 2020/2021, CIL/S106 expenditure will be focussed on the following priorities:

#### Enfield Community Infrastructure Levy:

- **CIL receipts (circa £5 million)** will be made available to spend on the following items of infrastructure:
  - Public realm improvements within estate regeneration schemes and town centres.
  - Sustainable transport (healthy streets/liveable neighbourhoods).
  - Road infrastructure (Meridan Water).
  - Open spaces (cemeteries and burial space).
- Over **1 million** pounds of additional funding will be made available to spend on local priorities at the neighbourhood level. Local communities and stakeholders will be asked to submit project ideas and suggestions on

<sup>1</sup> Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

<sup>2</sup> Please note: the figures are rounded up to the nearest hundred thousand.

how this money should be spent.

#### Section 106 agreements:

- £300K of receipts will be used towards creating safe and secure cycle routes as part of the Cycle Enfield programme.
- £283K of S106 employment and skills receipts will be applied towards the Build Enfield programme, which has been developed to enable Enfield's residents to access jobs and training opportunities being created through developments.
- £230K of receipts will be used towards highway and streetscape improvement schemes at Montague, Bush Hill/Town Park Hillyfields and Oakwood Park, as part of the 'healthy streets' agenda.

#### Community Infrastructure Levy & section 106 agreements

CIL is used to fund the provision of a range of infrastructure that is needed to support the future growth of the borough. The levy applies to most new buildings and extensions to buildings (although there are some exceptions, such as schools, health facilities and self-build housing).

S106 agreements are used to mitigate the impacts of development and ensure that Enfield's planning policy requirements (as set out in the adopted Core Strategy and the Section 106 Supplementary Planning Document) are fully met. S106 obligations include:

- site-specific financial contributions - these are secured and must be used for defined purposes; for instance, the provision of education facilities, traffic and transport/highways related works, open space contributions and affordable housing contributions (where accepted in lieu of on-site provision);
- provision of on-site affordable housing; and
- non-financial obligations, including requirements such as employment and skills strategies, construction management plans and travel plans.

Over the past financial year, over £11.7 million of funding has been raised from a combination of CIL and S106 contributions (see tables 1 and 5) to help deliver infrastructure schemes in the borough.

## 2. Community Infrastructure Levy – collection & expenditure

### 2.1: Types of CIL

There are two types of community infrastructure levy in Enfield.

- **Mayoral CIL** (a standard charge which applies to most new development across Greater London and is used to help fund Crossrail); and
- **Enfield CIL** (a standard charge which applies to most new buildings and extensions in the borough).

Sections 2.1 and 2.2 below outline the spending and collection of Enfield CIL in 2018/19, while section 2.3 summarises the current position in relation to Mayoral CIL.

### 2.2: Enfield CIL income: 2018/19

The amount of CIL payable depends on where the development is located within the borough and the type of development (ranging from £0, £40, £60 and £120 square metres)<sup>3</sup>.

The Enfield CIL Charging Schedule and map of the charging zones are available to view from our website at <https://new.enfield.gov.uk/services/planning/community-infrastructure-levy>.

Unlike section 106 agreements, the rate of CIL payable is both mandatory and non-negotiable<sup>4</sup>.

The table below provides a breakdown of combined Enfield CIL and Mayoral CIL receipts over the last three financial years. The 2018/19 figure (London Borough of Enfield) represents the highest CIL income recorded since its adoption.

<sup>3</sup> The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 (see <http://www.legislation.gov.uk/ukdsi/2019/9780111187449/contents>)

<sup>4</sup> CIL is charged per square metre (gross floorspace) and must be paid once the development commences.

Table 1. CIL income since 2016/17*		
	Received in year (Mayor of London)	Received in year (London Borough of Enfield)
Year	£	£
2016/17	909,811	207,305
2017/18	1,033,624	502,859
2018/19	2,600,175	6,398,498

\*Figures rounded up to nearest hundred

In 2018/19, the largest amount of Enfield CIL received came from the following developments<sup>5</sup>:

- Former Middlesex University, Trent Park - **£4,570,193**
- New Avenue Estate, Cockfosters - **£414,139**
- Alma Estate, Ponders End - **£246,137**
- Land to rear of Spring View Care Home, Enfield Town - **£118,984**
- 543 Green Lanes, Palmers Green - **£115,482**



Figure 1: Civic Centre, Silver Street (Enfield London Borough Council)

## 2.2: Enfield CIL expenditure

In 2018/19, a total of £6,398,498 was collected from Enfield's CIL. This figure is broken down as follows:

### Strategic CIL

In April 2016, the London Borough of Enfield published a "Regulation 123 List" setting out the following items of infrastructure that would be funded in part through its CIL:

- Rail infrastructure (new station) at Meridan Water.
- Highway infrastructure (new central spine road) at Meridan Water.

<sup>5</sup> Relevant planning application information on the above developments can be found from our online planning portal at <https://new.enfield.gov.uk/services/planning/the-planning-register>.

Meridian Water is a major London regeneration programme, delivering thousands of new homes and jobs over the next two decades and beyond to south-east Enfield, on the doorstep of the Lee Valley Regional Park and Edmonton.

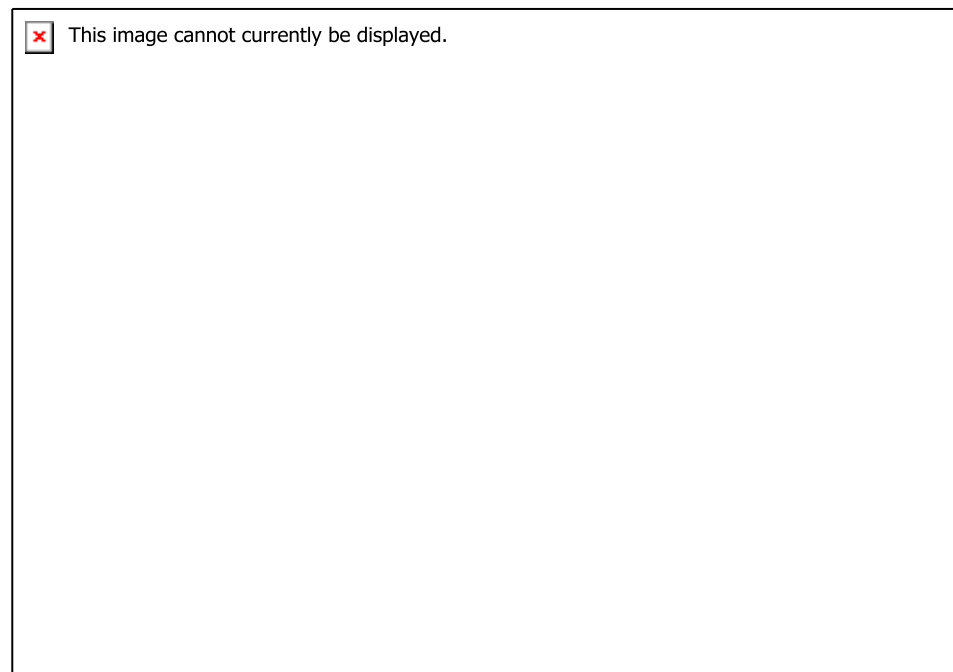
The provision of large-scale infrastructure (including new road and rail links) is critical to the successful delivery of the Meridian Water development, especially during its early phases.

Since its introduction, the entire strategic CIL allocation has been used to help facilitate the delivery of the new railway station within the Meridian Water scheme (see below).

<b>Table 2. Strategic CIL expenditure since 2016/17 towards Meridian Water</b>	
Year	£
2016/17	165,844
2017/18	402,287
2018/19	5,118,799

The Meridian Water railway station formally opened on 3 June 2019, taking passengers south to Stratford and Liverpool Street station and north to Stansted and Cambridge (see figure 2).

Section 4.1 overleaf set out how these funds will be collected and spent in the next financial year (taking account of known and expected infrastructure costs and other potential sources of funding).



**Figure 2: Meridian Water – London’s newest railway station**

### Neighbourhood CIL

Councils have a duty to pass on a proportion of CIL receipts to local neighbourhoods (this is known as the neighbourhood portion)<sup>6</sup>. The neighbourhood portion is capped at 15% (but rises to 25% in areas where a neighbourhood plan has been adopted).

In Enfield, 15% of CIL receipts have been ringfenced to spend on local projects (as there are currently no adopted neighbourhood plans in place).

Neighbourhood plans are formal planning documents that local communities can prepare to guide the future development of their areas. Hadley Wood has been established as a neighbourhood area and a forum of community representatives are working together to prepare a neighbourhood plan to shape the future of the

<sup>6</sup> Community Infrastructure Levy Regulations (2019).

area7. However, the neighbourhood plan will need to be subject to independent examination and a local referendum before it can be formally adopted.

The neighbourhood portion of the levy must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area.

Since its introduction, the London Borough of Enfield has collected over a million pounds of CIL funding towards local neighbourhood projects (see table 3 below).

**Table 3: Neighbourhood CIL collected since 2016/17**

Year	£
2016/17	31,096
2017/18	75,429
2018/19	959,775

As set out in section 4.3, we are introducing new governance arrangements relating to the allocation of the community infrastructure levy to ensure a consistent and transparent approach to decision-making. Views will be sought from local community groups and stakeholders on how the neighbourhood portion should be spent.

### CIL administration

In 2018/19, 5% of receipts (totalling £319,924) from Enfield’s CIL were ringfenced to cover administrative costs<sup>8</sup>.

<sup>7</sup> Further details on the neighbourhood planning process can be found from our website at <https://new.enfield.gov.uk/services/planning/neighbourhood-planning>.

<sup>8</sup> Up to 5% of CIL funds can be retained annually to cover administration costs (as per the CIL Regulations, as amended).

These funds have been spent on the management, staffing, administration, information technology and legal costs involved in:

- the collection of CIL;
- the setting up and maintenance of new systems to coordinate the administration of CIL; and
- the ongoing management of CIL spending and will be used to support the local CIL spending system once governance arrangements have been finalised.

### 2.3: Mayor of London Community Infrastructure Levy

Enfield has been collecting CIL on behalf of the Mayor of London since April 2012. These funds are transferred to the Transport for London on a quarterly basis to help finance Crossrail.

Mayoral CIL receipts have steadily increased year-on-year since 2016/17 (as set out below).

**Table 4: Mayoral CIL receipts collected since 2016/17 towards Crossrail (at a rate of £20 per square metre)**

Year	£
2016/17	909,811
2017/18	1,033,624
2018/19	2,600,175

4% of the annual receipts from Mayoral CIL are ringfenced to cover our administration costs (including staffing and the maintenance of computer software). In 2018/2019, this amounted to £104,000.



The Mayor of London's new charging schedule (known as MCIL2) came into effect on 1 April 2019 (see [www.london.gov.uk/sites/charging\\_schedule](http://www.london.gov.uk/sites/charging_schedule)) and replaces MCIL1.

MCIL2 will be used to fund both Crossrail 1 (the Elizabeth Line) and Crossrail 2. Crossrail is a new high-frequency railway line that will cross London from east-to-west and north-to-south. The Elizabeth Line is due to open in late 2020/early 2021 (see figure 3 below).



**Figure 3: Crossrail (The Elizabeth Line)**

Please note: Enfield is one of only two London authorities to have moved from a lower to a higher band under MCIL2, from charging band three (£20 per square metres) to charging band two (£60 per square metres). The new rate of £60 per square metres is applicable to all qualifying development granted planning permission on or after 1 April 2019.

As well as improving links to central London and increasing capacity on existing routes, Crossrail 2 will unlock land and development opportunities, particularly in the Upper Lea Valley on the eastern fringe of Enfield (including Meridan Water).

### **3. Section 106 update: 2018/19**

The adopted Core Strategy (2019-2025) sets out our priorities on planning obligations in the context of negotiations on planning applications, with the highest priority given to affordable housing and public transport improvements. Other priorities include tackling climate change (e.g. flood risk management) and the provision of education, health and childcare facilities.

The Section 106 Supplementary Planning Document sets out the range and nature of planning obligations to be sought depending on the type of development in the borough.

Copies of these documents can be viewed online at <https://new.enfield.gov.uk/services/planning/local-plan>.

#### **3.1: Section 106 agreements signed**

Developments with notable S106 agreements signed in the last financial year (2018/2019) include:

- Comfort Hotel, 52 Rowantree Road: Conversion of hotel into 10 self-contained flats;
- 465-469 Green Lanes, Palmers Green: Redevelopment of the site to provide 15 residential units;
- Fox Public House, 413 Green Lanes: Redevelopment of site in to provide refurbished public house (A4) and commercial unit (A1-A5, D2) on the ground floor together with erection of 54 residential units;
- New Avenue estate renewal: Phased redevelopment of site involving construction of new road to provide 408 residential units; and
- Tottenham Hotspur Football Club: Formation of an outdoor educational facility comprising ground works to form a nature reserve/ecological enhanced area together with erection of a single storey detached building

with basement for education, sports and leisure uses, a four-pitch multi-use sports pitch.

S106 agreements and other relevant documentations from each planning application (17 in total) can be viewed online on our planning portal at <https://new.enfield.gov.uk/services/planning/the-planning-register>.

### 3.2: Section 106 financial contributions received

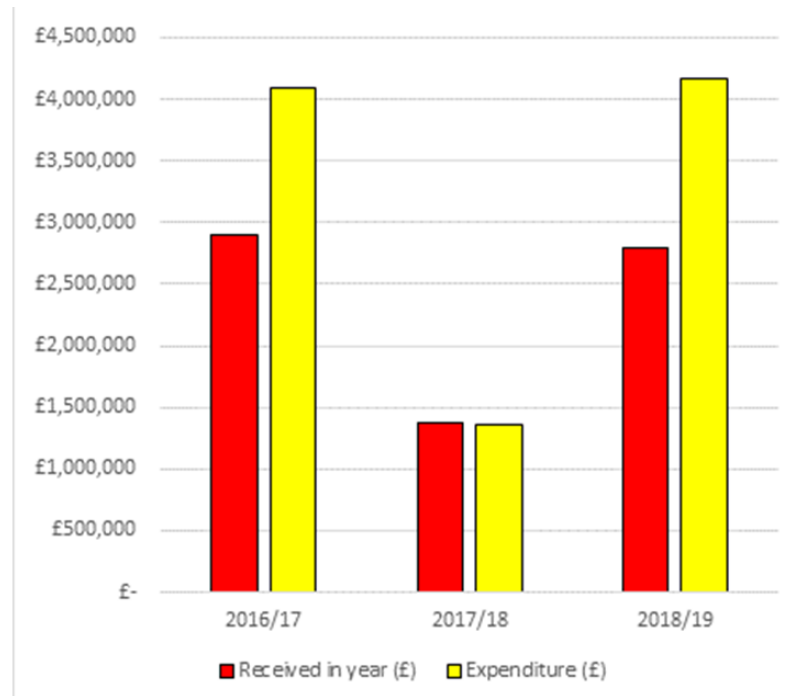
In 2018/19, a total of £2.78 million was received in S106 contributions, representing a significant increase from the last financial year (albeit marginally lower than the amount received in 2016/17).

Table 5 and the bar chart (see figure 4) show S106 income and expenditure over the last three financial years.

The 2018/19 figure represents the highest S106 expenditure recorded to date (as more affordable housing contributions have been secured and drawn down towards the delivery of the borough’s estate regeneration schemes, as set out in table 6).

	<b>Received in year</b>	<b>Expenditure</b>
Year	£	£
2016/17	2,894,065	4,090,950
2017/18	1,370,510	1,362,878
2018/19	2,786,438	4,161,856

**Figure 4: S106 income and expenditure since 2016/17**



Following the decision of the court of appeal to reinstate the government’s small sites exemption, the amount of affordable housing and education receipts received under S106 agreements has fluctuated over this period (2016/17 to 2018/19)<sup>9</sup>.

Total receipts in 2018/19 came from 16 sites, however most of the contributions came from the following sites:

- Chase Farm Hospital, The Ridgeway - £631,215
- New Avenue Estate, Cockfosters - £161,311
- Birchwood Court and rear of 238/286 (North Circular Road) - £119,613

<sup>9</sup> In May 2016, the Court of Appeal reinstated the government’s Written Ministerial Statement exempting developments of 10 units or less (with a gross combined floorspace of less than 1,000 square metres) from affordable housing and other tariff-based contributions (e.g. section 106 obligations).

- Lockfield Avenue, Brimsdown - £112,000



**Figure 5: Redevelopment of Chase Farm Hospital**

### 3.3: Section 106 spending

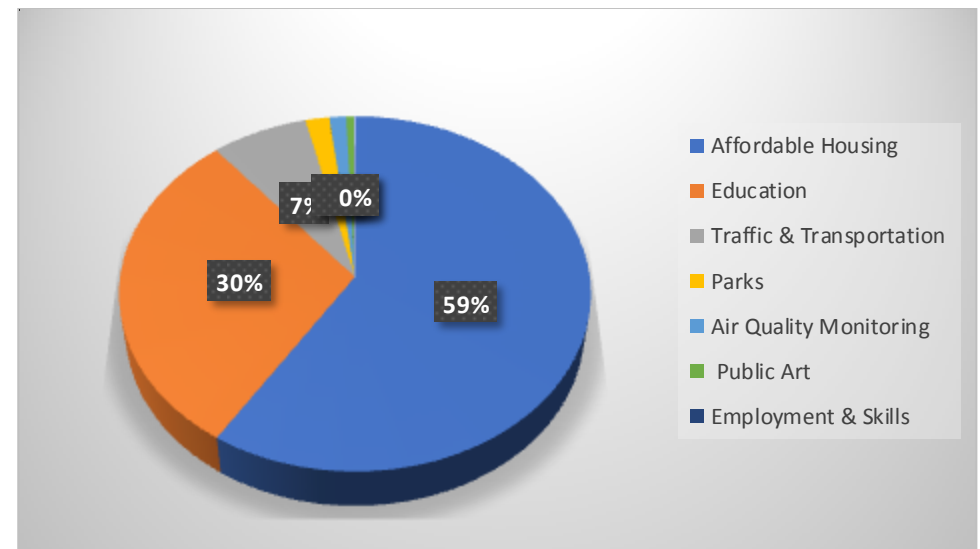
Expenditure of section 106 funds exceeded levels of income in 2018/19, with over £4.18 million either spent or transferred to committed projects. This reflects the current focus on the spending of S106 monies to ensure the delivery of infrastructure: affordable homes, employment, open space, public transport improvements and other opportunities needed to support growth and maximise the benefits secured from development.

The pie chart below (see figure 6) provides a visual breakdown of S106 expenditure over the last financial year across each service area.

#### Summary of main spending during 2018/19:

- **£2.46 million** for affordable housing delivery as part of the council’s estate renewal programme
- **£1.2 million** towards school expansion projects identified in the pupil places capacity and delivery strategy
- **£303,564** on various transport improvements around the borough
- **£75,862** towards parks improvements works
- **£52,707** towards air quality/sustainability measures

**Figure 6: Pie chart showing expenditure by service area (2018/19)**



## Housing

The draft new London Plan (Greater London Authority, 2019) requires developments to make the maximum reasonable provision for affordable housing. Affordable housing should be provided on-site in the first instance, although off-site contributions (or an in-lieu payment) will be allowed in exceptional circumstances. Affordable housing development is covered by capital spending. The contributions are used to replenish such budgets.

Section 106 funds are drawn down and the various contributions are allocated to relevant projects at the end of each financial year (see table 6).

Following on from the Grenfell fire incident, significant work needed to be done to re-prioritise housing schemes and so all S106 contributions from 2017/2018 were rolled forward to fund works in the last financial year (see table 6).

**Table 6: Affordable housing expenditure in 2018/19**

Project	£	Total number of affordable units being provided as part of the scheme
Small Sites 1	1,635,813	17
Newstead House	50,312	22
New Avenue	716,656	165
Upton and Raynham	32,670	170
Dujardin	29,810	38
<b>Total</b>	<b>2,465,263</b>	



**Figure 7: Tudor Close – one of the seven small housing sites comprising small sites 1**

## Education

Education is covered by capital spending. S106 contributions are allocated to projects and funds are drawn down at the end of each financial year in accordance with the schemes identified in the approved School Expansion Programme (SEP) in the period up to 2021/22.

During 2018/19, around £1.1 million of S106 funding was spent on the provision of school places to meet the needs of the borough's residents as identified and reported through the SEP, including:

- £631,215 at Orchardside pupil referral unit;
- £268,779 at Minchenden school for special needs pupil place provision; and
- £119,663 at Brimsdown primary school for a new kitchen and dining hall facilities.



**Figure 8: Additional pupil referral unit at Orchardside**

## Traffic & transportation

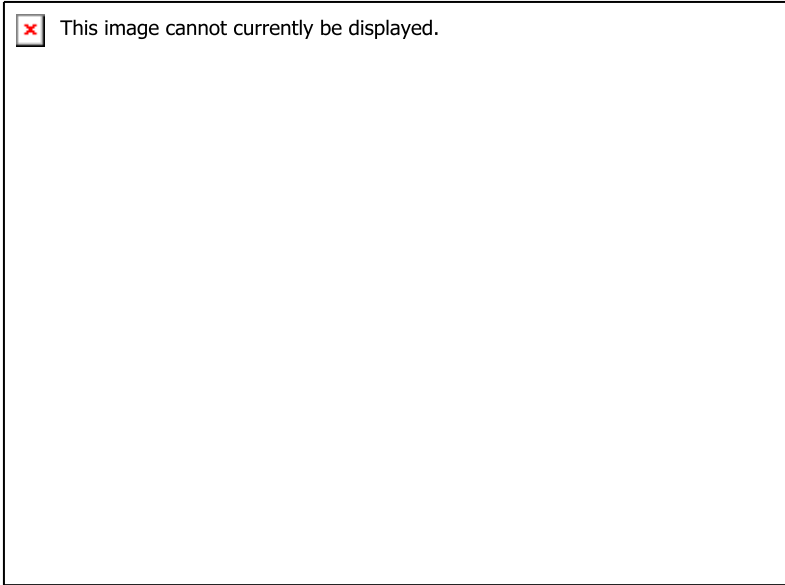
Our focus over the last financial year has been to commit and spend any backlog of dedicated transport related S106 monies. This has been successfully achieved on target.

During 2018/19, over £300,000 of S106 monies was spent on key transport improvements to offset the impact of development on the highway and public transport network. Key projects include:

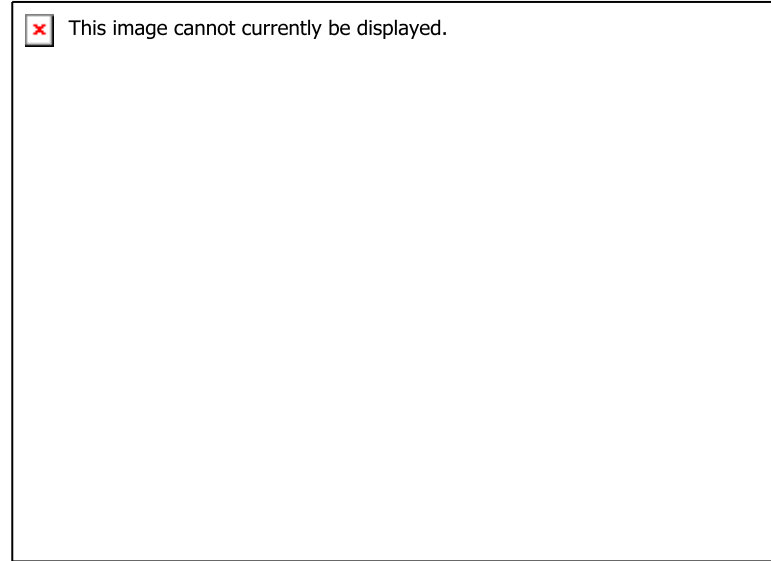
- Cycle Enfield (A105 and A1010 South Ponders End);
- widening works at Gilbert Street;
- junction improvement works at Parsonage Lane,
- new pedestrian crossing at Cat Hill;
- Toucan crossing on Queensway to accommodate the additional pedestrian movements between the eastern access point and Tesco car park;
- footway improvements at Chelmsford Road;
- bus stop improvements at Chase Farm Hospital; and
- highways safety improvement scheme at Hadley Road.



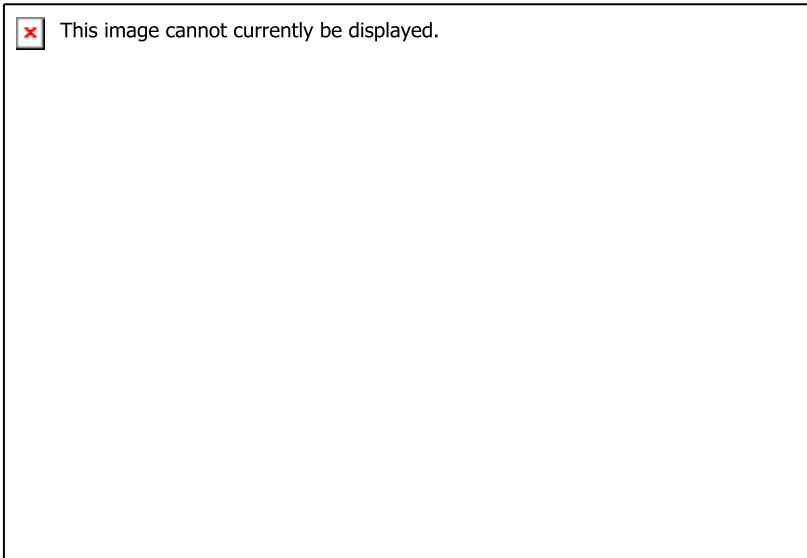
**Figure 9: Widening works at Gilbert Street**



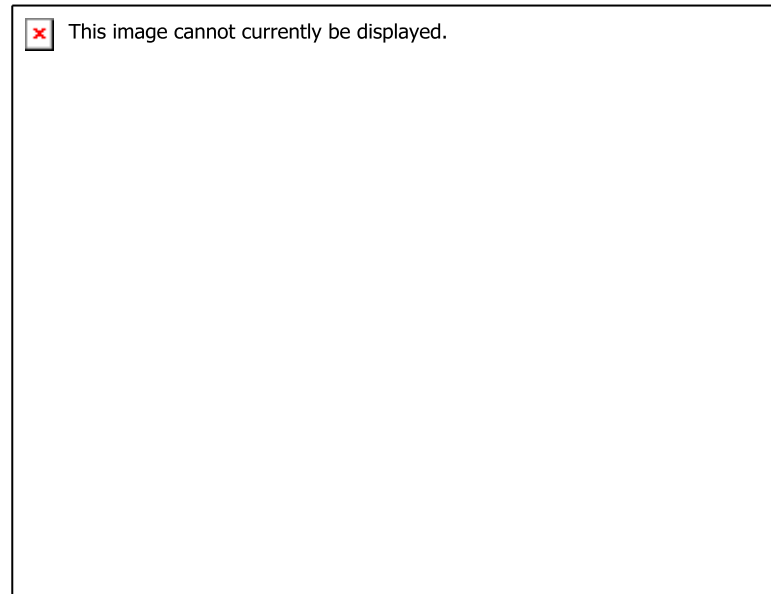
**Figure 10: Printed crossing part of A105 Cycle Enfield**



**Figure 12: Cycle Enfield A105 Ponders End**



**Figure 11: Cycle Enfield, Ponders End**



**Figure 13: New pedestrian crossing at Cat Hill**



**Figure 14: Improvement works at Gilbert Street**

### Business, employment & skills

In 2018/19, S106 monies were secured towards training, employment support, job brokerage and work placements from the following schemes:

- £112,000 from the development of land at 90-92, 98 and 104 Lockfield Avenue, Brimsdown.
- £30,000 from the redevelopment of Kestrel House 15-29A and 31-45A Alma Road.

### Build Enfield

The Build Enfield programme (see [www.buildenfield.co.uk](http://www.buildenfield.co.uk)) has been developed to enable Enfield’s residents to access jobs and training opportunities being created through developments, particularly with the onset of the Meridian Water development.

S106 monies from the Lockfield Avenue scheme and other sources have been matched with the GLA’s European Social Fund (totalling £525,076) to commission

a service to support developers and applicants in the design and delivery of employment and skills strategies in line with the requirements set out in S106 and social value obligations<sup>10</sup>. London Councils manage the operation and commissioning of this service through the Build Enfield programme.

S106 monies from the Alma Estate regeneration project have been allocated to commission a new job brokerage service to post job, apprenticeship and training opportunities on the Build Enfield website and directly engage residents to these opportunities.

**Table 7: Live schemes with S106 agreements including employment and skills planning obligations**

Project	Construction jobs and training places created through S106 agreements		Local residents who successfully access the construction jobs & training opportunities		Jobs created and targeted to local people		Higher paid or higher-qualifications requirements jobs created	
	18/19	19/20 (Q1&2)	18/19	19/20 (Q1&2)	18/19	19/20 (Q1&2)	18/19	19/20 (Q1&2)
Alma Estate	112	59	112	40	112	0	3	0
New Avenue	79	52	79	52	79	0	1	0
Chase Farm Hospital	24	0	24	0	24	0	13	0
Duck Lees Lane	0	0	0	0	0	0	0	7
Small Sites	0	0	1	0	0	0	0	0

### Job and apprenticeship opportunities

<sup>10</sup> S106 contributions are sought from major developments (as defined in the S106 Supplementary Planning Document) to ensure that contractors employ local labour in construction and provide appropriate work-based training/apprenticeships. Developers are required to prepare a jobs and employment strategy setting out how local labour and training opportunities, including apprenticeships, will be created. At least 25% of the workers employed in the construction of the development should be local residents. 10% of the value of goods on site should be procured from local businesses.

Table 7 summarises the ‘live’ schemes with signed section 106 agreements that include business, employment and skills obligations. Officers are working with the developers, neighbouring boroughs and major housing and infrastructure leads to co-ordinate longer-term work placements, with a view to securing higher apprenticeships.

### **Parks and open spaces**

Section 106 agreements are used to deliver open space on site (or within an appropriate location within close proximity of the development). In Enfield, the types of open spaces that can be secured through section 106 agreements include:

- public parks;
- playing fields;
- woodlands;
- allotments;
- cemeteries;
- green corridors; and
- children’s playspace

Open space designations are shown on our interactive Policies Map (a copy of which can be downloaded from our website at <http://www.mapsinteractive.co.uk/planvu/enfield>).

The Parks and Open Space Strategy sets out our standards regarding the provision of open space and identifies the locations where interventions are required through S106 and other sources to address deficiencies in the borough’s open space network.

S106 monies have been allocated towards the following schemes to be delivered over the next two financial years (2019/20 and 2020/21):

- Tree planting at Montagu Recreation Ground.
- Landscaping works and a bandstand at Hillyfields Park.
- Playground equipment at Bush Hill Park.
- Renovation and restorations to the historical icehouse at Oakwood Park.
- A new notice board at Elsing Park.



**Figure 15: Oakwood Park**





**Figure 16: Hillyfields Park, Enfield Town**

### **3.4: Current section 106 balances**

As a result of the income and expenditure set out in sections 3.2 and 3.3 of this report, current s106 balances are as follows:

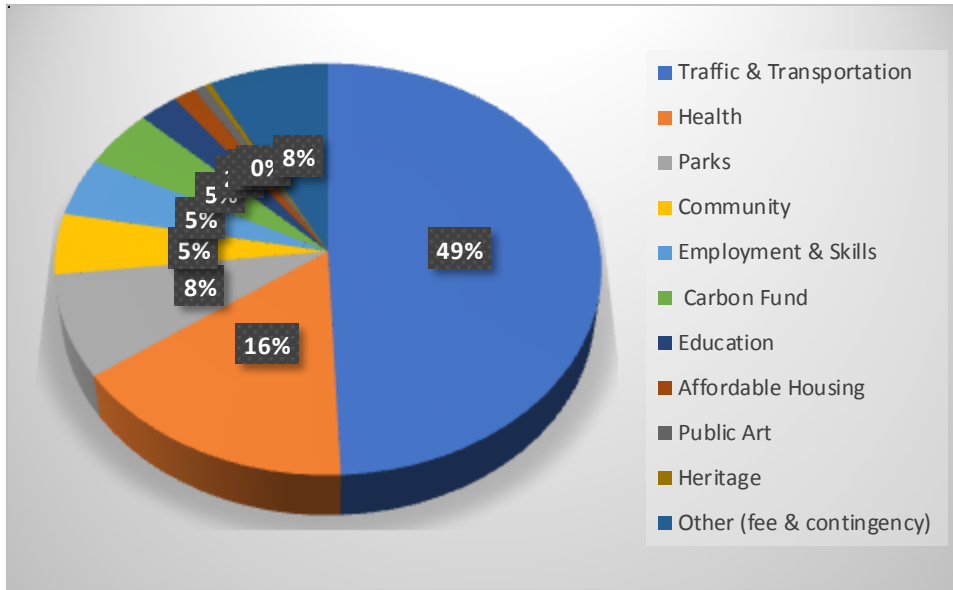
- £4,161,759 (current balance).
- Of the current balance, 43% is formally committed to a specific project.
- £2,342,667 in S106 funds remain available to be allocated towards future projects in 2019/2020, which will need to meet the specified requirements defined within the section 106 agreement relating to each site.

Section 3.5 sets out the unallocated amounts across each service area and specifies our approach to deciding how unallocated funds should be spent.

The adjacent pie chart (figure 17) provides a breakdown of the current S106 balance across each service area combining both planned expenditure and funds that remain available to be allocated to a specific project. Most funds held relate to:

- transport (£909K planned expenditure, £1.1 million remaining to be allocated to specific projects);
- health (£50K planned expenditure; £608K remaining to be allocated to specific projects);
- parks (£230K planned expenditure; £105K remaining to be allocated to specific projects);
- community facilities (£63K planned expenditure, £135K remaining to be allocated to specific projects);
- employment and skills (£192K planned expenditure);
- carbon fund (£191K to be allocated to specific projects); and
- education (105K to be allocated to specific projects).

**Figure 17: Pie chart showing a breakdown of S106 balances in 2018/19**



#### 4. Planned expenditure (2019/2020)

This section sets out how CIL and S106 income will be spent over the next reporting period in Enfield (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

The level and timing of CIL funding will depend on the nature and scale of the development, the number of implemented planning permissions, build-out rates, and the phasing of development etc. Due to the uncertainty over forecasting, the amount of CIL funding will be based on the total receipts collected from the previous financial year and any unspent receipts from previous financial years.

Longer term forecasting will be dependent on the forthcoming review of the Enfield CIL Charging Schedule. The charging rates set out in the schedule need to be reviewed to take account of changing market conditions (e.g. rising house prices and land values) and the infrastructure needs arising from the borough's future growth set out in the emerging Local Plan.

Any changes to the charging schedule will need to be subject to public consultation and independent examination in line with the CIL regulations.

S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement.

S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

#### 4.1: Enfield CIL

##### Strategic CIL

Over the past three financial years, the entire strategic CIL allocation (circa £6.86 million) has been used to help fund the delivery of the new station at Meridian Water (as per the Regulation 123 List).

However, as set out in section 2.2, CIL is no longer restricted to strategic infrastructure projects identified in the Regulation 123 List. This statement effectively replaces the Regulation 123 List.

This section sets out how this funding will be spent and prioritised over the next fiscal period (2020/21).

CIL will be allocated to support capital projects in line with the emerging Infrastructure Delivery Plan. For example, over £156 million of funding has been secured from the government's Housing Infrastructure Fund (HIF) to undertake further essential infrastructure works at Meridian Water, including the construction of a new central spine road and associated bridges to improve east-west connectivity across the site and beyond. The project requires match funding to secure its early delivery as part of phase 2 of the Meridian Water development, as part of the capital programme. CIL will support this.

CIL receipts will also be made available through the capital programme to spend, in whole or in part, on the following items of infrastructure:

- Public realm improvements within estate regeneration schemes and town centres.
- Sustainable transport (healthy streets and liveable communities).
- Road infrastructure (Meridan Water).
- Open spaces (cemeteries and burial space).

### **Neighbourhood CIL (known as the “Enfield Neighbourhood Fund”)**

The Enfield Neighbourhood Fund will be used to help deliver a wide range of projects at the local level. This could include:

- improvements to streets and local green spaces;
- flood risk management solutions;
- community safety measures;
- new health and social care facilities; and
- new cycle lanes.

Each year, local community groups and stakeholders (including service leads, ward councillors and elected members) will be invited to put forward proposed projects through the Enfield Neighbourhood Fund.

In 2020/2021, just over a million pounds of funding will be available over the next financial year (see table 3) to spend on local community projects<sup>11</sup>.

In order to be considered, projects will need to demonstrate how they will be aligned with the priorities set out in the Enfield Corporate Plan. Where possible, projects will be expected to show an element of match funding (e.g. through crowdfunding).

### **4.2: Section 106 agreements**

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<sup>11</sup> This figure is based on unspent receipts received over the past three financial years (which is capped at £100 per dwelling).

There is approximately £1.8 million of planned expenditure in place with further plans to increase allocations towards future spending over the next financial year and beyond.

Details of planned S106 expenditure across each main spend area are set out below. Much of our planned spending is focussed on small-scale improvement works to directly mitigate the impact of development; for example:

- £283,825 towards Build Enfield;
- £300,000 to support Cycle Enfield;
- £230,000 towards highway and streetscape improvement schemes at Montague, Bush Hill/Town Park Hillyfields and Oakwood Park, as part of the healthy streets agenda<sup>12</sup>.
- Other improvement schemes that will be prioritised over the next financial year (2020/2021) include:
  - a new pedestrian crossing at Lavender Hill;
  - a pedestrian and environment review system audit and improvements to greenways links at Station Road;
  - junction improvements at Hastings Road/A406;
  - a roundabout study at Cat Hill Road; and
  - improvements to bus stops around Enfield College.
- School expansion schemes that will serve borough-wide needs include the specialist schools at Springfield, West Lea School and St Mary’s Primary School.

In terms of the unallocated remaining balance, careful consideration will be given to how to allocate monies according to the legal definition within the corresponding S106 agreements as well as the wider funding and policy context.

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<sup>12</sup> Healthy streets is a joint Mayor of London and Transport for London initiative aiming to encourage more Londoners to walk, cycle and use public transport, so as to improve air quality, reducing congestion and improving the health and safety of London’s diverse communities.

### 4.3: New governance arrangements – achieving a step change in our approach to the planning and delivery of the borough’s infrastructure

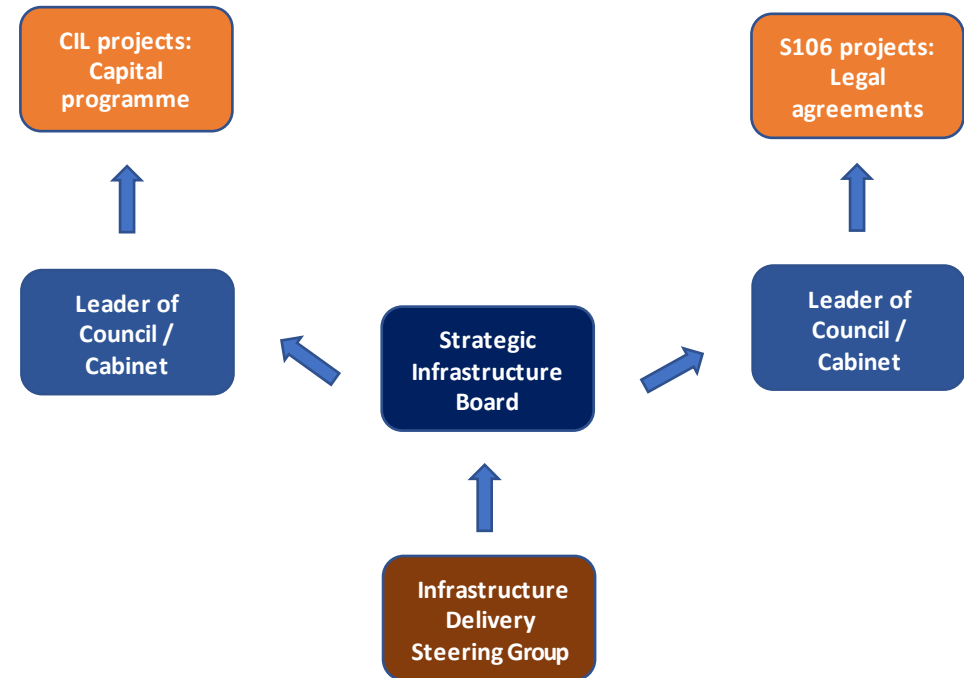
As CIL/S106 income builds, the London Borough of Enfield needs to put in place a new decision-making structure (see figure 18) to ensure funding from developer contributions (CIL/S106) can facilitate the delivery of infrastructure and associated community benefits. This will involve:

- establishing a board-level group made up of strategic directors and heads of service from Place, People and Resource directorates to oversee the allocation and spending of CIL and section 106 income, at least on a quarterly basis;
- assigning CIL income to the main capital programme (as part of the annual budget-setting process) to ensure projects are aligned with local priorities; and
- establishing an officer-level steering group to discuss S106/CIL projects at the relevant stages of the planning process.

Decisions on the approval of projects will be made in line with the councils’ existing financial scheme of delegation.

Many of the S106/CIL projects will be identified and prioritised through the Infrastructure Delivery Plan and the Corporate Plan (2018-2022). The Infrastructure Delivery Plan is intended to a living document that will be reviewed and updated on an annual basis to effectively coordinate the delivery of infrastructure alongside the planned increase in new homes and jobs and the borough’s projected population growth over the next 15 years and beyond.

Figure 18: Decision-making process



### 5: Conclusions

The London Borough of Enfield is committed to working with its partners to ensure that CIL and S106 contributions are used in a fair and transparent way to maximise the benefits and opportunities arising from development, such as new affordable homes, community infrastructure, jobs and environmental improvements.

Enfield has identified a need to improve the planning and delivery of CIL and S106 income and expenditure to respond to the levels of funding received. Steps are being undertaken to tighten up the allocation and negotiation process, as part of a coordinated response.

If you have any further queries or comments about this statement, please do not hesitate to contact us via email ([S106@enfield.gov.uk](mailto:S106@enfield.gov.uk)/[CIL@enfield.gov.uk](mailto:CIL@enfield.gov.uk)) or phone (020 8379 1000).

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**MUNICIPAL YEAR 2019/2020 REPORT NO.****196****MEETING TITLE AND DATE:**Cabinet 12<sup>th</sup> February 2020**REPORT OF**

Peter Nathan, Director of Education  
 Tony Theodoulou, Executive Director -  
 People

Contact officer:

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<b>Agenda - Part:1</b>	<b>Item: 11</b>
<b>Subject: Getting to School Policy</b> (KD 4851)	
<b>Wards: All</b>	
<b>Cabinet Member consulted: Cllr Rick Jewell</b>	

**1. EXECUTIVE SUMMARY**

The current Travel Assistance Policy of 2016 has been reviewed and updated. The purpose of the review was to:

- Improve the efficiency of this important service for all users, in the context of rising demand from families requiring assistance
- Maximise the opportunities for young people with SEND to achieve independence through independent travel training
- Ensure the policy is compliant with statutory guidance
- Ensure that we are delivering the most cost-effective approach to travel assistance.

The updated Getting to School Policy sets out how the Council will identify and support those children and young people who need travel assistance to their school or setting and provide it in a consistent, transparent and fair way, working in the best interest of the children and young people.

This policy sets out how we are meeting our obligations under the Education Act 1996 and the Education and Inspections Act 2006 which are to:

- Provide travel assistance to eligible children and young people; and
- Facilitate attendance for young people of sixth form age receiving education or training.

By implementing this policy, we will:

- Promote a safe, active and sustainable approach to travel assistance to and from schools or other educational settings
- Promote the most independent approach to travel assistance
- Ensure a genuine partnership with children, young people and their parents, and
- Use the most cost-effective and environment friendly travel options

## **2. RECOMMENDATIONS**

That Cabinet approve the updated Getting to School Policy for implementation.

## **3. BACKGROUND**

3.1 The Education Act states that local authorities must provide free school transport to 'eligible children' and promote the use of sustainable travel and transport for all children and young people of compulsory school age.

3.2 Enfield Council is committed to ensuring that all children and young people have access to an education setting which meets their needs, enables them to meet their full potential and lead independent healthy lives. This includes enabling children and young people with Special Education Needs and Disabilities (SEND) to develop the skills to live an ordinary life in adulthood and fulfil their right to independent living and employment.

3.3 The majority of children and young people in Enfield, including those with Special Education Needs or a Disability (SEND), do not require specialised travel assistance to access their education setting. However, in some circumstances, as set out in law, the local authority has a duty to make travel arrangements, as they consider necessary, for an eligible child or young person.

3.4 Our current Travel Assistance Policy was put in place in 2016. This sets out how the Council will identify and support those children and young people who need travel assistance and provide it in a consistent, transparent and fair way, meeting our obligations under the Education Act 1996. It also meets our obligations under the Education and Inspections Act 2006 (EIA).

3.5 In September 2019, there were 903 children and young people receiving travel assistance. This included 809 children/ young people on directly provided transport (4 of whom were receiving independent travel training with the expectation that they will stop directly provided transport on completion of their training) and 94 receiving personal travel budgets. During 2018/19, a total of 13 young people were travel trained. Since 1<sup>st</sup> April 2019, we have already travel trained 14 young people.

3.6 Since 2016, there have also been changes in statutory guidance regarding travel assistance.

3.7 In this context, we have reviewed the current policy and proposed the following changes:

1. The inclusion of a brief section about sustainable modes of transport to promote environmentally sustainable travel to and from schools and educational institutions.



2. Further clarification on the factors relating to family circumstances that can be considered while expecting parents/carers to accompany their children. The revised set of factors include whether or not parents/ carers are in employment, and if so the hours worked and location of work, in addition to whether or not they take other children to a different school. This will help inform the decisions we make regarding whether the fact that a parent/ carer is in work (in addition to them meeting the additional criteria set out in the policy) has a bearing on their ability to take their child to school.
3. The inclusion of a section explaining our policy on offering travel assistance on a temporary basis including temporary medical conditions, temporary school exclusion and temporary accommodation. This makes clear the approach we take in regard to short term travel assistance.
4. The clarification and emphasis on the requirement for the family to be on *maximum* working tax credits and/or free school meals when considering eligibility based on income. Previously, parents/ carers on working tax credits below the maximum level would also be considered in relation to eligibility based on income.
5. The clarification and emphasis on parent's preference of school making them ineligible for travel assistance if the local authority has found a closer suitable school for the child. This makes it clear that if parents choose to send their child to a school further away, they must take responsibility for the travel.
6. The new policy includes that on some routes, we may arrange for a designated pick-up point for pupils to access the transport. This can help reduce journey times so that pupils spend less time on the bus to and from their school.
7. Further emphasising the use of Independent Travel Training (ITT) as the most effective travel option to give children and young people the skills and confidence to travel independently. The updated policy also states that conversations regarding ITT will start early to allow time for parents/carers to develop their understanding and confidence regarding the process. It also adds that if we make a reasonable offer of ITT and the applicant does not accept this offer of assistance, we may not offer an alternative form of assistance. This change will help promote independence and preparation for adulthood.
8. The inclusion and promotion of information about Transport for London's free and discounted travel options. This is in order to further promote London's self-travel options for children, young people and those with disabilities. Promoting knowledge may reduce applications or appeals.
9. The removal of the obligation for parents/carers to renew travel assistance applications each academic year and instead request renewals only when there is any change in circumstances. This will result in more effective use of staff time and makes clear to parents/ carers when they need to contact the Council regarding a change in circumstance.
10. The document's structure and wording has been edited throughout for clarity and ease of understanding.

## **Public consultation**

We conducted a 12-week public consultation on the proposed changes. This included an online survey, promoted via our schools, and consultation and discussion with Our Voice<sup>1</sup> and Head Teachers Forums. We received 102 responses to our online consultation, and extensive written feedback from Our Voice on the policy document. We amended the policy as a result of this consultation.

We have given our due consideration to ensure that the proposed changes allow us to deliver the most cost-effective and sustainable approach and are in the best interest of children and young people who need this service.

## **4. ALTERNATIVE OPTIONS CONSIDERED**

### **4.1 Continue implementing the current travel assistance policy**

An alternative option to updating the current travel assistance policy was to continue with the current policy published in 2016. This was not a viable option as we needed to perform a health check on the current policy and update our approach in order to improve efficiency and respond to rising demand, maximise opportunities for young people with SEND to achieve independence, ensure we adopt the most cost-effective approach, and ensure compliance with statutory guidance.

### **4.2 The option of introducing a charge for young people post-16**

We considered the option of introducing a charge for applications for travel assistance for young people aged 16 or over. This is an option for local authorities based on section 29e of the Statutory Guidance on Post-16 Transport and Travel Support to Education and Training 2019. Following public consultation and a review of other local authorities' approach in this regard, the decision was made not to proceed with this option. Given the cost of designing and then administering a means-tested charge for post 16s, it is not considered that this would achieve tangible savings at this time. Furthermore, 60% of the respondents to the public consultation did not support this approach, and the equality impact assessment found that this measure would have a disproportionate impact on people with a disability.

## **5. REASONS FOR RECOMMENDATIONS**

It is recommended that the new Getting to School Policy is approved in order to:

- Promote a safe, active and sustainable approach to travel assistance to and from schools or other educational settings
- Promote the most independent approach to travel assistance
- Ensure a genuine partnership with children, young people and their parents,

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<sup>1</sup> Our Voice is a parent-led organisation working with parents and carers, as well as the statutory and voluntary sectors, to improve services for children and young people with disabilities or special educational needs in Enfield.

- Deliver the most cost-effective and environment friendly travel options
- Ensure the policy is compliant with the statutory guidance

## 6. COMMENTS FROM OTHER DEPARTMENTS

### 6.1 Financial Implications

- 6.1.1 The new measures introduced in the revised policy are expected to: -
- Improve the efficiency of this important service for all users, in the context of rising demand from families requiring assistance
  - Maximise the opportunities for young people with SEND to achieve independence through independent travel training
  - Ensure that we are delivering the most cost-effective approach to travel assistance.

The Home to School transport data trends and financial costs are shown below: -

**Table 1**

Actual Numbers As @ September 2019				2019/20 Average Cost Per Annum		
	People Transport	Personal Travel Budgets	Total		People Transport	Personal Travel Budgets
In Borough	623	67	690	In Borough	£8,191	£2,123
Out of Borough	186	27	213	Out of Borough	£13,441	£3,483
<b>Total</b>	<b>809</b>	<b>94</b>	<b>903</b>	<b>Total</b>	<b>£21,632</b>	<b>£5,606</b>
<b>Independent Travel Training Cumulative Numbers (From Sep 2016 to Sep 2019)</b>			<b>51</b>	<b>Independent Travel Training Cost (Per Annum)</b>		<b>£20,000</b>

- 6.1.2 As shown on the table above, the most cost-efficient method of travel is the use of Independent Travel Training (ITT), ITT maximises the opportunities for young people with SEND to achieve independence through independent travel training. Since the introduction of the ITT service in Sep 2016, 52 clients have been fully trained/qualified for independent training at a total cost of £80k (a flat annual cost of £20k per annum).

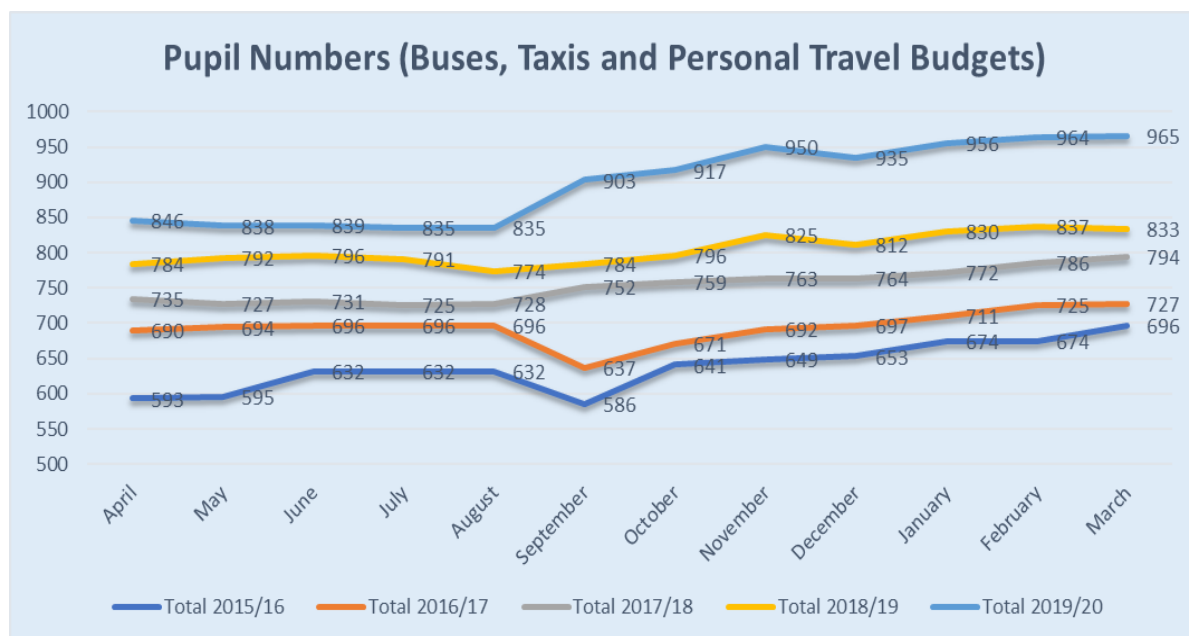
These 52 clients could have cost the Council circa £400k over the 4 years period, which means it has saved the Council around £320k since its inception (see table below).

**Table 2**

Period	ITT 2016/17	ITT 2017/18	ITT 2018/19	ITT 2019/20	Total
April	0	0	3	5	
May	0	2	3	4	
June	0	3	1	0	
July	0	1	3	8	
August	0	0	0	0	
September	2	2	4	0	
October	0	0	0	1	
November	3	0	0		
December	2	0	0		
January	1	1	0		
February	1	0	0		
March	1	0	1		
<b>Total</b>	<b>10</b>	<b>9</b>	<b>15</b>	<b>18</b>	<b>52</b>
<b>ITT Annual Cost</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£80,000</b>
<b>Average ITT Cost Per Annum (Per Client)</b>	<b>£2,000</b>	<b>£2,222</b>	<b>£1,333</b>	<b>£1,111</b>	
<b>Average In House Transport Cost Per Annum</b>	<b>£6,887</b>	<b>£7,346</b>	<b>£7,831</b>	<b>£8,191</b>	
<b>Estimated Annual Cost of Transport</b>	<b>£68,870</b>	<b>£66,114</b>	<b>£117,465</b>	<b>£147,438</b>	<b>£399,887</b>
<b>Estimated Annual Saving (ITT v In House Bus Transport Service Provision)</b>	<b>£48,870</b>	<b>£46,114</b>	<b>£97,465</b>	<b>£127,438</b>	<b>£319,887</b>

6.1.3 The second most cost-efficient method of transport is the use of Personal Travel Budgets with an average total cost of £5,606 per annum, this is a lot cheaper than the use of our in-house bus/taxi transport method as shown in table 1.

6.1.4 As at September 2019 the total number of transport requests is 903 (excluding Independent Travel Training (see below)).



## 6.2 Legal Implications

6.2.1 Sections 508B and 508C of the Education Act 1996, as amended by the Education and Inspections Act 2006 places a duty on Local Authorities

to make provision to ensure that suitable travel arrangements are made, where necessary, to facilitate a child's attendance at school.

- 6.2.2 Section 508D places a duty on local authorities have regard to any Statutory Guidance issued by the Government. Accordingly, the Statutory Government Guidance on Home to School Travel and Transport and Post-16 Education and Training have informed the changes to Enfield's Travel Assistance Policy as has the Local Government Ombudsman's Focus Report of March 2017 "All on Board? Navigating School Transport Issues".
- 6.2.3 Legal Services have provided advice and guidance in line with the legislative provision as outlined above at points 6.2.1 and 6.2.2 in updating Enfield's Travel Assistance Policy.

### **6.3 Property Implications**

None

## **7. KEY RISKS**

7.1 Enfield, as is the case nationally, continues to see a rise in the number of children and young people with Education Health and Care Plans and those with additional and complex needs. As a result, demand for travel assistance is increasing. The duties placed on us by the Education Act 1996 and as amended by the Education and Inspections Act 2006 are such that we cannot reduce the number of children and young people provided with travel assistance. Under the existing and the renewed policy, we will continue to ensure we meet these obligations using the most cost-effective approach. While the new policy should help us improve the way in which we assess applications and better encourage independent travel, it is not expected that we will reduce the level of demand as a result of the new policy, and therefore the provision of travel assistance will continue to be an area of budget pressure.

7.2 A key change in the new policy is the increase in the use of independent travel training as the preferred type of travel assistance wherever possible, in order to prepare young people for independence and for adulthood. The successful implementation of this aspect of the policy is dependent on the child/ young persons' school proactively identifying children/ young people for whom travel training is suitable. There is a risk that, given competing pressures on schools, this approach may not be promoted in all suitable cases. This will be mitigated by ongoing engagement and collaboration between the Council and with schools, to implement the policy in partnership. Schools have been consulted with and engaged throughout the process of the policy review in order to prepare for this approach.

7.3 We will review the new policy on periodic basis to ensure that it continues to be the most cost-effective and legally compliant policy.

## **8. IMPACT ON COUNCIL PRIORITIES**

8.1 The overall purpose of the Getting to School Policy is to ensure that children and young people with special education needs and disabilities have the required support to participate in education and training. Providing effective travel assistance in a fair and transparent way will facilitate their regular access to learning, and, particularly through

the promotion of independent travel training, will help support young people with independence as they move into adulthood.

8.2 By implementing this policy, we will contribute to the achievement of the Corporate Plan vision to help create a lifetime of opportunities in Enfield. In particular, it will help us to achieve the priority of **sustaining strong and healthy communities**.

8.3 One of the proxy indicators to show that we have sustained strong and healthy communities is to ensure that children and young people from various backgrounds participate in education and training on regular basis. Through the implementation of this policy we will make sure that children and young people with SEND enjoy their right to education the same way as their peers. The renewed policy places an emphasis on providing sustainable modes of travel assistance that gives long term benefit for the child; is legally cognisant, cost-effective and environment friendly. This will have a positive impact on our environment and communities.

## **9. EQUALITIES IMPACT IMPLICATIONS**

A predictive equality impact assessment has been completed which shows that the policy should promote equality of opportunity for people of all protected characteristics, particularly children and young people with a disability. The policy is not expected to have an adverse impact on any groups of children and young people requiring travel assistance.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

The updated policy renews our commitment to provide travel assistance in a transparent and fair way. To achieve this, we will need to collect equalities information on children and young people applying for travel assistance in such a way as to regularly analyse this data. We will specifically collect information about sex; race; and location of the applicants. It is important for us to collect these data to make sure that we meet our obligations under the Equalities Act.

## **11. HEALTH AND SAFETY IMPLICATIONS**

Children and young people who require travel assistance often have a special education need or disability. This policy considers the most appropriate options for travel assistance, taking into consideration the health and safety of all service users. In assessing travel assistance applications, the policy advises to consider the safety of the road and the safety of each individual child and young person on that road.

## **12. PUBLIC HEALTH IMPLICATIONS**

This Getting to School Policy is for children and young people with special education needs, disabilities and mobility issues. The purpose of this policy is to ensure these children and young people's special health related needs are not a barrier to their access to education and training. We have considered the Health in All Policies (HiAP) approach while reviewing the travel assistance policy meaning that the health and wellbeing of children will be key considerations in the assessment of their need for travel assistance. In this context the Getting to School Policy does not default to an assumption of reliance on car transport and makes reference to a range of less environmentally damaging transport options.

## **Background Papers**

None

## **Appendices**

- Getting to School Policy
- EQIA

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## GETTING TO SCHOOL

### Our policy for supporting eligible children to get to their school or setting safely, promoting independence and wellbeing

<b>Scope</b>	<p>This policy sets out how the Council will identify and support those children and young people who need travel assistance to their school or setting and provide it in a consistent, transparent and fair way, working in the best interest of the children and young people. This policy sets out how we are meeting our obligations under the Education Act 1996 to:</p> <ul style="list-style-type: none"> <li>• provide travel assistance to eligible children and young people; and</li> <li>• facilitate attendance for young people of sixth form age receiving education or training.</li> </ul> <p>It also meets our obligations under the Education and Inspections Act 2006 (EIA).</p>
<b>Approved by</b>	<i>Scheduled for approval at Cabinet February 2020</i>
<b>Approval date</b>	<i>Scheduled for 12 February 2020</i>
<b>Document Author</b>	Strategy, Partnership, Engagement and Consultation
<b>Document owner – Corporate</b>	Tony Theodoulou, Executive Director of People
<b>Document owner – Portfolio Holder</b>	Cllr Rick Jewell, Cabinet Member, Children’s Services
<b>Review</b>	We will keep this policy under constant review. We will update it based on any changes in legal or local context.

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## **1. INTRODUCTION**

Enfield Council is committed to ensuring that all children and young people have access to high quality education in a school or educational setting which meets their needs, enables them to meet their full potential and lead independent healthy lives. For children and young people with Special Educational Needs and Disabilities (SEND), this includes enabling them to develop the skills to live an ordinary life in adulthood and fulfil their right to independent living and employment.

This policy sets out how the Council will identify and support those children and young people who need travel assistance to a school or educational setting, and provide it in a consistent, transparent and fair way, working in the best interest of the children and young people.

By implementing this policy, we will:

- Promote a safe, active and sustainable approach to travel assistance to and from schools or other educational settings
- Promote the most independent approach to travel assistance
- Ensure a genuine partnership with children, young people and their parents and
- Use the most cost-effective and environment friendly travel options

This policy applies to all children and young people between the age of 5 to 25 years who are residents of Enfield.

The policy explains eligibility criteria, the application process and how you can apply for travel assistance, available types of travel assistance and the appeals process.

## **2. WHAT DO WE MEAN BY 'TRAVEL ASSISTANCE'?**

We have used the term 'travel assistance' throughout this policy, but the form of assistance will vary depending on the age and needs of the child or young person; the needs of the family; and the school or setting the child attends. If the eligibility and need for travel assistance is agreed, we will work with parents, carers, families and schools to establish the most appropriate assistance which is both suitable for the individual and the school or setting and which makes the most effective use of resources.

Independent Travel Training (ITT) is our preferred type of travel assistance as it gives children and young people the skills and confidence to travel independently on public transport.

By reducing young people's dependence on specialist transport, we can increase the opportunities open to them in future – such as going on to college, employment or just being able to get out and about with friends.

The Council's Brokerage Team will always have a discussion with the child or young person's parent/ carer and their school to consider whether ITT is appropriate.

Where ITT is not yet an appropriate form of assistance for younger children, we will work with the family and the school to transition over to this form of assistance as their child grows up.

## **3. HOW LONG WILL TRAVEL ASSISTANCE BE GIVEN?**

Any agreement to provide travel assistance will be for a time limited period and will be reviewed by the Council on periodic basis.

Learners at college or in further education may be asked to reapply at the end of the first academic year for the following year by submitting a new application. The second application at the start of year two is to make sure that the approved mode of transport is still the most appropriate option.

Other learners are not required to submit applications annually, but parents and/or carers must notify the Council as soon as there is any change in circumstances.

We will also work with schools to encourage ongoing discussion with the Travel Trainers, and discussion on travel arrangements as part of children and young people's annual Education Health and Care (EHC) Plan review. We do this as we know the needs of the children, young people and families may change over time and we wish to keep in mind the need to promote independence and to prepare young people for adulthood. We may, therefore, change the type of travel assistance offered. Any proposed changes will be discussed with young people and their families as part of their annual review.

#### **4. SUSTAINABLE MODES OF TRANSPORT**

We are committed to sustainable modes of transport for all children and young people, whether travel assistance is provided or not. Our aim is to encourage pupils to travel to school safely by using sustainable and appropriate modes of transport. This includes:

- encouraging walking, cycling, public transport use, and where appropriate car-sharing for the entire school community
- promoting, supporting and assisting schools to identify and address school travel issues through developing and implementing their individual School Travel Plans
- providing an environment which is as safe as possible for all children and young people on their journey to and from school
- ensuring future school planning and building design reflects the importance of sustainable travel principles
- supporting the promotion of healthy lifestyles through implementation of the Enfield Joint Health and Wellbeing Strategy and Healthy Schools programme, by promoting more active travel to school and developing sustainable travel facilities.

#### **5. USE OF FREE AND DISCOUNTED TRAVEL**

The majority of children and young people in Enfield, including many of those with special educational needs or a disability, do not require specialised travel assistance and are able to get to their educational establishment without additional support, through London's free and discounted travel or other means.

All young people in full time or equivalent education or training up to the age of 18 are entitled to free transport on buses within London with Transport for London's Zip Oyster cards; and students aged 16-25 in full time education are eligible for a discount on standard rail fares. Transport for London's Oyster cards ensure that most pupils can attend their education or training via public transport. However, in some cases, Enfield Council may still have a duty to provide travel assistance to eligible pupils where necessary.

However, in some circumstances, as set out in law, the local authority has a duty to make travel arrangements, as they consider necessary, for an eligible child or young person aged 5-16.

In addition, where needed, the local authority has a duty to facilitate access to education for young people aged 16-19 and learners with learning difficulties and/or disabilities aged up to 25.

The full legal framework and government guidance underpinning this policy is set out in Appendix A.

## **6. HOW DO WE DECIDE ELIGIBILITY FOR TRAVEL ASSISTANCE?**

Every child and family seeking travel assistance is different. We will assess every application on an individual basis upon its own merits, prior to making an offer of the most appropriate travel assistance.

Section 9, below, sets out available types of travel assistance which may be offered. Appendix B shows the process we follow when we receive an application for travel assistance.

### **6.1 Essential Criteria**

All applications must meet the essential criteria of age; address; distance; qualifying school; and suitability of course (for young people aged over 16). In addition, applicants must meet at least one other additional criteria set out in the following section.

#### **Age**

Different factors will be taken into consideration depending on the age of the child or young person.

The duty to provide travel assistance where necessary applies to:

- children and young people of statutory school age (aged 'rising' 5 to 16);
- Young people aged 16 to 18 or aged up to 25 if they have a special education need or disability, who are in education or training.

We know that children in Enfield usually start their statutory education before their fifth birthday, as a 'rising 5'. Therefore, we will treat a rising 5 as if they were already of compulsory school age. Children younger than rising 5 will only receive travel assistance in exceptional circumstances. For example, we may consider a child to be eligible when we have recommended a place at a nursery unit which is not the local nursery for that child, as part of an early intervention approach to support the family.

To be eligible, a young person aged 16-18 must be a continuing learner who commenced their programme of learning before their 19th birthday, unless they have a Learning Difficulty or Disability (LDD). Young people with an Education Health and Care (EHC) Plan may be eligible for travel assistance up to the age of 25 years.

#### **Address**

A child or young person will only be considered for travel assistance if they are resident in the London Borough of Enfield. 'Resident' means the address in the borough where the child or young person lives as their only or main home.

If the child or young person lives equally between different addresses, the principle home address will be considered as being the address at which the child is registered whilst attending school, with their GP, and, if applicable, the address of the parent who is in receipt of Child Benefit or Child Tax Credit.

An exception to this may be made where an eligible child is looked after by the London Borough of Enfield. An application for travel assistance would be made to the local authority where the child is resident and arrangements on funding for this would be made between the local authorities. Similarly, a carer for a child looked after who is the responsibility of another

local authority but who lives in Enfield may apply to Enfield Council for travel assistance if they meet the appropriate eligibility criteria.

Learners who are not resident in Enfield or are care leavers from other local authorities but live in Enfield should refer to the transport policy statement issued by their 'home' local authority.

### **Distance to nearest school or course and suitability of route**

We expect parents to take full responsibility for transporting their child to and from school in cases where they choose a school which is not the nearest school that can meet their children's needs.

Travel assistance will only be considered if pupils cannot reasonably travel to their educational establishment using their Transport for London Oyster Card. The Council's SEN Services use the following measured distances from the home address to the nearest qualifying school which we have determined meets the child/ young person's needs as a guidance on what would not be considered a reasonable distance to travel. The individual child/ young person's needs and the travel route to school is also taken into account.

- over 2 miles (for pupils up to age 8)
- over 3 miles (for pupils aged 8 to 16)
- between 2 and 6 miles for 11-16-year olds (as long as there aren't 3 or more suitable schools nearer to home) if the family are on qualifying benefits
- between 2 and 15 miles for 11-16-year olds for the nearest school preferred based on the grounds of religion or belief.

For young people aged over 16, travel assistance will be considered if the learner lives more than 3 miles from their place of learning and the young person is unable to undertake the journey by public transport themselves; or if the journey is possible by public transport but requires a number of changes which result in an unreasonably long journey time.

In the case of learners with learning disabilities or mobility issues, journeys of less than 3 miles may also qualify.

These criteria will apply where:

- Enfield has not made any suitable arrangements to enable the pupil to attend a suitable school which meets the child/ young person's needs nearer to home; or
- the route from the home address to the nearest qualifying school which Enfield determines meets their individual needs is unsuitable (as determined by Brokerage Team); and
- the pupil's needs cannot be met through Transport for London's free and discounted travel options.

Distance will be measured by the shortest route along which a child or young person, accompanied as necessary, may travel safely. The route may therefore include footpaths and other pathways, as well as recognised roads and may not be the shortest distance by road.

### **Qualifying schools**

Travel assistance may be provided for children or young people attending one of the following qualifying schools or education and training establishments:

- community, foundation or voluntary schools;

- academies, including free schools;
- community or foundation special schools;
- non-maintained special schools;
- pupil referral units;
- establishments funded by the Education Funding Agency;
- city technology colleges (CTC), city colleges for the technology of the arts (CCTA) or University Technical Colleges (UTC);
- Independent schools named on the learners EHC Plan;
- Other providers funded by the local authority which deliver accredited programmes of learning

### **Suitability of course for young people aged 16 and over**

Applications will be considered if the course being attended is not available at a school or college closer to the young person's home address. If a similar course is available at a closer school or other education setting, travel assistance will only be provided if the young person or their parent or carer can demonstrate how their chosen course meets their needs above the similar course identified by the local authority.

Whether the educational programme to be undertaken offers an appropriate programme of study will be assessed by the learner's personal adviser and/or an Educational Psychologist nominated by Enfield Council, in conjunction with the young person and their parent/ carer, where appropriate. We will not usually provide assistance to repeat a course of study which has already been completed or is at a lower level than one previously completed.

### **6.2 Additional Criteria**

All applications must fit the essential criteria listed in section 6.1, and at least one other additional criteria listed below:

#### **Special educational needs, disabilities or mobility issues (including temporary medical conditions)**

We will consider travel assistance for a child or young person who cannot reasonably be expected to travel to school, education or training due to mobility problems or because of associated health and safety issues related to their special educational needs, disability or temporary medical condition. We will consider each individual child's circumstances into consideration while assessing their eligibility for travel assistance.

#### **Low income**

Travel assistance is considered if a family are in receipt of working tax credit at the maximum rate for their case or the pupil is eligible for means-tested free school meals; if the young person is in receipt of 16-19 bursary funding; or has been provided with a Motability allowance or vehicle. Parents or carers will need to indicate on their application form and provide evidence that they are currently in receipt of the benefit. Please see the Appendix C for details of qualifying benefits.

#### **Need to be accompanied**

Parents/carers are responsible for making sure their child attends school. This includes arranging any necessary travel arrangements to and from school and/or accompanying their child as necessary.

When considering an application for those with special educational needs, disability or mobility issues, or where there are concerns about the safety of the route for the child or

young person, we will consider whether they could be reasonably expected to travel if accompanied by an adult and, if so, whether the parent/ carer can accompany the child.

To determine whether the parent or carer can reasonably be expected to accompany their child, we will consider factors such as whether the parent/carers works and the location and hours of work, and whether there are siblings who need to be taken to another school.

Other factors which will help us reach this decision might include the age of the child or young person and whether one would ordinarily expect a child or young person of that age to be accompanied.

Applicants will be expected to provide relevant evidence supporting their case for not being able to accompany their child.

### **Young not in education, employment or training (NEET) people**

In the case of young people aged 16 or 17, we will consider assistance if they are vulnerable to becoming, or are already, not in education, employment or training (NEET) to enable them to participate in education or training. We will also consider young parents (under the age of 19).

### **Religion or belief**

The local authority only has a duty to consider a parent/carers' preference for their child to attend a school with particular faiths or beliefs, for pupils aged 11-16 attending a school between 2 and 15 miles away who are eligible under requirements discussed above (including being in receipt of maximum working tax credits or means tested free school meals).

### **6.3 18+ and Adult's Services**

Enfield Council has a duty to provide travel assistance to eligible continuing learners who start their programme of learning before their 19th birthday and for learners up to the age of 25 if they have an Education Health and Care (EHC) plan. The same duty applies to learners undertaking apprenticeships and traineeships.

The overall intention of the adult transport duty is to ensure that those with the most severe disabilities with no other means of transportation are able to undertake further education and training after their 19th birthday to help them move towards more independent living.

Transport for London provide discounted rates of travel for young people 18+ in full time education and many disabled adults are eligible also for free travel across London (and bus journeys nationally) through the governments Disabled Persons Freedom Pass scheme. However, Enfield recognises that in some circumstances additional assistance may be required.

Enfield's Travel Brokerage team will work closely with Adult Social Care and Children's Services who will assess needs for over 18's by carrying out a Moving On assessment. From the assessment, the council may offer advice, guidance, and various support, including a personal budget which will be laid out in a social care support plan or EHC plan. The plan should also contain information about travel arrangements. More information can be found here.

## **7. MOVING TO A CLOSER SCHOOL**

We reserve the right to request that a child or young person is moved to a closer appropriate education establishment if there is a place and if the school meets the needs of the child. For



most cases, this will happen during the normal school admissions round when places are allocated, but a smaller number of cases may be considered during the course of the school year, if that is the best possible option for the child.

Any move to a closer school would be discussed and planned appropriately with the parent/carer and arranged at a point in time which will minimise any disruption for the child or young person.

If a parent/carer decides they would prefer to continue sending their child to an education establishment further away once the local authority has sourced closer suitable alternative provision, the local authority is not obliged to provide travel assistance and the parent/carer must take responsibility for the organisation and funding of their child's travel.

## **8. PROVIDING TRAVEL ASSISTANCE ON A TEMPORARY BASIS**

### **8.1 Temporary medical conditions**

Some children and young people may have a temporary medical condition which makes them eligible for travel assistance. In this instance, medical evidence to support the application is required. In these circumstances any allocation of travel assistance will only be provided for the length of time required to meet the temporary need

### **8.2 Temporary school exclusion**

Where a pupil has been accepted for travel assistance based on their registered school but is attending a place other than that school as a result of temporary exclusion, eligibility for home to school travel will apply to the new setting for the temporary period of time.

### **8.3 Temporary accommodation**

Where a pupil who normally receives travel assistance moves to a different address on a temporary basis, but continues to attend the same education establishment, continued assistance will not automatically be provided to and from the new address. Eligibility for travel assistance will be reassessed based on the current living arrangements. The pupil/ their parent or carer may be expected to make their own transport arrangements until they move to a closer school.

When offering temporary accommodation, our housing service will consider the age of the child, the stage of their education, and if the household includes children or young people with special educational needs or disabilities.

Children living in temporary accommodation outside the London Borough of Enfield should approach their new borough of residence for travel assistance. We also ask that parents/carers to inform the Brokerage Team at Enfield Council with as much notice as possible about any changes of address so that any reassessments, if necessary, can be completed as soon as possible.

For further information about temporary accommodation, please see Enfield's Temporary Accommodation Placement Policy.

## **9. AVAILABLE TYPES OF TRAVEL ASSISTANCE**

Enfield Council will consider all new applications and reviews in a fair and consistent way. If travel assistance is granted or renewed the applicant will be advised of this and a travel broker will make contact to discuss options and arrangements.

There are a number of different options for travel assistance which might be considered, and travel brokers will work with families to find the most appropriate option for individual circumstances. Options we consider include the following:

### **9.1 Support to become an independent traveller**

Independent Travel Training (ITT) gives children and young people skills and confidence to travel independently on public transport by reducing reliance on specialist provided transport or on parents and carers. Specialist travel trainers work one to one with the child or young person to ensure they have the skills to make journeys independently. Those who undertake the training achieve increased life choices and opportunities; greater access to the local community and its facilities; and better socialisation.

Pupils undertaking ITT will be supported to manage every aspect of their journey independently, including:

- road safety
- travelling by bus or train
- problem solving e.g. if the bus is late, diverted or cancelled
- personal safety
- how and where to ask for help
- use of mobile phones in case of emergencies

ITT is Enfield Council's preferred method of travel assistance for many learners. If, following discussions with the child or young person, parents/carers and the school, it is considered that a child or young person is ready and able to travel to school independently they will be offered ITT. This may begin at primary school but is usually from secondary school age.

All learners considered suitable for ITT by their school, the Brokerage Team and the travel trainer will transition to ITT by the time they attend college or further education. The learner will be provided with a full programme of training and support, and regular feedback will be given to both them and their parent/ carer. The final assessment will also be shared with parents or carers.

As a general guide, ITT will be offered to suitable children or young people providing they are not required to make several transport changes resulting in an unreasonably long journey time. If we make a reasonable offer of ITT and the applicant does not accept this offer of assistance, we may not offer an alternative form of assistance. If a pupil successfully completes ITT but the applicant then requests another form of travel assistance, we may not offer an alternative unless their circumstances have changed.

### **9.2 Travel Pass**

Although children and many young people are entitled to free transport on buses and discounts on trains, it may be necessary for them to be accompanied by an adult to travel to school. In these instances, travel assistance may be provided through funding for an adult travel pass.

In addition, there may be children and young people who are eligible for travel assistance where the most appropriate journey to school is by using train services which are not covered by Transport for London's free travel passes. In these circumstances travel assistance may be through funding a travel card.

### **9.3 Personal Travel Budget (PTB)**

A PTB is a sum of money which may be provided to parents/carers to organise their child's home to school travel arrangements in a way which best meets their circumstances. This may be, for example, money provided for purchase of an adapted bicycle. To qualify to receive a PTB parents or carers must demonstrate they are able to make suitable arrangements for their child's travel which ensures they are able to travel safely and attend school regularly and on time.

The amount of PTB will be based on the most cost-effective form of travel assistance that is available and relevant to the needs of the child or young person.

#### **9.4 Directly Provided Transport**

If we have considered and ruled out all other options, we may provide a standard vehicle to transport the child or young person. All vehicles and drivers will be sourced by a qualified, registered provider, working to contractual standards set by the Council.

In general, vehicles are routed to pick up a number of children from different locations who attend a particular school. Therefore, journeys can be relatively long and the child or young person will spend more time in the vehicle than with other forms of travel assistance. On some routes, we may arrange for a designated pick-up point for pupils to access the transport. This can help reduce journey times so that pupils spend less time on the bus to and from their school.

Dedicated door to door transport will only be offered where all other options are not practicable or possible.

### **10. HOW TO APPLY FOR TRAVEL ASSISTANCE**

Eligibility for and provision of travel assistance will only be considered on receipt of a fully completed application with supporting evidence. If granted, any travel assistance provided will apply for a set period and must be renewed whenever there is any change in circumstances. Young people continuing their education post-16 must reapply for travel assistance and submit a new fully completed application with supporting evidence.

The application/renewal forms and guidance, including Frequently Asked Questions (FAQs), can be found on the Council website on the Local Offer page.

#### **10.1 How will applications be assessed?**

All applications for travel assistance, including renewals, should be sent to the Council as an electronic application, via the email address shown on the Local Offer page or in a paper copy to the address listed at the end of the application form. It is important applicants provide all the information requested to enable a decision to be made and to avoid unnecessary delays in reviewing the application.

Our Travel Assistance Assessment Panel will consider all applications to determine eligibility. If any additional supporting evidence is required for us to assess the case, we will contact the applicant to request this, explaining the reason why the information is needed.

We will also undertake appropriate secondary checks both on evidence provided and against existing Council records to determine family income and circumstances.

Applicants will be informed of the panel's decision which will be either:

- Travel assistance is agreed – a travel broker will contact the applicant to discuss what assistance is most suitable and when it will start; or
- Travel assistance is not agreed – we will inform the applicant of why the application was not successful and give them information about the travel brokers who may suggest alternative options. We will also explain the appeal process.

#### **10.2 Other potential support available for young people over 16**

For individuals aged over 16 who have had applications rejected but feel as though they need more support than that offered by Transport for London, there are some other funds which they may be eligible to apply for, depending on personal circumstances.

Details can be found in Appendix D.

## 11. FRAUDULENT CLAIMS

Where it is proven that assistance was obtained on the basis of fraudulent or misleading information, we may remove travel assistance with immediate effect, seek the re-imbursment of the costs incurred and implement action set out in our Corporate Fraud Policy, available on the council website [www.enfield.gov.uk](http://www.enfield.gov.uk) or by clicking [here](#).

## 12. THE APPEALS PROCESS

Applicants can appeal against any decision the Council makes regarding their travel assistance.

If their application has been refused because of insufficient evidence or information, or if further information has been requested as part of a review and has not been provided, the case will not be considered as an appeal. In these cases, we will contact the applicant asking for the further information and explaining why we need it. The applicant must resubmit their application with the information provided.

To appeal against the Council's decision to reject an application there is a two-stage process. Further information on the appeals process is available [here](#) on the Travel Assistance page on the Council's website.

**Stage one** – the applicant may appeal in writing to the address provided on the decision letter, within 20 working days of receiving, setting out why the applicant believes our decision incorrect. Applications will then be reviewed by a senior council officer who was not involved in making the original decision.

**Stage two** – if the application was turned down at stage one and the applicant wishes to appeal again, there is a further 20 days to do so, and applications will be considered by an Independent Review Panel. This is the final stage of the appeals process but if the applicant remains dissatisfied they may also take the matter to the Local Government Ombudsman.

Applicants also have a right to apply for a judicial review.

All appeals received after the timeframes stated above will not be considered.

## 13. COMPLAINTS

If Travel Assistance has been provided and the service user and/or parents/carers are not happy with the type of assistance agreed, the Travel Brokerage Team should be contacted to discuss.

If the service user and/or parents/carers have concerns procedure which should be referred to in the first instance. However, if the service user and/or the parent/carer remains unhappy and wishes to take the complaint further, please see the Council's Complaints Policy.

An Enfield Connected account will need to be used for complaints made online.

## 14. RESPONSIBILITIES

Ensuring the travel assistance provided works well and that children and young people arrive at school on time and ready to learn needs a joint effort. All parties have their own responsibilities as set out below.

### The Council's Education Services will:

- Fairly assess the eligibility and individual needs of each child or young person for travel assistance based on the policy, legislation and the application received.

- Communicate the outcome of the assessment indicating: if a child is eligible for travel assistance and the application has been agreed, the process for agreeing what will be provided and how this will be decided or if a request for travel assistance has been declined. The parent or carer will be contacted in writing with reasons for the refusal, what other assistance might be provided and how an appeal can be made.
- Ensure that the child or young person's needs are reviewed regularly, once a new application has been received, at a point of transition and/or when there is a change in circumstances (e.g. a change in medication, behaviour, address or home situation)

**The Council's Travel Brokerage team will:**

- Work with parents or carers, SEN Services, Enfield Schools Admissions Service, schools and, where appropriate, the child or young person to identify and arrange the most appropriate assistance to be provided
- Give parents/carers half a term's notice of a change to a child or young person's allocated travel assistance.

**The Council's People Transport Service (when a vehicle is provided) will ensure:**

- Transport provided is suitable to meet the needs of the child or young person
- Vehicles are safe, fully maintained and clean
- Routing and pickup times are planned to ensure the child or young person can get to school on time
- Drivers are fully qualified, have a current DBS check and have received information and training, as appropriate
- Escorts, when provided, will have a current DBS and have received information and training, as appropriate

**Parents/carers/young person are asked to, where relevant:**

- Work with the Council to move the child or young person to the closest suitable school where practical as determined by the local authority, with as little disruption as possible; or
- agree to self-fund any travel if the parent/carers decides to keep the child at a school further away
- Ensure that the child or young person attends their school or educational setting
- Ensure that the child or young person is on time for collection and pick up (if relevant). Parents may be charged for any additional transport costs incurred if the child is not available
- Assist with helping the child or young person on and off the transport
- Inform the transport provider if the child or young person cannot attend school that day with as much notice as possible (e.g. in case of illness)
- Advise the driver/escort of any particular challenge or difficulty that their child is experiencing on a specific day
- Provide a contact number and emergency contact details
- Notify the Council as soon as possible of any and all relevant changes (e.g. address) - it is not sufficient to just inform the driver or escort
- Help a child or young person make the transition from one form of travel assistance to another
- Work with the Council to ensure that their child (if receiving fleet transport) gets to their education establishment without endangering themselves or others. Enfield Council reserves the right to alter travel assistance, either for a temporary period, or permanently for any cases which cause serious risk.

**Schools/educational establishments are asked to:**

- Work with Enfield Council to help identify those who are suitable for ITT
- Share with the Council the attendance of those who receive travel assistance to ensure the assistance provided does not regularly cause the child or young person to be late
- Report to the Council any changes in circumstance that may warrant a review of travel assistance (e.g. change in a child or young person's needs, attendance or completion of ITT)
- Help parents who receive PTBs to liaise with each in order to share transport or pool their funds
- Inform the Council regarding any school led initiatives that could support travel assistance (e.g. in-school travel training programmes, use of minibuses)
- Help young people make the transition from one form of transport to another

**15. FAQs**

Working with parents, schools and young people we have developed operational guidelines and Frequently Asked Questions. These are available [here](#).

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## 16. APPENDICES

### Appendix A – The Legal Framework

This policy refers to the following legislation (including statutory instruments):

- Education Act 1996 (the Act) sections 444, 508A, 508B, 508C, 508D, 508F, 508G, 508H, 508I, 509AA, 509AB, 509AC, 509AD, 509AE
- Schedule 35B of (the Act), as inserted by Part 6 of the Education and Inspections Act 2006 (the EIA 2006)
- The School Information (England) Regulations 2002 - Regulation 5 and Part 2 of Schedule 2 to, as amended
- Children Act 2004 section 11
- Equality Act 2010
- School Admissions Code
- European Convention on Human Rights
- The School Travel (Pupils with Dual Registration) (England) Regulations 2007
- Public Service Vehicles (Carrying Capacity) Regulations 1984
- School Standards and Framework Act 1998 Section 48
- The Inter-authority Recoupment Regulations 2013
- Education (areas to which pupils and students belong) Regulations 1996

This policy has been developed with full regard to:

The Department for Education Guidance on Home to School Travel and Transport 2014  
<https://www.gov.uk/government/publications/home-to-school-travel-and-transport-guidance>

The Department for Education Guidance on Post-16 Transport to Education and Training 2017  
<https://www.gov.uk/government/publications/post-16-transport-to-education-and-training>

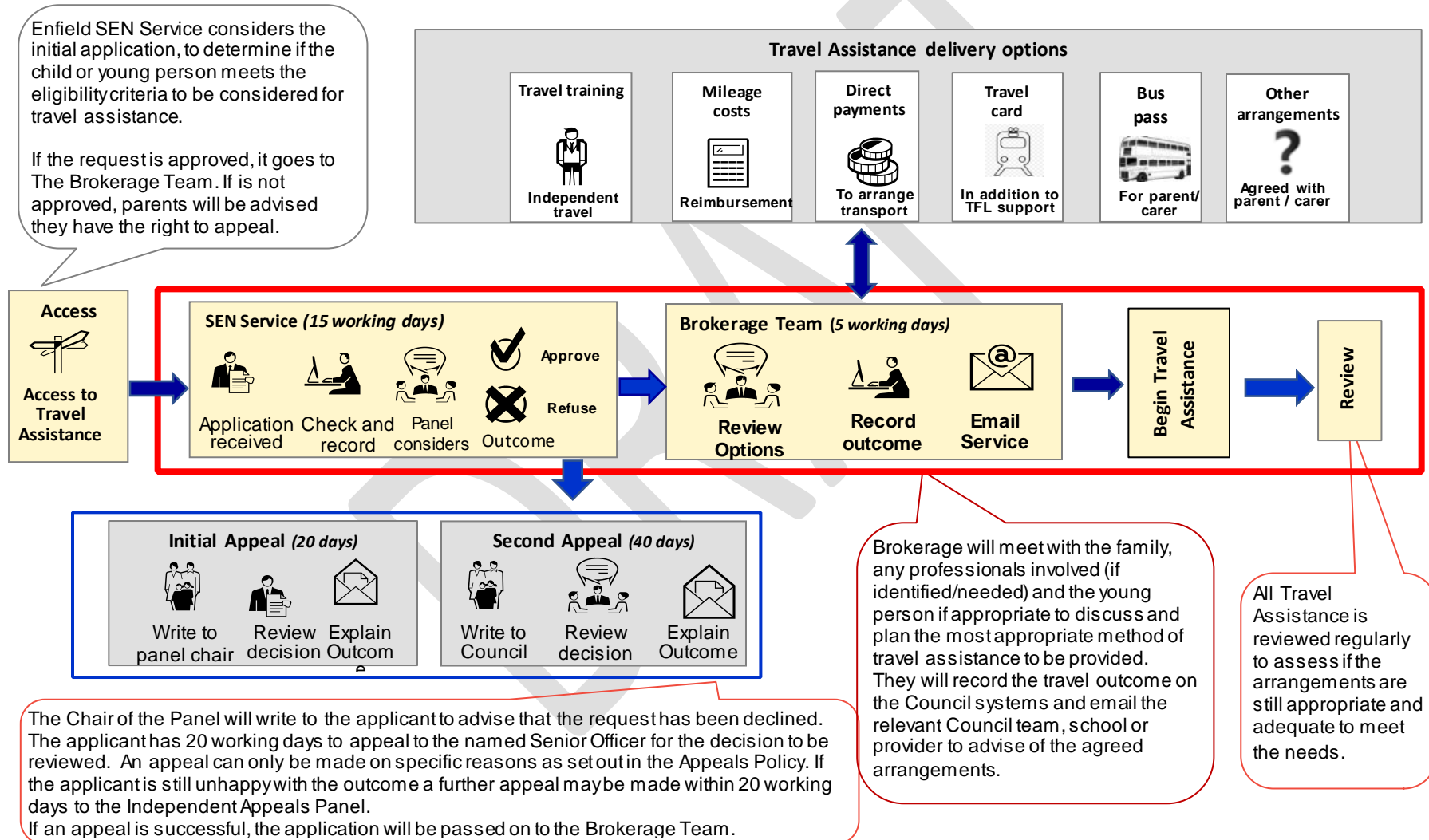
The Education Act 1996  
<http://webarchive.nationalarchives.gov.uk/20130401151715/http://www.education.gov.uk/publications/standard/publicationDetail/Page1/DCSF-10544006X>

The SEND Code of Practice: 0-25 years  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/398815/SEND\\_Code\\_of\\_Practice\\_January\\_2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/398815/SEND_Code_of_Practice_January_2015.pdf)

The Participation of Young People Statutory Guidance  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/349300/Participation\\_of\\_Young\\_People\\_Statutory\\_Guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/349300/Participation_of_Young_People_Statutory_Guidance.pdf)

## Appendix B – Travel Assistance Application and Assessment process

The result of this process depends on the applicant completing all relevant fields on the Travel Assistance Application Form and being responsive to the Council during the process.





## Appendix C - Qualifying Benefits for Low Income Families

Government statutory guidance on travel and transport defines “low income families” as those where parents are in receipt of the maximum level of Working Tax Credit or where a pupil is entitled to free school meals.

### Working Tax Credit

Working Tax Credits may be claimed if either of the following apply:

- The applicant is aged from 16 to 24 and has a child or a qualifying disability
- The applicant is aged 25 or over, with or without children and must:
  - work a certain number of hours a week
  - get paid for the work they do (or expect to)
  - have an income below a certain level

The [basic amount of Working Tax Credit](#) is up to £1,960 a year - applicants could get more (or less) depending on their circumstances and income. Further information can be found at <https://www.gov.uk/working-tax-credit>

### Free School Meals

Free School Meals are available if applicants are in receipt of:

- Income Support
- Income Based Job Seekers' Allowance
- Income Related Employment and Support Allowance
- Support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of State Pension Credit or Universal Credit.
- Child Tax Credit (provided they are not also receiving Working Tax Credit and have an annual gross income as assessed by HM Revenue & Customs that does not exceed £16,190).
- Working Tax Credit Run-on – this is the payment someone receives for a further four weeks after they stop qualifying for Working Tax Credit. Families in receipt of Working Tax Credit are not entitled to Free School Meals.

Application forms for Free School Meals are available to download from the Enfield Council website [www.enfield.gov.uk/freeschoolmeals](http://www.enfield.gov.uk/freeschoolmeals) or can be obtained from schools.

Please note that the Universal Infant Free School Meals (UIFSM) initiative, which provides all pupils in Reception and years 1 and 2 with a free school meal, is not needs based and is therefore not applicable in relation to travel assistance.

A student aged 16+ is only eligible to receive a free meal when they, or a parent/guardian on their behalf, have made a successful application to the institution where they are enrolled.

## **Appendix D - Other support available for travel for young people over 16**

### **Young Parents**

Care to Learn (C2L) may provide help to pay for childcare and travel costs for learners aged 19 and under at the start of their course. Further information can be found at <https://www.gov.uk/care-to-learn>

### **16-19 Bursary Fund**

This fund is administered by individual education providers and is available to support any student who faces genuine financial barriers to participation, including transport costs. Further information is available at <https://www.gov.uk/1619-bursary-fund>

### **Residential Support Scheme (RSS)**

RSS supports students aged 16 to 18 with the costs of living away from home to participate in a study programme where the substantial Level 2 or Level 3 qualification that is part of the programme is not available locally to their home address. Further information is available at <https://www.gov.uk/guidance/16-to-18-residential-support-scheme-for-academic-year-2016-to-2017>

### **Residential Bursary Fund (RBF)**

RBF provides financial help towards the costs of accommodation for students attending a designated institution delivering specialist provision, where that specialist provision needs the student to be resident in order to participate because it is not available locally and/or because it needs students to be available at unsociable hours on a regular basis. RBF enables young people to gain a substantial qualification in a specialist subject that they would not be able to get at a non-specialist institution. Further information is available at <https://www.gov.uk/guidance/16-to-18-residential-bursary-fund-guide-2016-to-2017-academic-year>

### **Discretionary Learner Support (DLS)**

DLS supports learners aged 19 and over on a further education course and facing financial hardship. Further information is available at <https://www.gov.uk/discretionary-learner-support>

### **Dance and Drama Awards (DaDa)**

DaDa can help with fees and living costs at one of 19 private dance and drama schools. Applicants must be aged 16 to 23 and show talent and a likelihood to succeed in the industry. Applications must be made through the qualifying dance and drama school. Further information is available at <https://www.gov.uk/dance-drama-awards>

## Appendix E – Contact Details and Useful Information

### SEN Services

Special Educational Needs Team, Civic Centre, Silver Street, EN1 3XQ

Tel: (020) 8379 3364

Email: [SEN@enfield.gov.uk](mailto:SEN@enfield.gov.uk)

### Travel Brokerage Team

Travel Brokerage Team, Civic Centre, Silver Street, Enfield, EN1 3XY

Tel: (020) 8379 4553 or 020 8379 6789

Email: [Simone.Campbell@enfield.gov.uk](mailto:Simone.Campbell@enfield.gov.uk) or [Nadine.booth@enfield.gov.uk](mailto:Nadine.booth@enfield.gov.uk)

### People Transport Service

Morson Road Depot, 9 Morson Road, Ponders End, Enfield, EN3 4NQ

Tel: (020) 8379 1258

Email: [transport.operations@enfield.gov.uk](mailto:transport.operations@enfield.gov.uk)

### Joint Service for Disabled Children

Cheviots Children's Centre, 31 Cheviot Close, Enfield, EN1 3UZ

Tel: (020) 8363 4047

### Wheel Chair Clinic

St Ann's Hospital 020 8702 3000

### Assistance with Planning a Journey

Transport for London provides a range of online advice and resources to help plan journeys.

<https://tfl.gov.uk/plan-a-journey/>

<https://tfl.gov.uk/maps>

<https://tfl.gov.uk/modes/buses/>

<https://tfl.gov.uk/fares-and-payments/travel-for-under-18s>

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# Enfield Council Predictive Equality Impact Assessment/Analysis

**NB if there is likely to be an impact on different groups of staff as a result of this proposal, please also complete a restructuring predictive EQIA form**

<b>Department:</b>	People	<b>Service:</b>	Children and Education Services
<b>Title of decision:</b>	Getting to School Policy	<b>Date completed:</b>	September 2019
<b>Author:</b>	Arzhang Yusefi	<b>Contact details:</b>	arzhang.yusefi@enfield.gov.uk

**1 Type of change being proposed:** (please tick)

Service delivery change/ new service/cut in service		Policy change or new policy	✓	Grants and commissioning		Budget change	
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**2 Describe the change, why it is needed, what is the objective of the change and what is the possible impact of the change:**

The Council's Policy and Strategy Hub and Children's Services have reviewed and updated the current Travel Assistance Policy (TA policy) launched in 2016. The purpose of the review was to:

- Improve the efficiency of this important service for all users, in the context of rising demand from families requiring assistance.
- Maximise the opportunities for young people with Special Education Needs and Disparities to achieve independence through independent travel training.
- Ensure the policy is compliant with statutory guidance.
- Ensure that we deliver the most cost-effective approach to travel assistance.

The updated Getting to School Policy sets out how the Council will identify and support those children and young people who need travel assistance to their school or other educational settings and provide it in a consistent, transparent and fair way, working in the best interest of the children and young people.

This policy also outlines how we are meeting our obligations under the Education Act 1996 and the Education and Inspections Act 2006

which are to:

- Provide travel assistance to eligible children and young people; and
- Facilitate attendance for young people of sixth form age receiving education or training.

By implementing this policy, we will:

- Promote a safe, active and sustainable approach to travel assistance to and from schools or other educational settings
- Promote the most independent approach to travel assistance
- Ensure a genuine partnership with children, young people and their parents, and
- Use the most cost-effective and environment friendly travel options.

This policy's key stakeholders are:

- Children and young people who have a Special Educational Need and/or Disability (SEND) and require travel assistance to access school or other educational settings
- Parents of children and young people with SEND
- Schools

The following policy changes have been made to the existing TA policy as a result of this review:

1. The inclusion of a brief section about sustainable modes of transport to promote environmentally sustainable travel to and from schools and educational institutions.
2. Further clarification on the factors relating to family circumstances that can be considered while expecting parents/carers to accompany their children. The revised set of factors include whether or not parents/ carers are in employment, and if so the hours worked and location of work, in addition to whether or not they take other children to a different school.
3. The inclusion of a section explaining our policy on offering travel assistance on a temporary basis including temporary medical conditions, temporary school exclusion and temporary accommodation.
4. The clarification and emphasis on the requirement for the family to be on *maximum* working tax credits and/or free school meals when considering eligibility based on income.
5. The clarification and emphasis on parent's preference of school making them ineligible for travel assistance if the local authority has found a closer suitable school for the child. This makes it clear that if parents choose to send their child to a school further away,

they must take responsibility for the travel.

6. Further emphasising the use of Independent Travel Training (ITT) as the most effective travel option to give children and young people the skills and confidence to travel independently. The updated policy also states that conversations regarding ITT will start early to allow time for parents/carers to develop their understanding and confidence regarding the process. It also adds that if we make a reasonable offer of ITT and the applicant does not accept this offer of assistance, we may not offer an alternative form of assistance.
7. The inclusion and promotion of information about Transport for London's free and discounted travel options. This is in order to further promote London's self-travel options for children, young people and those with disabilities. Promoting knowledge may reduce applications or appeals.
8. The removal of the obligation for parents/carers to renew travel assistance applications each academic year and instead request renewals only when there is any change in circumstances. This will result in more effective use of staff time and makes clear to parents/ carers when they need to contact the Council regarding a change in circumstance.
9. The document's structure and wording has been edited throughout for clarity and ease of understanding.

The Getting to School Policy is intended to provide clarity for service users and their parents and carers as to the circumstances when access to supported travel will be considered, and to ensure that those with particular and significant needs are appropriately supported.

Through the implementation of this policy we will make sure that children and young people with SEND enjoy their right to education the same way as their peers. The renewed Getting to School Policy places an emphasis on providing sustainable modes of travel assistance that gives long term benefit for the child; is legally cognisant, cost-effective and environment friendly.

This policy is an important tool for us to ensure equality of access to education for all children and young people regardless of their special needs and help us meet our duty under the Equality Act 2010.

### **3 Do you carry out equalities monitoring of your service? If No, please state why?**

The Council's Brokerage Team maintain a record on a Travel Assistance Tracker system of all children and young people receiving travel assistance. This shows that as of September 2019 we provide travel arrangements for over x children and young people who need assistance to attend their educational establishment. These supported travel arrangements include Independent Travel Training (ITT), transport pass, Personal Travel Budget (PTB) and directly provided transport.

The method for data collection and analysis is being updated in order that we capture the age, gender and ethnicity of the children and young people applying for and receiving travel assistance, so that we can develop our approach to equalities analysis.

A robust and inclusive data tracker system will allow us to:

- Analyse applications by protected characteristic in comparison to those children and young people placed on EHCP to ensure that no group is under or over represented amongst those who apply, unless there is an explanation which justifies why this would be the case. (In Enfield, as is the case for London, most for whom we provide travel assistance, are those with an Education Health and Care Plan (EHCP) and so this is a relevant cohort against which to compare applications)
- Analyse successful applications by protected characteristic in comparison to all applications (including unsuccessful) to ensure that no group is under or over represented amongst those who are awarded travel assistance, unless there is an explanation which justifies why this would be the case.
- Take action to amend how we communicate or implement the policy, or amend the policy itself, as necessary based on the outcome of the analysis.

<b>4. Equalities Impact</b> <b>Indicate Yes, No or Not Known for each group</b>	Disability	Sex	Age	Race	Religion & Belief	Sexual Orientation	Gender reassignment	Pregnancy & Maternity	Marriage & Civil Partnerships
1. Does equalities monitoring of your service show people from the following groups benefit from your service? (recipients of the service, policy or budget, and the proposed change)	Yes	Not known	Yes	Not known	Not known	Not known	Not known	N/A	N/A
2. Is the service or policy expected to contribute to eliminating discrimination, promote equality of opportunity, and foster good relations between different groups in the community?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A
3. Could the proposal discriminate, directly or indirectly these groups?	No	No	No	No	No	No	No	N/A	N/A



4. Could this proposal affect access to your service by different groups in the community?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A
5. Could this proposal affect access to information about your service by different groups in the community?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A
6. Could the proposal have an adverse impact on relations between different groups?	No	No	No	No	No	No	No	N/A	N/A

If Yes answered to questions 3-6 above – please describe the impact of the change (including any positive impact on equalities) and what the service will be doing to reduce the negative impact it will have.

The purpose of this policy is to provide fair and transparent services to all qualifying children and young people, and it is not expected to have an adverse impact on any groups of Enfield residents.

The policy will advance equality of opportunity by promoting independence and ensuring that all children and young people with special education needs and disabilities are provided with the required support to access the educational establishments that meet their needs. It is therefore a key policy to help us meet our obligation under the Equality Act 2010, in the absence of which children and young people with SEND may not be able to fulfil their right to education.

The implementation of this policy will benefit a specific group of residents which are children and young people between the age of 5 and 25 with special education needs or disabilities and those who need travel assistance based on their faith and religion. As such, **age; disability; and religion** are determining factors in providing travel assistance. The policy will help us facilitate access to education for those who may otherwise struggle to get to their education establishment. These groups are discussed in the Getting to School Policy under the eligibility criteria section.

The Policy is deemed to have no specific impact on residents based on their sex; race; sexual orientation; gender reassignment; pregnancy and maternity; and marriage or civil partnerships. The policy sets out criteria for decision-making based on the special needs of the applicants rather than their demographic background, with each case treated on its own merit.

The current equalities monitoring of our travel assistance service shows that children and young people with special education needs and disabilities between the age of 5 and 25 are in receipt of various forms of travel assistance based on their circumstances. The types of travel assistance we provide include Independent Travel Training (ITT), transport pass, Personal Travel Budget (PTB) and directly provided transport.

In order to monitor the impact of the updated policy, we will collate and monitor data on the age, gender and ethnicity of those applying for travel assistance in our new data management system being implemented by the Brokerage Team.

## Involving our stakeholders

During the process of updating this policy, we consulted our stakeholders through different channels. We ran an online public consultation and 102 completed surveys were received. We also consulted with Head Teacher’s forum and Our Voice, a parent-led organisation.

For the online public consultation, we asked the residents on whether or not they agree with the suggested policy changes.

Before the consultation we considered the option of introducing a charge for applications for travel assistance for young people aged 16 or over. This is an option for local authorities based on section 29E of the Statutory Guidance on Post-16 Transport and Travel Support to Education and Training 2019. The findings from the public consultation revealed that 60% of the respondents did not support this approach, therefore we decided not to proceed with this option. Most of the respondents also suggested inclusion of further information about Transport for London (TFL) free or discounted transport options for children and young people which we reflected in the revised version of the draft TA policy.

Following these consultations, throughout the policy document, we further emphasised that best interest of the child or young person is at the core of our decision to provide travel assistance in all circumstances.

\*If you have ticked yes to discrimination, please state how this is justifiable under legislation.

<b>5. Tackling Socio-economic inequality</b> Indicate Yes, No or Not Known for each group	Communities living in deprived wards/areas	People not in employment, education or training	People with low academic qualifications	People living in social housing	Lone parents	People on low incomes	People in poor health	Any other socio-economic factor Please state;
Will the proposal specifically impact on communities disadvantaged through the following socio-economic factors?	Yes	Yes	No	No	No	Yes	Yes	
Does the service or policy contribute to eliminating discrimination, promote equality of opportunity, and foster good relations between different groups in the community?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Could this proposal affect access to your service by different groups	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

in the community?								
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If Yes answered above – please describe the impact (including any positive impact on social economic inequality) and any mitigation if applicable.

The Getting to School Policy aims to facilitate access to education to those who may otherwise struggle to get to their education establishment by providing different types of travel assistance. This policy is one of the main tools for us to reduce and tackle socio-economic inequality by targeting the residents with less privileged circumstances.

The specific beneficiaries of this policy are children and young people whose parents or carers are not in a position to put in place arrangements for them to get an education or training that meet their needs without additional support.

These group of children and young people can include People Not in Employment Education or Training (NEET) and people on low income (those receiving maximum working tax credits/or free school meals). As such, it should have a positive impact on some of the most deprived residents in the borough.

## 6. Review

How and when will you monitor and review the effects of this proposal?

During the implementation phase of this policy, we will collect equalities data on all travel assistance applicants. On an annual basis, we will undertake analysis of this data in order to ensure that any necessary amendments can be made to the updated TA Policy, or to how we communicate and implement it, to ensure we continue to meet our obligations under the Equalities Act 2010.

# Enfield Council Predictive Equality Impact Assessment/Analysis

**NB if there is likely to be an impact on different groups of staff as a result of this proposal, please also complete a restructuring predictive EQIA form**

## Action plan template for proposed changes to service, policy or budget

Title of decision: Getting to School Policy

Team: ...Brokerage Team.....

Department: Children and Education Services

Service manager: Des O'Donoghue

Identified Issue	Action Required	Lead Officer	Timescale/ By When	Costs	Review Date/ Comments
Data collection and management	Undertake equalities impact assessment of the new policy on annual basis	Des O'Donoghue, Brokerage and Market Development Manager	End of 2020	None	
	Review and revise the current application form to record and analyse the age, gender and ethnicity of children/ young people applying for and receiving travel assistance.		Within first three months from the start of the policy implementation.	None	

Please insert additional rows if needed

**Date to be Reviewed: November 2020**

**APPROVAL BY THE RELEVANT DIRECTOR – NAME:** Peter Nathan, Education Director **SIGNATURE**.....



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**MUNICIPAL YEAR 2019/2020 REPORT NO. 203****MEETING TITLE AND DATE:**

**Cabinet**  
**12th February 2020**

**REPORT OF:**

Executive Director Place

Joanne Drew  
Director of Housing and  
Regeneration

Contact officer and telephone number:

Nnenna Urum-Eke – 0208 379 6113

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<b>Agenda – Part: 1</b>	<b>Item: 12</b>
<b>Subject: Maximising the Council's Direct Development Delivery</b>	
<b>Wards: All</b>	
<b>Key Decision No: KD 4998</b>	
<b>Cabinet Member consulted: Cllr Caliskan</b>	

**1. EXECUTIVE SUMMARY**

1.1 This report follows the HRA (Housing Revenue Account) 30-year Business Plan (KD 4969) which Cabinet agreed on 28<sup>th</sup> January 2020. With 2,245 new homes, of which 960 are affordable, being built in Enfield through direct delivery and council led partnerships initiated over the past 3 years, Enfield has a track record for delivery. This report primarily deals with “direct delivery” where the Council will directly commission contractors to build homes on Council owned land.

1.2 Building from this, the Housing and Growth Strategy 2020-2030 (KD 4841) sets an ambitious direct delivery/acquisition programme of 3,500 council owned homes over the next 10 years funded from within the HRA business plan. This includes the following key milestones:

- A 3-year programme of 1031 homes including through the GLA Building Council Homes for Londoners programme
- A 5-year programme which will see the start of new homes being built on Joyce and Snells subject to a successful resident's ballot
- By the end of 10 years we will have delivered 3,500 homes on a range of different tenures and product types to meet the needs of local residents and help to create balanced local housing markets.
- We will explore all green options including a certified Passivhaus Institute 'Low Energy Building', for heating and cooling of homes, with a Pilot on the Bury Street West site.

1.3 This report seeks approval for measures that will help us deliver these Council owned homes and fully engage residents in the process including:

- A Community Review Panel and an Innovations in Design and Construction steering group
- Design competition for local architects to produce an intergenerational housing model
- High quality tenure blind housing and place services on all new build schemes.
- A stakeholder engagement protocol and a local lettings and marketing policies for residents facing disruption.

## 2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the progress made to date on the Council's housing development programme (including the current position of the Greater London Authority Building Council Homes for Londoners programme) as outlined section 3.2 and note the proposal for accelerating the programme in section 3.3.
- 2.2 Notes the 10-year housing development programme as shown in Appendix 1, and authorises the Executive Director of Place, in consultation with Executive Director of Resources, to award contracts and enter into agreements for the acquisition or disposal of property for each site, up to £20m in each case to deliver the first 2 years of the programme.
- 2.3 Approves the delivery of the programme primarily through direct delivery by the Council as outlined in section 3.4 and 3.5, the viability of each project to be determined by the Director of Housing and Regeneration in consultation with the Director of Finance in accordance with the criteria set out in 3.6.2.
- 2.4 Subject to compliance with the Budget Policy Framework, delegates authority to the Leader to approve additional sites and site substitutions, where a site in the programme is no longer viable or deliverable, within the Council's housing development programme's financial limits.
- 2.5 Delegates authority to the Executive Director for Resources to agree the appropriation of General Fund sites to the Housing Revenue Account (HRA) based on an open market valuation for the proposed affordable housing mix as outlined in section 3.5.5.
- 2.6 Notes that a further report will be brought to Cabinet at a later date, for the investment decision for the Upton & Raynham/Beck House scheme outlined in section 3.4.5 and 3.4.6 and agrees in principle to the Upton & Raynham/Beck House scheme being included in the programme until that decision is made.
- 2.7 Approves acquisition of property up to a cost of £2.5m necessary for future delivery of the Upton & Raynham/Beck House Scheme as outlined in 3.4.7 and delegates authority to the Director of Law and Governance to enter into the relevant legal agreements.
- 2.8 Delegates authority to the Director of Housing and Regeneration in consultation with the Director of Finance to approve a community engagement and local offer strategy for residents that will be disrupted by development proposals as outlined in section 3.8.
- 2.9 Agrees that the 10 year Housing Development Programme will be subject to annual review by the Leader of the Council and the Cabinet Member for Finance & Procurement, with a report back to Cabinet.



### **3. BACKGROUND**

#### **3.1 The need for accelerated housing supply**

3.1.1 The Good Growth Housing Strategy sets out the urgent need for affordable housing. Many people are either living in homes that are unsuitable or unaffordable and an increasing number are becoming homeless and living in temporary accommodation for pro-longed periods. Equally, people aspiring to purchase a home in Enfield are being locked out of the market by prohibitive sales prices. Although the primary focus of the housing development programme is to deliver new council homes at social and affordable rents, it will also deliver rent to buy, part-share homes and homes for sale meeting the needs of residents and helping to balance local housing markets.

3.1.2 The 13th February 2019 Cabinet “Better Council Homes Workplan and Budgets 2019/20” (KD4830) decision to approve the bid for the Building Council Homes for Londoners, the HRA 30 year Business Plan 2020 (KD4969) and the Housing and Growth Strategy Report (KD481) considered by Cabinet on 22th January 2020 and Council on 29th January 2020, recognise the role the Council can play in increasing housing supply in the borough – both in its role of directly delivering new build homes (or acquiring them for affordable rent) and in enabling the delivery of homes by housing associations, developers and private landowners.

3.1.3 If we are to grow Enfield’s housing delivery in a way that ensures no one will be left behind, we will need to take the lead as a housing authority and use our available resources and powers to accelerate supply and achieve a better mix of homes for residents than would otherwise be delivered through the market. Our current projection of future new supply directly delivered or acquired is 3,500 new homes over the next 10 years, of which 1,031 will be delivered by 2023 and with some additional new homes on Joyce and Snells being delivered within 5 years (subject to ballot), plus many more through our strategic enabling role. This is the largest and most ambitious house building programme in the history of the borough.

#### **3.2 Progress made to date**

3.2.1 New homes: Over past 3 years the Council has built 160 new homes on its own land, of which 130 have been affordable homes. This excludes the 2,085 homes (of which over 805 homes will be affordable) that are being built through council-led partnership arrangements (e.g. Alma, New Avenue, Ladderswood and Electric Quarter, in table 2 below) and a further report will be presented to Cabinet on how we can maximise supply through these existing schemes. Although the delivery of the small sites programme (set out in the table 1 below) presented a range of challenges, the learning and action plan (presented to the Overview and Scrutiny Committee in April 2019) are being actively applied to the delivery of the 10 year development programme PL 19/173 C Part 1..

and despite the challenges the outcome has been good quality homes of all kinds for Enfield residents:

**Table 1**

<b>Council Build (completed)</b>	<b>Total Units:</b>	<b>Of which Affordable:</b>
Padstow Road	6	0
Dujardin Mews	38	38
Ordnance Road	15	15
Parsonage Lane	29	21
St Georges Road	3	3
Lavender Hill	12	12
Tudor Crescent	15	15
Jasper Close	18	18
Holtwhites Hill	8	8
Perry Mead	4	0
Hedge Hill	3	0
Forty Hill	9	0
<b>Sub-Total</b>	<b>160</b>	<b>130</b>

**Table 2**

<b>Council-led Partnership Sites (in progress)</b>	<b>Total Units</b>	<b>Of which Affordable:</b>
Alma Estate	993	401
New Avenue	408	165
Ladderswood	517	149
Electric Quarter	167	115
<b>Sub-Total</b>	<b>2,085</b>	<b>830</b>

<b>Total for all sites (completed &amp; in progress)</b>	<b>2,245</b>	<b>960</b>
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3.2.2 Acquisitions completed: Since 2017 the Council has purchased or will have purchased over 163 street properties for general needs housings by end of the financial year 2019/20; funding a third of the costs through Right to Buy (RTB) receipts.

<b>Year</b>	<b>Purchases of street properties</b>
17-18	45
18-19	38
19-20	80

<b>Total</b>	<b>163</b>
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3.2.3 Retrofitting existing Regeneration schemes: The Council is also taking the opportunity to retrofit schemes that, had financing streams such as RTB, additional borrowing and GLA's Building Council Homes for Londoners fund been available, would have delivered a greater number of affordable units. By March 2020 the Council will have converted over 161 private homes to affordable housing on schemes such as Alma Estate (60), New Avenue (20) and Electric Quarter (75).

3.2.4 GLA's Building Council Homes for Londoners (BCHfL) Programme: Although a few of the schemes specified in the bid have been substituted, we currently have a 3-year housing development pipeline of 779 affordable homes for which we will seek additional grant funding. This is significantly greater than the 564 homes projected in the bid. The schemes will include acquired land, HRA in-fill sites, roof top extensions, conversions, property acquisitions including ex Council Housing as well as new homes built by developers and housing associations and, Section 106 acquisitions.

Programme Year	GLA BCHfL Bid Projections		Housing Development Pipeline	
	No. Affordable Units	Total BCHfL GLA Funding	No. Affordable Units	Total GLA BCHfL Funding
2019/20	103	£4,500,000	179	£4,500,000
2020/21	144	£4,820,000	292	£4,820,000
2021/22	317	£8,788,000	308	£8,788,000
<b>Total</b>	<b>564</b>	<b>£18,108,000</b>	<b>779</b>	<b>£18,108,000</b>

The detailed housing development pipeline, including the site substitutions in the Building Council Homes for Londoners programme, is shown in Appendix 1. The Director of Housing and Regeneration is working with the GLA to consider how Councils can significantly increase output with additional GLA grant if this was to become available beyond 2022. This means that the Council needs to continue to develop its pipeline of schemes to be able to take advantage of new funding should it become available.

3.2.5 SME and custom build sites: We have selected 3 sites from the long list of sites agreed by Cabinet on 24<sup>th</sup> April 2019 (KD 4613) on which Naked House will deliver 22 new low-cost homes for sale. Also, since 2018, we have funded the delivery of 97 new affordable rent homes through RTB grants to registered providers.

### 3.3 Accelerating the right supply

3.3.1 As noted in section 3.2.4, we have a GLA programme which is set to exceed its delivery targets. We are now building a pipeline of new opportunities, as identified in the table below and in more detail in Appendix 1. The programme will enable us to deliver 1,031 affordable homes (of which approximately 90% will be for affordable rent and 10% for shared ownership/shared equity) over the next 3 years.

3.3.2 By year 5 we plan to have started a second round of the Building Council Homes for Londoners programme and to have started the housing provision on the Joyce and Snells Estate Renewal scheme (subject to ballot). This will include the provision of Council owned homes on social rent levels for existing residents, on London Affordable Rent for the additional homes and shared ownership/shared equity for leaseholders.

3.3.3 In addition to the 3,500 Council owned homes (Social Rent, London Affordable Rent and Shared Ownership), from 2020 to 2030 we will have delivered at least an additional 304 homes for outright market sale targeted at local residents. Although approximately just 9% of programme output, these homes, which will be primarily homes for sale to local people and help to create mixed communities on appropriate sites.

<b>Projects in Programme</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Direct Delivery – including Joyce and Snells	518	953	1,774
Street Property Acquisitions	80	80	80
Off-the-Self & Section 106 Acquisitions	433	860	1,646
<b>Total Number of Affordable Homes</b>	<b>1,031</b>	<b>1,893</b>	<b>3,500</b>
<b>Total Number of Market/Sale Homes</b>	<b>72</b>	<b>166</b>	<b>304</b>
<b>Total Development Costs</b>	<b>£989,662,800</b>		

### **3.4 Three-year additional pipeline to deliver 1,031 homes**

3.4.1 From an initial assessment of our pipeline against these criteria, we have identified several sites that we want to add to the development pipeline. We will fund delivery through RTB and PWLB loans but will seek to replace with additional funding from the GLA. As set out in the HRA Business Plan elsewhere on this agenda, this will enable us to deliver a programme of at least 1,031 homes over the next three years.

3.4.2 A number of the direct delivery sites (Gatward Green, Newstead House and Bury Street West) being delivered over the next 3 years also form part of the BCHfL 19/20 programme and will be on site by March 2020. Likewise, a number of the off-the-self acquisitions on strategic sites (Electric Quarter, Alma Regeneration, New Avenue and Ladderswood) are already underway. This report is not seeking any additional delegated authority for these schemes.

3.4.3 Other than Upton & Raynham/Beck House Site and Ashburton & Crediton (Exeter Road Estate), residents have not been consulted and scheme proposals have not been worked up for the new direct delivery sites in the programme. Consultation will be undertaken on all the schemes in line with the community and stakeholder engagement proposal outlined in section 6 and proposals will not proceed without resident support.

3.4.4 The proposals are in accordance with the 10-year programme in the HRA 30 year business plan which Cabinet approved in KD 4969 dated 28<sup>th</sup> January 2020. The delegated authorities to deliver for the following proposals are being recommend within this report. Key sites within the programme are outlined below:

3.4.5 Beck House Redevelopment - Upton and Raynham Area: The redevelopment site shown in Appendix 3 was initially reported to Cabinet on 16th December 2015 (KD 4119), and Cabinet asked that this is reported back to them for the final investment decision. It is therefore proposed that this site is in principle included in the development programme subject to a further report is submitted to Cabinet for a decision on the final investment required for this scheme. In advance of this, Cabinet is being asked to approve land acquisitions to enable a future scheme to proceed. Brief details of the initial proposals and acquisitions are outlined below.

3.4.6 Phase 1 of the scheme is known as “Beck House Redevelopment and is shown on the first plan in Appendix 3. Initial proposals for Phase 1 of the site indicates a scheme of approximately 127 affordable homes (comprising 87 affordable rent and 40 shared ownership/intermediate rent units) and 47 PL 19/173 C Part 1..

open market units can be developed on the site. A sketch of the proposed scheme is shown on the second plan in Appendix 3. The total scheme cost is currently estimated at approximately £43.5m. Of this cost, GLA grant is estimated at £9.82m, with HRA headroom requirement of £33.68m but is subject to further work refining the proposals, cost plan and viability of the scheme. Once this work is completed, a further report will be submitted to Cabinet. Phase 2 of the site, shown on the plan in Appendix 3 is the Council owned Car Park and Community Centre on Upton Road, which are subject to an asset review, and therefore development proposals on this part of the site are currently on hold.

3.4.7 Cabinet also resolved on 16<sup>th</sup> November 2015 to use CPO powers should the Council fail to acquire property interests by agreement. This report provides an update on those by agreement negotiations in Part 2 Report, with terms agreed for the acquisition of the property known as 13-47 Beck House, 1 Upton Road, Edmonton, London, N18 2LJ and negotiations on Units 11 and 12 Beck House. 13-47 Beck House is currently owned freehold by Riverside Housing Association and is used by the Council as temporary accommodation for those in housing need. In addition, negotiations are underway with two leaseholders of commercial units known as Units 11 and 12 Beck House. Also, land owned by TfL may be required to be included in the scheme depending on the final proposals. The total cost of the acquisitions are estimated at £2.5m, including CPO costs if required, and this will enable the Council to assemble the Phase 1 site. If negotiations for the land acquisitions are not concluded satisfactorily, then a CPO may be needed, and if this is the case then this will be the subject of a further report to Cabinet.

3.4.8 263 Bullsmoor Lane: The site currently accommodates a single storey chalet bungalow, with direct access via a crossover to Bullsmoor Lane. The site is bordered on the eastern side by Great Cambridge Road (A10) and on the southern side by Bullsmoor Lane. To the north of the site is a large area of gravel used historically for car parking by Kingsland/Waterworld Nursery and a small residential property. The site is bordered to the west by the 'New' river with open space beyond forming part of the metropolitan Green Belt. The site is relatively isolated and cut off from the surrounding context by Bullsmoor Lane and Great Cambridge Road. The site is opposite low-rise housing on Bullsmoor Lane. The consented scheme provided 27 units of which 40% would be affordable housing. The Council intends to alter the scheme to 32 units, all of which will be affordable homes – this is an example of where the Council's involvement in direct delivery will secure a better housing outcome for residents.

3.4.9 Dendridge Close: Proposing to extend by acquiring neighbouring site. The Council will re-provide the existing community facility on the eastern end PL 19/173 C Part 1..

of the site and potentially build 50 new council homes in its current location. The new homes could provide decant capacity for the adjacent council blocks and enable the council to build a higher density second phase.

3.4.10 Kemp Hall & Mason Road Car Park: The Council is seeking to expand the Kemp Hall site, which is already in the BCHfL programme, to include the Mason Road Car Park, increasing delivery from 18 to potentially 65 units.

3.4.11 Roof Tops with in-fill: Although the roof top schemes are already in the BCHfL programme, we are looking at the in-fill opportunities that, with the support of residents, could be delivered in conjunction with the schemes.

Site Name & Description	Roof Top Capacity	In-fill Capacity	Total Capacity
Ashburton & Crediton, Exeter Rd Estate	75	50	125
Dowland House, Meyer Green Estate	42	23	65
Caradoc Evans Close, New Southgate	10	7	17
803-859 Great Cambridge Road	23	10	33
<b>Total units</b>	<b>150</b>	<b>90</b>	<b>240</b>

3.4.12 Meridian Water Phase 1: This project does not form part of the direct delivery programme in this report, except that affordable housing units developed under a S.106 agreement may be purchased by the Council through the development agreement with Galliford Try for phase 1, which enables the Council's purchase of 230 affordable housing units for social housing at London Affordable Rent levels at practical completion in 2022-2024.

### 3.5 Building our longer-term pipeline to deliver 3,500 homes

To deliver our programme over the next ten years we anticipate the following:

#### 3.5.1 Estate Renewal

The 2,929 homes, which includes Build-to-Rent for private tenants, to be delivered through the Joyce and Snells regeneration will be delivered over the 10-year programme and beyond and will be subject of a separate Cabinet report.

There are a number of current estate renewal projects, such as Ladderswood, New Avenue and Alma which are being developed under development PL 19/173 C Part 1..

agreements with the private sector which are shown in table 2 in 3.2. Feasibilities for further projects are currently being undertaken. A report providing an update on the existing projects and on the future Estate Renewal programme will be reported to Cabinet separately. Funding for these schemes must be within the limits of the HRA Business Plan, which is currently able to fund a maximum of 3,500 new homes, or through partnerships with others.

### 3.5.2 Low Yield In-fill Sites

As part of our enabling role to increase delivery on low yield infill sites from an average of 250 units per year to the 353 units per annum set out in the London Plan, the Council will need to address the obstacles to delivery. In this vein, the Council has recruited a Small Sites Development Lead who will be principally responsible for enabling delivery:

- Proactively identify and build out or market council owned sites and work with landowners to bring their sites forward for development.
- Unviable residual land value: Incentivise development of more than 10 units through grants from the GLA (such as the Small Sites Small Builders fund) and RTB. On sites that cannot achieve 10 units, support delivery of houses which are more attractive in land viability terms.
- Site constraints: Support land assembly to unlock sites (using CPO powers where it is reasonable to do so), assist with party wall and neighbour issues, help build capacity of existing operators and new entrants.
- Construction capacity: Build SME operators' and landowners' knowledge and access to modern methods of construction that overcome issues such as site access and material and labour shortages by sign posting to resources and information.
- Planning: Support SME operators and landowners through the planning process through the role of the Small Sites Development Lead and build capacity within the development management team to handle the increased volume of applications.

### 3.5.3 Five-year Pipeline Sites:

3.5.3.1 Roman Way Garages: These garages, which are situated on the periphery of the Avenues Estate, could produce around 70 new homes which through a local letting arrangement would be offered to estate residents and could potentially enable the regeneration of the estate.

3.5.3.2 John Wilkes House: Following the implementation of our new Homelessness Service model, this Council office will become redundant. Its demolition and redevelopment could produce about 25 new homes.



3.5.3.3 Highview Gardens: The site consists of two garage blocks and a multi-purpose play area (MUGA). Initial designs suggest that a housing development along with a new MUGA and new and replacement car parking provision can be provided. It is anticipated that more than 27 homes could be provided.

#### 3.5.4 Future Supply

3.5.4.1 The Council will switch focus from the acquisition of ex RTB properties in later years to prioritise land acquisition for housing development, development of new build homes and the purchase of Section 106 affordable housing units. This means positioning the Council as the prime developer on Council owned sites and seeking to become the preferred Section 106 partner for private developments in Enfield. The latter will require negotiations with private Developers at an early stage of the development process; the benefit of this approach is that the Council could potentially acquire units at their build costs (rather than market value) and is better able to influence the quality outcomes of these developments.

3.5.4.2 The authority required to approve these acquisitions and their inclusion the 10-year housing development programme are covered in the delegations by Cabinet to the Executive Director of Place and the Property Procedure Rules.

3.5.4.3 In addition, Cabinet is being asked to agree that the 10 year Housing Development Programme will be subject to annual review by the Leader of the Council and the Cabinet Member for Finance & Procurement, with a report back to Cabinet.

#### 3.5.5 General Fund

The Council is currently undertaking a review of its assets. A large number of these assets are held within the General Fund. The proposal in this report is to give the housing development programme first call on general fund “surplus to requirement” sites which would normally be disposed of on the open market. With new business and development managers working closely with Property colleagues to identify opportunities which can be appropriated to the HRA based on an open market valuation (OMV) with a restriction based on the proposed affordable housing mix and community/social benefits for each site. Where the OMV is less than what could be achieved if it were based on a typical planning compliant scheme (e.g. proposed scheme delivers a higher proportion of affordable housing or more community/social benefit than is

required by planning policy), it is proposed to appropriate the site at this lower OMV.

### 3.5.6 Partnerships to deliver more than we can deliver on our own

3.5.6.1 We will also actively seek opportunities to partner with other developers and land owners either through leveraging of our own land or through our HRA investment. The expected benefits for the Council (such as faster delivery, bringing forward sites that would otherwise not be delivered, spreading capacity through the partnership and learning from JV partners) will be weighed against the development costs, risks of the partnership and whether the Council could deliver the scheme on its own.

3.5.6.2 We will also continue to work with the GLA and other regional agencies to bring forward development. For example, officers in conversation with Transport for London about how they use the GLA Transport Plan to support development in low PTAL areas.

3.5.6.3 Any future proposals for partnership arrangements will be subject to Cabinet approval.

### 3.5.7 Procurement Strategy that Reflects Scale of Programme and Achieves Best Value

3.5.7.1 The Council has existing Cabinet approved corporate procurement strategies, frameworks and processes, which the programme will follow. The programme of housing development and regeneration to be embarked on will involve some £989,662,800 of total construction costs and professional fees. This gives the Council a unique opportunity to market itself and secure better value and quality for its programme.

3.5.7.2 We intend to hold market engagement events to inform the market about our plans, to seek feedback on the optimum procurement strategies and to generally present the Council as an organisation, which is good to work with to secure the most competitive prices for delivery. This will enable us to develop a strategic housing procurement plan that, whilst conforming to the Council's procedures and procurement rules, maximises the wider benefits achieved through procurement of services and works at this scale for the benefit of Enfield residents – for example the use of local suppliers and labour and the creation of apprenticeships and jobs.

### 3.5.8 Supporting the HRA Business Plan

The Report (KD 4969) agreed by Cabinet on 28<sup>th</sup> January 2020 sets out the HRA 30 year business plan. To achieve the Council's ambitions to invest in and renew its existing stock in order to deliver its Better Council Homes programme, the HRA will need to build up a significant reserve in order to cash flow planned improvement and estate renewal schemes. To enable this, the Council will:

- As established in the social value criteria set out in paragraph 4.4.2 below, prioritise pipeline projects that can deliver at least 50% affordable homes, create long term revenue assets such as commercial units and achieve capital gain through the disposal of market sales and shared ownership units.
- Seek to secure additional grant funding from the GLA and other funders. The council has begun initial conversations with the GLA about entering into a strategic partnering agreement and although the GLA has been very receptive to the notion, they have been clear that key determinants will include our delivery capacity and track record. These are the same determinants that will be considered by other funders such as institutional investors. Section 7 of this report sets out how we are building capacity to ensure we are credible partners by funders and others.
- Fund Housing Associations/Registered Providers through RTB receipts. The Council contributes 30% of the development costs, per RTB receipt spending requirement, and the Housing Association /Registered Provider contributes the remaining 70%. Entering into these funding agreements would increase the supply of affordable housing by enabling our delivery partners and freeing up HRA resources to assist in funding future investments.
- Dispose of sites where direct delivery does not add value against what could be achieved through the planning system.
- Dispose of out of borough holdings such as developable land.

### **3.6 Governance & Scheme Appraisal**

#### **3.6.1 Governance Framework**

The sites within the Council's 10-year housing development programme are at different stages of development – ranging from schemes already under construction to newly identified sites.

To ensure the deliverability of the programme the following gateway process, that is governed by the Housing Development Board, has been developed:

**Gateway 1: Site Identification**

New sites and acquisition opportunities are considered at Housing Development Board and recommendations are made to the Director of Housing and Regeneration, who then authorise officers to proceed with feasibility appraisals.

**Gateway 2: Feasibility Assessment**

Sites that pass the first gateway undergo a feasibility assessment (including capacity studies, risk assessments and scheme appraisals) which are considered at Housing Development Board and recommendations made to the Director of Housing and Regeneration on whether to authorise officers to proceed with scheme development.

**Gateway 3: Scheme Development**

At this stage, a design team is commissioned to develop the initial capacity studies, in consultation with local residents and internal stakeholders, to fully designed schemes. They are then reappraised and presented at Housing Development Board, which recommends to the Director of Housing and Regeneration whether to authorise the scheme to be developed further for planning submission.

**Gateway 4: Scheme Delivery**

Prior to submission, the finalised schemes and their updated scheme appraisals are reviewed Housing Development Board and the Director of Housing and Regeneration gives authority to submit.

Once planning consent achieved, contractor procurement will commence through existing corporate and departmental governance frameworks. As part of the contract award approval process the Delegated Authority Reports and updated scheme appraisals will be presented to the Housing Development Board for consideration.

The Housing Development Board (which is chaired by Director Housing and Regeneration, serviced by the Programme Manager and includes senior officers such as the Director of Planning and Director Property as well as officers from finance, legal and procurement), will also interrogate programme highlight reports and recommend corrective actions.

**3.6.2 Scheme Appraisal**

We will appraise development proposals and viability against the following criteria and seek to secure additional GLA grant funding for their delivery:

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<b>Cost</b>	<p>The cost of each proposed development will be examined. It will be assessed with the cost of comparable schemes to ensure value for money. Investment decisions will be based on the following benchmarks:</p> <ul style="list-style-type: none"> <li>• Average Build Cost per Unit (CPU) of £250,000 or less</li> <li>• Cost to Value Ratio of equal to or less than 100%</li> <li>• Average Net Present Value (NPV) of -£50,000 per unit or greater</li> <li>• Internal Rate of Return (IRR) of 3.5% or higher</li> <li>• Subsidy to Costs Ratio (Grant/ RTB) of 30% or higher</li> <li>• Loan to Value Ratio of 50% or less</li> <li>• Loan repayment within 30 years</li> <li>• Residual Land Value of £1 or higher</li> </ul> <p>The overall development programme will need to meet the key assumptions in the HRA business plan.</p>
<b>Timescale</b>	<p>All schemes will be expected to progress efficiently within realistic timescales. Where applicable, schemes that can be delivered within funding deadlines will be progressed ahead of others that have longer timescales.</p>
<b>Housing Need</b>	<p>New homes will be designed to meet housing demand. The decisions on housing type, bed size and tenure mix will be subject to planning policy, viability, location and local housing need. Schemes that can meet specific priority housing need, such as accommodation for vulnerable adults, large family or key worker homes, will be progressed ahead of others.</p>
<b>Complexity</b>	<p>Some sites are more difficult to develop than others. For example, converting garages into flats on constricted sites will be more complex than building new homes on large Greenfield sites. Complex schemes can cost more and take longer to develop, although they may have a positive impact in terms of regeneration. Schemes that are more deliverable will be progressed ahead of other more complex schemes. Unviable sites can be unlocked by carrying out option appraisals with different tenure split including more open market dwellings to cross subsidise affordable units.</p>
<b>Social value</b>	<p>All schemes will be expected to deliver real gains for the residents that will live in the new homes and, more generally, for all Enfield residents – whether its use of local labour and supply chain, offering training and apprenticeships opportunities, making public realm improvements, raising capital receipts to fund future regeneration schemes, helping reduce carbon emissions by offering bike or car sharing schemes or providing needed community infrastructure. Schemes that can deliver greater social value will be progressed ahead of those with limited gains. All green options for heating and cooling of homes will be considered. In some cases, such schemes may not meet all of the viability benchmarks and this will be acceptable as long as the overall programme is within the hurdle rates.</p>

The criteria will also be applied to how retained RTB receipts are spent with an additional preference for schemes that are stalled or would lead to poor quality without the Council's investment.

To ensure that the assumptions that underpin the scheme appraisals are evidence based and reflect the schemes specifics, the Council will:

- seek to align with the GLA's Benchmarks for Development Viability Reviews and
- conduct quarterly review of market conditions for sales, shared ownership and private rented tenures
- review specifications and establish maintenance, repair and replacement costs for new build based on build type and M&E systems used and explore all green options for heating and cooling of homes.

### **3.7 Ensuring Quality**

3.7.1 The Council is updating its Employer's Requirements and design guide to capture lessons learnt from completed schemes, define its place making ambitions, respond to the Climate Change emergency declaration and align with national policy and guidance such as the Independent Review of Building Regulations and Fire Safety and the National Design Guide.

3.7.2 Quality assurance will go beyond design development and be embedded within the tendering and contract award, the principal design and quality inspection and the post occupation evaluation processes. Design will consider whole life implications such as carbon emissions (in construction and occupation), repair, maintenance and replacement costs, and resident safety.

3.7.3 We will establish a group to explore proven innovations in design and construction that produce better and more sustainable homes, reduce construction time and costs, and enable occupants to live healthier, greener and socially connected lives.

3.7.4 To further this, the Council intends to adopt a Passive Principles design approach with the aim of significantly reducing energy consumption by up to 70% and will deliver our first "Low Energy Building" for heating and cooling of homes on the Bury Street West site. This pilot will test the Passivhaus standards against our hurdle rates and delivery model. Subject viability, it is our ambition to deliver all schemes, including Joyce and Snells, to either Passive Haus standard or similar models/approaches.

3.7.5 We will also encourage social connectiveness by inviting local architects to participate in a design competition to create an intergenerational housing scheme on one of our pipeline sites, which can be modelled across other projects.

3.7.6 As a minimum, 10% of all units delivered will be wheelchair accessible or easily adapted for wheelchair users and our buildings will be designed to be accessible to all residents and visitors. We will also seek to ensure that specialist housing delivered via the programme are accessible, adaptable and flexible such as to meet the changing needs of the specific client groups they serve.

3.7.7 We will also improve the quality of our building and estate management. The Council intends to offer high quality tenure blind property services on all new build schemes. This will include ensuring seamless place-based management and maintenance plans that do not distinguish between public realm and private amenity.

### **3.8 Community & Stakeholder Engagement**

3.8.1 Housing construction can be a lengthy and disruptive process and failing to continuously engage all stakeholders and to offer tangible immediate benefits to effected residents can lead to communities objecting to schemes.

3.8.2 As such, the Council will seek to give stakeholders a real voice and a stake in the success of its schemes through open and honest dialogue, and based on a firm commitment not to proceed with proposals that do not have the support of a majority of residents:

- Develop, in consultation with residents, a stakeholder engagement protocol that will set out key contact points (e.g. when a site is identified) and engagement level through the life of a scheme. This will include letters, co-production workshops, ward councillor briefings, face-to-face meetings, consultation events, and project webpages.
- Offer residents facing disruption, particularly on in-fill and roof top schemes, local lettings and marketing policies that give tenants and leaseholders first refusal for the new homes. This will include ensuring that schemes offer the right mix bed sizes and tenure types.
- Create a community review panel that can input on the engagement protocol, design standards and sustainability goals, local offers, construction employment and training opportunities (such as the Meridian Water Construction Skills Academy), community led

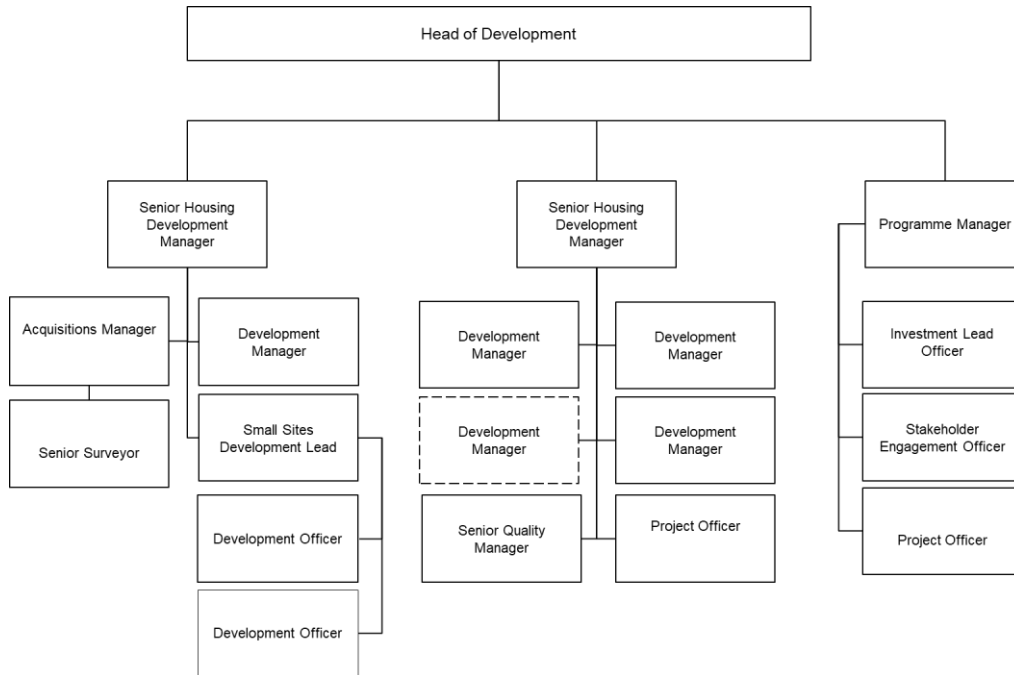
developments, setting good practice around areas such as construction method and resident satisfaction.

- As part of the Council’s low yield development strategy, we will identify a site, through co-production with the community review panel, that is suitable from a community-led housing scheme and build the capacity of local residents to access initiatives such as the GLA’s London Community Housing Fund.

### 3.9 Developing our capacity and skills

3.9.1 The Council is building its capacity to deliver through the recruiting of a Head of Development responsible for delivery of the development programme, a Regeneration Project Director to deliver the regeneration of its estates and a Strategic New Business Lead to build its delivery pipeline. It has also established a Housing Development Board to provide programme direction and monitor quality, cost and progress.

3.9.2 The housing development team, which will be principally responsible for the delivery of the 10-year development programme, is recruiting additional project management and technical staff to identify, enable and deliver development opportunities. The proposed structure, shown below, includes fixed term vacancies that will be filled as needed to deliver the programme.





3.9.3 To sustainably resource this growth, funding for the Development Team will be based on 1.4% of total development costs. This means that as we secure growth in our development programme, we will automatically bring on board the resources needed for delivery. The proposed structure will also allow for peaks and drops in development activity by creating flexible term contract roles.

3.9.4 Our planning team is recruiting new staff that will ensure there is sufficient capacity to efficiently manage the planning application process. With regard to other resources such as legal, procurement and finance, the Council will seek to use inhouse expertise in the first instance and if the need arises will, where appropriate, outsource some of the work in these areas, with the view of building internal capacity over time.

3.9.5 We are also growing our capacity to deliver by:

- Using funding from the GLA's Capacity Building Fund to identify skill shortages, provide training and improve programme management.
- On pipeline development, the HRA will make provision for feasibility assessments to identify and evaluate opportunities to bring forward for either housing development or regeneration.

## **4 ALTERNATIVE OPTIONS CONSIDERED**

4.1 The approaches considered were:

### 4.2.1 Direct Delivery

- a) The site is developed through a 1 or 2 stage Design and Build contract through a competitive procurement and funded through grant and internal resources including Right-to-Buy (RTB) receipts and borrowing.
- b) The Council takes the sales risk and retains any realised profit.
- c) The Council will need to sufficiently resource the development activities. This includes resources within its development management, legal, and procurement services.
- d) The Council has the greatest level of control of the delivery objectives through the construction contract and Employer's Requirements (ERs).

### 4.2.2 Development Agreement

- a) The site is disposed via a long lease to a developer for a residual land value, through competitive procurement or land transaction, with the council retaining the affordable units. The Council can fund its retained units through the land value, grant funding, RTB and/or borrowing.
- b) The developer takes the sales risk with the potential for the council to gain on any overage.

- c) The developer will resource the development activities.
- d) The Council controls the delivery objectives through the development agreement.

#### 4.2.3 Development Partnership/Joint Venture

- a) This model is best suited to larger more complex schemes including where risk transfer of sales is appropriate
- b) The Council enters into a contractual partnership with a developer wherein the Council commits its land and other resources and the developer commits capital outlay and expertise to the partnership. The partnership contracts the delivery of the scheme with the committed resources.
- c) Depending on the structure of the venture, it may not subject of procurement rules
- d) The Council and developer jointly share the risks, profit/loss and liability. The share of profit and loss will be based on agreed terms and extent of the liability each partner holds will be dependent on the form of partnership. The Council will need to take a view of its risk tolerance and degree of control and reward it requires when determining which form of partnership, it pursues.
- e) The Council could also commit capital to provide public sector finances (i.e. the council acts as lender to the partnership) and its return on investment is prioritised.
- f) The partnership is usually terminated when there are no longer any ongoing business activities such as sales and after the defect's liability period.
- g) The Council controls the delivery objectives through the development partnership agreement; and, depending on the form of partnership, it can also control the construction contract and ERs.

#### 4.2.4 Disposal

- a) The site is marketed and disposed (with or without planning consent) to a developer for best consideration – the council negotiates the purchase price of the social rented units as part of the land deal.
- b) The developer takes the sale risk with the potential for the council to gain on any overage.
- c) The council has less control over the delivery objectives; most of its control over design quality will come through its role as the planning authority.

### **5. REASONS FOR THE RECOMMENDATIONS**

5.1 There are serious implications for the programme in not spending the GLA external grant funding which will restrict the delivery of affordable PL 19/173 C Part 1..

housing on key housing sites and damage the council's reputation as an investment partner with the GLA.

5.2 Given the funding and timescale constraints, the size and nature of the sites, and the need to accelerate delivery of affordable housing, the best option is for the Council to directly deliver the programme. Direct delivery will enable the Council to:

- Bring forward schemes that would not be attractive to developers seeking headline profit margins of 20-25%.
- Increase the portion of affordable housing achieved and to maximise the number of family sized homes as required to meet housing need
- Control design quality
- Create successful places through high quality tenure blind place management
- Support the HRA through the income from rents and sales
- Ensure the socio-economic benefits of development are fully realised and equitably distributed.

5.3 Where there are clear advantages in terms of partnering with a developer on a site in terms of value for money and sharing risk and rewards, projects will be presented to Cabinet for a formal decision.

## **6. COMMENTS FROM OTHER DEPARTMENTS**

### **6.1 Financial Implications**

6.1.1 The Housing Strategy sets out the need to increase affordable housing within the borough and the ambition to increase this level to 3,500 new homes in the next 10 years. This report details the development programme and the strategy of how this programme will be delivered. The 10 year Housing Development Programme will be subject to annual review by the Leader of the Council and the Cabinet Member for Finance & Procurement, with a report back to Cabinet.

6.1.2 The current agreed HRA 30-year business plan includes funding to provide an additional 1,031 new homes in the next 3 years. The Business Plan update report KD4969 that was agreed at Cabinet in January 2020 requested an additional £341m of borrowing to assist in the delivery of an additional 2469 units. The delegation in this report seeks to award contracts and enter into agreements for the acquisition or disposal of property for each site, up to £20m in each case to deliver the first 2 years of the programme.

6.1.3 The programme has been developed using standard build cost (£250k new development and £350k for regeneration projects), with RTB receipts

(30% of eligible build costs) and grant funding (£100k affordable and £28k shared ownership) also assisting in subsidising the programme. Each scheme will go through a viability assessment to ensure they are within agreed hurdle rates. If build costs are higher than the estimated £250k per unit, this will need to be reviewed within the overall affordability of the HRA Business Plan.

6.1.4 Appendix 1 shows the number of units being delivered by tenure with the associated build cost and subsidy attached.

6.1.5 In addition to the 3,500 affordable units in the programme there will be 304 private sale units built. These units will be funded from the HRA and sold at market value with the profits used to assist in funding the programme.

6.1.6 £18m GLA grant has already been secured as part of the Building Council Homes for Londoners programme. Further grant funding of c. £165m will be needed in order to assist in funding the Strategy in the next 10 years. Loans from the GLA are available and depending on future borrowing rates this may be a more viable option in years to come. This will be explored with the GLA to ensure the HRA is borrowing efficiently and can sustain the level of debt. The current borrowing assumptions are based on PWLB loans at 3.5%.

6.1.7 It should be noted that all borrowing requirements will remain within the Council's financial metrics and in line with the General Fund's Prudential Indicators and Treasury Management Strategy which will be approved at Council in February 2020. The loan principal will be paid back in full when it falls due. Interest is charged annually over the life of the loan.

6.1.8 This programme has been included in the updated Business Plan. This has confirmed that the level of borrowing required is sustainable within the plan.

6.1.9 Each scheme within this proposal will be subject to a full financial appraisal to ensure each scheme is viable and affordable.

6.1.10 All land appropriations between the General Fund and the HRA are to be in accordance with the Local Government Act 1972, which gives the Council power to appropriate properties from the General Fund to the HRA based on a certified value.

6.1.11 The acquisition of land to assist in the future delivery of Upton and Raynham is based on the market value which is £2.5m. Part of this site includes commercial units that currently generate rental income of c. £11k per annum. These assumptions are included in the updated HRA business plan.  
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The full scheme for this project are being developed and a report will be brought back to Cabinet at a later date. The report will detail full scheme details including build costs and income assumptions, demonstrating that the scheme is affordable and meets our financial metrics.

6.1.12 To ensure that adequate staffing is in place to delivery these projects it is estimated that staff costs represent 1.4% of development costs. This estimate is built into the business plan but may be subject to review.

### Key Financial Risks

6.1.13 Key risks and mitigation measures are set out in appendix 2 of this report.

6.1.14 The 10-year development programme is based on £250k build cost including a contingency of £25k and £100k grant per unit. The assumed build cost is based on Savills market knowledge and may in practise prove to be higher. If build costs were to increase this would impact the number of units, we are able to deliver. A value engineering exercise would be carried out to bring cost in line.

6.1.15 Market sales, based on Savills residential research, are built into the programme in later years and with the uncertainty of the property sales market this will need to remain as a risk. A full appraisal for these schemes will be completed prior to implementing any decisions to start building on a site and the market will be assessed and considered at this point.

## **6.2 Legal Implications**

*MD: 22<sup>nd</sup> January 2020*

6.2.1 Further analysis of the vires implications of each of the schemes mentioned in this report will be necessary as the specific details of each scheme are progressed.

6.2.2 Section 1 of the Localism Act 2011 provides the Council with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the "general power of competence". A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. Furthermore, pursuant to section 8 of the Housing Act 1985, the Council is required to consider the housing conditions and needs of their area with respect to the provision of further housing accommodation. The Council has the power under section 9

of that Act to provide housing accommodation and under s17 of that Act to acquire land for housing purposes.

6.2.3 Public law principles apply to the decisions made by the Council in relation to any project, including the Council's duty to take account of its fiduciary duties and to act prudently with public monies entrusted to it. The Council is also under a general duty to act reasonably and show that its decisions in relation to the delivery of its projects are made after having given due and proper consideration to all relevant factors (disregarding irrelevant factors). The Council must conscientiously consider the product of any public consultation undertaken.

6.2.4 Local authorities with a council-owned housing stock have a duty to maintain a housing revenue account which accounts for spending and income relating to the management and maintenance of council-owned housing stock. The keeping of the Housing Revenue Account is governed by Schedule 4 of the Local Government and Housing Act 1989 and various rules set out in primary and secondary legislation which control rents, the type of tenancies that can be offered and gives tenants the right to buy. The Housing Revenue Account is separated from the Council's General Fund by a "ring-fence" to prevent Council taxpayers subsidising Council Housing and vice versa.

6.2.5 The Local Government Act 2003 gives the Council power to borrow for any purpose related to its functions, and to utilise capital receipts, subject to the limitations set out in that Act. There is now no HRA borrowing cap. Borrowing levels will therefore be those recommended by the Council's Section 151 officer in accordance with the Prudential Code. The Council's power to borrow is determined not just by the absence or otherwise of legal constraints but also by a Council's ability to service the debt.

6.2.6 Cabinet is requested to delegate authority to the Executive Director for Resources to agree the appropriation of General Fund sites to the Housing Revenue Account (HRA). Section 19(1) of the Housing Act 1985 (the 1985 Act) permits local authorities to appropriate any land vested in them or at their disposal to the Housing Revenue Account (HRA). Where local authorities want to use land in their General Fund to build housing on, they are required to compensate the General Fund from the HRA for the value of the land (paragraph 5, Part III of Schedule 4 to the Local Government and Housing Act 1989). Currently, the Council may not permit cross-subsidy to or from, the Council's General Fund resources. However, the Government is currently considering allowing local authorities to gift land that has been held in the General Fund to the Housing Revenue Account at zero cost (consultation on the "Use of receipts from Right to Buy sales (August 2018)). Depending on the outcome of the Government's considerations, this may be of relevance to PL 19/173 C Part 1..

the current proposals and the Council is advised to continue to monitor the position. It should be noted that, although property can be transferred for accounting purposes between the Housing Revenue Account and the General Fund, in legal terms there is no transfer of the property because the Council's Housing Revenue Account and General Fund are not separate legal entities.

6.2.7 Disposals of Housing Revenue Account property out of the Council's ownership, whether on a freehold or leasehold basis, require consent under section 32 of the Housing Act 1985. The Secretary of State has issued some general consents to disposal. Further legal advice will be required in the event of any such proposed disposal.

6.2.8 In letting contracts and entering into property transactions, the Council must comply with the provisions of its constitution, including but not limited to its Financial Regulations, Contract Procedure Rules and Property Procedure Rules. In accordance with the Council's Financial Regulations, no contract for a capital scheme may be let until full Council has approved the inclusion of the scheme in the Capital Programme and where the scheme is estimated to cost in total more than £500,000, a scheme estimate report including an option appraisal and whole life costing has been subject to a Cabinet Lead Member, Cabinet or Council decision, All goods/works/services associated with the projects must be competitively procured in accordance with the Contract Procedure Rules and the Public Contracts Regulations 2015 and all contracts will need to be in a form approved by Legal Services on behalf of the Director of Law and Governance. Further legal advice will be required as the details of each scheme are established.

6.2.9 The public sector equality duty under section 149 of the Equality Act 2010 requires the Council 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 a protected characteristic and persons who do not share it. Any equality impact assessment prepared in respect of the schemes set out in this report should be revisited as each scheme develops.

6.2.10 When dealing with secure tenants the Council must comply with the provisions of the Housing Act 1985.

6.2.11 To the extent that the proposals set out in this report have staffing implications for the Council, further advice should be requested where required from the Council's Human Resources department. Any request for external legal advice must be approved in advance of instruction by the Director of Law and Governance.

### **6.3 Property Implications**

6.3.1 The Council's housing development and estate renewal programme is supported by the Council's Strategic Property Services.

6.3.2 The report seeks approval for the Council's housing development programme to have first call on surplus to requirement general fund sites, rather than these sites being placed on the market. If suitable opportunities are identified, via the Council's property reviews, then it is proposed that these sites are appropriated to the HRA based on an open market valuation (OMV) recognising the proposed affordable housing mix and community/social benefits that the Council's development will bring.

6.3.3 Where the OMV is less than what could be achieved if it were based on a typical planning compliant scheme (e.g. proposed scheme delivers a higher proportion of affordable housing or more community/social benefit than is required by planning policy), it is proposed to appropriate the site at the lower OMV to the HRA.

6.3.4 Projects on Council owned land, strategic sites with partners or new acquisitions will need to be identified in the programme and will require feasibility work to be undertaken to better understand the local context, development constraints and viability. In particular, due diligence will need to be undertaken, including but not limited to the following key property risks:

- Town Planning opportunities and constraints
- Title report and potential encumbrances including rights of way, easements, wayleaves and any other rights granted to leaseholders and third parties on land affected by the development proposals.
- Land assembly, appropriation and Compulsory purchase (as a last resort if land and interests cannot be acquired by agreement).
- Highways capacity (on and off-street provision)
- Utility Services and infrastructure (location, capacity and diversion/relocation)
- Impact on Public Realm and amenity space
- Holding costs pending start on site and redevelopment.

6.3.5 Decanting and re-provision arrangements for existing residents may be required depending upon the quantum, scale and type of proposal on each PL 19/173 C Part 1..



estate which may involve additional land assembly, relocation and re-provision costs which should be fully considered at the viability stage.

6.3.6 Any legal agreements that are progressed as part of the development delivery programme outlined in this report must be granted in accordance with the Council's constitution including its Property Procedure Rules and Contract Procedure Rules and with advice from Legal Services.

6.3.7 The valuation of the land interest in order to be determine the disposal or acquisition of land or an interest should be obtained from a Registered Valuer in accordance with the Royal Institution of Chartered Surveyors guidance.

6.3.8 Further property implications will need to be considered on a project by project basis in terms of method of sale proposed (particularly if shared ownership or outright sale of developed units is proposed), joint venture agreements or direct development.

## **7. KEY RISKS**

The key risks are set out in Appendix 2.

A risk register will be created for each project to capture the key risks and the measures to mitigate the impact will be considered as part of the project management arrangements.

## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

8.1 **Good homes in well-connected neighbourhoods** This programme will increase the supply of a range of housing tenures including affordable housing and create thriving neighbourhoods and places

8.2 **Sustain strong and healthy communities** Developing and sustaining good quality housing in areas where people desire to live will help to create and maintain strong sustainable communities and increase the portfolio of stock it has to discharge its statutory housing responsibility to households that live in the borough.

8.3 **Build our local economy to create a thriving place** Support residents to take more responsibility to increase the local economy and improve their communities by more active engagement in project delivery.

## **9. EQUALITIES IMPACT IMPLICATIONS**

All affordable housing schemes proposed within this report either have been or will be subject to Equalities Impact Assessments. However, providing good quality, affordable housing within the Borough is targeted at those most in need of a home and least able to afford property on the open market.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

10.1 The proposals contained in this report will increase the portfolio of stock that is available to assist the Council to discharge its statutory housing obligations i.e. decanting of households directly affected by the Councils regeneration proposals and supporting those in need of temporary accommodation.

10.2 The delivery of housing within the schemes will be subject to strict performance management to ensure that timelines are adhered to and ability to retain RTB receipts maximised.

## **11. HEALTH AND SAFETY IMPLICATIONS**

All properties owned and rented by Enfield and RP partners are subject to rigorous health and safety checks as a matter of course. The proposed fire safety programme is supported as a means of tackling various fire safety concerns that have been raised in Fire Risk Assessments completed on the blocks in recent years. The safety benefits and learning experiences from the project will be valuable and shared with the London Fire Brigade to continue our good working relationship.

## **12. HR IMPLICATIONS**

Additional resources will be required to deliver programme included within this Cabinet report, funding coming from the HRA Business Plan. A capacity study of the Development & Estate regeneration team to ensure they have the skills and resources to deliver the ambitious housebuilding programme has commenced.

## **13. PUBLIC HEALTH IMPLICATIONS**

The provision of safe, clean affordable housing has a clear connection to individuals' health and wellbeing. Providing new affordable housing on the scale proposed in this report will have a positive impact on health outcomes.

### **Background Papers**

None

Project title	Total Affordable Homes	Social Rent	London/ Enfield Affordable Rent	Shared Ownership/ Intermediate Rent	Open Market units	All Homes (Starting on Site)									
						2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
<b>Direct Delivery Sites - Council owned sites</b>															
Gatward Green	12	0	12	0	0	12	0	0	0	0	0	0	0	0	0
Newstead House	22	0	22	0	0	22	0	0	0	0	0	0	0	0	0
Bury Street West	25	0	25	0	25	50	0	0	0	0	0	0	0	0	0
John Wilkes House	25	0	25	0	0	0	0	0	0	25	0	0	0	0	0
Highview Gardens	27	0	19	8	0	0	0	8	19	0	0	0	0	0	0
Roman Way	30	0	30	0	40	0	0	0	70	0	0	0	0	0	0
263 Bullsmoor Lane (subject to contract)	32	0	19	13	0	0	32	0	0	0	0	0	0	0	0
Small sites 4	50	0	35	15	0	0	0	0	50	0	0	0	0	0	0
Dendridge Close	52	0	40	12	0	0	0	52	0	0	0	0	0	0	0
Kempe Hall/Mason Rd	65	0	59	6	0	0	0	65	0	0	0	0	0	0	0
Upton & Raynham/Beck House Redevelopment	127	0	87	40	47	0	174	0	0	0	0	0	0	0	0
Joyce and Snell's Estate Regeneration - Additional	673	0	523	150	192	0	0	0	133	55	140	18	239	198	82
Joyce and Snell's Estate Regeneration - Reprovision	394	394	0	0	0	0	0	0	95	30	70	0	51	50	98
<b>Direct Delivery Sites - Council owned rooftops</b>															
Dowland House - Garages	20	0	20	0	0	0	0	0	20	0	0	0	0	0	0
Exeter Road - Garages	25	0	25	0	0	0	0	25	0	0	0	0	0	0	0
803-859 Great Cambridge Road	33	0	33	0	0	0	0	33	0	0	0	0	0	0	0
Dowland House	45	0	45	0	0	0	0	45	0	0	0	0	0	0	0
Exeter Road - Rooftops	50	0	50	0	0	0	50	0	0	0	0	0	0	0	0
Caradac Evans Close, New Southgate	17	0	17	0	0	0	17	0	0	0	0	0	0	0	0
Exeter Road - Scrubland	50	0	50	0	0	0	0	50	0	0	0	0	0	0	0
<b>Direct Delivery Total</b>	<b>1,774</b>	<b>394</b>	<b>1,136</b>	<b>244</b>	<b>304</b>	<b>84</b>	<b>273</b>	<b>233</b>	<b>362</b>	<b>155</b>	<b>235</b>	<b>18</b>	<b>290</b>	<b>248</b>	<b>180</b>
<b>Street Property Acquisitions</b>															
Street Property - Market to Affordable Housing	80	0	80	0	0	80	0	0	0	0	0	0	0	0	0
<b>Street Property Acquisitions Total</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Strategic Acquisitions &amp; Future Supply</b>															
Electric Quarter (off shelf purchase)	75	0	47	28	0	75	0	0	0	0	0	0	0	0	0
Alma Regeneration Scheme Phases 2a and 4	66	0	21	45	0	0	66	0	0	0	0	0	0	0	0
Alma Regeneration Scheme- Additional AR S106	60	0	60	0	0	0	0	0	60	0	0	0	0	0	0
New Avenue - additional units	20	0	20	0	0	20	0	0	0	0	0	0	0	0	0
Ladderswood - New Planning Proposal (stp and stc)	189	0	113	76	0	0	0	0	60	69	60	0	0	0	0
Willoughby Lane (Meridian Water Phase 1)	230	0	230	0	0	0	0	75	0	75	80	0	0	0	0
Future Supply	1,006	360	346	300	0	0	98	99	82	82	160	160	80	100	146
<b>Strategic Acquisitions &amp; Future Supply Total</b>	<b>1,646</b>	<b>360</b>	<b>837</b>	<b>449</b>	<b>0</b>	<b>95</b>	<b>164</b>	<b>174</b>	<b>202</b>	<b>226</b>	<b>300</b>	<b>160</b>	<b>80</b>	<b>100</b>	<b>146</b>
<b>10 Year Development Programme Total</b>	<b>3,500</b>	<b>754</b>	<b>2,053</b>	<b>693</b>	<b>304</b>	<b>259</b>	<b>437</b>	<b>407</b>	<b>564</b>	<b>381</b>	<b>535</b>	<b>178</b>	<b>370</b>	<b>348</b>	<b>326</b>

Appendix 1 – 10 Year Housing Development Programme Table 1 (1 of 2)

## Appendix 1 – 10 Year Housing Development Programme Table 2 (2 of 2)

Project title	Total Affordable Homes	Social Rent	London/ Enfield Affordable Rent	Shared Ownership/ Intermediate Rent	Open Market units	Total Scheme Costs	Total GLA Grant	Total RTB Receipts	Total Headroom	Affordable Housing Income/Receipts	Net Headroom Required for 10 yrs.
<b>Direct Delivery Sites - Council owned sites</b>											
Gatward Green	12	0	12	0	0	3,000,000	420,000	375,000	2,205,000	743,400	1,461,600
Newstead House	22	0	22	0	0	5,500,000	0	1,650,000	3,850,000	1,362,900	2,487,100
Bury Street West	25	0	25	0	25	20,304,000	2,500,000	0	17,804,000	1,548,750	4,580,250
John Wilkes House	25	0	25	0	0	6,250,000	2,500,000	0	3,750,000	1,548,750	2,201,250
Highview Gardens	27	0	19	8	0	6,750,000	224,000	1,425,000	5,101,000	3,017,850	2,083,150
Roman Way	30	0	30	0	40	17,500,000	3,000,000	0	14,500,000	1,858,500	-6,038,500
263 Bullsmoor Lane (subject to contract)	32	0	19	13	0	8,160,000	358,400	1,468,800	6,332,800	4,134,720	2,198,080
Small sites 4	50	0	35	15	0	12,500,000	3,920,000	0	8,580,000	5,619,750	2,960,250
Dendridge Close	52	0	40	12	0	13,000,000	336,000	3,000,000	9,664,000	5,239,200	4,424,800
Kempe Hall/Mason Rd	65	0	59	6	0	16,250,000	6,068,000	0	10,182,000	5,035,650	5,146,350
Upton & Raynham/Beck House Redevelopment	127	0	87	40	47	43,500,000	9,820,000	0	33,680,000	14,593,650	-2,862,650
Joyce and Snell's Estate Regeneration - Additional	673	0	523	150	192	216,250,000	56,500,000	0	159,750,000	66,914,850	92,835,150
Joyce and Snell's Estate Regeneration - Reprovision	394	394	0	0	0	137,900,000	0	0	137,900,000	24,408,300	113,491,700
<b>Direct Delivery Sites - Council owned rooftops</b>											
Dowland House - Garages	20	0	20	0	0	5,000,000	0	1,500,000	3,500,000	1,239,000	2,261,000
Exeter Road - Garages	25	0	25	0	0	6,250,000	0	1,875,000	4,375,000	1,548,750	2,826,250
803-859 Great Cambridge Road	33	0	33	0	0	8,250,000	0	2,475,000	5,775,000	2,044,350	3,730,650
Dowland House	45	0	45	0	0	11,250,000	0	3,375,000	7,875,000	2,787,750	5,087,250
Exeter Road - Rooftops	50	0	50	0	0	12,500,000	0	3,750,000	8,750,000	3,097,500	5,652,500
Caradac Evans Close, New Southgate	17	0	17	0	0	4,250,000	0	1,275,000	2,975,000	1,053,150	1,921,850
Exeter Road - Scrubland	50	0	50	0	0	12,500,000	0	3,750,000	8,750,000	3,097,500	5,652,500
<b>Direct Delivery Total</b>	<b>1,774</b>	<b>394</b>	<b>1,136</b>	<b>244</b>	<b>304</b>	<b>566,864,000</b>	<b>85,646,400</b>	<b>25,918,800</b>	<b>455,298,800</b>	<b>150,894,270</b>	<b>252,100,530</b>
<b>Street Property Acquisitions</b>											
Street Property - Market to Affordable Housing	80	0	80	0	0	20,000,000	0	6,000,000	14,000,000	4,956,000	9,044,000
<b>Street Property Acquisitions Total</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>20,000,000</b>	<b>0</b>	<b>6,000,000</b>	<b>14,000,000</b>	<b>4,956,000</b>	<b>9,044,000</b>
<b>Strategic Acquisitions &amp; Future Supply</b>											
Electric Quarter (off shelf purchase)	75	0	47	28	0	26,732,000	3,134,000	2,352,416	21,245,584	9,354,450	11,891,134
Alma Regeneration Scheme Phases 2a and 4	66	0	21	45	0	16,500,000	3,360,000	0	13,140,000	11,655,450	1,484,550
Alma Regeneration Scheme- Additional AR S106	60	0	60	0	0	15,000,000	6,000,000	0	9,000,000	3,717,000	5,283,000
New Avenue - additional units	20	0	20	0	0	15,276,000	11,550,000	0	3,726,000	1,239,000	2,487,000
Ladderswood - New Planning Proposal (stp and stc)	189	0	113	76	0	47,250,000	13,428,000	0	33,822,000	24,487,950	9,334,050
Willoughby Lane (Meridian Water Phase 1)	230	0	230	0	0	55,160,000	16,800,000	0	38,360,000	14,248,500	24,111,500
Future Supply	1,006	360	346	300	0	226,880,800	43,000,000	0	183,880,800	112,766,700	71,114,100
<b>Strategic Acquisitions &amp; Future Supply Total</b>	<b>1,646</b>	<b>360</b>	<b>837</b>	<b>449</b>	<b>0</b>	<b>402,798,800</b>	<b>97,272,000</b>	<b>2,352,416</b>	<b>303,174,384</b>	<b>177,469,050</b>	<b>125,705,334</b>
<b>10 Year Development Programme Total</b>	<b>3,500</b>	<b>754</b>	<b>2,053</b>	<b>693</b>	<b>304</b>	<b>989,662,800</b>	<b>182,918,400</b>	<b>34,271,216</b>	<b>772,473,184</b>	<b>333,319,320</b>	<b>386,849,864</b>

## Appendix 2 – Risk Matrix

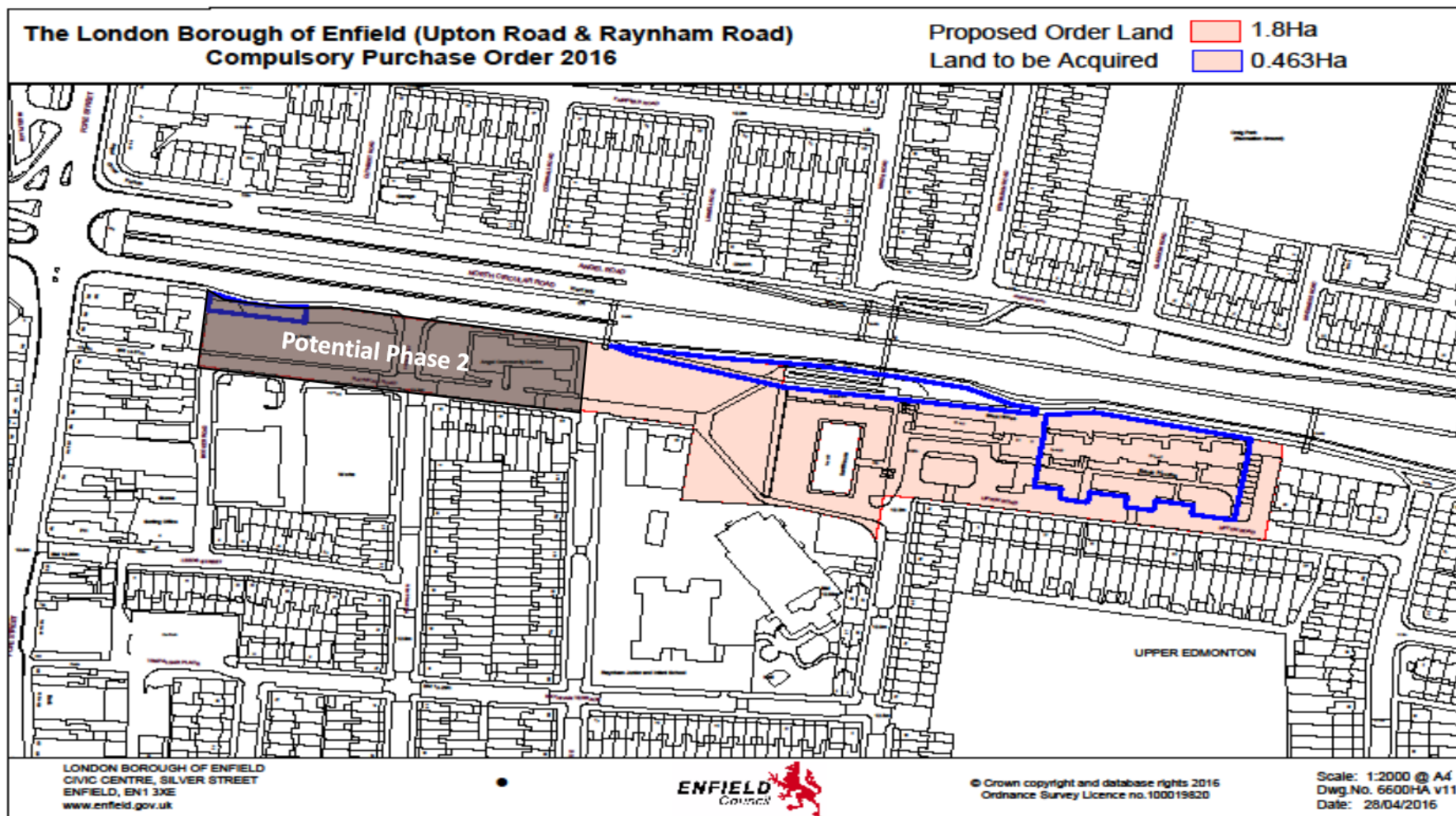
Item	Stages in development process	Associated risk	Risk Level	Impact on Business Plan and Cashflow	Mitigation
Land risk	Purchase of site/Title and or/Third Party Interests	Site may have unforeseen problems (land assembly, title, leaseholders, third party interests, contamination, archaeological remains etc). The cost of acquiring land – which can often be inflated when there is competition from several developers or purchasers/owners of interest.	High	15-20% of additional cost	Contingency to cover unexpected costs, use of Council Land Appropriation and Compulsory Purchase Powers.
Low level of Funding/Grant risk	Feasibility	Reduction of grant rate and no grant agreed/secured	Medium	impact on debt financing	Schemes are likely to be unviable if grant can't be secured - explore different funding streams i.e. RTB receipts
Purchase and negotiation of section 106 sites	Feasibility/Procurement	over valuation and purchase of section 106 obligated units	Medium	impact on debt financing	We would pay the OMV - if this value wasn't within our hurdle rates, we wouldn't go ahead with purchase
Differential inflation rates	Feasibility/PC	The differential between cost and revenue inflation will vary over time and cannot be wholly predictable.	Medium	impact on debt financing	Model increase in interest rates - this will affect the delivery of 3,500 units and if rates were to increase this number would have to reduce

Item	Stages in development process	Associated risk	Risk Level	Impact on Business Plan and Cashflow	Mitigation
Planning risk	Prior to discussion with local authority; Secure planning permission; meeting detailed planning conditions	Planning permission may not be granted for requested scheme. Time taken to secure permission may be longer than expected and conditions may be problematic which may require additional cost.	High	15-20% of additional cost	If planning problems cause delays, then other schemes may need to be substituted in. Feasibility cost risk
Construction and delivery risk/Development risk	Build	Construction costs may be higher than expected. Delays also add costs.	Medium/High	additional 5% for construction risk.	High risk - have to be very clear with the financial appraisals and costs of the projects that are taken forward, higher build cost will reduce the number of units we will be able to deliver
Sales risk	Marketing	income volatility and housing market may turn down. Units may not sell for expected price or take longer to sell than expected.	Medium/High	2-10% income reduction and additional holding cost	Brexit is high risk and could impact many parts of development including, interest rates, build costs sale prices. properties could be held and let until market conditions improve.

Appendix 2 (2 of 2 pages)

PL 19/173 C Part 1..

### Appendix 3 Plan showing Upton & Raynham/Beck House Redevelopment Site







## MUNICIPAL YEAR 2019/2020 REPORT NO. **198**

### MEETING TITLE AND DATE

**Cabinet:** 12 February  
2020

### REPORT OF:

Sarah Cary  
Executive Director – Place  
Contact officer and telephone number:

Lisa Woo, 020 8132 1494

Email: [lisa.woo@enfield.gov.uk](mailto:lisa.woo@enfield.gov.uk)

<b>Agenda – Part: 1</b>	<b>Item: 13</b>
<b>Subject:</b> Housing Infrastructure Fund grant agreement to deliver strategic infrastructure works at Meridian Water	
<b>Wards: Upper Edmonton</b>	
<b>Key Decision No:</b> KD 5085	
<b>Cabinet Member consulted:</b> Cllr Caliskan	

### 1. EXECUTIVE SUMMARY

- 1.1. In early December 2018 the GLA submitted, on behalf of Enfield Council, a Housing Infrastructure funding application to Central Government for a total of £156m to build the strategic infrastructure works in Meridian Water. Confirmation that the Council's bid for funding had been successful was announced by the Chancellor of the Exchequer in August 2019.
- 1.2. The funding will unlock the delivery of thousands of new high-quality homes that meet the needs of local residents and jobs required for Meridian Water to grow as a thriving mixed-use community. Local communities will be primary beneficiaries of HIF strategic infrastructure;
  - 1.2.1. New pedestrian and cycle infrastructure will improve connectivity and have inevitable health and air quality benefits by encouraging carbon neutral modes of movement and link existing communities to the Lee Valley Regional Park.
  - 1.2.2. Decontamination of land, the creation of new parks, naturalisation of the Pymmes brook and wider flood mitigation measures will bring immense environmental and recreational value to residents and support wildlife.
  - 1.2.3. Rail improvements will increase the frequency of trains at Meridian Water Station and attract inward investment. Increased mobility and accessibility will transform resident's quality of life with better access to people, places, jobs, leisure and services.
- 1.3. This report seeks approval to enter into a grant agreement (GDA) with the Ministry for Housing, communities and Local Government (MHCLG). The Heads of Terms form the basis for the GDA and the Assurance framework sets out the funding process and establishes the approach to monitoring and evaluation.

- 1.4. The conditions of the GDA are not considered to be disproportionate to the scale and complexity of the project and do not unduly increase the Council's risk exposure.
- 1.5. Conditions are caveated with 'clawback' provisions, failure to comply with all conditions and milestones will result in termination of the grant agreement and clawback of funding already received.
- 1.6. It will be a condition of the grant agreement that all works are completed by March 2024. Any costs expended after that date, or above the £156m threshold, must be funded by the Council.

## **2. RECOMMENDATIONS**

It is recommended that Cabinet:

- 2.1. Having regard to the conditions of the GDA and Assurance Framework issued by MHCLG (Appendix A and Appendix B appended to Part 2 of this report) authorises entering into the GDA for the receipt of funding.
- 2.2. Delegates authority to the Meridian Water Programme Director in consultation with the Executive Director of Resources and the Director of Law and Governance to finalise the terms of the funding agreement and all associated subsidiary documents.
- 2.3. Delegates authority to the Director of Law and Governance to enter into the grant agreement with MHCLG
- 2.4. Authorises drawdown of £19m preliminary works expenditure from the Capital Programme, such funding to be reimbursed from the HIF funding upon satisfaction of the funding conditions
- 2.5. Delegates authority to the Meridian Water Programme Director in consultation with the Leader to approve the preferred rail solution and procurement option for rail delivery, provided the costs of delivery will not exceed the level of grant funding made available to the Council.
- 2.6. Delegates authority to the Meridian Water Programme Director in consultation with the Director of Law and Governance to enter into agreements for additional grants associated with Meridian Water Infrastructure delivery.

### 3. BACKGROUND

- 3.1. The Housing Infrastructure Fund is a government capital grant programme from the Ministry for Housing, Communities and Local Government (MHCLG) aimed at unlocking housing sites and helping deliver new homes. The fund was split into two packages:
  - 1) Marginal Viability HIF (initially for schemes up to £10m)
  - 2) Forward Funding HIF (initially for schemes up to £250m)
- 3.2. In July 2018 Cabinet authorised the submission of a bid to MHCLG for £120m HIF Forward Funding to deliver strategic infrastructure works at Meridian Water; and delegated the authority to approve the contractor procurement for the HIF delivery works to the Programme Director of Meridian Water in consultation with the Director of Law and Governance (KD4711).
- 3.3. In early December 2018 the final funding application was submitted to MHCLG by the GLA on behalf of Enfield Council, after authority to submit was obtained from the Mayor of London and the Council's Executive Director of Place and the Executive Director of Resources.
- 3.4. The final funding application requested £156m of HIF forward funding, which is higher than the £120m funding bid amount approved by Cabinet in July 2018. The funding ask was increased under delegated authority from £120m to a £156m following a steer from MHCLG to increase the funding ask.
- 3.5. The scope of works proposed for HIF funding includes rail enhancement works amounting to a value of circa £40m and strategic road and flood alleviation works for a value amounting to circa £116m. These works are required as a first phase of strategic infrastructure to unlock housing delivery at Meridian Water.
- 3.6. In August 2019, MHCLG confirmed that the bid submitted by the GLA on behalf of the Council had been successful. Subject to Cabinet approval, the process to secure funding is as follows;
  - a) Complete the Heads of Terms (indicatively February 2020)
  - b) Complete and sign GDA (March 2020 – subject to satisfying all pre-contract conditions)
  - c) Drawdown for historic and preliminary costs (April 2020 subject to signing GDA)
  - d) Drawdown for actual work (indicatively October 2021)
  - e) Satisfy post contract conditions (ongoing)
- 3.7. MHCLG has agreed to enter into the GDA directly with the Council rather than via the GLA. The GDA is therefore to be established directly between the Council and MHCLG.

- 3.8. It will be a requirement of the GDA that all works must be completed before the delivery deadline of March 2024. To ensure timely delivery ahead of the funding deadline the following steps have been taken.

**HIF onsite works (non-rail) progress to date**

- 3.9. The HIF grant will be used to fund strategic roads and bridges, servicing and utilities infrastructure as well remediation, flood alleviation works and the creation of two parks. A planning application for these works was submitted in August 2019 and is due for determination at the March 2020 Planning Committee. To support the Planning application and ensure the Council meets the funding delivery deadline, the following has been commissioned:

- Site surveys
- Strategic transport modelling
- Local junction modelling for the highways impact
- Completion of strategic flood modelling and flood mitigation plan
- Design works for strategic infrastructure works including highways, utilities, parks, road bridges and public realm to RIBA stage 3+
- Environmental Impact Assessment
- Ground Investigation Works
- Draft sustainability strategy for the delivery of strategic infrastructure works

- 3.10. The procurement process to appoint a maximum of three contractors to a framework has commenced (KD 4782). This approach is suitable for the scope of works, given that the funding, the exact design and the land acquisition will not have been confirmed at the point of procurement. The framework approach allows the Council the flexibility to instruct specific works and services as and when they are required and doesn't commit the Council to instructing the individual works packages until a specific call-off contract has been signed

- 3.11. Three tier one contractors; BAM Nuttall, VINCI Construction UK, and VolkerFitzpatrick Limited, have progressed to the competitive dialogue stage of the procurement, which is currently in progress. Following conclusion of the competitive dialogue stage, bidders will be asked to submit their tender responses which will be evaluated. A report recommending the selection of a maximum of three contractors to the framework will be brought to Cabinet later in the year.

**HIF rail progress to date**

- 3.12. There are currently two HIF rail solutions being developed to meet the strategic rail objectives of the project which to deliver a minimum of 4 trains per hour, with a target of 6- 8 trains per hour. Both options have financial implications for the Council. See part 2 for more information.

3.13. **Progress to date on CPO for the delivery of the HIF works**

- 3.14. To progress the land acquisition for the sites required for the delivery HIF works the Council have conducted detailed land referencing into the areas of land required to deliver the HIF scope and identified ownership interests in the area.
- 3.15. In the first instance, the Council's strategy is to acquire land by private agreement. To date, the Council has acquired circa 35.5 hectares of land in Meridian Water by agreement, which comprises 73% of the developable area. Negotiations are progressing with parties to acquire the remaining interests required to deliver the HIF works.
- 3.16. In the event that acquisition by private agreement cannot be achieved, a Compulsory Purchase Order (CPO) (the Order) will be necessary to acquire the remaining land. The Order is also needed as a measure to cover unknown interests or unregistered land.
- 3.17. The authority report KD4832 approved by Cabinet in January 2020, authorises the commencement of a CPO for the delivery of Strategic Infrastructure Works. A draft Statement of Reasons in support of the proposed Order has been prepared in order to serve the relevant parties with required statutory notices.
- 3.18. Any Costs incurred by the Council in assembling land or making the CPO are not contained in the HIF bid and therefore are not recoverable as part of the funding.

**Summary of draft Heads of Terms and funding conditions**

- 3.19. The Commercial Heads of Terms are still in draft and being negotiated with MHCLG, the terms are intended capture the main provisions of the GDA. These include both standard conditions for all Forward Funding schemes as well as bespoke conditions for each project. Additional detailed provisions may be identified during the finalisation of the Heads of Terms and the GDA.
- 3.20. The HIF funding will be available for the period commencing on the satisfaction of the various conditions precedent until 31st March 2024. The conditions are grouped into three sections;
- Pre-contract conditions
  - Pre-works conditions
  - On-going Contractual monitoring obligations
- 3.21. If the Council fails to meet project milestones or does not comply with any conditions to be set out in the grant agreement, MHCLG may terminate the grant agreement, withhold additional funding and

potentially clawback any funding already paid. An overview of the conditions is as follows;

Pre-contract conditions

- 3.22. There are 17 pre-contract conditions to be complied with prior to signing the funding agreement with MHCLG. Pre-condition submissions have been made to MHCLG and include, but are not limited to, project information on governance arrangements, programme for infrastructure and housing delivery, financial model and land assembly approach.

At the time of this report, 16 pre-contract conditions have been satisfied, subject to MHCLG project board approval. Further information is being provided to MHCLG to satisfy the remaining condition related to Planning. Upon satisfaction of the pre-contract conditions and signing of the GDA the Council may claim for historic and preliminary costs.

Pre- works conditions

- 3.23. There are 16 pre-works conditions that must be complied with prior to the Council being able to drawdown funding from MHCLG for actual works. Most of the pre-works conditions relate to the delivery of HIF rail works. The timescales are ambitious for these conditions to be satisfied, therefore continued support and commitment from the rail stakeholders including Network Rail, Crossrail 2, Greater Anglia, Department for Transport (DfT) and Transport for London is critical as the rest of the HIF works (ie the non-rail works) will be impacted if any one of the pre-works conditions associated with rail cannot be satisfied.

- 3.24. At the time of this report, 9 of the pre-works conditions are to be agreed with MHCLG and the remainder are to be agreed with DfT. Upon satisfaction of the pre-works conditions, the first drawdown of monies for the actual works is targeted for Autumn 2021.

- 3.25. Additional on-going Contractual Monitoring obligations

There are 5 additional on-going Contractual Monitoring obligations to be met. These consist of quarterly update meetings to monitor progress on overall delivery and reporting on key topics such as housing delivery and planning.

**MHCLG Assurance Framework and payment mechanisms**

- 3.26. The Assurance Framework (AF) sets out the background to the Housing Infrastructure Funding process, how Local Authorities receive and utilise funding and establishes a robust approach to reporting and monitoring implementation. The framework provides assurance to MHCLG Officers that robust systems are in place to ensure funds are spent with regularity, propriety, and value for money, whilst achieving projected outcomes.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

##### **4.1 Do nothing**

The £156m funding opportunity will be missed, and the Council will need to seek alternative sources of funding. This will significantly delay the delivery of much needed affordable homes for Enfield residents. The expenditure incurred to date by the Council will not be reimbursed by the government.

##### **4.2 Further borrowing from government**

Further borrowing from government will incur further finance costs to the project and could significantly impact on viability and therefore would compromise the provision of much needed affordable homes. The delay of securing alternative funding will add additional costs and could impact the overall viability of the scheme.

##### **4.3 Council leaves infrastructure works to third party developers**

There is significant risk of market failure as the substantial costs of infrastructure will deter private developers as was demonstrated during the aborted Master Developer procurement process.

#### **5. REASONS FOR RECOMMENDATIONS**

Up to £4.1bn of Forward Funding over the period 2017-2024 has been provisionally allocated from the Government's Housing Infrastructure Fund (HIF) to help unlock a strategic pipeline of housing delivery in England. Enfield Council is the first local authority in London to have been successful in the competitive bidding process. The funding will unlock the site for development, the £156m funding would deliver the following Strategic Infrastructure works;

- Rail infrastructure enhancement between Meridian Water Station and Tottenham Hale, to enable a higher-frequency service connecting to central London
- New roads, pedestrian/cycle links and bridges to improve east-west connectivity across the site will alleviate vehicular congestion, promote healthier and more sustainable modes of transport and improve access to the Lee Valley Regional Park
- Earthworks and remediation to address contamination and establish the appropriate development platform levels
- Flood alleviation and associated landscaping including the creation of two new parks and the naturalisation of Pymmes Brooks
- Demolition of existing buildings
- New utility infrastructure to support the development

Therefore, it is recommended that the Council takes this unique opportunity to accelerate the delivery of much needed homes and affordable homes for Enfield residents.

## **6. COMMENTS FROM OTHER DEPARTMENTS**

### **6.1 Financial Implications**

See part 2 report

### **6.2 Legal Implications**

*MD: 22<sup>nd</sup> January 2020*

- 6.2.1 Section 1 of the Localism Act 2011 provides the Council with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the "general power of competence". A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. This general power of competence provides sufficient power for the Council to enter into a grant funding agreement with the Ministry of Housing Communities and Local Government.
- 6.2.2 As part of its funding application, the Council must satisfy itself that either State Aid is not relevant or, to the extent that State Aid may apply, consider what exemption might apply to infrastructure works that are proposed to be funded by the Housing Infrastructure Fund. The Council has obtained advice in this regard from its external legal advisers, Trowers & Hamlins LLP. The Council has been advised that demolition works, earthworks and remediation, rail enhancement works, the provision of vehicular roads and pedestrian and cycle links, flood alleviation and provision of utility infrastructure are likely to be regarded as non-economic activities and therefore not State Aid relevant. Further advice should be sought if any amount of the grant funding is to be used to fund the infrastructure necessary for the delivery of the Lee Valley Heat Network onto Meridian Water to ensure that such funding complies with General Block Exemption Regulation Article 46 (Investment aid for energy efficient district heating and cooling). In addition, further advice should be sought as the scheme develops, particularly in relation to the proposed structure for delivery of the rail enhancement works, to ensure that the funding is and continues to be state aid compliant. Generally, the position regarding state aid will be broadly similar to the current position following the United Kingdom's exit from the European Union.
- 6.2.3 As at the date of these legal implications, detailed terms and conditions of funding are not yet available from the Ministry of Housing Communities and Local Government. However, it is clear that the availability of funding will be contingent on satisfaction by the Council of certain conditions precedent to funding. Furthermore, the grant agreement will contain rights of termination in the event that the Council does not meet certain milestone dates for delivery, is unable to utilise all of the funding by 31<sup>st</sup> March 2024 or otherwise breaches the



conditions set out in the grant agreement. The grant agreement will contain provisions for the repayment of the funding in the event of termination of the Grant Agreement due to the default of the Council. The grant agreement is also likely to contain provisions which will seek to ringfence any enhanced land value attributable to the funding, ensuring that any uplift (to be capped at the level of HIF funding received) is allocated by the Council to the provision of future phases of infrastructure which unlocks additional housing. A detailed legal review and assessment of all the grant agreement terms will be undertaken upon receipt of the draft documentation.

- 6.2.4 Any project activity commenced, any contract entered into, or any expenditure incurred by the Council prior to entering into the grant agreement, and prior to receiving formal confirmation that any pre-conditions to funding have been met, is at the Council's own risk. The Ministry of Housing Communities and Local Government have indicated that, notwithstanding any pre-conditions to funding, historic and preliminary costs may be claimed by the Council upon entry into the grant agreement, subject to such amounts being specifically referenced in the Council's bid for funding and to appropriate evidence of expenditure being provided by the Council's Section 151 Officer. However, such funding may be "clawed back" in the event that the Council subsequently fails to meet any conditions to funding.
- 6.2.5 The Council must demonstrate that it has, or will at least obtain, the resources to implement the scheme referenced in the London Borough of Enfield (Meridian Water Strategic Infrastructure Works) Compulsory Purchase Order (CPO). It is proposed that funding for the strategic infrastructure works will be secured by way of the grant which is the subject matter of this report.
- 6.2.6 All legal agreements entered into in consequence of the approval of the recommendations set out in this report must be approved in advance of commencement by the Director of law and Governance.

### 6.3 Property Implications

The recommendations in this report do not have any property implications.

## 7. KEY RISKS

**Risk:** If Pre-contract conditions are not satisfied or there is delay to finalising the Heads of Terms, the Council is unable to sign the GDA and the Council would not be able to claim £26m historic and preliminary costs. Delays would make it difficult to meet the funding deadline of 31<sup>st</sup> March 2024 and ultimately the £156m funding would be at risk.

**Mitigation:** The Meridian Water team is working closely with MHCLG, DfT, GLA and wider stakeholders to progress the draft Heads of Terms and other contractual documentation so that all parties are comfortable

with the risks, obligations, requirements and conditions. Almost all pre-conditions have been satisfied subject to MCHLG Assurance board approval by March 2020. The Council is providing further information to MHCLG to satisfy a planning related condition. Any issues will be discussed at the appropriate stakeholder/ steering group meetings. In the event that the pre-contract conditions are not satisfied then the PCSA with the contractor will not be entered into and therefore only a proportion of the £26million monies spent. The costs that are incurred on preliminary works will not be abortive as the business case, design, planning, surveys and site investigation works for on-site works and rail are essential tasks required to unlock the full potential of Meridian Water.

**Risk:** If pre-works conditions are not satisfied; the full funding amount is at risk as the Council is unable to claim expenditure for actual works and the Government could claw back monies paid for historic and preliminary costs. The Council would also be unable to successfully appoint a main contractor or recover money paid to the contractor during the PCSA period.

**Mitigation:** The wording of the pre-works conditions is being finalised and the Meridian Water team is working closely with MCHLG and DfT to ensure all conditions can be satisfied. The Council could pause/abandon the contractor procurement if the pre-works conditions cannot be satisfied. The recommended procurement approach allows the Council the flexibility to instruct specific works and services as and when they are required and does not commit the Council to instructing the individual works packages until a specific call-off contract has been signed.

**Risk:** The Council fails to meet project milestones or complete works by the March 2024 deadline leading to termination of grant and claw back of amounts paid and the £156m funding would be at risk.

**Mitigation:** The Meridian Water team has already undertaken early market engagement with potential contractors to flag up any issues that could discourage bidders or cause risk pricing. Contractors have been shortlisted and the dialogue stage has commenced, overall the procurement is on track. Robust governance systems are in place to review issues, risks and programme. Reports will be produced in good time for internal sign off and cabinet sign off procedure, sign off timeframes are included in master programme. Risk reduction meetings will be held to consider ways to minimise change and delays to the project. The current programme estimates that the works will be completed in summer 2023 therefore allowing a significant amount of time before the deadline. The team will also explore alternative ways to finance works. In the event the deadline is at risk, it may be possible to discuss with MHCLG an extension to the 2024 deadline if required.

**Risk:** Delay selecting preferred rail solution. Pre-works conditions cannot be satisfied until a preferred rail solution is agreed. In this scenario MHCLG reserves the right to claim back all the monies paid to the Council including the payments associated with the delivery of HIF onsite works, and the full funding of £156m could be lost. The PCSA cannot be delayed if the programme is to remain on track for March 2024 completion deadline.

**Mitigation:** To manage the risks associated with the rail, weekly Rail steering group meetings are taking place as well as design team meetings to resolve issues and monitor project delivery. To manage the strategic risks associated with project delivery, the executive management team hold monthly meetings to monitor the delivery of the HIF and the monthly spend. The meetings are chaired by the Chief Executive of the Council.

**Risk:** The Council is exploring two rail options to deliver the target of 6- 8 trains per hour and a minimum of 4 trains per hour. Both Options have financial implications to the Council. Failure to meet any rail conditions and related milestones would impact the rest of the project and there is a risk the £156m funding would be lost.

**Mitigation:** The Council will seek to identify funding to cover any additional costs, it is also a possibility to investigate de-scoping the project. A report detailing the rail options will be brought back to Cabinet in summer 2020.

## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **8.1 Good homes in well-connected neighbourhoods**

The recommendations in this report do provide the authority to start procuring a main contractor to finalise the strategic road infrastructure and flood alleviation works. The construction of these key pieces of infrastructure will unlock new housing development in Meridian Water.

### **8.2 Sustain strong and healthy communities**

The scope of works does include several green spaces linking up with existing green spaces in the area and thereby enhancing the value of the local green infrastructure. Next design stages of the strategic infrastructure will give full consideration as to how the proposed works can contribute to the health and wellbeing of the existing and future communities in the area.

### **8.3 Build our local economy to create a thriving place**

The delivery of strategic road and flood alleviation works will unlock the Meridian Water area and significantly increase accessibility of the site, especially by public transport. It is expected that increased accessibility

will support local businesses, as well as attract new jobs and business growth in the area supporting Enfield residents and the local economy.

## **9. EQUALITIES IMPACT IMPLICATIONS**

It should be noted that projects or workstreams deriving from this may be subject to a separate Equalities Impact Assessment (EqIA). Therefore, any projects or workstreams will be assessed independently on its need to undertake an EqIA to ensure that the Council meets the Public Duty of the Equality Act 2010.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

Once the funding agreement is signed the performance will be monitored through the Government Assurance Framework.

## **11. HEALTH AND SAFETY IMPLICATIONS**

The recommendations in this report do not have any health and safety implications. Pre-Construction Health and Safety Information will be included in the tender information for the appointment of contractors.

## **12. HR IMPLICATIONS**

The recommendations in this report do not have HR implications

## **13. PUBLIC HEALTH IMPLICATIONS**

Meridian Water is poorly connected by public transport, walking and cycling and although the site lies adjacent to the North Circular Road and Meridian Way, a strategic north-south route, the central and eastern part of the site have no direct connection to the proposed railway station, the most important piece of new infrastructure. The intervention proposed for the development should address these site constraints and design-in foundations to prioritise walking and cycling. The infrastructure designs should be grounded on an urban structure that improves the environment and to encourage healthy lifestyle. The utilities corridor should also be designed to provide specs for smart technologies, introduce suitable energy infrastructure to help residents save energy bills and improve air quality.

### **Appendices – to the part 2 report (exempt information)**

Appendix A – Draft Pre-Drawdown conditions

Appendix B - MHCLG Assurance Framework for the Housing Infrastructure Fund – Forward Funding

## THE CABINET

**Draft list of Items for future Cabinet Meetings  
(NOTE: The items listed below are subject to change.)**

<b>MUNICIPAL YEAR 2019/2020</b>
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<b>11 MARCH 2020</b>
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- 1. Estate Renewal Update and Approvals** Sarah Cary

An update on estate renewals and approvals. **(Key decision – reference number 5059)**
- 2. Multi-agency hoarding and self-neglect policy** Tony Theodoulou

This policy sets out the cross-council and cross-partnership approach to dealing with hoarding and self-neglect issues for vulnerable adults in Enfield. **(Key decision - reference number 5071)**
- 3. Modern Slavery Strategy** Tony Theodoulou

This will seek approval of the Council's Modern Slavery Strategy. **(Key decision – reference number 5102)**
- 4. Updated School Condition and Fire Safety Programme 2020/21 to 2021/22** Tony Theodoulou

This will seek approval of the Schools' capital programme for 2020/21 to 2021/22. **(Key decision - reference number 5082)**
- 5. Meridian Water Employment Strategy** Sarah Cary

This will seek approval to the employment strategy for Meridian Water. **(Key decision – reference number 4881)**
- 6. Meridian Water – Meridian Two, Selection of Development Partner** Sarah Cary

This will seek approval to the procurement to appoint the Meridian Two Developer. **(Key decision – reference number 4952)**
- 7. Corporate Property Investment Programme (CPIP)** Sarah Cary

This will seek approval to a block programme of capital investment into the Council's Corporate Property assets to support the delivery of the Strategic Asset Management Plan (SAMP). **(Key decision – reference number 5006)**

<b>22 APRIL 2020</b>
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- 1. Quarterly Corporate Performance Report** Fay Hammond

This will present the quarterly corporate performance report. (Non key)
- 2. Broomfield House** Sarah Cary

This will refer to the Broomfield Conservation Management Plan and Options Appraisal and, set out options for the next steps. **(Key decision – reference number 4419)**
- 3. Trading Company Business Plans** Jeremy Chambers

This will present the business plan rolling updates for Housing Gateway and Energetik. **(Key decision – reference number 5099)**
- 4. Temporary Accommodation Placement Policy** Sarah Cary

This policy will explain how the Council will assist homeless households in finding accommodation. **(Key decision – reference number 4676)**
- 5. Economic Development Strategy 2020-30** Sarah Cary

This will seek approval of Enfield’s Economic Development Strategy 2020-30. **(Key decision – reference number 5088)**
- 6. Housing Allocations Scheme** Sarah Cary

The allocations scheme will set out who can apply for affordable and social rented housing in Enfield, how applications are assessed and how the Council sets the priorities for who is housed. It also sets out other housing options, including private rented sector, intermediate rent and shared ownership. **(Key decision – reference number 4682)**
- 7. Contract Award: Voluntary and Community Sector Outcome 3 – Supporting People to Improve their Health And Wellbeing and Improving Self-Management** Tony Theodoulou

This will seek approval of the award of the above contract. **(Key decision – reference number 5095)**
- 8. Resident Permit and Visitor Voucher Tariff Changes in The Borough’s Controlled Parking Zones** Sarah Cary

This will set out proposals to consult and implement changes to the resident permit and visitor vouchers tariff. **(Key decision – reference number 5101)**

**9. Future Strategy for Later Living Housing** Sarah Cary

Review of the sheltered housing stock, re-designation of the stock, and service offer improvement for older residents living in council housing stock.

Recommendations for future development plans of housing for older people.  
**(Key decision - reference number 5073)**

**10. Company – Regulatory Compliance** Fay Hammond

**(Key decision – reference number tbc)**

**11. Re-appointment of Company Directors** Fay Hammond

**(Key decision – reference number tbc)**

**NEW MUNICIPAL YEAR 2020/2021**

**1. Partially Owned Companies Update** Jeremy Chambers

This will provide an update on the partially owned companies. **(Key decision – reference number 5052)**

**2. Meridian Water Environmental Sustainability Strategy** Sarah Cary

This will seek approval for the adoption and assimilation of the Meridian Water Environmental Strategy, combined with the ambitions of the Council's climate emergency declaration, which together will steer processes for sustainable development excellence and future proof the Meridian Water legacy. **(Key decision – reference number 5089)**

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CABINET - 22.1.2020

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON WEDNESDAY, 22 JANUARY 2020****COUNCILLORS****PRESENT**

Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy Leader), Alev Cazimoglu (Cabinet Member for Health and Social Care), Rick Jewell (Cabinet Member for Children's Services), Nneka Keazor (Cabinet Member for Community Safety and Cohesion), Gina Needs (Cabinet Member for Social Housing), George Sawwa MBE (Cabinet Member for Licensing and Regulatory Services) and Mahtab Uddin (Cabinet Member for Public Health)

**Associate Cabinet Members (Non-Executive and Non-Voting):** Mustafa Cetinkaya (Enfield South East), Ahmet Hasan (Enfield North) and Claire Stewart (Enfield West)

**ABSENT**

Guney Dogan (Cabinet Member for Environment and Sustainability) and Mary Maguire (Cabinet Member for Finance and Procurement),

**OFFICERS:**

Ian Davis (Chief Executive), Sarah Cary (Executive Director Place), Tony Theodoulou (Executive Director People), Fay Hammond (Acting Executive Director Resources), Jeremy Chambers (Director of Law and Governance), Bindi Nagra (Director of Health and Adult Social Care), Doug Wilkinson (Director of Environment & Operational Services), Jayne Middleton-Albooye (Head of Legal Services), Joanne Drew (Director of Housing and Regeneration), Sue McDaid (Head of Regulatory Services), Tinu Olowe (Director of Human Resources and Organisational Development), Harriet Potemkin (Strategy, Partnerships, Engagement & Consultation), Richard Sorenson (Project Manager, Housing Operations), Andrew Golder (Press and New Media Manager), Tina Fasi (Private Sector Housing Licensing and Enforcement Officer) and Balbinder Kaur-Geddes (Legal Services) Jacqui Hurst (Secretary)

**Also Attending:** Press representative, Consultant representatives (for item 5 below), 4 members of the public (for item 10 below)

**1****APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Mary Maguire (Cabinet Member for Finance and Procurement) and Guney Dogan (Cabinet Member for Environment and Sustainability).

An apology for lateness was received from Councillor Nneka Keazor (Cabinet Member for Community Safety and Cohesion).

**2  
DECLARATIONS OF INTEREST**

There were no declarations of interest in respect of any item listed on the agenda.

**3  
DEPUTATIONS**

There were no deputations to this Cabinet meeting.

**4  
ADOPTION OF EDMONTON LEESIDE AREA ACTION PLAN**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.164) recommending the Edmonton Leaside Area Action Plan for adoption.

**NOTED**

1. The background to the development of the Edmonton Leaside Area Action Plan as detailed in the report.
2. That the Edmonton Leaside Area Action Plan (ELAAP) would form part of Enfield's Local Plan and would specifically deliver the spatial vision and land use strategy for the first phases of the Council's flagship regeneration area of Meridian Water, as set out in the report.
3. The Plan would also encourage other private stakeholders within Meridian Water to join the Council's vision and aspirations with for example, the provision of affordable housing; public spaces; low carbon heat network; and, high quality design standards. The Plan covered a period of 12 years. The Council's borough-wide approach to the use of strategic industrial land was also highlighted.
4. A detailed discussion took place on the development of the ELAAP; the processes which had been followed and the desired outcomes, as set out in the report and appendices. Members noted the issues which had been raised by the Inspector and how the points raised had been addressed.
5. The Council's target for the delivery of 5,000 new homes over the next 12 years. Members noted that the development of Meridian Water was over a 25-year period. The proposals for meanwhile uses for the land were also noted.

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6. Members questioned how the Plan would address the issue of climate change. It was noted that the Plan contained specific policies with regard to connecting to the Council's low carbon heat network; which would help to address the issue of climate change in the Borough.

**Alternative Options Considered:** None considered as having an adopted and comprehensive planning framework for the area provided a basis for setting the area specific planning policies by which decisions on development would be guided. This was essential to support the Council's regeneration programme, particularly in light of on-going as well as future investment opportunities.

**DECISION:** The Cabinet agreed to

1. Note receipt of the Planning Inspector's final report (set out in Annex 1 of the report) that concluded the Edmonton Leaside Area Action Plan was "sound" and legally compliant subject to the Main Modifications being incorporated into the final plan.
2. Recommend to Council formal adoption of the Edmonton Leaside Area Action Plan (Annex 2 to the report) to form part of Enfield's Local Plan.

**Reason:** NOTED, the reasons for the recommendations as set out in section 4.1 of the report.

**(Key decision – reference number 4982)**

**5**

**PROPOSAL TO IMPLEMENT A BOROUGH-WIDE ADDITIONAL LICENSING SCHEME AND A SELECTIVE LICENSING SCHEME IN 14 WARDS**

Councillor George Sawa (Cabinet Member for Licensing and Regulatory Services) introduced the report of the Executive Director – Place (No.165) proposing the implementation of a borough-wide additional licensing scheme in all wards and a selective licensing scheme in 14 wards.

NOTED

1. The detailed proposals set out within the report and the reasons for the recommendations. Members acknowledged the thorough and detailed work that had been undertaken over a significant period of time by Council officers with relevant consultants, to reach this stage and expressed their thanks and appreciation to them.
2. The schemes would benefit all residents in the Borough and result in improvements in the standard of housing in the private rented sector, as set out in the report. The proposed licensing fees compared favourably to other London Boroughs, as detailed in the report.

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3. The importance of good quality housing in tackling deprivation and inequality and promoting good health and education was highlighted.
4. The schemes would not be profit making but are intended to improve the quality of accommodation for people living in this sector. It was anticipated that up to 71 officers would be employed to implement the schemes which will include responding to issues of concern, undertake inspections and enforcement.
5. Following the Cabinet Member's introduction above, Mr Doug Wilkinson (Director of Environment and Operational Services) outlined in detail the proposed schemes and highlighted issues for Members' consideration as set out below:

**"The Report for the introduction of Selective and Additional Licensing Schemes in the Private Rented Sector to Cabinet 22 January 2020**

**by Doug Wilkinson – Director of Environment and Operational Services**

Members are aware that we have been working on this for over a year along with Cadence and MetaStreet, who are experts in this industry. We have been gathering evidence, modelling and consulting - with a number of presentations given to members over that time.

This cabinet paper brings all of that work together and sets out our proposals seeking approval to introduce two licensing schemes covering about 30,000 private rented properties they are:

- **A borough wide additional HMO licensing scheme**  
These are smaller HMOs occupied by 3 or 4 persons forming more than one household and sharing kitchens/bathrooms (**Additional Licences**) – across all 21 wards of the borough,  
and
- **A Selective licensing scheme for 14 wards,**  
These are properties occupied by single family households (**Selective Licences**) - eg one person, a couple or family, this will apply to 14 wards in the east and south of the Borough, namely: Bowes, Edmonton Green, Enfield Highway, Enfield Lock, Haselbury, Jubilee, Lower Edmonton, Palmers Green, Ponders End, Southbury, Southgate Green, Turkey Street, Upper Edmonton and Chase.

This is with the purpose of undertaking inspections and enforcement to address the large-scale issues to

- Improve housing conditions
- Improve standards of property management
- Act on factors to reduce deprivation (eg overcrowding, poor energy efficiency), and
- Reduce anti-social behaviour

***The evidence:***

The cabinet report and appendices provide the review undertaken of the Borough's private rented sector and details the robust and compelling evidence to show why we need to take this action to improve these conditions in the private rented sector.

**In order to approve the designations of the area for the Additional HMO Licensing scheme, Cabinet needs to be satisfied that the evidence shows that:**

1. There are a significant proportion of HMOs that:
  - are not being managed effectively, and
  - give rise to problems of poor housing and ASB for the tenants and the public

The evidence for this is set out in the Cabinet report in paragraphs 5.40- 5.46 and also in the evidence report at section 14 of Appendix 3.

**For additional licensing, the evidence is that:**

- There are around 8,746 HMOs that would be subject to additional HMO licensing and they are located across all wards in the borough (*this evidence is shown in paragraph 14.3 of Appendix 3 – at page 446 of the cabinet papers*), and
- Between 29% and 59% of HMOs are estimated to have category 1 hazards that need addressing, (*this evidence is shown in paragraph 14.6 of Appendix 3 – at page 447 of the cabinet papers*)
- On average 23% of HMOs have been associated with ASB in the last 3 years, (*this evidence is shown in paragraph 14.3 of Appendix 3 – at page 446 of the cabinet papers*)
- These factors mean that the Council have increasingly had to intervene to address issues in HMOs to tenants and the public.

**In order to approve the designations of the area for the Selective Licensing scheme, Cabinet needs to be satisfied that the evidence shows that:**

2. The 14 wards proposed have at least 19% of properties in the private rented sector in relation to the total number of properties in the area and that such properties are occupied either under assured shorthold tenancies or licences to occupy, and that there are:
  - Significant numbers of private rented properties that have poor housing conditions and need inspection,
  - The area is suffering high levels of deprivation and affect a significant number of private rented properties, and
  - The area is experiencing significant and persistent anti-social behaviour and appropriate action is not being taken by private sector landlords.

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The evidence for this is set out in the Cabinet report in paragraphs 5.10- 5.39 and also in the evidence report at sections 9-13 of Appendix 3.

**The evidence is that:**

- All 14 wards have between 25% and 44% of private rented properties (which exceeds the threshold of 19% nationally), *(this evidence is shown in paragraph 10.1 of Appendix 3 – at page 431 of the cabinet papers)*, and
- All 14 wards have between 24% and 40% category 1 hazards (poor housing conditions) which exceeds the threshold of 15% nationally *(this evidence is shown in paragraph 11.4 of Appendix 3 – at page 432 of the cabinet papers)*, and
- All 14 wards contain the highest levels of private rented properties and are within the top 50% of the most deprived wards in England, in fact 10 of the 14 wards are actually in the 10-20% most deprived wards in England *(this evidence is shown in paragraph 12.1 of Appendix 3 – at page 435 of the cabinet papers)*, and
- 13 of the 14 wards have the highest levels of ASB in the borough and is not being effectively combated by landlords. The incidence of ASB is 10 times more likely in the private rented sector than in the owner-occupied sector, and almost 3 times more prevalent in the private rented sector than in social housing (council housing and housing association properties). *(this evidence is shown in paragraphs 13.2 and 13.3 of Appendix 3 – at page 442 of the cabinet papers)*.

***The Public Consultation:***

**For both the proposed Additional and Selective licensing schemes, Cabinet must be satisfied that:**

- The Council has taken reasonable steps to consult persons who are likely to be affected by the designation (for at least 10 weeks), and have
- Considered any representations made in accordance with the consultation.

On the first point, we undertook an extensive public consultation on the licensing schemes proposed for a 13-week period both inside and outside of the borough, using various media to promote the consultation locally, regionally and nationally. As a result, there was a high level of engagement with almost 1,900 persons responding to the questionnaire. Feedback was recorded at four public meetings attended by 241 persons, and 35 written responses were submitted by interested parties and via 10 stakeholder interviews.

There were high levels of support – 70% - for the proposed licensing schemes and licence conditions (about 70% of respondents), and over half of the respondents felt that the licence fees were reasonable.

The details of the consultation can be found at Appendix 1 and 1A of the cabinet papers – pages 255- 366.

In general, by group responding to the consultation:

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- Residents were strongly supportive of the proposals (86% for selective licensing and 87% for additional HMO licensing), followed by
- Private renting tenants who were also strongly supportive (81% for both selective licensing and additional HMO licensing)
- However, landlords were generally opposed to the proposed selective licensing scheme; only 18% agreed (and 73% disagreed) with selective licensing and 30% agreed (with 56% disagreeing) with additional HMO licensing.

On the second point about consultation, the Council's careful consideration of the consultation responses, and changes made as a result, are detailed in Appendix 2.

A couple of examples of suggestions received and subsequent changes made are:

- Propose to set up a stakeholder group involving landlords and letting agents operating in the borough to work with us on setting the guidance and information we provide to landlords
- Removal of draft condition 3.5 from the additional and selective licence conditions (external property decorative order)
- Removal of draft conditions 8.1, 8.2 and 8.3 from the additional licence conditions (responsibilities for Council Tax and payment)

**Finally, the Cabinet must be satisfied that:**

1. Firstly, that the proposed licensing schemes are consistent with the Council's Housing Strategy, and a co-ordinated approach with the Council's Homelessness, Empty Properties and ASB strategies.

This is demonstrated in the cabinet report and Appendix 3 section 16 at pages 451-453 of the cabinet papers.

2. Secondly, cabinet must be satisfied that other courses of action were considered but will not alone address the issues or achieve the objectives that licensing seeks to achieve, and that the proposed licensing schemes will significantly assist the Council achieve the objectives alongside other course of action such as the continued use of existing powers. These are detailed in Appendix 3 section 17 at pages 453 - 455 of the cabinet papers for alternative courses of action, and also at Appendix 6 at pages 479-480 of the cabinet papers for the scheme objectives.

**In working with our legal colleagues and Counsel throughout this process, Officers and Counsel are satisfied that the legal requirements have been met to recommend to Cabinet that they are able to approve the designations for Selective Licensing (Appendix 4) and Additional HMO Licensing (Appendix 5), licence conditions (Appendix 8 & 9) , scheme objectives (Appendix 6) and licence fees (Appendix 7).**

If approved, these licensing schemes will run for 5 years and will be self-funded by income from the licence fees paid. The proposed fee for selective

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licences is £600 per property for up to 5 years, and the proposed fee for additional HMO licences is £900 per property for up to 5 years.

If approved, Conditions will be attached to licences to require licence holders to ensure that properties are properly managed. These conditions include matters such as:

- Proper management of tenancies
- Proper facilities for the storage and removal of waste, including arrangements for rubbish/contents disposal at the end of tenancies
- Safety of gas appliances and electrics, and provision of smoke alarms
- Management of concerns and complaints about disrepair or conditions
- Regular inspection of the properties by the licence holder or manager
- Minimum room sizes and Maximum occupancy levels for HMOs

If Cabinet approves the licensing schemes, the next steps will be to apply to the Secretary of State for the Ministry of Housing, Communities and Local Government to confirm the selective licensing scheme (as it covers more than 20% of the private rented sector properties). This decision can take up to 3 months. If confirmed by the Secretary of State, the notice of designation of the scheme has to be published during a 3-month period before the schemes can go live.

Confirmation by the Secretary of State is not required for Additional HMO licensing schemes so the designation notice to that scheme can be published if approved by Cabinet.

With these timescales in mind, and if all approvals are given, we plan to introduce both the additional and selective licensing schemes on 1 September 2020.

Thank you

The team and I are happy to answer any questions members may have.”

6. Following the comprehensive presentation above, Members noted the significant work in compiling the necessary evidence provided within the report and its appendices. This represented a comprehensive proposal for Members’ approval. Questions were invited from Cabinet Members and a detailed discussion followed on a range of issues including those set out below.
7. Members requested a detailed explanation of the selective licencing scheme in 14 wards and how this would work in practice. Officers outlined in detail the criteria that had been met in the wards affected and how this would be applied. There would be widespread publicity using a variety of methods plus individual visits to properties as required to ensure that properties are licensed by landlords.



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8. In response to a question raised with regard to tackling rogue landlords only, it was explained that a significant amount of enforcement work had been carried out over the last 3 years but that a licensing scheme was required to supplement current enforcement powers in order to have a significant improvement realised on the scale required in the borough.
9. When asked about the experiences of other Councils that had implemented these schemes, Officers outlined to Members examples of other local authorities who were implementing or had already implemented such licensing schemes including Newham and Waltham Forest and had successfully improved housing conditions which had been supported by data and feedback from tenants.
10. Members acknowledged the significant amount of work and welcomed the proposals which would help to address many areas of concern on the negative impact of poor quality housing. The number of staff required to enforce the schemes was clarified in response to Members' questions. At present there were 6 to 8 officers, it was anticipated that 60 – 65 new jobs would be created. It was likely that approximately 71 officers would be required at the start of the schemes but that this would average out to 30-40 officers over the 5 year life of the scheme to deal with the peaks and troughs in demand.
11. Members questioned Officers' confidence in the proposals and evidence provided. In response Officers explained that the Council had sought extensive Counsel advice and had worked closely with the Council's legal officers. They were confident in the robust advice received. Jeremy Chambers, Director of Law and Governance, reiterated his confidence. It was noted that whilst you could not eliminate the possibility of legal challenge, the Council was as prepared as possible and would defend any challenge that came forward. The proposals had been endorsed by the Council's Executive Management Team.
12. The importance of providing decent standards of accommodation was reiterated and clarification sought as to whether these schemes would apply to Council housing and temporary accommodation. Members highlighted the significant investment that was already being done to improve standards of existing Council housing stock and in the estate renewal proposals. It was noted that temporary accommodation was exempt in accordance with national legislation. Officers explained the Pan London agreement ('Setting the Standard') that existed and the practice of inspecting temporary accommodation prior to tenants being placed.

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13. Members' sought reassurances on the robustness of the consultation which had been undertaken and the level of responses received. In response, Officers highlighted the extensive and far reaching consultation that had been carried out locally, regionally and nationally as set out in the report. The Council had worked with expert consultants who had experience of working with other local authorities on similar schemes. Enfield had gone above and beyond the requirements with a comprehensive 13-week consultation period. The range of methods used and the responses received were explained in detail.
14. Members asked how we would work with responsible landlords. Officers explained that the scheme would provide support for landlords through the development of a website with clear information and guidance with dedicated points of contact. The Council would be working with a group of landlords to develop and work through the guidance and support to be provided/made available.
15. Members praised the proposals and highlighted the benefit that would be felt within the most deprived wards in the Borough. The raising of housing standards would support improved public health and reduce inequality.
16. In response to a question raised, it was noted that there was no evidence (as referenced, a Government report on the effectiveness of selective licensing schemes) that landlords would pass on the cost of the licence fees to tenants through increased rents as it was found that market forces determined the level of rents.
17. Officers, in response to the potential impact on evictions and homelessness, explained that the schemes should assist in reducing these by tackling the root causes including anti-social behaviour. The schemes would be implemented alongside the range of housing initiatives being implemented by the Council.
18. In summary, thanks were expressed to all involved in this significant piece of work which had been developed in response to poor quality housing; and, represented a direct intervention into the private housing sector. The Council's commitment to the provision of high-quality affordable housing was reiterated.

**Alternative Options Considered:** NOTED, the detailed alternative options that had been considered as set out in section 4 of the report and summarised as follows:

- The Council could decide to do nothing.
- The Council could rely on voluntary accreditation schemes or landlord membership organisations.
- The Council could decide to only designate an additional licensing scheme and not a selective licensing scheme.

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- The Council could decide to only put forward the 14-ward selective licensing scheme and not pursue the borough wide additional licensing scheme.

**DECISION:** The Cabinet agreed to

1. Note that the evidence in *Appendix 3* of the report supports the designations for two selective licensing schemes of 14 wards, and be satisfied that the designated areas have higher than the national average (19%) of private rented sector and exceeds the minimum criteria of 1 (of 6) and actually meets 3 of the legislative criteria (2 of the criteria for Chase ward\*), namely:
  - significant numbers of private rented properties that have poor housing conditions (more than the national average of 15% category 1 hazards) and need inspection,\*
  - the areas are suffering high levels of deprivation (between 10-50% of the most deprived wards in the country) and affect a significant number of private rented properties,\* and
  - the areas are experiencing significant and persistent anti-social behaviour (ASB)(higher than other wards in the borough) and appropriate action is not being taken by private sector landlords to combat ASB.
2. Note that the evidence in *Appendix 3* of the report supports the designation for an additional licensing scheme for all 21 wards and be satisfied that a significant proportion of the HMOs in the area are being managed sufficiently ineffectively, so as to give rise to one or more problems either for those occupying the HMOs or for the public, namely:
  - significant numbers of HMOs have poor housing conditions (more than the national average of 15% category 1 hazards), and
  - the area is experiencing significant and persistent anti-social behaviour (across all wards in the borough) and appropriate action is not being taken by private sector landlords to combat ASB.
3. Consider the outcome of the public consultation in *Appendix 1 and 1A* of the report, in particular the representations received and the Council's consideration of, and response to, these representations in *Appendix 2* of the report.
4. Consider and agree that the objectives of the selective and additional licensing schemes are consistent with the Council's strategies and policies (*Appendix 3 section 16*) namely the Corporate Plan, the Housing Strategy, and will seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties, anti-social behaviour and poverty affecting the private rented sector.
5. Agree that other courses of action considered will not alone provide an effective method of achieving the objectives that the additional and selective licensing schemes seek to achieve (*Appendix 3 section 17*

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*and Appendix 6*), and agree that the licensing schemes will significantly assist the Council achieve the objectives (as well as other course of action such as continued use of existing powers).

6. Agree that reasonable steps were taken to consult persons, for more than the required 10 weeks, who were likely to be affected by the designations (*Appendix 1*), and that the representations made in accordance with the consultation have been considered and changes made where appropriate (*Appendix 2*).
7. If Cabinet is satisfied upon consideration of the above matters and in exercise of its powers under section 80 of the Housing Act 2004, approve the designation of 13 wards (Bowes, Edmonton Green, Enfield Highway, Enfield Lock, Haselbury, Jubilee, Lower Edmonton, Palmers Green, Ponders End, Southbury, Southgate Green, Turkey Street and Upper Edmonton) 'Designation One' as a selective licensing area as delineated and edged red on the map at *Appendix 4*. This will come into being at the earliest opportunity following the statutory process and not before 3 months after the requisite confirmation from the Secretary of State for MHCLG – estimated 1 September 2020.
8. If Cabinet is satisfied upon consideration of the above matters and in exercise of its powers under section 80 of the Housing Act 2004, to approve the designation of Chase ward 'Designation Two' as a selective licensing area as delineated and edged blue on the map at *Appendix 4*. This will come into being at the earliest opportunity following the statutory process and not before 3 months after the requisite confirmation from the Secretary of State for MHCLG – estimated 1 September 2020.
9. If Cabinet is satisfied upon consideration of the above matters and in exercise of its powers under section 56 of the Housing Act 2004, to approve the borough wide designation as an additional HMO licensing area as delineated and edged red on the map at *Appendix 5*. For administrative practicality, this designation will come into being at the same time as selective licensing, estimated to be 1 September 2020.
10. Agree the proposed scheme objectives as detailed in *Appendix 6*.
11. Agree to the proposed fee structure for licence applications made under the selective and additional licensing schemes at *Appendix 7*.
12. Agree the proposed licence conditions that would accompany any granted additional HMO licence at *Appendix 8*.
13. Agree the proposed licence conditions that would accompany any granted selective licence at *Appendix 9*.
14. Note the Equalities Impact Assessment in *Appendix 10*.

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15. Subject to Cabinet agreeing 7- 9 above, that Cabinet delegate to the Cabinet Member for Licensing & Regulatory Services in consultation with the Director of Environment & Operational Services responsibility for agreeing the final document requesting confirmation of the selective licensing designation from the Ministry of Housing, Communities and Local Government (MHCLG) in consultation with the Director of Governance and Law.
16. Delegate to the Cabinet Member for Licensing & Regulatory Services in consultation with the Director of Environment & Operational Services authority to ensure compliance in all respects with all relevant procedures and formalities applicable to authorisation schemes.
17. Delegate to the Cabinet Member for Licensing & Regulatory Services in consultation with the Director of Environment & Operational Services authority to keep each scheme under review for the duration thereof and to agree changes to the proposed implementation of the schemes where necessary, including authority to keep the licence fees and licence conditions under review and to amend if necessary (either in an individual case or generally), and to ensure that all statutory notifications are carried out in the prescribed manner for the designations and to take all necessary steps to provide for the operational delivery of any licensing schemes agreed by Cabinet including but not limited to the procurement of services subject to the Council's Contract Procedure Rules.

**Reason:** NOTED, the detailed reasons for the recommendations as set out in section 5 of the report and summarised as:

The introduction of Additional and Selective Licensing would:

- Improve housing conditions.
- Seek to reduce deprivation and inequalities, in conjunction with other key council strategies (for example, homelessness prevention, housing strategy, corporate plan, poverty commission actions)
- Help to tackle anti-social behaviour linked with the private rented sector as part of a broader tool kit
- Contribute to an improvement in the health outcomes of residents in the most deprived areas by improving property conditions.

**(Key decision – reference number 4999)**

## **6**

### **HOUSING AND GROWTH STRATEGY**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.166) presenting the Housing and Growth Strategy.

NOTED

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1. That the Housing and Growth Strategy set out the overarching vision and direction of the Council in relation to delivering housing growth and balanced housing markets in Enfield for the benefit of all residents.
2. The key aims of the Strategy as set out in the report which sought to address the housing crisis within the Borough. The last Strategy had been produced in 2012.
3. Members discussed the current housing situation and highlighted the rise in private sector rents in proportion to the average salary and the significant rise in homelessness.
4. That this Strategy was ambitious and sought to increase more and better housing provision in the Borough; to address current inequalities; provide a more balanced housing market; and enable local people to access good quality housing.
5. The five bold ambitions of the Strategy as set out in section 4 of the report and summarised below:
  - More affordable homes for local people
  - Invest in and be proud of our council homes
  - Quality and variety in private housing
  - Inclusive placemaking
  - Accessible housing pathways and homes for everyone
6. The principles of the Strategy as set out in section 4 of the report. The Strategy set out a new ambitious and radical approach with significant targets to increase the supply of new homes in the Borough. This represented a part of the overall work being introduced by the Council in addressing housing needs including; homelessness services; private sector licensing; housing repairs service; estate regeneration; and partnership working.
7. The Council's priority regarding the importance of housing provision in the Borough was discussed and highlighted.
8. Members expressed their support for the Strategy and were proud of the progress being made in the provision of safe, secure and affordable homes. The Council had also committed to improving its existing housing and sought to continue to raise standards in housing provision.
9. Questions were invited and a detailed discussion took place. Issues raised included the provision of specialist housing to meet the needs of residents with additional needs to allow them to live independently in their own homes. The measures being taken to improve affordability of housing and how this would help to shape the local housing market. The work being done by the Council to reduce and prevent homelessness. The provision of accessible housing for families and young people with long-term physical needs and the work currently

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being undertaken in reviewing the Council's housing allocations priorities. Members were advised of the variety of measures in place and planned.

10. In addition, Members were advised the appropriate housing support services would be based within the community to support residents and respond to areas where high levels of risk were identified. The current issues including a population growth in the Borough; and an increase in the cost of rents and residential housing; and, an increase in homelessness. The requirements of the new London Plan were outlined. The Council would continue to work with its partners and the private sector to seek to increase the supply of affordable housing within the Borough.
11. That the Council would be proactive in seeking to achieve the aims set out in the Strategy.

**Alternative Options Considered:** NOTED, that as the Housing and Growth Strategy was not a statutory document, an option considered was to not replace the Council's existing strategy. However, in the context of the national housing crisis, rising homelessness in Enfield and significantly increased housing targets, it was unlikely that the Council would be able to address the scale of this challenge without a renewed strategy setting out a clear approach to address new challenges and new ambitions.

**DECISION:** The Cabinet agreed to

1. Recommend the approval of the Housing and Growth Strategy to full Council.
2. Delegate authority to the Leader of the Council, as the portfolio holder for new housing supply and regeneration, to approve measurable targets to deliver the strategy.
3. Note that key metrics would also be monitored in the 2020 Corporate Performance report submitted quarterly to Cabinet.
4. Note that the targets would be published as an appendix to the strategy once these had been finalised, with a planned date for publication being April 2020.

**Reason:** NOTED, the following reasons for the above recommendations:

- Increasing homelessness; a growing private rented sector which in many cases was offering sub-standard accommodation; a growing population and ambitious new housing targets mean that we require a bold new approach to deliver more and better homes in Enfield.
- This new strategy set out the Council's approach for guiding future housing decisions, giving an overarching vision and guiding principles that would channel efforts across relevant council departments and set

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out how the Council would work in partnership to achieve the Council's vision. The strategy provided the opportunity for new ways of working and increased partnership across the Council, with stakeholders and with local people in our communities.

**(Key decision – reference number 4841)**

**7**

**HOMELESSNESS IN ENFIELD**

Councillor Gina Needs (Cabinet Member for Social Housing) introduced the report of the Executive Director – Place (No.167) providing an update and setting out further proposals to address the issue of homelessness in Enfield.

**NOTED**

1. That the report set out progress to date since September 2019 and sought approval to progress to the next stage.
2. The problems being faced in Enfield and the progress being made through the prevention and support measures detailed in the report. The Council would continue to work with residents to intervene at an early stage in order to prevent homelessness and improve the housing situation within the Borough.
3. The specific recommendations set out in the report and reflected in the decisions below regarding joining Capital Letters as an “A” Member; the introduction of Enfield Lets; and, the joining the Single Homelessness Prevention Service. The implications of these proposals were explained in full to Members, as detailed in the report.
4. that a new housing allocations scheme was currently being developed and would be presented to a future Cabinet meeting for approval.
5. An overview of the proposed Housing Advisory Service was set out in Appendix A to the report. The service would be geographically dispersed, with staff being located in those wards with the highest level of need, as set out in section 3 of the report.
6. Members noted the financial implications of the proposals as detailed in section 12 of the report.
7. Questions were invited from the Cabinet Members and a detailed discussion took place on the proposals and their implications. Issues raised included the measures being undertaken to support single people through the Single Homelessness Prevention Service (section 10 of the report referred); the role and impact of both Capital Letters and Enfield Let which were explained in detail to Members. The role of Housing Gateway Ltd. with regard to Enfield Lets was described in detail, as set out in the report, which would in effect be an ethical



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lettings agency acting on behalf of the Council through Housing Gateway Ltd.

**Alternative Options Considered:** NOTED, the alternative options which had been considered as set out in detail in section 11 of the report in relation to Capital Letters and Enfield Let; and, Single Homelessness Prevention Service.

**DECISION:** The Cabinet agreed to

1. Join Capital Letters as an “A” member in Phase 2 (April 2020) subject to agreement of the terms of joining Capital Letters (the Members Agreement). This to be authorised by the Director of Law and Governance.
2. Nominate the Director of Housing and Regeneration to the Board of Capital Letters.
3. Nominate the Leader Member for Social Housing to the Borough Representative Body of Capital Letters.
4. Approve the phased mobilisation of Enfield Let commencing April 2020 as a trading division of Housing Gateway Ltd., subject to the approval of the Board of Housing Gateway to the viability of the Business Plan with authority delegated to the Leader of the Council in consultation with the Cabinet Member for Finance and Procurement to agree the revised Housing Gateway Business Plan arising.
5. Delegate authority to the Executive Director – Place to join the Single Homelessness Prevention Service, subject to affordability within the agreed 2020/21 budget.
6. Note progress on the implementation of the Homelessness Prevention Strategy including the launch of the Homelessness Prevention Board.

**Reasons:** The human cost of homelessness and households spending years in temporary accommodation was enormous. At the same time the financial cost to the Council of an ever-increasing number of households in temporary accommodation was growing. The proposals outlined in the report were part of the Council’s wider homelessness prevention strategy and aimed to reduce the number of people becoming homeless and provide solutions for those who did lose their home. The Council was set to benefit from joining Capital Letters using MHCLG funding and this should assist the Council in reducing the temporary accommodation budget pressure. By working with other boroughs, the council would minimise competition for properties and improve the opportunity to house residents closer to the borough.

**(Key decision – reference number 5049)**

**8**

**MERIDIAN WATER PRS SITE ACQUISITION**

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Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.168) seeking approval to acquire the current Pressure Reduction Station (PRS) on the terms set out in the report.

**NOTED**

1. That the report was seeking authority to acquire the current pressure reduction station (PRS) from Cadent; to transfer to Cadent a small parcel of existing Council land on which Cadent would construct a new PRS; and, then grant by the Council to Cadent of ancillary rights in relation to the transferred land as detailed in the report.
2. That the financial information was contained within the part two report, Report No.180, Minute No.16 below referred.
3. The report set out why it was recommended that the Council undertake this land swap and acquire the former PRS site at this time.
4. The acquisition was included within the overall budget for Meridian Water. The approval of the land acquisition required a decision by Cabinet.
5. In response to questions raised, it was noted that there was no specific planning in place for this piece of land at present, but it would have the capacity for approximately 140 homes in the future. This area was outside of the phase one Meridian Water development.

**Alternative Options Considered:** NOTED, the detailed alternative options that had been considered as set out in full in section 4 of the report.

**DECISION:** The Cabinet agreed to approve

1. The acquisition by the Council of the 0.88 acre plot of land which currently housed the Pressure Reduction Station site for the figures set out in the confidential schedule in the part two report (Report No.180, Minute No.16 below referred).
2. The disposal by the Council of the 0.07 acre plot of land to the north of Willoughby Land for the construction and maintenance of a new Pressure Reduction Station facility for the figures set out in the confidential schedule.
3. The granting of a 3-metre exclusion zone surrounding the boundary of the land to be transferred together with suitable access rights over land to Albany Road.
4. The granting of a building licence to Cadent required for the construction of the new Pressure Reduction Station.

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5. Delegation to the Director of Meridian Water in consultation with the Acting Executive Director of Resources to approve entering into the land swap agreement subject to a review of the overall financial position of the deal following the receipt of the C4 estimate for the new Pressure Reduction Station.
6. Delegation to the Director of Law and Governance to complete all necessary documents to formalise the sale and purchase of land and the grant of a building licence on the basis of the Heads of Terms attached to the confidential schedule in the part two report (Report No.180, Minute No.16 below referred).
7. Delegation to the Director of Meridian Water to approve remediation and enabling works on the Pressure Reduction Site for the figures set out in the confidential schedule in the part two report (Report No.180, Minute No.16 below referred).
8. Note the intention to market the Pressure Reduction Site for a meanwhile use and enter into a lease subject to compliance with the Property Procedure Rules.

**Reason:** The detailed reasons for the recommendations were set out in full in section 5 of the report.

**(Key decision – reference number 4945)**

**9**

**MERIDIAN WATER INFRASTRUCTURE COMPULSORY PURCHASE ORDER (CPO)**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.169) recommending that Cabinet resolve to make the London Borough of Enfield (Meridian Water Strategic Infrastructure Works) Compulsory Purchase Order (CPO) to assemble the necessary land to enable the delivery infrastructure for the Meridian Water regeneration programme.

**NOTED**

1. The detailed proposals set out within the report. The Council had a proven record of acquisition without the use of a CPO but it would be valuable in negotiations and would be applied if necessary.
2. The financial information was provided within a part two report, Report No.170, Minute No.17 below referred.
3. In response to questions raised by Members, the reasons for not being able to CPO all required interests at the same time was explained in detail. The financial constraints of the Council were noted. Meridian Water represented a development over a period of 25 years. The

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Council also needed to balance its financial commitments with other estate developments outside of Meridian Water for the benefit of the Borough as a whole.

4. The Council would continue to work closely with the private sector and its partners in progressing the development.

**Alternative Options Considered:** NOTED, the detailed alternative options that had been considered as set out in full in section 4 of the report including: do not pursue a compulsory purchase order (CPO); wait until there is certainty over funding and planning before making the CPO; or, undertake a CPO for the whole area.

**DECISION:** The Cabinet agreed to

1. Authorise a Compulsory Purchase Order pursuant to sections 226(1)(a) and 226(3) of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land, interests and new rights within the area identified and shown edged red (the Order Land) in the Order map at Appendix 1 of the report (the Order Map) for the delivery of infrastructure at Meridian Water.
2. Authorise, in accordance with section 122 of the Local Government Act 1972 the appropriation of land owned by the Council within the Order Land, to planning purposes pursuant to section 203 of the Housing and Planning Act 2016, so development may proceed without obstruction in respect of any claimed third-party rights.
3. Note (i) funding is in place for the land assembly and CPO costs (see Section 6.1 of the report), and (ii) funding for the SIW is contingent on release of HIF funding as set out in the body of the report.
4. Delegate to the Programme Director of Meridian Water in consultation with the Acting Executive Director of Resources and Director of Law and Governance, the authority to make the CPO.
5. Delegate to the Executive Director – Place, in consultation with the Director of Law and Governance, the power to effect all subsequent steps for the CPO including: confirming and implementation of the Order and to take all necessary steps to give effect to the Order in respect of the land shown on the plan at Appendix 1 of the report including, but not limited to, the following procedural steps:
  - a. make any amendments and additions to the draft Statement of Reasons as deemed necessary to ensure that it is up to date prior to the making of the Order;
  - b. take all necessary steps to ensure the making, confirmation and implementation of the Order including the publication and service of

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any press, site and individual notices and other correspondence for such making;

- c. make minor amendments to the Order Map, if required, to reduce the boundary of the Order area to align with works and land requirement and (once the boundary is finalised) update the Order Map to reflect on a plot by plot basis the extent of acquisition and rights required;
  - d. continue to negotiate with all landowners and occupiers within the Order boundary with the aim of acquiring interests by agreement, or relocation;
  - e. negotiate with any landowners or occupiers who object to the Order to secure terms for the withdrawal of objections;
  - f. seek confirmation of the Order by the Secretary of State (or, if permitted, by the Council pursuant to Section 14A of the Acquisition of Land Act 1981), including the preparation and presentation of the Council's case at any Public Local Inquiry as may be necessary including instruction of professionals to support the process;
  - g. publish and serve notices of confirmation of the Order and thereafter execute and serve any General Vesting Declarations and/or Notices to Treat and Notices of Entry, and any other notices or correspondence to acquire those interests within the Order Land and to obtain and issue a warrant in the event of possession being refused or hindered;
  - h. refer and conduct disputes relating to compulsory purchase compensation, to the Upper Tribunal (Lands Chamber) if necessary;
6. approve the acquisition of any interests in land within the Order Land by agreement in conjunction with the proposed compulsory purchase, including any statutory payments and disturbance compensation; and
  7. delegate authority to the Programme Director of Meridian Water in consultation with the Director of Finance to agree final terms and approve the acquisition of any interests within the Order Land and also to settle any rights needed to facilitate the delivery of the scheme (such as crane oversailing licences), with any legal documents to be approved by Legal Services on behalf of the Director of Law and Governance.

**Reason:** NOTED, the detailed reasons for the above recommendations as set out in section 5 of the report.

**(Key decision – reference number 4832)**

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Councillor Alev Cazimoglu (Cabinet Member for Health and Social Care) introduced the report of the Executive Director – People (No.159) on the future operating model of Independence and Wellbeing Ltd. (IWE) from 2020/21.

**NOTED**

1. Members expressed thanks and appreciation to Officers for a clear and transparent report which clearly set out the proposed decision on the future of IWE Ltd. The Council's continued priority was to deliver high quality and sustainable services to its most vulnerable residents.
2. That the report recommended dissolving the Company and transferring the services back in-house to the Council. The reasons for this were explained in detail as set out in the report. This decision was being taken within a challenging financial environment and continued Government austerity measures which were impacting on the private and public sectors.
3. Members and Officers present praised the front-line staff that were providing these essential services and recognised their importance and dedication to the service users. The terms and conditions of staff would be maintained.
4. In response to questions raised, Members were advised of the benefits of insourcing the service and how the public and private sectors compared. The importance of continuing to provide good quality services was highlighted within a challenging and financially difficult environment. It was noted that insourcing services demonstrated better outcomes for residents. Outsourcing services did not generally result in financial savings.
5. Members were advised that approximately 300 staff members were involved. The staff were a valuable asset; they were on duty 365 days a year to look after the vulnerable service users and provide an essential service. The Unions had been involved in discussions and had been positive to the proposals. There would be ongoing engagement with the Unions.
6. That when IWE Ltd. had been established a review was proposed after a period of three years, this had now taken place with the resulting proposals as set out in the report.

**Alternative Options Considered:** NOTED, the alternative options that had been considered as set out in full in section 4 of the report.

**DECISION:** The Cabinet agreed to

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1. Approve the dissolution of IWE Ltd. as an Enfield Council trading company and executive board.
2. Approve the transfer of services currently provided by IWE Ltd. to the Council.
3. Note that the proposed arrangement would be a relevant transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006, and all employees of IWE Ltd. meeting the relevant criteria under the Regulations would automatically transfer to the Council.
4. To delegate responsibility to the Executive Director – People in consultation with the Director of Law and Governance and the Director of Human Resources and Organisational Development to implement the above recommendations, including taking all actions required by the Council as shareholder to effect the dissolution of IWE Ltd. and the executive board.

**Reason:** It was the view of the Council that in-sourcing the services would better serve the Council's own policy of in-sourcing where it made sense to do so, in line with the political direction of the current administration and the Council's strategic commissioning priorities. The full reasons for the recommendations were set out in section 5 of the report.

**(Key decision – reference number 5035)**

**11**

**QUARTERLY CORPORATE PERFORMANCE REPORT**

Councillor Ian Barnes (Deputy Leader of the Council) introduced the report of the Executive Director – Resources (No.171) presenting the quarterly corporate performance report.

**NOTED**

1. That Appendix 1 to the report showed the quarter two performance for 2019/20 and compared it to the Council's performance across the previous four quarters for a series of key performance indicators. The officers involved were thanked for their work in collating and presenting the information before Members.
2. That amendments had been made to the quarterly performance report following feedback from Members and from the Overview and Scrutiny Committee, as explained in the report (section 3.3 of the report referred).
3. That Appendix 2 to the report focused on a selection of priority key performance indicators that were underperforming, as detailed in section 3 of the report and outlined at the meeting. The detailed action plans and progress being made were highlighted to Members.

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4. The detailed performance information set out in the report (section 4 referred) and the appendices to the report. Specific examples included with the report were highlighted and discussed by Members. In particular, the improvements which had been made in Adult Social Care, as detailed in Appendix 1 were noted and praised; Enfield was a top performer. Members expressed their thanks and appreciation to the frontline social care staff who worked tirelessly all year, including the holiday periods, for vulnerable service users. Council worked closely with colleagues from the local hospitals to support vulnerable adults leaving hospital and to provide support to enable them to return to their own homes wherever possible. The range of service provision was outlined to Members.

**Alternative Options Considered:** Not to report regularly on the Council's performance in a public report. This would make it difficult to assess progress made on achieving the Council's main priorities and to demonstrate the value for money being provided by council services.

**DECISION:** The Cabinet agreed to note, for information only, the progress being made towards achieving the identified key priorities for Enfield.

**Reason:** To update Cabinet on the progress made against all key performance indicators for the Council.

**(Non key)**

**12**

**CABINET AGENDA PLANNING - FUTURE ITEMS**

NOTED, for information, the provisional list of items scheduled for future Cabinet meetings.

**13**

**MINUTES**

**AGREED**, that the minutes of the previous meeting of the Cabinet held on 4 December 2019 be confirmed and signed by the Chair as a correct record.

**14**

**DATE OF NEXT MEETING**

NOTED, that the next Cabinet meeting was scheduled to take place on Tuesday 28 January 2020 at 7.15pm.

**15**

**EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED** in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the items of



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business listed on part two of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

**16**

**MERIDIAN WATER PRS SITE ACQUISITION**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.180).

NOTED

1. That Report No.168 also referred as detailed in Minute No.8 above.
2. The detail of the confidential schedule set out in section 2 of the report.

**Alternative Options Considered:** NOTED, the alternative options that had been considered as set out in Report No.168 (Minute No.8 above refers) and in section 4 of the report.

**Reasons:** NOTED, the reasons for the recommendations as set out in Report No.168 (Minute No.8 above refers) and in section 5 of the report.  
**(Key decision – reference number 4945)**

**17**

**MERIDIAN WATER INFRASTRUCTURE COMPULSORY PURCHASE ORDER**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.170).

NOTED

1. That Report No.169 also referred as detailed in Minute No.9 above.
2. The detailed financial information provided within the report.

**Alternative Options Considered:** NOTED, the alternative options that had been considered as detailed in Minute No.9 above.

**Reason:** NOTED, the reasons for the recommendations as detailed in Minute No.9 above.  
**(Key decision – reference number 4832)**

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CABINET - 28.1.2020

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON TUESDAY, 28 JANUARY 2020**

**COUNCILLORS**

**PRESENT**

Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy Leader), Alev Cazimoglu (Cabinet Member for Health and Social Care), Rick Jewell (Cabinet Member for Children's Services), Nneka Keazor (Cabinet Member for Community Safety and Cohesion), Mary Maguire (Cabinet Member for Finance and Procurement), Gina Needs (Cabinet Member for Social Housing), George Savva MBE (Cabinet Member for Licensing and Regulatory Services) and Mahtab Uddin (Cabinet Member for Public Health)

**Associate Cabinet Members (Non-Executive and Non-Voting):** Mustafa Cetinkaya (Enfield South East), Ahmet Hasan (Enfield North) and Claire Stewart (Enfield West)

**ABSENT**

Guney Dogan (Cabinet Member for Environment and Sustainability),

**OFFICERS:**

Ian Davis (Chief Executive), Tony Theodoulou (Executive Director People), Sarah Cary (Executive Director Place), Claire Johnson (Head of Governance, Scrutiny and Registration Services), Mark Bradbury (Director of Property & Economy), Doug Wilkinson (Director of Environment & Operational Services), Joanne Drew (Director of Housing and Regeneration), Matt Bowmer (Interim Director of Finance) and Andrea De Lucy (Press and New Media Officer) Jacqui Hurst (Secretary)

**1**

**APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Guney Dogan (Cabinet Member for Environment and Sustainability) and, Jeremy Chambers (Director of Law and Governance).

**2**

**DECLARATIONS OF INTEREST**

There were no declarations of interest in respect of any item listed on the agenda.

**3**

**DEPUTATIONS**

There were no deputations to this Cabinet meeting.

**4****CAPITAL PROGRAMME MONITOR PERIOD 8 (NOVEMBER) 2019**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Executive Director – Resources (No.176) informing Members of the position up to the end of November 2019 regarding the Council's Capital Programme (2019/20) to 2023/24) considering the latest information for all capital schemes including the funding arrangements.

**NOTED**

1. The overall expenditure for the approved programme was projected to be £109m for the General Fund, £97m for HRA and a forecast loan drawdown of £8.5m for Enfield Companies for 2019/20.
2. The estimated capital spending plans for 2019/20 to 2023/24 including the proposed arrangements for funding and that the revenue financing costs for the approved 2019/20 to 2022/24 programme were provided for within current budgets.
3. The additions to the Capital Programme as set out in Table 3, section 6 of the report, and referred to in the decisions below, in relation to: Gentlemen's Row; Schools' Future Programme; Flood Alleviation; Southgate Cemetery; Fire Works; Estate Regeneration at Joyce and Snells; and Development Programme.
4. The additions that would be presented to Council for approval in February as part of the 10-year capital programme as set out in recommendation 2.2 of the report and decision 2 below.
5. The information presented within the report regarding budget reprofiling as set out in Table 2 and section 4 of the report. The items of expenditure affected and the reasons for the reprofiling were highlighted and outlined to Members at the meeting.
6. That section 5 of the report provided an overview of the key outputs from the 2019/20 capital programme. The detailed information outlined in the report was highlighted to Members. In relation to the Montagu Industrial Estate, it was noted that a separate report on this redevelopment was being presented to Members this evening for approval (Report No.177, Minute No.6 below referred). Members were pleased to note that the construction of the new office building for Metaswitch at Genotin Road was progressing on budget and on time with an expected completion in late Autumn 2020 (paragraph 5.4.17 of the report referred). Members noted the forecasts for Energetik as set out in section 5 of the report.

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7. The proposed reduction to the capital programme and the reason for the reduction, as set out in section 7, table 4 of the report in relation to Genotin Road.
8. The information relating to the Housing Revenue Account (HRA) capital programme as set out in section 9 of the report including major and minor works; estate renewals and development.
9. That Appendix A to the report set out the approved capital programme.
10. In response to questions raised regarding the availability and marketing of burial plots at Edmonton Cemetery, Officers present outlined the current situation and undertook to advise Councillor Sawwa directly of the further detailed information he had requested in relation to waiting lists. Members noted the income generation opportunities to the Council in relation to both Edmonton and Southgate cemeteries.

**Alternative Options Considered:** NOTED, that no alternative options had been considered.

**DECISION:** The Cabinet agreed to recommend to Council that:

1. The additions to the Capital Programme as set out in Table 3, section 7 of the report be approved.
2. To note that the following additions would be presented to Council for approval as part of the 10-year capital programme:
  - i. £7.128m growth in Education services grant allocation for the year due to recognition of basic need funding from central government.
  - ii. £0.241m additional grant from the GLA and Environment Agency to support Flood Alleviation projects.
  - iii. £0.057m Gentleman's Row redecoration works.
  - iv. £0.210m additional vaulted chambers Southgate Cemetery
  - v. £0.450m Edmonton cemetery
  - vi. £352.329m HRA
3. To note the revised five-year approved programme totalling £1,321m as set out in Appendix A of the report.
4. To agree the proposed reductions of £2.925m set out in table 4, section 8 of the report.

**Reason:** To update the programme for additions and deletions since the quarter two monitoring report to Cabinet in November 2019 and to inform Members of the current forecast outturn for 2019/20 and the outputs from the capital investment.

**(Key decision – reference number 5078)**

5

**CORPORATE CONDITION PROGRAMME 2020/21**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Executive Director – Place (No.175) presenting the 2020/21 Corporate Condition Programme.

NOTED

1. That the Corporate Condition Programme (CCP) addressed major repair works to the corporate property portfolio; it did not include schools or housing maintenance. The CCP works were prioritised on condition survey information, as detailed in the report.
2. That approval was being sought to increase the allocation from £1.5m to £2.5m from 2020/21 to address the current estimated total backlog for capital condition works on corporate properties of £18m.
3. That the £2.5m capital budget for this programme would be wholly funded from borrowing, as detailed in the financial implications of the report.
4. The responsibilities to be met by the Council as corporate landlord, as set out in the report, in relation to its corporate buildings.
5. That Appendix A to the report set out the proposed list of CCP projects for the 2020/21 allocation of £2.5m. Examples of specific work being carried out as part of this programme were outlined to Members.
6. In response to a question raised regarding the current backlog of maintenance work, it was explained that the increase in the budget was required in order to address the issues highlighted through audit and condition surveys of the properties concerned.

**Alternative Options Considered:** Do nothing – not sustainable given the current estimated total backlog for capital condition works on corporate properties was £18m.

**DECISION:** The Cabinet agreed to

1. Approve the allocation of £2.5m for the 2020/21 Corporate Condition Programme (CCP), in line with the Council Capital Strategy 2020/21.
2. Delegate authority to the Cabinet Member for Finance and Procurement to approve variations within the Corporate Condition Programme (CCP) allocation for 2020/21.

**Reason:** The increase of the CCP annual allocation to £2.5m would allow the outstanding backlog maintenance of £18m to be gradually decreased. The backlog maintenance sum had built up over several years. Capital investment

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in condition was required for buildings, their structure, engineering services and hard landscaped surroundings necessary to retain them, or help restore them, to an acceptable condition. These measures were required to enable their continued function, preserve value, integrity, and to meet the continued expectations of the occupier.

**(Key decision – reference number 5004)**

**6**

**REDEVELOPMENT OF THE MONTAGU INDUSTRIAL ESTATE**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Executive Director – Place (No.177) regarding the redevelopment of the Montagu Industrial Estate.

**NOTED**

1. That Appendix 1 contained exempt information and was attached to the part two agenda (Minute No.13 below referred).
2. That in September 2016, the previous Cabinet had approved the redevelopment of the Montagu Industrial Estate, as set out in paragraph 1.2 of the report. The Cabinet had also approved the use of the Council's property at the Estate as an equity stake in a joint venture to be set up with a specialist developer, as detailed in paragraph 1.3 of the report. The Joint Venture development partner was Henry Boot Developments. The Joint Venture structure provided that the Council puts in its land and acquires the additional land ownerships and Henry Boot fund the redevelopment, as explained in the report.
3. That this report requested authority to continue with the redevelopment of the Estate with the Joint Venture investing £94m (with the Council contribution being £47m) into Edmonton Green and Enfield's industrial heartland. The scheme would deliver an employment hub that encouraged economic growth and significant local employment of an anticipated increase of approximately 630 jobs in the area. The redevelopment would also increase income for the Council, reversing the current decline in income associated with the outdated property. There was a need for modern buildings that met legislative requirements and were energy efficient. The proposals supported the Council's climate change priorities.
4. That planning permission had been granted for Phase 1 of the redevelopment with a start on site expected in Spring 2020, as set out in the report.
5. That the report requested an increase in capital expenditure and demonstrated the financial case for the overall scheme.

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6. That a further report would be presented to Cabinet in due course to seek specific authorisation for the making of a Compulsory Purchase Order (CPO) to enable the redevelopment.
7. Members endorsed the proposals and welcomed the investment in this part of the Borough which would support the strategic industrial land in the area and result in job creation and, increased rental income opportunities for the Council. A lack of such investment would result in a continued decline in rental income and a negative impact on the Council's business rate revenue.
8. The negative impact that the decline of the Estate had had on the local area and welcomed the business and job opportunities that the investment would support.
9. In response to questions raised, Members were advised of the active support that would be provided to any displaced businesses affected by the redevelopment. In addition, reassurances were given that the procurement process would include an obligation to comply with the terms and conditions of the UNITE construction charter; promote the use of local businesses through the Build Enfield Portal and ensure that the aims of the Council's Modern Slavery Charter were adhered to with no exploitation of individuals being tolerated.
10. Members were reassured that the members on the Joint Venture Partnership (Cllrs Tolga Aramaz and Ergin Erbil) and the Upper Edmonton Ward Councillors (Cllrs Kate Anolue, Huseyin Akpinar and Mahtab Uddin) were aware of the proposals. Local businesses and the community were supportive.

**Alternative Options Considered:** NOTED, the detailed alternative options that had been considered as set out in section 8 of the report including: sell now; do nothing; council redevelops estate without joint venture; redevelop the site with our partner and then sell.

**DECISION:** The Cabinet agreed to

1. Approve proceeding with the redevelopment of the Montagu Industrial Estate, in Joint Venture with Henry Boot Developments, as described in the report.
2. Delegate authority to the Director of Property and Economy to undertake any associated procurement (expected to be limited), and in consultation with the Director of Law and Governance authority to agree any ancillary agreements and non-material amendments required to support the Joint Venture.
3. Note that a subsequent Cabinet report would follow to authorise the making of a Compulsory Purchase Order (CPO) to support the redevelopment.



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4. Approve the Business plan and Master Plan as detailed in the confidential Appendix 1 to the report, as detailed in Minute No.13 below.
5. Recommend to Council the approval for an additional £33.36 million added to the approved capital programme, to be used for land acquisition and enabling costs for all phases of development, including applicable compensation for affected interests.
6. Approve the funding of “off-site” purchases of commercial property to relocate businesses within the red line boundary where it was commercially viable to do so within the constraints of the budget.
7. Note that following the further Cabinet report seeking authority to authorise the making of a CPO, delegated authority would be sought for the Executive Director – Place, in consultation with the Director of Law and Governance, the power to affect the making, confirming and implementation of the CPO and to take all necessary steps to give effect to the CPO in respect of the Order Land.

**Reason:** NOTED, the detailed reasons for the recommendations as set out in section 9 of the report.

**(Key decision – reference number 4876)**

**7**

**BUSINESS CASE FOR CAPITAL FUNDING FOR HIGHWAYS, STREET SCENE AND PARKS INFRASTRUCTURE 2020/21**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.178) setting out the business case for capital funding for Highways, Street Scene and Parks Infrastructure 2020/21 to 2029/30.

NOTED

1. That approval was being sought for the business case and a sustained level of funding up to 2029/30; and, the capital budgets for 2020/21 as detailed in the report and outlined in the decisions below. The areas of expenditure included highways and street scene; match funding for flood risk managements projects; bridge renewal projects; play areas and other infrastructure in parks; and alley gating. Members noted the detailed information provided within the report in support of the proposals.
2. That the allocations indicated within the report would be included within the Council’s 10-year Capital Strategy and Capital Programme 2020/21 to 2029/30.

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3. That the proposals supported the Council's priorities. Members noted the positive impact of alley-gating projects in tackling crime. The investment in the Borough's parks was welcomed and would be communicated to the Friends of Parks Groups supported by the Associate Cabinet Members.

**Alternative Options Considered:** NOTED, that it was recognised that the level of funding required exceeded the level of funding available taking into account the many other pressures and priorities for the Council. Alternative levels of funding would allow programmes to be progressed at different rates with corresponding implications on the maintenance backlog. Like all authorities, Enfield therefore deploys a combination of asset management techniques to deal with this scenario, including reactive and programmed treatments and, in the worst case scenario, closure/decommissioning.

**DECISION:** The Cabinet agreed to

1. Approve the business case for a sustained level of capital funding on an annual basis as shown in the report for:
  - Match funding for flood risk management projects
  - Bridge renewal projects
  - Play areas and other infrastructure (paths and fences) in Parks
  - Alley-gating
2. Approve the 2020/21 capital budgets below and for their inclusion in the Capital report to Council:
  - £6.45million for highways and street scene
  - £250k for match funding for flood risk management projects
  - £200k for bridge renewal projects
  - £200k for play areas and paths in Parks
  - £80k for alley-gating
3. Delegate authority to the Cabinet Member for Environment and Sustainability to approve programmes and schemes within the approved capital allocations for 2020/21 and future years.

**Reason:** Confirmation of the capital budgets identified within the report would allow the Council to continue with its programme of maintaining the condition of assets in a serviceable condition through a range of asset management techniques, thereby supporting the Council's ability to comply with legal obligations and codes of practice.

**(Key decision – reference number 5044)**

**8**

**HOUSING REVENUE ACCOUNT 30 YEAR BUSINESS PLAN 2020**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director – Place (No.174) setting out a revised HRA 30-year Business Plan.

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## NOTED

1. That the Business Plan aligned to the Housing and Growth Strategy which had been approved by the Cabinet at its meeting on 22 January 2020. It addressed the investment required to improve the quality, and to ensure the safety of, existing council homes as well as the delivery of new homes and regenerated places.
2. This was a 30-year plan which required annual investment. Members noted the approvals being sought as summarised in section 1.3 of the report and reflected in the decisions below. The business plan incorporated the opportunity to fund an extensive programme of new development and regeneration totalling up to 3,500 new affordable council homes over the 10 years from 2020-2030 and to deliver service transformation to improve the quality of services.
3. The information detailed in section 6 of the report regarding the delivery of new Council homes and regeneration, including the Joyce and Snells regeneration project. The ambitious programme was likely to incorporate a mix of affordable housing tenures, including Social Rent, London Affordable Rent, London Living Rent and Shared Ownership.
4. The financial implications detailed in section 10 of the report. In October 2018 the Government had announced the removal of the HRA debt cap which had given Council Housing the ability to increase borrowing to develop more affordable homes. All borrowing requirements would remain within the Council's financial metrics and in line with the General Fund prudential indicators and treasury management strategy.
5. The intention to dispose of properties (when they became vacant) which had high maintenance costs, did not meet resident needs or which best supported the wider regeneration programme of delivering new homes, as set out in paragraph 6.3 of the report. These disposals would generate income.
6. The benefits to residents of the investment in existing housing stock and the works that would be included improving standards. The investment would also support the Council's climate change priorities. Consultation would continue with residents and through Customer Voice and the Housing Advisory Board.
7. That the Business Plan was ambitious and its aims and objectives were reiterated and discussed by Members. The development proposals would include a variety of projects as detailed in the report. Developments would provide a range and variety of housing solutions for example, larger family homes that may not otherwise be provided by the market, an inter-generational housing model and a pilot scheme embedding energy efficiency standards.

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**Alternative Options Considered:** The Council could seek to change the emphasis of investment for example a greater focus on existing stock investment rather than new build but this would have a negative effect on the business plan and would reduce the Council's ability to meet the overcrowding needs of existing tenants as well as residents on the Housing Needs Register.

**DECISION:** The Cabinet agreed

1. The revised HRA Business Plan and supporting Investment Framework comprising the financial metrics on which the Council would ensure sustainability as it develops further proposals including updated borrowing requirement from £315m to £656m over the next 10 years.
2. Delivery of the 10-year capital programme as shown in Appendix A of the report and to agree that arising from this programme the Executive Director – Place and Director of Housing and Regeneration would be authorised the award of the contracts included in the five-year capital programme.
3. An income target of £1m per annum to dispose of properties at void stage which had high maintenance costs, which did not meet resident needs or which best support the wider regeneration programme of delivering new homes.
4. To note the 10-year HRA Capital Programme budget would come forward as part of the Council's 10-year Capital Programme recommended to Council in February 2020.
5. To note the assumed rent policy as set out in paragraph 7 of the report which provided for a rent increase in April 2020 of 2.7%. Cabinet approval would be sought in the Rent Setting report in February 2020 which would then be subject to recommendation to Council.
6. Delegate to the Director of Housing and Regeneration in consultation with the Cabinet Member for Social Housing decisions in regard to the recovery of costs from leaseholders, for building safety measures in line with guidance and that Government should be lobbied to meet any costs associated with leaseholder contributions that fall to the HRA and that were not recharged.
7. To continue to support the work of the GLA in seeking to enhance Council's capacity to expand further the delivery of Council homes in the 2022 Building Council Homes for Londoners programme. To note that the Business Plan did not pre-empt and provide for funding for future Building Safety requirements arising from new legislation and any enhancements arising from the Social Housing White paper including a potential Decent Homes 2 standard and that Government should be lobbied to provide funding for these costs.

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8. To introduce from 1 April 2021 de-pooled and re-apportioned services charges after consultation with residents and the Cabinet Member for Social Housing.

**Reason:** The announcement from Government to remove the HRA debt cap enabled councils to deliver more affordable homes and the opportunity to review the condition of its existing stock and fire safety compliance. The report outlined its review of the HRA business plan and borrowing requirements and approval of projects and programmes that would help deliver the priorities in the emerging Housing Strategy.

**(Key decision – reference number 4969)**

**9**

**WHOLLY OWNED TRADING COMPANIES - ANNUAL ACCOUNTS**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Director of Law and Governance (No.172) summarising the content of the filed annual accounts for the Council's wholly-owned trading companies.

NOTED

1. That Report No.173 also referred as detailed in Minute No.13 below.
2. That the report summarised the content of the filed annual accounts for the Council's wholly-owned trading companies: Housing Gateway Ltd. (HGL); Enfield Innovations Ltd. (IWE); Independence and Wellbeing Ltd. (IWE) and Energetik.
3. That the financial statements were in line with expectations given the variant company business models and points in the company life, as detailed in the report.
4. The recommendations regarding appointment of external auditors as set out in the report and detailed in the decisions below.
5. The decision which had been approved at the Cabinet meeting held on 22 January 2020 regarding the future of Independence and Wellbeing Enfield.

**Alternative Options Considered:** NOTED, that there was no alternative in respect of the annual accounts, as set out in section 4 of the report. The alternative options considered with regard to the auditor appointments were detailed in section 4 of the report.

**DECISION:** The Cabinet agreed to

1. Note the contents of the published audited accounts for the Council's four wholly owned trading companies.

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2. Approve under shareholder reserve powers the recommendation of the EIL Board to appoint Geo, Little, Sebire and Co. as the company's auditor for the accounting period ending 31 March 2020.
3. Delegate authority to the Portfolio Holder for Finance and Procurement to appoint under shareholder reserve powers the auditors for Housing Gateway and Energetik following a procurement process to be conducted by each company.

**Reason:** To ensure effective oversight and challenge where appropriate for Council-owned companies and ensure they continue to contribute to the achievement of the Council's strategic objectives.

**(Key decision – reference number 5013)**

**10**

**CABINET AGENDA PLANNING - FUTURE ITEMS**

NOTED, the provisional list of items scheduled for future Cabinet meetings.

**11**

**DATE OF NEXT MEETING**

NOTED, that the next meeting of the Cabinet was scheduled to take place on Wednesday 12 February 2020.

**12**

**EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED** in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the items of business listed on part two of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

**13**

**REDEVELOPMENT OF THE MONTAGU INDUSTRIAL ESTATE**

NOTED, the confidential appendix to Report No.177, Minute No.6 above refers.

**14**

**WHOLLY OWNED TRADING COMPANIES - ANNUAL ACCOUNTS**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Director of Law and Governance (No.173).

NOTED that Report No.172 also referred as detailed in Minute No.9 above.

**Alternative Options Considered:** NOTED, that there were no alternative options in respect of the annual accounts.

**DECISION:** The Cabinet agreed to note the contents of the audited profit and loss accounts for Housing Gateway Ltd, Enfield Innovations Ltd. and Energetik.

**Reason:** To ensure effective oversight and challenge where appropriate for Council-owned companies and ensure they continue to contribute to the achievement of the Council's strategic objectives.

**(Key decision – reference number 5013)**

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**Budget Report 2020/21 - Full amendments to Cabinet version previously published:**

**Section 2**

- 2.1 With regard to the revenue budget for 2020/21 to recommend that Council:
- (i) Set the Council Tax Requirement for Enfield at £133.276m in 2020/21;
- 2.3 To recommend that Council agrees the Schools Budget for 2020/21 (Section 8.20 and Appendix 5).

**Section 4**

- 4.1 The Final Local Government Finance Settlement (LGFS) 2020/21 was announced on 7th February with no changes from the provisional settlement data. This followed 4 weeks of consultation on the Provisional Settlement published on 20<sup>th</sup> December 2019. The Provisional Settlement was fully in line with the Chancellor's Spending Announcement on 4<sup>th</sup> September 2019. The settlement announcement outlines the Core Spending Power (CSP) and the Settlement Funding Assessment (SFA) allocations for local authorities for 2020/21. CSP has increased by 6.3% nationally and 5.8% for Enfield and there is a CPI increase of 1.7% for SFA, the first increase in ten years.
- 4.2 It is, however, a one year settlement only and does little to prepare local authorities for the medium and longer term and extends a period of significant uncertainty. Whilst the increase in SFA is welcome, it should be noted that it is the first increase for ten years and there is much ground to make up given the 50.5% or £96.5m reduction since 2010. This is also in the context of continuous rising demand for services especially adult social care, children's social care and housing.
- 4.5 Table 1 below shows the impact of recent settlements on Enfield over the period from 2017/18 to 2020/21 and using the start of austerity (2010/11) as a benchmark. It shows the annual and cumulative impact of Government funding reductions in the core funding of Revenue Support Grant and Business Rates Baselines, with a cumulative cash reduction of £96.5m since 2010/11, which is 50.5%, over the entire period.

**Table 1: Government Funding Allocations for Enfield**

	2010/11	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m	£m
Settlement Funding Assessment *	191.2	104.3	98.7	92.6	94.7
Annual cash reduction on previous year	N/A	-11.1	-5.6	-6.1	+2.1
Annual percentage change on previous year	N/A	-9.6%	-5.4%	-6.2%	+2.3%

Cumulative cash reduction since 2010/11	0.0	-86.9	-92.5	-98.6	-96.5
Cumulative percentage reduction since 2010/11	0.0	-45.4%	-48.4%	-51.6%	-50.5%

## Section 5

### 5.16 Commercial Strategy

5.17 The Council's commercial strategy is an integral part of helping to deliver a sustainable budget going forward. This starts from understanding needs and how they are met, through to designing services and delivery models that improve outcomes and value for money. Integral to all of this is preventing spend or reducing unit cost, generating income, maximising the utilisation of the Council's assets and shaping the market. The current focus is to build on existing strengths and do the basics well. To do this, commercial thinking and skills need to be embedded throughout the organisation in the way services are delivered and contracts procured and managed, as well as ensuring current income budgets are realised and good governance of the wholly owned companies. In the 2020/21 budget additional income of £2.7m has been included as part of the contribution towards closing the budget gap. The approach to fees and charges is set out in section 10.20 of the report.

## Section 7

7.2 Table 3 sets out the Council's budget position and council tax requirement after taking into account the proposed changes detailed in this report:

**Table 3: Budget Position & Council Tax 2020/21**

	2019/20	2020/21
	£000's	£000's
<b>Net revenue budget</b>		
Other Services (base budget)	227,861	230,988
	<b>227,861</b>	<b>230,988</b>
<b>Budget Movements:</b>		
Demographic and Cost Pressures	25,267	22,258
Investment in Services	1,500	4,487
Reduction in Employers Pension Contribution	0	(3,600)
Capital Financing	0	3,403
Social Care Support Grant & iBCF	(5,339)	(5,448)
Flexible Use of Capital Receipts	(1,851)	0
Full Year Effect of previous budget decisions	(3,370)	(3,279)
Proposals for New Savings ( <b>Appendix 2b</b> )	(13,080)	(11,905)
<b>Net Budget</b>	<b>230,988</b>	<b>236,904</b>

<b>Less Corporate Funding:</b>		
Settlement Funding Assessment <sup>1</sup>	(94,610)	(98,941)
London Pilot Pool Growth	(2,950)	(425)
Reserves	(1,000)	(1,565)
Corporate Specific Grants	(3,803)	(2,697)
Collection Fund Net (Surplus) / Deficit <sup>2</sup>	(1,314)	0
<b>Corporate Funding</b>	<b>(103,677)</b>	<b>(103,624)</b>
<b>Council Tax Requirement</b>	<b>127,311</b>	<b>133,276</b>
Tax Base (Band D equivalents)	97,074	97,726
<b>Council Tax (Band D)</b>	<b>£1,311.48</b>	<b>£1,363.77</b>

## Section 8

### 8.20 Dedicated Schools Grant and the Schools Budget

8.21 The Dedicated Schools Grant (DSG) allocation in Enfield is £351.258m for 2020/21, which represents a 5.0% increase on the 2019/20 DSG. Key issues impacting on the DSG are

- The implementation of a National Funding Formula for Schools
- High Needs Cost pressures relating to pupils with SEN
- Deficit DSG Position
- Schools Forum Budget Setting Process

## Section 10

10.24 The current charges for 2019/20 and proposed charges for 2020/21 for services provided are set out in Appendices 11 to 13 of this report with the main changes noted below in paragraphs 10.25 to 10.39. The commercially sensitive fees and charges are included in the Part 2 paper to ensure commercial confidentiality.

## Section 11

**Table 15: Medium Term Financial Plan 2020/21 to 2024/25**

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
<b>Council Tax Base Provision</b>	127,311	133,276	133,958	134,640	135,321
<b>Movements:</b>					
Inflation/Pay Awards	7,433	7,146	7,170	7,196	7,222
Demography	8,695	3,380	3,380	3,380	3,380
Investment	4,487	360	410	150	150
Capital Financing	3,403	4,709	5,520	4,643	4,800
Pressures	6,130	293	753	753	753
Employer's Pensions	(3,600)	0	0	0	0
<b>Total Pressures</b>	<b>26,548</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>

Full Year Effect of Previous years' decisions	(3,279)	(1,840)	(439)	0	0
New Savings and Income Generation Proposals	(11,905)	(2,508)	(2,457)	(1,440)	(1,925)
Changes to Specific Grants	(4,342)	1,142	1,128	1,161	903
Business Rates	(3,631)	0	0	0	0
Business Rates - London Pool	2,525	0	0	0	0
Council Tax Discounts/Reduction Scheme	(700)	(1,000)	0	0	0
Collection Fund	1,314	700	(700)	0	0
Use of Reserves	(565)	1,565	0	0	0
Gap Still to be Found	0	(13,265)	(14,083)	(15,162)	(14,601)
<b>Council Tax Requirement</b>	<b>133,276</b>	<b>133,958</b>	<b>134,640</b>	<b>135,321</b>	<b>136,003</b>
<b>Council Tax Base</b>	<b>97,726</b>	<b>98,226</b>	<b>98,726</b>	<b>99,226</b>	<b>99,726</b>
<b>Band D Charge (£)</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>	<b>1,363.77</b>
<b>% tax change</b>	<b>3.99%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

## Section 14

Table 17: Medium Term Financial Plan Budget Gap 2020/21 to 2024/25

	2020/21	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£000
Budget (Gap) / Surplus in future years of MTFP	0	(13,265)	(14,083)	(15,162)	(14,601)

## Appendix 11

Description of Fees & Charges <i>Italics denotes statutory fees</i>	Service is Vatable	LONDON BOROUGH OF ENFIELD PLACE DEPARTMENT		
		PROPOSED FEES & CHARGES 2020/21		
		Basic	Vat @ 20%	Total
		£	£	£
Scan on Demand Service per planning case file for up to 1 hr work	V	20.00	4.00	24.00

**Capital Strategy and Ten Year Capital Programme 2020/21 to 2029/30 – Amendments to Cabinet Report published on 4 February.**

**Table 2: Ten Year Capital Programme Financing Summary**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Sources - Grants & External Contributions	48,859	42,454	84,442	72,587	13,776	48,504	310,622
LBE Resources - Reserves & Capital Receipts	5,965	2,660	688	688	688	3,440	14,129
Borrowing	256,325	191,337	53,706	513	49,123	205,910	756,914
<b>Total General Fund</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
External Sources - Grants & External Contributions	14,004	14,450	49,048	6,460	9,464	80,900	174,326
LBE Resources - Reserves & Capital Receipts	81,560	48,912	50,606	72,633	81,696	197,751	533,158
Borrowing	49,000	64,000	94,500	94,000	6,000	158,000	465,500
<b>Total HRA</b>	<b>144,564</b>	<b>127,362</b>	<b>194,154</b>	<b>173,093</b>	<b>97,160</b>	<b>436,651</b>	<b>1,172,984</b>
<b>Total Programme</b>	<b>455,713</b>	<b>363,814</b>	<b>332,990</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>

**Table 7: Capital Programme Summary**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	8,624	8,907	4,890	1,500	2,700	3,200	5,700	26,897
People	13,411	34,547	22,907	9,603	8,360	8,360	41,590	125,367
Place	43,329	70,583	45,937	64,198	36,056	26,201	82,071	325,047
Meridian Water	44,453	125,959	149,467	63,534	26,672	25,826	128,493	519,951
Chief Executive	29	29	-	-	-	-	-	29
Companies	8,560	71,126	13,250	-	-	-	-	84,376
<b>Total General Fund</b>	<b>118,406</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
Development Programme	51,344	71,449	79,211	150,355	135,976	81,471	363,831	882,293
Estate Regeneration	19,422	21,962	6,379	2,195	1,712	1,150	1,625	35,022
Fire Works	2,400	12,732	12,316	13,749	7,450	-	-	46,247
Major Works	19,083	31,945	26,133	24,533	24,633	11,216	54,580	173,040
Minor Works	4,817	6,476	3,323	3,323	3,323	3,323	16,615	36,383
<b>Total HRA</b>	<b>97,066</b>	<b>144,563</b>	<b>127,362</b>	<b>194,155</b>	<b>173,093</b>	<b>97,161</b>	<b>436,651</b>	<b>1,172,985</b>
<b>Total Capital Programme</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>

**Table 8: Capital Programme Funding Sources**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 to 2029/30	2020/21 to 2029/30 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Grants & Contributions	23,972	48,859	42,454	84,442	72,587	13,776	48,504	310,622
Revenue Contributions	-	-	-	-	-	-	-	-
Capital Receipts	1,304	4,105	2,660	688	688	688	3,440	12,269
Earmarked Reserves	411	1,860	-	-	-	-	-	1,860
Borrowing	92,720	256,325	191,337	53,706	513	49,123	205,910	756,914
<b>Total General Fund</b>	<b>118,406</b>	<b>311,149</b>	<b>236,452</b>	<b>138,836</b>	<b>73,788</b>	<b>63,587</b>	<b>257,854</b>	<b>1,081,666</b>
External Grants & Contributions	8,668	14,004	14,450	49,048	6,460	9,464	80,900	174,326
Revenue Contributions	11,282	30,120	7,454	6,385	5,570	8,872	14,705	73,106
Capital Receipts	30,231	51,440	41,458	44,222	67,063	72,824	183,046	460,052
Earmarked Reserves	13,885	-	-	-	-	-	-	-
Borrowing	33,000	49,000	64,000	94,500	94,000	6,000	158,000	465,500
<b>Total HRA</b>	<b>97,066</b>	<b>144,564</b>	<b>127,362</b>	<b>194,154</b>	<b>173,093</b>	<b>97,160</b>	<b>436,651</b>	<b>1,172,984</b>
<b>Total Capital Programme</b>	<b>215,472</b>	<b>455,713</b>	<b>363,814</b>	<b>332,991</b>	<b>246,881</b>	<b>160,748</b>	<b>694,505</b>	<b>2,254,650</b>