

# Public Document Pack



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## THE CABINET

**Wednesday, 1st November, 2006 at 8.00 pm in the Conference  
Room, Civic Centre**

### **Membership:**

Councillors : Michael Rye (Leader of the Council), Michael Lavender (Deputy Leader of the Council/Finance and Resources), Ertan Hurer (Cabinet Member for Community Safety & the Voluntary Sector), John Jackson (Cabinet Member for Sustainable Communities and Employment), Matthew Laban (Cabinet Member for Housing), Paul McCannah (Cabinet Member for Leisure, Culture and Olympics 2012), Terence Neville (Cabinet Member for Environment and Street Scene), Glynis Vince (Cabinet Member for Education and Children's Services), Ann Zinkin (Cabinet Member for Corporate Strategy and Communications) and Alan Barker (Cabinet Member for Adult Social Services)

### **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. DECLARATION OF INTERESTS**

Members of the Cabinet are invited to identify any personal or prejudicial interests relevant to items on the agenda. Please refer to the guidance note attached to the agenda.

## DECISION ITEMS

### 2. APOLOGIES FOR ABSENCE

### 3. URGENT ITEMS

The Chairman will consider the admission of any late reports (listed on the agenda but circulated late) which have not been circulated in accordance with the requirements of the Council's Constitution and the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2002.

Note: The above requirements state that agendas and reports should be circulated at least 5 clear working days in advance of meetings.

### 4. DEPUTATIONS AND PETITIONS

### 5. PROGRESS REPORT ON BUDGET PREPARATION FOR 2007/08 AND REVIEW OF THE MEDIUM TERM FINANCIAL PLAN (Pages 1 - 10)

A report of the Director of Finance and Corporate Resources is attached. This report outlines the progress made to date in the preparation of the 2007/08 budget and the review of the medium term financial plan. It sets out the resources that are likely to be available to fund new spending needs from 2007/08 onwards and some of the key issues that will influence the plans.

**(Non-key)**

(Report No. 139)

### 6. ENFIELD LEISURE CENTRES LIMITED (IN LIQUIDATION): UPDATE

A report of the Director of Finance and Corporate Resources will be circulated as soon as possible. The report will contain the latest information from the liquidator of Enfield Leisure Centres Limited (ELCL).

**(Non- key)**

TO FOLLOW  
(Report No.140)

### 7. BROOMFIELD HOUSE (Pages 11 - 18)

A report of the Director of Finance and Corporate Resources is attached. This report updates Members on the Lands Tribunal application for consent to modify the restrictive covenants at Broomfield House and seeks approval to the capital funding for the refurbishment proposals.

**(Key decision – reference number 2068)**

(Report No.141)

### 8. INTEGRATED COMMISSIONING STRATEGY FOR CHILDREN'S SERVICES. (Pages 19 - 50)

A report from the Director of Education, Children's Services and Leisure is attached. This report presents an Integrated Commissioning Strategy for Children's Services for the Cabinet's consideration and approval.

**(Key decision – reference number 2022)**

(Report No.143)

**9. COMMUNITY STRATEGY – ‘ENFIELD’S FUTURE’ 2006 – 2016** (Pages 51 - 62)

A report of the Director of Performance, Partnership and Policy is attached. This report presents the draft overall vision and objectives of the Enfield Strategic Partnership’s (ESP’s) Community Strategy – ‘Enfield’s Future’. ‘Enfield’s Future’ the Community Strategy 2003/2006 is currently being reviewed and the overall vision and objectives for the new strategy have been drawn up following extensive community consultation.

**(Key decision – reference number 2033)**

(Report No.144)

**10. REVISION OF REDUNDANCY/EARLY RETIREMENT COMPENSATION PROVISIONS** (Pages 63 - 76)

A report of the Chief Executive is attached. The report details recent age discrimination legislation, which came into effect on 1 October, the Government has given notice of its intention to amend the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations. To ensure the Council's policy on the making of discretionary payments is consistent with the new Age Discrimination legislation, this report proposes an amendment to the method of determining compensation paid to staff who are redundant.

**(Key decision – reference number 2052)**

(Report No.145)

**11. THE EMPLOYMENT EQUALITY (AGE) REGULATIONS** (Pages 77 - 80)

A report of the Chief Executive is attached. The report details recent Employment Equality (Age) Regulations (“the Age Regulations”), which are the Government’s response to a European Union directive. The Regulations, which came into force on 1 October 2006, affect every aspect of the employment relationship and tackle ageism in relation to all, young or old. The Regulations give employers the right to set an organisational retirement age. This report recommends that the retirement age for Council staff should be set at 68.

**(Non-key)**

(Report No.146)

**12. ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE/SCRUTINY PANELS**

To note that the Special Projects Scrutiny Panel discussed, at it’s meeting on 19 September 2006, the issue of the implementation of car parking charges that have been delegated to the Director of Environment Street Scene and Parks after the consultation period.

It was agreed by all members of the Panel, to request that implementation of the scheme is delayed until the start of the new financial year. Concerns were raised at the meeting by members, the public, and representatives from Enfield Business and Retailers Association (EBRA) that as the Panel is exploring many of the issues associated with parking charge and penalty charge systems, the car parking budget and value for money and options for the use of surpluses, the outcomes might result in alternative recommendations to Cabinet. The planned timescale for this work is within the next few months and that implementation of the current scheme would pre-empt the scrutiny.

**13. ITEMS TO BE REFERRED TO THE COUNCIL**

To confirm any items to be referred to the Council.

**14. CABINET AGENDA PLANNING - FUTURE ITEMS (Pages 81 - 84)**

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

**15. KEY DECISIONS FOR INCLUSION ON THE COUNCIL'S FORWARD PLAN**

Members are asked to consider any forthcoming key decisions for inclusion on the Council's Forward Plan.

Note: The next Forward Plan is due to be published on 14 November 2006, this will cover the period from 1 December 2006 to 31 March 2007.

**16. MINUTES (Pages 85 - 98)**

To confirm the minutes of the previous meeting of the Cabinet held on 11 October 2006.

**17. MATTERS ARISING**

To identify any matters arising from the above minutes.

**INFORMATION ITEMS**

**18. ENFIELD STRATEGIC PARTNERSHIP FEEDBACK**

To receive an oral update from members of the Enfield Strategic Partnership Board (Councillors Michael Rye (Chairman), John Jackson and Paul McCannah).

**19. NOTICE OF WORK IN PROGRESS**

Cabinet members may wish to take this opportunity to raise any issues which may be of interest to Cabinet colleagues.

**20. DATE OF NEXT MEETING**

The next meeting of the Cabinet is scheduled to take place on Wednesday 22 November 2006 at 8.00pm at the Civic Centre.

**CONFIDENTIAL ITEMS**

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

To consider passing a resolution under Section 100A(4) 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 2 agenda)

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**MUNICIPAL YEAR 2006/07 REPORT NO.****139****MEETING TITLE AND DATE:**

Cabinet: 1 November 2006

**REPORT OF:**

Director of Finance &amp; Corporate Resources

Contact officer and telephone number:

Sheila Dawson: Tel 0208 379 4732

**Agenda – Part: 1****Item: 5****Subject: Progress report on Budget Preparation for 2007/08 and review of the Medium Term Financial Plan****Wards: All****Cabinet Members consulted:****Cllrs. Michael Rye and Michael Lavender****1. EXECUTIVE SUMMARY**

- 1.1 This report outlines the progress made to date in the preparation of the 2007/08 budget and the review of the medium term financial plan. It sets out the resources that are likely to be available to fund new spending needs from 2007/08 onwards and some of the key issues that will influence the plans. The report highlights the need to identify efficiency and other savings in order to produce a balanced and affordable budget and medium term financial plan.
- 1.2 The report also provides further information about the budget consultation arrangements.

**2. RECOMMENDATIONS**

- 2.1 It is recommended that Cabinet notes the information available to date on the revenue and capital resources likely to be available to the Council for the medium term financial plan.
- 2.2 It is recommended that Cabinet delegates the approval of the format and contents of the budget consultation paper to the Director of Finance & Corporate Resources, in consultation with the Leader and Deputy Leader.

**3. BACKGROUND**

- 3.1 At the meeting on 22 February 2006, the Council agreed the medium term financial plan (capital and revenue) covering the five year period 2006/07 – 2010/11. The process of reviewing the plan is now under way with a view to Council approving a revised plan in February 2007.

### ***Revenue plan***

- 3.2 One of the key aims in the Council's Improvement Plan is to improve the robustness of the medium term financial plan, whilst striving to maintain prudent levels of reserves and balances with Council Tax increases that are broadly in line with inflation. A summary of the medium term revenue plan approved in February 2006 was included in the report to Cabinet in July 2006. The figures in the medium term financial plan demonstrated that, even after allowing for Council Tax increases in line with inflation, savings of the order of £20m would be needed over the next four years. Furthermore, Members noted that the Council is facing additional cost pressures from a growing population with increasingly complex needs, and the commitment to deliver the priority Improvement Plan targets. Cabinet resolved to inform the Budget Group that Council Tax increases significantly in excess of the rate of inflation would be unacceptable and that additional savings must be found to fund budget gaps over the next 4 years.

### ***Capital plan***

- 3.3 Departments have reviewed their capital investment requirements over the medium term in the context of their service strategies, and submitted bids to the Capital Programme Group (CPG). Given that capital resources will inevitably be insufficient to meet in full the aspirations of departments, the bids are focused on delivering targets in the Improvement Plan and on the Council's stated priorities for investment.

## **4. REVIEW OF THE MEDIUM TERM FINANCIAL PLAN**

- 4.1 The process of reviewing and updating the medium term financial plan was set out in the July 2006 report. The progress made to date is summarised below.

### ***Revenue Plan – services other than schools***

- 4.2 The provisional figure for the amount of external funding (RSG) that will be available to fund (non schools) services in 2007/08 was announced almost a year ago as part of the 2006/07 settlement. Recent information from the DCLG reiterated the fact that the 2007/08 settlement is unlikely to differ from that published a year ago. The increase is expected to be of the order of 4.1%. Whilst this provides a measure of certainty about next year's resources, it also means that the Council cannot anticipate any improvement in the position for 2007/08.



- 4.3 From 2008/09 onwards, the medium term financial plan assumes that external funding will increase by 3.5%, reflecting the government's requirement for local government to demonstrate greater efficiency, and also the continuation of the damping mechanism introduced in the 2006/07 settlement. It is important to note, however, that the level of funding beyond 2007/08 cannot be guaranteed and that the 2007 Spending Review (which is likely to set allocations for the three years 2008/09 – 2010/11) is expected to result in greater financial pressures for local government.

The assumptions set out above result in the following estimates of additional (non schools) external funding over the next 5 years.

*Members will recall that, as a result of "damping", Enfield's entitlement to RSG was reduced by £4.5m in the current year and will be reduced by a further £4.4m in 2007/08.*

	2007/08	2008/09	2009/10	2010/11	2011/12
<b>% Increase in external funding</b>	4.1%	3.5%	3.5%	3.5%	3.5%
<b>Additional resources available</b>	£4.1m	£3.6m	£3.7m	£3.8m	£3.9m

- 4.4 The first call on any additional funding will be the amount required to meet the cost of pay and price inflation. In total, inflationary pressures (pay awards and general cost inflation) are expected to add around £6.4m to the Council's costs in 2007/08. This figure assumes a general inflation rate of 2.5% and pay awards averaging 3%. Additional sums have also been included for Adult Social Services' care purchasing and energy costs as, in recent years, these costs have risen faster than the general rate of inflation.
- 4.5 It is clear that the estimated increase in external funding over the medium term will not be sufficient to fund pay and price inflation. In addition, the Council must deal with a number of significant and unavoidable cost pressures that have contributed to the need to find savings over the medium term. These include:
- Cost pressures resulting from demographic change and the Council's statutory duty to provide support for vulnerable people. These pressures are particularly evident in adult social services where both the number of clients and the costs of care packages continue to increase. There has been significant growth in the services provided for older people and for clients with learning and physical disabilities.
  - The full effect in 2007/08 onwards of new commitments entered into prior to or during 2006/07; a significant item will be the capital financing charges arising from the decision in February 2006 to invest £20m in the Council's highways.

- Any unavoidable costs of new legislative duties or changes imposed on the Council.
- Following the triennial valuation of the Council's Pension Fund completed in 2004/05 the Council agreed to increase the employer contributions to the Pension Fund to 16.4%. The increases are being phased in over the period to 2008/09 and will add £0.8m to the budget for 2007/08.

4.6 Savings have already been identified to offset some of these unavoidable pressures. However, at this stage, the savings are insufficient to cover all of the costs identified. It will therefore be essential identify further reductions to limit the increase in the Council Tax to an acceptable level. Work to identify efficiency savings is continuing. The draft budget proposals will be considered by CMB and by the Budget Group before being included in the budget consultation paper.

4.7 It is important to note that, in addition to the known cost pressures, there are a number of potential budget risks, both for 2007/08 and in the medium term. The Council is facing a situation in which budget pressures, particularly in adult social services, are expected to continue to grow significantly in future years. Central Government, however, has made it clear that the external funding available to the Council will not grow at a similar rate. This Council, along with many others, will face difficult financial problems in the next three years as government funding is tightened whilst pressures continue to grow. It will therefore be important for the Council to maintain a strong focus on a limited number of key priorities and to accept that other services will do no more than stand still in the medium term. It will also be essential for the Council to place a greater emphasis on its programme to identify and implement proposals for efficiency savings.

#### ***Revenue Plan – schools and school related activities***

4.8 With effect from 1 April 2006 central government funding for schools has been provided by way of the 'Dedicated Schools' Grant'. The DSG must be spent on defined school related expenditure, that is, by delegating funding to individual schools or by spending on specified related activities such as the provision for children with special educational needs. Under the new arrangements, Councils remain responsible for distributing DSG in consultation with Schools Forums and in line with DfES regulations. As part of the 2006/07 finance settlement, the government announced DSG figures for both 2006/07 and 2007/08. Following the next government spending review in 2007, DSG will be announced for the three years 2008/09 to 2010/11.

4.9 Following discussion with the Schools Forum, school budgets for 2006/07 and 2007/08 were agreed in February 2006; individual schools received notification of their 'guaranteed budgets' for 2006/07 and 2007/08 together with indicative information about 2008/09. The school budgets were set in anticipation of the DSG increasing by £13.3m in 2007/08. Following changes to our local requirements, schools have now prepared three year spending plans indicating how they will deliver school improvement priorities over a three year

period. The Council's school budget process for 2007/08 will therefore be a more limited exercise than in all previous years concerning a number of generally minor adjustments to budgets including, for example, adjustments for pupil number changes, in relation to increased teacher pension costs announced in the summer, and in relation to contingency sums. There will be no changes to the school funding formula. Whilst the budgets delegated to schools for 2007/08 are relatively fixed, a review is being undertaken of the central services that are provided by the ECSL Department and charged to the Schools Budget. The review will take account of pressures on services arising from demographic and other changes and seek ways of funding those pressures by the redirection of existing resources.

### ***Housing Revenue Account (HRA)***

- 4.10 The resources likely to be available to the HRA are, for the most part, determined by the rent increase and the level of housing subsidy. Rent increases are determined by a formula set by the DCLG; the formula includes an inflation element of 3.6% for 2007/08. Members will be aware that Enfield is in a 'negative subsidy' position; in other words, a sum estimated at around £6.3m will be paid from the HRA to the government next year. Final details of the subsidy determination for 2007/08 are awaited. A significant influence on HRA expenditure next year will be the establishment of the ALMO. Detailed work to assess the impact of its implementation and to calculate a potential management fee is ongoing.

### **Capital Plan**

- 4.11 The Council's existing approved capital programme totals £265m over the period 2006/07 – 2010/11; approved funding for the programme totals £262.8m, financed as shown below:

	<b>£m</b>
Capital Grants & Contributions	138.5
"Right to Buy" receipts	6.7
Other receipts	45.5
Borrowing*	72.1
<b>Total</b>	<b>262.8</b>

\*£23.7m of the total borrowing is "supported" borrowing with the government providing revenue support for the financing costs. The remaining £48.4m will be met by prudential borrowing and used to fund the planned expansion of the highways improvement programme, ongoing annual programmes of investment, and education 'spend to save' projects.

- 4.12 The Council has "over-committed" its capital resources by £2.2m; this is not significant in the context of the entire programme and the length of time over which expenditure is planned. In any event, a certain amount of "slippage" is inevitable in a programme of this magnitude. However, Members should note that capital receipts allocated to fund the existing programme are expected to fall and that this could add as much as £5m to the level of over-commitment

(see paragraphs 4.18 and 4.20 below). The implications of the potential shortfall in capital receipts will be considered in detail as part of the budget process.

- 4.13 The new medium term financial plan to be approved by the Council in February 2007 will cover 5 years from 2007/08 to 2011/12. The extent to which new projects can be added to the programme will depend on the availability of resources.

### ***Capital Grants & Contributions***

- 4.14 The Council finances over half its capital programme by use of capital grants and contributions from the Council and from external funds. The main components are summarised below:

	<b>£m</b>
Housing Major Repairs Allowances	44.1
Transport for London	18.2
Disabled facilities and other housing grants	5.7
Education specific grants	32.8
Regeneration Grants	2.9
Contribution from HRA to Repairs	16.3
Other grants and earmarked resources	7.0
Earmarked reserves and revenue contributions	11.5
<b>Total</b>	<b>138.5</b>

- 4.15 It is envisaged that funding for major housing repairs, TfL projects and disabled facilities grants will continue to be available; these resources are earmarked for specific capital programmes. Although specific grants for Education projects have been available in the past, the government is now supporting these schemes by way of “supported borrowing” (see paragraph 4.21).

### ***Capital receipts – “Right to Buy” (RTB)***

- 4.16 The existing capital programme assumes approximately 250 sales of council dwellings over the financial years 2006/07 to 2010/11. The Council is allowed to use 25% of the receipts to fund capital spending, with the balance being “pooled” that is paid to the government for redistribution in other housing subsidies.
- 4.17 The number of RTB applications in the first 5 months of this year was 77, compared to 122 in the first 5 months of 2005/06. However, the rate of withdrawal of applications appears to have increased significantly and it is now estimated that the number of completions in the current year is unlikely to exceed 64. The RTB team expect the number of disposals to continue to fall over the next few years but acknowledge that the effect of this reduction will be partly offset by the increase in property values.

- 4.18 As shown in paragraph 4.11, the approved capital programme assumes that £6.7m in usable receipts will be available from 2006/07 to 2010/11 to fund future capital expenditure. The latest estimates indicate that RTB receipts will in fact be significantly lower in these years and could potentially fall short by as much as £3m.

***Capital Receipts – other***

- 4.19 In recent years the Council has been able to fund a substantial part of its capital programme from buoyant receipts from asset sales, including extensive, but largely uncontroversial, sales of property and land. However, the capacity for straightforward asset sales has reduced. Future capital receipts will depend on more difficult decisions about existing assets, and on more complex area reviews such as those being undertaken for Ponders End, Palmers Green and Enfield Town where the sale of some underperforming assets could be set against the improvement of other more valued facilities.
- 4.20 The Council's approved programme includes £45.5m (paragraph 4.11) to be financed from receipts, of which £14.7m are still to be achieved. Indications are that due to difficulties arising in the disposals of several assets, there could be a shortfall of some £2m in achieving this target.

***Borrowing – “supported”***

- 4.21 The Council will receive confirmation of the amount of borrowing that will be supported by the government in December. However, the DfES announced its allocations for 2007/08 education projects as part of previous years' settlements, and these have already been included in the resources allocated to the service. It is therefore unlikely that any major new allocations will be forthcoming in this year's settlement. It should be noted that government support for borrowing is received via the general revenue support grant settlement. However, whilst the government might include supported capital schemes within the calculated RSG, the effect of the damping mechanism is to reduce substantially the amount of revenue support actually received. Proposals for future capital investment need to be considered in the context of these grant arrangements as it is imperative that schemes are not approved on the basis of government support that will not materialise.

General supported borrowing for housing purposes is expected to be around £4.8m p.a. These resources have already been included in the HRA capital plan and will be directed towards achieving the decent homes standard. The outcome of the ALMO bid will determine whether additional resources (also in the form of supported borrowing) will be available to fund decent homes work. A decision on the Council's ALMO bid for £147m in supported borrowing is awaited.

***Borrowing – “unsupported”***

- 4.22 It is possible under the Prudential Code for the Council to borrow as much as it can afford (as is “prudent”) in terms of the revenue repayments. At this stage,

no decision has been made about the level of future borrowing for capital purposes; decisions will be made in the context of affordability in terms of the Council's revenue budget. However, the Council currently makes provision for some £7m in principal repayments annually; it is therefore possible to use these resources to fund capital expenditure without increasing the Council's total long-term external debt. As a guide, each £1m borrowed will cost the Council £85k per year in principal and interest repayments.

### ***Investment Needs***

- 4.23 Any resources available should be seen in the context of the many demands for investment in priority areas, including: the need for improvements in school buildings; further investment in the street scene, Enfield Town (including the Carnegie Library) and the Council's housing stock; and maintenance and development of the Council's buildings and IT infrastructure. The investment needs relating to the Housing stock will be addressed principally through ALMO funding.
- 4.24 Each Department has reviewed its capital strategy statement and capital investment needs for the next 5 years. The proposals for new capital investment have been reviewed by CPG and an initial prioritisation exercise has been undertaken. The proposals will be reviewed by the Budget Group before being brought to Cabinet for further discussion.

## **6. BUDGET CONSULTATION**

- 6.1 The Cabinet report in July 2006 set out an outline timetable for the budget process and the proposed consultation arrangements. In that report, it was proposed that the budget consultation paper for 2007/08 should focus on the significant choices to be made and to give less attention to budget pressures that are truly unavoidable and savings that are administrative and have no impact on service delivery.
- 6.2 Overview and Scrutiny Committee discussed the budget consultation at their meeting in September and agreed to pilot a new approach in this year's consultation process. The intention is to establish a "Scrutiny Commission" to consider the consultation paper at a single public meeting; the meeting will be structured so that a set time can be allocated to looking at the budget proposals for each service area.
- 6.3 It has been the practice to include information on the way in which the Council spends its revenue resources in the consultation paper. However, as noted in last year's budget process, in recent years a number of public organisations have taken steps to make financial information more readily available by publishing a summary version of their formal statement of accounts or, in some cases, a full annual report. In 2005/06, Enfield published a simplified set of summary accounts relating to the 2004/05 financial year. The intention this year is to publish a user-friendly annual report on the 2005/06 accounts that will be issued alongside the budget consultation paper.

6.3 The contents of the consultation document have not been finalised. In order to ensure that the consultation paper can be issued in November, it is recommended that decisions regarding the format and contents of the paper be delegated to the Director of Finance & Corporate Resources, in consultation with the Leader and Deputy Leader.

6.4 As in previous years, a separate consultation process will be undertaken to deal with the HRA budget. Meetings are likely to take place with FECA and with tenants' groups in November and December.

## **7. ALTERNATIVE OPTIONS CONSIDERED**

None.

## **8. REASONS FOR RECOMMENDATIONS**

To ensure that Members are aware of the progress made to date with the 2007/08 budget and the review of the medium term capital and revenue plans.

## **9. COMMENTS OF THE DIRECTOR OF FINANCE & CORPORATE RESOURCES AND OTHER DEPARTMENTS**

### **9.1 Financial Implications**

The administration costs associated with budget preparation and the review of the medium term financial plans will be contained within existing resources. There are no other financial implications other than those implicit in the report.

### **9.2 Legal Implications**

The Council is required to make arrangements for the proper administration of the authority's financial affairs (S151, Local Government Act 1972). The Director of Finance & Corporate Resources is putting in place the budget process set out in this report in order to comply with his responsibilities under the 1972 Act.

## **10. PUTTING ENFIELD FIRST**

10.1 Sound medium term financial plans are essential to support the delivery of excellent services and the efficient use of resources across the organisation. The budget planning process outlined in this paper should ensure that the Council's limited capital and revenue resources are targeted on key priorities.

### **Background Papers:**

Report to Cabinet, July 2006.

Financial settlement 2006/07

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**MUNICIPAL YEAR 2006/2007 REPORT NO. 141**

**MEETING TITLE AND DATE:**

Cabinet - 1 November 2006

Council: 8 November 2006

**REPORT OF:**

Director of Finance &amp; Corporate Resources

Agenda – Part: 1

Item: 7

**Subject: Broomfield House****Wards: Southgate Green****Cabinet Member consulted:**

Cllrs Mike Rye and Michael Lavender

Contact officer and telephone number:

David Tullis 020 8379 4100

E-mail: [david.tullis@enfield.gov.uk](mailto:david.tullis@enfield.gov.uk)**1. EXECUTIVE SUMMARY**

This report updates Members on the Lands Tribunal application for consent to modify the restrictive covenants at Broomfield House and seeks approval to the capital funding for the refurbishment proposals.

**2. RECOMMENDATIONS**

Members are asked:

- 2.1 To approve the user profile for the house and associated holdings as defined in section 4.
- 2.2 To approve the inclusion of £6m within the Council's capital programme to fund a refurbishment scheme for the house as set out in section 6;
- 2.3 To note and approve that the above are subject to obtaining the necessary consents to modify the covenants thereby allowing the end user proposals.
- 2.4 To note that further work is being undertaken to validate the business plan prepared by external consultants and that additional information will be available at the Cabinet meeting.

**3. BACKGROUND**

- 3.1 Members have received a series of reports on future options for Broomfield House which included the decision to seek an application to the Lands Tribunal for approval to a modification of the covenant, thereby allowing some commercial activity in a restored building in order to ensure the security of the future.
- 3.2 The Council's primary aim is to ensure that a refurbishment is undertaken that provides for maximum public access to the immediate exterior and interior of the building, uses to include community facilities and any refurbishment to be compatible with its park setting. This resulted in a planning application for conversion of the house, including provision for the uses set out below in section 4. These user proposals were also designed to ensure that, if sufficient capital funding were identified to achieve the restoration, the ongoing support for the building could then be maintained over its' lifetime.

#### **4. THE FINAL USER PROPOSALS**

##### **4.1 The House**

Museum, cultural, training and educational facilities, visitors' shop, meeting and function rooms, kitchen, cafeteria and a conservatory annexe for functions of up to 150 people.

##### **4.2 Stable Block and Park Lodge Houses**

To sell the freehold with the benefit of planning and listed building consent (yet to be obtained). The development opportunity to convert the stable block into a minimum of 2 residences and sale of the 4 Park Lodge Cottages with vacant possession. The receipts will be ring-fenced to the redevelopment of Broomfield House.

#### **5. LANDS TRIBUNAL**

- 5.1 The user proposals that are essential to provide a significant part of the funding for the refurbishment and ongoing support of Broomfield House can only be implemented following the modification of restrictive covenants.
- 5.2 The Lands Tribunal is being asked to agree a modification of the covenant and the hearing has been set and is due to commence on 20 November 2006.

#### **6. CAPITAL FUNDING FOR THE REFURBISHMENT**

- 6.1 The cost of the scheme to restore the house, (excluding the mural) and build the annexe and car park etc is estimated to be £5.5m plus, fit-out, archaeological recording and traffic management. The total cost is expected to be in the region of £6m. It is proposed to fund the refurbishment, in part,

from the disposal of the Park Lodge cottages and stable block (6 residential units) with the balance being found from external donations and the Council's asset disposals programme.

- 6.2 Vacant possession of the Park Lodge cottages (as a precursor to a sale) is to be achieved by a combination of grants to vacate and equity share arrangements, full details of which will be reported to a subsequent Cabinet meeting when terms have been finalised. To date, 2 of the 4 properties are now vacant. The remaining 2 occupants have shown a willingness to relocate and are to sign a principle heads of terms agreement to vacate within the next month.
- 6.3 The Council will also seek, subject to satisfactory conclusion of the restrictive covenant issue, grant funding from English Heritage/The Heritage Lottery Fund to cover the costs of restoring and reinstating the Lanscroom Mural within the refurbished house. The current estimated cost is £800k; there is no provision in the capital cost shown above for this restoration work. The Lanscroom Mural does not have to be reinstated by the time the house is re-opened and the house could continue to operate while the mural is reinstated.

## **7. A SUSTAINABLE REVENUE PLAN**

- 7.1 The Council engaged external consultants to produce a revenue plan for the building possibly to be operated by a charitable trust (yet to be established) with an experienced franchisee operating the café and a panel of external caterers providing for functions such as wedding receptions. However, in the light of the Council's recent experience of trusts failing, it is now proposed that the Council may operate Broomfield House in a similar way to Forty Hall. It is also envisaged that the Council will endeavour to make reasonable use of the venue itself through its' ongoing commitment to the education and training of its' staff. This initiative should assist the Council in maintaining a revenue neutral position using funds, which would otherwise be expended on venues outside of the Council's ownership. An update on the Revenue Plan will be provided to the Cabinet meeting.

## **8. PROGRAMME TIMETABLE**

- 8.1 Assuming the Lands Tribunal reaches a favourable decision by the end of February 2007, the programme attached as Appendix 1 estimates construction commencing in October 2008 and occupation at the end of 2009.

## **9. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

### Financial Implications

- 9.1 The report proposes the restoration of Broomfield House, at an estimated cost of £6m. It is recommended that the project be funded from external donations and the Council's asset disposal programme including, as previously agreed by Members, the proceeds from the disposal of the stable block and cottages (net of associated costs, including grants to vacate). This will require the project to be added to the approved capital programme as a high priority, in advance of decisions on the medium term financial plan to be taken in February 2007. Full Council will be asked to approve this proposal at its' meeting on 8 November. As noted in paragraph 6.1 above, this decision will be subject to the Lands Tribunal agreeing the modifications to the covenants.
- 9.2 Work has been undertaken by external consultants to produce a Bbusiness plan which will secure the long-term future of Broomfield House. An assessment has been made of the income which could be generated from the commercial facilities and services offered at the refurbished building, including the potential for the building also to be used by the Council for training and conferences, as an alternative to hiring external facilities.
- 9.3 Further work is needed to validate both the building management and operating costs and the income projections; this work is being finalised as a matter of urgency and a further report will be made to Members at the Cabinet meeting. In addition, Members should note that the Council will in any event need to provide:
- initial revenue funding to promote and market the building, including some staffing costs prior to opening the facilities.
  - Some level of revenue support during the initial period of operation as the commercial activities become established. The consultants' projections indicate this could be in the region of £100k in the first year (likely to be 2010/11) though further work is needed to verify this figure.

These costs will be included in the review of the Council's medium term financial plan that is currently underway.

### Legal Implications

- 9.4 Members should note that the use of the house, stable block and cottages that involves trade, or business, or non-municipal residential use is subject to the Council's case to the Lands Tribunal for modification of the existing restrictive covenant on the statutory grounds under section 84 of the Law of Property Act 1925, which is yet to be determined.

- 9.5 The Council is under a statutory duty to realise the best consideration reasonably obtainable on the disposal of the sale of Park Lodge houses and the stable block.

## **10. PUTTING ENFIELD FIRST**

The restoration of the historic features at the house, stables and park landscape will provide community benefit in accordance with the priorities of Future Enfield:

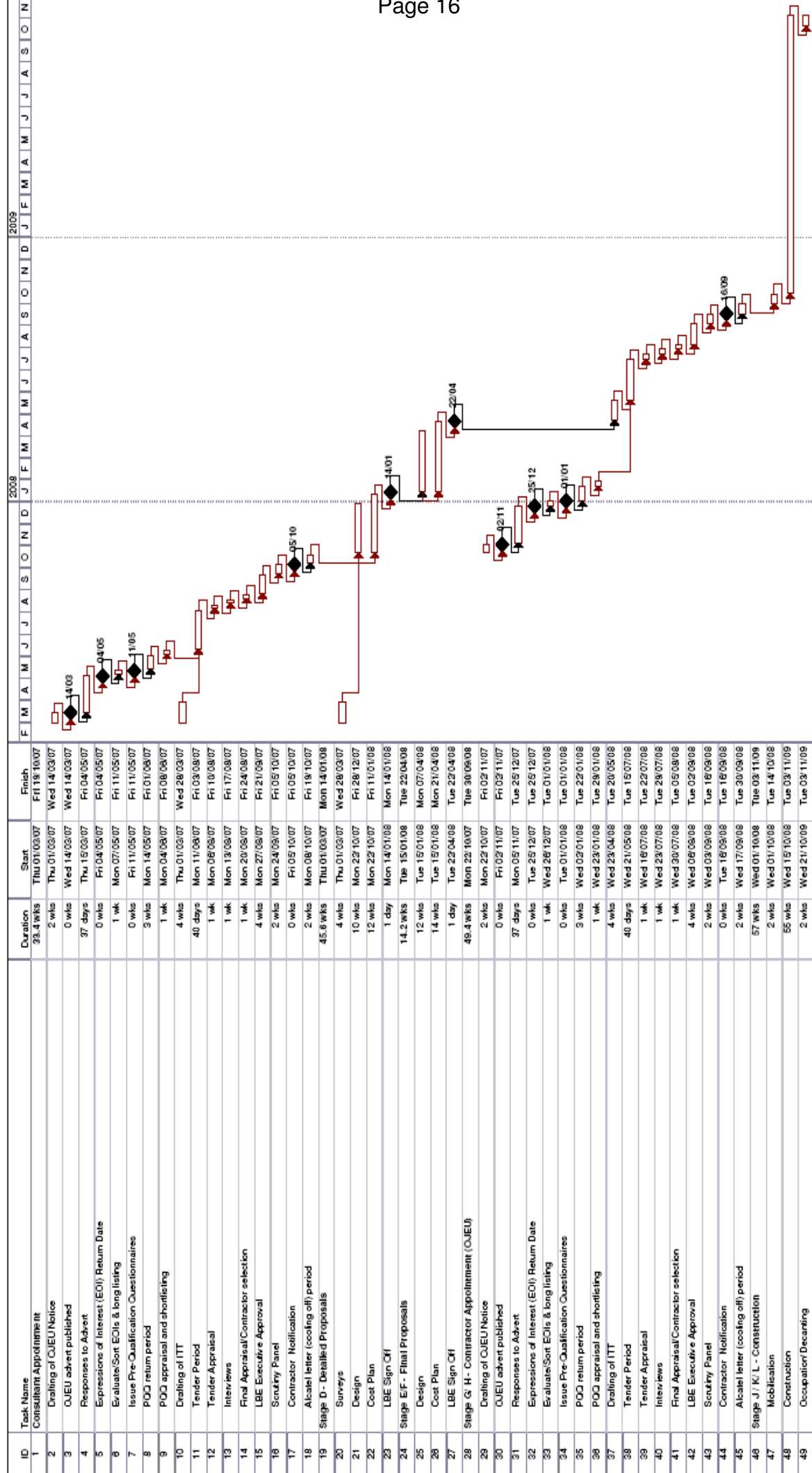
- the project aims accord with key decision priorities.
- Improve the look and feel of the local environment.
- To enhance the quality of the open space provision.

To improve support for communities; the educational, heritage and community uses of the house will provide learning for all, access to the house will be inclusive. Completion of the overall project will contribute to the community and cultural strategies and quality of life in Enfield.

### **Background Papers**

None

Design & Construction Programme





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## MUNICIPAL YEAR 2005/2006 REPORT NO. **143**

### MEETING TITLE AND DATE:

**Cabinet, Wednesday, 1<sup>st</sup> November 2006**

### REPORT OF:

Director of Education, Children's Services and Leisure

Contact officers and telephone number:

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**Agenda – Part:1**

**Item: 8**

**Subject: Integrated Commissioning Strategy for Children's Services**

**Wards: All**

**Cabinet Member consulted:  
Councillor Glynis Vince**

### 1. EXECUTIVE SUMMARY

This report presents an Integrated Commissioning Strategy for Children's Services for the Cabinet's consideration and approval.

The Integrated Strategy provides a framework for the Council and Primary Care Trust (PCT) to agree jointly commissioning intentions and priorities for the next 3 years whilst allowing both organisations to retain responsibility for their own commissioning of services.

The Strategy was adopted by the Children's Board at their meeting in July. The PCT Board will also consider it at a future date.

### 2. RECOMMENDATIONS

The Cabinet are asked to consider any amendments to the attached Strategy and to recommend its adoption.

### 3. BACKGROUND

- 3.1 The Children and Young People's Strategic Partnership Board's (CYPSPB) Change for Children Programme Plan includes an objective 'to ensure that effective commissioning arrangements are developed, including supporting infrastructure' and a linked action to develop a strategic commissioning plan for children's services. The Joint Area Review recommended the development of an overarching commissioning strategy for children's social care services.
- 3.2 A project board was convened and has met on six occasions to develop the Strategy. The project board membership comprises representatives from ECSL, the PCT and the voluntary sector.
- 3.3 A consultant, Dinos Kousoulou, was engaged to secure the additional expertise and capacity necessary to develop the Strategy.
- 3.4 The Integrated Strategy provides a framework for the Council and Primary Care Trust (PCT) to agree jointly commissioning intentions and priorities for the next 3 years whilst allowing both organisations to retain responsibility for their own commissioning of services.
- 3.5 The objectives of the Strategy are to:
- Ensure the services commissioned by the Authority and the PCT are user focused, meet identified and projected needs and are cost effective
  - Present information about the trends, current needs and future demands for commissioned services for children and families
  - Describe the strength and capacity of the local market to meet current needs and projected needs
  - Identify current and future gaps in commissioned service
  - and, take into account the development of the Children's Area Partnerships and the Children's Trust.
- 3.6 The development of the Strategy has drawn on an extensive range of published guidance.
- 3.7 The scope of the Strategy includes the commissioning of services for:
- Children with disabilities and complex needs, including mental health needs
  - Children with special needs who are placed in out-borough provision and children excluded from school
  - Children who are fostered, in residential care or in receipt of post-adoption support
  - Childcare
  - Support services for families and children

It excludes services that are provided by the Council or the extensive provision of services for children and young people from within the local health economy.

- 3.8 The Strategy is closely linked to 'Promoting Positive Futures: Enfield's Children and Young People's Plan 2006-2009' but also draws information from a range of other sources. The needs analysis that informs the Children's Plan has been a key source of information for this strategy: a separate consultation exercise has not been undertaken.
- 3.9 The Strategy will be supported by a range of service-specific purchasing plans.
- 3.10 The Strategy was adopted by the Children's Board at their meeting in July. The PCT Board is considering it at a future date.
- 3.11 It is anticipated that the Strategy will require further development in about year's time to:
- Address infrastructure issues including the advantages and disadvantages of joint commissioning and the formal adoption of pooled budgets
  - To broaden its scope to include, for example, the commissioning responsibilities of the Children's Trust in relation to Youth Matters and any changes stemming from the Education and Inspections Bill
  - Take into account experience of using the Strategy and any further guidance

#### **4. PROPOSALS**

The Strategy is attached.

#### **5. REASONS FOR RECOMMENDATIONS**

The Children and Young People's Strategic Partnership Board's (CYPSPB) Change for Children Programme Plan includes an objective 'to ensure that effective commissioning arrangements are developed, including supporting infrastructure' and a linked action to develop a strategic commissioning plan for children's services. The Joint Area Review recommended the development of an overarching commissioning strategy for children's social care services.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

The Strategy highlights possible future increases and reductions in demand for various types of service provision for children including those provided by the council. There are no detailed proposals concerning the redirection of financial resources or the identification of

budget pressures. When such future proposals are formally identified they will need to be incorporated within the Council's Medium Term Financial Plan (MTFP). One of the main intentions of the Children and Young People's Plan 2006-09 is to reinvest financial efficiencies within ECSL to extend the provision of preventative services. Any proposals will need to be prioritised alongside other competing budget priorities within the MTFP process.

The Integrated Commissioning Strategy will allow the Council and the PCT to jointly agree commissioning intentions and priorities for the next 3 years. However, both organisations will still retain their own decision-making ability to set the level of commissioned services provided within the resources available to them. The Strategy will not limit the Council's freedom to allocate, increase or decrease its resources as it sees fit. There is also no intention to 'pool' or 'ring fence' funding in an agreement between the PCT and the Council.

## **6.2 Legal Implications**

Section 10 Children Act 2004 requires the London Borough of Enfield as a Children's Services Authority to make arrangements to promote co-operation between us and our partners (such as the PCT and Voluntary Sector) with a view to improving the well being of children in our area. This includes children's mental and physical health, protection from harm or neglect, education, social/economic well being and also their own contribution to society. Further, the Joint Area Review held under section 20 of the Children Act 2004 evaluates the extent to which children's services in an area are improving and how the agencies work together to achieve this. The integrated commissioning strategy proposed here is the borough's response to their section 10 duties and the recommendation arising from the Joint Area Review.

## **6.2 Performance Management Implications**

Implementation of the Commissioning Strategy will ensure the council is compliant with a key recommendation of the Joint Area Review and requirements contained within the Children Act 2004 to promote the integration of commissioned services across agencies.

## **6.3 Corporate Procurement**

I agree with the need to review the strategy in one year, especially as impending legislation may change the focus;

There needs to be a plan for the improved collection, collation and distribution of data between partners so that this can form a benchmark for future measurement of performance against the strategy. The early identification of a deadline for when key data will be identified, collected, shared and used would be useful – I think there should be clearer commitment to this in the strategy; maybe you could put this down as something that would be ready for the annual review.

Whilst the review of quantitative data is important it is also imperative that care packages are reviewed regularly for the qualitative assessment of whether they continue to meet the need of the client group; this will drive the value for money outputs we are all expected to demonstrate.

## **7. PUTTING ENFIELD FIRST**

The Strategy contributes to the delivery of: Aim 2, High Quality Education and Lifelong Learning; Aim 4, Quality health and social care for local people and Aim 5, Supporting the delivery of excellent services.

### **Background Papers**

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## **Integrated Commissioning Strategy for Children's Services (Draft 5 – 29.6.06)**

### **Integrated Commissioning Strategy 2006 to 2009**

#### **1. Scope of the Integrated Commissioning Strategy**

The Integrated Commissioning Strategy provides a framework for the Council and the Primary Care Trust (PCT) to agree jointly commissioning intentions and priorities for the next 3 years whilst allowing both organizations to retain responsibility for their own commissioning of services.

The Strategy covers the service areas identified in the table below, in the first instance. Other services commissioned by the Local Authority and the PCT are excluded for the time being but this position will be reviewed to ensure the Strategy is consistent with developing work in relation to Youth Matters and the Education and Inspections Bill as well as the full roll out of the Children's Trust in Enfield.

Services directly supplied by the PCT and Enfield Council are excluded from the Strategy, however, any changes to the pattern of internally provided services will be reflected in the linked Service Purchasing Plans.

The availability of a number of universal services plays a key role in supporting children, young people and their families in the Borough. A combination of universally and targeted services, including the commissioned services, ensure that Children and Young People with complex needs have their needs met in a comprehensive manner. The implementation of 'Promoting Positive Futures: Enfield's Children and Young People's Plan 2006-2009' will drive changes to the pattern of universal services, including the extension of preventative services. These changes will in turn impact on the commissioned services driven by this Strategy.

Table 1: Services covered by this Strategy

<b>Service</b>	<b>Commissioned by</b>
Services for children with disabilities and complex needs, including Mental Health needs	Health ECSL
Services for children with Special needs, placed in special schools out-borough.	ECSL
Services for children that have been excluded from school.	ECSL
Services for children who are fostered, in residential	ECSL

care or receive post adoption support	
Childcare provision	ECSL
Families and children support services	ECSL

This Commissioning Strategy contributes to achieving the aims and objectives outlined in 'Promoting Positive Futures: Enfield's Children and Young People's Plan 2006-2009'. Appendix 1 demonstrates the linkage between the two documents.

This Strategy will be supported by a number of Service Purchasing Plans that will detail the actions and activity required to deliver the objectives that are identified in this document.

## 2. **What the Integrated Commissioning Strategy seeks to achieve**

Within the principles outlined in Section 4, the objectives of the Strategy are to:

- ensure the services commissioned by the Authority and the PCT are user focused, meet identified and projected needs and are cost effective
- present information about the trends, current needs and future demands for commissioned services for children and families
- describe the strength and capacity of the local market to meet current and projected needs
- identify current and future gaps in commissioned services
- take into account the development of Children's Area Partnerships and the Children's Trust

## 3. **Links to "Promoting Positive Futures: Enfield's Children and Young People's Plan 2006 – 2009 (the Children's Plan)"**

The Children's Plan identifies the following issues that need to be addressed by the Strategy:

- Develop a culture of sustainable preventive services.
- Increase affordable childcare provision.
- Continue reducing the number of high cost out of borough placements and reinvest the resources in local preventive services.
- Increase the role of the voluntary sector in providing services.
- Invest more resources in youth and community services and the youth service in particular.
- Improve the stability of Long Term Foster placements and increase the number of in house foster carers.
- Increase the number of Looked After Children (LAC) who are adopted

In addition the Strategy needs to account for the potential use of pooled budgets and section 31 agreements in the future.



#### 4. **National Services Framework and DfES guidance**

The National Service Framework for Children and Young People provides a national framework for the development of children and young people's services that are sustainable and will lead to long term improvements in Health and Social Care.

The Department for Education and Skills (DfES) has produced a checklist to assist those developing commissioning strategies. The checklist has been used as a basis for developing this Strategy. In addition, a number of other guidance documents have influenced the development of this document.

The following principles are derived from the DfES checklist:

1. Commissioners ensure that safeguarding children and promoting their welfare is at the heart of the commissioning strategy. The Strategy should focus on enabling children to be healthy, stay safe, enjoy and achieve, make a positive contribution to the community and to society, and focus on their economic well-being.
2. Commissioning strategies empower children, young people, their families, carers and communities by reflecting their views about services and where possible and appropriate, include representation from these groups in development of the strategy.
3. Primary Care Trusts and Local Authorities work with other agencies, increasingly through Children's Trusts, to ensure that commissioning decisions are based on priorities identified through health equity audits, and that services are targeted at the most needy communities.
4. The commissioning strategy is based on a comprehensive analysis of the current and anticipated future needs of the local population of children, young people and their families taking into account the diversity of that population.
5. The commissioning strategy is developed through a multi-agency approach to ensure that services are provided both locally and, where appropriate, across a wider area to meet the needs of children and young people.
6. Commissioners develop strong and effective partnerships with the statutory, voluntary, community and private sectors to draw up a commissioning strategy and secure its implementation. Strategies take account of the need to ensure sustainability and build capacity where appropriate

7. Commissioning strategies improve outcomes for children, young people and their families by providing a choice of high quality services to meet their different needs.
8. Commissioning strategies are developed on the basis of robust information about quality and cost-effectiveness of services.
9. Innovative commissioning and contracting is undertaken by professionals who have expertise in the specific children's service area which is being commissioned, together with staff who are skilled in contract negotiation and contract monitoring and management.
10. Commissioning strategies are developed across local and regional boundaries where appropriate to deliver services which meet the needs of the local population.

## 5. **Definitions of Commissioning and Purchasing**

### 5.1 **Integrated Commissioning**

This is the framework for the Council and the PCT to agree jointly commissioning intentions and priorities whilst allowing both organizations to retain responsibility for their own commissioning of services.

### 5.2 **Strategic Commissioning**

The process of assessing needs, defining priorities, allocating resources and determining how identified and projected needs can be best met, monitoring the implementation and delivery of the strategy, evaluating the impact and learning from the process. This includes services that need to be commissioned through third parties to ensure that the Council and the PCT meet their objective to provide universal services.

### 5.3 **Purchasing**

The operational activity for buying services to meet the assessed needs of individual service users or groups of services users as well as the purchasing of services to ensure that the commitment to universal provision can be met. This includes monitoring the implementation and delivery of care packages or services, evaluating the impact, learning from the process and feeding the results back into the Commissioning Strategy.

#### 5.4 **Joint Commissioning**

The process by which two or more commissioning agencies act together to either realize a strategic objective or to meet the needs of an individual or group.

### 6. **Our current position**

#### 6.1 **Baseline evaluation**

An assessment of how well integrated commissioning is operating within the Borough has been carried out and reflects the position in May 2006. The tool kit provided by the Department for Education and Skills for developing Commissioning Strategies was used as the basis for the evaluation. The tool kit contains a number of benchmark descriptions to measure how well developed commissioning is on a local basis. The assessment is attached as appendix 2 and will be used to monitor the progress made in achieving an integrated strategy over the next 3 years.

#### 6.2 **Scope of PCT commissioning**

The majority of the services commissioned by the Enfield Primary Care Trust for children with long term and complex needs and mental ill health are provided by local health care organisations and so are excluded from this strategy. In addition the PCT contributes financially toward care packages approved via the Complex Needs Panel. In 2005-06 the financial contribution made by the PCT was in the region of £172,500.

#### 6.3 **Education and Inspections Bill**

The Education and Inspections Bill has had its 3<sup>rd</sup> reading in the House of Commons. The Bill proposes a number of new responsibilities for Local Authorities. Once the Bill becomes an Act of Parliament, the new responsibilities or the Council will be clear. At this time it might be necessary to amend sections of the strategy to cover any new responsibilities.

#### 6.4 **Children's Area partnerships (CAPS)**

CAPS will be established to ensure that there is better co-ordination of services on a local level within the Borough and to enable that children and their families to influence the services that are commissioned as well as to ensure that these services are more easily accessed. CAPS will also enable service providers to be more responsive to locally identified needs. The

Service Purchasing Plans will be developed incrementally on a CAP basis.

**6.5 Local Authority Resource reinvestment.**

The Council has already achieved a significant shift in the pattern of services over the 3 year period, years ending March 2004 to March 2006

There has been a reduction in residential placement for Looked After Children (LAC) of 12 placements, which represents a 33% reduction in the 3 year period.

There has been a similar downturn trend in both Out of Borough residential school placements and out of Borough day school placements for children with Special Educational Needs (SEN)

The funding released through the reduction in LAC placements has been reinvested in developing services, which provides, additional respite care for disabled children and Family Support Services.

In addition resources have been redirected to funding measure that have stabilised the social worker workforce

The SEN budget is part of the ring fenced Dedicated Schools Budget and savings have been invested in improving in Borough provision for children with SEN and parent support.

**7. Base data analysis**

7.1 The development of an effective strategy is dependent on the availability of a range of financial, non financial and demographic information to enable a degree of forward planning to be reflected in the strategy. The core information sought to develop the strategy is attached as appendix 3.

7.2 The availability of data to complete the strategy reflects how well developed commissioning is in individual services and if the data forms part of the Performance Assessment Framework (PAF). Where the commissioning process is currently more formalized such as for Looked After Children and for Children with Special Educational needs the data required was readily available. This was also the case where the data required formed part of the PAF data set. Where services are currently commissioned on an individual "spot purchased" basis, the identification of the data required for the strategy has provided a greater challenge and in some cases it was not available on historic activity. This was particularly the case for children and family support services.

8. **Projecting future demands**

The description of future demands has been developed from analyzing trends to date, as well as the information gained from the 2001 census and the projected changes in the profile of the Borough's population. In addition, Service Managers have explored other changes that are likely to impact on the shape and configuration of commissioned services as a result of particular policy decisions and the priorities contained in the Children's Plan.

## Current Service Trends

Service Area	March 2004 No. children	March 2005 No. children	March 2006 No. children	Changes over 3 years	Children's Plan objective
<b>LAC: Fostering</b>					
In House	101	92	105	+4	
Agency	90	83	89	-1	Increase the % of children to be placed in foster care or placed for adoption
With relative or friend	24	37	27	+3	
<b>LAC: Placed for Adoption</b>	20	16	18	-2	Increase the number of LAC who are placed with permanent adoptive families
<b>LAC: Residential Homes/schools</b>					Reduce the number of children placed out of the Borough.
Residential Placements	22	16	12	-10	
Residential schools	8	4	5	-3	
Res. Health Placements	1	3	2	+1	
<b>LAC: Other Placements</b>					
YOI or Prison	0	1	1	+1	
Semi Independent	25	23	1	-24	
Independent living	5	3	20	+15	
Placed with parents	23	26	10	-13	
Missing	1	0	3	+2	
<b>SEN children placed in residential schools</b>	41	34	35	-6	Develop a good range of services to meet the needs of children and young people with physical and mental health needs and those with a learning disability. To continue to increase the % of children reintegrated into mainstream education following their exclusion.

<b>SEN children placed in day schools</b>	187	155	127	-60	Reduce the number of children placed out of the Borough. Continue to increase capacity in local special schools/provision
<b>Children being supported outside mainstream education/schools</b> a) Alternative education in Colleges b) Vocational Training opportunities c) LAC - support for children not attending school and additional support for children in school			a) 23 b) 36 c) 24	New service commenced in April 2005	Improve the educational attainment of LAC.
<b>Children and family support services.</b> a) Family group conferences b) Sponsorship –under 5s inc Play schemes c) Advocacy d) Contact supervision and transport e) Direct Support and mentoring f) Court Experts g) Families without recall to public funds			a) 6 b) 208 c) 9 d) 114 e) 35 f) 7 g) 16		Increase the quality, availability and affordability of childcare provision. To have a range of preventive services in place to support children and families in difficulty. Effectively Support children who have offended or are likely to offend. Support lone parents under the age of 18 who cannot live at home to make a successful transition into independent tenancies. Develop a good range of services to meet the needs of children and young people with physical and mental health needs and those

h) Externally provided placements for under 3 to ensure universal provision	h) 1916	h) 1983	h) 2065	h) +149	with a learning disability
i) Overnight and respite services for LDD children			i) 56		
j) Play scheme and after school provision for LDD children			j) 15		
<b>PCT commissioned services.</b>					
a) CAMHs	28	27	16	-12	
b) Children's hospice care					

#### Demographic Information

Age range	2006	2009	Difference	% change	Peak year
0 - 4	19787	20255	+468	+2.36%	2009 at 20255
5 - 9	17245	17561	+315	+1.83%	2012 at 18563
10 - 14	17948	17171	-777	-4.33%	2003 at 18281
15 - 19	17727	17907	+180	+1.02%	2007 at 17998
Total	72708	72894	+186	+0.26%	-----



**Analysis of Financial Resources**  
**All figures £,000**

Service Area	Out turn figure 2003/04	Out turn figure 2004/05	Out turn figure 2005/06*	Base budget for 2006/07
Children's homes	4,032	2,653	2,759	3,098
Secured accommodation	143	350	195	357
Fostering	5,965	6,484	7,453	7,641
Other LAC Services	348	1,359	1,512	1,175
Under 5's	0	50	87	110
Other family support services	221	453	1,154	983
Adoption	1,393	1,359	1,444	1,510
Leaving Care	1,932	1,338		
Other children and family services	218	163	505	512
Out of Borough Independent day schools	1,261	1,200	1,141	1,269
Out of Borough Independent Residential Schools and Nurseries	2,105	1,951	1,854	1,881
Out of Borough L.A special schools	2,645	2,160	3,299	1,850
After School SEN	40	41	42	43

9. **Framework for Integrated Commissioning**

Table 2 provides the framework for services to develop detailed Purchasing Plans. It identifies the level of current provision on a service by service basis and shows projected changes in demand and the activity that is required to bring about these changes.

Table 2: Projecting future demands

Service Area	Position at Mach 2006	Projected changes as a result of CYP and service initiatives	Projected demand at March 2009
<b>LAC: Fostering</b>			
In House	105	Increase the % of Looked After Children placed in alternative family placements.	128
Agency	89	The number of children accommodated with In House foster parents will increase and there will be a decrease in the number of placements provided by Independent Agencies.	79
With relative or friend	27		29
<b>Total</b>	<b>221 – 75.5%</b>		<b>236 – 77%</b>
<b>LAC: Placed for Adoption</b>	<b>18 – 6%</b>		<b>20- 6.5%</b>
<b>Residential Homes/schools</b>			
Residential Placements	12	The number of Looked After Children placed in residential homes and schools as well as Other Placements will be maintained at the 2006 level over the 3 years. It is anticipated that the total number of children in Care will increase as Enfield has fewer LAC than comparable boroughs and the national average. This lower level of LAC is unlikely to be maintained. However, the anticipated increase in numbers will be accommodated in alternative family placements.	
Residential schools	5		
Res. Health Placements	2		
<b>Total</b>	<b>19- 6.5%</b>		<b>22 – 7%</b>
<b>LAC: Other Placements</b>			
YOI or Prison	1		1
Semi independent	1		17
Independent living	20		1
Placed with parents	10		10
Missing	3		0
<b>Total</b>	<b>35 – 12%</b>		<b>29 – 9.5%</b>
<b>Total LAC</b>	<b>293</b>		<b>307</b>

<b>SEN children placed in residential schools</b>	35	The development of the In-Borough complex needs provision will enable significantly more children to be catered for "in house" reducing further the demand for out of borough special day and residential placements. The second autism initiative commencing in Sept. 07 will create additional in house capacity reducing further the demand on out of borough placements.	28
<b>SEN children placed in Other Authority day special schools and special units</b>	127	The development of resource centres for children with Emotional and Behavioral Difficulties is planned during the coming 3 years and this will again reduce the pressure on out of borough placements	100
<b>Children being supported outside mainstream schools</b> a) Alternative education in Colleges. b) Vocational Training opportunities. c) LAC - support for children not attending school and additional support for children in school	a) 23 b) 36 c) -24	c) The Council's stretched targets under the LAA to improve the educational attainment for LAC will increase the number of LAC supported through these schemes. However the increased trend for placing LAC in Borough may add pressure on the service.	a) 25 b) 40 c) 36
<b>Special Guardianship</b>	0	New community guardianship arrangements come into place in 2006	5
<b>Children and family support services</b> a) Family group conferences b) Sponsorship –under 5s inc Play schemes c) Advocacy	a) 6 b) 208 c) 9		a) 45 b) 100 c) 18

<p>d) Contact supervision and transport.  e) Direct Support and mentoring  f) Court Experts  g) Families with out recall to public funds  h) Externally provided placements for under 3 to ensure universal provision  i) Overnight and respite services for LDD children  j) Play scheme and after school provision for LDD children</p>	<p>d) 114  e) 35  f) 7  g) 16  h) 2065  i) 56  j) 15</p>	<p>h) The projected demographic changes for the 0-4 age range predicts an increase of 468 children which will need to be accommodated through the independent sector</p>	<p>d) 86  e) 55  f) 3  g) 16  h) 2500  i) 66  j) 18</p>
<p><b>PCT commissioned services.</b>  a) CAMHs  b) Children's hospice care</p>	<p>16</p>		<p>17</p>

### Integrated Commissioning: action plan

Description of current service April 2006	Projection of Service requirement for March 2009	Significant changes to service provision	Action required to manage changes identified.	Person responsible for implementation
<p><b>LAC: Fostering</b> In House Agency With relative or friend</p>	<p>128 79 29</p>	<p>To increase the number of Looked After Children placed with Foster carers by 30. Reduce the use of agency foster carers by 10 and increase the number of in house foster care placements by 40.</p> <p>Reduce the number of children placed with foster care who live more than 20 miles from the Borough.</p>	<ul style="list-style-type: none"> <li>• The recruitment of in house foster carers with the capacity to care for children with challenging behaviour will be a service priority.</li> <li>• Further develop the training and development programme for foster carers to equip them with the skills to care for disabled children and children with challenging behaviour.</li> <li>• Review the current retention package for foster carers within the national context.</li> <li>• Target recruitment campaigns to Enfield.</li> <li>• Develop agreements with Independent Fostering Agencies to maximise the use of local placements within 20 miles of Enfield</li> </ul>	<p>Head of LAC for In House service</p> <p>Head of Commissioning, Performance and Development for Independent Agencies</p>

<b>LAC: Placed for Adoption</b>	20	By 2009 to have 20 Looked After Children placed for adoption each year.	<ul style="list-style-type: none"> <li>• Monitor parallel planning processes.</li> <li>• Expedite internal care planning processes for children.</li> <li>• Improve the quality of court assessments to help speed up Court decision making processes.</li> <li>• Enhance the role of the Adoption Panel to performance manage the timeliness of decision making.</li> <li>• Complete a service reconfiguration which expedites the transfer of LAC cases between the CIN/LAC teams</li> </ul>	Head of LAC
<b>Residential Homes/schools</b>	22	Continue to monitor all requests for residential placements and only agree placements where it has been demonstrated that residential care is the most positive way to meet the assessed needs of that child. New placements are within 20 miles of the Borough.	<ul style="list-style-type: none"> <li>• Secure multi agency support to assist carers to manage challenging behaviour more effectively.</li> <li>• Only agree residential placements where a multi agency assessment concludes that this is the only positive choice for the young person.</li> <li>• Develop a wider range of local family placements, which are able to respond to the needs of children with complex emotional and behaviour problems.</li> </ul>	Head of Commissioning, Performance and Development
<b>Other Placements</b>	29	The number of children in Other Placements will reduce to 29 with the number of children place with Parents being maintained at the 2006 level	<ul style="list-style-type: none"> <li>• Ensure the speedy review and revocation of care orders where possible.</li> <li>• Increase the use of Special</li> </ul>	Head of LAC

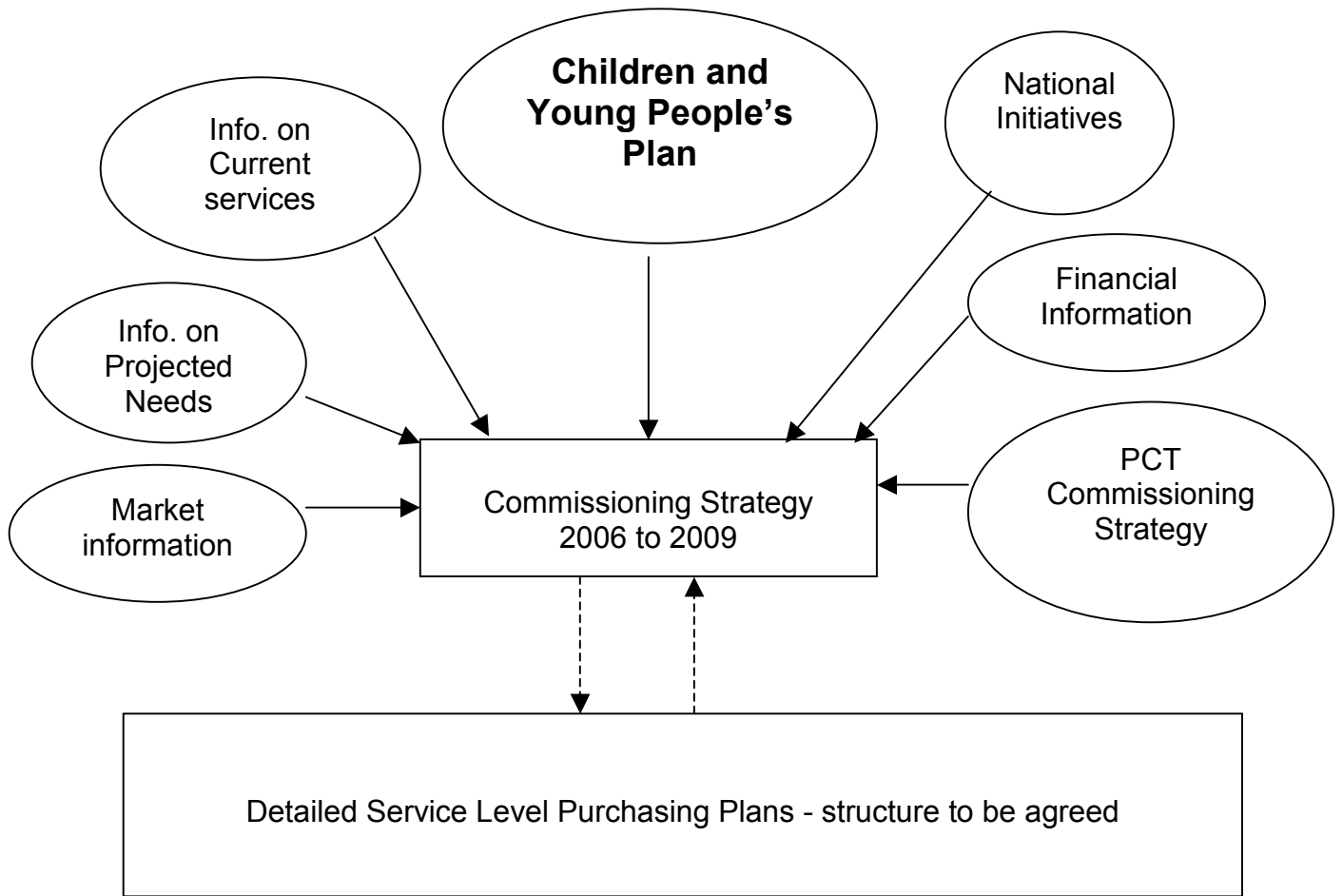
		and living semi independently reduced.	Guardianship Orders	
<b>SEN children placed in residential schools</b>	28	Reduce by at least 20% to 28.	This will be achieved by not replacing leavers and will be further increased through making local provision for children with EBD who have additional social care/mental health needs. <ul style="list-style-type: none"> <li>Increased intake of children with complex needs/autism in local special schools, following their re-focused strategy, including capital improvements.</li> <li>Develop IRBs for low incidence needs to further reduce out of borough placements in these areas.</li> </ul>	Head of SEN and Inclusion
<b>SEN children placed in day special schools</b>	100	Reduce by 30% to 100		Head of SEN and Inclusion
<b>Children being supported outside mainstream schools</b> <ul style="list-style-type: none"> <li>a) Alternative education in Colleges.</li> <li>b) Vocational Training opportunities.</li> <li>c) LAC - support for children not attending school and additional support for children in school</li> </ul>	<ul style="list-style-type: none"> <li>a) 25</li> <li>b) 40</li> <li>c) 36</li> </ul>	<ul style="list-style-type: none"> <li>c) service provision to increase by approximately 33% to account for more LAC being accommodated in borough</li> </ul>	To work with current providers to increase capacity and identify additional service suppliers through the Voluntary sector.	Area Senior Educational Psychologist
<b>Children and family support services</b> <ul style="list-style-type: none"> <li>a) Family group conferences</li> </ul>	<ul style="list-style-type: none"> <li>a) 45</li> </ul>			



<p>b) Sponsorship –under 5s including Play schemes  c) Advocacy  d) Contact supervision and transport  e) Direct Support and mentoring  f) Court Experts  g) Families wit out recall to public funds  h) Externally provided placements for under 3 to ensure universal provision  i) Overnight and respite services for LDD children  j) Play scheme and after school provision for LDD children</p>	<p>b) 100  c) 18  d) 86  e) 55  f) 3  g) 16  h) 2500  i) 66  j) 18</p>	<p>h) The projected increase in demand reflects the growth in the population of 0.4 year olds over the next 3 years</p>	<p>h) work with the Private and Voluntary sectors to ensure that capacity is developed locally to meet the increased demand.</p>	<p>Head of  Childcare, Early  Years and  Community  Access</p>
<p><b>PCT commissioned services.</b>  CAMHS</p>	<p>17</p>			



**Appendix 1**



**Appendix 2 -  
Assessment of how well developed integrated commissioning is in Enfield May 2006**

<b>Component</b>	<b>Baseline position</b>	<b>Issues identified</b>
Purpose and direction of service	There are attempts to co-ordinate the development of universal, specialist and targeted services across agencies, but these need to be developed further.	
Partnership Arrangements	<p>There is a Children and Young People's Strategic Partnership in place with appropriate membership.</p> <p>Protocols in place with all agencies.</p> <p>Agencies ensure that children living away from home who are placed outside the authority boundary are in receipt of appropriate support services to maintain their placement.</p>	
Funding Arrangements	A tri-partite funding protocol agreement on funding arrangements and responsibility is in place.	
Decision making process	There is a multi-agency panel in place for children with complex needs.	A consortium arrangement has been set up through Cheviots to co-ordinate play scheme and after school activities.
Principles and values	There are some jointly published statements of principles and values where there is potential overlap of responsibilities.	This is better developed for Looked After Children.
Data collection	<p>Data is collected by individual agencies in different places, but is not centrally collated or discussed at different levels in the agency.</p> <p>Data is collected by individual agencies and used to inform planning and commissioning of services for the</p>	It is felt that sharing of information on individuals is good but that generic data collected by the PCT and Council is not used or shared effectively

Needs assessments	<p>individual agencies.</p> <p>Individual agencies complete their own assessment of need for individual children, which is collated centrally.</p> <p>There are some joint assessment processes for individual children where there is some overlap of responsibilities but the information is not centrally collated.</p>	It is acknowledge that there are in place processes for joint assessments of needs but there is no central collation of data on these assessments.
Outcome analysis	<p>Outcomes for children living away from home are collected by individual agencies and used to inform service commissioning and planning.</p> <p>Outcomes for children living away from home are collected jointly by individual agencies where there is some overlap, which is shared and used to inform service commissioning and planning.</p>	There is good inter service analysis through the Health and Education Access and Resources Team (HEART). For Looked After Children
Resources	<p>Some agency services are co-located to provide services to specific groups of children.</p> <p>There are joint teams with professionals from education and social care who are funded through their respective agencies.</p> <p>There are joint teams with professionals from health and social care who are funded through their respective agencies.</p> <p>There are multi-agency funded teams.</p>	

<p>Market Position</p>	<p>No description was felt to be applicable.</p>	<p>It was difficult to evaluate the inter agency position in relation to market management. The assessment was that there was market management within individual services but that little has been achieved in managing the market on a collective basis.</p>
<p>Cost Analysis</p>	<p>The cost effectiveness of individual agencies service provision is reviewed and monitored.  Cost effectiveness analysis is used to inform decisions about de-commissioning of services</p>	<p>The assessment again acknowledged that cost analysis operated effectively in relation to individual agencies but that inter agency analysis needed to be improved.</p>
<p>Contracting arrangements</p>	<p>Services are spot-purchased by individual agencies and fees are agreed in advance of any placement.  Services are contracted on a formal basis by individual agencies.  Services are contracted by individual agencies on a preferred provider basis.</p>	<p>Although there is no formal Joint Commissioning of services between the Council and PCT there is a growing pattern of jointly funded individual packages of care through the Complex Issues Panel.</p>

## **Appendix 3**

### **Core information**

The following information was sought as part of the data gathering process:-

- How resources are currently allocated for the target group.
- Expenditure patterns on services for the last 3 years.
- The number of care packages jointly funded by Health and/or Education and/or Social Services.
- Average unit cost per type of placement for 2005/06 and the previous 3 years including in house provision where this exists.
- Budget pressures faced by services for the current year 2006/07.
- Number of children in local authority care and a break down of their placements at 31.3.06.
- The above information for the previous 3 years.
- Number of LAC placed outside the borough as at 31.3.06 and the previous 3 years.
- Information on the stability of current placements and stability information for the previous 3 years.
- Number of LAC who are in full time education or training at 16, at 18 and in further education. as at 31.3.06 and the previous 3 years.
- Number of LAC who are in employment at 31.3.06 and the previous 3 years.
- Number of Children adopted during 2005/06 and the previous 3 years.
- Age and gender profile of Looked after Children at 31.3.06 and the previous 3 years.
- Ethnic origin of children and young people who are receiving services in the target group.
- Number of children attending Under 5's and Family Centre resources funded or provided by the borough, broken down between in house services and commissioned services as at 31.3.06.
- Above information for the last 3 years.
- The number of under 3 places purchased from the voluntary and independent sector to ensure Universal provision.
- Above information for the previous 3 years.
- Number of children registered as having a disability at 31.3.06 and the previous 3 years.
- Number of LAC who have Special Educational Needs.
- Number of children who have a statement as at 31.3.06.
- Above information for the previous 3 years.
- Number of SEN children placed in residential or day schools who are not Looked After Children as at 31.3.06.
- Above information for the last 3 years.
- Number of Children excluded from school at 31.3.06 and the previous 3 years.
- Number of children being supported with their education through Pupil Referral Units or the equivalent as at 31.3.06 and the previous 3 years.

- Number of children receiving services commissioned by CAMHS as at the 31.3.06.
- Above information for the previous 3 years.
- Number of children who had multidisciplinary assessments of their needs completed during 2005/06.
- Above information for the previous 3 years.
- CAHMS services commissioned by the PCT.
- Above information for the previous 3 years.



**MUNICIPAL YEAR 2006/2007 REPORT NO. 144**

**MEETING TITLE AND DATE:**Cabinet – 1<sup>st</sup> November 2006**REPORT OF:**

Ann Pennell

Assistant Chief Executive

**Agenda – Part:1****Item: 9****Subject: Community Strategy – ‘Enfield’s Future’ 2006 – 2016****Wards: All****Cabinet Member consulted:**Councillor Michael Rye, Councillor John Jackson,  
Councillor Paul McCannah

Contact officer and telephone number:

Sharon Gordon

Enfield Strategic Partnership Manager

Tel: 020 8379 3119

E-mail: [Sharon.Gordon@enfield.gov.uk](mailto:Sharon.Gordon@enfield.gov.uk)**1. EXECUTIVE SUMMARY**

This report presents the draft overall vision and objectives of the Enfield Strategic Partnership’s (ESP’s) Community Strategy – ‘Enfield’s Future’. ‘Enfield’s Future’ the Community Strategy 2003/2006 is currently being reviewed and the overall vision and objectives for the new Strategy have been drawn up following extensive community consultation.

The report briefly explains the context for preparing the Community Strategy, the consultation process undertaken and sets out the overall vision and objectives of the Strategy for the next 10 years. The report provides an opportunity for Cabinet to agree the vision and objectives outlined for the new Strategy.

Partners and key stakeholders are being consulted further on the Strategy’s overall vision and objectives and these were discussed at CMB on 19<sup>th</sup> September and 3<sup>rd</sup> October, and the ESP Board on 26<sup>th</sup> September and will also be discussed at Full Council. Once agreed the overall vision and objectives will be used as a basis for the new Community Strategy currently being consulted on which will be redrafted following further consultation with key stakeholders.

Any recommendations made by Cabinet, Full Council, partners and stakeholders will be considered by the ESP and incorporated into the final version of the Strategy, which will be launched in January 2007.

## **2. RECOMMENDATIONS**

That Cabinet:

Agrees the Community Strategy's overall vision and objectives and the way forward for finalising the Community Strategy.

## **3. BACKGROUND**

Cabinet first agreed Enfield's Community Strategy, 'Enfield's Future,' in 2003. The 15 3-year aims now need to be reviewed and the Community Strategy is being revised. The new Community Strategy will cover the next ten years and run from 2006 – 2016.

Since the original guidance was written in 2000 extensive experience has been gained of what makes an effective Community Strategy and this has been taken into account in the development of the new Community Strategy. This includes linking with Enfield's Local Area Agreement, the Local Development Framework and the Council's Community Cohesion Strategy, which will form part of the delivery framework for the Strategy, as well as taking into account the Government's desire to see sustainable communities in every place.

The revised Community Strategy vision and objectives have been developed through an extensive consultation process and have taken into account all relevant Council and partner strategies and plans. The detail of this consultation will be outlined in the full document.

Consultation has included the following:

- All ESP Thematic Action Group workshop
- Enfield Community Empowerment Network workshop
- Enfield Matters community consultation event – workshops, questionnaires, young person's session
- Citizens Panel Survey
- Interviews with partners and key stakeholders
- Public consultation drop-in session
- Reports to Corporate Management Board
- Report to ESP Board
- Report to Cabinet

The attached appendix outlines the proposed vision and objectives for the new Community Strategy 'Enfield's Future' 2006 – 2016.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

As previously stated above there is a duty on the Council to produce a Community Strategy, further the current Strategy's 15 3-year aims are now up for review and renewal.

#### **5. REASONS FOR RECOMMENDATIONS**

To gain agreement to overall vision and objectives that will form part of Enfield's new Community Strategy.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

There are no financial implications that specifically relate to the proposals described in this report.

##### **6.2 Legal Implications**

Local Government Act 2000 requires all local authorities to have a Community Strategy for promoting or improving the economic, social or environmental well-being of their area and contributing to the achievement of sustainable development. Appropriate consultation must be carried out in developing the strategy. It is particularly important to have a clear and well-crafted strategy in place, as the "well-being" powers in Section 2 of the same Act (giving powers for local authorities to do anything that they consider likely to promote or improve the economic, social or environmental well-being of their area) may only be exercised having regard to the Community Strategy. The approval of Cabinet requested in this report is a necessary step in developing and adopting the strategy.

##### **6.3 Property Implications**

The Community Strategy as it evolves is linked with the Property Strategy Asset Management Plan Area and Service reviews as they progress with our partners. Specific property opportunities/implications will present themselves for Member consideration at future meetings.

#### **7. PERFORMANCE MANAGEMENT IMPLICATIONS**

The Council has a 10-year Community Strategy in place, which needs to be reviewed after 3 years. The reviewed Community Strategy will form a strategic part of the Council's Performance Management Framework and links its objectives in improving the social, economic and physical well-being of Enfield to the Council's corporate strategy 'Putting Enfield First'.

## 8. PUTTING ENFIELD FIRST

Government expects that the objectives of Local Strategic Partnerships and the priorities set out in Community Strategies will be integrated into partner agencies' objectives and priorities. The process of developing a Community Strategy for Enfield has both informed, and been informed by, the Council's corporate strategy, '*Putting Enfield First.*' The two documents link in a number of ways:

- The core vision of both strategies is "to make Enfield one of the best places to live, work, study and do business."
- The aims of the Council's corporate strategy and the challenges set out in the Community Strategy's overall vision and objectives cover broadly similar themes in terms of the environment, strong communities, lifelong learning, community safety, employment and enterprise, cultural activity, and improving infrastructure and public services.

### **Background Papers**

*Local Strategic Partnerships: Shaping their Future.* A consultation paper

Enfield's Local Area Agreement '*Every Child Really Does Matter*'

*'Enfield's Future'* the Community Strategy 2003 - 2006

## Our Visions and Objectives

It is the ambition of the Enfield Strategic Partnership (ESP) “to have a healthy, prosperous, cohesive community living in a borough that is safe, clean and green”.

The ESP has gathered a wealth of information about the needs of the people who live and work in Enfield and have asked local people what changes would make a difference to them and what they think the priorities should be.

To meet the needs and respond to the views of the community the ESP is focusing on four key areas:

- *Every Enfield resident – children and young people, adults and older people – has the best chance in life*
- *Enfield continues to be a safe place to live for all residents*
- *Enfield is a great place to live, work, study, visit and do business*
- *Enfield people live healthy lives*

Implicit in this is focusing services to meet the needs of all sections of the community and therefore improve outcomes for all. The ESP is working to ensure equality of access, opportunity and value for money in all its services.

The Community Strategy is divided into four main areas which reflect the four strands or ‘blocks’ of the Local Area Agreement to which we are now working together. These four are:

- Children and Young People
- Safer and Stronger Communities
- Economic Development and Enterprise
- Healthier Communities and Older People

The ESP has set out a key vision and objectives for each theme; these are set out in the following pages.

What is very clear to all members of the ESP is that these four ‘strands’ cannot actually be separated: they are naturally interwoven. Underpinning these four areas is the over-arching theme of improving the economic, social and environmental well-being of the Borough and help to bridge the gap between those who are disadvantaged and the wider community.

**All** agencies therefore have a responsibility for delivering against the priorities.

## **Children and Young People**

### **Vision:**

We want children to be healthy, at the centre of everything we do so that they can make a positive contribution, have fun and enjoy growing up. We want to build a community for them that keeps them safe, supports their creativity and enables them to meet their potential.

### **Objectives:**

- To reduce the number of families with children living in poverty
- To improve outcomes for all children and narrow the gap in outcomes between those who do well and those who do not
- To improve young people's sexual health and reduction in teenage pregnancy rates
- To safeguard children and young people from abuse and exploitation
- To reduce the number of young people involved in crime, disorder and anti-social behaviour
- To improve educational achievement at all key stages and increase school attendance
- To improve the range, quality and provision of accessible and affordable recreational and leisure activities for young people
- To increase opportunities for children and young people to influence local decision making

### **What will change:**

We will have significantly improved the lives of children and their families currently living in poverty

We will focus more on supporting families on state benefits back into employment, which will give young children the best start in life and will take them out of poverty

We will improve and better integrate services in early years, schools and health settings

There will be more targeted help to promote opportunity, prevent problems and intervene early and effectively when problems arise including sport and active recreation as part of wider early intervention programmes for vulnerable young people

We will reconfigure services in one place around the child and family

We will ensure that there is shared responsibility across agencies for safeguarding children and protecting them from harm

Children, young people and families will be listened to and involved in planning and monitoring services for them

We will ensure that there is provision of good quality accessible community and leisure facilities

We will ensure there is high quality physical education, physical activity and sport in all Enfield schools and the local community

There will be more young people going to Enfield's leisure centres

There will be more 'things to do and places to go' for young people in Enfield by ensuring enhanced opportunities for them to take part in leisure and cultural activities

There will be enhanced learning opportunities for children and young people through library-based activities and programmes

There will be enhanced social and community cohesion through activities provided at Enfield libraries and museums

## **Safer and Stronger Communities**

### **Vision:**

To make Enfield one of the safest boroughs in London

### **Objectives:**

- To reduce crime, disorder and anti-social behaviour
- To reduce fear of crime
- To reduce harm caused by drugs and alcohol
- To reduce the number of young people involved in crime, disorder and anti-social behaviour
- To promote social inclusion so that all sections of the community are able to access opportunities, services and improve their quality of life
- To increase partnership working within the community, including businesses in order to reduce crime, disorder and anti-social behaviour
- To improve the street environment
- To promote safer travel in Enfield
- To increase volunteering in the borough
- To promote good quality urban design

### **What will change:**

We will ensure that residents feel safer through the implementation of appropriate anti-social behaviour measures in the community

We will make our streets and public spaces feel safe and be safe

We will tackle drug related crime through reducing the supply of illegal drugs and by facilitating young drug users into treatment

We will support children and young people so that they are empowered to make positive choices

We will promote equal access to opportunities through provision of good quality affordable homes, new jobs and better transport links

Community cohesion will be improved through:

- Increased volunteering from all sections of the community
- Community involvement in town planning to ensure that changes reflect the circumstances and aspirations of local people.

We will work towards promoting good urban design to ensure new development relates well to its surroundings and delivers high quality safe public spaces to support mixed, inclusive communities



## **Economic Development and Enterprise:**

### **Vision:**

Enfield is a great place to live, work, study, visit and do business.

### **Objectives:**

- To adopt a place-shaping approach to underpin the creation of a more prosperous Enfield
- To enhance Enfield's town centres to meet the needs of the communities they serve
- To extend and consolidate the local economic base by maximising the economic potential of the Upper Lee Valley and Enfield town centres
- To increase the number of new businesses setting up and coming to the area, which will continue to be seen as a prime location for business and enterprise
- To support innovative and new industries including the creative and cultural sector
- To tackle worklessness and reduce levels of unemployment, particularly amongst young people and disadvantaged sections of the community
- To provide a range of opportunities and support to develop skills, and enable all residents to access the employment market
- To ensure that all Enfield's residents, including families, have the opportunity to live in a decent sustainably constructed and affordable home
- To protect and improve the quality of built and open environment
- To support residents and businesses to preserve natural resources, become energy efficient, conserve water, reduce pollution and address the causes of global warming
- To increase biodiversity in order to provide a local distinctive natural identity to attract inward investment
- To increase recycling and progressively reduce the amount of biodegradable waste landfilled
- To encourage the use of public transport, walking and cycling

### **What will change:**

Ponders End and other key locations will be the focus of place-shaping interventions for the benefit of the local community

Enfield Town will be reinvigorated as the Borough's main town centre with the completion of the Palace Xchange retail development and new cultural centre / museum

Edmonton Green will be transformed by the remodeling of the retail centre, new housing, a leisure centre and a new bus station

We will bring forward a vision to complete the transformation of the Upper Lee Valley corridor, rejuvenating the industrial estates and unlocking the development potential of the Central Leaside area

We will promote a culture of enterprise to realise our potential for improved business growth

We will continue to work closely with partner organisations to tackle high unemployment within the Borough in particular the most deprived wards

We will help to create new jobs

We will help to promote the development of skills and life-long learning to encourage full participation of all our communities particularly under-represented groups

We will help match local skills with local jobs

More people, particularly families, will be able to access an increased stock of good quality housing

We will work to ensure that new developments are designed and constructed in a sustainable way

We will work towards improving the environment and quality of life for local residents in the area around the North Circular

We will help to reduce pollution levels

## **Healthier Communities and Older People:**

### **Vision:**

Improved health and well-being for Enfield's residents; ensuring that for residents the 'healthy choice is the easy choice'

### **Healthier Communities Objectives:**

- To improve life expectancy across the Borough
- To improve life chances in Enfield by reducing mortality rates from heart disease, stroke and related diseases
- To reduce the number of people who smoke or whose health is affected by smoke
- To reduce the harm caused by drugs and alcohol
- To improve access to sexual health screening services and reduce teenage pregnancy
- To increase residents' participation in regular physical activity
- To increase the number of people participating in healthy lifestyles across the Borough
- To encourage the use of public transport, walking and cycling
- To enable more people to access improved diet and nutrition
- To ensure that the wider determinants of health play a more active part in partner decision-making

### **Older People Objectives:**

- To promote the health and active life of older people
- To promote greater choice, control, autonomy, safety, independence and well being for older people
- To promote positive attitudes to ageing across different generations

### **What will change:**

Mortality rates from heart disease, stroke and diabetes will be reduced

There will be reduction in the number of people who smoke

Young people's access to screening for sexually transmitted diseases will be improved and teenage pregnancy rates reduced

Residents will have better access to physical activity and healthy diets, improving their health and psychological well-being

There will be more opportunities for residents to be involved in their communities and take part in health related activities including access to a broad range of leisure and cultural activities in the borough

There will be a new leisure centre in Edmonton by Spring 2007, which is critical to the development of modern community sports facilities in the Edmonton area

There will be a new Athletics Regional Performance Centre by January 2007, a likely venue for the 2012 Olympics and Paralympics

There will be a new cultural centre and museum as part of the new development of Enfield

Town centre. The scheme, due for completion in 2007, will ensure that the town centre will become a livelier place for people to enjoy

We will ensure that all residents have access to good quality open space

There will be more recreation activities for people aged over 50

More older people will be supported to live at home through home improvement schemes and direct payments

## MUNICIPAL YEAR 2006/2007 REPORT NO.

**145****MEETING TITLE AND DATE:**

**Cabinet Report  
1 November 2006**

**REPORT OF:**

Assistant Director Human Resources

Contact officer: Tim Strong

Telephone no: 020 8379 4141

E mail: Timothy.Strong@enfield.gov.uk

<b>Agenda – Part: 1</b>	<b>Item: 10</b>
<b>Subject: Revision of Redundancy/Early Retirement Compensation Provisions</b>	
<b>Cabinet Member Consulted: Cllr Ann Zinkin</b>	

**1. EXECUTIVE SUMMARY**

To comply with the Age Discrimination legislation, which came into effect on 1 October, the Government has given notice of its intention to amend the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations. While the consultation on the proposed amendments ended on 31 July, the new regulations have not yet been published. The Government has recently indicated that new Regulations will now be published before 1 December 2006. To ensure the Council's policy on the making of discretionary payments is consistent with the new Age Discrimination legislation, this report proposes an amendment to the method of determining compensation paid to staff who are redundant. As recommended by the Local Government Employees, the recommendations outlined in this report have been prepared on the basis of the draft revised Discretionary Compensation Regulations.

**2. RECOMMENDATIONS**

- a) That Option 3 is adopted as the basis for calculating the level of compensation to be paid to staff whose employment is terminated on the grounds of redundancy.
- b) That staff retiring in the interests of the efficiency of the service should be granted immediate access to their pension on an unreduced basis as outlined in section 3.11.

**3. BACKGROUND**

- 3.1 The powers under which councils are able to make discretionary payments to employees whose employment has been terminated early either on the grounds of redundancy or in the efficiency of the service are set out in the Local Government (Early Termination of

Employment) (Discretionary Compensation) (England and Wales) Regulations 2000. The Council's current policy and discretionary payments arrangements were adopted in January 2001.

In the light of the Employment Equality (Age) Regulations which came into force on 1 October 2006 it is the Government's view that the current discretionary compensation regulations need to be replaced on the grounds that the current age and length of service related formula that govern the amount of compensation that can be paid could not be objectively justified and therefore could be successfully challenged in the Employment Tribunals.

3.2 In summary, the powers currently available to Local Authorities to compensate employees are

- i) discretionary powers to remove the weekly ceiling placed on statutory redundancy payments under the Employment Rights Act and instead to calculate payments on an actual week's pay;
- ii) the discretionary power to award a one off lump sum payment of up to 66 weeks based on a service and age related formula;
- iii) the discretionary power to award added years on top of benefits payable under the Local Government Pension scheme for eligible employees aged between 50 and 65.

### 3.3 **Current Provisions**

Under the provisions adopted by the Council in 2001, the discretionary payments made to staff are as follows:

#### 3.3.1 **Staff who are redundant**

- i) Staff aged under 50 receive a one-off lump sum payment calculated in accordance with the table set out as Appendix 1. This payment incorporates a statutory redundancy payment and is based on the employee's actual week's pay as opposed to the statutory redundancy pay.
- ii) Staff aged 50 to 54 receive immediate access to unreduced pension based on their contributory service plus a redundancy payment calculated in line with tables as Appendix 2.
- iii) Staff aged 55 and over receive immediate access to unreduced pension based on their contributory service, enhanced by up to five added years, plus a redundancy payment based on the table set out in Appendix 2.

### 3.3.2 Staff who are retired in efficiency of the service

- i) Staff under 50 - there are no provisions.
- ii) Staff aged 50 to 54 receive immediate access to unreduced pension based on contributory service.
- iii) Staff aged 55 and above receive immediate access to unreduced pension enhanced by up to five added years.

### 3.4 New Provisions

In summary, the new Discretionary Compensation regulations will

- i) retain the discretionary powers to waive the weekly pay ceiling placed upon statutory redundancy payments and instead calculate on an actual week's pay;
- ii) provide discretionary power to award a one off lump sum payment of up to but not exceeding two years (104 weeks) pay inclusive of any statutory redundancy payment made;
- iii) remove the power to award added years to enhance pension. There are still limited options to achieve this through the augmentation provisions within the pension scheme but given the complexity and potential cost, this option has not been developed (see para 3.12).

3.5 The new discretionary powers will be consolidated into revised Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. While the extensive consultation exercise undertaken by the Government ended on 31 July, the new regulations have not yet been published. Consequently, to ensure that the Council's provisions comply with the new Age Discrimination Legislation, which took effect on 1 October 2006, the Local Government Employers have advised Local Authorities to review their discretionary compensation arrangements on the basis of the draft Regulations.

3.6 The new draft regulations continue the provisions that allow Local Authorities to develop a policy and approach to the awarding of a discretionary lump sum payment to staff whose employment is terminated on the grounds of redundancy or efficiency of the service. Subject to maximum award of two years (104 weeks) pay, authorities can determine their own approaches.

3.7 In theory, the Council could consider each case on its merit and determine the compensation to be paid on a case-by-case basis. While this would be consistent with the approach favoured by the Audit Commission, it would appear to run contrary to the requirement in the Discretionary Compensation Regulations to publish and keep under review a policy which outlines how discretion within the regulations is

to be exercised. Additionally, adopting such an approach would leave the Council open to allegations of inequality and unfairness of treatment. Consequently, for reasons of fairness and administrative efficiency is proposed to develop a formula for the calculation of discretionary lump sum payments.

- 3.8 While there is not yet any case law in relation to age discrimination, it will obviously not be possible to objectively justify the use of age criteria as the basis for determining discretionary compensation. It is also extremely doubtful whether a calculation based on service would be objectively justifiable. Consequently, an alternative to the current provisions has to be developed.

3.8.1 The Local Government Employers Association has developed a number of possible models on which calculation could be based.

3.9 **Options for the future calculation of discretionary redundancy compensation**

3.9.1 **Option 1** - make the same level of payment to all redundant staff e.g. 6/12 months pay or a predetermined fixed amount, regardless of age and/or length of service. Such a payment could either be in addition to or could subsume the statutory redundancy payment. Adopting such an approach whereby for example an employee with three years service would receive the same redundancy payment as someone with 30 years service is likely to be seen by the staff as not valuing their loyalty to public service and/or the Council and will undoubtedly damage employee relations. Depending on the level at which payment was set, it could also prove to be a very costly option.

3.9.2 Notwithstanding the Age Regulations, the Government has determined that the retention of the age/service formula for the calculation of statutory redundancy payments can be objectively justified – although this view is likely to be challenged in the European courts. As a consequence, employers wishing to base the calculation of discretionary redundancy benefits on a combination of age and length of service can do so provided the calculations have the statutory redundancy calculators as its base. This is achieved by applying a consistent multiplier to the statutory calculator of weeks payable and further using the Discretionary Powers in the Discretionary Compensation Regulations to base the payment on an actual week's pay as opposed to the statutory week's pay (subject to the total payment not exceeding 104 weeks pay). This gives an opportunity to develop a compensation package that most closely matches the current provisions. Under the statutory redundancy pay provisions the maximum service taken into account is 20 years with the maximum payment being 30 weeks pay. Using this approach the following options could be developed:



**Option 2** - basing calculation on the maximum new discretionary limit of 104 weeks – this could be achieved by applying a multiplier for 3.47 to the statutory calculators. This would result in an employee with 20 years service receiving the maximum payment of 104 weeks. While this has the potential to significantly increase the overall cost of redundancy, it would go some way towards offsetting the withdrawal of the added years provision for staff 55 and above. Overall this option would potentially be very costly in that it increases the level of compensation across the board (see Appendix 3).

**Option 3** - The Council could opt to maintain the maximum payment at the current 66 weeks' level. This could be achieved by applying a multiplier of 2.2 which would ensure that an employee with 20 years service would receive a maximum of 66 weeks redundancy pay. Adopting this approach would reduce the level of lump sum payments to some groups of staff while increasing them for others, particularly those staff over 50 who will be affected by the withdrawal of the added years provisions (see Appendix 4). Some of these costs would be offset by the changes and long term savings arising from the withdrawal of the added years provision. On balance in the long term the additional redundancy costs are likely to be lower than the capitalised cost of the current added years provision. This option could be adopted under either the current or the draft revised Regulations.

A comparison of the costs of adopting Options 2 & 3 are set out in Appendix 5.

**Option 4** - Adopt any other multiplier between 1 and 3.47.

**Option 5** - Base redundancy payments on the statutory calculator while exercising the Council's discretion to base sums payable on an actual week's pay rather than a statutory week's pay. A survey recently undertaken by the ALG shows that no other London Borough is currently considering this as an option.

**Option 6** - Exercise no discretion at all and make payments strictly in accordance with the statutory redundancy payment scheme, including the application of statutory weeks pay.

- 3.10 In addition to redundancy pay, the Discretionary Compensation Regulation allows for staff age 50 and above who are made redundant to have immediate access to their pension based on their total contributory service. The Council has a discretion as to whether to apply an actuarial reduction to the early payment of pension. In the past, it has not been the practice of either this Council or other London Boroughs to apply the actuarial reduction where the employee's employment is being terminated for reasons beyond his or her control.

It is proposed to retain the current arrangements and not reduce pensions.

### **3.11 Early retirement in the efficiency of the service**

3.11.1 Under the provisions adopted in 2001, staff 55 and above who are retired early in the efficiency of the service received an immediate access to their unreduced pension enhanced by up to five added years whilst staff age 50 to 54 receive immediate access to an unreduced pension based on their contributory service. In the draft Regulations, the discretion to grant added years to staff over a specified age has been withdrawn. While there is already a provision that allows Councils to grant discretionary one off lump sum payments to staff of all ages retiring in the interest of the efficiency of the service, the Council has not previously adopted this and no change is proposed in this report.

3.11.2 Consequently it is proposed that any qualifying staff retiring in the interests of the service should continue to be granted immediate access to their pension on an unreduced basis only.

### **3.12 Augmentation**

The revisions to the regulations provide an opportunity to reconsider an option to increase an employee's pension through the use of the augmentation provisions in the 1997 LGPS Regulations. Under the terms of this provision, authorities could opt to make a proportion of the redundancy pay in the form of extra years' membership of the pension scheme. However, in order to comply with the new age regulations, before doing so, authorities would need to develop criteria for both the granting and the calculation of 'extra' years. Again to meet legislation requirements the criteria could not be based on age and/or service considerations. In the light of the potential costs and complexity of this provision, plus the fact that the Council has previously not chosen to adopt a policy in respect of augmentation, it is not proposed to make any proposals in respect of this, at this stage.

### **3.13 Compromise Agreements**

The current Council Policy allows for discretionary payments to be routinely made to employees without any conditions being applied. There are no requirements on the Council to make any discretionary payments in addition to the statutory payments. To protect the Council from subsequent legal challenges related to the ending of an employee's employment with the Council, it is proposed that in future, the Council reserves the right to make granting of any discretionary payments conditional upon the signing by the employee of an appropriate compromise agreement. The Council will only apply this condition where the risk of legal challenge is thought to be both real and significant.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

These are outlined in the preceding paragraphs.

#### **5. REASONS FOR RECOMMENDATIONS**

5.1 The primary purpose of the Discretionary Compensation Regulations is to enable Councils to take reasonable measures to compensate staff who for reasons outside their control have their employment terminated. The granting of compensation is a measure that helps maintain relatively harmonious employee relations and continuity of service during periods of change to the workforce.

5.2 The recommended option is the one which, while not increasing the level of the discretionary payments to the maximum allowable, strikes the most appropriate balance between employee relations, above service provision and financial considerations.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

6.1.1 The financial implications of the proposals set out in the report cannot be quantified with any real certainty since the costs arising from individual cases will depend on the particular circumstances of the employees concerned.

6.1.2 However, there will be some reduction in costs as a result of the removal of the current discretionary power to award added years to enhance the pension entitlement of employees aged 55 and over who are made redundant or are retired on the grounds of efficiency. These costs are currently borne directly by the General Fund or HRA as appropriate.

6.1.3 With regard to redundancy payments, under current arrangements the level of compensation depends on whether the employee is under 50 or 50 and over as well as his/her length of service. Under the recommended option for applying the new regulations, a standard approach is proposed for all employees whatever their age but which also takes into account their reckonable service. The effect is to increase payments in certain cases notably for employees who are 50 and over, although this would be offset by the withdrawal of the added years enhancement for those aged 55 and over. Generally, for employees in their mid/late forties the payments would be less than at present.

6.1.4 Currently, all employees aged 50 and over have immediate access to their contributory pension benefits. The capital cost to the Pension Fund of employees receiving their benefits earlier than their normal retirement age is charged to the General Fund

or HRA as appropriate. This practice would continue under the proposed arrangements."

## **6.2 Legal Implications**

6.2.1 Section 3 of The Employment Equality (Age) Regulations 2006 provides that a person is discriminated against if because of his or her age s/he is treated less favorably than others or because a provision, criterion or practice is applied to him/her which puts him/her at a disadvantage when compared with other persons not of the same age group and the treatment, provision, criterion or practice cannot be "justified".

6.2.2 The Council's current policy on discretionary payments will become discriminatory when the Regulations come into force. The recommendations in this report seek to ensure compliance with the regulations.

## **7. PUTTING ENFIELD FIRST**

This proposal supports the delivery of excellent services.

### **Background Papers**

Draft Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006.

Appendix 1

READY RECKONER FOR CALCULATING THE NUMBER OF WEEKS' PAY DUE FOR EMPLOYEES AGED UNDER 50 YEARS (Pr. 110106)

Age	Completed Years of Service																																					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32						
18																																						
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Appendix 2

**READY RECKONER FOR CALCULATING  
THE NUMBER OF WEEK'S PAY DUE  
FOR EMPLOYEES AGED 50 AND OVER (Pre 1/10/06)**

Age (years)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30
62	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30
63	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30
64	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

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3.47 multiple

Service (Years)

Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
20	3.5	3.5	3.5	3.5															
21	3.5	5.0	5.0	5.0	5.0														
22	3.5	5.0	7.0	7.0	7.0	7.0													
23	5.0	7.0	8.5	10.5	10.5	10.5	10.5												
24	7.0	8.5	10.5	12.0	14.0	14.0	14.0	14.0											
25	7.0	10.5	12.0	14.0	15.5	17.5	17.5	17.5	17.5										
26	7.0	10.5	14.0	15.5	17.5	19.0	21.0	21.0	21.0	21.0									
27	7.0	10.5	14.0	17.5	19.0	21.0	22.5	24.5	24.5	24.5	24.5								
28	7.0	10.5	14.0	17.5	21.0	22.5	24.5	26.0	28.0	28.0	28.0	28.0	28.0						
29	7.0	10.5	14.0	17.5	21.0	24.5	26.0	28.0	29.5	31.0	31.0	31.0	31.0	31.0					
30	7.0	10.5	14.0	17.5	21.0	24.5	28.0	29.5	31.0	33.0	34.5	34.5	34.5	34.5	34.5				
31	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	33.0	34.5	36.5	38.0	38.0	38.0	38.0				
32	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	36.5	38.0	40.0	40.0	41.5	41.5	41.5			
33	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	40.0	41.5	41.5	45.0	45.0	45.0			
34	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	43.5	43.5	47.0	48.5	48.5	48.5		
35	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	48.5	50.5	52.0	52.0	52.0	52.0
36	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	50.5	52.0	54.0	55.5	55.5	55.5
37	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	52.0	54.0	55.5	57.5	59.0	59.0
38	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	52.0	55.0	57.5	59.0	60.5	62.5
39	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	52.0	55.0	59.0	60.5	62.5	64.0
40	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	52.0	55.0	59.0	62.5	64.0	66.0
41	7.0	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	45.0	52.0	55.0	59.0	62.5	66.0	67.5
42	8.5	12.0	15.5	19.0	22.5	26.0	29.5	33.0	36.5	40.0	43.5	47.0	47.0	54.0	57.5	60.5	64.0	67.5	71.0
43	10.5	14.0	17.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	48.5	48.5	55.5	59.0	62.5	66.0	69.5	73.0
44	10.5	15.5	19.0	22.5	26.0	29.5	33.0	36.5	40.0	43.5	47.0	50.5	50.5	57.5	60.5	64.0	67.5	71.0	74.5
45	10.5	15.5	21.0	24.5	28.0	31.0	34.5	38.0	41.5	45.0	48.5	52.0	52.0	59.0	62.5	66.0	69.5	73.0	76.5
46	10.5	15.5	21.0	26.0	29.5	33.0	36.5	40.0	43.5	47.0	50.5	54.0	54.0	60.5	64.0	67.5	71.0	74.5	78.0
47	10.5	15.5	21.0	26.0	31.0	34.5	38.0	41.5	45.0	48.5	52.0	55.5	55.5	62.5	66.0	69.5	73.0	76.5	80.0
48	10.5	15.5	21.0	26.0	31.0	36.5	40.0	43.5	47.0	50.5	54.0	57.5	57.5	64.0	67.5	71.0	74.5	78.0	81.5
49	10.5	15.5	21.0	26.0	31.0	36.5	41.5	45.0	48.5	52.0	55.5	59.0	59.0	66.0	69.5	73.0	76.5	80.0	83.5
50	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	50.5	54.0	57.5	60.5	60.5	67.5	71.0	74.5	78.0	81.5	85.0
51	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	55.5	59.0	62.5	62.5	69.5	73.0	76.5	80.0	83.5	87.0
52	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	60.5	64.0	64.0	71.0	74.5	78.0	81.5	85.0	88.5
53	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	66.0	66.0	73.0	76.5	80.0	83.5	87.0	90.0
54	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	74.5	78.0	81.5	85.0	88.5	92.0
55	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	76.5	80.0	83.5	87.0	90.0	93.5
56	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	81.5	85.0	88.5	92.0	95.5
57	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	87.0	90.0	93.5	97.0
58	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	88.5	92.0	95.5	99.0
59	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	88.5	93.5	97.0	100.5
60	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	88.5	93.5	99.0	102.5
61	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	88.5	93.5	99.0	104.0
62	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	86.5	93.5	99.0	104.0
63	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	86.5	93.5	99.0	104.0
64	10.5	15.5	21.0	26.0	31.0	36.5	41.5	47.0	52.0	57.5	62.5	67.5	67.5	78.0	83.5	86.5	93.5	99.0	104.0

2.2 Multiple

Age	Service (Years)																		
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
20	2	2.0	2.0	2.0															
21	2	3.5	3.5	3.5	3.5														
22	2	3.5	4.5	4.5	4.5	4.5													
23	3.5	4.5	5.5	6.5	6.5	6.5	6.5												
24	4.5	5.5	6.5	7.5	9.0	9.0	9.0	9.0											
25	4.5	6.5	7.5	9.0	10.0	11.0	11.0	11.0	11.0										
26	4.5	6.5	9.0	10.0	11.0	12.0	13.0	13.0	13.0	13.0									
27	4.5	6.5	9.0	11.0	12.0	13.0	14.5	15.5	15.5	15.5	15.5								
28	4.5	6.5	9.0	11.0	13.0	14.5	15.5	16.5	17.5	17.5	17.5	17.5							
29	4.5	6.5	9.0	11.0	13.0	15.5	16.5	17.5	18.5	20.0	20.0	20.0	20.0						
30	4.5	6.5	9.0	11.0	13.0	15.5	17.5	18.5	20.0	21.0	22.0	22.0	22.0	22.0					
31	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	21.0	22.0	23.0	24.0	24.0	24.0	24.0				
32	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	23.0	24.0	25.5	26.5	26.5	26.5	26.5			
33	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	25.5	27.5	28.5	28.5	28.5	28.5	28.5		
34	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	31.0	31.0	31.0	31.0	31.0	31.0
35	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	29.5	31.0	32.0	33.0	33.0	33.0	33.0
36	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	32.0	33.0	34.0	35.0	35.0	35.0
37	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	36.5	37.5	37.5	37.5
38	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	38.5	38.5	38.5
39	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	40.5	40.5
40	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0
41	4.5	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0
42	5.5	7.5	10.0	12.0	14.5	16.5	18.5	21.0	23.0	25.5	27.5	29.5	32.0	34.0	36.5	38.5	40.5	42.0	43.0
43	6.5	9.0	11.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0	46.0
44	6.5	10.0	12.0	14.5	16.5	18.5	21.0	23.0	25.5	27.5	29.5	32.0	34.0	36.5	38.5	40.5	43.0	45.0	47.5
45	6.5	10.0	13.0	15.5	17.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0	46.0	48.5
46	6.5	10.0	13.0	16.5	18.5	21.0	23.0	25.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0	46.0	48.5	50.5
47	6.5	10.0	13.0	16.5	20.0	22.0	24.0	26.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0	46.0	48.5	51.5
48	6.5	10.0	13.0	16.5	20.0	23.0	25.5	28.5	31.0	33.0	35.0	37.5	39.5	42.0	44.0	46.0	48.5	50.5	53.0
49	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	32.0	34.0	36.5	38.5	40.5	43.0	45.0	47.0	49.5	51.5	54.0
50	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	35.0	37.5	39.5	42.0	44.0	46.0	48.5	50.5	53.0	55.0
51	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	38.5	40.5	43.0	45.0	47.5	49.5	51.5	54.0	56.0
52	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	42.0	44.0	46.0	48.5	50.5	53.0	55.0	57.0
53	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	45.0	47.5	49.5	51.5	54.0	56.0	58.5
54	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	48.5	50.5	53.0	55.0	57.0	59.5
55	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	51.5	54.0	56.0	58.5	60.5
56	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	55.0	57.0	59.5	61.5
57	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	58.5	60.5	62.5
58	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	61.5	64.0
59	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	61.5	64.0
60	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	62.5	66.0
61	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	62.5	66.0
62	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	62.5	66.0
63	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	62.5	66.0
64	6.5	10.0	13.0	16.5	20.0	23.0	26.5	29.5	33.0	36.5	39.5	43.0	46.0	49.5	53.0	56.0	59.5	62.5	66.0



Redundancy Compensation Comparison									
Current Entitlements pre -Oct 06									
Age	Service	Annual Salary	Weekly Salary	Redundancy Entitlement	Amount	Redundancy Max 66 weeks TIMES 2.2	Redundancy Max 104 wks TIMES 3.46	Recommendations Post Oct 06	
40	10 Yrs	£26,358	£505.50	20 wks	£10,110	22 Wks	35 Wks		£17,692
40	20 Yrs	£26,358	£505.50	40 wks	£20,220	42 Wks	66 Wks		£33,363
49	10 Yrs	£26,358	£505.50	44 Wks	£22,242	31 Wks	48 Wks		£24,264
49	20 Yrs	£26,358	£505.50	64 Wks	£32,352	53 Wks	83 Wks		£41,956
49	30 Yrs	£26,358	£505.50	66 Wks	£33,363	53 Wks	83 Wks		£41,956
53	10 Yrs	£26,358	£505.50	15 Wks	£7,582	33 Wks	52 Wks		£26,286
53	20 Yrs	£26,358	£505.50	26 Wks	£13,143	57 Wks	90 Wks		£45,495
*	57	10 Yrs	£26,358	15 Wks	£7,583	33 Wks	52 Wks		£26,286
*	57	20 Yrs	£26,358	28 Wks	£14,154	62 Wks	97 Wks		£49,033
* Currently (Pre-Oct 06) employees over age 55 also receive upto 5 added years									
Age	Service	5 Added Years	Capital Cost						
57	10 Yrs	£1,647	£30,937						
57	20 Yrs	£1,647	£30,937						

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## MUNICIPAL YEAR 2005/2006 REPORT NO. 146

### MEETING TITLE AND DATE:

Cabinet 1 November 2006

### REPORT OF:

Tim Strong  
Assistant Director - HR

Contact officer and telephone number:  
0208 379 4141

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<b>Agenda - Part: 1</b>	<b>Item: 11</b>
<b>Subject:</b>	
The Employment Equality (Age) Regulations Policy on Retirement	
<b>Cabinet Member consulted: Cllr Ann Zinkin</b>	

### 1. EXECUTIVE SUMMARY

The Employment Equality (Age) Regulations (“the Age Regulations”) are the Government’s response to a European Union directive. The Regulations which came into force on 1 October 2006, affect every aspect of the employment relationship and tackle ageism in relation to all, young or old. The Regulations remove the statutory age restrictions on unfair dismissal and redundancy payments and establish retirement as a statutory reason for dismissal.

The Regulations give employers the right to set an organisational retirement age, give employees a right to request to work beyond retirement and place on the Council a ‘duty to consider’ such requests on employers.

This report recommends that the retirement age for Council staff should be set at 68.

### 2. RECOMMENDATIONS

Approve the adoption of 68 years as the normal retirement age for Council staff.

### 3. BACKGROUND

### **3.1 Current Provisions**

- 3.1.1 The normal retirement age for employees of the Council is currently 65 years. The existing substantive retirement policy gives managers the discretion to allow staff to continue to work beyond normal retirement age, particularly where there are recruitment difficulties, for a short time until a replacement member of staff is appointed. Under the policy staff wishing to work beyond this are engaged in a relief or casual capacity.
- 3.1.2 In 2005, in response to a request from the trade unions, the Council anticipated the legislative changes when Members agreed an interim arrangement that allowed members of staff to request to continue to work beyond 65 and retain their terms and conditions, where this was in the mutual interest of the employee and the Council.
- 3.1.3 The Council is already committed to an age positive approach. This was acknowledged in 2005 when the Council became the first London Borough to be awarded as an 'Age Positive Champion Employer' status. The Council's age diverse employment policies and practices demonstrate commitment to employing people entirely on merit, regardless of age. Being positive about age is about building an effective workforce of different ages.

### **3.2 Age profile**

- 3.2.1 The Council currently has a workforce with an age range of 17 to 83. There are currently more employees over the age of 60 than under the age of 25. More than 136 (non-school based) employees are over 65, the vast majority of whom have continued working for the economic reasons having opted not to join the pension scheme. There are already 94 employees age 68 or over covering a variety of jobs.
- 3.2.2 By 2010 it is estimated that nationally employees aged over 45 will make up 40% of the UK workforce. Clearly, whilst recruiting younger workers is necessary to sustain the workforce, this demographic change and the tightening labour market means the effective retention, development and motivation older workers are likely to be of increasing importance. Anticipation of these issues has already caused many private sector employers to specifically target older workers.

### 3.3 New Provisions

- 3.3.1 Under the terms of the new Regulations retirement becomes a statutory reason for dismissal and in order for any retirement to be considered as fair the statutory process must be followed. A fair retirement is one that:
- i) Takes effect on or after the normal occupational retirement age.
  - ii) Where the employer has given the employee written notice of the date of the intended retirement and advised them of their right to request to continue working.
  - iii) Where the employee makes a request to continue working and the correct procedure to deal with the request it has been followed.
- 3.3.2 Following the statutory procedure should guarantee the reason for dismissal is 'retirement' rather than any other reason. However it will be important that there is a consistency in relation to dealing with requests to continue working beyond the Council's agreed retirement age.

### 3.4 Retirement Age

- 3.4.1 Under the legislation the Council is required to either set a normal retirement age of 65 or above or to remove retirement age altogether.
- 3.4.2 The Council could opt to retain the current retirement age of 65. A range of other options have been considered that coincide with other employment restrictions e.g. 75 being the end of contributions to the Local Government Pension Scheme, 80 being the limit of the Council's Personal Accident insurance policy for employees (Employers' Liability insurance has no age limit).
- 3.4.3 Having considered a variety of options, after consultation with the Corporate Management Board, it is proposed to establish the normal retirement age for Council staff at 68. Setting retirement at 68 gives employees more choice over when they want to retire and particularly assists employees who for economic reasons wish to remain at work. It does not restrict retirement prior to 68; the terms of the LG pension regulations still retain the option for a member of staff to retire at any time after the age of 60.

**4. ALTERNATIVE OPTIONS CONSIDERED**

Consideration has been given to adopting a range of other retirement ages. However, in adopting 68 at this point in time, the Council is anticipating the probability of the national retirement age becoming 68 in 2008.

**5. REASONS FOR RECOMMENDATIONS**

5.1 To meet the Age Regulations and to establish best practice. An age diverse workforce provides the wide variety of skills needed to deliver high quality services.

5.2 To promote the Council as an Employer of Choice, one that retains valued employees, their expertise and know how.

**6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

**6.1 Financial Implications**

There are no direct financial implications arising from the proposal in this report.

**6.2 Legal Implications**

The legal implications are set out in the body of this report. The Council will need to keep any adopted policy under review in line with interpretation of the Regulations by the courts in decided cases.

**7. PUTTING ENFIELD FIRST**

Being positive about age is about building an effective workforce of different ages. Businesses of all sizes report the benefits of employing an age diverse workforce. Adopting this proposal will support the delivery of excellent services.

**Background Papers**

**AGENDA ITEM 14****THE CABINET**

**List of Items for Future Cabinet Meetings**  
**(NOTE: The items listed below are subject to change.)**

**MUNICIPAL YEAR 2006/07**

<b>22 NOVEMBER 2006</b>
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- 1. September 2006 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of September 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2011)**

- 2. Capital Monitoring and Prudential Indicator Report** Mark McLaughlin  
**Second Quarter** Cllr Lavender

This will seek approval of the capital monitoring position at the end of August 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2012)**

- 3. Senior Officers Pay and Grading Structure** Rob Leak  
Cllr Lavender

This will consider a review of senior officers pay and grading structure (Part 1) **(Key decision – reference number 2037)**

- 4. Corporate Facilities Management** Mark McLaughlin  
Cllr Lavender

This will consider the Council's non-schools operational portfolio and recommend a programme to implement a whole Council strategy including the introduction of a Corporate Landlord model. (Part 1) **(Key decision – reference number 1037)**

- 5. Enfield Homes Shadow Board – Memorandum** Mark McLaughlin  
**and Articles of Association** Cllr Lavender

This will seek the Cabinet's agreement to the above (Part 1) **(Key decision – reference number 2056)**

- 6. Future Management Arrangements for** Mark McLaughlin

**Enfield Leisure Centres**

Cllr Lavender

This will seek Cabinet's agreement to the above (Part 1) **(Key decision – reference number 2074)**

7. **Quarterly Monitoring Report of the Council's Improvement Plan (2006-2009)** Rob Leak  
Cllr Zinkin

This will present the Council Improvement Plan quarterly monitoring report and consider the actions proposed to improve performance. (Part 1) **(Key decision – reference number 2032)**

8. **Compulsory Licensing of higher Risk Houses in Multiple Occupation (HMOs)** Ray James  
Cllr Laban

This will seek approval of fees and proposed arrangements. (Part 1) **(Key decision – reference number 2044)**

9. **Estimating and Mapping the Population of the Borough: The Mayhew Report** Mark McLaughlin  
Cllr Lavender

To receive the Mayhew Report on the population of the London Borough of Enfield. (Part 1) (Non-key)

10. **Invest to Save – Civic Centre Air Handling Plant** Mark McLaughlin  
Cllr Lavender

This report will requests works to the Civic Centre air handling units are progressed under the Invest to Save programme. (Part 1) (Non-key)

**13 DECEMBER 2006**

1. **October 2006 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of October 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2029)**

2. **Palace Gardens Car Park** John Pryor  
Cllr Neville

To consider the transfer of the maintenance and management of the Palace Gardens Car Park. (Parts 1 and 2) **(Key decision – reference number 936)**

3. **Honeysuckle House** Ray James  
Cllr Barker



This will consider future options at Honeysuckle House. (Part 2) **(Key decision – reference number 1086)**

4. **Property Strategy Next Phases (Service Portfolios)** Mark McLaughlin  
Cllr Lavender

This sets out a potential programme for taking forward next tranche of service based reviews. (Part 1) **(Key decision – reference number 1052)**

5. **Edmonton Green/Angel Area Report** Mark McLaughlin  
Cllr Lavender

This will relate to two sites, rather than an area review. (Part 1) **(to replace Key decision – reference number 1042)**

6. **Report on De-Urbanisation** Mark McLaughlin  
Cllr Lavender

(Part 1) **(Key decision – reference number tbc)**

7. **Report on the Council's Historic Buildings Portfolio** Mark McLaughlin  
Cllr Lavender

(Part 1) **(Key decision – reference number tbc)**

**18 JANUARY 2007**

1. **November 2006 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of November 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2049)**

2. **Future Management and Operation of the Council's Fleet** Mark McLaughlin  
Cllr Lavender

This will detail post evaluation selection of the London Borough of Enfield's preferred partner/partners for management and operation of its fleet. (Part 1) **(Key decision – reference number 2010)**

**7 FEBRUARY 2007**

**28 FEBRUARY 2007**

1. **December 2006 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of December 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2067)**

- 2. Capital Monitoring and Prudential Indicator Report** Mark McLaughlin  
**Third Quarter** Cllr Lavender

This will seek approval of the capital monitoring position at the end of November 2006 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number 2066)**

**22 MARCH 2007**

- 1. January 2007 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of January 2007 and actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number tbc)**

**18 APRIL 2007**

- 1. February 2007 Revenue Monitoring Report** Mark McLaughlin  
Cllr Lavender

This will seek approval of the revenue monitoring position at the end of February 2007 actions needed in order to remain within the approved budget. (Part 1) **(Key decision – reference number tbc)**

**2 MAY 2007**

CABINET - 11.10.2006

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON WEDNESDAY, 11 OCTOBER 2006****COUNCILLORS**

**PRESENT** Michael Rye (Leader of the Council), Michael Lavender (Deputy Leader of the Council/Finance and Resources), Ertan Hurer (Community Safety & the Voluntary Sector), John Jackson (Sustainable Communities and Employment), Terence Neville (Environment and Street Scene), Glynis Vince (Education & Children's Services) and Alan Barker (Adult Social Services)

**ABSENT** Matthew Laban (Housing), Paul McCannah (Leisure, Culture and Olympics 2012) and Ann Zinkin (Corporate Strategy and Communications)

**CO-OPTED** (none)

**OFFICERS:** Mike Culligan (Assistant Director Community, Housing and Adult Social Services), Judy Flight (CH&SS), Stewart Holton (ALMO Lead Development Officer), Ray James (Head of Health and Adult Social Care), Rob Leak (Chief Executive), Peter Lewis (Director of Education, Children's Services and Leisure), Mark McLaughlin (Director of Finance and Corporate Resources), Andrew Stapleton (Head of Legal Services), Stephen Tapper (Assistant Director (Planning & Transportation)), Keith Trowell (Legal) and David Tullis (F&CR) (none)

**Also Attending:****75****APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Laban, McCannah and Zinkin.

**76****DECLARATION OF INTERESTS**

Councillor Vince declared a prejudicial interest and left the room during consideration of item 8 – Liquidation of Enfield Leisure Centres Ltd. as she was a member and regular user of the Leisure Centres.

**77****URGENT ITEMS**

**CABINET - 11.10.2006**

NOTED that the reports listed on the agenda had been circulated in accordance with the requirements of the Council's Constitution and the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2002, with the exception of Report No.125 – Liquidation of Enfield Leisure Centres Ltd. These requirements state that agendas and reports should be circulated at least 5 clear days in advance of meetings.

**AGREED** that Report No. 125 – Liquidation of Enfield Leisure Centres Ltd. (Minute No.83 below refers) be considered as an urgent item. The report was urgent as the Members of the Cabinet needed to be updated on the current situation regarding the liquidation.

**78**

**DEPUTATIONS AND PETITIONS**

There had been no requests for deputations to this meeting.

**79**

**FUNDING AND PROCUREMENT TO COMPLETE THE CHILDREN'S CENTRE AT GALLIARD PRIMARY SCHOOL**

Councillor Vince introduced the report of the Director of Education, Children's Services and Leisure (No.129) setting out the circumstances of a construction project at Galliard School, where the contractor appointed to build a children's centre has made unsatisfactory progress. The report proposes a new approach to complete the work and requests support for the additional costs that will be involved and for the approach to be adopted.

Linda Sless Chairman of the Governors at the School highlighted the tremendous disruption the delay in completing the project had had on the pupils, staff and parents at the school. She advised that the front of the building needed to be completed as a priority.

Councillor Rye apologised on behalf of the Council to everyone inconvenienced at the school by this tremendously disappointing situation.

**Alternative Options Considered:**

A number of procurement options have been explored and considered by the Capital Programme Board, and by ECSL and CTS officers. Among these are:

- a) New contract with the existing contractor, based on JCT 2005, with revised completion dates.
- b) Negotiated contract with other contractors on original tender list.
- c) Negotiation with contractor/s known to the Council from previous successful projects.

**CABINET - 11.10.2006**

- d) Negotiation or re-tender using tender list compiled for Wilbury School extension (a large scheme for which the tender list was assembled through an extensive EU-compliant advertising / vetting process).
- e) Negotiation or re-tender using standard Approved List.
- f) Any of the above, but separating out the main two elements of the scheme, in order to achieve earlier completion of the Community Building.

**DECISION:**

1. That approval be given in principle to the approach to complete the Children's Centre works at Galliard School as detailed below at 6.1 (b);
2. That the Capital Programme Group be asked to note Cabinet's support for meeting the consequent additional cost to the scheme of £750,000,00 by transferring uncommitted resources allocated in the Capital Programme for programmes of work in 2007-08;
3. That the replacement of the resources transferred from these programmes be considered as part of the review of the Capital Programme, once the DfES has announced its next round of school modernisation allocations;
4. That approval be given to the expenditure of the increased funding and the potential costs arising out of any dispute resolution.

**Reason:** A full risk analysis has been undertaken of some of the options above, considering the main criteria of time, quality and cost. Time has been given the highest weighting in this analysis, given the need to retain external funding, and to minimise disruption to the school.

**(Key Decision – reference number 2038)**

**80**

**AUGUST 2006 REVENUE MONITORING**

Councillor Lavender (Deputy Leader / Finance and Resources) introduced the report of the Director of Finance and Corporate Resources (No. 122) setting out the Council's revenue monitoring position at the end of August 2006 and actions needed in order to remain within the approved budget.

**Alternative Options Considered:** Not applicable to this report.

**DECISION:**

1. to note the potential net underspend set out in the report and the commitments against the central contingency.
2. that an allocation of £194,000 is made from Contingent Items in recognition of unachievable savings in the Sustainable Communities Team.

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

**(Key Decision – reference number 1085)**

**81**

**THE ONE LARGE INTERVENTION TO MAKE FAMILIES MORE PROSPEROUS**

Councillor Rye (Leader of the Council) introduced the report from the Director of Education, Children's Services and Leisure (No. 123) seeking approval to the allocation of funding to refurbish the Angel Community Centre and associated premises running costs. The report also sought approval for revenue costs associated with the capital refurbishment of Marsh House, Claverings Industrial Estate, the funding for which was approved at Cabinet on 13<sup>th</sup> September 2006. Approval was also sought for OLI to undertake a series of interventions to help make families more prosperous in the NRF area in the period to 31<sup>st</sup> March 2008.

**Alternative Options Considered:** The OLI was a proposal developed by the ESP based on analysis of evidence from the Enfield Observatory on the Indices of Child Poverty and worklessness in the Borough. Proposals were developed in consultation with the Voluntary and Community Sector and, in the course of these consultations, interventions were considered.

The option to create two centres, of which Marsh House is one, was selected to maximise the benefit of NRF and build on the previous success of NRF interventions.

**DECISION:**

1. To endorse the allocation of Neighbourhood Renewal Funding of £0.988m to the One Large Intervention project.
2. To approve the funding for the refurbishment of Angel Community Centre as a community and centre for services to children and young people, associated premises running costs for this centre; and Marsh House, the refurbishment of which was approved by Cabinet on 13 September 2006. Approval is also sought for revenue expenditure for the delivery of services and interventions. Details of the funding allocations are set out in Appendix A of the report.
3. To approve the addition of the Angel Community Centre scheme to the Council's Capital Programme.
4. To approve the budgets for refurbishment in the estimated sum of £350,000 for the Angel Community Centre.

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5. To authorise officers to accept a tender for Angel Community Centre without further reference back to Cabinet subject to the scheme buildings costs not exceeding £350,000. A further £106,000 is to be allocated for fees, IT and equipment.

**Reason:** To provide the necessary permissions and approvals to ensure effective delivery of the OLI.

**(Key Decision – reference number 2023)**

**82**

**LOCAL AREA AGREEMENT FINANCIAL AND GOVERNANCE ARRANGEMENTS**

Councillor Rye (Leader of the Council) introduced the report of the Assistant Chief Executive (No.124) setting out the financial and governance arrangements for the Enfield Local Area Agreement (LAA), building upon the arrangements reported to Cabinet in February and April 2006.

**Alternative Options Considered:** The Council is the Accountable Body for the LAA, SSCF and NRF and therefore no alternative approach has been considered in detail

**DECISION:**

1. that the finance and governance arrangements for the LAA set out in this report are approved.
2. that approval is given to funding allocations for LAA pre-emptions totalling £1.444m, as set out in Section 6.

**Reason:** The LAA is the responsibility of the Council and the Local Strategic Partnership (the Enfield Strategic Partnership) and the Council is the accountable body for the majority of funding in the LAA. Part of this responsibility is to ensure that any funds allocated via the LAA are accounted for appropriately.

**(Key Decision – reference number 2015)**

**83**

**LIQUIDATION OF ENFIELD LEISURE CENTRES LTD. (ELCL)**

Councillor Lavender (Deputy Leader / Finance and Resources) introduced the report of the Director of Finance and Corporate Resources (No.125) will be circulated at the earliest opportunity. The report updated Members on the Voluntary Liquidation of Enfield Leisure Centres Ltd. The liquidation has been underwritten by the Council in order to protect the interests of the customers of the leisure centres operated by ELCL.

**Alternative Options Considered:**

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1. If ELCL were to collapse outside of this managed process and its operation cease then the leisure centres would close. This would be an unacceptable situation for the Council and for leisure centre customers. Undoubtedly the Council could re-open them shortly afterwards by directly employing staff. However the Council would at that point become liable for the VAT and NNDR payments that ELCL enjoys by virtue of its status as an Industrial and Provident Society. This cost is approximately £600,000 p.a. – or £50,000 per month.

2 These costs to the Council of approximately £600,000 p.a. are over and above the trading losses that ELCL are experiencing which have led them into the financial difficulties that they are now facing.

3 If the Council were to take the business over, it is possible that some costs could be mitigated, however many of ELCL staff are on terms and conditions that are different from, and lower than, the terms and conditions of Council staff. It is possible that as Council employees, many members of staff would be entitled to improved employment conditions which would represent a further financial risk. Detailed advice would be required as to whether these staff would assimilate to Council terms and conditions, and over what period.

4 Against these risks the options of a funded liquidation using the Members' Voluntary Liquidation route represents a cost effective way of maintaining leisure services to customers. The company in liquidation would continue to enjoy the tax advantages, and the staff would remain on their existing terms and conditions.

5 The option of simply paying ELCL more money can also be discounted. In order to comply with best practice and with legislation the Council would have to seek best value through conducting a procurement exercise with competitive suppliers. ELCL would be perforce excluded from that process because their financial instability would not be an acceptable platform for any contractual relationship. Furthermore the Council does not have confidence in the management of ELCL.

DECISION: To note the report.

**Reason:** To secure continuity of service and employment for customers and staff respectively. The proposed funded Member's Voluntary Liquidation allows ELCL (in liquidation) to continue to provide services and enjoy the tax advantages relevant to an Industrial and Provident Society.

**(Non Key)**

**84**

**ALMO HEADQUARTERS ACCOMMODATION**

Councillor Rye (Leader of the Council) introduced the report of the Director of Finance and Corporate Resources (No.126) considering and making recommendations upon a headquarters building for the Enfield Homes Arms Length Management Organisation. It proposes a scheme with costings and



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puts forward a timetable for delivery including all the elements linked to the move sequence and the overall Property Strategy.

**Alternative Options Considered:** These were set out in great detail in the report.

**DECISION:**

1. the use of first and second floors at Edmonton Centre as the ALMO head office;
2. expenditure of £2.44m in accordance with the funding recommendations contained in the comments from the Director of Finance & Corporate Resources;
3. the scheme design and the implementation programme;
4. the associated moves sequence.
5. to approve the letting of a contract for the refurbishment in accordance with the procurement methodology as outlined in Paragraph 4.2.
6. Officers completing a lease to the ALMO organisation granted by the Council on terms as summarised at paragraph 10.

**Reason:** To secure the most advantageous property solution as the headquarters building for the Enfield Homes ALMO services.  
**(Key Decision – reference number 2042)**

**85**

**REFERENCE FROM THE SPECIAL PROJECTS SCRUTINY PANEL**

Cabinet noted the reference from the Special Projects Scrutiny Panel meeting held on 19th September 2006 requesting that all receipts from the disposal of community halls should be ring fenced to the reprovision of community halls.

**86**

**REVIEW OF THE HOUSING COMMUNITY HALLS**

Councillor Rye (Leader of the Council) introduced the report of the Assistant Chief Executive (No. 127) making various recommendations to Cabinet regarding the future management and use of the housing community halls within the borough.

**Alternative Options Considered:** The option of retaining the Boleyn Hall has been examined, however, this option is not considered to be financially sound due to the poor condition and low usage of the hall. The site is not ideal in terms of its location and is a poor community facility.

**DECISION:**

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1. to note the decision of the Boleyn Hall Management Committee to cease trading because the hall is not viable and agrees to the disposal of Boleyn Hall.
2. to agree that the capital work required to the remaining halls is funded from the capital receipts from the sale of the Creasy and Flamstead Halls and that any shortfall is made up from the sale of the Boleyn Hall.
3. to agree that the remaining funds from the sale of Boleyn Hall are ringfenced for planned maintenance work to the remaining community halls.
4. to agree the principles identified in paragraph 5.1 regarding the management of the halls.
5. to approve the charging policy outlined in paragraph 6.2.
6. to agree that the management of the community halls be delegated to the Arms Length Management Organisation from 1<sup>st</sup> April 2007 and that the Management Agreement specifies that the halls must continue to be used as community facilities.
7. To agree that a full community halls strategy based on the principles contained in this report will be produced and agreed by the Tenant Participation Working Party.

**Reason:** It is important that the Council invests in the community halls that have the potential to meet the needs of the community by hosting a range of activities. In the view of officers, all of the halls with the exception of the Boleyn Hall have the potential for achieving this aim.

**(Non Key)**

**87**

**ENFIELD HOMES - PROGRESS REPORT AND MATTERS FOR DECISION**

A report of the Chief Executive is attached (No. 128) summarising information previously reported to Cabinet in October 2005 and June 2006 on the reasons for pursuing an Arms Length Management Organisation for housing in Enfield and updates progress since the June 2006 reports. The report seeks approval of the Shadow Board members recruited to date, the Enfield Homes Memorandum and Articles of Association, and additional funding to cover the set-up costs for Enfield Homes between now and April 1<sup>st</sup> 2007.

NOTED the comments of Cabinet regarding the Memorandum and Articles of Association summarised below:

1. Should the Memorandum include a general power to do any such thing as may be necessary for the business of the company.

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2. In the Articles, there were a number of square brackets that needed to be removed
3. Was a board of 18 too large?
4. Whilst there was provision at in Article 13 for the composition of the board, there were no provisions as to the composition of sub-committees. However, powers can be delegated to sub-committees under Article 22. Not only could significant powers be delegated to sub-committees that may not be "balanced", but Article 22 allowed for decisions by a single member sub-committee.
5. What safeguards are there to prevent the articles being altered without the consent of the Council?
6. What controls are there on the borrowing powers in clause 22?
7. That a report detailing proposed financial control and governance be presented to a future meeting.

**Alternative Options Considered:** None stated

**DECISION**

1. to approve to the Shadow Board members recruited to date.
2. to note the Enfield Homes Memorandum and Articles of Association.
3. to approve additional funding of £190,000 (upper limit) to cover the set-up costs for Enfield Homes between now and April 1<sup>st</sup> 2007, to be funded from Housing Revenue Account balances.
4. that a report on the revised Enfield Homes Memorandum and Articles of Association be presented to a future meeting of the Cabinet.

**Reason:** Not set out in the report.

**(Key Decision – reference numbers 2055 & 2056)**

**88**

**NOTES OF THE BEST VALUE CABINET SUB COMMITTEE - 5 SEPTEMBER 2006**

NOTED the minutes of the meeting of the Best Value Cabinet Sub Committee held on 5 September 2006.

**89**

**ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE/SCRUTINY PANELS**

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There were no issues to consider from the Overview and Scrutiny Committee, however a reference from the Special Projects Scrutiny Panel on parking would be considered at the next meeting.

**90**

**ITEMS TO BE REFERRED TO THE COUNCIL**

There were no items to refer to Council.

**91**

**CABINET AGENDA PLANNING - FUTURE ITEMS**

NOTED the provisional list of items scheduled for future Cabinet meetings.

**92**

**KEY DECISIONS FOR INCLUSION ON THE COUNCIL'S FORWARD PLAN**

NOTED that the next Forward Plan was due to be published on 17 October 2006, this would cover the period from 1 November 2006 to 28 February 2007.

**93**

**MINUTES**

AGREED that the minutes of the previous meeting of the Cabinet held on 13 September 2006 be confirmed and signed by the Chairman as a correct record.

**94**

**MATTERS ARISING**

There were no matters arising from the minutes.

**95**

**ENFIELD STRATEGIC PARTNERSHIP FEEDBACK**

Councillor Jackson (Cabinet Member for Sustainable Communities and Employment) and Rob Leak reported on the recent away day which had been well attended and gave an opportunity to go through the Local Area Agreement in more detail.

**96**

**NOTICE OF WORK IN PROGRESS**

**90.1 Alma School Community Play Space**

Councillor Vince advised that the Alma School Community School play space had recently opened. She congratulated the School on the project, which was the first of its kind in the country.

**90.2 Care Leavers**

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Councillor Vince confirmed that 10 leavers from the Council's care were now going to university.

**90.3 Advertising Award**

Councillor Vince advised that the good work of a member of staff had recently been nominated for an award for an innovative advertising campaign.

**90.4 Attendance Statistics**

Councillor Vince advised that recent attendance figures were very good and had shown improvement on the previous period.

**90.5 Judicial Review**

Councillor Neville confirmed that the Council had been advised that the judicial review of the Mayor for London's decision over the Carterhatch Civic Amenity Site direction would be considered shortly.

**90.6 Work to LAA and Place Shaping Strategy**

Councillor Jackson reported that work was underway in drafting the Place Shaping Strategy.

**90.7 Extending the Powers of the Mayor for London**

Councillor Hurer updated on the work of the Didus Committee, which was arguing against any extension of the Mayor for London's statutory planning powers.

**90.8 Anti Social Behaviour Telephone Helpline**

Councillor Hurer confirmed that the Anti Social Behaviour helpline had now received 1000 call. A recent crime comparator survey also indicated a 6.7% reduction in crime over the last year.

**90.9 Budget Away-day**

Councillor Lavender confirmed that there would be an away day this Saturday to continue the work on reviewing the Council's budget for the next financial year.

**90.10 Ponders End Area Review**

Councillor Lavender reported that in association with the Ponders End Trust a leaflet had been produced for circulation to residents. This advised on the review and sought resident's views on a number of issues.

**90.11 Chase Farm Hospital Consultation Exercise**

Councillor Rye highlighted the leaflet for distribution to residents that had been produced by the Council with cross party support. This sought to retain the current level of service at Chase Farm Hospital. He did not believe the proposals of the Trust addressed the concerns of residents and the process had not been an honest one and had been designed to deliver a predetermined set of outcomes.

**90.12 North Circular Road – Empty Properties**

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Councillor Rye reported that he was to meet officers from Transport for London to discuss the empty properties adjacent to the North Circular Road. He felt that this meeting presented an opportunity to make progress and reach a number rational decisions.

**90.13 Departure of Andrew Stapleton**

On behalf of the Members, Councillor Rye took the opportunity to thank Andrew Stapleton for his support to the Cabinet in recent years and wished him well in his new position.

**97**

**DATE OF NEXT MEETING**

The next meeting of the Cabinet is scheduled to take place on Wednesday 1 November 2006 at 8.00pm at the Civic Centre.

**98**

**EXCLUSION OF THE PRESS AND PUBLIC**

AGREED to passing a resolution under Section 100A(4) of the Local Government Act 1972 to excluded the press and public from the meeting for the item of business listed on part 2 of the agenda on the grounds that it involves 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).

**99**

**FUNDING AND PROCUREMENT TO COMPLETE THE CHILDREN'S CENTRE AT GALLIARD PRIMARY SCHOOL**

Councillor Vince introduced the report of the Director of Education, Children's Services and Leisure (No.130) setting out the circumstances of a construction project at Galliard School, where the contractor appointed to build a children's centre has made unsatisfactory progress.

NOTED

1. that a further approval, by way of portfolio decision, will be sought to accept a negotiated tender with Lakehouse Contracts Ltd to complete the works.

2. The view of Cabinet Members that officers should review the management of this whole process and learn any lessons to prevent a reoccurrence in the future.

(This report contained 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 Schedule 12A to the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) (Order 2006)).

**(Key Decision – reference number 2038)**

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