LONDON BOROUGH OF ENFIELD

AGENDA FOR THE COUNCIL MEETING TO BE HELD ON WEDNESDAY, 25TH FEBRUARY 2015 AT 7.00 PM

THE WORSHIPFUL THE MAYOR

AND COUNCILLORS OF THE LONDON BOROUGH OF ENFIELD

Please Repy to: James Kinsella

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My Ref: DST/JK

Date: 17 February 2015

Dear Councillor,

You are summoned to attend the meeting of the Council of the London Borough of Enfield to be held at the Civic Centre, Silver Street, Enfield on Wednesday, 25th February, 2015 at 7.00 pm for the purpose of transacting the business set out below.

Yours sincerely

Asmat Hussain

Assistant Director Legal & Corporate Governance

1. ELECTION (IF REQUIRED) OF THE CHAIR/DEPUTY CHAIR OF THE MEETING

2. MAYOR'S CHAPLAIN TO GIVE A BLESSING

The Mayor's Chaplain to give a blessing.

3. MAYOR'S ANNOUNCEMENTS (IF ANY) IN CONNECTION WITH THE ORDINARY COUNCIL BUSINESS

4. MINUTES (Pages 1 - 20)

To approve, as a correct record, the minutes of the Council meeting held on Wednesday 28 January 2015.

5. APOLOGIES

6. DECLARATION OF INTERESTS

Members of the Council are invited to identify any disclosable pecuniary

other pecuniary or non pecuniary interests relevant to items on the agenda.

7. BUDGET 2015/16 AND MEDIUM TERM FINANCIAL PLAN 2015/16 TO 2018/19 (GENERAL FUND) (Pages 21 - 202)

To receive the report of the Director of Finance, Resources & Customer Services presenting for approval the Budget for 2015/16 and Medium Term Financial Plan (General Fund). (Report No.158A)

(Key Decision – Reference No.3957)

Members are asked to note that:

- Recommendations 2.1 – 2.10 were endorsed and recommended onto Council for formal approval by Cabinet on 11 February 2015.

- The report will need to be considered in conjunction with Report No.166A on the Part 2 Council agenda

8. HOUSING REVENUE ACCOUNT ESTIMATES 2015/16 AND RENT SETTING (HRA & TEMPORARY ACCOMMODATION) (Pages 203 - 230)

To receive the joint report of the Directors of Health, Housing & Adult Social Care & Finance, Resources and Customer Services presenting for approval the revenue estimates of the Housing Revenue Account (HRA) for 2015/16 and the updated position on the HRA 30 year business plan.

(Report No.159A)

(Key Decision – Reference No.3958)

Members are asked to note that the recommendations in the report were endorsed and approved for recommendation onto Council by Cabinet on 11 February 2015.

9. RESPONDING TO THE DCLG REPORT INSPECTION OF ROTHERHAM METROPOLITAN BOROUGH COUNCIL (Pages 231 - 258)

To receive a report from the Director of Schools & Children's Services advising members of the publication of the recent report by the Government's investigation team into Rotherham Metropolitan Council and actions recommended in response by the Council. (Report No.169 A)

Council is asked to note that Cabinet agreed the report at its meeting on 11th February 2015. Council is therefore being asked to approve the establishment of a specialist dedicated Task Group with a strong focus on Child Sexual Exploitation and associated risks for children and young people.

10. REVIEW & ADOPTION OF A STATUTORY PAY POLICY STATEMENT (Pages 259 - 274)

To receive the report of the Assistant Director Human Resources presenting the Council's Statutory Pay Policy Statement for consideration and approval.

(Report No.149A)

Members are asked to note that the draft Policy Statement was considered and approved for recommendation onto Council, subject to the amendments identified, by the Remuneration Sub Committee on 26 January 2015.

11. EXERCISING DISCRETION UNDER THE LOCAL GOVERNMENT PENSION SCHEME (Pages 275 - 282)

To receive the report of the Assistant Director Human Resources detailing new discretions available to employers introduced under the Local Government Pension Scheme 2014 and making recommendations as to how Council should exercise these discretions. The report also reviews discretions available under previous regulations. (Report No.150A)

Council is asked to note that the report was agreed and referred on to Council for formal approval, by Remuneration Committee on 26 January 2015.

12. AMENDMENTS TO CONTRACT PROCEDURE RULES (Pages 283 - 316)

To receive a report from the Director of Finance, Resources & Customer Services seeking approval to changes to the Council's Contract Procedure Rules in order to reflect best practice in procurement, reduce bureaucracy and comply with the forthcoming Public Contracts regulations 2015.
(Report No.139A)

Council is asked to note that the revised Contract Procedure Rules were considered and approved for recommendation on to Council by Audit Committee on 8 January 2015.

13. THE CARE ACT 2014 (Pages 317 - 326)

To receive a report from the Director of Health, Housing and Adult Social Care summarising progress on local implementation of the Care Act 2014.
(Report No.161A)

Members are asked to note that Cabinet considered and approved the report on 11 February 2015. In approving the report, Cabinet requested that it also be referred on to Council for information. **(Key Decision – Reference Number 3995)**

14. COUNCILLORS' QUESTION TIME (TIME ALLOWED - 30 MINUTES) (Pages 327 - 358)

14.1 Urgent Questions (Part 4 - Paragraph 9.2.(b) of Constitution – Page 4-9)

With the permission of the Mayor, questions on urgent issues may be tabled with the proviso of a subsequent written response if the issue

requires research or is considered by the Mayor to be minor.

Please note that the Mayor will decide whether a question is urgent or not.

The definition of an urgent question is "An issue which could not reasonably have been foreseen or anticipated prior to the deadline for the submission of questions and which needs to be considered before the next meeting of the Council."

Submission of urgent questions to Council requires the Member when submitting the question to specify why the issue could not have been reasonably foreseen prior to the deadline and why it has to be considered before the next meeting. A supplementary question is not permitted.

14.2 Councillors' Questions (Part 4 – Paragraph 9.2(a) of Constitution – Page 4 - 8)

The list of sixty five questions received and their written responses are attached to the agenda.

15. MOTIONS

15.1 In the name of Councillor Barry:

"This Council is proud of the support it has given to the North London Credit Union and commits itself to continue to support their ethical financial work which places affordability and fairness at the heart of its efforts to provide affordable banking for local people and local businesses both existing and new."

15.2 In the name of Councillor Cazimoglu:

"The Council should reaffirm its commitment to the NHS and its opposition to privatisation in Enfield.

The NHS should be at the centre of all decision making as a preferred provider. The private sector should only be used in a supporting role and never when it destabilises a local NHS institution or fragments care. 'Not for Profit' organisations should be favoured where profits are reinvested into the NHS and not profits for shareholders.

When commissioning services, as far as possible we should endeavour to give the NHS the first chance to deliver and improve services".

15.3 In the name of Councillor Neville:

"It has recently come to light that Councillor Nesimi Erbil was convicted of

two fraud related offences in relation to his license to drive a London taxi (black cab), the convictions having occurred last September.

The council is of the view that these offences, being offences of dishonesty render Councillor Erbil unfit to serve on the council and accordingly calls upon him to resign his seat forthwith."

15.4 In the name of Councillor Laban:

"The Council calls upon the Cabinet Member for Environment and Community Safety to improve its relationship with the Friends of the Parks Groups by agreeing to consult them on council projects and decisions that relate to the parks in our borough in recognition of their status as a key partner in the delivery of our parks service."

15.5 In the name of Councillor Laban:

"In light of recent events in relation to consultation, the Council calls upon the Leader of the Council to implement a review across all departments in order to provide residents with greater confidence in the way Enfield Council conducts consultation."

15.6 In the name of Councillor Taylor:

"Currently, the Government is spending money on new Free Schools in areas where there are surplus places. This simply makes no sense when demand for places is so high, particularly in London.

By ending the scandalous waste of money from building new schools in areas of surplus places, more places can be created where they are needed.

Class sizes for 5, 6, and 7 year olds will be capped by a future Labour Government at no more than 30 pupils.

Enfield Council welcomes funding proposals that could improve the life chances of Enfield children."

15.7 In the name of Councillor Sitkin:

"Under this pro-enterprise Labour Administration, Enfield Council commits to remaining open for business."

16. REVIEW OF PROPORTIONALITY ARRANGEMENTS AND COMMITTEE MEMBERSHIPS (Pages 359 - 360)

16.1 Review of Council Proportionality Arrangements, following a change in political balance on the Council

To receive a briefing paper from the Director of Finance, Resources & Customer Services advising members of a change in the political

balance of the Council and associated review of the proportionality arrangements relating to the allocation of seats on the committees, joint committees and panels that have been set up for discharge of the Council's functions.

16.2 Committee Memberships

To confirm any changes to committee memberships.

Please note any changes notified once the final agenda has been published will be tabled on the Council amendment sheet at the meeting.

17. NOMINATIONS TO OUTSIDE BODIES AND USE OF URGENT ACTION PROCEDURE

17.1 Use of Council Urgent Action Procedure

Council is asked to note the following decision taken by the Leader of the Council (4th February 2015), under the Council Urgent Action Procedure (in accordance with section 30 of the Council Procedure Rules):

Decision:

To appoint Councillor Levy as Deputy Member on the Lee Valley Regional Park Authority (LVRPA) for a term of office to run until the Annual Council Meeting in May 2018.

Reason for Urgency:

The Council's nominated representative on LVPRA had advised they would be unable to attend the LVRPA meeting on 5th February 2015, which was due to consider an item relating to its Trust status. In order to ensure the Council was formally represented at this, and any future meetings, a Deputy Member was appointed. Whilst this appointment would normally have been listed for approval on the next available Council agenda, it wasn't possible to do so on this occasion given the timing of the LVRPA meeting.

17.2 Nominations to Outside Bodies

To confirm any changes to the nominations on Outside Bodies.

Please note any changes notified once the final agenda has been published will be tabled on the Council amendment sheet at the meeting.

18. USE OF COUNCIL'S URGENCY PROCEDURE (Pages 361 - 362)

Council is asked to note the details provided of decisions taken under the Council's urgency procedure relating to the waiver of call-in and, where necessary, the requirement for notice on the Key Decision List along with the reasons for urgency. These decisions have been made in accordance with the urgency procedures set out in Paragraph 17.3 of Chapter 4.2 (Scrutiny) and Paragraph 16 of Chapter 4.6 (Access to Information) of the Council's Constitution.

19. CALLED IN DECISIONS

None received.

20. DATE OF NEXT MEETING

Members are asked to note that the next meeting of the Council will be held on Wednesday 25th March 2015 at 7.00 p.m. at the Civic Centre.

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 the part 2 of 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) as listed on the agenda.

Agenda Item 4

MINUTES OF THE MEETING OF THE COUNCIL HELD ON WEDNESDAY, 28 JANUARY 2015

COUNCILLORS

PRESENT Ali Bakir (Mayor), Patricia Ekechi (Deputy Mayor), Abdul Abdullahi, Daniel Anderson, Dinah Barry, Chris Bond, Yasemin Brett, Alev Cazimoglu, Erin Celebi, Lee Chamberlain, Bambos Charalambous, Jason Charalambous, Katherine Chibah, Lee David-Sanders, Dogan Delman, Nick Dines, Guney Dogan, Sarah Doyle, Christiana During, Peter Fallart, Krystle Fonyonga, Achilleas Georgiou, Alessandro Georgiou, Christine Hamilton, Ahmet Hasan, Elaine Hayward, Robert Hayward, Ertan Hurer, Suna Hurman, Jansev Jemal, Doris Jiagge, Eric Jukes, Nneka Keazor, Adeline Kepez, Joanne Laban, Bernie Lappage, Dino Lemonides, Derek Levy, Mary Maguire, Donald McGowan, Andy Milne, Terence Neville OBE JP, Ayfer Orhan, Ahmet Oykener, Anne-Marie Pearce, Daniel Pearce, Vicki Pite, Michael Rye OBE, George Savva MBE, Toby Simon, Alan Sitkin, Edward Smith, Andrew Stafford, Claire Stewart, Jim Steven, Doug Taylor, Ozzie Uzoanya and Glynis Vince

ABSENT Nesimi Erbil, Turgut Esendagli, Michael Lavender, Rohini Simbodyal and Haydar Ulus

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ELECTION (IF REQUIRED) OF THE CHAIR/DEPUTY CHAIR OF THE MEETING

The election of a Chair/Deputy Chair of the meeting was not required.

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MAYOR'S CHAPLAIN TO GIVE A BLESSING

Father Jeffrey from Our Lady of Mount Carmel and Saint Georges Church gave the blessing.

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MAYOR'S ANNOUNCEMENTS (IF ANY) IN CONNECTION WITH THE ORDINARY COUNCIL BUSINESS

The Mayor made the following announcements:

(a) Tragic Events in Paris

Council was informed, that following the recent tragic events in Paris, the Mayor had written jointly with Councillor Brett to the Mayor of Courbevoire, as one of Enfield's twinned councils and a suburb of Paris, to express sincere condolences to the families of the victims and the injured.

Mayor Jacques Kossowski had replied thanking all members of the Council for their thoughts and support. Given the close relationship between both councils, the Mayor invited all councillors to join him in observing a minute's silence in memory of the victims, which was undertaken at the meeting.

(b) New Year's Day Parade

The Mayor advised he was delighted to announce that Enfield's entry in the London New Year's Day Parade "Under Your Own Steam" had won the judge's award for best entry. He congratulated all those involved for their excellent achievement and advised he was looking forward to hosting a reception to formally present the medals and trophy to the participants with the event organiser.

(c) Other Engagements

The Mayor advised that it had been a busy period for Mayoral Engagements with particular highlights being the Chickenshed Theatre Peter Pan Christmas Show, the Local Government Dinner at the Mansion House, a student award ceremony at Latymer School and the retirement celebrations for the Bishop of Edmonton at St Paul's Cathedral.

(d) Holocaust Memorial Ceremony

The Mayor advised members he had been particularly honoured to have been invited to attend a moving ceremony at the Dugdale Centre to mark the 70th anniversary of the Holocaust Memorial Day. He also announced that Enfield was one of only 70 organisations across the UK to be awarded a special memorial candle in recognition of the anniversary which was lit at the event.

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MINUTES

AGREED that the following minutes be confirmed and signed as a correct record:

(1) normal Council meeting held on Wednesday 19 November 2014

(2) first Extraordinary Council meeting held on Tuesday 23 December 2014

(3) second Extraordinary Council meeting held on Tuesday 23 December 2014.

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APOLOGIES

Apologies for absence were received from Councillors Turgut Esendagli, Michael Lavender, and Rohini Simbodyal.

Apologies for lateness were received from Councillors Lee Chamberlain, Lee David-Saunders and Nneka Keazor.

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DECLARATION OF INTERESTS

The Mayor invited John Austin (Assistant Director Governance Projects) to make a short statement relating to the declaration of interests in respect of Agenda Item 9: Council Tax Support Scheme & Council and Business Tax Base 2015/16:

Council noted that under guidance now issued by the Department of Communities & Local Government members would not be required to declare a Disclosable Pecuniary Interest (DPA) in relation to the setting of the Council Tax, as local residents within the borough.

The exception to this guidance would, however, be any Member who was two or more months in arrears on their Council Tax. Under Section 106 of the Local Government Finance Act 1992 any member in this position would still need to declare their position and not vote on any issue that could affect the calculation of the budget or Council Tax.

Having noted the advice provided, there were no declaration of interests.

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OPPOSITION BUSINESS - MANAGEMENT OF THE COUNCIL'S FINANCES

Councillor Neville introduced the issues paper, prepared by the Conservative Group. Issues highlighted were as follows:

1. Concerns were raised in relation to:

    a. the increase in Council borrowing under the Labour Administration since 2010 and associated increase in the capital financing requirement in order to repay the debt and debt interest.

    b. what was felt to be the unsustainable nature of the increase in borrowing identified.

    c. the impact of the increased borrowing in terms of the additional pressure created on the Council’s revenue budget as a result of debt repayments increasing and need, as a result, to generate further savings at a time of continuing austerity.

    d. what was felt to have been the lack of financial planning and progress made in identifying and achieving the required level of savings under the Labour Administration, which it was felt had now resulted in the need for various small scale savings having to be sought that were having a significant impact on local residents.

Examples given included proposals such as not locking park gates at night and reducing road gritting, whilst at the same time looking to license private sector landlords and prioritising spend on discretionary housing services rather than on other vulnerable sections of the community such as the elderly and disabled.

e. the failure of the Labour Administration to make the significant and difficult financial decisions required to place the Council on a sound financial footing and reliance on the Leaner Programme, now referred to as Enfield 2017, introduced by the previous Conservative Administration as the main strategy for delivering the ongoing level of savings required, given what was felt to have been the lack of alternative options and progress to date.

2. The need to recognise that the increase in borrowing had been in addition to the earmarked reserves left by the previous Conservative Administration in 2010 and knowledge at the time that the incoming Administration would be faced with challenging financial circumstances.

Given the concerns raised, the Opposition Group were recommending as an outcome of the debate that the Council's Audit Committee be given (as an appropriate cross party committee) responsibility for reviewing the Council's accounting policies and all ongoing expenditure and borrowing proposals in order to ensure a sustainable approach.

Councillor Stafford, Cabinet Member for Finance, responded on behalf of the Majority Group highlighting:

1. The level of financial uncertainty nationally and impact this was having locally, given the fact that the Chancellor of the Exchequer had promised in 2010 to balance the books, but had not yet achieved this with the country still in austerity and the level of Government borrowing still increasing.

2. The action being taken by the Labour Administration to manage the Council's finances. The Council was not bankrupt, its External Auditors were satisfied and had cleared the accounts and public satisfaction ratings were good.

3. Whilst the Council had borrowed money to finance significant capital projects, these had been designed to benefit the borough. He also reminded members of the accusations made by the Opposition at the last Council meeting that the Administration had been too slow in delivering these capital projects, which they were now being criticised for borrowing funds to deliver. Examples of schemes already delivered included Green Towers, Ordnance Road Unity Centre, additional Primary School places, Palmers Green Library, Eco Park and Deephams Project.

4. The need to recognise:

- the impact of the global economic crisis on the UK economy and instigation of policies such as quantitative easing to stimulate domestic growth; and
- that whilst the current Chancellor of the Exchequer had not been able to balance the budget nationally Enfield's Labour Administration had been able to carefully manage and balance the Council's budget, operating within prudential borrowing limits and this had been subject to verification by the External Auditors.

Other issues highlighted during the debate were as follows:

(a) The concerns raised by the Opposition Group in relation to:

- Management by the current Labour Administration of the reserves and balances inherited from the previous Conservative Administration, back in 2010. Despite being left with what was regarded as a sound financial position the budget gap under the Labour Administration had increased and was currently projected to be in excess of £84m.

- The failure of the Labour Administration to properly plan for and deliver the savings required to address the challenging financial position and increasing budget gap faced by the Council, since they had gained power in 2010, especially when set against increases in spending in areas such as the Residents Priority Fund.

- The approach adopted by the Labour Administration towards addressing the further reductions in local government spending, which as well as increasing borrowing now appeared to involve the identification of short term and relatively small scale savings but with high impact on local residents and minimal or no consultation e.g. unlocking of park gates at night, reduction in gritting programme etc. In addition concerns were expressed in relation to disposal of Council property assets and the potential outcome of consultation currently being undertaken around the Library Strategy and potential changes to the programme of domestic refuge collection given previous manifesto commitments

- The need for changes to the Council's accounting policies to be subject to detailed review and scrutiny.

- The significant increase in the level of borrowing to fund schemes such as the Lee Valley Heat Network and Housing Gateway which it was felt did not necessarily offer the Council Taxpayer value for money and ignored the fact that this would, irrespective of prudential borrowing limits, incur revenue costs that would increase the pressure on already limited budgets.

- Management of the Council's overall borrowing requirement in relation to the limits set for prudential borrowing levels and impact any potential increase in interest rates may have.

- The failure of the Labour Administration to utilise additional funding streams available for initiatives such as Free Schools and at the impact the Labour Administration's "salami slicing" approach towards budget management was having on areas such as the environment and street scene across the borough.

(b) The need identified by the Opposition Group to recognise the impact of the previous Labour Governments policy in relation to the economic crash and progress made by the current Conservative led coalition Government in managing the delivery of sustainable economic growth.

(c) Notwithstanding the concerns raised by the Opposition Group, cross party support was expressed at the need for continued lobbying in relation to the calculation of the Governments local government funding grant formula and impact of the "damping" mechanism, which it was recognised failed to take into account issues such as population growth and the level of demand being created by an increase in the elderly population in areas such as Enfield.

(d) The need identified by the members of the Majority Group:

- To recognise what was felt to be the poor track record of the IMF (quoted in the Opposition Business Paper) in managing the response to the global economic crisis and fact that there were no longer any easy budget savings to be achieved, given the ongoing level of austerity measures.

- To recognise that whilst the Opposition were claiming the previous Conservative Administration had left the Authority on a sound financial footing in 2010, there had still been a requirement for the Labour Administration taking over to identify and deliver a programme of savings in order to balance the budget moving forward.

- To highlight, whilst not complacent, local residents support for the Labour Administration's approach towards management of the Council's budget, given the outcome of the 2014 local election.

- To recognise the lack of evidence in the opposition business paper that the Council's finances were being badly managed and fact that the Council's Independent External Auditors had praised the Council's financial management.

- To focus on the fact (not identified within the Opposition Business Paper) that since 2010, under a Conservative led coalition Government, the Council had been required to make savings

totalling £70m with further significant budget reductions also identified as needing to be made over the next four year period. This was against a background of national debt continuing to increase, as the Government continued to struggle in managing its finances nationally and as a result seeking to transfer the burden onto Local Authorities and other public sector bodies.

- To recognise that despite criticism from the Opposition Group, the Enfield 2017 programme was progressing and delivering efficiencies. In addition the Council had also been successful in engaging a far higher number of local residents and stakeholders in the budget consultation process than the previous Conservative Administration.

- To support the fact that borrowing was being undertaken in order to fund significant capital projects such as providing school places, regenerating estates, building new homes and creating jobs that would, it was felt, have a lasting impact on the borough.

- To highlight the need for the Opposition Group, in view of the concerns raised, to provide an alternative budget with practical clear suggestions as to how they would identify and deliver the level of savings needing to be made in a way that would benefit local residents.

Councillor Neville summed up, on behalf of the Opposition Group, by re-stating the concerns raised in relation to the increase in level of borrowing by the Labour Administration given the ongoing impact in terms of not only repaying but also servicing the debt and additional pressure being placed on the revenue budget as a result. He felt the overall consequence of this would either be that either Council Tax would have to rise, which was not a realistic option, or further reductions in expenditure would need to be identified.

Whilst the criticism in relation to lack of progress on certain housing and regeneration capital projects remained, the Opposition Group were not opposed to investment in schemes that could be seen to deliver long term benefits to the borough such as infrastructure improvements, job or wealth creation. The concern expressed was related to investment on projects which it was felt would not provide value for money. As a result the Opposition Group felt that the Council should only be borrowing what was necessary, could be seen as a good investment in terms of the outcomes identified and was affordable.

Given the concerns raised, it was felt the proposal to task the Audit Committee with a review and appraisal of the Council's borrowing and accounting policies would be sensible and beneficial.

In response, Councillor Stafford highlighted the fact that the monitoring procedures recommended within the Opposition Business Paper were already in place. As Cabinet Member for Finance he met regularly with the Director of

Finance, Resources and Customer Services and Council's external Financial Advisors to review the Council's Treasury Management policy and borrowing requirement. In addition Cabinet received regular revenue and capital budget monitoring update reports with Audit Committee already having the ability to monitor the Council's accounting and Treasury Management policies without the need for any additional powers. For these reasons he advised that the Majority Group were not minded to support the recommendation in the Opposition Business Paper.

As an outcome of the debate the Leader of the Opposition requested that a vote be taken on the following recommendation within the Opposition Business Paper:

(1) In view of the serious problems it faces the Council agrees to instruct the Audit Committee, being a cross party committee, to specifically review the accounting policies of the Council, monitor its borrowing levels, regularly review the Council's financial position and review the whole budget consultation process to ensure it is meaningful and democratic going forward.

The above recommendation was put to the vote and not approved, with the following result:

For: 20
Against: 35
Abstentions: 0

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EXTRAORDINARY COUNCIL MEETING - TUESDAY 23 DECEMBER 2014: ADJOURNED ITEM OF BUSINESS

Before moving on to consider this item, the Mayor reminded members that it had been agreed at the second Extraordinary Council Meeting held on Tuesday 23 December 2014, to adjourn the debate on the motion set out below.

In agreeing to adjourn the debate (under Council Procedure Rule 12.12 (a) (iii)) it had been specified that the motion should be placed at the start of the agenda for the next (January 2015) Council meeting, for consideration following Opposition Priority Business.

Whilst the motion had been moved and seconded at the Extraordinary Council meeting, the Mayor felt it would be appropriate, for the sake of completeness, if the process for considering the motion was started from the beginning and therefore invited Councillor Fonyonga to once again move the motion, summarising the points made when originally moving the item.

Councillor Fonyonga therefore moved and Councillor Taylor seconded the following motion:

"Council notes that:

1) Working people are now £1,600 plus a year worse off than in 2010

2) Business investment trails our international competitors

3) The 1% tax cut for top earners takes £3 billion away from vital public services

4) The need for food banks in Enfield is growing

Council further notes the unfunded tax pledges of the Conservative Government in the Autumn Statement, and the Deputy Prime Minister's accusation that the Government was 'Kidding the public'.

The Council agrees that any political group represented on the Council is irresponsible if it does not appreciate the calamity of Government economic and fiscal policy and its impact on ordinary people in Enfield.

Council condemns any politicians, local or National, who seek to ignore the impact of Government cuts on the difficult decisions Councils have to take.

Council agrees:

a) to take a responsible approach to budget setting in 2015-18 and expects any suggestions for growth, or protected spending, to be aligned with proposals for reductions elsewhere in the budget, to meet the £75 million plus pressures on the Councils' budget.

b) to write to the 3 local MPs asking them to confirm their opposition to the Conservative Government's plan for excessive future cuts to public services as identified by the IFS, and to call for adequate funding for the London Borough of Enfield to preserve vital public services."

During the debate on this item, Councillor Rye moved and Councillor Neville seconded the following amendment to the original motion:

1. To delete all word from "Council notes that…" up to and including "Councils have to take…." and replace with:

   "In the face of further reductions in Government Grant for 2015-18, the Council agrees:"

2. Delete all of sub para (b) and replace with the following wording:

   "To lobby the government (involving both political parties) to revise the formula for determining the revenue support grant to tackle residuary issues arising from "damping" and other factors within the formula, which deny Enfield a fair proportion of Local Government grant having regard to its growing population and consequent demands on services."

In response to a query from the Leader of the Council, John Austin (Assistant Director Governance Projects) ruled that the amendment was valid, in terms of the Constitution, as it was seeking to amend rather than negate the original motion.

Following this advice, Councillor Stewart then immediately moved and Councillor Achilleas Georgiou seconded procedural motion 12.12 (a) (ii) in relation to the amendment "that the question be now put". John Austin advised members that before this procedural motion was put the meeting the Mayor would need to be satisfied that the amendment had been sufficiently discussed. As members had indicated they wished to speak on the amendment the Mayor allowed a short debate, during which the Leader of the Council indicated that whilst supportive of the need for continued cross party lobbying in relation to the revenue support grant formula and to address the issues around "damping" the Majority Group could not support the remainder of the amendment.

Following this debate, procedural motion 12.12 (a) (ii) "that the question be now put" was agreed, without a vote. The amendment to the motion was then put to the vote and lost, with the following result:

For: 21
Against: 31
Abstentions

The debate then continued on the (unamended) substantive motion and following a further period of debate the motion was put to the vote and agreed, with the following result:

For: 34
Against: 20
Abstentions: 0

In agreeing the motion, the Leader of the Council advised that the Majority Group would, as a result of the discussion on the amendment, seek to ensure that lobbying of the Government continued (on a cross party basis) around the need to revise the formula for determining the revenue support grant in order to address the impact of damping and other factors within the current formula on Enfield.

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ORDER OF BUSINESS

Councillor Stewart moved and Councillor Taylor seconded a proposal to change the order of business on the agenda under paragraph 2.2 (page 4-6) of the Council Procedure Rules to enable the meeting to take the following as the next item of business:

Item 14.4: Motion in the name of Councillor Barry seeking support on the campaign for tax justice.

The change in the order of the agenda was agreed, without a vote.

Please note the minutes reflect the order in which the agenda items were dealt with at the meeting.

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MOTION

Councillor Barry moved and Councillor Bambos Charalambous seconded the following motion:

"While many ordinary people in Enfield face falling household incomes and rising costs of living, some multinational companies are avoiding billions of pounds of tax from a tax system that fails to make them pay their fair share. Local Governments such as ours in the UK and others in developing countries would all benefit from a fairer tax system where multinational companies pay their fair share, enabling authorities around the world to provide quality public services. The UK Government must listen to the strength of public feeling and use its powers effectively to end the injustice of tax dodging by large multinational companies in developing countries and the UK

The council therefore resolves to support the campaign for tax justice, for the benefit of those living in Enfield and beyond."

During the subsequent debate, Councillor Hurer moved and Councillor Rye seconded the following amendment to the motion:

To delete all remaining wording after "avoiding billions of pounds of tax" and replace with the following:

"Multi-National companies based in the UK employ hundreds and thousands of British nationals both directly and indirectly, through the payment of Employers' National Insurance, VAT, Business Rates, Stamp Duty, Corporation Tax and a whole raft of other taxes contribute billions of pounds in taxes to the public purse and their presence in the UK is welcome.

A small number of these companies however use legitimate tax avoidance schemes to minimise the Corporation Tax they pay on profits they generate in the UK to move these profits into low tax territories.

Between 1997 and 2010 the Blair and Brown Labour Governments failed to deal with this practice.

This Council therefore welcomes George Osborne's "diverted profits tax" which will put an end to this practice and encourages other nations to copy the coalition governments example."

Given the changes proposed, a ruling was sought by the Majority Group on the validity of the amendment. Having considered the matter the Mayor

advised that he was minded to rule out the amendment on the basis that he did not feel it related directly to the Council's powers or duties or was worded in such a way as to be regarded as an issue directly affecting the Borough.

The amendment was therefore ruled out for consideration and debate on the substantive motion continued. Following a short debate the motion was put to the vote and agreed, with the following result:

For: 32
Against: 21
Abstentions: 0

122
COUNCIL TAX SUPPORT SCHEME & COUNCIL AND BUSINESS RATE TAXBASE 2015/16

Councillor Stafford moved and Councillor Taylor seconded the report of the Director of Finance, Resources & Customer Services (No.154) reviewing and seeking approval to the local Council Tax Support Scheme for 2015/16, which the Council was required to produce under Section 13A (1) (a) and Schedule 1A of the Local Government Finance Act 1992. In addition approval was being sought to the Council Tax and Business Rate Taxbases for 2015/16.

NOTED

1. As part of the Government's welfare reform programme, the Council had adopted (in January 2013) a local Council Tax Support Scheme and was now required, on an annual basis, to consider whether it wished to revise or replace its scheme.

2. Having reviewed operation of the scheme and undertaken a programme of consultation (as detailed in sections 4 and 5 and Appendix C of the report) along with an Equalities Impact Assessment (as detailed in Appendix B of the report) no change had been recommended to the Council Tax Support Scheme for 2015/16, other than to include statutory regulation amendments and national uprating of social security benefit rates.

3. The full Council Tax Support Scheme had been included as Appendix A to the report.

4. In relation to the Business Rate Taxbase for 2015/16

a. the business rates announcements within the Chancellors Autumn Statement affecting future business rates, as set out in section 5 of Appendix E (Business Rate Taxbase Return 2015/16).

b. as a result of the benefits the announcements referred to in a. above were expected to provide for small and high street businesses it had

been recommended that the Discretionary Rate Relief Policy should be amended to reflect the proposed changes.

5. In response to a request for clarification from the Leader of the Opposition, the Cabinet Member for Finance confirmed that the consultation followed in relation to the Council Tax Support Scheme was felt to have complied with the Supreme Court judgement delivered in October 2014 around the required consultation process for Council Tax Support Schemes.

The recommendations in the report were then put to the vote and agreed as follows

AGREED

(1) The Local Council Tax Support Scheme for 2015/16 (as detailed in Appendix A to the report).

(2) Pursuant to the report and in accordance with the Local Authorities (Calculation of the Tax Base) (England) Regulations 2012, the amount calculated by the London Borough of Enfield as its Council Tax Base for 2015/16 shall be 91,714 Band D equivalents (as detailed in Appendix D of the report).

(3) The Department for Communities and Local Government NNDR1 business rate base return for 2015/16 (as detailed in Appendix E of the report).

(4) The amendment to the discretionary rate relief scheme as set out in 2.2 of Appendix E to the report.

(5) The extension of the business rate transitional scheme as detailed in 2.3 of Appendix E to the report.

In accordance with requirements introduced in February 2014, under the Standing Order Regulations 2014, a recorded vote was taken in relation to decisions **(1)** – **(5)** above, given their relevance to the budget setting process, with the result as follows:

For: 56

Councillor Abdul Abdullahi
Councillor Daniel Anderson
Councillor Dinah Barry
Councillor Chris Bond
Councillor Yasemin Brett
Councillor Alev Cazimoglu
Councillor Erin Celebi
Councillor Lee Chamberlain
Councillor Bambos Charalambous

Councillor Jason Charalambous
Councillor Katherine Chibah
Councillor Lee David-Saunders
Councillor Don Delman
Councillor Nick Dines
Councillor Guney Dogan
Councillor Sarah Doyle
Councillor Christiana During
Councillor Pat Ekechi
Councillor Peter Fallart
Councillor Krystle Fonyonga
Councillor Achilleas Georgiou
Councillor Alessandro Georgiou
Councillor Christine Hamilton
Councillor Ahmet Hasan
Councillor Elaine Hayward
Councillor Robert Hayward
Councillor Ertan Hurer
Councillor Suna Hurman
Councillor Jansev Jemal
Councillor Eric Jukes
Councillor Nneka Keazor
Councillor Adeline Kepez
Councillor Joanne Laban
Councillor Bernie Lappage
Councillor Dino Lemonides
Councillor Derek Levy
Councillor Mary Maguire
Councillor Don McGowan
Councillor Andy Milne
Councillor Terence Neville OBE JP
Councillor Ayfer Orhan
Councillor Ahmet Oykener
Councillor Ann Marie Pearce
Councillor Daniel Pearce
Councillor Vicki Pite
Councillor Michael Rye OBE
Councillor George Savva
Councillor Toby Simon
Councillor Alan Sitkin
Councillor Edward Smith
Councillor Andrew Stafford
Councillor Claire Stewart
Councillor Jim Steven
Councillor Doug Taylor
Councillor Ozzie Uzoanya
Councillor Glynis Vince

Against: 0

Abstention: 0

123
LICENSING POLICY STATEMENT UNDER THE LICENSING ACT 2003

Councillor Bond moved and Councillor Laban seconded a report from the Director of Regeneration and Environment (No. 155) seeking approval to the revised Licensing Policy Statement, which the Council had a statutory duty, under the Licensing Act 20003 to determine and publish every 5 years.

NOTED

1. The Policy Statement had been considered and approved for recommendation to Council by the Licensing Committee on 19 November 2014

2. The revised Policy Statement included retention of the cumulative impact policy and four cumulative impact policy areas. The main changes had been as follows:

a. removal of Section 15 (Olympic & Paralympics) as the section was now historical and was no longer required; and

b. the extension of the terminal hours for pubs/bars, off licences and music and/or dancing within the cumulative impact policy areas from 11pm to midnight.

The recommendation in the report was then put to the vote and agreed, without a vote.

AGREED to approve the new edition of the licensing policy statement attached as Appendix A to the report.

124
ORDER OF BUSINESS

With the agreement of the meeting, the Mayor advised that he was changing the order of the agenda, under paragraph 2.2 (page 4-6) of the Council Procedure Rules, on order to take the following as the next item of business:

Item 13.1: Urgent Questions – Councillors Question Time

Please note the minutes reflect the order in which the agenda items were dealt with at the meeting.

125
COUNCILLORS' QUESTION TIME - URGENT QUESTION

The Mayor advised that in accordance with the criteria set out in the Constitution, he had accepted the following as an urgent question:

From Councillor Neville to Councillor Taylor, Leader of the Council

"As is now public knowledge, Councillor Nesimi Erbil was convicted last year of two fraud related offences. Can the Leader tell the Council:

(1) When did he first learn of the then pending prosecution of Councillor Erbil for two fraud related offences?

(a) On learning of such pending proceedings (if he did) what action did he take as to the allocation to Councillor Erbil of committee places, having regard to the serious nature of the pending proceedings and in particular his membership of the Licensing Committee?

(b) When did he first learn of the conviction of Councillor Erbil for the two fraud related offences, which I understand took place last September at Southwark Crown Court?

(c) On learning of those convictions, what action did he take to remove Councillor Erbil from, in particular, the Licensing Committee where in the ordinary nature of the work of that committee, Councillor Erbil, a convicted fraudster (for offences connected with his own licenced taxi,) would be sitting in judgement on the licensing of others?

(d) When did he report Cllr Erbil to the Councillor Conduct Committee, if at all?

What other action did he take, if any?

(2) Does he agree with me that in the light of the conviction of Councillor Erbil for two offences of effectively dishonesty, that Councillor Erbil is in those circumstances not fit for public office and that there is no place for him on this Council and that he should therefore resign his seat?"

Councillor Taylor provided the following written response, tabled at the meeting:

"I have dealt with this set of issues in exactly the same way I would deal with all such issues and allegations of misconduct. This is in line with advice and the rules from my National party.

On receipt of any allegations I discuss with the Chief Whip of my group the allegations and the member is interviewed by the Chief Whip. If the matter is of a nature which is beyond the remit of the local group it is referred by the Chief Whip to the National party. They take a view as to the best course of action. Such a referral took place promptly after the member informed me of the matter on January 21st.

On 22nd January, the National Party decided to issue an administrative suspension and the Councillor has been removed from all of the committees

he sits upon. As you will be aware this requires the Council to approve the changes which it will do this evening. The National Party statement re the suspension has been widely covered in the press and there is no benefit in me simply repeating it.

It is now for the National Party to take the action it sees fit and it is not a matter of local group determination.

With regards to any reference to the Councillor Conduct Committee I understand that the Monitoring Officer is seeking clarification of the issues raised in the press coverage before considering what course of action should be followed.

Of course, like Councillor Neville, I treat the reputation of the Council most seriously but I recall that in the case of Councillor Joannides, it took some time for the Conservative Party to carry out a full review after he was suspended, presumably because it was following due process. While I recognise there was no conviction in that case I simply make the point that rules of natural justice and a proper investigation should always take place. I would anticipate that being concluded in the near future.

From my recollection when Councillor Joannides was suspended from the Conservative group it was anticipated that the investigation would last about five weeks which I am sure was to ensure a fair and proper process was followed. I believe that it took a significantly longer time for it to reach a conclusion within the Conservative Party.

I trust that this makes clear that as far as the local Labour group is concerned this is a matter for the National Party."

126
COUNCIL PROCEDURE RULE 8 - DURATION OF THE COUNCIL MEETING

The Mayor advised, at this stage of the meeting, that the time available to complete the agenda had now elapsed so Council Procedure Rule 8 would apply.

NOTED that in accordance with Council Procedure Rule 8 (page 4-8 – Part 4), the remaining items of business on the Council agenda were considered without debate.

127
DELEGATED AUTHORITY WITHIN THE REGENERATION AND ENVIRONMENT DEPARTMENT

RECEIVED a report of the Director of Regeneration and Environment (No: 156) setting out the delegated authority arrangements within the Regeneration and Environment Department and updating arrangements in respect of delegated powers within the divisions for Community Safety, Planning,

Highways and Transportation, Public Realm, Economic Development and Regeneration as a consequence of changes in structures, posts and legislation.

AGREED the delegated authorities as set out in Appendices A – H of the report.

128
SCHOOLS FORUM - AMENDMENT TO THE TERMS OF REFERENCE

RECEIVED a report from the Director of Schools and Children's Services (No: 157) seeking approval to changes in the Terms of Reference for the Schools Forum. The amendments followed enactment of the School and Early Year's Finance (England) Regulations 2014 and inclusion of the School Business Manager as an observer.

NOTED that the amendments to the Terms of Reference had been considered and approved by the Schools Forum for recommendation on to Council.

AGREED following enactment of the School and Early Years Finance (England) Regulations 2014, to approve the amended Terms of Reference for the Schools Forum as set out in the report.

129
COUNCILLORS' QUESTION TIME (TIME ALLOWED - 30 MINUTES)

1.1 Questions by Councillors

NOTED the seventy seven questions on the Council's agenda and written responses provided by the relevant Cabinet Member, Associate Cabinet Member and workstream lead on Overview and Scrutiny Committee.

130
MOTIONS

The following motions listed on the agenda lapsed due to lack of time:

1.1 In the name of Councillor Laban:

In light of recent events in relation to consultation, the Council calls upon the Leader of the Council to implement a review across all departments in order to provide residents with greater confidence in the way Enfield Council conducts consultation.

1.2 In the name of Councillor Laban:

The Council calls upon the Cabinet Member for Environment and Community Safety to improve the relationship with the Friends of the Parks Groups by agreeing to consult them on council projects and decisions that relate to parks

in our borough in recognition of their status as a key partner in the delivery of our parks service.

1.3 In the name of Councillor Maguire:

This Council calls on Conservative Members and Enfield Conservative MPs Nick De Bois and David Burrowes to exert maximum pressure on the Conservative led Government to reverse its tax cut for millionaires.

This Council believes that the decision to cut the top rate of tax from 50p to 45p was misguided and irresponsible.

This Council agrees that the money raised from reinstating the 50p top rate of tax should be used to invest in Council and Health Services that would benefit all the people, including the many thousands in Enfield who rely on them.

131
MEMBERSHIPS

AGREED the following changes to committee memberships:

(1) Licensing Committee – Councillor Erbil to be replaced by a vacancy (replacement name to be notified).

(2) Staff Appeals Panel **–** Councillor Erbil to be replaced by a vacancy (replacement name to be notified).

(3) Standing Council for Religious Education (SACRE) **-** Councillor Erbil to be replaced by a vacancy (replacement name to be notified).

(4) Tourism and Twinning Working Party **-** Councillor Erbil to be replaced by a vacancy (replacement name to be notified). **Post meeting note: Councillor Lappage nominated to fill vacancy**

132
NOMINATIONS TO OUTSIDE BODIES

No changes were notified.

133
CALLED IN DECISIONS

None received.

134
DATE OF NEXT MEETING

NOTED the next meeting of the Council would be held at 7.00pm on Wednesday 25 February 2015 at the Civic Centre.

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Agenda Item 7

MUNICIPAL YEAR 2014/15 REPORT NO: 158A

Agenda – Part: 1	**Item: 7**
Subject: Budget 2015/16 and Medium Term Financial Plan 2015/16 to 2018/19 (General Fund) **Wards: All**	
Cabinet Members consulted: Cllr Doug Taylor Cllr Andrew Stafford	

MEETING TITLE AND DATE:
Cabinet: 11 February 2015
Council: 25 February 2015

REPORT OF:
Director of Finance, Resources & Customer Services

Contact Officers:
James Rolfe Tel: 0208 379 4600
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Ian Slater Tel:0208 379 4034
Stan Barker Tel 0208 379 4213

1. EXECUTIVE SUMMARY

1.1 The Medium Term Financial Plan covers the next 4 years. It sets out firm plans to freeze the Council Tax in 2015/16. It also sets out future years' plans which will be reviewed and updated as circumstances change over the period of the plan.

1.2 This report is the culmination of the 2015/16 budget planning process and provides:

- Information on the outcome of the recent budget consultation;
- Details of the local government financial settlement;
- The Proposed level of the 2015/16 Council Tax;
- The Council Tax Requirement for 2015/16;
- The Council Tax to be levied for the year ahead including the Greater London Authority precept for 2015/16.
- A summary of the Council's Medium Term Financial Plan over the next four years and the financial outlook for the Council and its services;
- The advice of the Director of Finance, Resources & Customer Services regarding the recommended levels of contingencies, balances and earmarked reserves.

1.3 The report makes recommendations regarding future investment in the Capital Programme.

1.4 In accordance with the Prudential Code, the report recommends that the Council agrees the Treasury Management Strategy as well as the setting and monitoring of Prudential Indicators.

1.5 The report includes recommendations for the Council's contingencies and balances undertaken in the context of the risks and uncertainties associated with the budget and Medium Term Financial Plan.

1.6 The report is structured as follows:

	Section
Recommendations	2
Background to the budget process	3
Budget Consultation	4
Local Government Finance Settlement	5
Council Tax Base, Business Rates and Collection Fund	6
Revenue budget proposals	7
Summary of budget proposals and Council Tax impact	8
The Prudential Code and Capital Programme	9
Medium Term Financial Plan	10
Budget risks and uncertainties	11
Contingencies and general balances	12
Comments of the Director of Finance, Resources & Customer Services	13
Alternative Options Considered	14
Reasons for recommendations	15
Key Risks	16
Impact on Council Priorities	17
Equalities Impact implications	18
Performance Management implications	19
Health & Safety implications	20
Human Resources implications	21
Public Health implications	22

Budget & Council Tax Report Tables[1]

No.	Title	Section
1	Settlement Funding Assessment Breakdown	5
2	Council Taxbase	6
3	Local Business Rates Collection Fund	6
4	Enfield Collection Fund	6
5	Pressures (cost increases) 2015/16	7
6	2015/16 savings by department and Enfield 2017	7
7	Budget Position and Council Tax 2015/16	8
8	Band D Charge 2015/16	8
9	Capital Programme Summary	9
10	Capital Financing	9
11	Medium Term Financial Plan 2015-19	10
12	Sensitivity Indicators	10

[1] Tables may not sum exactly due to roundings

2. RECOMMENDATIONS

2.1 The attention of Members is drawn to the comments in paragraph 2.11 regarding S106 of the Local Government Finance Act 1992 which requires any Member who is two months or more in arrears on their Council Tax to declare their position and to not vote on any issue that could affect the calculation of the budget or Council Tax.

2.2 With regard to the revenue budget for 2015/16 it is recommended that Council:
- (i) Set the Council Tax Requirement for Enfield at £100.917m in 2015/16;
- (ii) Subject to final pupil count data, approve expenditure of £307.837m in 2015/16 for the schools' budget, funded from the Dedicated Schools' Grant;
- (iii) Set the Council Tax at Band D for Enfield's services for 2015/16 at £1,100.34 (para 8.1), there being no increase over the 2014/15 Council Tax;
- (iv) Approves the statutory calculations and resolutions set out in Appendix 10.

2.3 With regard to the Prudential Code and the Capital Programme it is recommended that Council:
- (i) notes the information regarding the requirements of the Prudential Code (section 9);
- (ii) agrees the Approved Capital Programme for 2015/16 to 2018/19 as set out in Table 9 (appendix 9). Also notes the Indicative Capital Programme and it is recommended that Council agrees that these indicative programmes be reviewed in the light of circumstances at the time;
- (iii) agrees the Prudential Indicators, the Treasury Management Strategy, the Minimum Revenue Provision statement and the criteria for investments set out in section 9 and Appendices 4 & 5.

2.4 With regard to the Medium Term Financial Plan it is recommended that Council notes the forecast for the medium term as set out in section 10 and adopts the key principles set out in paragraph 10.13.

2.5 With regard to the robustness of the 2015/16 budget and the adequacy of the Council's earmarked reserves and balances it is recommended that Council:
- (i) notes the risks and uncertainties inherent in the 2015/16 budget and the Medium Term Financial Plan (sections 10 & 11) and agrees the actions in hand to mitigate them;
- (ii) notes the advice of the Director of Finance, Resources & Customer Services regarding the recommended levels of contingencies, balances and earmarked reserves (section 12) and has regard to the Director's statement (section 13) when making final decisions on the 2015/16 budget;
- (iii) agrees the recommended levels of central contingency and general balances (section 12).

2.6 It is recommended that the Cabinet Member for Education, Children's Services and Protection, and Cabinet Member for Finance take the decision on the schools budget for 2015/16 taking into account the comments of the Schools

Forum on March 4th 2015 and any relevant decisions which the Forum make under the DfE regulations in (Section 5.8).

2.7 It is recommended that Council agrees the Fees and Charges for Environmental Services for 2015/16 (Section 10.16) and Appendix 12.

2.8 It is recommended that Council agrees the Fees and Charges for Adult Social Care Services for 2015/16 (Section 10.17) and Appendix 11, subject to consultation.

2.9 It is recommended that the New Homes Bonus be allocated to maintain regeneration and homelessness services (paragraph 5.7).

2.10 To approve the continuation of the existing policy for the calculation of Minimum Revenue Provision (Section 9.16)

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

3. BACKGROUND TO THE BUDGET PROCESS

3.1 The budget decisions in this report are aligned with the Administration's vision and priorities for Enfield; a better place to live and work by delivering fairness for all, growth and sustainability and strong communities.

3.2 The Council's overall strategy, "A Fairer Future For All" sets out each of the Council's strategic aims and associated priorities. The Council Strategy is linked to the budget through the Medium Term Financial Plan and the annual budget process. The Budget and Medium Term Financial Plan (2015-19) forecasts funding requirements for the Council's General Fund services.

3.3 The development of the 2015/16 Budget and Medium Term Financial Plan started in the spring of 2014 with a review of the Council's revenue and capital spending needs over the next 4 years. This work was undertaken in the context of the Council's aims and objectives and the priorities set out in the Improvement Plan. This year's budget process has taken into account:

- The Chancellor's 2014 Budget and Autumn Statement.
- The Department for Communities and Local Government Technical Consultations.
- The Local Government Finance Settlement 2015/16.

3.4 Enfield Council has also responded to the various Government consultations in the interest of local residents and businesses and invited and visited Ministers to lobby on Enfield's behalf. Cabinet and lead members have received regular updates on how the proposals will affect the Council.

3.5 Directors, in consultation with their portfolio holders and working with the Director of Finance, Resources & Customer Services, have finalised next year's service budget requirements and drawn up savings and additional income proposals to balance the overall budget for 2015/16. Cabinet on 23rd July and 12th November 2014 received reports on the progress of the 2015/16 budget and updates of the Medium Term Financial Plan.

3.6 At the 12th November Cabinet meeting, a schedule of departmental service savings, totalling £8.989m for 2015/16 and £14.917m over the period of the four years of the Medium Term Financial Plan, were approved.

3.7 Cabinet on 17th September 2014 agreed The Enfield 2017 vision for the Council including a transformed self-serve capability which can be accessed directly by residents, and supports assisted self-service. This programme is the next step in the Council's transformation and focuses on working in a new way and delivering services to our customers that are sustainable, efficient, cost effective, local and available when they need them. The Enfield 2017 programme cost savings were agreed at 30th October 2014 Cabinet totalling £15.1m in 2015/16 and £29.2m over the period of the Medium Term Financial Plan. All approved savings are currently being implemented. £3.281m was set up in 2013/14 in the Council Development Reserve to meet the costs of the programme. Additional one-off resources of £3.337m have been earmarked in 2015/16 for the programme and will be added to the Development Reserve.

3.8 One of the Council's financial objectives is to keep Council Tax increases as low as possible, whilst ensuring that the Council provides quality services that continue to meet the changing and growing needs and expectations of service users. With the Consumer Price Index measure of inflation around 1.0%[2] when the estimates were calculated, the freeze in Council Tax will again be an overall reduction in real terms for Council Tax payers.

3.9 The proposals in this report enable the Council to balance the 2015/16 budget whilst protecting front line services, investing in key projects and priorities including Enfield 2017, and freezing Council Tax. The Medium Term Financial Plan demonstrates the difficult service decisions ahead as central government funding reductions continue to reduce the resources available to meet increasing service demands.

4 BUDGET CONSULTATION

4.1 **Enfield Spending Review**

As in previous years, the Council is committed to consulting local residents on its budget plans and the 2015/16 Budget Consultation Process included a number of initiatives to develop our consultation further:

- The Budget Simulator, an online budget calculation tool available on the front page carousel of the Council's website.

- A number of focus groups held in November/December where members of the public were invited to attend and give their views on the Council's priorities.

[2] November CPI. Source: Office for National Statistics (ONS)

- The budget consultation survey was included in the November version of Our Enfield ensuring that the consultation was open to all residents of Enfield.

- Enfield's elected Youth Parliament produced a film which communicates the spending pressures on Enfield Council. This has been used as a tool to gain young people's spending priorities in 6 different secondary schools across the borough.

4.2 **Consultation at Key Public Meetings**

A number of briefing sessions were held from November to January for members of the public, to increase their awareness of the budget and allow them register their opinions. The consultation sought the views on all the Council's priorities as part of the 2015/16 budget process. It explained the budget pressures facing the Authority in the coming years and set out what action is currently in hand to address these pressures and balance the budget in future years.

There was engagement with all key stakeholders via the Budget Consultation on the Council's web site for ratepayers, partners and interest groups in order to ensure the options on the budget were considered by as wide an audience as possible. This is key to the process as the future funding limitations will require joint working with partners to deliver priorities in a cohesive way that meets the expectation of residents and clients.

4.3 **Outcomes**

The feedback from all of these consultation processes was presented to the Budget Overview and Scrutiny Panel on 29th January 2015 - Appendix 1 to this report. The minutes of the Panel are also included in the appendix.

5. LOCAL GOVERNMENT FINANCE SETTLEMENT

5.1 The Settlement sets out the Government's spending control totals for Local Government which will continue to be used to control council expenditure as part of the programme to reduce public expenditure and debt. The provisional 2015/16 Local Government Finance Settlement was announced on 18th December 2014 by the Local Government Minister. The final statutory report relating to the 2015/16 Local Government Finance Settlement has now been received. The updated settlement has made available £514k of additional funding. In order to mitigate the risks of some of the more difficult savings decisions the opportunity has been taken to re-profile £100k of Children's Centre savings and £400k of Housing Health and Adult Social Care savings. This will provide more flexibility and lead in time to the achievement of these demanding savings.

5.2 The Local Government Finance Settlement confirms that councils will continue to face significant spending cuts and huge financial challenges. Analysis by the Local Government Association shows that:

- Central government grant to run local services will fall by 3.7% next year, when the Better Care Fund (BCF) is included in full. Without including the element of BCF which will not be spent on social care or commissioned by local authorities, the reduction is 8.8%.

- Nationally, savings of £2.6 billion will need to be found from council budgets for 2015/16.
- The 2015/16 cut brings the total reduction in core government funding to councils since 2010 to 40%. Over this period councils will have made £20 billion worth of savings.

5.3 Enfield's 2015/16 Settlement is set out in the table below:

Table 1: Enfield Settlement	**2014/15 Settlement £'000**	**2015/16 Settlement £'000**	**2014/15 to 2015/16 Settlement £'000**
Formula Funding	125,400	104,665	(20,735)
2011/12 Council Tax Freeze Grant	3,018	3,007	(11)
Rolled in core grants 2013/14:	-		0
Early Intervention Grant	10,855	9,888	(967)
Learning Disabilities Grant	5,195	5,176	(19)
Lead Flood Authority Grant	132	132	0
Homelessness Grant	539	537	(2)
2013/14 Council Tax Freeze Grant	1,204	0	(1,204)
Council tax freeze compensation		2,415	2,415
Local Welfare Provision (Social Fund)	1,087	818	(269)
Returned Holdback	194	0	(194)
Settlement Funding Assessment (SFA)	**147,624**	**126,638**	**(20,986)**
Made up of:			
Revenue Support Grant	80,486	59,325	(21,161)
Baseline Funding:			**0**
Business Rate Top-Up	34,616	35,277	661
Local Business Rates (30%)	31,435	32,036	601
Local Welfare Provision (Social Fund)	1,087	0	(1,087)
Settlement Funding Assessment	**147,624**	**126,638**	**(20,986)**

5.4 The 2015/16 Settlement Funding Assessment (SFA) has been reduced by £21.0m (14.2%) compared to 2014/15. This is in line with the 2015/16 indicative figures published by the Government as part of last year's settlement and included in the Medium Term Financial Plan, apart from the ending of the Social Fund. In this case, the 2014/15 Social Fund grant of £1.087m has been cut and part of the existing SFA notionally earmarked for this purpose. The result is an additional reduction in Government funding of £1.087m.

5.5 The Government has not published indicative figures beyond 2015/16 pending the outcome of the General Election in May 2015. The latest Settlement figures are incorporated into the 2015/16 Budget. Details about assumptions for later years are included in the Medium Term Financial Plan (Section 10).

5.6 Government Funding Allocations for Enfield

As previously reported in the 2014 Budget report to Council, funding allocations are now fixed in line with the 2013/14 Settlement until 2020 as a result of the Government introducing the part localisation of business rates from 1 April 2014. As a result, the effect of Enfield's damping will continue until 2020 at the earliest when funding will be reviewed by the Government. This now means that not only will

previous funding shortfalls created by damping be unaddressed in the formula but the new fixed method in future settlements will fail to take into account disproportionate changes in population and need in comparison to other authorities. This presents a significant long term risk to the Council as growing demand is not matched by increases in funding.

The Council has lobbied long and hard against current damping arrangements. The Council has discussed the position with similarly affected London Boroughs and agreed a joint strategy for lobbying of the Government on damping in particular and also the pressure created by Government funding distribution no longer recognising changing patterns of demographic demand within England. The campaign is aimed to achieve changes resulting in fairer funding in the 2016/17 Settlement for the partnership.

The campaign is based on work commissioned from LG Futures[3] to devise a technically robust solution to the unfairness of damping that could be applied to the national Settlement. This solution has been submitted to the Government by Enfield on behalf of the partner boroughs. The Government is being asked to top slice an amount equivalent to the damping loss from total funding to councils and redistribute the top-slice to each council affected by damping as a new grant to cover their damping reduction. This would produce a net annual gain Enfield of £8m.

5.7 Other Specific Government Funding

The local government finance system distributes much of Government funding (including Council Tax Freeze Grant prior to 2014/15). The significant 'stand-alone' specific grants are set out below.

Department for Communities and Local Government

- **Business Rate 2014 Autumn Statement Measures**

Income from business rates will be affected by the measures announced in the 2014 Autumn Statement. These are:

- The 2.3% RPI increase for 2014-15 will be reduced to 2%.
- A £1,000 discount for all retail, pubs, cafes (excluding banks and betting offices) with rateable values below £50,000 will be increased to £1,500 for 2015/16.
- The doubling of Small Business Rate Relief will continue for a further year.

The Government will pay for this through a section 31 grant so that councils are fully compensated. Figures reflected in the settlement aggregate this grant into local business rates and have been built into the 2015/16 budget.

The multiplier will therefore be 49.3p, with the small business multiplier being 48.0p. Top-ups and tariffs will be uprated by 1.91%; rather than the September Retail Price Index of 2.3%.

- **Council Tax Freeze Grant 2015/16**

The Government has offered two year funding to local authorities that freeze or reduce Council Tax in 2013/14 and 2014/15. The grant is compensation for a 1%

[3] Cost jointly shared by partner boroughs. Enfield's share met from within existing budget.

increase in council tax. The continuation of the grant at 1% for councils that freeze their tax increase in 2015/16 was announced by the Chancellor as part of the 2013 Spending Round and confirmed as part of the provisional 2015/16 Settlement.

- **New Homes Bonus Grant (NHB) and London Enterprise Partnership Top-Slice**

Nationally, NHB of £1,167m for 2015/16 has been confirmed by DCLG. This will continue to be funded through £250m in specific grant with the rest in top-sliced funding from business rates.

The Government has announced a total award of £3.83m NHB to Enfield in 2015/16, an increase of £0.47m over 2014/15. However, in 2015/16 the Government has imposed a £70m top-slice on London boroughs to be pooled for use on a programme of projects across London to be agreed by the London Enterprise Panel (LEP). The funding that each borough contributes to the top-slice is expected to be returned to that community through this process. The funding will be allocated to projects in line with seven LEP priorities. Enfield has submitted £1.0m of projects to the LEP for agreement. These proposals will be evaluated by the GLA and borough representatives, using a quality threshold framework co-designed between London boroughs and the GLA.

Enfield's top-slice is estimated to be £1.08m leaving £2.75m of NHB within the Council's direct control. Previous years NHB of £2.191m has been included in the budget to support major regeneration planning and resolving homelessness issues in the borough. For 2015/16 it is recommended that the balance of NHB (£0.56m) is applied to the General Fund to maintain these services. This allocation will be reviewed annually.

All new NHB from 2015/16 is funded by top-slicing the cost from the Government Control Totals. Therefore NHB is financed by reduced Revenue Support Grant and does not represent additional funding. The NHB represents a considerable addition to funding for some authorities, mainly shire districts. However, for many other authorities the effect of it being mainly funded through top-sliced funding is a net reduction in resources. Enfield is now in that situation.

- **Council Tax & Housing Benefit Administration Grant**

The Government continues to reduce the level of grant available to fund the local administration of welfare benefits. HB admin grant reduced by 19% due to the transfer of the Fraud Service to the DWP. The remaining grant now relates solely to housing benefit administration following a previous reduction to remove the council tax support element.

Department for Education (DfE)

- **Education Services Grant (ESG)**

ESG is grant for support services to schools which was top-sliced from local government funding and transferred to the Department for Education in 2013/14. It is allocated on a simple per-pupil basis to local authorities and academies

according to the number of pupils for whom they are responsible. The allocation to councils of Education Services Grant in 2015/16 is £582m; this includes the cut of £200m on which the DfE consulted earlier in the year. Enfield's grant in 2015/16 is £5.049m, a cut of £1.229m compared to £6.278m in 2014/15. This reduction was anticipated and has been allowed for when preparing the 2015/16 budget.

- **Adoption Grant & Special Educational Needs and Disability Grant**

In 2013/14, the Government top-sliced £150m of 2013/14 local government funding for transfer to the DfE. Since then, one-off allocations of this funding have been announced annually by the DfE mainly in respect of SEN and Adoption reforms. So far £31.7 million has been announced for 2015/16 for funding SEND reform of which Enfield has been allocated £0.229m. Any updates on further DFE grants will be included in 2015/16 revenue monitoring reports to Cabinet.

Department for Health

- **Public Health**

From April 2013, local authorities took on responsibility from the NHS, for improving the health & well-being of their local population and reducing health inequalities. The authority now has a duty to take appropriate steps to improve the health of its local population both through the overall aims, objectives and services of the Council and, more specifically using ring-fenced Public Health grant which cannot be used to support general council expenditure. The grant is designed to cover all expenditure incurred in delivering the Public Health function including all employee & overhead costs.

It has been confirmed that the pre-existing public health grant has effectively been frozen in cash terms. Enfield's grant is £14.257m for 2015/16, unchanged from 2014/15).

From October 2015 responsibility for commissioning the Health Visiting Service will also be transferring to the Local Authority. Further work needs to take place to accurately assess the child population of 0-5s and the projection of anticipated population growth going forward (we know that we are seeing an increase of families moving in to the borough). This assessment will better help us to determine the staffing requirements going forward to ensure case-loads remain at appropriate and reasonable levels.

- **The Better Care Fund**

The Better Care Fund is introduced in 2015/16 having been announced as part of the 2013 Spending Round. It provides a structured system to transform local health and social care services so that people are provided with better integrated care and support. It brings together the Clinical Commissioning Group (CCG) and Local Authority and encompasses a substantial level of joint funding to help local areas manage current pressures and improve long term sustainability. This fund is made up of existing Council and Health budgets and does not represent new funding. This Fund is an important enabler to take the integration agenda forward at scale and pace, acting as a significant catalyst for change, and is being managed as part of the Enfield 2017 programme.

- **The Care Act 2014**

The first major reforms under the Care Act will be implemented in 2015. The requirements for the delivery of the Act are consistent with the operating principles for Enfield 2017 in respect of providing wellbeing, preventing and reducing need, provision of information and advice and managing the market. The future on-going cost pressures as a result of the impact of the Care Act reforms present a financial risk to the Council for future years and work is on-going to quantify and manage this.

5.8 The Schools' Budget

Dedicated Schools Grant 2015/16

The Dedicated School Grant (DSG) is a ring-fenced grant, the majority of which is used to fund individual Schools Budgets. The Government has delayed their planned move to a National Fair Funding formula which will now not be implemented until at least 2016/17. For 2015/16, the Department for Education (DfE) will allocate additional funding of £390m to the Local Authorities which they have identified as being the "least fairly funded" based on their newly issued minimum funding requirements. Enfield does not fall below the minimum funding thresholds so will receive no additional funding in 2015/16 (other than related to increased pupil numbers) as the settlement will again be on a flat cash basis.

There are two significant changes to the DSG in 2015/16 for Enfield. The first is the way in which the Two Year Old funding is allocated: In 2013/14 and 2014/15 funding was based on the Government's target number of places, but from 1st April 2015 this changes to participation funding. This will have a significant impact on the amount of future funding that will be received as the targets set for Enfield in 2013/14 and 2014/15 were very high and were not fully achieved. This resulted in the funding exceeding the actual cost of places. In 2014/15 this surplus funding is estimated at £1.8m and as this grant is not ring-fenced the surplus could be used to fund pressures elsewhere in the schools budget. From 2015/16 it is intended that funding will match the cost of places, with a subsequent loss of the £1.8m headroom in the budget.

The second change is the bringing of the Non-Recoupment Academies (NRAs) into the DSG. NRAs are academies and free schools that unlike "Recoupment Academies" had no predecessor school in the Borough. (Recoupment Academies are academies which were previously LBE maintained schools and are already funded via the DSG). NRAs were previously funded directly by the Education Funding Authority (EFA) but from 2015/16 all free schools and academies will be funded via the DSG. The significance of this change is that LAs become responsible for in year growth in pupil numbers in the NRAs. This in year growth is not funded and is likely to be a substantial burden in the case of these new and growing schools. Following representations from LAs, the DfE has agreed to fund growth in the first year of this change but no commitment has been made to fund the growth in future years.

Enfield's initial 2015/16 DSG settlement was announced on 17th December 2014 as **£299.062m** (excluding Two Year Old funding and Early Years Pupil Premium).

Including estimates for pupil number growth in NRAs (which will be funded in retrospect for 2015/16 only); our forecast of the increase in Early Years places for three and four year olds; and funding for the revised Two Year Old offer (which will not be issued until July) the total DSG available to fund expenditure in 2015/16 is forecast to increase to **£307.837m**. Of this £12.342m relates to NRAs and comparing resources on a like for like basis with 2014/15 DSG resources have increased by £0.972m (0.3%). The increased funding is mainly due to increased pupil numbers offset by a reduction in Two Year Old funding.

For 2015-16, the DSG is again allocated to local authorities in three notional blocks, which include funding for Two Year Olds and post 16 High Needs pupils:

- Schools Block - a per pupil allocation based on the October 2014 Census. For Enfield this is £5,194 per pupil.

- Early Years Block - a per pupil allocation updated for the January 2014 and 2015 census for the Three and Four Year Old free entitlement. For Enfield, this is £3,948 per pupil. Funding for the Two Year Old free entitlement will be based on actual take up of places (participation) from April 1st 2015.

- High Needs Block – base funding updated for changes in numbers of special school places provided and including funding for post 16 High Needs learners.

Although DSG as a whole remains ring-fenced the individual blocks are not and allocations to the blocks are notional.

Under DfE regulations, certain specific decisions relating to the distribution of DSG funding are subject to consultation with the Schools Forum, with the Council making the final decision on the allocation of available resources taking account of any recommendations made by the Schools Forum. The 2015/16 Schools' budget is being finalised and will be presented to the Schools Forum on March 4th. As in previous years, due to the timing of the respective meetings, it is recommended that the Cabinet Member for Education, Children's Services and Protection, and Cabinet Member for Finance take the decision on the schools budget for 2015-16 taking account of any relevant decisions and recommendations which Schools Forum make on the 4th March 2015.

There are considerable risks in the schools budget for 2015-16 due mainly to increasing numbers of children presenting with special educational needs: This has resulted in an in year pressure in 2014-15 which is likely to worsen 2015-16 as additional funding will not be received for this pressure. In future years NRA growth poses a risk if LAs are required to pick up in year funding.

Other School's Funding

Pupil Premium Grant

The Pupil Premium was introduced in April 2011 and is allocated in addition to the DSG to enable schools to work with pupils who have been registered for free school meals at any point in the last six years (known as 'Ever 6 FSM').

The Government has confirmed its intention to raise the premium from £1,300 to £1,320 for primary FSM 'Ever 6' for 2015-16. Secondary schools will continue to receive £935 for secondary FSM 'Ever 6' pupils for 2015-16.

Children who are looked after attract a higher rate of funding than children from low-income families - the 'Pupil Premium Plus'- which is currently £1,900 per pupil and will remain at this rate for 2015-16. Children who have parents in the armed forces are supported through the Service Child premium which remains at £300 per pupil in 2015-16.

The Pupil Premium is a specific grant that the council has to passport directly on to schools, who can then decide how they will use the additional funding to achieve improved outcomes for this group of children. Enfield's illustrative grant figure for 2015-16 is £22m based on Ever 6 eligibility recorded in the October 2014 census but excluding allocations for Looked After Children (LAC) and children of service personnel. Final allocations for 2015-16 using updated pupil data will be published next summer.

Early Years Pupil Premium

In October 2014 it was announced that schools, nurseries and child-minders are to receive £300 for every 3 and 4 year-old from a low-income family under the new Early Years Pupil Premium, so these children start school on an equal footing to their peers. This is based on the 3 and 4 year olds taking up their full entitlement of 570 hours.

Sixth Form Funding

The Education Funding Agency (EFA) is responsible for the funding of 16-19 provision in academies, general further education colleges, sixth-form colleges and independent provision. The EFA also distributes resources to local authorities for them to pass on to those schools that are not academies.

Details of the 2015-16 post-16 funding allocations were released in January 2015, initially with the release of learner number statements. These statements are based on the data provided by each school in the October 2014 census return. The 2015-16 allocation will be based on that information and will be released to schools at the end of February 2015. Transitional protection that has been applied to some schools allocations (at a gradually reducing level) for the last 4 years will not be applied to the 2015-16 allocation. Schools will continue to be protected for funding per learner with no school losing more than 2% of funding per learner received in 2014-15.

5.9 New Burdens

a) Local Welfare Assistance

In 2013/14, the Government transferred to the local authority the task of supporting emergency payments to individuals in the borough together with a confirmed funding allocation of £0.9m agreed for two years. The settlement announces that there is no additional funding for local welfare from 2015/16. Instead the Government has separately identified £129.6 million which will be incorporated into the SFA in 2015/16 as mentioned above.

This announcement is disappointing as councils, the LGA and charities had called for the Government to provide additional funding to support local welfare assistance. Separately identifying funding for local welfare from within the existing core grant effectively represents a cut that will put additional pressure on existing council services. As a result many councils will be unable to continue to run their local welfare schemes. Research by the LGA shows that without additional funding as many as three quarters of local welfare schemes will be scaled back or scrapped.

b) Clients with no recourse to public funds

There is a projected overspend of £680k in 2014/15 based on the families the Council has supported during 2014/15 so far. As it is becoming more difficult to resolve the immigration status of these clients the costs are increasing as families are now being supported longer with resultant additional costs. The Council is actively lobbying Government on this issue as it needs to recognise that this has become an extra burden on local government.

c) 0-5 children's public health commissioning transfer

The Government's priority is to improve the health outcomes of children and young people so that they become amongst the best in the world. As part of delivering this vision, responsibility for commissioning 0-5 children's public health services is transferring from NHS England to Local Government on 1st October 2015. This joins up the commissioning for children under 5 with the commissioning for 5-19 year olds and other public health functions. The Government is carrying out a baseline agreement exercise on proposed 2015/16 allocations for which Enfield's is £2.33m. The deadline for responses was 16th January with final allocations promised soon after.

d) Centrally held funds

Once again there has been a top-slice, this time of £50 million, to pay for the difference between income from the business rates levy and that from the safety net. This is because of provision from appeals, most of them from before 2013 when the business rates retention system was introduced. The LGA is calling for the Government to meet the cost of appeals from before 2013 in full.

5.10 Local Council Tax Support

The Government replaced the national Council Tax Benefit scheme with local schemes of Council Tax Support in 2013/14. Enfield Council is adversely affected as it had the second highest Council Tax Benefit caseload in London before the change. Funding has now been incorporated in the Settlement Funding Assessment.

Council on 28th January agreed the 2015/16 Council Tax Support Scheme.

5.11 Local Referendums on Council Tax Increases & Abolition of Capping

The Localism Act requires councils to hold a referendum for proposed council Tax increases in excess of a threshold set annually by the Secretary of State for Communities and Local Government. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2015/16 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2015/16. It states:

"For 2015-16, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(b) is excessive if the authority's relevant basic amount of council tax for 2015-16 is 2%, or more than 2%, greater than its relevant basic amount of council tax for 2014/15".

The Council is required to determine whether its basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992. The London Borough of Enfield element of the Council Tax, in accordance with the regulation, is not excessive as there is no increase proposed.

6 THE TAX BASE ANDTHE COLLECTION FUND

6.1 The Tax Base

On the 28th January 2015, the Council agreed a Council Tax base of 91,714 Band D properties for 2015/16 (88,698 2014/15), based on the latest collection rate of 97.2%. The increase in the tax base of 3,016 is due to new properties and an increase in the estimated collection rate. This is the third year of the local Council Tax Support Scheme whereby council tax benefits are provided through locally determined discounts in residents' council tax bills. The 2015/16 scheme was approved by Council on 28th January 2015 and is provided for in the tax base figures. A summary of the tax base change is below:

Table 2: Council Tax Base	**Band D Equivalent**
Tax base 2014/15	**88,698**
Net increase in dwellings on valuation list	519
Reduction in exempt dwellings and reliefs	112
Revision to council tax support estimates	1,233
Collection Rate	1,152
Tax base 2015/16	**91,714**

6.2 The Collection Fund

Council Tax

The Council's 2013/14 audited accounts reported a surplus of £4.0m (Enfield's share £3.1m) on the Council Tax Collection Fund. The latest review of the Fund indicates that there will be an estimated surplus balance of £6.336m at 31 March 2015. This follows better than expected collection following the introduction of the local Council Tax Support Scheme in 2013/14. The balance will be shared between the Council (£4.982m) and the Greater London Authority (£1.354m) in proportion to their 2014/15 Band D council tax charges. Enfield's share is included in the 2015/16 council tax requirement calculation in Table 7.

Business Rates

The Council retains 30%[4] of the local business rate income due to the Council based on the Government return forecast (NNDR1) of net rating income which was reported to the Council on 28th January 2015. Enfield's estimated share is £32.573m. This includes an estimated £1.053m relating to Enfield's share of the loss of business rate income to due to the Autumn Statement announcement including the capping of the increase in the business rate multiplier to 2% and various other reliefs in 2015/16. This loss is to be met by the Government through a specific grant.

The Council's 2013/14 audited accounts reported a deficit of £3.2m (Enfield's share £1.0m) on the local Business Rates Collection Fund. The latest review of the Fund indicates that there will be an estimated deficit balance of £7.19m at 31 March 2015. The deficit is created by Enfield losing business rates because of successful backdated rateable value appeals that should have been paid for by the Government as part of the closure of the National Non-Domestic Rates Pool on 31 March 2013[5]. For Enfield, there is an estimated deficit on the collection of business rates of £2.157m as at 31st March 2015. This is shared as follows:

Table3: Local Business Rates Collection Fund	**%**	**£'000**
Government	50%	(3,595)
Greater London Authority	20%	(1,438)
London Borough of Enfield	30%	(2,157)
Total Deficit	**100%**	**(7,190)**

The overall estimated Collection Fund position for Enfield at 31st March 2015 is:

Table 4: Enfield Collection Fund 31st March 2015	**£'000**
Council Tax	4,982
Local Business Rates	(2,157)
Total Surplus	**2,825**

7. REVENUE BUDGET PROPOSALS

7.1 Budget Update

The overall summary of the budget proposals by each service is shown in Appendix 3. An overview of the budget position regarding pressures and savings is set out below.

7.2 Pressures

The Council faces additional pressures in 2015/16 especially as a result of loss of grant, demographic changes, welfare reforms increasing the cost of temporary accommodation, population growth and changing needs, totalling £35.7m. These

[4] 30% Enfield / 20% GLA / 50% Government

[5] The valuation of property is the responsibility of the Government's Valuation Office Agency and is not within the control of the Council.

additional pressures facing the Borough in 2015/16 are broken down in the following table:

Table 5: Medium Term Financial Plan Pressures	2015/16 £'000
New Demographic pressures This pressure continues year on year in order to meet increased demand for Council services. This includes services to older people and those with disabilities.	1,410
Price Inflation & pay awards The rate of inflation is currently 1.2% (September CPI). 2015/16 also includes pay award provision and the extension of the payment of the London Living Allowance.	1,784
Capital financing including interest charges Investment in schools, regeneration and highways improvements which is met by new borrowing and is repaid over the life of the asset.	2,577
Welfare reform - temporary accommodation Temporary Accommodation budget pressure	7,679
Schools & Children's Services Pressure Demand led Children's services pressures arising from the 2014/15 revenue monitoring process.	1,137
Other Items	(406)
Total	**14,181**
Reduction in Government and business rate funding Loss of income from the Government from budget reductions, fall out of Council Tax Freeze Grants and change in business rate income	21,501
Total Pressures	**35,682**

7.3 **Full year effect of previous year decisions**

Some of the 2014/15 pressure and savings agreed by Council were for a part-year only as some items were profiled over several years. Items agreed in previous budgets but not due to come into effect until 2015/16 totalling £236k.

7.4 **Savings 2015/16**

The table below shows the total savings made by each service in 2015/16 which are detailed in **Appendix 2.**

Table 6: Departmental Savings	2015/16 New Savings		
	November Cabinet	New Proposals	Total
Department	**£000's**	**£000's**	**£000's**
Chief Executive	0	0	**0**
Corporate	0	(1,060)	**(1,060)**
Finance, Resources & Customer Services	(897)	(286)	**(1,183)**
Housing, Health & Adult Social Services	(5,760)	(5,000)	**(10,760)**
Regeneration & Environment	(1,664)	(230)	**(1,894)**
Schools & Children's Services	(668)	(922)	**(1,590)**
Total Departmental Savings	**(8,989)**	**(7,498)**	**(16,487)**
Enfield 2017 Transformation Project	**(15,100)**	**0**	**(15,100)**
Total New Savings	**(24,089)**	**(7,498)**	**(31,587)**

The spending and savings proposals outlined in this report were developed in the context of the Council's Strategy. These priorities take into account feedback from

residents in the Budget Consultation as well as both the Council's and the external auditor's assessment of our performance.

7.5 In setting the Council's 2015/16 Budget and Medium Term Financial Plan, the Council's aim has been to continue to maintain, and where possible, improve services provided without increasing the Council Tax. The focus continues to be on delivering high quality services more efficiently through reductions in costs. The Council routinely, throughout the year, takes action to cut costs and make efficiency savings wherever possible. Every attempt continues to be made to minimise additional costs, but the ability to influence many of them is limited and the ability to make back office savings is increasingly difficult as a result of the scale of public spending cuts. Decisions are becoming more difficult and potentially not without significant impact.

7.6 Risk Based Budgeting

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

- Temporary accommodation
- Pressures on children's social services
- The going-live of the Care Act 2014
- Local Government funding
- Scope to make savings while maintaining services

The Council has initiated the Enfield 2017 transformation programme partly in response to these risks. It also needs to make greater use of its financial strength including its reserves to avoid unnecessary budget reductions and support a more commercial approach to capital investment with greater returns to the Council for the benefit of its residents.

The 2015/16 budget includes the best estimate of financial achievement of savings and likely pressures. Where there are potential risks of higher cost pressures as in the areas listed above or slippage in realisation of savings these have been factored into the assessment of budget robustness, balances and reserves to ensure the Council can meet any short term pressures without any impact on service delivery.

8. SUMMARY OF BUDGET PROPOSALS AND IMPACT ON COUNCIL TAX

8.1 The Localism Act requires Council approval of the Council Tax Requirement. The following table sets out the Council's budget position after taking into account the proposed changes.

Table 7 **Budget Position & Council Tax**	**2014/15** **£000's**	**2015/16** **£000's**
Net revenue budget		
Schools Budget	293,796	307,837
Other Services (base budget)	260,652	244,369
Dedicated Schools' Grant	(293,796)	(307,837)
	260,652	**244,369**

Table 7 Budget Position & Council Tax	2014/15 £000's	2015/16 £000's
Pressure (Cost increases)	8,080	14,181
Full Year Effect of previous savings decisions	(12,191)	236
Contribution to Enfield 2017 Reserve	0	3,337
Proposals for savings (**Appendix 2**)	(10,968)	(31,587)
Council Tax Freeze Grant 2014/15	(1,204)	1,204
Council Tax Freeze Grant 2015/16	0	(1,204)
Other General Grants	0	381
Net Budget	**244,369**	**230,917**
Less:		
Revenue Support Grant	(79,263)	(59,325)
Business Rate Top Up	(34,616)	(35,277)
Retained Local Business Rates	(33,211)	(32,573)
Collection Fund Net Surplus	319	(2,825)
Council Tax Requirement	**97,598**	**100,917**
Tax Base (Band D equivalents)	88,698	91,714
Council Tax (Band D)	**1,100.34**	**1,100.34**

8.2 The GLA Assembly reviewed the mayor's draft GLA budget on 28th January with the final draft budget due to be agreed by the London Assembly on 23rd February 2015. This is after the publication of the budget report to Council and so any changes to the GLA precept will be reported as revised statutory calculations and resolutions and a new Appendix 10 submitted for approval by Council. The budget was recommended with a decrease in the Band D precept from £299 to £295. The Band D Council Tax payable by Enfield residents for 2015/16 based on the budget proposals and GLA precept is £1,395.34. This is made up as follows:

Table 8: Band D Charge	2014/15 £	2015/16 £
London Borough of Enfield	1,100.34	1,100.34
Greater London Authority	299.00	295.00
Total	**1,399.34**	**1,395.34**

8.3 The statutory calculations of the proposed Council Tax for each property band and the formal Council resolutions required under the 1992 Local Government Finance Act are attached at **Appendix 10**. Revised recommendations will be submitted to Council if there is a change by the GLA at its meeting on the 23rd February.

9. CAPITAL PROGRAMME & THE PRUDENTIAL CODE

9.1 Public expenditure reductions have significantly reduced Government funding for capital investment. Traditional funding methods on their own cannot meet the investment needs of the Council and so alternative resources have been identified

including commercially based investment to both regenerate Enfield and generate increased capital receipts.

9.2 This report sets out the projects being undertaken by the Council and highlights the rewards and risks of the schemes and funding.

9.3 **2014/15 Capital Budget**
The current capital budget monitoring is reviewed on a quarterly basis at Cabinet. The outturn for the year is projected to be £121.1m for the General Fund and £42.4m for the HRA. A breakdown of these figures will be provided in the third quarter monitor presented to Cabinet in March 2015.

9.4 **General Fund Capital Programme 2015/16 onwards**
The investment programme is based upon the latest financial information in the quarterly capital monitoring and a review of the existing schemes. The recommended programme is summarised below. The detailed schemes are set out in Appendix 9.

Table 9: Capital Programme Summary

Approved Capital Programme Schemes	**2014/15 £'000**	**2015/16 £'000**	**2016/17 £'000**	**2017/18 £'000**	**2018/19 £'000**	**Total £'000**
Schools & Children's Services	40,390	42,746	29,212	20,239	19,000	**151,587**
Regeneration & Environment:						
Environment	21,500	26,489	20,000	10,481	6,147	**84,617**
Regeneration	20,711	26,795	6,804	6,274	0	**60,584**
Housing, Health & Adult Social Care:						
Adult Social Care	2,097	6,007	2,620	647	0	**11,371**
Housing Grants	2,342	2,818	0	0	0	**5,160**
Affordable Housing	1,294	2,100	0	0	0	**3,394**
Housing Gateway	20,000	20,000	20,000	20,000	20,000	**100,000**
Leisure and Culture	4,940	0	0	0	0	**4,940**
Corporate Items	7,782	6,554	19,579	15,208	0	**49,123**
General Fund Programme	**121,056**	**133,509**	**98,215**	**72,849**	**45,147**	**470,775**
Housing Revenue Account	42,409	52,725	59,128	77,011	73,790	**305,063**
Approved Capital Programme	**163,465**	**186,234**	**157,343**	**149,860**	**118,937**	**775,838**

9.5 The General Fund programme has previously included indicative schemes, especially for later years. The implementation of these projects is subject to detailed business cases and approval in accordance with financial regulations. This year, all indicative projects have been grouped together as a separate programme block for noting by Council. They include later year rolling programmes and projects where external funding is expected but not guaranteed at this stage. This block totals £136m over five years and will be subject to further reports to Cabinet and Council. These schemes are not yet provided for in the Medium Term Financial Plan.

9.6 The impact of the recommended Capital Programme is reflected in the current borrowing requirements set out as Prudential Indicators in **Appendix 4**.

9.7 **Capital Financing**

The funding of the approved programme is summarised below:

Table 10: Capital Financing

Approved Capital Programme Schemes	Financing Grants £'000	Capital Receipts £'000	Revenue £'000	S106 / CIL[6] £'000	General Resource £'000	Total £'000
Schools & Children's Services	103,152	4,225	19,731	1,116	23,363	**151,587**
Regeneration & Environment:						
Environment	40,223	0	10,136	327	33,931	**84,617**
Regeneration	2,675	0	0	171	57,738	**60,584**
Housing, Health & Adult Social Care:						
Adult Social Care	2,436	0	0	0	8,935	**11,371**
Housing Grants	1,398	0	0	0	3,762	**5,160**
Affordable Housing	0	0	0	0	3,394	**3,394**
Housing Gateway[7]	0	0	0	0	100,000	**100,000**
Leisure and Cultural	25	0	92	0	4,823	**4,940**
Corporate Items	143	0	599	0	48,382	**49,123**
General Fund Programme	**150,053**	**4,225**	**30,556**	**1,614**	**284,327**	**470,775**
Housing Revenue Account	15,901	40,896	226,166	0	22,100	**305,063**
Approved Capital Programme	**165,954**	**45,121**	**256,722**	**1,614**	**306,427**	**775,838**

9.8 The Council can no longer rely upon Government grants, capital receipts and developer contributions to meet the capital investment needs of the Council, and especially in respect of regeneration. The Council continues to seek external support but the cuts in public spending and the recession mean that there is greatly reduced funding available to councils. The Council has received reports during 2014/15 requesting approval to undertake commercial projects using wholly owned Council companies to acquire assets for housing and regeneration that can fund the necessary borrowing either by selling acquired assets at a profit or using annual income flows to meet capital financing costs such as interest and provision for debt repayment. This approach is reflected in the prudential indicators in Appendix 4.

9.9 It should be noted that the policy on MRP has been updated to make clear the Council's approach to providing for repayment of debt.

[6] There are no assumptions as to future Community Infrastructure Levy income at this stage.

[7] The capital financing cost of Enfield's loans to Housing Gateway will be fully met by the company so that there is no revenue cost to the Council.

9.10 The Council recognises the risk with these commercial schemes. For that reason the associated borrowing and potential revenue costs have been built into the Director of Finance, Resources and Customer Services risk assessment and advice as to the robustness of the Council budget and reserves.

9.11 **Housing Revenue Account Capital Programme**
Enfield Homes has prepared a Capital Programme for 2015/16 in line with currently available resources, including estate renewals. The proposed HRA Capital Programme is a key element of the HRA business plan; this report forms part of tonight's agenda.

The Prudential Code

9.12 The Prudential Code for Capital Investment commenced on 1 April 2004. Within the regime, authorities must have regard to the *Chartered Institute of Public Finance and Accountancy's* (CIPFA) *Prudential Code for Capital Finance in Local Authorities- revised in 2011*. The principles behind this Code are that capital investment plans made by the Council are:

- Prudent,
- Affordable
- Sustainable.

9.13 The Code identifies a range of indicators which must be considered by the Council when it makes its decisions about future capital programmes and sets its budget. Capital expenditure plans for 2015/16 to 2018/19 as proposed in this report give rise to a net borrowing requirement for the Council. This has an impact on affordability on the revenue budget due to the financing costs associated with that borrowing.

9.14 **Appendix 4** sets out the Prudential Indicators for the London Borough of Enfield, based on the Capital Programme for 2015/16 to 2018/19 as detailed in this report.

9.15 **Minimum Revenue Provision (MRP)**

In accordance with the Government's Capital Finance Regulations, Councils are required to approve a statement in advance of the financial year setting out the method by which they intend to calculate Minimum Revenue Provision (MRP). This is the amount which authorities should set aside annually for the repayment of debt relating to capital expenditure financed by borrowing. It should be noted this only refers to non-HRA services – the HRA is exempt from making MRP. The Regulations require authorities to make prudent provision; guidance issued under the regulations set out options by which this can be achieved.

9.16 The Council is asked to approve the policy for the calculation of MRP, which is consistent with the guidance issued under the Regulations subject to the borrowing in order to purchase assets for improvement and regeneration with a view to disposal at a profit to repay the initial loan and provide additional funds for further investment within the borough as set out in Appendix 4.

9.17 **Monitoring and revision to the programme**

The monitoring of the Capital Programme, which is led by the Cabinet member for Finance is reported to Cabinet on a quarterly basis, together with the quarterly reporting of the Prudential Indicators. Monitoring statements are signed off by Directors and Lead Members.

The Capital Programme is revised on a continual rolling basis by reporting changes to Cabinet for approval as part of the monitoring process. The programme recommended is based on the latest information available at the time of producing this report. The regular 2015/16 monitoring report to Cabinet will include updates subsequent to this report.

9.18 **Treasury Management Strategy & Prudential Indicators**

Appendix 4 explains in detail the Prudential Indicators that the Council is required to set and their recommended values for 2015/16 – 2018/19. The indicators are monitored by the Director of Finance, Resources & Customer Services, reported quarterly to Cabinet and reviewed annually by the Council. The indicators are consistent with the Council's current commitments, existing plans, the proposals for capital expenditure and financing, and with the Council's approved Treasury Management policy, statement and practices. The tables summarising the Prudential Indicators recommended by the Director of Finance, Resources & Customer Services are contained within **Appendix 4**.

9.19 **Treasury Management Strategy 2015 to 2019**

The Authority has adopted the CIPFA Code of Practice for Treasury Management as a statement of its intention to follow best practice. The Council adopted the Code of Practice in January 2002 and the revised Code in November 2011 that will be adopted as part of this report. The other mandatory indicators for treasury management are set out in Appendix 5. The Council is asked to approve the strategy for borrowing and investments in **Appendix 5.**

10. THE MEDIUM TERM FINANCIAL PLAN

10.1 This section sets out the implications of the budget proposals in this report for the General Fund Medium Term Financial Plan (MTFP). They include the impact of the Capital Programme on future revenue expenditure.

10.2 The Medium Term Financial Plan is based on an analysis of the key influences on the Council's financial position and an assessment of the main financial risks facing the Council. The financial forecast set out in paragraph 10.3 models income and expenditure and resources available over the next four years and is considered to be the most likely outcome based on the following factors and assumptions.

The key influences and assumptions are:

- **Local Government Finance Settlement**
  The Government has confirmed the settlement for 2015/16. The Medium Term Financial Plan incorporates the settlement figures.

  The Settlement takes into account the Chancellor's 2014 Budget and Autumn Statements. The Government will not publish indications of Departmental Expenditure Limits for local government spending in 2016/17 in advance of the 2015 General Election. The MTFP includes assumptions based on the Chancellor's most recent statements regarding the longer term outlook for public spending.

- **Inflation rates and pay increases**
  The agreed two year NJC pay award has been allowed for in 2014/15 and 2015/16. Future years' awards have been set at 1% in line with current Government policy.

  Current inflation is below 1%[8]. No general price inflation has been assumed from 2015/16 onwards. All services are expected to procure services in line with this policy so that all providers of public services contribute to the reductions in public service expenditure. A central provision has been made for unavoidable increases in business rates and employers national insurance contributions. Any other inflationary increases must be managed by the service within its existing budget.

- **Interest Rates**
  The Council borrows to fund capital investment in priority services. The Capital Programme includes new borrowing to finance capital investment in schools, highways and regeneration. Provision has been made in the MTFP to fund the ongoing borrowing costs. Although the Council borrows at fixed rates, the cost will depend on the prevailing interest rates at the time of taking out new loans.

  The Council earns interest on its cashflow, by lending surplus cash balances for short periods; these cash balances represent unapplied balances, earmarked reserves and capital receipts. The current economic downturn has directly impacted on this income. Interest rates have now been low for a prolonged period and as a result the Council has set up an Equalisation reserve which is being used to mitigate the effect of low interest rates.

- **The on-going effect of existing policies, pressures and growth in priority services**
  Provision has been made in the Medium Term Financial Plan for the on-going effect of previous years' additional costs and savings. In addition, the Council has made provision for anticipated cost pressures where they can be identified.

  The capital financing costs associated with planned capital investment in highways, streetscene and schools are a significant pressure in the MTFP. The affordability of future capital investment is assessed as part of the MTFP and is increasingly under pressure as the Government reduces support for capital investment. The Council is proactively seeking other external funding grants and commercial opportunities to support its Capital Programme and is

[8] December 2014 Consumer Price Index (CPI) 0.5% (November CPI was 1.0%).

introducing the Community Infrastructure Levy which will support future regeneration.

- **Demographic pressures**
  In revising the Medium Term Financial Plan detailed work has been undertaken on the demand for services to the vulnerable, children and the growing adult population generally. These pressures are set to continue and grow in the medium term. The population of the borough continues to rise each year and the rebasing of local government will not result in any additional funding to meet this demand.

- **Local Retention of Business Rates**
  The Council now retains 30% of all business rates collected locally. The Government has assumed a certain level of business rates when determining the Local Government Finance Settlement. Any variation between the Government's estimate and Enfield's actual rates collected will either benefit the Council or create a budget pressure. Gains will be made by:
    - Government under estimating the amount collected by Enfield
    - Increases in business rates in excess of the assumed inflation built into future settlements by the Government. This will mainly be through physical growth of the commercial tax base and is a key element in the Government's plans to promote economic growth.

  A pressure will be created if business rates fall due to closures, economic recession and significant losses due to appeals. There is limited protection through the Business Rates Retention (BRR) scheme called the safety net. In year falls in excess of 7.5% of the Council's business rate baseline will be funded by the Government's safety net scheme.

- **Localisation of Council Tax Benefit Support**
  The Council approved its 2015/16 local scheme on 28th January 2015. The financial effects have been included in the budget and taken account of in the tax base for 2015/16.

- **Enfield's Local Plan (formerly known as Local Development Framework)**
  The Council is committed to supporting the development of the Local Plan setting out action plans for areas in the borough following the publication of the National Planning Policy Framework. Funding provision is in place for the first phases of the Plan but further funding may need to be incorporated into the Medium Term Financial Plan as work progresses.

- **Risks, contingencies and balances**
  There are risks inherent in the Medium Term Financial Plan for the reasons summarised above and exemplified in Section 11 of this report. A number of key items in the plan cannot be estimated with accuracy. The figures in the plan also assume that significant savings will be made. In this situation, it is essential to maintain sufficient balances, not only to deal with unforeseen events but also to cover the potential risk of not achieving the savings required. In addition, the Council will continue to hold adequate reserves for future commitments.

10.3 The Council will work to minimise Council Tax increases in later years. No final decision has been taken on taxation levels for 2016/17 and later years although a 1% increase has been included for planning purposes in line with the Government's council tax freeze grant in recent years. The following table summarises the current financial forecast for the period of the plan (2015/16 – 2018/19) and sets out the estimated further savings required based on a 1% increase in Council Tax per annum starting in 2016/17.

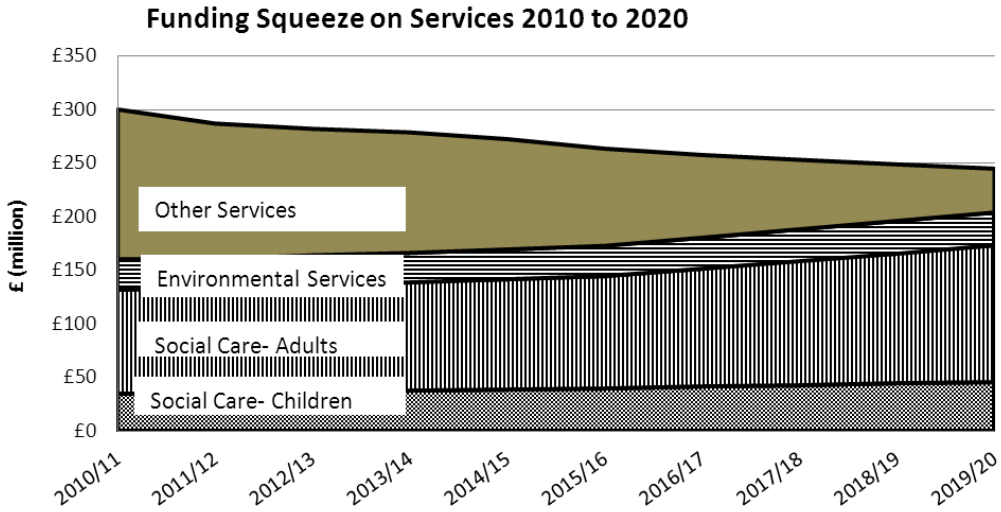
Table 11: Medium Term Financial Plan 2015- 9	**2015/16 £'000**	**2016/17 £'000**	**2017/18 £'000**	**2018/19 £'000**
Council Tax Base Provision	97,598	100,917	101,893	102,869
Inflation / Pay Awards	1,784	2,500	2,500	2,500
Additional costs of population growth	1,410	1,580	2,000	0
Other cost increases	10,987	11,431	6,905	7,005
Savings Identified	(31,587)	(9,180)	(9,083)	27
Reductions in Government Funding	21,501	12,620	10,327	9,781
Council Tax Freeze Grant 2015/16	(1,204)	1,204		
Contribution to reserves	3,337	(3,337)	0	0
Gap still to be found	0	(18,113)	(11,687)	(18,282)
Full Year Effect of Previous years	236	(554)	14	0
Collection Fund	(3,144)	2,825	0	0
Budget Requirement	100,917	101,893	102,869	103,900
Taxbase (88,698- 2014/15)	91,714	91,714	91,714	91,714
Band D Charge	£1,100.34	£1,110.98	£1,121.62	£1,132.87
% tax change	0%	1%	1%	1%

10.4 Many factors affect the Council's future financial position which can be estimated with some degree of confidence for the first year of the plan (2015/16) but become increasingly uncertain for later years. It is therefore essential to test the sensitivity of the plan to changes in the main assumptions. The figures in the following table illustrate the extent to which the plan would be affected by such changes:

Table 12: Sensitivity Indicators	**Budget impact £'000**	**Council Tax impact %**
1% change in pay	1,500	1.5%
1% increase in price inflation	2,000	2.0%
0.5% increase in interest rates (benefit to the Council)	(300)	-0.3%
1% increase in homecare costs	180	0.2%
1% increase in care costs for Older People	200	0.2%
1% change in Settlement Funding Assessment based on 2015/16	1,260	1.3%

10.5 No details have been provided on local government finance after 2015/16 pending the General Election in May 2015. The Chancellor's Autumn Statement confirmed future public spending cuts similar to those in recent years. In addition the Government is likely to continue to protect NHS and Schools at the expense of other services including local government.

10.6 It is worth repeating the local government spending trend set out in the 2013/14 Budget Report to Council. Work by the Local Government Association[9] and supported by further London specific analysis by London Councils[10] shows that if current trends continue, the cost of social services and statutory environmental services may require other council spending to drop by 66% in cash terms (80% in real terms) by the end of the decade. If capital financing and concessionary travel is included the cash reduction is 90% (which in real terms would leave practically no funding for other services at all). The objective is to ensure that the Government is aware that the reduction in council funding at current levels is unsustainable without cutting services. The LGA graph for Enfield is below:



10.7 The indicative savings to be identified across the four years of the plan will once again require a review of service priorities including statutory services and the quality of provision. It is increasingly difficult to cut costs without reducing service provision and the Council is carefully considering and planning how it will close the funding gap over the medium term.

10.8 In future if Members wish to increase investment in existing services or develop new services, or if demographic or other changes result in greater financial pressures, additional resources may not be achievable through efficiency savings elsewhere in the budget.

10.9 The Council is clear as to the financial pressures it is facing and is determined to deliver cashable savings that keep Council Tax low whilst at the same time maintaining or improving the quality of priority services wherever possible. However, it also recognises that efficiency savings are not inexhaustible and continuing reductions to public sector funding make cuts to services inevitable.

10.10 The National Audit Office (NAO) has warned in its first assessment of the sector's financial robustness that the government must establish mechanisms for dealing with "widespread financial failure" in local authorities. The report stated that Whitehall was failing to understand the combined effects of its policy reforms on councils' finances. Despite councils having "generally coped well" with the significant cuts made to their budgets, the NAO's head warned that councils

[9] LGA: Funding outlook for councils from 2010/11 to 2019/20
[10] London Councils: A case for sustainable funding for adult social care

would struggle to absorb further cuts over the next two years without reducing services.

10.11 Bridging the budget gap from 2016/17 onwards

It is clear from the Chancellor's recent budget statements that cuts in local government funding are likely to continue at least until 2018. The Council's medium term financial planning process recognises this and has identified that in excess of £50m of savings will be needed between 2016/17 and 2018/19 to balance the budget.

This is clearly a significant challenge given the extent of efficiencies that have already been identified over the last four years. Despite these substantial cuts in government grants, Enfield remains a successful, high performing Council, continuing to deliver high quality services across the borough.

10.12 Enfield 2017

A significant element of the savings built into the Medium Term Financial Plan depend on the delivery of the Council's transformation programme, Enfield 2017. This will ensure that the Council is able to deliver services to our customers that are sustainable, efficient, cost effective, local and available when they need them, whilst improving overall access to services.

We are evolving to ensure that we continue to meet the demands being placed on us by a changing world and the expectations of our residents.

To maximise synergies across the Council, and reduce delivery risk, the Enfield 2017 programme will co-ordinate and deliver transformation across all areas of the Council, and deliver improved outcomes across all services, with over 80% of all customer outcomes being resolved at the first point of contact.

To achieve this, we will blend the best skills from a range of programme partners, including Enfield, Serco, Microsoft, PWC and Ernst & Young, who will work in partnership as one team, drawing on each other's core strengths across the next two years.

This approach will be based on a clear set of objectives, and will build on the success of the transformation journey that has been undertaken so far and the Council's Service Integration and Management (SIAM) model of IT.

10.13 Key Principles of the Medium Term Financial Plan

The Medium Term Financial Plan is based on a number of key principles and assumptions. These are:

- That savings will be identified on a rolling basis to allow benefit realisation as soon as possible.

- That the demographic pressures the Borough faces are regularly reviewed and updated throughout the lifetime of the plan.

- That all risks related to both the delivery of the proposals in the plan and any future uncertainties are reviewed on a regular basis.

- Minimum balances of around £14m are maintained in accordance with the latest Finance Resilience Review carried out by external auditors.

10.14 **Education – schools**

The Department for Education has announced the position on schools funding for 2015/16. This is set out in the report (para 5.8).

10.15 **Housing Revenue Account (HRA)**

The medium term plan for the Housing Revenue Account is included in the HRA estimates report elsewhere on this agenda.

10.16 **Fees & Charges- Environmental Services 2015/16**

The current (2014/15) and proposed fees and charges for 2015/16 for services and materials provided by the Regeneration and Environment Department are set out in Appendix 12 of this report. In completing the exercise managers have sought to fully understand the cost of delivering the various functions and benchmarked the proposed charges against relevant comparators.

In several areas charge increases reflect the significant on-going investment by the Council despite significant reductions in government funding. Charges related to the parks and cemetery services have been benchmarked across neighbouring boroughs and are priced accordingly and competitively. There is a clear recognition that better facilities and services are required and expected of the Council and we will continue to address this need.

Following analysis of the Commercial Waste Service, prices have been varied. These charges are included in a part 2 paper to ensure commercial confidentiality. The proposed charges will become live on 1st April 2015 unless otherwise stated.

It is recommended that the revised fees and charges for Environmental Services are agreed as set out in **Appendix 12.**

10.17 Fees & Charges - Health, Housing and Adult Social Care 2015/16

The current charges for 2014/15 and proposed charges for 2015/16 (subject to consultation) for services provided by Adult Social Care within Health, Housing & Adult Social Care are set out in **Appendix 11** of this report. The allowances and disregards proposed for 2015/16 are also set out in Appendix 11.

The annual review of charging for services has been completed and will be subject to a consultation period up to March 2015. All charges within the policy will reflect the commissioned cost of services provided in keeping with the requirements of the Care Act 2014 which replaces previous guidance under the Fairer Charging regulations (non-residential services) and CRAG (residential services).

Benefit Uplifts
Disability Benefits will increase by an average of 1.2% in 2015/16. The basic state pension rate has increased from its current rate of £113.10 per week by 2.52% to £115.95 in 2015/16.

Residential Charges
The Care Act 2014 requires Social Services authorities to recover the full charge for residential care subject to the allowances and discretions available under the statutory charging scheme. The service user will contribute their assessed charge up to the full cost of the service. The full cost of the service will always be charged to other Local Authorities or Independent Agencies using the authority's services. The proposed weekly charge for in house residential care will increase in line with the uplift amount awarded for state pensions of 2.52%.

Residential respite will be charged on the basis of a flat rate contribution for people with savings below £23,250. These are based on the minimum living allowance rates minus personal allowance.

Community Based Services
These are services provided under the duties of the Care Act 2014. The Care Act 2014 regulations for assessing and charging replace from 1st April 2015 existing legislation (S17 Health and Social Services and Social Security Adjudications Act 1983 and Department of Health Fairer Charging Guidance) which gives local authorities the power to make reasonable charges for these services.

The authority may not require the service user to pay more for these services where their means are such that it would not be reasonably practicable for them to pay that amount. For people who fund the full cost of their services, the local authority must not charge an amount which is in excess of the costs of delivering those services (for example, overhead costs like the cost of an assessment must not be charged for). However, the local authority may charge for some services it provides (the cost of brokering support plans, for example).

In keeping with national guidance only service users with sufficient available weekly income and/or savings/capital over £23,250 will be liable to pay the full charge. Currently those people whose assessed charge is below £2.50 per week receive a free service as the cost of administering and collecting payment exceeds this amount. This will remain in 2015/16.

It is recommended that the proposed charges for services arranged by Adult Social Care and the proposed allowances and disregards are agreed as set out in **Appendix 11**.

Transport
The arrangements for transport will be subject to a separate Cabinet decision and consultation process.

11. BUDGET RISKS, UNCERTAINTIES AND OPPORTUNITIES

11.1 Throughout the budget process, officers have kept under review the key risks, uncertainties and opportunities that could have implications for the Council's financial position in 2015/16 and in the medium term. The systematic review, particularly of risks and mitigating actions is a key part of any effective planning system and therefore crucial in the budget setting process, a process reinforced by the external review of resilience discussed below.

In previous audit reviews it was recommended that the Council should continue:

- To ensure that the Medium Term Financial Plan remains responsive given the scale of the savings still required and the financial uncertainty that remains within the timeframe of the Plan.
- To maintain appropriate levels of earmarked reserves.

All of these areas and the Council's approach are reviewed as part of this report. The key assumptions are set out in paragraph 10.2 whilst the Director of Finance, Resources & Customer Services assessment of balances and resources is set out in **Appendix 8.**

Key financial risks are included in **Appendix 6**, together with comments on how they will be managed. Most risks relate to specific issues. However, it is important to emphasise the significant risk facing the Council due to the extensive and rapid reforms proposed by the Government. These have been reported and discussed both in this and previous reports to Cabinet but are summarised here:

- Council funding within public spending beyond 2015/16 is uncertain. Reductions in public spending are expected to continue and may possibly increase if the economic growth needed to restore private and public sector finances is not achieved.
- Welfare Reforms and Universal Credit changes are creating financial difficulties for local residents as reductions in benefit income take effect. To support Enfield residents affected by the new benefit changes Enfield Council's Welfare Reform Taskforce and its partners in Jobcentre Plus and the Citizens Advice Bureau will continue to work together to minimise the impact of the welfare benefit reforms. It will also help all of those affected to find work, support to move to more affordable accommodation, and avoid financial crises and homelessness.
- The Council faces an increasing pressure from funding temporary accommodation. The number of people in temporary accommodation is increasing at an alarming rate with many in expensive nightly paid accommodation. The Council has introduced a number of mitigating actions to address this problem including London wide price controls, incentive payments to landlords and investment in properties to achieve better outcomes for these clients. Despite this there are several factors beyond the Council's control that make this an increasingly higher risk to the Council.
- Incentive based Government funding such as the New Homes Bonus and Council Tax Freeze Grant is replacing need led grant allocations. Councils with

high deprivation such as Enfield will be worst hit if allocations increase to the wealthier areas as a result of this incentive based approach.

11.2 All risks must be taken into account when assessing the levels of contingencies and balances required. The 2015/16 budget has been set using the most likely outcome but the size of the balances and contingency and levels of reserves have been determined by specific project requirements, the overall level of spending by the authority and by quantifying the levels required to safeguard the Council against the risks if the worst case scenario happened. **Appendix 8(b)** quantifies the risks based on the worst case financial impact profiled by years and also probability. In summary, council balances are adequate although, in the worst case, the council might need to redirect earmarked reserves to replenish balances or meet costs directly.

11.3 The Council will continue to closely monitor its revenue budget with particular attention being paid to high risk items. Monthly reports to Cabinet and the Corporate Management Board will assess progress with the plans to deliver savings with the aim of identifying potential problems and, where necessary, corrective action, at an early stage.

11.4 The budget projections for the Medium Term Financial Plan will be reviewed and updated throughout the year to take account of further information as it becomes available. As the plan currently stands, there is no headroom for major changes without a significant impact on Council Tax levels.

12 CONTINGENCIES & GENERAL BALANCES

Contingency and Contingent Items

12.1 The Budget includes a central contingency of £1m for unforeseen circumstances. The Council also holds centrally a number of contingent items relating to spending requirements that are expected to arise at some point in the budget year but about which there is some uncertainty regarding the timing or magnitude of the financial impact. In 2014/15 contingency has been utilised in order to mitigate pressures relating to No Recourse to Public Funds and SEN Transport.

12.2 The Funding Challenge mentioned earlier in the report draws attention to the continued pressure relating to No Recourse to Public Funds resources in Enfield and across the London boroughs.

12.3 The Council's policy will continue to be one of containing spending within the budgets set for each department without recourse to the central contingency other than in exceptional circumstances. However, there are significant risks facing the Council in 2015/16 and through the period of the Medium Term Financial Plan. **Appendix 6** provides details of the high risk areas identified corporately and by departments. In view of these levels of risk it is recommended that the central contingency be retained at £1m for 2015/16.

12.4 General Balances and the 2014/15 Revenue Monitoring

The Council's general balance (excluding schools) stood at £14m as at 31 March 2014. The latest 2014/15 Revenue Monitoring report to Cabinet forecasts an overspend of £2.8m.

12.5 The level of balances is examined each year along with the level of reserves and contingencies, in light of the risks facing the Authority in the medium term. Following consideration of risks outlined in **Appendix 6** it is recommended that the General Fund balance be maintained at £14m.

12.6 Earmarked Reserves

Council reserves are held to meet the cost of specific one-off projects or specific risks. Any balance on reserves once the projects are completed or the risk has ceased is returned to General Fund balances.

A list of the Council's Earmarked Reserves and the purposes for which they are held is set out in **Appendix 7(a).** Planned movements in the balances over the next three years are shown in **Appendix 7(b)**. These are split between revenue and capital projects which are included in the MTFP and Capital Programme respectively.

The current level of available reserves is forecast to reduce to £41m by 31st March 2019.

It is recommended that any uncommitted resources at year end are added to general reserves.

13. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES

13.1 **Financial Comments**

The Local Government Act 2003 places a duty on the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves. Statutory guidance in this area is provided by Local Authority Accounting Panel (LAAP) Bulletin 78 (Nov 2008) and is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in the Council Budget report to Cabinet. A full statement of robustness is provided at **Appendix 8(a)**.

The 2015/16 budget has been prepared taking into account the following:

- Specific cost pressures set out in 7.2.
- The reduction and changes in central Government funding over the period of the Medium Term Financial Plan.
- The estimated impact of demographic change and the effect of increasing demands on services where these are unavoidable;
- Provision for legislative change and changes to the Council's statutory responsibilities;

- The estimated impact of underlying cost pressures, evidenced by financial monitoring reports in the current year;

Taking into account the budget risks and uncertainties, and assuming that the recommendations set out above are agreed, the Council's contingencies and balances are considered prudent.

The Director of Finance, Resources & Customer Services is therefore of the view that the budget is robust. Members' attention is drawn to the need for continued close monitoring of the budget and, in particular, like last year, the achievement of the savings targets for 2015/16. It will be essential for firm financial management to continue to be exercised throughout the year to ensure that expenditure is contained within budget. It should be noted that significant savings are likely to be needed from 2016/17 onwards, including the Council's Capital Programme, so that borrowing costs remain manageable. Without those reductions/savings measures, the Council's Programme will become increasingly inflexible, because an increasing proportion of the budget is spent on borrowing costs.

13.2 Legal Implications

The report sets out the basis upon which recommendations will be made for the adoption of a lawful budget and setting of council tax. The setting of the council budget is a matter for the Council, having considered recommendations by the Cabinet. The Council's budget-setting process is set out in the Constitution.

The Council has various legal and fiduciary duties in relation to the budget and setting of council tax. The Local Government Act 2003 requires the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves. The Council is required by the Local Government Finance Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the setting of the overall budget and council tax. The amount of council tax must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.

Members are obliged to take into account all relevant considerations and disregard all irrelevant considerations in seeking to ensure that the Council acts lawfully in adopting a budget and setting council tax. Members should note that where a service is provided pursuant to a statutory duty, the Council cannot fail to discharge it properly.

In considering the budget for 2015/16, the Council must also consider its on-going duties under the Equality Act to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and advance equality of opportunity between people who share a protected characteristic and those who do not and foster good relations between those who share a protected characteristic and those who do not. The Council must consider how its decisions will contribute towards meeting these duties in light of other relevant circumstances such as economic and practical considerations.

Members should note some of the actions to deliver proposed savings for future years have not yet taken place and may require specific statutory and/or legal procedures to be followed.

Finally, Members should have regard to s106 of the Local Government Finance Act 1992 which provides that members who are in arrears council tax for two or more months may not vote on matters concerning the level of council tax or the administration of it.

13.3 Property Implications

As outlined in the report, particularly in relation to the Capital Programme.

14. ALTERNATIVE OPTIONS CONSIDERED

14.1 The Council has an extensive budget planning and consultation process during which a wide range of options are considered in detail before recommendations are made. Issues raised and discussed have greatly contributed to this report including information from the Budget Consultation set out elsewhere in this report.

As part of its planning for both 2015/16 and future years the Council has considered future levels of Council Tax. Savings have been identified to enable a Council Tax Freeze to be delivered in 2015/16.

15. REASON FOR RECOMMENDATIONS

15.1 To set the Council's Budget Requirement and level of Council Tax for 2015/16 within the timescales set out in legislation.

15.2 To agree the Treasury Management Prudential Indicators and the Capital Programme for 2015/16.

16. KEY RISKS

As outlined in section 11 and **Appendix 6.**

17. IMPACT ON COUNCIL PRIORITIES

17.1 **Fairness for All** – The recommendations in the report fully accord with this Council priority. Where the budget proposals affect services to the public, Predictive Equality Impact Assessments have been completed by the relevant service department. The purpose of these assessments is to identify where and how proposed or changed policies and/or services could improve the Council's ability to serve all members of the community fairly and improve the effectiveness of the Council by making sure it does not discriminate and that it promotes equality.

17.2 **Growth and Sustainabilit**y – The recommendations in the report accord with this Council priority. A number of initiatives in this budget support the regeneration of Enfield. In addition, the Authority procures goods and services where possible from the local area in order to generate the local economy.

17.3 **Strong Communities** – The recommendations in the report fully accord with this Council priority.

18. EQUALITIES IMPACT IMPLICATIONS

18.1 The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

18.2 The Council does not discriminate on grounds of age, colour, disability, ethnic origin, gender, HIV status, immigration status, marital status, social or economic status, nationality or national origins, race, faith, religious beliefs, responsibility for dependants, sexual orientation, gender identity, pregnancy and maternity, trade union membership or unrelated criminal conviction. The Council will promote equality of access and opportunity for those in our community who suffer from unfair treatment on any of these grounds including those disadvantaged through multiple forms of discrimination.

18.3 The use of Equality Impact Assessments helps the Council to analyse and assess the impact of services and policies which will help achieve its aims. The Council recognises that undertaking full assessments will help to improve the efficiency and effectiveness of the Council by ensuring that residents and service users' needs are met

18.4 The Council's budget is not subject to a single Equality Impact Assessment, as it is far too complex for this approach. Instead, some budget proposals require change or new services and policies and, in these cases, the relevant service has responsibility to carry out an Equality Impact Assessment which evaluates how the proposal will impact on all parts of the community. The impact assessment must include consultation with affected people and organisations

19. PERFORMANCE MANAGEMENT IMPLICATIONS

The key priorities and targets within the Council's Improvement Plan have been one of the main drivers for the proposals in this report regarding the allocation of the Council's capital and revenue resources.

20. HEALTH & SAFETY IMPLICATIONS

Health & safety implications if relevant were taken into account as part of the budget setting process.

21. HUMAN RESOURCES IMPLICATIONS

To date the Council has implemented a robust redeployment programme and worked closely with the trade unions to identify a number of initiatives which have minimised the number of compulsory redundancies over the past two years. Given the financial pressures identified in this report, the Council will be exploring a range of options to ensure that it's human resources are appropriately used and allocated in the future with a view to delivering efficient services with reduced budgets.

22. PUBLIC HEALTH IMPLICATIONS

The public health implications are referred to in section 5.7.

MUNICIPAL YEAR 2014/2015 - REPORT NO.

OVERVIEW & SCRUTINY MEETING

Agenda - Part:	**Item:**
Subject: Update on 2015-2019 Medium Term Financial Plan **Wards:** **Key Decision No:**	
Cabinet Member consulted: **Cllr Doug Taylor**	

REPORT OF:
Director of Finance, Resources & Customer Services
Contact officer and telephone number:
email: **Isabel Brittain x 4744**

1 EXECUTIVE SUMMARY

1.1 The 2015-2019 Medium Term Financial Plan summarises planned Council expenditure over the next 4 years. It is formally agreed by the Cabinet and full Council during February 2015.

1.2 Prior to Council agreement, a number of decisions and plans need to be considered in order to reach a balanced budget. In preparation for setting the four year budget and Medium Term Financial Plan 2015-19, an extensive series of consultations has taken place to seek stakeholder views on the budget challenges and priorities facing the Council.

1.3 A good level of feedback has been established with clear high and low priorities from an online budget simulator and a series of budget focus groups.

1.4 The top priorities areas were:

Services Identified for the Lowest Levels of Reduction		
Lowest	Online Simulator	Focus Groups
1st	Children in the Care of Enfield	Physical Disabilities
2nd	Early Intervention & Child Protection	Mental Health
3rd	Street Cleansing	Children in Care of Enfield

1.5 This report sets out progress so far to the Medium Term Financial Plan and the responses from the engagement that took place. All of these responses will be fed into the finalised budget report to be presented on 11th February 2015.

2 RECOMMENDATIONS

1.1 Members of the Overview and Scrutiny Committee should note the contents of the report.

3. BACKGROUND

3.1 The Medium Term Financial Plan presented to Cabinet in February 2014 highlighted the potential funding gap over the next 4 years. In the last four years the Council has achieved savings in excess of £75million to ensure that spending is kept within funding available. However, in the next four years there is a requirement to deliver a further £80million of savings to balance the Medium Term Financial Plan.

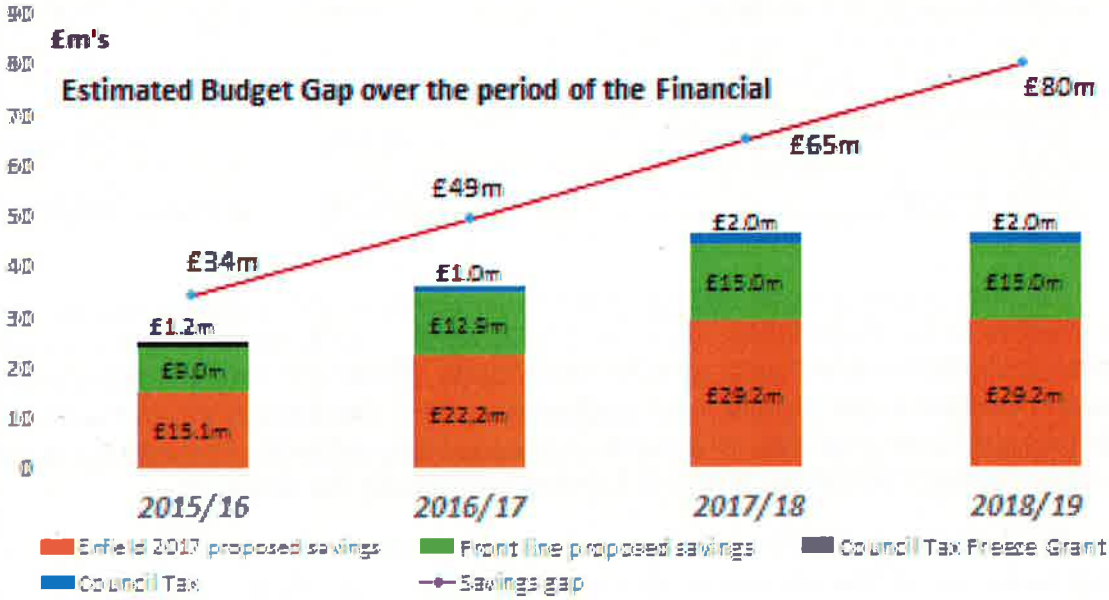
3.2 The Council faces a number of pressures and risks in 2015/16, primarily as a result of loss of grant, demographic changes, welfare reforms increasing the cost of temporary accommodation, population growth and changing needs, totalling £35m. These additional pressures facing the Borough in 2015/16 are:

Medium Term Financial Plan Pressures	2015/16 £'000
New Demographic pressures This pressure continues year on year in order to meet increased demand for Council services. This includes services to older people and those with disabilities.	1,410
Price Inflation & pay awards The rate of inflation is currently 1.2% (September 2014 CPI). 2015/16 also includes provision for extending the payment of the London Living Wage and a £2m employers National Insurance increase in 2016/17.	1,784
Capital financing including interest charges Investment in schools, regeneration and highways improvements which is met by new unsupported borrowing repaid over the life of the asset. This pressure continues to grow from year 2 onwards	2,577
Welfare reform - temporary accommodation Temporary Accommodation budget pressure, which is driven by the increase in the numbers of people seeking temporary accommodation in the borough for which income (ie Local Housing Allowance) does not cover the costs	7,679
Schools & Children's Services Pressure Demand led Children's Services pressures arising from the 2014/15 revenue monitoring process.	1,137
Other Items	(406)
Total	**14,181**
Reduction in Government funding Loss of income from the Government from budget reductions and the fall out of Council Tax Freeze Grants	21,207
Total Pressures	**35,388**

3.3 The 2015/16 budget includes the best estimate of financial achievement of savings and likely pressures. Where there are potential risks of higher cost pressures as in the areas listed above or slippage in realisation of savings, these have been factored into the assessment of budget robustness, balances and reserves to ensure the Council can meet any short term pressures without any impact on service delivery.

3.4 Work is largely complete to address these pressures in 2015/16, and is in hand for years beyond that. The diagram below demonstrates the level of savings agreed at the November Cabinet meeting.

Estimated Budget Gap over the period of the Financial Plan



ENFIELD Council

3.6 The table below shows the total breakdown of all savings (those agreed at November Cabinet and proposed additional items to be agreed at February Cabinet) made by each service in 2015/16 which are detailed in **Appendix 5**

	2015/16 New Savings		
	November Agreed Cabinet	New Proposals	Total
Department[1]	**£000's**	**£000's**	**£000's**
Regeneration & Environment	(1,664)	(230)	**(1,894)**
Finance, Resources & Customer Services	(897)	(100)	**(997)**
Housing, Health & Adult Social Services	(5,760)	(4,300)	**(10,060)**
Schools & Children's Services	(668)	(1,022)	**(1,690)**
Corporate (Includes CT Freeze Grant)	0	(2,264)	**(2,264)**
Total Departmental Savings	**(8,989)**	**(7,916)**	**(16,905)**
Enfield 2017 Transformation Project	**(15,100)**	**0**	**(15,100)**
Total Savings	**(24,089)**	**(7,916)**	**(32,005)**

3.7 To inform the budget setting process a series of consultation events have been held to seek stakeholder views on the budget challenges facing the Council. Various consultation tools were used to seek these views including an online budget simulator, budget focus groups, and engagement with the Enfield Youth Parliament, which included presentations to a number of secondary schools. Presentations were also delivered by Councillors at Ward Forums throughout the borough.

3.8 The Leader of the Council and the Finance portfolio holder were updated on a regular basis as to the results of those events and used them to make informed decisions for the Medium Term Financial Plan.

3.9 The results of the consultation work delivered to date are included in Appendices 1-4 of this report.

Online Budget Simulator

3.10 An external organisation that is also used by a number of other local authorities was used to facilitate the on-line budget simulator, "Your Enfield, Your Say". This online simulator was chosen as it is interactive and easy to use. The simulator provided respondents with budget information that allowed them to decide how £30m of savings could be made and the consequences of their choices. The simulator was active from 13th September 2014 to 31st January 2015 and featured prominently on the Council's website. The simulator was advertised widely, through business cards and posters in libraries and in Council buildings, Our Enfield

magazine, all external Enfield Council emails, and internally through Staff Matters and the Finance, Resources and Customer Services open day.

Enfield Town Show

3.11 The on-line budget simulator was launched at the Enfield Town Show on Saturday 13th September. Two large television screens were set up in the Mayor's tent on Saturday and Sunday to make the public aware of the budget challenges facing the Council and to demonstrate how the on-line budget simulator worked. Business cards which gave the website of the budget simulator were also handed out to the public.

Focus Groups

3.12 The focus groups were organised and run by the Council's Financial Management Services section, rather than employing a specialist firm which would have charged several thousand pounds per focus group. Two initial trial focus groups were run with Council officers and then a further six with all stakeholders. Members of the Council's Residents' Panel and representatives of the community and voluntary sector were invited, and as with the on-line simulator, the dates of the focus groups were widely advertised to the general public. Separate focus groups were also organised for EREC and the Over 50's forum.

3.13 The focus groups were scheduled for different times of the day, including some evening sessions to allow those in full time employment to attend. The sessions provided in greater detail the budget challenge ahead and sought stakeholder views on their priorities for Council services. Each event lasted approximately two hours – participants were briefed on the financial situation and asked to discuss, in broad terms, their views on services, service reductions and council tax. As part of each event, participants were asked to complete two questionnaires, one before the briefing and discussion, and one after – to show if and how their views changed following the presentation around the financial position and the chance to debate the issues.

3.14 Respondents were asked to share their priorities by indicating the extent to which they thought the Council should make reductions in various services and increases in certain income areas listed in the questionnaire. The amount spent by the Council was given, in order to provide information on the relative size of each service area.

3.15 Respondents were asked to select one of four options for each service to indicate the extent to which they thought the council should make reductions. The options were to reduce:

- A great deal
- To some extent
- Not very much
- Not at all

The results of all the Focus Group responses is shown in Appendix 2

Enfield Youth Parliament

3.16 Enfield Youth Parliament compiled a short film showing the budget pressures faced by the Council. This was played to 6+ secondary schools in their assemblies, where the pupils were also asked to complete a form setting out their three priority areas.
The results of this process will be presented at Overview and Scrutiny as these presentations will not be completed until the morning of 29th January 2015.

Results of the Online Budget Simulator

3.17 Up to the 16th January 2015, there have been 167 completed responses which include 4 completed on behalf of a group. The table in Appendix 1 shows the original budget of the service areas, the average percentage reduction as per the consultation responses, the indicative saving for each proposal as well as the cumulative total saving.

3.18 Respondents were also asked to give their preferences on increasing income. Appendix 1 shows the additional income and percentage increases which respondents indicated.

Results of the Focus Groups

3.19 A total of 60 attendees completed the paper version of the budget consultation. A graph illustrating the results of the focus group questionnaire is in Appendix 2. Based on the responses, the graph shows in % terms the results of the 4 reductions selected, which are then ranked in the % total of the 'To some extent' and 'A great deal' reductions. The services ranked at the top of the graph are those for which the attendees felt expenditure could be reduced or income increased more than for those listed at the bottom of the graph.

Conclusion

3.20 There were a total of 227 respondents from the Budget Simulator and the Focus groups. The conclusions drawn from the Budget Consultation are based on the information that participants had, along with their own personal experiences. Although on the focus groups participants were given time to make a decision, this was within a meeting lasting approximately two hours. This is a short period of time to understand local government finance, the detail of individual budgets and make a choice as to how to allocate £30m of savings.

3.21 These findings should be interpreted as a reflection on how residents view the way in which the current budget is presented and their overall priorities. In general, there are three rules to how residents are likely to respond to a budget consultation:

1. Residents will generally see anything that has a managerial label as an area for reduction.

2. Residents will generally see anything that has a people-focused label, such as supporting vulnerable adults and children, as an area to protect.

3. Residents will generally support the funding on services that they use personally.

3.22 The top five services that respondents identified for the greatest levels of reductions are summarised in the Table below (these are extracted from the full results presented in Appendices 1 & 2:

Services Identified for the Highest Levels of Reduction		
Highest Ranked	Online Simulator	Focus Groups
1st	Cultural Services	Cultural Services
2nd	Libraries & Museums	Pest Control
3rd	Pest Control	Libraries & Museums
4th	Neighbourhood Regeneration	Leisure Services
5th	Economic Regeneration	Waste Management

3.23 Regardless of whether results came from the online simulator or the focus groups, the top three areas for reductions are the same from both forms of consultation.

3.24 It should be noted that while Neighbourhood Regeneration and Economic Development ranked highly on the simulator, they were ranked 13th and 11th respectively in the outcomes of the focus groups, which are lower priorities for financial reductions.

3.25 There is some correlation between the two forms with regards to leisure services this was ranked 4th in the focus groups and 7th in the online simulator.

3.26 Waste management ranked 5th in the focus groups but ranked as low as 22nd within the on-line simulator.

3.27 The responses to the online simulator indicate that a 2% Council Tax increase would be required to address the budget gap. This was supported from the responses received through the focus groups, though it is not possible to determine an actual percentage increase, the feedback shows that 56% of respondents were in favour of an increase.

3.28 Similar conclusions can be drawn with regards to income generated by fees and charges. The online similar indicated an average rise of 12% would be required and this was supported by the focus groups with 54% of respondents in favour of an increase.

Highest Priority Ranking

The results in the following table show the budgets that were highest priority.

Services Identified for the Lowest Levels of Reduction		
Lowest	Online Simulator	Focus Groups
1st	Children in the Care of Enfield	Physical Disabilities
2nd	Early Intervention & Child Protection	Mental Health
3rd	Street Cleansing	Children in Care of Enfield
4th	Food Safety	Early Intervention & Protection
5th	Learning & Inclusion	Learning Disabilities

3.29 There are clear similarities between both forms of consultation in that "Children in the Care of Enfield" and "Early Intervention and Protection" were both ranked in the lowest 5. The results of the focus groups also support the low ranking of Street cleansing and Learning & Inclusion with 68% and 76% respectively in favour of not reducing or little reductions in these services.

3.30 Physical disabilities, Mental Health and Learning Disabilities ranked low in the Focus groups compared to the online simulator that indicates that a reduction of approximately 15% would be required which is in line with the overall average reduction across all services.

3.31 Appendix 3 summarises the demographic breakdown of all respondents combined from the online simulator and the focus groups.

3.32 Appendix 4 contains all comments received through both the online budget simulator and the focus groups which were run.

3.33 Appendix 5 contains the detailed savings for the Medium Term Financial Plan.

4. REASONS FOR RECOMMENDATIONS

4.1 Members of the Overview and Scrutiny are recommended to note the contents of the report.

5. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

5.1 Financial Implications

This report provides an overall picture of the finances for the London Borough of Enfield over the next four years. It also provides the preferences of the respondents to the consultation process. The financial impact of those choices is dependant of the decisions made at Cabinet and then Full Council in February 2015.

5.2 Legal Implications

By engaging with all community groups within Enfield as part of this process, the Council is complying with its ongoing duty under the Equality Act to have due regard to advancing equality of opportunity between people who share a protected characteristic and those who do not, and consider how its decisions will contribute towards meeting this duty.

5.3 Property Implications

There are no specific Property Implications arising from this report.

6. KEY RISKS

7. IMPACT ON COUNCIL PRIORITIES

7.1 Fairness for All

The consultation was designed to address the values as set out in the Council's priorities. The process was delivered in a number of different formats and arenas in order to be as inclusive as possible.

7.2 Growth and Sustainability

The consultation was designed to address the values as set out in the Council's priorities.

7.3 Strong Communities

The consultation was designed to address the values as set out in the Council's priorities.

8. EQUALITIES IMPACT IMPLICATIONS

The consultation process was specifically set up to allow engagement of all community groups within Enfield. Focus groups were held across the borough and times were set up so that all members of the public would find a group appropriate to their requirements. Specific groups held their own version of the budget consultation facilitated by Council officers. A breakdown of all of the population consulted is attached in Appendix 3.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

The development and implementation of a robust MTFP enables the Council to develop and deliver services and initiatives to achieve its priorities.

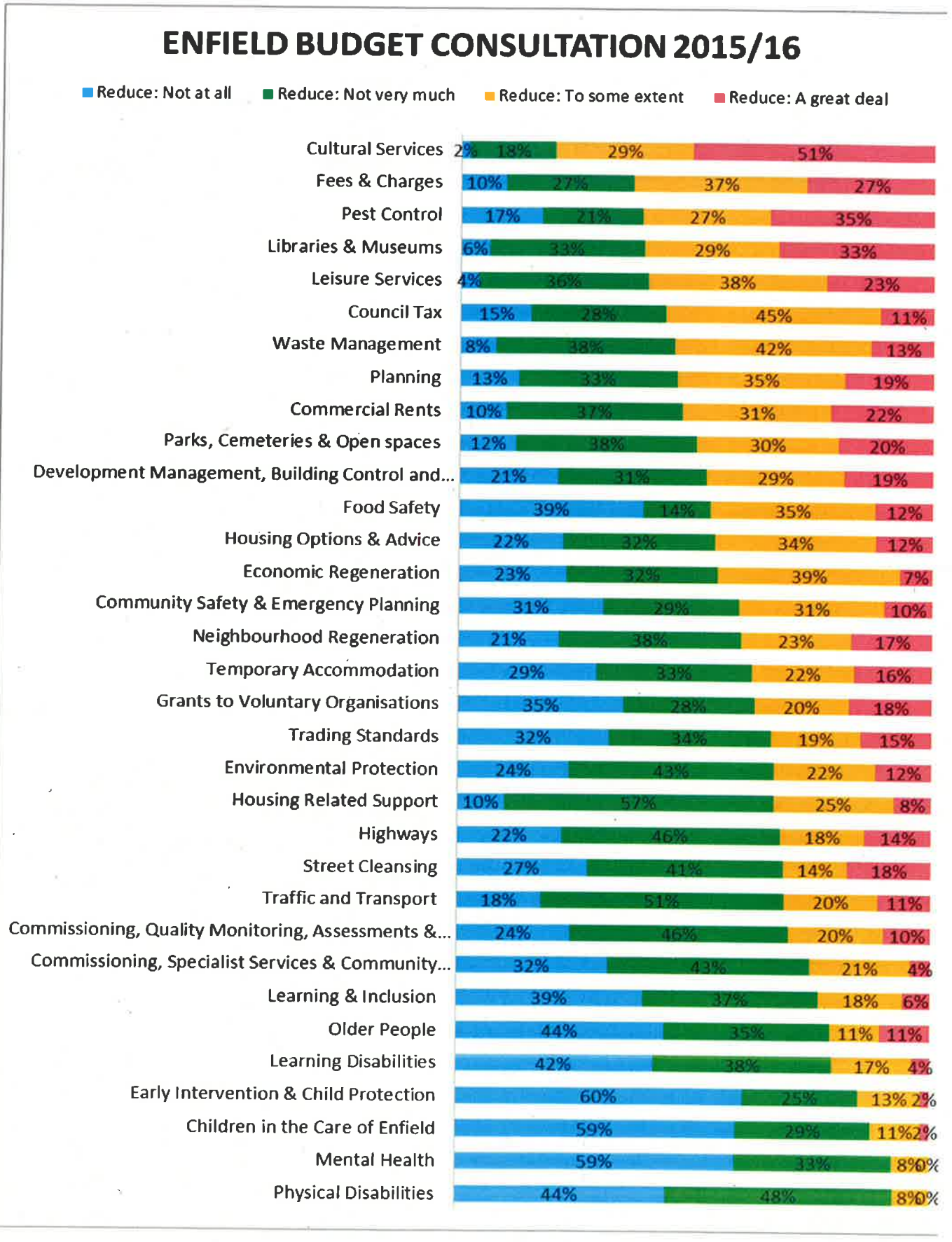
Appendix 1: Results of Online Budget Simulator

Actual savings split based on Consultation Returns				
	Original Budget	% Change	Saving from budget	Cumulative Saving
	£'000	%	£'000	£'000
Cultural Services	931	41	377	377
Libraries & Museums	4,193	29	1,225	1,602
Pest Control	239	28	67	1,669
Neighbourhood Regeneration	794	28	223	1,892
Economic Regeneration	787	26	202	2,095
Health Protection and Improvement	2,930	25	730	2,824
Leisure Services	1,299	24	314	3,139
Housing Related Support	9,584	22	2,129	5,267
Commissioning, Quality Monitoring, Assessments & Safeguarding	5,653	21	1,199	6,466
Planning	588	19	111	6,577
Older People	34,210	18	6,065	12,642
Comm, Specialist Services & Comm Engagement	8,253	17	1,431	14,072
Temporary Accommodation	4,103	17	711	14,783
Learning Disabilities	26,147	17	4,366	19,149
Parks, Cemeteries & Open spaces	4,699	16	749	19,898
Community Safety & Emergency Planning	2,362	15	359	20,257
Housing Options & Advice	1,683	15	253	20,511
Mental Health	7,001	14	1,008	21,519
Health Services	8,900	14	1,249	22,767
Physical Disabilities	8,795	14	1,199	23,967
Trading Standards	513	14	69	24,036
Waste Management	10,733	13	1,425	25,461
Traffic and Transport	757	13	99	25,559
Development Management, Building Control and Licensing	2,275	13	296	25,855
Environmental Protection	1,934	13	243	26,098
Highways	8,527	12	1,059	27,158
Learning & Inclusion	10,471	12	1,253	28,411
Food Safety	412	10	39	28,450
Street Cleansing	4,554	9	426	28,877
Early Intervention & Child Protection	13,649	9	1,220	30,097
Children in the Care of Enfield	16,812	8	1,294	31,391
Total	203,788	15	31,391	31,391
Income Areas	Original Budget	% Change	Income Saving	Cumulative Saving
Income, fees & charges	16,100	12	2,007	2,007
Council Tax	97,598	2	1,627	3,634

Appendix 1: Results of Online Budget Simulator

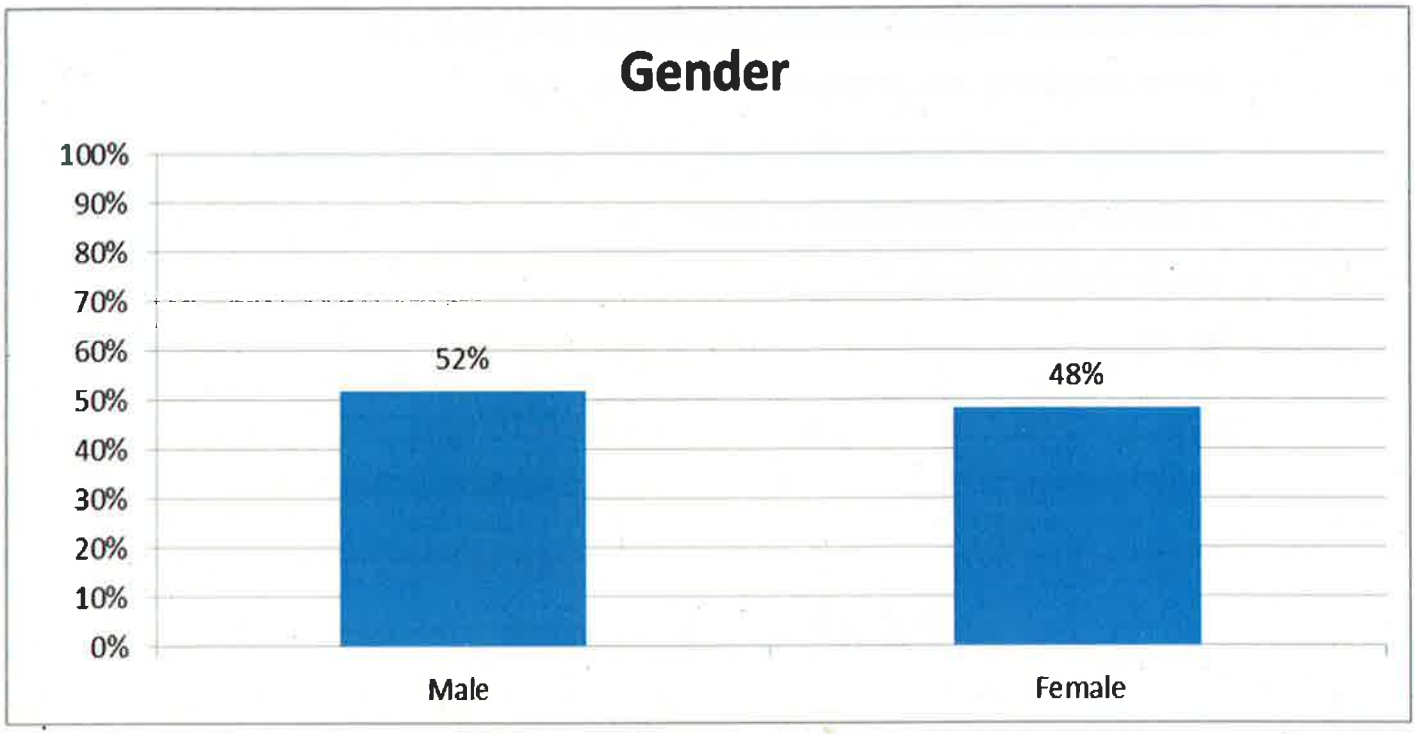
Actual savings split based on Consultation Returns				
	Original Budget	% Change	Saving from budget	Cumulative Saving
	£'000	%	£'000	£'000
Total	113,698	3	3,634	3,634

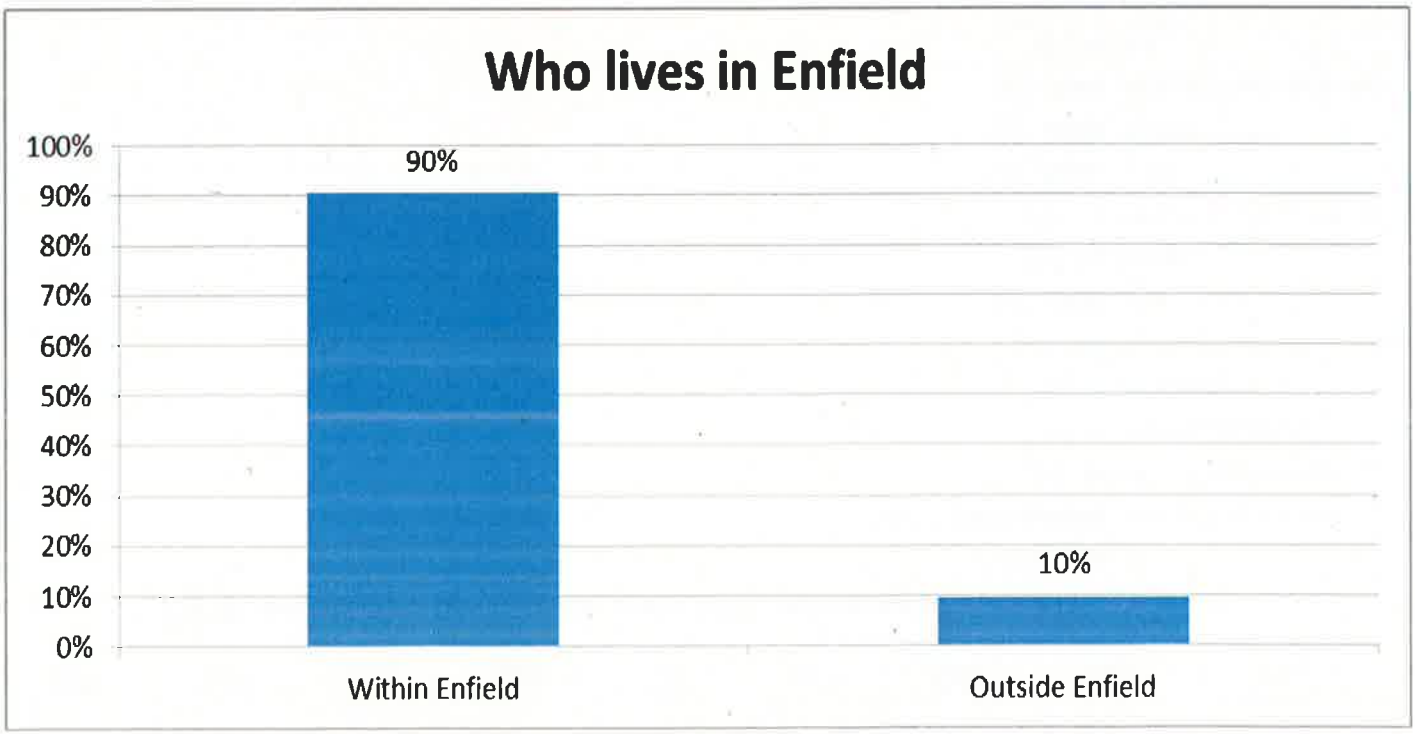
Appendix 2: Results of Focus Group Questionnaire



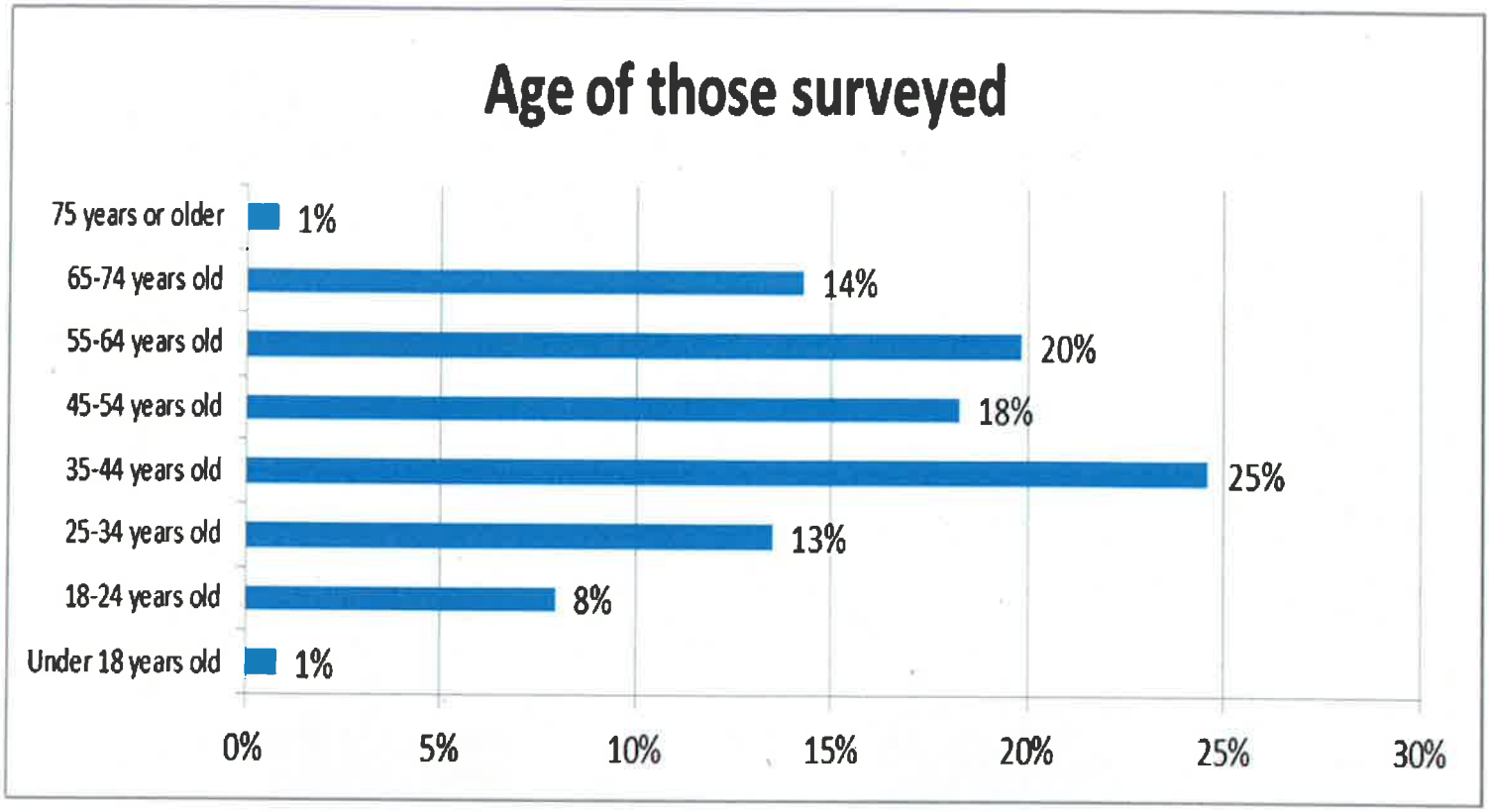
Appendix 3: Demographics

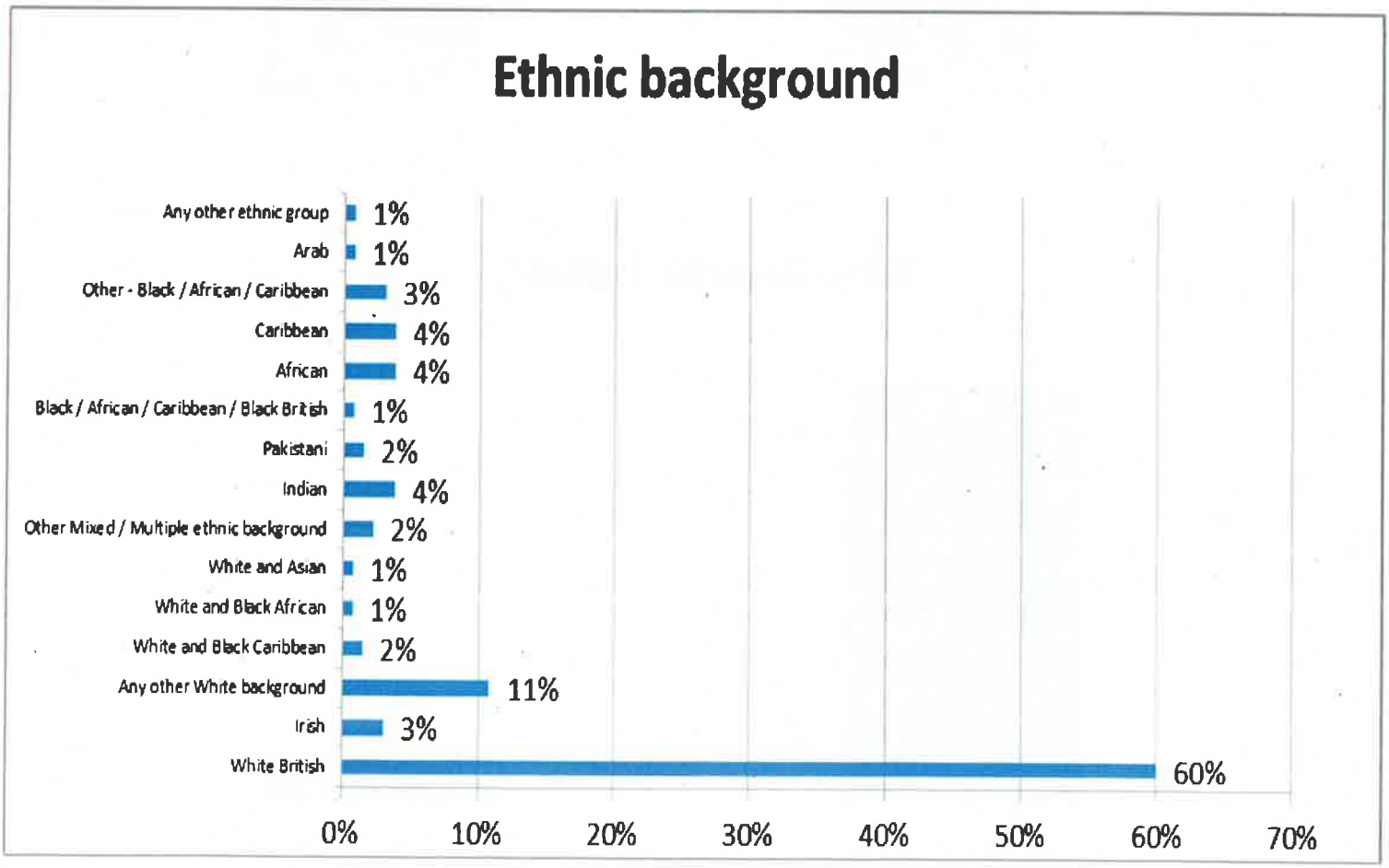
The graphs below shows the demographic profile of participants of the Budget Consultation drawn from those who were prepared to have this information recorded.





APPENDIX 1


Age of those surveyed
75 years or older
1%
65-74 years old
14%
55-64 years old
20%
45-54 years old
18%
35-44 years old
25%
25-34 years old
13%
18-24 years old
8%
Under 18 years old
1%
0%
5%
10%
15%
20%
25%
30%


Ethnic background
Any other ethnic group
1%
Arab
1%
Other - Black / African / Caribbean
3%
Caribbean
4%
African
4%
Black / African / Caribbean / Black British
1%
Pakistani
2%
Indian
4%
Other Mixed / Multiple ethnic background
2%
White and Asian
1%
White and Black African
1%
White and Black Caribbean
2%
Any other White background
11%
Irish
3%
White British
60%
0%
10%
20%
30%
40%
50%
60%
70%

Appendix 4: Budget Consultation Focus Group – Notes by service area

Adult Social Care

- People who live in flats link with health (mental and physical).
- Care within homes – volunteer meals on wheels service.
- Nursing care – encourage relatives/friends to take additional responsibility.
- Look at who we give money to in our Adult Social Care grants i.e. voluntary sector/private/charitable/profit making, are they local services.
- Squeezing profits not wages in the social care market.
- Important role of procurement in reducing Social Care costs.
- Social Care In-house services – do they provide value for money?
- As parents get older/friends experience of social care.
- Charge the NHS for people coming out of hospital that they would have previously looked after.
- Adults-I know this section has the biggest budget - is it possible to save more in efficiencies than suggested here?
- Adults- Get more Central Government funding to meet statutory responsibilities.
- I don't really want to take money away from this area but as it takes the bulk of the council budget, it's unavoidable. Enfield provides a good level of Adult Social Care services, however, they are not well promoted and most residents are unaware of what's on offer. Could attract more income from self funders and other local authorities but need proper, straightforward processes to get in the income. e.g. invoicing. Also need to reduce the spend on agency staff. Let services recruit permanently. Social Workers, Care Staff, etc. More preventative services would save more in the long run, helping people to avoid relying on Adult Social Care services. I believe that is the general idea but costs of long term services seem to be escalating.
- **Social care** and children's services cost the majority of council budgets and should fund the vast majority, if not all of these cuts, along with more 'discretionary' services such as leisure culture and libraries. I would also be willing to pay more council tax to reduce the impact of these cuts.

Health & Housing

- Vacant shops should be turned into housing i.e. turning empty/surplus retail space into housing. Group felt it was easier to turn office space into housing.
- Benefits of cycle Enfield, public health benefits.
- Alternatives for Public Health monies.
- There are lots of overpaid consultants in Public Health who have never lived in Enfield and do not understand the needs in the east of the Borough.

- Purchase some Council Bed and Breakfast units.
- Send Temporary Accommodation people to the North.
- I live in rented accommodation and pay the market rate. Why do council tenants not get charged the market rate? Put up their rent.
- Council tax revenues must be spent wisely e.g. Housing – we need early intervention to reduce cases of people turning up needing emergency temporary accommodation.
- Health & Housing- Limit & charge developers the amount spent on this - build more council houses.
- Didn't feel able to take money away from Housing Options & Advice and Temporary Accommodation. There's already a housing crisis in Enfield. I believe that processes have been made more streamlined. No slicing here. I've opted to remove budget from Health Protection & Improvement, Health Services and Housing Related Support. My idea is to increase the development of online guidance tools. Vulnerable people would need to be supported to access information via Adult Social Care, assuming they have a care package.

Services for Children & Young People

- Schools are a priority.
- Shortage of school places.
- Children's services – fostering/adoption, ideas on being more efficient.
- School take in/impact of people coming into the borough.
- Priorities – school places, weekly waste collection, recycling fortnightly.
- Education as a form of prevention.
- Children with special needs/disabilities a priority.
- Children & Young people services are very important.
- Safety of children – get kids on straight and narrow.
- Education is important.
- Quality of schools has declined in recent years.
- Reduce crime and protect children and young people who are the future of the borough
- Services for Children & Young People - employ better staff.
- I've seen recently in the local press that the number of children taken into care due to neglect and abuse has increased. I don't have any children but this area concerns me. We have to invest in our young people so that when they move into adulthood, they can lead constructive lives. Provide positive role models who can show that you should work hard to get what you want in life. Felt I had no choice but to cut a little from here, just to contribute to my target.

- Social care and **children's services** cost the majority of council budgets and should fund the vast majority, if not all of these cuts, along with more 'discretionary' services such as leisure culture and libraries. I would also be willing to pay more council tax to reduce the impact of these cuts.

Environment & Regulatory Services

- Issue was raised about noise relating to people letting off fireworks.
- Parties at people's houses (noise pollution).
- Fly tipping a concern.
- Increase enforcement and charge for it! Litter, fly tipping, illegal structures, illegal drop down curbs, (Lakeside Estate and Cavendish Road, Palmers Green).
- We should at least recover direct costs from services like planning & building control, if not also make a contribution towards overheads.

Neighbourhood & Street Scene (including Waste Services & Highways)

- Over flowing bins.
- Safety priorities.
- Highways important to keep everything moving.
- Recycling bags – biodegradable bags – buy in bulk – add 50p and sell on.
- Priorities – school places, weekly waste collection, recycling fortnightly.
- Bulky waste metal items – people will collect (i.e. Council don't need to).
- Good travel is important.
- Traffic on A406 – air pollution a concern.
- Roads are much better in Enfield than other boroughs.
- Barrowell Green –fly tipping prevention. Even though Enforcement it still continues but no one has been prosecuted.
- Emergency Planning – how many people are needed?
- Keep the good things e.g. greenery & parks, keep Enfield clean, low crime. Concessionary travel, waste & streets are important.
- Fortnightly waste collection.
- Sweeping roads before waste collection makes no sense.
- Haringey have gone residual fortnightly/recycling weekly.
- Difficult to identify priorities – don't want local area to deteriorate e.g. pot holes/pavements falling apart.
- Keep the good things e.g. greenery & parks, **Enfield clean**, crime. Concessionary travel, **waste & streets** are important.

- Street Lighting – is there potential for further trimming & dimming? Implications of providing less street lighting (or alternative lights), perhaps not provided on every street.
- Waste collection could be fortnightly but education campaigns around this are important.
- Environment: Why do they spend money on block paving, from the road to the driveway, Wades Hill and why do we have so many bollards, metal and wooden on grass verges, I was told these were to protect the grass this is rubbish. The grass is fine and we have not needed these for the past 40 years I have lived here.
- Charge utility companies for carrying out works involving digging up roads. The repair they do is not the same quality of what was previously there. The Council then have to repair this again.
- Residents could collect litter themselves to reduce the costs of street cleaning – is the Street Hawks scheme still active?
- Street sweepers come along before the refuse collectors so streets are not clean for long. Need to have sweepers follow the refuse collection rounds – possibly the day after, as bins will be on the pavement all day where residents go to work before bins emptied and can't bring them back into their properties until the evening.
- Parking charges are damaging the local economy.
- Winchmore Hill area– a CPZ could be useful as people are parking in residential streets and then going to work all day.
- "I question the point of the street cleaning vehicles coming round this morning, our usual bin day, but due to Christmas bin collection is tomorrow. Again, timing, even if it were to have been today, street cleaning would have been prior to the bin collectors, and as it was prior to 8 a.m. the majority of cars were still parked in the street and therefore prevented a proper job being done. So are we paying the Council to clean the streets as a paper exercise while paying for someone to drive the streets for fun?"
- "Re: Street lighting. The new library Ordnance Unity has been open a week and every night and early morning when I pass by all the ground floor lights are on as are the ones in the tall stairwell. Added to this, are the approximate five perimeter lights just 10 yards away from the building and 2 metres from 3 street lights. Is this really necessary? Also along Enfield Wash Hertford Road shops: many shops appear to have lighting kept on for security purposes I guess at their expense, so do we need street lights in these vicinities or indeed where their signage is so well lit up. But only through trialling and physical surveys at night will one identify whether less lighting will work. Bearing in mind our concerns for vulnerability (keeping public areas well lit) and not making "blanket" decisions on lighting as some areas will need more street lighting than others."
- Update to above comment received via email on 7/1/15

- "9:45pm last night. It was good to see the stairwell lights of Ordnance Unity Centre were off. The main library lights were still on but I don't know if that is because it is still open at that time. But a good start."
- Street scene - no different to what already exists. Parents to take responsible action, fine offenders. Use police. Improve recycling to generate income.
- My street is already dirty! I don't want to see a reduction in these services but if statutory obligations have to be met I cannot see an alternative. I do not have a car so the collection of garden waste is important to me. I already compost quite a bit too, so why should I pay for this service on top of council tax?
- Some areas of the borough will just have to get dirtier. Other areas - Hadley Wood can easily have less street cleaning and not notice. Litter and fly tipping is not caused by the council but by the residents, they may have to look at the consequences of their actions for a little longer. Fortnightly collections for waste need to be considered. Restrict to statutory obligations only.
- We do not need weekly bin collections.
- Risk that cuts here will impact on Council's reputation. Could be perceived to be a dirty place due lack of street cleaners. Residents need to play their part and not dump rubbish or drop litter. In my view it's the minority of thoughtless people causing the majority of the problem. Also fly tippers may come from outside Enfield to dump things.
- Pest Control - put information online about ways to reduce pests. e.g. rats = don't leave rubbish lying around. Food Safety = ways of reducing food poisoning, for example. Trading Standards = online information raising awareness of scams and how to spot dodgy traders. Maybe refer residents to useful programmes, especially the ones where Enfield Council have featured in.
- Income, fees & charges.
- Look into operating costs of buildings. e.g. reviewing contracts with utility companies re: gas and electric bills. Taking energy efficiency and recycling seriously, not just lip service.

Regeneration

- Concerned about impact of Mini Holland i.e. restrict traffic/congestion/pollution.
- Betting shops etc. should put something back into the community (payment/apprentices).
- Sustainability a priority.
- Apprenticeship programme – skills programme/benefit to the community.
- Redeveloping the existing developments rather than new schemes.
- Economic development important but it can't do everything.

- Concerns over Meridian Water – more trains expected – limit of level crossing and concerns around impact on traffic.
- Regeneration – impacts on traffic (traffic management), number of level crossings, pollution, time taken to get around borough.
- Why is the council spending so much on Meridian Water? This is overpriced and will come over budget. Invest the money in communities who need it now.
- Need to provide employment opportunities for young people and attract businesses into Enfield.
- Regeneration should be self- funding. Planning department should charge developers.
- Attract more employers and businesses, develop tourist market.

Parks, Open Spaces, Leisure & Culture

- Look at volunteers for Parks.
- Local schools could maintain areas of parks.
- There was opposition to keeping the Parks open at night (may increase dog fighting).
- Concerned about reductions in green belt.
- Libraries – quality not quantity important here.
- Enfield has just right balance of city/country.
- Rationalise the number of festivals.
- Keep the good things e.g. **greenery & parks**, Enfield clean, crime. Concessionary travel, waste & streets are important.
- Nice to have local Parks (closing Parks makes no difference), however vehicle access should be restricted i.e. double gates.
- Libraries – regretfully question need for so many but need to consider how people (particularly the elderly) would get to them if we reduced the number.
- Parks - How many have friends groups?
- Stop the following services: Translation service, Council Magazine, small libraries.
- Cycling in Parks – is it legal or do bye-laws need changing?
- Parks, Open Spaces, Leisure & Culture - Increase charges for cultural services.
- Parks and open spaces reduced to bare minimum, no fancy floral displays just no weeds and low maintenance displays in flower bed areas. Libraries and museums reduced opening hours keeps one day at the week end and one evening in each location, reduced day time opening but not reductions to library stock. Sports facility charges must increase to become cost neutral

except those used by school parties where the school does not have own facilities.

- It would be interesting to see if people who use the Fusion Leisure Centres identify them as being a council service. Pure Gym near Morrison's on the A10 Enfield has recently opened and there seems to be a lot of people coming and going. More interesting is that it's about a 5 to 10 minute walk away from the Southbury Leisure Centre. Personally, I don't use gyms. My suggestion would be to externalise them. Although contributing to people trying to run a healthy lifestyle, does it really need to be run by the Council when there are other "affordable" gym providers in the marketplace? Really don't want to cut libraries as they are well used and people go there not just to read and take out books. They also go there to get out and socialise. This area has suffered very hard here but I've had to judge on the impact of the cuts on statutory obligations. Maybe another saving could be to have more joint initiatives with neighbouring London boroughs in relation to Cultural Services.
- Social care and children's services cost the majority of council budgets and should fund the vast majority, if not all of these cuts, **along with more 'discretionary' services such as leisure culture and libraries**. I would also be willing to pay more council tax to reduce the impact of these cuts.

Council Tax / Demographic Issues/Other

- Clarification about if we receive Council Tax "incentive grant" even at 2% increase.
- Some people are struggling to pay Council Tax.
- Have to increase Council Tax by 2% or 4%.
- Can Council Tax collection rates be improved on?
- Should assure a given level of service for a given Council Tax level.
- Council Tax increase is due.
- Funding of voluntary orgs.
- Analysis of other boroughs for putting people into Enfield services.
- Heard that staffing levels at Council were reducing by a third?
- Ageing population - using them to be more active/using community service for litter collection/running libraries/gardening etc.
- Lobby government for a Council Tax banding review.
- Concessionary fares could be means tested.
- Concerns over wages not increasing in line with Council Tax levels.
- Council Tax may have to increase because at least it is something towards the savings target.
- Working together and better communications. Avoid a silo mentality.
- Job creation (loss of Middlesex University).

- Ambition and priorities are important but need focus.
- Quality of life in comparison to Hertfordshire.
- Quality of services depends on areas of the borough. Even out the East/West divide e.g. in Street Cleaning.
- Possible negative impact of staff savings on the local economy.
- SERCO contract – day rates – is it reasonable. Does anyone verify the bills?
- Diverse community.
- Instead of most important areas, would it be useful to ask "What are the three least important?"
- Sell off land where possible. Big Property and assets potential.
- Are there any areas we don't charge for but could do so in future?
- Income generation as an alternative to increasing Council Tax.
- Perception of the Council is an issue – it needs improving.
- Reduce services through better education of service users, could lead to fewer staff needed.
- Reductions could be through review of efficiency.
- Council Tax is a difficult decision.
- No main problem with this area, but question whether we need bus passes?
- Review how much we pay contractors – could we pay less?
- Charles Babbage House heating saving could be made – on all the time whilst windows open.
- % being earmarked will only create a problem in the future.
- Trees being picked up/pay to carers/consultants.
- Staff time (i.e. 3 staff at the focus group).
- Energy – lights left on at the Civic.
- Ask for gift aid to pay for some council services.
- How much does borrowing cost? Can we look into community bonds for residents?
- "Directors and Councillors have failed over a number of years to do their job, which causes poor decisions to be made costing millions."
- "Enfield is two boroughs, positive action needs to be taken to reduce inequalities."
- "Increase Council tax by 1.99% rather than cutting Adult Social Care services"
- "Why does the Council have a big Christmas tree outside the Civic Centre when there are two in Enfield Town?"
- Income Generation - the Council should have a full time person in each department whose job should only be to look at income generation e.g. Music

Hire - lots of parents pay for this service to private organisations, as they are not aware of Enfield Arts music service. Promote this service in all schools and to the public.

- Ask people to volunteer their services for libraries, day centres etc.
- Maximise funding from the lottery, engage in partnerships with private sector/universities etc.
- Increase council tax by 2%.
- Stop the following services: Translation service, Council Magazine, small libraries.
- Inflation plus 1% on Council Tax for next 5 years would be acceptable, but Councils need more autonomy from Central Government.
- Services must be good for the entire borough not just the East or West - eliminate waste and duplication.
- Encourage voluntary contributions from residents or businesses towards council schemes.
- Overcrowding in the borough is an issue with significant population growth seen in recent years.
- Charge £20 for the Freedom Pass - only a small amount but it would alter the behaviour of those who get the pass but then don't use it (do LBE pay an admin cost on all passes even if no journeys are undertaken?)
- Make greater use of volunteering opportunities and tap into the voluntary/community sector to help provide services more cost effectively than at present.
- Value for Council Tax paid – is more Council Tax revenue spent in the areas of the borough where the least is collected?
- The way we badge any Council Tax increase is important – e.g. pay an additional £2 per month to preserve libraries, parks etc. rather than just saying Council Tax is going up by x%.
- Concessionary Travel – what is the cost per person in Enfield of the Freedom Pass?
- Shared services should be extended wherever possible, as major savings can accrue from this.
- Council could act as a facilitator for residents to band together in neighbourhoods to tackle tasks like litter picking or snow clearance from paths and footways on their streets.
- I really don't see the point in having a referendum to increase the council tax by 3% and raise a further £1m. However if it really is impossible to make any further savings by merging departments or sharing resources with other organisations, then that should be considered.
- Not easy, although I expect a more detailed version of this would allow a better quality of saving (in terms of protecting key services) to be made by seeing who gets paid the most and reviewing whether they are needed or are

value for money at their current wage (like the top down pay reviews most universities like to do periodically).

- This was an extremely difficult exercise as I didn't want to cut any areas. Will be even harder next year and I can't see how services can be trimmed further for future financial years. Some people turn to the council due to the reputation of quality and value for money. The percentage cuts I've chosen should keep the Council within their statutory obligations but may impact on the public perception. Situations and risks will need to be carefully monitored. With further cuts to come it looks like residents will need to rely on the Council for just the most essential basic services. It's just not possible to sustain the current amount of services which are provided at present unfortunately.
- This exercise is very hard to complete. You have to cut services you do not want to cut. Why can't the members from all parties lobby the Government for more money? Why is it that Local Government has cut far more than other Government Departments? It is not fair. I did not vote for you to cut services and jobs that affect me, my family, my friends and local community. I have lived in Enfield all my life and this is a disgrace!
- Also need to cut out people who have non-jobs like generic project managers, corporate policy officers and communications specialists. Should also freeze councillor's allowances for ten years.
- Any further difficulties, give me a call. I got this.
- It seemed to be just about impossible to balance the books without being in breach of some legal/statutory duties. Good luck...
- More importantly than the very biased way you have asked the questions I would suggest that you look at how budgets are allocated on annual need basis rather than an annual increase basis. Budgets should not decrease if not used but excess kept for overall use of the council the next year. Look at the staffing level of the council - how many departments have duplicate roles. How many consultants does Enfield Council employ when was the need for these last checked.
- Put up council tax higher! An additional £66 per year for the highest banded properties is nothing.
- Council Tax: There's been no increase for 5 years. Residents cannot expect that this will remain the same, seeing as the cost of living has gone up.
- Council must not make loss on any service and should aim to be in enough profit to cover future plans and improvements. Any service which is not a legal requirement must be provided at no cost to council tax payers or not provided at all, this should include on costs for staff accommodation etc.
- Are the council run facilities full to capacity? Look at the use of external providers offering comparable services and see if there is capacity to provide these in house, instead of paying out for these too. Effective use of the council's own resources to reduce costs.
- The policy of keeping council tax increases so low means that in real terms, allowing for inflation, council tax is losing value. This is totally unsustainable given Government imposed funding cuts. If people want services and to

minimize the impact of government cuts then they have to be prepared to pay for them.

- Charge more Council Tax.
- a lot of this can come from efficiency savings, councils waste so much, a percentage saving on this calc does not necessarily mean impact to front line services, which you are using as an excuse, I see huge wastage every day, pull this in and plough it back into saving these services. If anything, the government is forcing you to do this while the people won't let you cut back too far and Enfield are squeezed in the middle, hence find the savings like the private sector do, think like a business and learn lessons from commercial world.
- Would definitely prefer to pay significantly more Council Tax and reduce cuts.
- Council Tax: This is a very small amount overall, meaning only £66 (two bottles of Champagne) more for the most valuable house and £22 (three packets of cigarettes) for the cheapest. This is not much. Why not charge more?
- Use of external services like charities and housing associations.
- It seems ridiculous not to increase council tax in this case as this would be a fairer way to spread costs evenly. Residents may be able to carry out some of the council tasks with training Young people may also be encouraged to get involved in tasks as a way to gain work experience for the future.
- Council Tax Investments out of control - get the money back from Iceland or the City of London. Imprison crooked bankers and confiscate their assets.
- It seems impossible to apply this cut and not have a negative on any service. I think the only way to do it is to try and spread the cut as evenly as possible across services keeping in line with minimum legal standards and not cause a disastrous impact on any one of them. In some cases maybe services from the private sector will pick up loose ends unfortunately being more costly for users and of a lesser quality.
- Council tax has not increased for several years. I could easily afford such an increase & I believe this would be true for most other payers. But will Central Government allow it?
- It is not explained that you have to "balance" the budget, before accessing this page. This is a major oversight & you should amend accordingly. 2) Thus I arbitrarily changed a few things, so as to achieve a balance. 3) My own priorities would be a) to protect jobs b) to meet all legal/statutory minimum requirements c) public health. 4) Don`t give grants which are not essential for the public good. e.g. £4,000 to Clay Hall Singers. My wife is a member & says that all participants in this voluntary activity are well able to afford £2 per session. There must be other, similar non-essential grants. 5) The simulator would benefit from better publicity. I got my leaflet from a library. Not every resident goes to a library, just as not everyone wants to attend a focus group. 6) Good luck, Enfield Council.
- It doesn't seem like there's a viable way to do this without impacting on statutory duties of the Council. I would increase Council tax and charges

where possible to reduce the impact on services. I would also look at ways of embedding preventative services e.g. in adults and children to avoid greater costs later on. I would continue to look at savings that could be made from running adult social care services more efficiently and also where savings could be made from technology (I know all this is already underway). Generally it's an impossible situation and hopefully when central government start seeing the impact of such severe cuts maybe the funding situation will change.

- You need to make savings across all services of the Council in order to achieve the required saving. However deeper cuts must be made to those services where the Council has no statutory responsibility to provide a service or their other private / public bodies /community which could take the lead.
- We need to keep spending in these areas to improve the quality of life. Do not cut, but rather increase taxes.
- Surely it is better to increase charges than cut services.
- Rather than cut any services the council tax should be increased to pay for them. The case for increasing taxation needs to be made. Taxes are the price we pay for a civilised society.
- The only option is to make the case for increased taxes and not cut any of the services. Cutting services now will cost more in the future.
- I've attempted to cut services without breaking legal requirements, saving services that help vulnerable people as much as possible. I'd rather pay more than a 3% tax increase to protect the services this tool has made me cut. This might be less affordable for some however. Is it possible to make council tax more progressive? An increase of 1% for less able households and 10% for more able households? I'd prefer it still if the government cut military spending on nuclear weapons instead. It should also abolish council tax and increase income tax.

Apppendix 5

London Borough of Enfield

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Regeneration & Environment-Cabinet Agreed Savings					
Emergency Planning Arrangements	(50)	0	0	0	(50)
To provide the Councils Emergency Planning arrangements through aligning the co-ordinating function into other statutory posts within Regulatory Services. This will have no impact on the service provided.					
Efficiency savings arising out of using the LoHAC highways framework contract	(322)	0	0	0	(322)
This represents efficiency savings arising out of using the LoHAC framework contract for Highway maintenance and winter gritting. There is some risk arising from the reduction of the winter grilling schedule. These were set out in the Portfolio Report. However, the reduced network is based on the principles identified in the national Code of Practice for Highway Maintenance Management and therefore the risk is limited.					
Restructuring of Regulatory Services and Development Management	(35)	0	0	0	(35)
The saving will be achieved through the restructuring of Regulatory Services and Development Management. Review of Licensing, Pollution Control, Pest Control, GAT & Planning Enforcement.					
Review of capital and revenue costs	(845)	0	0	0	(845)
A review of the revenue costs for 7 day and 28 day repairs has determined that these should be funded through the Capital Programme. The costs will be contained within the current Capital Programme.					
Review of Street Lighting	(80)	0	0	0	(80)
Following a review of the Street Lighting PFI Contract, a change in the specification will result in savings. This has been aschieved by reducing risks to the PFI contractor in order to reduce revenue costs to the Council through de-specification of some of the contract requirements.					
Reduction in Strategic Planning and Design revenue budget	(35)	0	0	0	(35)
The Heritage and Design Team Leader post has been vacant since January 2013 when the previous post holder left the Council. Since then the heritage work programme has been delivered through the appointment of a series of temporary agency workers.This will have no impact on the delivery of the service.					
Capitalisation of Neighbourhood Regeneration Head of Service post & reduction in Neighbourhood Regeneration consultancy budget	(74)	0	0	0	(74)
The role of this Head of Service post is entirely based on Capital Schemes. In future this post will be charged to the Capital Programme it supports. There is no change to service provision.					
Reduction in Strategic Planning and Design staff budget offset with increased drawdown from s106 management fee	(100)	0	50	50	0
An opportunity has arisen to fund the Strategic Planning and Design staff budget from S106 Management fee income. This will have no impact on the service.					
Aqua Fund	(23)	(23)	(23)	(23)	(92)
The AquaFund is a multi-million pound grant available to assist the council to reduce its water consumption costs without the need for any budget. The grant value scheme was originally derived from HM Treasury "Invest to Save" budget and is now funded by private equity. AquaFund provides a range of managed services to enable the council to make water cost savings from its corporate properties over a 5 year period, which is all paid for and project managed by AquaFund.					
Efficiencies in Regulatory Services	(100)	0	0	0	(100)
The Environment department has been running a project reviewing services and the related expenditure and income. As a result efficiencies have been achieved within Regulatory services. The total amount of the efficiencies is 100k. There will be no impact, the review ensured that services could be run within remaining budget.					
Cease WhiteWebbs Golf Course subsidy	0	0	(100)	0	(100)
Whitewebbs subsidy will be removed by 2017/18(Year 3 of the MTFP) . Action is in hand to make the service self financing.					
Regeneration & Environment-Cabinet Agreed Savings Total	(1,664)	(23)	(73)	27	(1,733)
Regeneration & Environment-Further Savings					
Environment- running costs	(30)				(30)
Reduction in running costs across the department.					
Waste recharge to HRA	(200)				(200)
Income to the General Fund through recharging the Housing Revenue Account for fly tipping charges and dry stores costs					
Regeneration & Environment-Further Savings Total	(230)	0	0	0	(230)
Regeneration & Environment-Total Savings	(1,894)	(23)	(73)	27	(1,963)

Finance, Resources & Customer Services Cabinet Agreed Savings					
Increase in Treasury interest receivable	0	(100)		0	(100)
This will be achieived through the management of short term investments and will be managed through prudential lending within strict risk management guidelines.					
Additional savings from the IT contract	(200)	(20)	(10)	0	(230)
Following re-negotiation of the Serco contract, further savings have been found. This will have no impact on the service provision.					
Reduction in cost of ICT third party contracts	(200)	(100)	(100)	0	(400)
A reduction in the cost of ICT third party contracts has been identified. This was generated from 3rd party savings resulting from various contract renewals in 14/15 and 15/16.					
Review of cost of Audit & Risk management Services	(50)	0	0	0	(50)
A review of running costs has resulted in a saving of £50k in the Audit & Risk Management Service.					
Review of Concessionary Travel Mobility Assessment arrangements	0	0	(50)	0	(50)
A proposed reduction in spend on concessionary travel will be achieved through reviewing the arrangements for mobility assessments and new procurement. This includes a reduction in the amount paid to third party agents for mobility assessments and reduced support costs for the mobility assessments for Concessionary Travel Services.					
Reduction in running costs across several LB Enfield properties	0	0	(150)	0	(150)

APPENDIX 1

London Borough of Enfield

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Following a review of the running costs of various LBE properties savings have been implemented for the following properties- Community House, Civic Centre, Triangle House, St Andrews House, Edmonton Centre, Charles Babbage House, Thomas Hardy House, Walford House, 9 Centre Way, 14 Centre Way,The Ark, Swan Annexe, Enfield Public Safety Building, Claverings & Green Belt.					
Increased volume of Land Charges fee income.	0	0	(150)	0	(150)
An anticipated increased demand for searches commensurate with an improved property market.					
Review of Land Charges fees	(225)	0	0	0	(225)
A review of Land Charges costs has identified that full cost recovery has not been achieved. This review has highlighted the need for increased fees to recover the full cost of the service.					
Employers Liablity Insurance	0	(151)	0	0	(151)
An implementation of a change in the method by which Employer's liability insurance is charged so as to produce a central saving overall. Based on current budget allocations.					
Reduction in cost of stationery	(100)	0	0	0	(100)
A rationalisation exercise of all stationery budgets has resulted in a saving based on the previous year's outturn versus budget figures for 2013/14.					
Grounds Maintenance & Equipment	(13)	0	0	0	(13)
Firstly, in light of the capital development at Albany Leisure Centre, we are able to reduce the Grounds Maintenance costs for the Fusion contract. Secondly, having completed some of the latent defects in regards to the Leisure Centres, we are able to reduce equipment purchasing.					
Contract Monitoring Efficiencies	(9)	(18)	0	0	(27)
A reduction in the Contract Monitoring post through part time retirement, and the introduction of new contract monitoring processes. Monitoring is required for the proper assessment of Fusion Lifestyle's operation of the Council's Leisure Centres; the Council checks for any drop in their service below the expected level, and can penalise the contractor if required.					
Property Costs Leisure Centres	(10)	0	0	0	(10)
It was anticipated when the contract with Fusion Lifestyle began that there would be some property latent defects in Leisure Centres. We now believe that there are no outstanding latent defects of which we are aware. Thus the budget can be deleted.					
Reduction in Town Twinning & Tourism budgets	(30)	0	0	0	(30)
This proposal is to reduce the Town Twinning and Tourism budget. Twinning activity is reducing and it is unlikely that Enfield will twin with any new partners. This proposed reduction will still allow us to maintain our current partnerships.					
Reduction in Festival's budget subsidy	(30)	(35)	0	0	(65)
A reduction in the budget available to deliver Festivals in the Borough. It will allow the team to continue to deliver the Festivals programme, including advertising and promotion; managing the Edmonton Festival and Enfield Town Show; and assisting partners; but there will be a reduction in some activities.					
Sports Development costs	(20)	(15)	0	0	(35)
Sports Development savings from service restructure following introduction of online bookings system, and anticipated increase in income. The anticipated increase in income is based on a commercial approach; introduction of online bookings system bringing about an administrative saving based on service restructure.					
Increase in Forty Hall income	(10)	(10)	0	0	(20)
Increasing the level of income generated at Forty Hall by developing new sales areas, increasing the number of events and weddings bookings. If increased income target not reached, risk of saving not achievable.					
Finance, Resources & Customer Services Cabinet Agreed Savings Total	(897)	(449)	(460)	0	(1,806)
Finance, Resources & Customer Services-New Savings					
Museum Service Redesign	(50)	50			0
Savings from the Museum Service redesign are budgetted for 2016/17. Elements of this saving have been brought forward to 2015/16. Not a new savings re-profiled into 2015-16.					
Community Events	(50)	(50)			(100)
Reduction in the number of community events organised by the events team.					
Leisure Services	(130)				(130)
Officers have been working with Fusion Lifestyle and are in the process of formalising an agreement to change the "operating surplus" arrangements where the Council reduces its claim on the Operating Surplus in return for a £100k increase in the annual guaranteed payments from Fusion. The remaining £30k can be found from the Sport and Leisure Core budget and will mean a likely reduction in Staffing of 1 sports development officer. The impact of this will depend on priorities but could mean the Mayors Fun run, the Councils Sports awards, the commercial sports programme or Estates programme is reduced or stopped. Effectively the required £130K can be achieved but the service will be reduced."					
Cultural Services	(56)				(56)
In terms of Culture & Arts programme Officers have been looking at the Development of the Forty Hall service and have been working on a plan that combines some of the delivery at Forty Hall with a cross departmental approach linking it with Millfield and Dugdale creating a single management approach across Arts and Culture. The service already has to find £50k saving for next year. Officers believe that this £50K saving and a further £56k saving can be achieved as part of a restructure of these teams.					
Finance, Resources & Customer Services-New Savings Total	(286)	0	0	0	(286)
Finance, Resources & Customer Services-Total Savings	(1,183)	(449)	(460)	0	(2,092)

Health, Housing & Adult Social Services Cabinet Agreed Savings					
Brokerage Redesign to reduce net spend per head	(800)	(600)	(600)	0	(2,000)
Brokerage redesign - Further developing the way we support plan and broker services for people. Direct payments are a much more flexible and efficient way of meeting the needs of vulnerable people and of achieving better value for money.					
Dementia-Demand Management	(50)	(50)	(100)	0	(200)
Demand management Dementia – Better primary healthcare and stronger partnerships between health and social care (including through the Better Care Fund Plan) will ensure that more people with dementia get the support they need earlier on reducing the need for crisis response services and enabling more people to live safely and independently within their own homes.					
Reduction in unit costs - care purchasing	(1,200)	0	0	0	(1,200)
Reducing unit costs – particular areas of pressure for ASC currently are residential and nursing placements for older people and adults with a physical disability. We will work in partnership with providers to better understand costs linked appropriately to needs. We will also, in preparation for the Dilnot recommendation within the Care Act from April 2016, ensure that providers of residential services provide a transparent breakdown of costs which differentiate between care and support costs and the accommodation costs.					

APPENDIX 1

London Borough of Enfield

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Care purchasing reduction through market management	(2,000)	(2,000)	0	0	(4,000)
Managing risk appropriately we will work with people to reduce dependency on long term services, promote more self-management of long term health conditions and reward service providers for enabling and reducing or removing need rather than perpetuating it. Payment on delivery of outcomes rather than a focus on time and task services.					
Review of in house provided services	(300)	(400)	(800)	0	(1,500)
Review of In-House provided services - Adult Social Care continues to provide some services in-house. This includes enablement, day services and some residential provision. Although these are considered a trusted brand they are more expensive than similar provision within the independent sector. Work is underway to change the way these services operate in order that they become competitive in the current and future care markets. Ultimately they need to continue to be good quality, value for money services that individuals choose to spend their personal budget with.					
Personalisation of Transport services	(100)	(300)	0	0	(400)
Personalisation of transport services – Adult Social Care will work with colleagues in Environment to develop a Council transport offer which is competitive and value for money. ASC will also work with people to ensure that all disability benefits are maximised, travel options are fully explored (for example, taxi card schemes, freedom/disability travel passes, volunteer driver schemes).					
Valuing Care- residential price negotiation	(500)	0	0	0	(500)
Reviewing highest priced residential care placements to reduce costs. 150 top most expensive placements calculated to generate a saving of £698k with costs of £198k generating a net saving of £500k. Same service but better value for money.					
Review of commissioning contracts	(360)	(100)	0	0	(460)
Review of commissioning contracts – Adult Social Care will change the way it commissions services through the voluntary sector.					
Supporting People payment from HRA	(450)	0	0	0	(450)
Supporting People (General Fund) commissions warden controlled services in council run sheltered accommodation. These services will continue but with funding directly from the HRA and Supporting People funding will cease. Financing of support in council provided sheltered housing will be funded by the HRA.					
Health, Housing & Adult Social Services Cabinet Agreed Savings Total	(5,760)	(3,450)	(1,500)	0	(10,710)
Health, Housing & Adult Social Services-New Savings					
Temporary Accommodation Mitigation	(5,000)	832			(4,168)
Actions within Community Housing to mitigate the temporary accommodation pressure.					
Adult Social Care Transport Charges	(400)	(100)			(500)
Rationalisation of Adult Social Care transport.					
Health, Housing & Adult Social Services-New Savings Total	(5,400)	732	0	0	(4,668)
Health, Housing & Adult Social Services-Total Savings	(11,160)	(2,718)	(1,500)	0	(15,378)
Schools & Children's Services Cabinet Agreed Savings					
Commissioning and Community Engagement Team Merger	(120)	0	0	0	(120)
There will be a merger of 2 teams within CCE which will result in staff savings. The teams to be merged are Business Improvement and Partnerships with Integrated Commissioning. Two Heads of Service posts will be rolled into one but operational delivery will remain the same and administrative tasks will be subsumed by other administrative staff within the team. Minimal risk to the service providing the substructures are secure.					
Family Support and Children's Centres Commissioning	(350)	0	0	0	(350)
A reduction in the number of commissioned services which will be offered in these areas. However, it is important to note that many of these services may still be offered via Public Health funding for Health Visitors who become the responsibility of the Council in 2015. Other services which will no longer be provided are ceased on the basis of very low or no take up. Whilst fewer services will be offered via the commissioned service route the core purpose for Family Support and Children's Centres will continue to be met.					
Early Years -Non-Staffing savings	(50)	0	0	0	(50)
This saving will be achieved following the restructure of the service. The reduction in the numbers of staff has identified a number of related non-staffing savings that can be made. There will be no impact on the service provided.					
Progression and Pathways - Deletion of Post following implementation of new Skills for Work Service.	(50)	0	0	0	(50)
Progression and Pathways - Deletion of Post following implementation of new Skills for Work Service. There will be no impact as the service is being provided by the Skills for Work service and some aspects will continue to be comissioned by this team. This saving will be achieved as a result of the establishment of the Skills for Work Service. The new service is now delivering the work previously associated with this post within the Progression and Pathways team.					
Curriculum and Access - Substance misuse income	(48)	0	0	0	(48)
This saving will be achieved from a contribution from Public Health of £40K towards the salary of our substance misuse consultant. The additional £8k will come from an increase in income from the school SEN buyback. There will be no impact as this saving is from the substitution of funds from other sources.					
Schools Intervention	(50)	0	0	0	(50)
This saving will be achieved by reducing the number/amount of school to school support projects that are funded from the base budget.					
Schools & Children's Services Cabinet Agreed Savings Total	(668)	0	0	0	(668)
Schools & Children's Services-New Savings					
Youth & Family Support Service - Management Restructure	(300)				(300)
Management restructure of the Youth and Family Support Service and reduced running costs associated with youth centres and and other youth services.					
Careers Service Staffing Reduction	(50)				(50)
A review and restructure will take place reducing staffing to accommodate the savings target.					
Early Years Play Service	(172)				(172)
This saving will be achieved by increasing income generation for the play service and reducing the level of base budget					
Early Years Service - Children's Centres Review	(500)				(500)
This saving will be achieved by a restrcuture of Enfield children centres into a hub and spoke model, reducing the number of overall centres to 5.					

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London Borough of Enfield

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Schools & Children's Services-New Savings Total	(1,022)	0	0	0	(1,022)
Schools & Children's Services-Savings Total	(1,690)	0	0	0	(1,690)
Corporate- New Savings					
ERPF- Reduced funding for 2015-16	(500)	500			0
Freeze the £500k Enfield Residents Priority Fund contribution for 2015/16 only. Reinstate for 2016/17					
New Homes Bonus additional income	(560)	560			0
Additional income from the New Homes Bonus grant for 2015-16					
Corporate-New Savings Total	(1,060)	1,060	0	0	0
Cabinet Agreed Savings Total	(8,989)	(3,922)	(2,033)	27	(14,917)
New Savings Proposals Total	(7,998)	1,792	0	0	(6,206)
	(16,987)	(2,130)	(2,033)	27	(21,123)
Enfield 2017					
Enfield 2017 Savings New Savings	(15,100)	(7,050)	(7,050)		(29,200)
All Savings Total	(32,087)	(9,180)	(9,083)	27	(50,323)

New Savings Summary 2015-19

	2015/16 New Savings			2015/16	2016/17	2017/18	2018/19	Total
	November Cabinet	New Proposals	Total	New Savings 2015-19				
Department	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**
Regeneration & Environment	(1,664)	(230)	**(1,894)**	(1,894)	(23)	(73)	27	**(1,963)**
Finance, Resources & Customer Services	(897)	(286)	**(1,183)**	(1,183)	(449)	(460)	0	**(2,092)**
Housing, Health & Adult Social Services	(5,760)	(5,400)	**(11,160)**	(11,160)	(2,718)	(1,500)	0	**(15,378)**
Schools & Children's Services	(668)	(1,022)	**(1,690)**	(1,690)	0	0	0	**(1,690)**
Corporate	0	(1,060)	**(1,060)**	(1,060)	1,060	0	0	**0**
Total Departmental Savings	**(8,989)**	**(7,998)**	**(16,987)**	**(16,987)**	**(2,130)**	**(2,033)**	**27**	**(21,123)**
Enfield 2017 Transformation Project	**(15,100)**	**0**	**(15,100)**	**(15,100)**	**(7,050)**	**(7,050)**	**0**	**(29,200)**
Total New Savings	**(24,089)**	**(7,998)**	**(32,087)**	**(32,087)**	**(9,180)**	**(9,083)**	**27**	**(50,323)**

APPENDIX 1

Minutes of the
Overview and Scrutiny Committee Budget Meeting
Thursday 29th January 2015

Contact: Claire Johnson (Scrutiny Manager) 020 8379 4239 or email: claire.johnson@enfield.gov.uk

The following Minutes have been approved by the Overview and Scrutiny Committee Budget Meeting (29th January 2015) as a response from scrutiny on the Council's 2015/16 Budget Consultation and proposals.

COUNCILLORS

PRESENT	Nneka Keazor (Chair), Daniel Anderson (Vice Chair), Krystle Fonyonga, Alev Cazimoglu, Edward Smith, Joanne Laban, Doug Taylor, Achilleas Georgiou, Ayfer Orhan, Chris Bond, Alan Sitkin, Rohini Simbodyal, Andrew Stafford, Ahmet Oykener, George Savva
ABSENT	Yasemin Brett, Donald McGowan, Ozzie Uzoanya, Bambos Charalambous
OFFICERS:	James Rolfe (Director of Finance, Resources and Customer Services), Isabel Brittain (AD Finance), Ray James (Director Health, Housing and Adult Social Care), Andrew Fraser (Director of Schools and Children's Services), Jayne Fitzgerald (Finance Business Partner, Schools and Children's Services), Ian Davis (Director Regeneration and Environment)
Also Attending:	Simon Goulden, Approximately 20 members of the public

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WELCOME AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs McGowan, Charalambous and Brett and from Rob Leak, Anthony Murphy and Alicia Meniru.

Apologies for lateness were received from Cllr Georgiou.

345
DECLARATIONS OF INTEREST

No declarations of interest were made.

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LONDON BOROUGH OF ENFIELD BUDGET CONSULTATION 2015/16 - TO FOLLOW

Doug Taylor, Leader of the Council, gave a brief introduction to attendees.

He commented that it had been a difficult financial year for the Council and future years would remain so as reductions in Central Government funding and increased pressures continued. The Council had this year undertaken an extensive consultation on the budget proposals for 2015/16 and the results would be presented to the Committee. Residents were invited to raise any questions or make any comments on these proposals.

James Rolfe, Director of Finance, Resources and Customer Services, gave a presentation on the budget proposals for 2015/16 and the results of the Budget Consultation, the main points of which were as follows:

- A graph set out the funding gap over the four years from 15/16 to 18/19; beginning at £34m and rising to £80m by the end of 18/19.
- Savings proposals had been put forward to address the gap, these comprised savings achieved through the Enfield 2017 Programme, front line savings and income received through Council Tax (assumed figures and not yet confirmed).
- Pressures and risks identified included further Central Government cuts, potential increased responsibilities under the Care Act 2014, population growth and an ageing population in the Borough, increases in the cost of borrowing, inflation and an upturn in the property market which caused increases in rents paid for temporary accommodation.
- The 2015/16 Budget had been agreed by Council on 26 February 2014. Front line 'green' savings had been agreed by Cabinet on 12 November 2014. Meetings had taken place with both the Labour and Conservative Groups to discuss the increased funding gap on 11 and 26 January.
- As at January 2015, the funding gap had been closed for 2015/16, and reduced further in 2016/17, but would rise again in years after that.
- The latest figures for the Council's ongoing significant pressure on the Council's budget was the impact of the increased costs of Temporary Accommodation.

- New savings proposals to close the funding gap included a review of the Play Service, a reduction in funding for community events by the Council (events would be increasingly funded and run by the community instead) and bringing forward a redesign of the Museum Service.

- The Budget Consultation had covered all front line parts of the Council and had used a variety of methods to engage with residents including an online Budget Simulator, a questionnaire in Our Enfield, Focus Groups and a stand at the Autumn Show.

- The Consultation had also been taken to the Enfield Youth Parliament who had provided a high volume of responses with over 4,000 comments received.

- The top 5 services that residents wished to maintain were mental health, children in the care of Enfield, early intervention and child protection, older people and physical disabilities.

- The bottom 5 services that residents wished to maintain were cultural services, pest control, planning, libraries and museums and grants to voluntary organisations.

- The Budget 2015/16 would next be taken to Cabinet for agreement on 11 February and to Council on 25 February. The new Council Tax bills for the year would be sent out thereafter.

The following questions and comments were then taken:

Q: What percentage of the Council's budget is spent on staff costs?

A: Staffing costs are between £140-£150m per year. The net annual budget of the Council is £250m so these costs represent 60% of the net budget.

Q: What are the current numbers of people in Enfield living in Temporary Accommodation?

A: The numbers of people currently placed in Temporary Accommodation are around 2,700. The Council is trying to reduce this number but is experiencing a significant rise. The Council has a statutory duty to house the homeless and has seen an increased number of people made homeless through a breakdown in private tenancies.

Q: What is the cost per night of placing a household in Temporary Accommodation?

A: This depends on the size of the property. The cost has been increasing at a rate of between 9 and 11% over the last two years. On average the net cost to the Council's general fund (cost of property less housing benefit payable) of a household living in Temporary Accommodation is £6,000 per year over and above the cost of providing Housing Benefit to that household.

Q: How does Enfield compare in terms of levels of Temporary Accommodation with other authorities across the UK?

A: London has significantly higher levels of Temporary Accommodation than elsewhere in the UK. There is, in addition, a particular geographic pressure on authorities in North Outer London. Enfield fluctuates at fourth to seventh highest in terms of numbers of people in Temporary Accommodation compared to other authorities; we also have a high number of people placed in Temporary Accommodation from other Boroughs. This places additional pressures on other Council and local public services.

Q: Please explain what is meant by someone having 'No Recourse to Public Funds' status?

A: We do have a large number of families with this status. This means that they are not entitled to receive any form of benefits. Families can, however, receive subsistence from the Council, as we have a statutory duty to support children in families as well as some adults with significant needs.

Q: Why does the financial burden of such families fall on the Council?

A: Whilst a family's status is being determined by the Home Office, they do not necessarily have leave to remain and the Council has to provide support until that status is determined under the duty of the Children's Act. The Council has written to the Government to request that additional funding is provided to cover this cost while the Home Office makes these decisions since this has a significant impact on the Council's finances.

Q: Is there any breakdown available from the results of the Consultation as to where in the Borough respondents live?

A: We have not gathered location information this year but can certainly do this for future Consultations. We have, however, followed the Public Sector Equalities Duty in our approach to diversity in the Consultation and have ensured that we engaged with a variety of groups and individuals all over the Borough.

Q: The response from the Enfield Youth Parliament is indeed impressive, is there anything to be learned from the approach taken with young people to encourage greater levels of response from adult residents?

A: The Enfield Youth Parliament recognised that a lot of young people were not aware of exactly what services the Council provided. To address this, it produced a video, a 'day in the life story' of a young person which demonstrated how someone interacted with Council services on a daily basis and in a variety of ways. The Youth Parliament took this video to a number of schools in the Borough and then asked young people to vote for their top three priority services. In total, 1,700 young people voted. Raising awareness was the key to achieving this result.

Q: What are the Council's plans for reducing the costs of Temporary Accommodation?

A: There are a number of ways the Council is looking to address this issue. There is a significant increase in the numbers of people seeking accommodation in the Borough due to the unaffordability of accommodation in Central London, in turn a consequence of the Government's policy of capping Housing Benefit. Landlords are also increasingly unwilling to engage in longer term leases and are now either renewing shorter term leases or seeking legal evictions, which can cause greater levels of homelessness. The cost per night of Temporary Accommodation in a two bedroom property can be £80-£90. The Council has been looking to reduce these levels by, for example, setting up a company, Housing Gateway, to buy houses for Council rents, procuring longer term leases and working collectively with other authorities to prevent the inflation of prices. The Council has also looked into the potential number of households that could be placed in accommodation outside of the Borough; this may be up to 24%. The remainder will need to stay within the Borough due to medical, employment or family issues. Increasing the supply of affordable social housing is the key to reducing Temporary Accommodation levels in the longer term. A number of years ago (30-

40) 80% of public sector spend was on the construction of such housing; now 95% is spent on Housing Benefit. The Council has also seen an increasing loss of its housing stock; the higher discount now offered on the Right to Buy scheme has encouraged more residents to purchase their property.

Q: Can you outline how the consultation process this year has compared to previous years and how it compares to the process in other authorities? How representative would you say the Consultation responses are, taking into account the relatively small sampling? Have we received any particularly useful comments from respondents?

A: Some of the methods we have used in this year's Consultation are well established; the questionnaire placed in Our Enfield magazine has, for example, been running for a number of years. We have, however, introduced new methods this year, for example, the online Simulator and the Focus Groups. The engagement of the Enfield Youth Parliament was also a significant area of development. There is evidence that we compare favourably with other authorities on the level of consultation undertaken; this year we have undertaken a greater level of consultation than we had done over the last three years. All the comments we received from the Focus Groups are included in the report and we have picked these up where we can.

Q: The cost of providing adult social care is increasing exponentially. Given that insurers are increasingly unwilling to provide care insurance to cover this, what is the Council doing to mitigate the issue?

A: An ageing population and the associated increased costs of providing adult social care is a nationwide issue. The Council is looking at a range of ways of, in the first instance, delaying the need for care, such as working with the Public Health Team to reduce numbers of individuals with certain conditions which present the greatest risk of requiring care in later life (such as individuals with diabetes). The Council is also working to ensure it purchases care services at the best possible price, without compromising quality and ensuring a sustainable local care market. The Director of Housing, Health and Adult Social Care, together with Directors from other authorities, has also been lobbying Government to afford social care the same status of protection as the NHS.

Q: Will the migration of people into the Borough, as mentioned earlier, create a disproportionate burden on the Council's services in the future?

A: Yes, that risk does exist. Enfield has an interesting demographic in that it has greater numbers of people at either end of the age spectrum. Our age profile definitely drives demand. The level of need of households placed in the Borough could certainly increase over time. It should be noted, however, that the Care Act 2014 does help to mitigate these costs in some cases by requiring more responsibility for funding from the placing authority.

Q: Given that there is unprecedented demand at the moment for A&E services and for GP appointments, what is the Council doing to mitigate these pressures as they have a knock-on effect for social care? In particular, delayed discharge?

A: The Government awarded £25m across 65 councils recently to assist them in resolving the issue of delayed discharge, where care packages were not ready/available. Unfortunately, Enfield was unable to receive a share of this, since we had already worked hard to ensure very low levels of delays. However, remaining councils have now been awarded smaller amounts (£120,000 for Enfield) from a £12m fund made available by DCLG. The volume of demand between November 2014 and January of this year has been at its highest for a decade. We are closely monitoring the situation and working with the NHS to resolve this. Solutions include having more staff available and a 7 day social care service to ensure care packages are ready when needed, particularly at weekends.

Q: The Disabled Facilities Grant, which enables adaptations to be made in people's homes to support them and prevent/delay the need for going into a home, has been regularly underspent in Enfield. Why is this, given the importance of preventative measures for adult social care?

A: Underspend has occurred due to lack of demand. It may be that the Council could do more to promote the Grant to encourage better uptake, or to reduce the budget in line with demand, and we would be happy to look at those options. We continue to keep that budget available.

Q: Waste management has been identified as a service that residents would be happy to see reduced this year (according to the results of the Budget Consultation). Given that we need to increase recycling rates, will we be able to keep to our recycling targets if waste management is reduced, as outlined in the savings proposals?

A: The saving identified is not a reduction in service; it is a result of higher forecasted balances by the NLWA. Increased recycling saves money and the Council therefore encourages residents to recycle more. Out of the participating NLWA boroughs, Enfield has the highest recycling rates.

Q: Can the Administration explain why £131,000 appears to have been spent on conferences at Theobald's Park between 2010 and 2014?

A: This is nearly all from the Dedicated Schools Grant and includes funding for the termly Headteacher and Local Authority Conferences. It is right that they should do this, as it affords a valuable opportunity for them to discuss and agree policy. The schools in the Borough are of a range of types, including Free Schools, Academies, Special and Maintained Schools and Headteachers are to be commended on their willingness to meet and work together in this way.

Q: What was the quality of the information/feedback received through the Focus Groups and were there any surprises in the feedback received generally?

A: Generally speaking, there were no surprises, the only real anomaly was that street cleansing was rated higher than expected as a service that residents would be happy to reduce. The Focus Groups were organised by the Council's Accountancy Team and although these were quite intensive sessions, the feedback we received was good. Residents enjoyed participating. Greater support for mental health services was also a positive result.

Q: What is the estimated saving to the Council through reduced energy costs?

A: The Council has already achieved a £700,000 saving through its street lighting programme ('trimming and dimming'). We also have installed solar panels which will generate a significant reduction going forward. The price of oil has come down significantly recently and gas by around

20%. The US market for Shale Gas, if successful, may also keep prices lower. If unsuccessful, we expect a rise again in prices in about 3 years' time.

Q: Could you clarify the savings the Council intends to make with regard to Temporary Accommodation?

A: The gross pressure from Temporary Accommodation is £7.8m. The savings schedule with the report identifies a reduction in this gross pressure as explained earlier.

Q: Is the Council continuing to achieve savings in recycling costs by contracting directly, out of the NLWA?

A: Yes, we are saving about £3m per year by recycling at a 40% level. We currently intend to continue contracting in this way.

Q: Where do people who are currently living in Temporary Accommodation in Enfield come from? You have mentioned that they are primarily migrating from Central London but I am aware that many are from neighbouring boroughs, such as Haringey?

A: It is important to note that such people, to whom we have a statutory duty to house in Enfield, do have a previous connection to the Borough. The price of accommodation is being driven up by other local authorities who are buying property in Enfield. Haringey is a placing borough but in turn they also receive people from Central London authorities.

Q: What will happen to street cleansing services in the future, particularly the cleaning of side streets? Can we also discourage littering by fining them, or by 'naming and shaming' them?

A: The Council is not cutting its street cleansing budget. We have issued over 4,000 Littering Penalty Notices, but it is recognised as an ongoing battle. The Council is also going to introduce time banded sack collections in Enfield Town, which will be rolled out across other areas if it is successful.

Q: Are there any cultural issues associated with littering, how do you engage with residents to prevent it?

A: The Council recognises that engagement is key in informing residents as to what they need to do in terms of waste disposal. The Council tries to engage particular communities to ensure they are informed.

Q: Can the Council not generate its own electricity, for example, through the use of wind power at the Civic Centre?

A: The Civic Centre already has solar panels installed which are cheaper and more effective. There might also be local opposition to a wind turbine on the Civic Centre. We are, however, working with schools to roll out solar panels and to address energy management problems such as leaking pipes.

Q: What is the budget this year for regeneration projects, particularly the building of new homes?

A: Housing development is driven by the Housing Revenue Account (HRA) and therefore is not within the budget proposals presented at this meeting.

Q: What is the status of housing development on sites such as Parsonage Lane, and for Meridian Water?

A: The construction company is now on site at Parsonage Lane. The early stages of development at Meridian Water are now underway. The Council is working hard to bring forward as many housing development opportunities as it can.

Q: How much funding is available for next year for housing development?

A: The HRA is a ring-fenced budget, which ‘recycles’ income derived from Council rent. The HRA has its own 30 Year Business Plan, which aims to begin an estate renewal development every 2 years. Seven former sheltered housing sites have been identified for development, with a further 5 sites planned. It is an ambitious programme. Housing development will be aligned at Meridian Water with the development of the new station and Lea Valley Heat Network, early in 2018.

Q: I am concerned at the increasing level of Council borrowing. What is the expected expenditure on interest payments in the coming year?

A: There will be an additional £2.577m spend in addition to the current amount. It is always a political choice as to the level of borrowing and the proposals for next year are affordable and therefore the budget is balanced. It should be noted that the Council has a Capital Programme of £550m over the next 4 years. Although capital can be generated through other means, the primary way of raising capital is from borrowing. It is important to note that the majority of the Council's borrowing will be to secure capital assets that will have a future financial return. For example, it is an essential criterion of all of the Council's regeneration projects that they at least pay for themselves (and preferably make a financial return), otherwise they do not proceed.

Q: What is the opinion of our independent auditors of the Council's financial position and management?

A: The Section 151 Officer has a personal responsibility in law to declare any concern they may have regarding the Council's finances and there is no need to make such a declaration. For 2015/16, and subject to Members' agreement, the budget is balanced. The District Auditor also has, for the last 4 years, undertaken a financial resilience review; the Council has achieved the maximum scores for this in each year. The Council's Treasury Management has been benchmarked against other authorities and we are by no means out of kilter with other authorities in this regard. The Council's finances therefore continue to be in a good position.

Q: What is the level of the Council's debt?

A: The Council's current level of debt is £302m against net assets of approximately £820m.

The Committee thanked all Councillors, officers and members of the public for their attendance and **AGREED** that the Committee's formal response to the Budget proposals and Consultation for 2015/16 would be prepared.

APPENDIX 2

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Regeneration & Environment-Cabinet Agreed Savings					
Emergency Planning Arrangements	**(50)**	**0**	**0**	**0**	**(50)**
To provide the Councils Emergency Planning arrangements through aligning the co-ordinating function into other statutory posts within Regulatory Services. This will have no impact on the service provided.					
Efficiency savings arising out of using the LoHAC highways framework contract	**(322)**	**0**	**0**	**0**	**(322)**
This represents efficiency savings arising out of using the LoHAC framework contract for Highway maintenance and winter gritting. There is some risk arising from the reduction of the winter gritting schedule. These were set out in the Portfolio Report. However, the reduced network is based on the principles identified in the national Code of Practice for Highway Maintenance Management and therefore the risk is limited.					
Restructuring of Regulatory Services and Development Management	**(35)**	**0**	**0**	**0**	**(35)**
The saving will be achieved through the restructuring of Regulatory Services and Development Management. Review of Licensing, Pollution Control, Pest Control, GAT & Planning Enforcement.					
Review of capital and revenue costs	**(845)**	**0**	**0**	**0**	**(845)**
A review of the revenue costs for 7 day and 28 day repairs has determined that these should be funded through the Capital Programme. The costs will be contained within the current Capital Programme.					
Review of Street Lighting	**(80)**	**0**	**0**	**0**	**(80)**
Following a review of the Street Lighting PFI Contract, a change in the specification will result in savings. This has been aschieved by reducing risks to the PFI contractor in order to reduce revenue costs to the Council through de-specification of some of the contract requirements.					
Reduction in Strategic Planning and Design revenue budget	**(35)**	**0**	**0**	**0**	**(35)**
The Heritage and Design Team Leader post has been vacant since January 2013 when the previous post holder left the Council. Since then the heritage work programme has been delivered through the appointment of a series of temporary agency workers.This will have no impact on the delivery of the service.					
Capitalisation of Neighbourhood Regeneration Head of Service post & reduction in Neighbourhood Regeneration consultancy budget	**(74)**	**0**	**0**	**0**	**(74)**
The role of this Head of Service post is entirely based on Capital Schemes. In future this post will be charged to the Capital Programme it supports. There is no change to service provision.					
Reduction in Strategic Planning and Design staff budget offset with increased drawdown from s106 management fee	**(100)**	**0**	**50**	**50**	**0**
An opportunity has arisen to fund the Strategic Planning and Design staff budget from S106 Management fee income. This will have no impact on the service.					
Aqua Fund	**(23)**	**(23)**	**(23)**	**(23)**	**(92)**
The AquaFund is a multi-million pound grant available to assist the council to reduce its water consumption costs without the need for any budget. The grant value scheme was originally derived from HM Treasury “Invest to Save” budget and is now funded by private equity. AquaFund provides a range of managed services to enable the council to make water cost savings from its corporate properties over a 5 year period, which is all paid for and project managed by AquaFund.					
Efficiencies in Regulatory Services	**(100)**	**0**	**0**	**0**	**(100)**
The Environment department has been running a project reviewing services and the related expenditure and income. As a result efficiencies have been achieved within Regulatory services. The total amount of the efficiencies is 100k. There will be no impact, the review ensured that services could be run within remaining budget.					
Cease WhiteWebbs Golf Course subsidy	**0**	**0**	**(100)**	**0**	**(100)**
Whitewebbs subsidy will be removed by 2017/18(Year 3 of the MTFP) . Action is in hand to make the service self financing.					
Regeneration & Environment-Cabinet Agreed Savings Total	**(1,664)**	**(23)**	**(73)**	**27**	**(1,733)**
Regeneration & Environment-Further Savings					
Environment- running costs	**(30)**				**(30)**
Reduction in running costs across the department.					
Waste recharge to HRA	**(200)**				**(200)**
Income to the General Fund through recharging the Housing Revenue Account for fly tipping charges and dry stores costs					
Regeneration & Environment-Further Savings Total	**(230)**	**0**	**0**	**0**	**(230)**
Regeneration & Environment-Total Savings	**(1,894)**	**(23)**	**(73)**	**27**	**(1,963)**
Finance, Resources & Customer Services Cabinet Agreed Savings					
Increase in Treasury interest receivable	**0**	**(100)**		**0**	**(100)**
This will be achieived through the management of short term investments and will be managed through prudential lending within strict risk management guidelines.					
Additional savings from the IT contract	**(200)**	**(20)**	**(10)**	**0**	**(230)**
Following re-negotiation of the Serco contract, further savings have been found. This will have no impact on the service provision.					

APPENDIX 2

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Reduction in cost of ICT third party contracts	**(200)**	**(100)**	**(100)**	**0**	**(400)**
A reduction in the cost of ICT third party contracts has been identified. This was generated from 3rd party savings resulting from various contract renewals in 14/15 and 15/16.					
Review of cost of Audit & Risk management Services	**(50)**	**0**	**0**	**0**	**(50)**
A review of running costs has resulted in a saving of £50k in the Audit & Risk Management Service.					
Review of Concessionary Travel Mobility Assessment arrangements	**0**	**0**	**(50)**	**0**	**(50)**
A proposed reduction in spend on concessionary travel will be achieved through reviewing the arrangements for mobility assessments and new procurement. This includes a reduction in the amount paid to third party agents for mobility assessments and reduced support costs for the mobility assessments for Concessionary Travel Services.					
Reduction in running costs across several LB Enfield properties	**0**	**0**	**(150)**	**0**	**(150)**
Following a review of the running costs of various LBE properties savings have been implemented for the following properties- Community House, Civic Centre, Triangle House, St Andrews House, Edmonton Centre, Charles Babbage House, Thomas Hardy House, Walford House, 9 Centre Way, 14 Centre Way,The Ark, Swan Annexe, Enfield Public Safety Building, Claverings & Green Belt.					
Increased volume of Land Charges fee income.	**0**	**0**	**(150)**	**0**	**(150)**
An anticipated increased demand for searches commensurate with an improved property market.					
Review of Land Charges fees	**(225)**	**0**	**0**	**0**	**(225)**
A review of Land Charges costs has identified that full cost recovery has not been achieved. This review has highlighted the need for increased fees to recover the full cost of the service.					
Employers Liablity Insurance	**0**	**(151)**	**0**	**0**	**(151)**
An implementation of a change in the method by which Employer's liability insurance is charged so as to produce a central saving overall. Based on current budget allocations.					
Reduction in cost of stationery	**(100)**	**0**	**0**	**0**	**(100)**
A rationalisation exercise of all stationery budgets has resulted in a saving based on the previous year's outturn versus budget figures for 2013/14.					
Grounds Maintenance & Equipment	**(13)**	**0**	**0**	**0**	**(13)**
Firstly, in light of the capital development at Albany Leisure Centre, we are able to reduce the Grounds Maintenance costs for the Fusion contract. Secondly, having completed some of the latent defects in regards to the Leisure Centres, we are able to reduce equipment purchasing.					
Contract Monitoring Efficiencies	**(9)**	**(18)**	**0**	**0**	**(27)**
A reduction in the Contract Monitoring post through part time retirement, and the introduction of new contract monitoring processes. Monitoring is required for the proper assessment of Fusion Lifestyle's operation of the Council's Leisure Centres; the Council checks for any drop in their service below the expected level, and can penalise the contractor if required.					
Property Costs Leisure Centres	**(10)**	**0**	**0**	**0**	**(10)**
It was anticipated when the contract with Fusion Lifestyle began that there would be some property latent defects in Leisure Centres. We now believe that there are no outstanding latent defects of which we are aware. Thus the budget can be deleted.					
Reduction in Town Twinning & Tourism budgets	**(30)**	**0**	**0**	**0**	**(30)**
This proposal is to reduce the Town Twinning and Tourism budget. Twinning activity is reducing and it is unlikely that Enfield will twin with any new partners. This proposed reduction will still allow us to maintain our current partnerships.					
Reduction in Festival's budget subsidy	**(30)**	**(35)**	**0**	**0**	**(65)**
A reduction in the budget available to deliver Festivals in the Borough. It will allow the team to continue to deliver the Festivals programme, including advertising and promotion; managing the Edmonton Festival and Enfield Town Show; and assisting partners; but there will be a reduction in some activities.					
Sports Development costs	**(20)**	**(15)**	**0**	**0**	**(35)**
Sports Development savings from service restructure following introduction of online bookings system, and anticipated increase in income. The anticipated increase in income is based on a commercial approach; introduction of online bookings system bringing about an administrative saving based on service restructure.					
Increase in Forty Hall income	**(10)**	**(10)**	**0**	**0**	**(20)**
Increasing the level of income generated at Forty Hall by developing new sales areas, increasing the number of events and weddings bookings. If increased income target not reached, risk of saving not achievable.					
Finance, Resources & Customer Services Cabinet Agreed Savings	**(897)**	**(449)**	**(460)**	**0**	**(1,806)**

APPENDIX 2

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Finance, Resources & Customer Services-New Savings					
Museum Service Redesign	(50)	50			0
Savings from the Museum Service redesign are budgetted for 2016/17. Elements of this saving have been brought forward to 2015/16. Not a new savings re-profiled into 2015-16.					
Community Events	(50)	(50)			(100)
Reduction in the number of community events organised by the events team.					
Leisure Services	(130)				(130)
Officers have been working with Fusion Lifestyle and are in the process of formalising an agreement to change the "operating surplus" arrangements where the Council reduces its claim on the Operating Surplus in return for a £100k increase in the annual guaranteed payments from Fusion. The remaining £30k can be found from the Sport and Leisure Core budget and will mean a likely reduction in Staffing of 1 sports development officer. The impact of this will depend on priorities but could mean the Mayors Fun run, the Councils Sports awards, the commercial sports programme or Estates programme is reduced or stopped. Effectively the required £130K can be achieved but the service will be reduced."					
Cultural Services	(56)				(56)
Culture & Arts programme Officers have been looking at the Development of the Forty Hall service and have been to combine some of the delivery at Forty Hall with a cross departmental approach linking it with Millfield and Dugdale creating a single management approach across Arts and Culture. The service already has to find £50k saving for next year. Officers believe that this £50K saving and a further £56k saving can be achieved as part of a restructure of these teams.					
Finance, Resources & Customer Services-New Savings Total	(286)	0	0	0	(286)
Finance, Resources & Customer Services-Total Savings	(1,183)	(449)	(460)	0	(2,092)

Health, Housing & Adult Social Services Cabinet Agreed Savings					
Brokerage Redesign to reduce net spend per head	(800)	(600)	(600)	0	(2,000)
Brokerage redesign - Further developing the way we support plan and broker services for people. Direct payments are a much more flexible and efficient way of meeting the needs of vulnerable people and of achieving better value for money.					
Dementia-Demand Management	(50)	(50)	(100)	0	(200)
Demand management Dementia – Better primary healthcare and stronger partnerships between health and social care (including through the Better Care Fund Plan) will ensure that more people with dementia get the support they need earlier on reducing the need for crisis response services, enabling more people to live safely and independently within their own homes.					
Reduction in unit costs - care purchasing	(1,200)	0	0	0	(1,200)
Reducing unit costs – particular areas of pressure for ASC currently are residential and nursing placements for older people and adults with a physical disability. We will work in partnership with providers to better understand costs linked appropriately to needs. We will also, in preparation for the Dilnot recommendation within the Care Act from April 2016, ensure that providers of residential services provide a transparent breakdown of costs which differentiate between care and support costs and the accommodation costs.					
Care purchasing reduction through market management	(2,000)	(2,000)	0	0	(4,000)
Managing risk appropriately we will work with people to reduce dependency on long term services, promote more self-management of long term health conditions and reward service providers for enabling and reducing or removing need rather than perpetuating it. Payment on delivery of outcomes rather than a focus on time and task services.					
Review of in house provided services	(300)	(400)	(800)	0	(1,500)
Review of In-House provided services - Adult Social Care continues to provide some services in-house. This includes enablement, day services and some residential provision. Although these are considered a trusted brand they are more expensive than similar provision within the independent sector. Work is underway to change the way these services operate in order that they become competitive in the current and future care markets. Ultimately they need to continue to be good quality, value for money services that individuals choose to spend their personal budget with.					
Personalisation of Transport services	(100)	(300)	0	0	(400)
Personalisation of transport services – Adult Social Care will work with colleagues in Environment to develop a Council transport offer which is competitive and value for money. ASC will also work with people to ensure that all disability benefits are maximised, travel options are fully explored (e.g. taxi card schemes, freedom/disability travel passes, volunteer driver schemes).					
Valuing Care- residential price negotiation	(500)	0	0	0	(500)
Reviewing highest priced residential care placements to reduce costs. 150 top most expensive placements calculated to generate a saving of £698k with costs of £198k generating a net saving of £500k. Same service but better value for money.					
Review of commissioning contracts	(360)	(100)	0	0	(460)
Review of commissioning contracts – Adult Social Care will change the way it commissions services through the voluntary sector.					
Supporting People payment from HRA	(450)	0	0	0	(450)
Supporting People (General Fund) commissions warden controlled services in council run sheltered accommodation. These services will continue but with funding directly from the HRA and Supporting People funding will cease. Financing of support in council provided sheltered housing will be funded by the HRA.					
Health, Housing & Adult Social Services Cabinet Agreed Savings Total	(5,760)	(3,450)	(1,500)	0	(10,710)

APPENDIX 2

New Saving Proposals 2015/16	2015/16	2016/17	2017/18	2018/19	Full Year
	£000's	£000's	£000's	£000's	£000's
Health, Housing & Adult Social Services-New Savings					
Temporary Accommodation Mitigation	(5,000)	832			(4,168)
Actions within Community Housing to mitigate the temporary accommodation pressure.					
Adult Social Care Transport Charges	0	(100)			(100)
Rationalisation of Adult Social Care transport. [The funding profile of this saving has been changed to better reflect the consultation activity needed prior to implementation.					
Health, Housing & Adult Social Services-New Savings Total	(5,000)	732	0	0	(4,268)
Health, Housing & Adult Social Services-Total Savings	(10,760)	(2,718)	(1,500)	0	(14,978)
Schools & Children's Services Cabinet Agreed Savings					
Commissioning and Community Engagement Team Merger	(120)	0	0	0	(120)
There will be a merger of 2 teams within CCE which will result in staff savings. The teams to be merged are Business Improvement and Partnerships with Integrated Commissioning. Two Heads of Service posts will be rolled into one but operational delivery will remain the same and administrative tasks will be subsumed by other administrative staff within the team. Minimal risk to the service providing the substructures are secure.					
Family Support and Children's Centres Commissioning	(350)	0	0	0	(350)
A reduction in the number of commissioned services which will be offered in these areas. However, it is important to note that many of these services may still be offered via Public Health funding for Health Visitors who become the responsibility of the Council in 2015. Other services which will no longer be provided are ceased on the basis of very low or no take up. Whilst fewer services will be offered via the commissioned service route the core purpose for Family Support and Children's Centres will continue to be met.					
Early Years -Non-Staffing savings	(50)	0	0	0	(50)
This saving will be achieved following the restructure of the service. The reduction in the numbers of staff has identified a number of related non-staffing savings that can be made. There will be no impact on the service provided.					
Progression and Pathways - Deletion of Post following implementation of new Skills for Work Service.	(50)	0	0	0	(50)
Progression and Pathways - Deletion of Post following implementation of new Skills for Work Service. There will be no impact as the service is being provided by the Skills for Work service and some aspects will continue to be comissioned by this team. This saving will be achieved as a result of the establishment of the Skills for Work Service. The new service is now delivering the work previously associated with this post within the Progression and Pathways team.					
Curriculum and Access - Substance misuse income	(48)	0	0	0	(48)
This saving will be achieved from a contribution from Public Health of £40K towards the salary of our substance misuse consultant. The additional £8k will come from an increase in income from the school SEN buyback. There will be no impact as this saving is from the substitution of funds from other sources.					
Schools Intervention	(50)	0	0	0	(50)
This saving will be achieved by reducing the number/amount of school to school support projects.					
Schools & Children's Services Cabinet Agreed Savings Total	(668)	0	0	0	(668)
Schools & Children's Services-New Savings					
Youth & Family Support Service - Management Restructure	(300)				(300)
Management restructure of the Youth and Family Support Service and reduced running costs associated with youth centres and and other youth services.					
Careers Service Staffing Reduction	(50)				(50)
A review and restructure will take place reducing staffing to accommodate the savings target.					
Early Years Play Service	(172)				(172)
This saving will be achieved by increasing income generation for the play service and reducing the level of base budget					
Early Years Service - Children's Centres Review	(400)				(400)
This saving will be achieved by a restrcuture of Enfield children centres into a hub and spoke model, reducing the number of overall centres to 5.[The funding profile of this saving has been changed to better reflect the consultation activity needed prior to implementation].					
Schools & Children's Services-New Savings Total	(922)	0	0	0	(922)
Schools & Children's Services-Savings Total	(1,590)	0	0	0	(1,590)
Corporate- New Savings					
ERPF- Reduced funding for 2015-16	(500)	500			0
Freeze the £500k Enfield Residents Priority Fund contribution for 2015/16 only. Reinstate for 2016/17					
New Homes Bonus additional income	(560)	560			0
Additional income from the New Homes Bonus grant for 2015-16					
Corporate-New Savings Total	(1,060)	1,060	0	0	0
Cabinet Agreed Savings Total	(8,989)	(3,922)	(2,033)	27	(14,917)
New Savings Proposals Total	(7,498)	1,792	0	0	(5,706)
	(16,487)	(2,130)	(2,033)	27	(20,623)
Enfield 2017 Savings New Savings	(15,100)	(7,050)	(7,050)		(29,200)
All Savings Total	(31,587)	(9,180)	(9,083)	27	(49,823)

New Savings Summary 2015-19

APPENDIX 2

	2015/16 New Savings			2016/17	2017/18	2018/19	Total
	November Cabinet	New Proposals	Total	New Savings 2015-19			
Department	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**
Regeneration & Environment	(1,664)	(230)	**(1,894)**	(23)	(73)	27	**(1,963)**
Finance, Resources & Customer Services	(897)	(286)	**(1,183)**	(449)	(460)	0	**(2,092)**
Housing, Health & Adult Social Services	(5,760)	(5,000)	**(10,760)**	(2,718)	(1,500)	0	**(14,978)**
Schools & Children's Services	(668)	(922)	**(1,590)**	0	0	0	**(1,590)**
Corporate	0	(1,060)	**(1,060)**	1,060	0	0	**0**
Total Departmental Savings	**(8,989)**	**(7,498)**	**(16,487)**	**(2,130)**	**(2,033)**	**27**	**(20,623)**
Enfield 2017 Transformation Project	**(15,100)**	**0**	**(15,100)**	**(7,050)**	**(7,050)**	**0**	**(29,200)**
Total New Savings	**(24,089)**	**(7,498)**	**(31,587)**	**(9,180)**	**(9,083)**	**27**	**(49,823)**

2015/16 REVENUE BUDGET- DEPARTMENTAL CONTROL TOTALS

Appendix 3

	2014/15 Controllable V0	Virements	Revised Base	Full Year Effect Changes	Pressures	Savings	2015/16 CTFreeze Grant	Reserves & Collection Fund	Core Grants & Business Rates	2015/16 Controllable V0
Chief Executive	**3,423**	(59)	**3,365**	(48)	56	0				**3,372**
Schools & Children's Services	**49,635**	(338)	**49,297**	(325)	1,664	(1,590)				**49,045**
Regeneration & Environment	**27,405**	2,851	**30,255**	7	428	(1,894)				**28,796**
Finance, Resources & Customer Services	**46,668**	93	**46,760**	(1,652)	440	(1,183)				**44,365**
Health , Housing & Adult Social Care	**92,094**	(692)	**91,402**	1,083	9,551	(10,760)				**91,275**
Enfield 2017						(15,100)				**(15,100)**
Total Departmental	**219,224**	**1,855**	**221,079**	**(935)**	**12,138**	**(30,527)**		**0**	**0**	**201,754**
Corporate Items:	**33,987**	**(1,855)**	**32,132**	**(33)**	**2,043**	**(1,060)**		**0**	**0**	**33,082**
Budget Requirement	**253,211**	**0**	**253,211**	**(968)**	**14,181**	**(31,587)**		**0**	**0**	**234,836**
Collection Fund Surplus	**319**		**319**					(3,144)		**(2,825)**
RSG	**(79,263)**	(1,204)	**(80,467)**						21,142	**(59,325)**
Earmarked reserve	**0**		**0**					3,337		**3,337**
Business Rates	**(67,827)**		**(67,827)**						(22)	**(67,849)**
Central Grants	**(8,842)**	1,204	**(7,638)**	1,204			(1,204)		381	**(7,257)**
	97,598	**0**	**97,598**	**236**	**14,181**	**(31,587)**	**(1,204)**	**193**	**21,501**	**100,917**

APPENDIX 4

Prudential Indicators and MRP Statement 2015/16

Prudential Indicators 2015/16

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Authority's planned capital expenditure and financing may be summarised as follows. Further detail is provided in the capital programme report pages 20 to 23.

Capital Expenditure and Financing	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
General Fund	121.06	133.51	98.21	72.85	45.15
HRA	42.41	52.73	59.13	77.01	73.79
Total Expenditure	**163.46**	**186.23**	**157.34**	**149.86**	**118.94**
Capital Receipts	4.14	8.16	7.46	13.20	12.17
Government Grants	52.97	42.66	33.24	20.06	17.03
Contributions (S106/CIL)	0.57	1.04	0.00	0.00	0.00
Revenue & Reserves	18.82	39.70	44.62	54.23	34.25
Major Repairs Reserve	11.66	13.38	13.31	13.36	13.40
General Resources (including borrowing)	75.31	81.29	58.72	49.01	42.10
Total Financing	**163.46**	**186.23**	**157.34**	**149.86**	**118.94**

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.15 Revised £m	31.03.16 Estimate £m	31.03.17 Estimate £m	31.03.18 Estimate £m	31.03.19 Estimate £m
General Fund	322.8	386.7	428.0	459.1	465.1
HRA	157.7	157.7	157.7	157.7	179.8
Total CFR	**480.5**	**544.4**	**585.7**	**616.8**	**644.9**

The CFR is forecast to rise by £164m over the programme life as capital expenditure financed by debt outweighs resources put aside for debt repayment. This increase will be reduced by capital receipts as regeneration schemes are completed and income from land disposals is realised in later years.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.15 Estimate £m	31.03.16 Estimate £m	31.03.17 Estimate £m	31.03.18 Estimate £m	31.03.19 Estimate £m
Capital financing requirement	480.5	544.4	585.7	616.8	644.9
PFI and Finance Leases	52.0	51.0	50.0	49.0	48.0
Total Capital Debt Requirement	**532.5**	**595.4**	**635.7**	**665.8**	**692.9**
Borrowing	331.0	404.7	455.9	498.4	504.4
Other Long Term Liabilities	52.0	51.0	50.0	49.0	48.0
Total Debt	**383.0**	**455.7**	**505.9**	**547.4**	**552.4**

Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	500	525	550	600	625
Other long-term liabilities	75	75	75	75	75
Total Debt	**575**	**600**	**625**	**675**	**700**

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	550	**600**	650	700	725
Other long-term liabilities	100	**100**	100	100	100
Total Debt	**650**	**700**	**750**	**800**	**825**

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

The increase in the General Fund ratio is the effect of the additional forecast borrowing and the fall in the Net Revenue Stream because of reductions in Government Funding. The reduction in the 2018/19 HRA ratio is because of the reduction in planned revenue contributions by the HRA in that year.

Ratio of Financing Costs to Net Revenue Stream	2014/15 Revised %	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
General Fund	8.0	9.2	9.9	9.4	9.0
HRA	59.4	58.3	86.3	83.9	52.5

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and housing rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed earlier in this report.

Incremental Impact of Capital Investment Decisions	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
General Fund - increase in annual band D Council Tax	0.65	3.82	7.87	8.46
HRA - increase in average weekly rents	(0.42)	(1.78)	(3.92)	(5.64)

Adoption of the CIPFA Treasury Management Code: The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in February 2011.

Annual Minimum Revenue Provision Statement 2015/16

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

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

The CLG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods. Council is asked to approve the continuation of the existing policy for the calculation of MRP, which is consistent with the guidance issued under the regulations and the introduction of the exclusion of loans and land acquired for onward sale in (*in italics below*).

1. For capital expenditure incurred before 1 April 2008, the MRP policy is to follow existing practice – this requires a charge to be made to the revenue account equivalent to 4% of the outstanding debt at the start of the financial year;
2. For capital expenditure incurred from 1 April 2008 to 31 March 2011, and which is Supported Capital Expenditure (SCE), the Council follows the existing practice above, as this matches the way in which Government support is calculated in the Formula Grant. As previously reported, there will be no more SCE from 1 April 2011.
3. For unsupported borrowing incurred from 1 April 2008 onwards, MRP is calculated on the basis of amortising the amount borrowed over the estimated lives of the assets acquired (or the enhancement made) as a result of the related expenditure. *This excludes loans made to third parties to enable them to incur capital expenditure and also assets acquired with the intention of onward sale which will not be used in the delivery of services. In these events the capital receipts generated by the loan and sale will be set aside to repay debt*

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

Capital expenditure financed from borrowing incurred during 2015/16 will not be subject to a MRP charge until 2016/17.

Based on the Authority's latest estimate of its Capital Financing Requirement on 31st March 2015, the budget for MRP has been set as follows:

	31.03.2015 Estimated Capital Financing Requirement	2015/16 Estimated Minimum Revenue Provision
	£m	**£m**
Capital expenditure before 1 April 2008 and Supported capital expenditure from 1 April 2008 to 31 March 2011	159.66	6.34
Unsupported capital expenditure after 31.03.2008	118.37	5.70
Land acquisition for regeneration and disposal	24.72	Nil
Loans to Council owned companies	20.00	Nil
Total General Fund	**322.75**	**12.04**
Assets in the Housing Revenue Account	128.94	Nil
HRA subsidy reform payment	28.79	Nil
Total Housing Revenue Account	**157.73**	**0.00**
Total	**480.48**	**12.04**

Appendix 5

Treasury Management Strategy Statement 2015/16

Introduction

The Authority has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year.

In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.

The Authority has both borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

External Context

Economic background: There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP. However, inflationary pressure is currently extremely benign and is likely to remain low in the short-term. There have been large falls in unemployment but levels of part-time working, self-employment and underemployment are significant and nominal earnings growth remains weak and below inflation.

The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee. Despite two MPC members having voted for an 0.25% increase in rates at each of the meetings between August and December 2014, the minutes of the January 2015 meeting showed unanimity in maintaining the Bank Rate at 0.5% as there was sufficient risk that low inflation could become entrenched and the MPC became more concerned about the economic outlook

Credit outlook: The transposition of two European Union directives into UK legislation in the coming months will place the burden of rescuing failing EU banks disproportionately onto unsecured local authority investors. The *Bank Recovery and Resolution Directive* promotes the interests of individual and small businesses covered

by the Financial Services Compensation Scheme and similar European schemes, while the recast *Deposit Guarantee Schemes Directive* includes large companies into these schemes. The combined effect of these two changes is to leave public authorities and financial organisations (including pension funds) as the only senior creditors likely to incur losses in a failing bank after July 2015.

The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, **the credit risk associated with making unsecured bank deposits will increase** relative to the risk of other investment options available to the Authority.

Interest rate forecast: The Authority's treasury management advisor Arlingclose forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%. Arlingclose believes the normalised level of the Bank Rate post-crisis to range between 2.5% and 3.5%. The risk to the upside (i.e. interest rates being higher) is weighted more towards the end of the forecast horizon. On the downside, Eurozone weakness and the threat of deflation have increased the risks to the durability of UK growth. If the negative indicators from the Eurozone become more entrenched, the Bank of England will likely defer rate rises to later in the year. Arlingclose projects gilt yields on an upward path in the medium term, taking the forecast average 10 year PWLB loan rate for 2015/16 to 2.7%.

A more detailed economic and interest rate forecast provided by the Arlingclose is attached at ***Annex A***.

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.5% and that new long-term loans will be borrowed at an average rate of 4.0%.

Local Context

Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources where possible, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. Whilst such a strategy is most likely to be beneficial over the next 2-3 years as official interest rates remain low, it is unlikely to be sustained in the medium-term. The benefits of internal borrowing will monitored regularly against the potential for incurring additional costs by deferring

borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose the Authority's Treasury consultants will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2015/16 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

In addition, the Authority may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages.

The following issues will be considered prior to undertaking any external borrowing:

- Affordability;
- Maturity profile of existing debt;
- Interest rate and refinancing risk;
- Borrowing source.

The timing of the borrowing decisions is delegated to the Director of Finance, Resources & Customer Services.

The Authority has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLB), but it continues to investigate other sources of finance at favourable rates. At present we are exploring borrowing opportunities with the European Investment Bank to fund re-generational programmes.

Short-term and variable rate loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

The Authority currently (31st January 2015) has £324m of borrowing and £56.6m of investments. This is set out in further detail at ***Annex B***.

The Authority has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to £164m over the forecast period.

Table 1

Capital Expenditure and Financing	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
General Fund	121.06	133.51	98.21	72.85	45.15
HRA	42.41	52.73	59.13	77.01	73.79
Total Expenditure	**163.46**	**186.23**	**157.34**	**149.86**	**118.94**
Capital Receipts	4.14	8.16	7.46	13.20	12.17
Government Grants	52.97	42.66	33.24	20.06	17.03
Contributions (S106/CIL)	0.57	1.04	0.00	0.00	0.00
Revenue & Reserves	18.82	39.70	44.62	54.23	34.25
Major Repairs Reserve	11.66	13.38	13.31	13.36	13.40
General Resources (including borrowing)	75.31	81.29	58.72	49.01	42.10
Total Financing	**163.46**	**186.23**	**157.34**	**149.86**	**118.94**

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 2 shows that the Authority expects to comply with this recommendation during 2015/16.

Table 2

Capital Financing Requirement	31.03.15 Estimate £m	31.03.16 Estimate £m	31.03.17 Estimate £m	31.03.18 Estimate £m	31.03.19 Estimate £m
General Fund	322.8	386.7	428.0	459.1	465.1
HRA	157.7	157.7	157.7	157.7	179.8
Total CFR	**480.5**	**544.4**	**585.7**	**616.8**	**644.9**
External Borrowing	**331.0**	**394.9**	**436.2**	**467.3**	**495.4**
Borrowing headroom	**149.5**	**149.5**	**149.5**	**149.5**	**149.5**

Borrowing Strategy

The Authority currently holds £331 million of loans, an increase of £32 million on the previous year, as part of its strategy for funding previous years' capital programmes. The forecast in table 2 shows that the Authority expects to borrow up to £64m in 2015/16. The Authority may also borrow additional sums to pre-fund future years'

requirements, providing this does not exceed the authorised limit for borrowing of £600 million.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2015/16 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

In addition, the Authority may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages.

Sources: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and its successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except Enfield Pension Fund)
- capital market bond investors
- Local Capital Finance Company and other special purpose companies created to enable local authority bond issues
- European Investment Bank (EIB)
- Other funding issuers e.g. European Regional Development Fund (including fund's managed by LEEF)

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase

- Private Finance Initiative
- sale and leaseback

The Authority has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

European Investment Bank: is the European Union's non-profit long-term lending institution established in 1958 under the Treaty of Rome. As a "policy-driven bank" whose shareholders are the member states of the EU, the EIB uses its financing operations to bring about European integration and social cohesion.

The EIB is a publicly owned international financial institution and its shareholders are the EU member states. Thus the member states set the bank's broad policy goals and oversee the two independent decision-making bodies—the board of governors and the board of directors.

LGA Bond Agency: Local Capital Finance Company was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for three reasons: borrowing authorities may be required to provide bond investors with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; there will be a lead time of several months between committing to borrow and knowing the interest rate payable; and up to 5% of the loan proceeds will be withheld from the Authority and used to bolster the Agency's capital strength instead.

Short-term and Variable Rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment Strategy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £55 million and £114 million, and similar levels are expected to be maintained in the forthcoming year

Objectives: Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low.

There is no intention to restrict investments to bank deposits, and investments may be made with any public or private sector organisations that meet the above credit rating criteria. This reflects a lower likelihood that the UK and other governments will support failing banks as the bail-in provisions in the Banking Reform Act 2014 and the EU Bank Recovery and Resolution Directive are implemented investment income.

Strategy: Given the increasing risk and continued low returns from short-term unsecured bank investments, the Authority aims to reduce the level of investments held by continuing to internalise borrowing. It is also recognised that balances held by the HRA for 2015/16 maybe non-core cash, allowing for opportunities to place cash out for longer periods.

Approved Counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£15m 5 years	£25m 20 years	25m 50 years	-	-
AA+	15m 5 years	£15m 10 years	-	£5m 10 years	£5m 10 years
AA	£15m 4 years	£15 m 5 years	-	£5m 5 years	£5m 10 years
AA-	£15m 3 years	15m 4 years	-	£5m 4 years	£5m 10 years
A+	£15m 2 years	£15m 3years	-	-	-
A	15m 12 months	£15 m 2 years	-	-	-
A-	£15m 6 months	£15 m 13 months	-	-	-
None	£1m	n/a	**-**	-	-

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
	6 months				
Money Market Funds	20% per fund (de-mininus level £5 million)				

The limits set out in Table 3 should be regarded as maximum position. In practice, the Authority in consultation with our Treasury Consultants will set actual limits where appropriate, well below the maximums. It is also unlikely we will place funds out for longer than a year but it is important to have the flexibility to be able to change our strategy within limits during the year.

The Authority will continue to use Call Accounts and Money Market Funds to maintain the Council's short term liquidity and give ready access to cash funds up to three month, but the Authority will look to use secured bank deposits for any longer term deposits to help protect the Authority from bank failure and possible 'bail-in'.

If the Authority wished to increase any of the limits set out in Table 3 it would need to come back to Full Council for approval.

The actual limits are reviewed on daily basis, given the current prevailing economic conditions with special regard to the following factors:-

Credit Rating: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Current Account Bank: The Authority banks with HSBC. At the current time, it does meet the minimum credit criteria of A- (or equivalent) long term. If the credit rating falls below the Authority's minimum criteria A-, it will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements.

If funds come into the bank account during the day (after daily dealing has been undertaken) and cannot be placed out with any other approved financial institutions, they can be placed out with HSBC Call Account to attract interest even if it breaches the counterparty limit (the matter will be reported to the Director of Finance, Resources & Customer Services). The temporary breach will be addressed on the next banking business day.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks.

These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

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

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,

- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local authority, parish council or community council, or
  - a body or investment scheme of "high credit quality".

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

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 4: Non-Specified Investment Limits

	Cash limit
Total long-term investments	**£20m**
Total investments with institutions domiciled in foreign countries rated below [AA+]	**£15m**

Investment Limits:. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below:

Table 5: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£15m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£25m per group
Any group of pooled funds under the same management	£15m per manager
Negotiable instruments held in a broker's nominee account	£15m per broker

	Cash limit
Foreign countries	£15m per country
Registered Providers	£5m in total
Unsecured investments with Building Societies	£5m in total
Loans to unrated corporates	£1m in total
Money Market Funds	75% of total investments

Liquidity Management: The Authority uses a spreadsheet modelling tool to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment.

	Target
Portfolio average credit rating	A-

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	Target
Total cash available within 3 months	£20m or 25% of all investments (whichever is lower)

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as a proportion of net principal borrowed / interest payable will be:

	2015/16	2016/17	2017/18
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	50%	50%	50%

Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
Under 12 months	25%	-%
12 months and within 24 months	35%	-%
24 months and within 5 years	50%	-%
5 years and within 10 years	70%	-%
10 years and above	100%	25%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2015/16	2016/17	2017/18
Limit on principal invested beyond year end	£20m	£10m	£5m

Other Items

There are a number of additional items that the Authority is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Policy on Apportioning Interest to the HRA: On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account.

Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at a pre-agreed interest rate on investments, adjusted for credit risk.

Investment Training: The needs of the Authority's treasury management staff for training in investment management are assessed regularly as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Investment Advisers: The Authority has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. The quality of this service is controlled by review at the quarterly treasury management meetings.

Investment of Money Borrowed in Advance of Need: The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £600 million. The maximum period between borrowing and expenditure is expected to be two years, although the Authority is not required to link particular loans with particular items of expenditure.

Financial Implications

The budget for investment income in 2015/16 is £400k, based on an average investment portfolio of £80 million at an interest rate of 0.5%. The budget for debt interest paid in 2015/16 is £15.4 million, based on an average debt portfolio of £360 million at an average interest rate of 4.3%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different but the revenue budget will be unaffected.

Other Options Considered

The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance, Resources & Customer Services having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

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

Alternative	Impact on income and expenditure	Impact on risk management
		however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

Annex A – Arlingclose Economic & Interest Rate Forecast January 2014

Underlying assumptions:

- The UK economic recovery has continued. Household consumption remains a significant driver, but there are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP throughout this year.
- We expect consumption growth to slow, given softening housing market activity, the muted outlook for wage growth and slower employment growth. The subdued global environment suggests there is little prospect of significant contribution from external demand.
- Inflationary pressure is currently low and is likely to remain so in the short-term. Despite a correction in the appreciation of sterling against the US dollar, imported inflation remains limited. We expect commodity prices will remain subdued given the weak outlook for global growth.
- The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.
- Nominal earnings growth remains weak and below inflation, despite large falls in unemployment, which poses a dilemma for the MPC. Our view is that spare capacity remains extensive. The levels of part-time, self-employment and underemployment are significant and indicate capacity within the employed workforce, in addition to the still large unemployed pool. Productivity growth can therefore remain weak in the short term without creating undue inflationary pressure.
- However, we also expect employment growth to slow as economic growth decelerates. This is likely to boost productivity, which will bear down on unit labour costs and inflationary pressure.
- In addition to the lack of wage and inflationary pressures, policymakers are evidently concerned about the bleak prospects for the Eurozone. These factors will maintain the dovish stance of the MPC in the medium term.
- The continuing repair of public and private sector balance sheets leave them sensitive to higher interest rates. The MPC clearly believes the appropriate level for Bank Rate for the post-crisis UK economy is significantly lower than the previous norm. We would suggest this is between 2.5 and 3.5%.
- While the ECB is likely to introduce outright QE, fears for the Eurozone are likely to maintain a safe haven bid for UK government debt, keeping gilt yields artificially low in the short term.
- The probability of potential upside risks crystallising have waned a little over the past two months. The primary upside risk is a swifter recovery in the Eurozone.

Forecast:

- Arlingclose continues to forecast the first rise in official interest rates in Q3 2015; general market sentiment is now close to this forecast. There is momentum in the economy, but inflationary pressure is benign and external risks have increased, reducing the likelihood of immediate monetary tightening.
- We project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; we believe the normalised level of Bank Rate post-crisis to range between 2.5% and 3.5%.
- The short run path for gilt yields is flatter due to the deteriorating Eurozone situation. We project gilt yields on an upward path in the medium term.

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Official Bank Rate													
Upside risk				0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Case	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75	1.75
Downside risk			0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00
3-month LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.55	0.60	0.80	0.90	1.05	1.15	1.30	1.40	1.55	1.65	1.80	1.95	2.00
Downside risk	0.15	0.20	0.30	0.40	0.55	0.65	0.75	0.85	0.95	0.95	0.95	0.95	1.00
1-yr LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.95	1.00	1.20	1.30	1.45	1.55	1.70	1.80	1.95	2.05	2.20	2.35	2.40
Downside risk	0.15	0.20	0.30	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.80	0.80	0.80
5-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50
Arlingclose Central Case	1.10	1.20	1.30	1.40	1.50	1.65	1.80	1.95	2.10	2.20	2.35	2.40	2.50
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.75
10-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50	0.55	0.55
Arlingclose Central Case	1.60	1.70	1.80	1.90	2.00	2.15	2.30	2.45	2.60	2.70	2.85	2.90	3.00
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.75	0.80
20-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.10	2.20	2.30	2.35	2.45	2.50	2.65	2.75	2.90	3.00	3.15	3.20	3.30
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90
50-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.15	2.25	2.35	2.40	2.50	2.55	2.70	2.80	2.95	3.05	3.20	3.25	3.35
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90

Annex B – Existing Investment & Debt Portfolio Position

31st March 2014 £		31st January 2015 £	
232,083,490.44	Public Works Loans - Fixed	231,057,174.66	4.794%
-	Local Authority Loans - Fixed	5,000,000.00	1.772%
30,000,000.00	Commercial Loans - Fixed	30,000,000.00	7.145%
3,540,994.63	Salix Loan	3,021,274.45	0.000%
33,000,000.00	Short-term loans	55,500,000.00	0.463%
298,624,485.07		**324,578,449.11**	4.356%

London Borough of Enfield Investments at 31st January 2015

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity
Call Accounts	£				
HSBC	2,130,000		On demand	0.40%	1
Handlesbanken	2,500,000				
Money Market Funds					
Ignis	2,000,000		On demand	0.48%	1
Termed Deposits					
Enfield Pension Fund	12,500,000	13/11/2014	12/02/2015	0.50%	43
Barclays Bank PLC	7,500,000	10/03/2014	09/03/2015	0.84%	68
Barclays Bank PLC	5,000,000	01/04/2014	31/03/2015	0.86%	90
Nationwide Building Society	7,500,000	10/04/2014	09/04/2015	0.81%	99
Nationwide BS	5,000,000	15/04/2014	14/04/2015	0.81%	104
Lloyds Bank PLC	5,000,000	22/04/2014	21/04/2015	0.95%	111
Lloyds Bank PLC	7,500,000	07/05/2014	06/05/2015	0.95%	126
Total - Investments	**56,630,000**		**Average**	**0.72%**	**92**
Number of Investments	10				

APPENDIX 6

Summary of Budget Risks

This Appendix sets out the main financial risks the Council faces over the period of the Medium Term Financial Plan. Risk assessment and planning will minimise risk, therefore as part of the budget setting process we have assessed the balances and reserves and deemed them as adequate to meet those risks.

Risks have been categorised as:

- Corporate
- Capital
- Service Specific

CORPORATE RISKS

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

- **Uncertainties caused by the current economic downturn including:**
  - Increase in the number of residents that are reliant on Council services;
  - The general financial risk to Enfield of businesses failing in the Borough
  - Loss of rental income through businesses failing or moving out of commercial premises rented from the Authority,
  - Loss of other income / difficulty in collection.

- **Future impact of legislative changes**:
  The Government has and will implement changes across public services. Several of these will impact on local government with the full impact only becoming clear in future years including:
    - National Health Service Reforms
    - Universal Benefits Reform
    - Regeneration / Tax Increment Financing
    - Care Act 2014 & Dilnot Reforms

- **Central Government funding & local government resources:**
  The reduction in central government funding has been part of local government financing since 2010. In June 2013 as part of the spending round the government announced indicative settlement figures for 2015/16. As part of this process it was also confirmed that the government would withhold £2bn of funds nationally in ring fenced pots of money for future allocation. The Council has assumed these funding reductions in the medium term financial plan but there is a risk that the new burdens associated with these ring fence funds will be greater than the grants distributed

  The position after 2015/16 is unclear apart from the Chancellors commitment to further austerity in the future and represents one of the biggest risks to Council services and financial resilience over the Medium Term Financial Plan and the longer term.

- **Retention of Business Rates**
  The local government finance settlement makes assumptions about future growth in business rates. There is a significant risk that if the yield from business rates falls below the government projections then the Council will have to bear the cost of this shortfall. The Government recognises significant losses through a safety net arrangement but Enfield would have to be exposed to a loss of business rates of up to £4.96m before it will be eligible for Government support. In addition there is a potential budget risk relating to business rates appeals where responsibility for significant backdated refunds could fall on back on the local authority.

- **Government Incentive-Based Grants**
  There is an increase in incentive-based Government funding such as the New Homes Bonus and Council Tax Freeze Grant which replaces existing need-led allocations. Councils with high deprivation such as Enfield will be worst hit if allocations increase to the wealthier areas as a result of this incentive based approach.

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

- **Demographic and other changes in the Borough:**
  One of the main risks to the Council's budget relate to the uncertainties surrounding demographic change. The birth rate has increased. Residents are living longer, with greater levels of disability, and have greater expectations of independence, care and achievement. Assumptions have been made in the budget about the likely increases in demand for services, particularly in respect of social services clients (both adults and children). However, the current arrangements for funding local government do not take account of the big increase in London's population and, therefore, over time the Council is losing money relative to other parts of the Country.

- **Savings included in the 2015/16 budget:**
  New departmental savings and additional income totalling £31.6m (Including the Enfield 2017 Programme) have been identified for 2015/16. Although the savings have been scrutinised and the proposals have been assessed as viable and realistic, there is still an element of risk involved in their achievement.

  On top of the 2015/16 departmental savings, agreed as part of the 2015/16 budget setting process a further £15.1m of Enfield 2017 savings have been identified in 2015/16 with savings of £7.1m for 16/17 and 17/18 The development and implementation of these savings is well underway, however, there is a risk that some of these savings may not be implemented as early as scheduled.

The risks in relation to the achievement of both the departmental and the Enfield 2017 savings will be taken into account in setting the level of contingencies and general balances. The monitoring of the achievement of these savings will, as in previous years, form an integral part of the 2015/16 revenue monitoring process and if required, appropriate action will be taken to ensure that they are delivered, or if not the first call will be a review of other savings measures to compensate for any shortfall, failing this reserves and balances will be considered until this major project is fully implemented.

- **Changes in external factors such as interest rates:**
  Interest rates are an area that is outside the Council's control and therefore represents a continuing area of significant risk. Any increases in rates will benefit the Council's financial position as the Council's borrowings are, for the most part, at long term fixed rates. Conversely, the low rates currently experienced due to the national economic position will reduce the resources available to the Council. An Equalisation Reserve has been in place for several years to "damp down" the effect of fluctuations in interest rates and this reserve will be used in a planned way to support the MTFP. Interest rates will continue to be closely monitored and planning assumptions will be updated as required. The low interest rate environment in short term rates does allow the Council to borrow at low historic rates. The Council however, is aware of the risk that interest rates may start to rise and we will need to finance loans for longer maturity dates.

- **Inflation and other cost increases:**
  Staff pay represents the most significant proportion of the Council's expenditure. Consequently, variations in pay levels represent a significant risk. It should also be noted that the Council works in a range of labour markets, and the laws of supply and demand are pushing up costs in certain sectors. In addition, in order to make savings departments have been required to contain inflationary pressures in most areas of the Council's spending. Once again in 2015/16 departments have been asked to contain price inflation. This could be a financial risk and the revenue monitoring process for 2015/16 will be key in the early identification of these potential cost pressures.

- **Increased costs of waste disposal:**
  The Authority does all it can to recycle as much waste as possible in order to minimise any cost pressure from disposal charges associated with household waste. However, waste disposal costs continue to rise, and these are estimated in the Medium Term Financial Plan.

- **Income, including fees and charges:**
  The budget includes a number of assumptions about income levels. Although all income assumptions have been validated using the most up to date information available, there is inevitably an element of risk that they might not all be achieved.

- **Future revaluations of the Pension Fund**:
  The Pension Board is continuing to closely monitor the effect of the economic downturn on the fund as this may affect the future contributions required from the Authority.

- **VAT Exemption Limit:**
  All councils are allowed to recover VAT on exempt supplies up to a limit of 5% of taxable supplies. Should an authority breach this threshold all exempt VAT becomes irrecoverable and a cost to the council. For Enfield, this would amount to £2.8m based on current levels of expenditure. The limit is monitored by finance officers who also provide training to services staff engaged in exempt VAT activities (in particular, Property Services).

- **Bellwin Scheme:**
  The Government's Bellwin Scheme provides emergency financial assistance to local authorities. The scheme may be activated where councils incur expenditure on an emergency or disaster to
    - safeguard life or property, or
    - to prevent suffering or severe inconvenience, in their area or among its inhabitants.

  There is no automatic entitlement to financial assistance: Ministers are empowered by Section 155 of the Local Government and Housing Act 1989 to decide whether or not to activate a scheme after considering the circumstances of each individual case. Council must exceed an expenditure threshold (£1.032m for Enfield in 2013/14- latest figures) which Government may pay 85% of costs incurred. However a consultation is currently taking place on new threshold and payment proposals where the threshold may be reduced to £491k and the 85% cost reimbursement may increase. If introduced this would be to the benefit of the Authority.

- **Housing Benefit Subsidy for Temporary Accommodation:**
  Changes were adopted by the Department of Works and Pensions from 2010/11 which affected the subsidy funding system for temporary accommodation for homeless households. These changes have reduced significantly the central government subsidy that funds the Borough's provision of temporary accommodation. Although a significant adjustment was added to the budget to resource this issue the sheer size of the budget means that this remains a potentially significant budget risk to the Council in 2015/16 and future years.

- **Welfare Benefits:**
  Government changes to welfare benefits are already impacting on the Council's budgets through increased homelessness and demand for housing support, pressure on children's services 'no recourse to public funds' budgets and financial hardship for many residents impacting on the collection of council tax and other income. Universal Credit starts to be rolled out in Enfield in July 2015 and this will ultimately see a reduction in the Council's admin grant for housing benefit whilst increasing pressure for digital inclusion and financial planning/budgeting support.

- **Rental income from the Council's assets :**
  The Council manages a substantial asset portfolio and is suffering from the effects of the economic downturn through a reduction in rental and service charges income from businesses and other tenancies.

CAPITAL RISKS

The following risks are associated with the delivery of the Council's capital programme.

- **Generating the required level of capital receipts:**
  As noted earlier in the report there are risks around achieving the level of receipts assumed in the current capital programme where disposals may not be achieved. If new receipts are not identified the gap will have to be met from borrowing.

- **Robustness of capital project plans:**
  This could be a problem if schemes have not been sufficiently developed in detail before their inclusion in the capital programme. This is a particular risk when embarking on a substantial and complex programme. Nevertheless, the detailed work required to produce 'scheme reports' means that the risks are minimised by ensuring that commitments are not made before full costings and a project risk assessment have been completed.

- **Time and/or cost overruns:**
  In the main these problems should be minimised by good project planning and management. Progress with and expenditure on individual projects are monitored monthly.

SERVICE SPECIFIC RISKS

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

Schools and Children's Services Department

- **Demand led services.**
  There are a number of areas within the Department's services that are statutory and demand led, meaning that the service must be provided if the client meets the relevant criteria. Examples include supporting the placement of children with special education needs in independent and out borough settings, purchasing care packages for vulnerable children, increasing numbers of pupils in primary schools and giving financial support to families with no recourse to public funds. These budgets are at risk from any change in the numbers of children requiring services. The number of referrals of children possibly at risk remains high which can lead to increases in the number of placements needed. Whilst the implementation of the prevention strategy is helping to manage budget pressures in these areas welfare benefit and demographic changes continue to pose a risk that cannot be fully quantified at this stage, particularly in respect of

services supporting homeless families and looked after children. In particular the following demand led areas have shown pressures in year that are likely to continue or worsen in 2015/16. A budget calculation for 2015/16 using existing client numbers, future demographic trends and potential pressures estimated an increase of £3.789m. As part of the budget setting process, a pressure of £1.137m (30%) has been built into the 2015/16 SCS base budget towards this risk. This still leaves a risk of a potential overspend of up to £2.653m if the projected pressures arise.

- **Looked After Children.**
  Historically Enfield's numbers of looked after children have remained low in comparison with other local authorities. However with a growing population in Enfield the knock-on effect will result in additional children and young people being taken into council care for their protection. In the last year alone the numbers have increased from 301 to 330, which is an increase of 9.6%. This increase in client numbers is predicted to increase during 2015/16 to approximately 350. Whilst some measure can be taken to control the costs of the placement options this is not always possible due to the challenging nature and needs of the individuals and budget pressures will arise.

- **No Recourse to Public Funds.**
  As a local authority we have a statutory responsibility under s17 of the Children's Act 1989 to support families who have no access to benefits because of their status. As a result Enfield currently supports over 100 families who have had their asylum applications rejected and are awaiting deportation. There is a continuing risk that the numbers of families we are supporting under s17 of the Children's Act will continue to increase especially if proposed changes to benefits for European nationals mean they lose their entitlement. This pressure is currently being met from corporate contingency as agreed by Cabinet 17th September 2014. Some families are granted leave to stay in the UK without recourse to public funds, with little prospect of finding suitable employment. These families are supported to apply for a reconsideration in order to gain access to public funds. This year, 20 such families have successfully appealed the no recourse condition. Enfield also subscribes to the No Recourse to Public Fund Network Connect database allowing for timely information exchange with the Home Office to ensure applications are dealt with as speedily as possible.

- **Leaving Care.**
  There a number of proposed changes relating to the care of 16 year olds and over which could result in additional budget pressures arising as local authorities are required to support these children who were looked after until they are much older. This may mean that individual young people choose to 'stay put' with their existing carers for a few more years rather than be moved into their own independent accommodation when they were 18. In some circumstances this can be more expensive to the authority and it reduces the number of carers available.

- **Staffing.**
  The Department's salaries budgets include a vacancy factor, which recognises the cost savings as a result of staff turnover. This can be difficult to achieve in

certain areas where it is necessary to maintain higher staffing levels in order to deliver safe essential services. Although the general success of the Council's policy for recruiting and retaining children's social workers has reduced the need to use agency staff in some areas of the service, the continuing increase in the number of referrals to the Children in Need Service has resulted in an increased pressure on staffing budgets in 2015/16.

- **Legal services.**
  The cost of legal representation is difficult to control due to the complexities of some of the cases relating to children. As the number of cases remains high more cases require legal action. Whilst Legal Services have taken on more legal work the specialised and technical aspects of some cases still require legal representation by external solicitors, barristers and QC's, which cannot be fully predicted.

- **Special Educational Need (SEN) Transport.**
  A continuing increase in the number and complexity of SEN cases could translate to increased costs if additional or more expensive means of transport are required. However, we will address this by undertaking a review of transport across all Council services.

- **Schools Budget (DSG)**

  School places:
  The provision of school places is continually under review and the Council's 2014-18 capital programme includes funding for additional primary school places. These are and have been partly funded by central government capital grants which have reduced the call on Council resources in the short-term. The pressure for additional places passes on to secondary schools from 2017/18 onwards and there is a risk that the cost of providing the additional places needed will not be fully funded by central government grant, leaving the Council to meet any shortfall.

  Special Educational Needs (SEN):
  As the school population increases the number of high needs learners has also increased and short and long term provision for places is being re-assessed. There is a risk that this may lead to unfunded increased costs to the schools budget, as under current funding arrangements capital and revenue grant funding does not fully cover the costs of the additional places needed for children with statements of SEN.

Health, Housing and Adult Social Care Department

- **Social Care Demand:**
  Care purchasing budgets have been prepared on the basis of known levels of activity plus those that might reasonably be foreseen, based on demographic forecasts and historic trends. There remains, however, the possibility that demand will exceed these assumptions and in the Medium Term Financial Plan for 2015/16, Adult Social Care have been allocated an additional £1.4million in order to fund 2015/16 demographic pressures. Enfield's population is

increasing at the rate of about 3,500 people per year. Improved healthcare means that more adults with disabilities are surviving into adulthood and into old age. Older people are living longer but this has associated with it longer term heath issues. This is driving an increased demand for services and whilst Adult Social Care is moving to a more preventative model of support, the ability to offer appropriate and sustainable levels of support to an increasing number of people and delivering £5.7m of savings in 2015/16 is not without risk.

- **Contractual Price:**
  The majority of services to local people with eligible needs are provided by the independent and voluntary sectors. In negotiating contracts with these providers the Council seeks to strike a fair balance between a meaningful recognition of providers' costs, affordability to local taxpayers and quality of services. The Council also needs to be mindful of those areas of service provision where there is a shortage or risk of insufficient capacity to meet demand. These are factors which can push prices up and working with the market and with other authorities to increase capacity which is value for money and remains a priority. The procurement service is also working with providers of services to understand price structures and how the cost of services provided is broken down. Retaining skilled staff, paying a living wage and investing in new technologies as well as cost of living pressures are all factors which can push prices up.

  In relation to specialised services for people with more complex needs, the requirements of providers for increases above inflation represent the highest risk area. Although the number of service users affected may not be large, the budgetary impact of increasing already high cost packages is significant. Sustainability of the independent sector is an area of risk nationally. The Council also maintains some in house provision, which is subject to the same cost pressures as other providers.

- **Care Act 2014**
  The first major reforms under the Care Act will be implemented in 2015. The requirements for the delivery of the Act are part of the operating principles for Enfield 2017 in respect of providing wellbeing, preventing and reducing need, provision of information and advice and managing the market. The future on-going cost pressures as a result of the impact of the Care Act reforms may potentially present a financial risk to the Council for future years. However, work is on-going across the Council to reduce the impact of this.

- **Enfield CCG & Barnet, Enfield & Haringey Mental Health Trust**
  Monitoring of the Enfield CCG & BEH MH Trust financial position is reflected in the authority's budget monitoring processes and through Section 75 partnership meetings. Both the CCG and MH Trust are continuing with their own efficiency programmes. There is an inherent financial risk where spending and savings plans are not aligned between the Council and Health partners.

- **Client Income:**
  Given the significant income assumptions in the budget, there is a risk that they might not be achieved in full. This is especially the case in the current

economic climate, where vulnerable residents will be making difficult choices regarding basic living requirements and paying charges.

- **Homelessness Procurement and Benefit changes 2014/15:**
  Welfare reform changes and a shortage of accommodation across all tenures has seen a lack of stability in the amount of accommodation available for homeless households, this has resulted in a rise in homeless households living in temporary accommodation during 2014/15 this will continue into 2015/16.

- **Incentive Payments- Temporary Accommodation**
  Rents paid on Temporary Accommodation and private sector properties that the Council uses to house homeless families are based upon Local Housing Allowance levels. Unfortunately, due to benefit caps and an increase in market rents compared to LHA levels, Local Authorities need to pay incentive payments to Landlords in order to secure affordable long term accommodation. Competition from other Local Authorities housing their homeless households in Enfield has led to incentive inflation within Enfield. There is a risk that the above factors will lead to an increase in incentive payments above those assumed in this report.

- **The Procurement of Temporary Accommodation**
  The cost of private rented accommodation is rising in London, which is placing significant pressure on budgets to procure temporary accommodation for homeless households. The Temporary Accommodation budgets are showing a shortfall of £6m in 15/16 from the loss of Private sector leased properties and a higher use of Nightly paid Accommodation and this budget pressure is being funded by £6m from the MTFP for 2015/16. It is estimated that a further budget of £1.5m is required to pay for incentives to obtain more properties for homeless households. In 2015/16 the budget pressure on homelessness has been supported by one off funding from the initiative reserve, however the reserve will run out by the end of 2015/16 leaving the service requiring this additional investment to ensure statutory duties are met. The total 15/16 pressure of £6m has been offset by savings of £2m. These savings are proposed by introducing mitigating factors such as Near London Placement of tenants (£1m) and the actions to manage the market across all London boroughs (£3m). There is a risk of other London boroughs undertaking actions which continue to inflate the market and tenants not taking up the offer of the near London placement option.

- **Welfare Reform**
  The introduction of a total benefit cap has reduced the housing benefit for households in temporary accommodation, this has increased the risk of rent arrears and increase the staffing resources required to maximise the collection of rent. The prospect of the economic outlook may also impact on the level of arrears. It is therefore a risk to the Council that the provision for bad debts will increase in 2015/16. In 2013/14 this risk was mitigated by the use of Government funding for Discretionary Housing payments (DHP) to individuals for the payment of rent to the council. DHP payments made to tenants have reduced in 2014/15 and this could cause a build–up of rent arrears and therefore a higher provision for bad debts in 2014/15 and 2015/16.

- **Empty Property Compulsory Purchase Order (CPO) programme**
  The Council is liable to make 'Basic Loss payments'. Basic Loss Payments are statutory entitlements payable to former owners for interest in land, subject to certain criteria being met and up to a maximum amount. There are currently ongoing CPO cases which may be liable to make such payments in the future which will be met from central contingency as required.

Regeneration & Environment Department

- **Meridian Water:**

  A range of technical work is taking place to prepare for the delivery of a range of infrastructure projects including those related to the proposed new station, three tracking, the Central Causeway, the Lee Valley Decentralised Energy Network and appropriate land acquisitions.

- **Local Plan**

  The authority has a large number of planning policy documents that will require substantial investment to achieve a successful outcome in these examinations. The DMD and further plans are expected to be ready for examination. This includes the Community Infrastructure Levy and the North London Waste Plan which still require specialist external planning advice and legal advice to reach a successful conclusion. Funding for the Local Plan for the financial year 16/17 is yet to be identified.

- **Market Gardening**

  Capital funding will be required to support the land acquisition and capital expenditure for the Market Gardening project. The aim is to create a joint venture with a professional operator in commercial food production. The Council now has a robust draft business case to ensure the project is fully affordable, and will now take steps to progress.

Finance, Resources & Customer Services

- **Commercial Property Portfolio:**
  The Council's commercial property portfolio is expected to generate rental income of approximately £5.4m in 2014/15. The current economic downturn, together with regeneration initiatives, continues to impact adversely on the income stream.

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

APPENDIX 7(a)

Earmarked Reserves

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

Reserves to meet specific programmes

- **Council Development Reserve**
  This reserve helps support the implementation of Council initiatives, and funds various "one off" projects.

  As part of the 2013/14 Outturn, Cabinet agreed to set aside £3.28m in the Development Reserve to help finance the **Enfield 2017** Transformation Programme. It is proposed that a further one-off contribution of £3.337m is added to this reserve in 2015/16.

- **Regeneration Reserve**
  This reserve is used for contributions towards and funding for the Council's regeneration agenda.

- **Vehicle & Equipment Replacement Fund**
  The Fund is to finance the planned programme of replacement vehicles and equipment.

- **General Fund Capital Reserve**
  This resource is available to fund new capital investment in the approved Capital Programme over the medium term. It supports the delivery of the Capital Programme set out in the main report.

  The planned use of the fund means that it will be exhausted by the end of 2015/16.

- **ICT Investment Fund**
  This reserve supports IT upgrades, new developments and implementation costs and is the principal source of funding for the corporate ICT Work Plan. The fund will also be available to help fund the technological investment required in the implementation of Enfield 2017.

- **SAP Upgrade**
  This reserve is set aside to finance SAP developments and improvements.

- **Revenues & Benefits Systems**
  The reserve is set aside to finance system changes to the Revenues & Benefits IT and other technical changes.

- **Industrial Estates Improvements**
  Support to the North London Chamber of Commerce, to the Enfield Business & Retailers Association; to North London Business and North London Strategic Alliance, etc. to improve the state of repairs of industrial estates in order to make them attractive for letting.

- **Homelessness Initiative**
  This is for homelessness pressures. It is being used to fund initiatives that are aimed at managing the increasing demand for temporary accommodation in the borough following the Government's welfare changes.

- **Waste Recycling Reserve**
  Transitional funding for the changing of the outlet for the bulking and processing of the mixed garden and food waste from the North London Waste Authority (NLWA) to Enfield's contractor. This will make significant savings in future years but due to the NLWA Levy funding mechanism, funding is needed to bridge time lag before the NLWA levy data fully reflects the reduced tonnages.

- **European Match Funding**
  The reserve was created as part of the 2010/11 outturn finalisation so that a further £1.5m has been set aside to provide match funding for the European Social Fund schemes run by London Councils and the Greater London Authority. Support will be given for projects which improve the employability of unemployed and economically inactive people in Enfield.

- **Enfield Community Capacity Building Fund**
  As part of the Council's determination to actively assist and build the capacity of all of our communities in Enfield, ring-fenced funding of £1.9m was set aside for defrayment over several years to build community capacity in the Borough – the Enfield Community Capacity Building Fund.

- **Empty Properties (New Homes Bonus)**
  This reserve represents Government Grant Funding for New Homes Bonus. Enfield Council received £528k in 2011/12 and this has been allocated to the Private Sector Housing Team to be spent on their empty properties programme to bring back empty properties into use.

- **New Homes Bonus**
  Authorities that deliver new homes are awarded a New Homes Bonus. The Council is fully committed to the delivery of more homes in

the borough and continues to progress a number of major housing renewal schemes including the Alma and Ladderswood Estates.

The Council has been awarded £12.07m of New Homes Bonus (NHB) to 2015/16. This has been used to meet temporary accommodation pressures and fund regeneration planning costs.

The Government fund New Homes Bonus by a top-slice from the existing Local Government Finance Settlement which adds to the reduction in Enfield's existing Government grants.

Welfare Reforms & Hardship Fund
The Housing Benefit Subsidy Bad Debt provision was reduced in 2012/13 and the saving transferred to a new reserve to mitigate new costs that may arise from welfare reforms. The provision can be reduced as most subsidy claims have now been completed without any significant amendments. However, the changes to the housing benefit regime increase the risk of residents being unable to pay council tax bills and additional costs relating to the new benefit administration and regulations. This reserve will be available to meet these potential pressures. In recognition of the hardship faced by working age households affected by the changes to Council Tax support, the Council established a Hardship Fund for 2013/14. The balance of this fund will be continuously rolled forward for use in future years.

- **Statutory Community Care Services - Capacity Pressure**
  Within the authorities Medium term financial plan the funding of Adult social care demographic pressures in 2014/15 will be partially funded from one-off resources identified during 2013/14.

- **NHS Social Care Grant**
  The authority has been awarded NHS Social Care Grant over the last 3 years to fund Social care priorities which are jointly agreed between the authority and the Clinical Commissioning Group. A number of projects have slipped and as a result resources are earmarked to achieve desired outcomes in future years. Additionally, some of the funding has been allocated to contribute to the Council's Medium Term Financial Plan, in order to maintain current Adult Social Care Service levels to vulnerable Adults

- **Public Health**
  From April 2013, local authorities took on responsibility from the NHS, for improving the health & well-being of their local population and reducing health inequalities. The Authority was awarded ring-fenced grant in 2013/14 with specific grant conditions including the carry forward of underspends to future years.

- **Other specific General Fund reserves for small projects and invest to save initiatives**
  These are considered adequate for the projects concerned.

Reserves set aside to smooth expenditure between years and meet contingent risks

- **Public Finance Initiative Investment Reserve**
  These balances will equalise the funding available for the PFI Street Lighting project over the whole life. Holding an earmarked reserve for this purpose is considered prudent and good practice.

- **Insurance Fund**
  The internal Insurance Fund provides cover in full for tree root damage claims, burglary and “all risks” on specified equipment. The Fund also meets the cost of all claims within the external policy excesses for general building fire damage (including housing properties), motor, cash and public and employer liability claims. In addition there is a potential liability with a former insurer of the council which would be a call on this fund.

- **Repair & Maintenance of Council buildings**
  The revenue budget includes an annual contribution to the R & M fund. The fund supports day-to-day repairs, responsive maintenance, and service contracts in respect of Council buildings. The longer term requirement to match needs with resources will be addressed as part of the Council’s policy to rationalise its accommodation needs. With an ageing portfolio of buildings, the risk of expensive repairs and maintenance is increasing. The Leaner Programme is mitigating this by reducing the number of buildings and investing in those that remain.

- **Interest Equalisation Reserve**
  This reserve is intended to address one of the most significant risks the Council potentially faces. The global economic downturn has had unprecedented effects on the UK economy, of which the dramatic reduction in interest rates is one of the most significant. This reserve is designed to provide some cushioning against further fluctuations.

- **Restructuring and Redundancy Reserve**
  This reserve refers to funding set aside to meet the "one off" costs associated with service restructuring to achieve efficiency savings including Enfield 2017.

- **Repairs Fund for private sector housing leased to Council**
  This funding is set aside to cover the cost of repairs to PSL properties when the leases come to an end and the properties are handed back to their owners. It is “routine” business, with a low risk, and this reserve acts as a buffer to support the repairs work.

Other Reserves

- **HRA Repairs Fund and Capital Reserve**
  These funds represent the resources available for major repairs to the Housing stock and works to achieve the Decent Homes Standard.

- **Risk Reserve**
  Set aside as a contingency sum in order to provide financial funding over the period of the Medium Term Financial Plan for potential pressures.

  Lee Valley Heat Network Reserve (specific part of Risk Reserve):
  The Lee Valley Heat Network project will provide a cost effective energy source for sites across the Borough. This reserve has been created to allow the set up costs of the project to be funded. Any drawdown from this reserve will require a report setting out specifically the proposed use of the funds.

  The cost of the Local Plan is also a specific earmarked part of the Risk Reserve of £1.8m.

ESTIMATED MOVEMENT IN EARMARKED RESERVES 2015/16 Budget **APPENDIX 7(b)**

RESERVE	Reserves as at 31 March 2014	2014/15 Net Transfers 2014/15	2014/15 Balance 31 March 2015	2015/19 Programmes Revenue	2015/19 Programmes Capital	Estimated Reserves 31 March 2019	Provision for Contingency Costs	Forecast Reserves as at 31 March 2019
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
General Fund Reserves								
Projects / Programmes								
Council Development Reserve	**4,726**	(4,450)	**275**	(506)	0	**(231)**	0	**(231)**
Regeneration Reserve	**982**	(5)	**977**	(977)	0	**0**	0	**0**
Vehicle and Equipment Replacement Fund	**2,476**	(511)	**1,965**	0	(274)	**1,691**	0	**1,691**
Capital Reserve - General Fund	**315**	(315)	**0**	0	0	**0**	0	**0**
ICT Investment Fund	**6,414**	(3,846)	**2,568**	(2,490)	0	**78**	0	**78**
SAP Upgrade	**400**	(285)	**116**	0	0	**116**	0	**116**
Revenues & Benefits Systems	**916**	(389)	**528**	(528)	0	**(0)**	0	**(0)**
Homelessness Initiatives	**1,808**	(637)	**1,171**	0	0	**1,171**	0	**1,171**
Waste Recycling Reserve	**94**	0	**94**	(94)	0	**0**	0	**0**
European Social Fund match funding	**683**	(320)	**363**	(81)	0	**282**	0	**282**
Enfield Community Capacity Building Fund	**1,187**	(853)	**334**	(334)	0	**0**	0	**0**
Statutory Community Care - Capacity Pressure	**2,000**	(2,000)	**0**	0	0	**0**	0	**0**
NHS Social Care Grant	**6,430**	(2,387)	**4,043**	(1,738)	0	**2,305**	0	**2,305**
Winter Capacity Pressure	**568**	(568)	**0**	0	0	**0**	0	**0**
Project Carry Forwards	**5,098**	(5,098)	**0**	0	0	**0**	0	**0**
Industrial Estates Improvements	**190**	(190)	**0**	0	0	**0**	0	**0**
Empty Properties (New Homes Bonus 2011/12)	**173**	(173)	**0**	0	0	**0**	0	**0**
New Homes Bonus	**1,356**	(503)	**853**	(668)	0	**185**	0	**185**
Public Health	**1,234**	0	**1,234**	0	0	**1,234**	0	**1,234**
Other General Fund Reserves for small projects	**3,229**	**(1,247)**	**1,982**	(195)	0	**1,787**	0	**1,787**
	40,277	**(23,776)**	**16,500**	**(7,609)**	**(274)**	**8,617**	**0**	**8,617**
Risk / Smoothing								
PFI Investment Reserves	**1,816**	(380)	**1,436**	(822)	0	**614**	0	**614**
Insurance Fund	**5,293**	0	**5,293**	0	0	**5,293**	0	**5,293**
Repair & Maintenance of Council buildings	**1,586**	(620)	**966**	(961)	0	**5**	0	**5**
Interest Rate Equalisation Reserve	**4,551**	(2,500)	**2,051**	(950)	0	**1,101**	0	**1,101**
Restructuring and redundancy reserve	**2,143**	(100)	**2,043**	(2,026)	0	**17**	0	**17**
Repairs Fund for private sector housing leased to the Council	**1,164**	(70)	**1,094**	(101)	0	**993**	0	**993**
Risk Reserve	**6,669**	(3,469)	**3,200**	(1,392)	0	**1,808**	0	**1,808**
Welfare Reforms & Hardship Fund	**4,782**	(4,781)	**1**	0	0	**1**	0	**1**
	28,004	**(11,920)**	**16,083**	**(6,252)**	**0**	**9,831**	**0**	**9,831**
Other Reserves								
Performance reward grant receivable (LSP)	**380**	0	**380**	0		**380**	0	**380**
S106 Receipts	**568**	(140)	**428**	(428)		**0**	0	**0**
Residents Priority Fund	**582**	0	**582**	0		**582**	0	**582**
	1,530	**(140)**	**1,390**	**(428)**	**0**	**962**	**0**	**962**
GENERAL FUND RESERVES	**69,810**	**(35,837)**	**33,974**	**(14,290)**	**(274)**	**19,410**	**0**	**19,410**
Other Ring-Fenced Reserves								
Dedicated Schools Grant	**7,154**	(800)	**6,354**	0		**6,354**	0	**6,354**
HRA Repairs/Capital Reserve	**15,214**	0	**15,214**	0		**15,214**	0	**15,214**
Total Earmarked Reserves	**92,178**	**(36,637)**	**55,541**	**(14,290)**	**(274)**	**40,978**	**0**	**40,978**

APPENDIX 8(a)

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

ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF THE RESERVES- FEBRUARY 2015

1 Introduction

The Local Government Act 2003 places a duty on the Chief Finance Officer (the Council's Section151 Officer) to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves.

Guidance on balances and reserves is provided by Local Authority Accounting Panel (LAAP) Bulletin 77 (Nov 2008) which is the basis on which the Chief Finance Officer's annual financial risk assessment has been updated in the Council Budget report to Council. The LAAP emphasises the importance of taking account of the council's medium term plans and forecasts of resources, and not to focus solely on short term considerations. The majority of council services face external demand and cost pressures in future years, but two key policies that clearly fit into the council's medium term planning are:

- Enfield 2017 Transformation Programme and
- The need for capital investment as reported and agreed by Cabinet and Council.

This Appendix focuses on the robustness of estimates and the adequacy of reserves which are central to the Council's risks and uncertainties and need to be considered together. It brings together the issues included the 2015/16 budget report, and monitoring of the 2014/15 budget and capital programme.

2 Processes

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

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

- the issuing of clear guidance to all officers involved in the preparation of budgets;
- peer review by finance staff involved in preparing the standstill base budget i.e. the existing budget plus identified full year effects and pressures;
- the use of budget monitoring in 2014/15 in order to re-align budgets with current demand, for 2015/16 to update the medium term plan scrutiny and review via Council Management Board of proposed savings and their achievability;
- review of the budget by the responsible Cabinet Member for the budget;
- the Chief Financial Officer providing advice throughout the process on robustness, including reflecting current demand and service standards

(unless standards and eligibility are to be changed through a change in policy); and

Notwithstanding these arrangements which are designed to test the budget throughout its various stage of development, considerable reliance is placed on the Service Managers having proper arrangements in place to identify issues, project demand data, and consider value for money and efficiency.

3 Robustness of Revenue Estimates

The 2015/16 draft budget includes over £35.7m of budget cost pressures partially balanced by offsetting savings and increased income. As part of developing the budget, Members have considered these options and they are reflected in the proposed budget.

The departmental savings identified to balance the 2015/16 budget have been closely scrutinised by both officers and Members and where appropriate equality impact assessments have been completed. Savings approved in the budget round will be closely monitored through 2015 until they are fully embedded into the Council's budget.

In addition to the 2015/16 departmental savings, agreed as part of the 2015/16 budget setting process a further £15.1m of Enfield 2017 savings have been identified in 2015/16 with savings of £7.1m for 16/17 and 17/18. The Enfield 2017 efficiency programme is the delivery mechanism for achieving this. Across the authority a significant proportion of the recently achieved savings have been through modernisation of service delivery and other initiatives. The development and implementation of these savings is well underway, although as with all transformation programmes, there is risk that some of these savings may not be implemented as originally scheduled.

The risks in relation to the achievement of both the departmental and the Enfield 2017 savings are taken into account in setting the level of contingencies and general balances. The monitoring of the achievement of these savings, as in previous years, forms an integral part of the 2015/16 revenue monitoring process and if required, appropriate action will be taken to ensure that they are delivered, or if not the first call will be a review of other savings measures to compensate for any shortfall. Failing this, reserves and balances will be considered until this major project is fully implemented.

To assess the adequacy of reserves, the key financial assumptions underpinning the budget and Medium Term Financial Plan are reviewed in accordance with the criteria recommended in LAAP 77.

1. <u>The treatment of demand led pressures</u>

The major demand factors affecting the 2015/16 and later years' budgets are:

- **Demographic pressures**. The draft budget and Medium Term Financial Plan provide for significant additional cost of services due to increases in client numbers.

- **Future funding.** The Government has not announced figures beyond 2015/16. There is considerable uncertainty which will not be addressed until after the 2015 General Election
- **Legislative Changes**: The localisation of council tax support and introduction of universal credit are affecting demand on services in Enfield. There is a pattern of claimants moving to Enfield along with increases in cost.

All senior managers have again reviewed their base budgets including demand-led pressures based upon budget monitoring and projections made by service managers of demand in future years. Service managers are expected to put forward management and policy actions to manage the additional demand within the relevant legislation either within the relevant budget or reprioritising within their service budgets. If this is not possible and under-spending management action or policy actions in other service areas are not sufficient to cover the additional demand, then the minimum level of balances may have to be used to temporarily address the additional expenditure.

Such an eventuality has been considered in future years' budgets and it is assumed that general fund balances would be restored to at least the minimum prudent level in the following year.

2. <u>The treatment of inflation and interest rates.</u>

Inflation has not been centrally provided for in 2015/16 and the Medium Term Financial Plan. Services are required to manage inflation pressures within their budgets through procurement efficiencies and all providers of public services are expected to contribute to the management of the reductions in Government funding.

The risk that Council income will be less than budgeted due to economic problems has been factored in when calculating service budgets and contingencies. Specific fees and charges are set at levels where increase can be achieved without damaging services to residents. Council tax collection levels have been adjusted to take into account the local council tax support system based on actual collection since 2013/14. The 2015/16 collection estimate is projected over the life of the MTFP as achievable but will continue to be closely monitored to ensure collection estimates used are achievable.

Interest rates for 2015/16 have been assumed at 0.5% from April 2015 for temporary investment. Most of the Council's debt is long term with fixed interest rates, with 4.0% assumed for any long term new borrowing resulting from the draft Capital Programme. The revenue financing costs for the approved Capital Programme are provided for in the draft revenue budget. In addition, an Interest Equalisation Fund still exists to protect the Council from future interest rate fluctuations in the short / medium term.

3. <u>Estimates of the level and timing of capital receipts.</u>

In the short term, unapplied capital receipts are treated as general cash balances. Capital receipts are used in the long term to finance new capital investment. Delays in capital receipts may add to short term borrowing costs but current low interest rates mean this is a small risk to the Council's financial standing at present. This risk

will increase in future where major projects are to be financed by disposal of the land involved.

4. The treatment of efficiency savings/ productivity gains.

   All service managers have a responsibility to ensure the efficient delivery of services and when efficiency savings are proposed that those savings are both realistic in terms of the level of savings and timing. Should the level and timing of such savings vary due to unforeseen events and under-spending, management action or policy actions within the relevant department and corporately if appropriate, will be implemented.

5. The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments.

   The sharing of risk is in accordance with the principle of the risks being borne by the party best placed to manage that risk. Inherent risks include any guarantee or variation of service throughput (service volumes). If risks materialise they will be considered in future years' budgets and General Fund reserves restored to at least the minimum prudent level.

   The Council is undertaking regeneration within the borough using commercial opportunities to increase investment and generate greater revenue income and capital receipts in the longer term. This approach involves greater risk to the Council which has been included in the risk assessment but will be refined as the scheme details are finalised.

6. The availability of other funds and insurance to deal with major contingencies.

   Besides the general budget contingency of £1m, there are also General Balances of £14m and estimated General Fund Earmarked Reserves estimated at 31st March 2014 to be £69.8m (**Appendix 7(b)**).

   The minimum level of general balances assumes that management 2015/16 and policy actions will be taken to address major issues that might arise. Should these be insufficient, general balances may have to be used temporarily and restored to at least their minimum prudent level or the optimal level through future budgets.

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

   The level of the Insurance Reserve was subject to an actuarial review in 2012. At present it is judged to be adequate, the position being that estimated outstanding liabilities are covered by the balance on the Reserve.

7. The overall financial standing of the authority

In addition to the revenue spend that the Council will incur in 2015/16, it also has a Capital Programme that requires significant borrowing in 2015/16 and future years (Appendix 9). This is assessed as affordable based on key projects meeting revenue income stream and capital receipt targets, and for compensating decisions being made on other revenue costs and income to live within the overall affordability envelope set by the revenue budget. This risk has been recognised in the adequacy of reserves assessment.

The assumed Council Tax collection rate for 2015/16 is 97.33% and is judged to be achievable. For each 1% not collected, the cost is approximately £1.0m in lost income to the Council. Legislation requires that any Collection Fund deficit be corrected through the Council Tax in the next year. The Council Tax Collection Fund is forecast to be in surplus at 31st March 2015.

The Government sets the business rates and the Valuation Office Agency determines rateable values and deals with appeals. The Council has made prudent estimates of business rates reliefs and collection levels based on recent experience. Reduction in business rates are subject to a 7.5% floor protection below which the Government will meet any shortfall. Whilst local business rates generate significant income, the 30% share attributable to Enfield reduces the risk significantly in relation to 2015/16 and future years.

The Collection Fund for Business Rates as at 31st March 2015 is estimated to be in deficit. This arises from back dated business rate appeals that should have been met by the Government before closing the former NNDR Pool on 31 March 2013. The 2015/16 NNDR1 includes a significant provision for back dated appeals based on experience gained over the last two years. The impact on Enfield has been included in the 2015/16 budget.

8. The authority's track record in budget and financial management.

The Council's recent track record in budget and financial management is one of underspending although the latest revenue monitoring forecast an overspend of £2.88m in 2014/15.

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

Ultimately, financial performance relies on all budget managers actively managing their budgets and complying with financial regulations, including not committing expenditure if there is insufficient budget provision.

9. The authority's capacity to manage in-year budget pressures.

The Council has a good track record in managing in year pressures. These pressures have been identified and reported at an early stage through the monitoring process and departments have in most cases been able to identify plans to absorb the cost. Specific contingent items have been identified and put aside to mitigate risk. For example a contingent item was set aside and subsequently allocated for the loss of income departments have experienced as a result of the economic downturn.

10. The strength of the financial information and reporting arrangements.

It is good practice to ensure that financial information and reporting arrangements are robust and can be used as a management decision making tool. To support this requirement, the Council is continuing to improve the usability of the system (SAP) for non-financial users.

The key driver for the programme is to maximise the investment made to date in SAP as a key business system. This in turn will underpin effective service delivery by exploiting additional functionality available and lead to enhanced financial and budgetary management information across the Council.

The programme consists of over a dozen projects that will help to deliver enhanced data quality and processes leading to improved management information. The following tasks were completed before the end of January,

- base salary estimates
- risk based balances calculation;
- prudential borrowing – a model was tested with advisors

4 Risk

It is expected that the key budget risks will be:

- Adult and children social care- demographic pressures and new statutory responsibilities
- Temporary accommodation
- Care Act 2014, Better Care Fund and Welfare Reform.
- Scope to make savings while maintaining services
- Further reductions in public expenditure and future legislation creating extra burdens that are not fully funded
- Capital programme. Managing the programme to meet deadlines within agreed allocations, income and capital receipt targets

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

There is also a significant uncertainty pending the next General Election as no firm public spending figures for councils has been published for 2016/17 and beyond.

5 Capital Budget 2015-2019

The approved programme's revenue implications are incorporated in the MTFP and Risk Assessment. The Council's policy has been to fund its Capital Programme over the four year MTFS cycle, mainly from three sources, capital receipts, grants and unsupported borrowing. New commercial schemes will increase the risk to the Council should property and financial markets not perform as expected.

The Capital Programme (Appendix 9) clearly sets out those projects where approval has already been agreed and funding fully incorporated within the Medium Term Financial Plan. However, the report includes an additional table of indicative items where further review and evaluation should be undertaken before funding is committed.

Over the forthcoming months these schemes will be reviewed by officers and proposals brought forward to future Cabinet meetings for decisions on their affordability and value in the current economic climate.

The Council may consider the overall affordability of the Capital Programme in future years and may choose to “cash limit” it based on resourcing available for future years. In the meantime regular programme updates are presented to Cabinet throughout the year to inform decision making and to show progress against agreed budgets.

Risks include:

- Firstly is the risk of a shortfall in capital funding such as new capital receipts that would result in an increased need to borrow or delay schemes.
- Risk of the economy faltering resulting in housing market falls and reduction in land and asset values resulting in lower income and capital receipts than planned which may affect the viability of the commercial elements of the capita programme.
- The ability of the Council to fully deliver the programme within the agreed timescales and resultant unplanned cost of delays

The Council’s Capital Programme set out elsewhere in this report. All the various major capital projects require clear business cases to be completed including a full assessment of affordability and management of risk at each major stage before they are progressed.

6 Adequacy of the level of General Balances

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

Determining the appropriate levels of reserves is not a precise science or a formula e.g. a percentage of the Council’s budget. It is the Council’s “safety net” for unforeseen or other circumstances and must last the lifetime of the Council unless contributions are made from future years’ revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the Council as these can and will change over time.

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

The table below brings together the risk quantification, the current level of General Fund balances and the value of specific reserves as yet not committed and which could be available to temporarily meet unplanned costs. The summary indicates that

the Council has sufficient funds available to meet one-off expenditure in the short term based on the likely cost if the risks materialised.

MTFP Risk summary (Excluding Schools & HRA)	Likely £m
Risk Evaluation (appendix 8(b), column 4)	9.772
Estimated General Fund Balance at 31 March 2014	(13.996)
Forecast Reserves uncommitted (Appendix 7(b))	(19.410)
2014/15 latest forecast outturn (December Monitoring)	2.880
MTFP Resources to risks at 31 March 2016	**(20.754)**
Future risks if not addressed in 2015/16 MTFP	19.490
MTFP Resources Shortfall to risks in longer term	**(1.264)**

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

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

Council should note that whilst the Council may be able to meet the assessed risks in 2015/16, later year's shows that the Council has inadequate cover for the risk associated with the Council's revenue and capital financial plans.

7. External Auditor's Review of the Council's arrangements for securing financial resilience.

As part of the external auditor's work on Value for Money, an annual review is undertaken to determine if the Council has proper arrangements in place for securing financial resilience. The review looked at:

- Key indicators of financial performance
- Its approach to strategic financial planning
- Its approach to financial governance: and
- Its approach to financial control
- The report concluded that all areas were assessed as 'green' with no cause for concern and that the Council has adequate arrangements in place for achieving financial resilience. However, the following recommendations are important to the financial standing of the Council:
    - To continue to ensure that the arrangements in place to support financial planning remain comprehensive and robust.
    - To continue to monitor and maintain adequate and appropriate levels of reserves.

- To ensure value for money and where possible, take action to monitor and take action on costs through the transformation programme and service reviews

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

The continuing reduction in public spending and growing demand for services requires the Council to ensure its financial planning is robust. The National Audit Office (NAO) has warned in its first assessment of the sector's financial robustness that the government must establish mechanisms for dealing with "widespread financial failure" in local authorities. The report stated that Whitehall was failing to understand the combined effects of its policy reforms on councils' finances. Despite councils having "generally coped well" with the significant cuts made to their budgets, the NAO's Head warned that councils would struggle to absorb further cuts over the next two years without reducing services.

It is clear from the Chancellor's recent budget statements that cuts in local government funding are likely to continue at least until 2018. The Council's medium term financial planning process recognises this and has identified that in excess of £50m of savings will be needed between 2016/17 and 2018/19 to balance the budget. This is clearly a significant challenge given the extent of efficiencies that have already been identified over the last four years. Despite these substantial cuts in Government grants, Enfield remains a successful, high performing Council, continuing to deliver high quality services across the borough.

Taking account of all the above considerations, the Director of Finance, Resources & Customer Services is of the view that the 2015-16 budget is robust.

In the light of the risks facing the authority, the Director of Finance, Resources & Customer Services recommends that the General Fund balance is maintained at £14m and that this recommendation is taken into account when determining the level of transfers to and from reserves in the 2014/15 revenue outturn.

ADEQUACY OF RESERVES: RISK EVALUATION 2015/16

Appendix 8(b)

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

1	Risk Period 2	Risk Cost 3	Risk Level 4	Risk Assessed Impact Profiled 2015/16 5	2016/17 6	2017/18 7	2018/19 8	Total Assessed Risk 9
		£'000		£'000	£'000	£'000	£'000	£'000
General Fund Revenue								
Inflation. No provision for service inflation which must be contained by service savings. 2% risk assumption	pa	8,000	D	300	300	300	300	**1,200**
Pay. 2014/16 JNC Two year agreement. Hay assumed 1% pa. 1% assumed MTFP.	pa 2016/17 onwards	4,500	D	0	225	225	225	**675**
Reduction in Income / Non-Payment	One-off	1,000	D	150	0	0	0	**150**
Non-Achievement of Service Savings 2015/16	Total	24,000	D	1,800	900	900	0	**3,600**
Severance relating to efficiency savings	Total	6,000	A	3,000	1,500	1,500	0	**6,000**
Non-Achievement of Enfield 2017 Savings 2015/17	Total	29,200	D	2,265	1,058	1,058	0	**4,380**
Localisation of Council Tax support. Non collection of former benefit debt and increase in caseload	One-off	500	D	75	0	0	0	**75**
Temporary Accommodation Costs exceed budget provision following welfare reform changes	One-off	2,000	C	0	400	400	0	**800**
Business rates reduction Government safety net threshold	One-off	4,582	D	687	0	0	0	**687**
VAT Exemption Limit	One-off	2,800	D	420	0	0	0	**420**
Bellwin Scheme (2013/14 threshold)	One-off	1,032	D	155	0	0	0	**155**
Demographics - increased numbers / care costs	One-off	8,000	D	300	300	300	300	**1,200**
Litigation costs	One-off	2,000	D	300	0	0	0	**300**
North London Waste Authority Levy - increased costs	One-off	1,000	D	0	150	0	0	**150**
Actuarial Review of the Pension Fund 31 March 2016	One-off	1,000	C		500	500	500	**1,500**
Care Act 2014 (9th October Briefing Note - assume shortfall picked up in next year's budgets)	Total	1,000	D	0	0	75	75	**150**
Spending Review 2015 (Too Early to Assess)								
Capital (Revenue Implications)								
Capital Financing Revenue Cost of shortfall in General Resources @ £5m @ 8.0%pa	One-off	400	C	160	0	0	0	**160**
Major Regeneration and Development Schemes	One-off	50,000	D	0	0	3,750	3,750	**7,500**
Capital project overspend of £5m	One-off	400	C	160	0	0	0	**160**
General Fund Total		**147,414**		**9,772**	**5,333**	**9,008**	**5,150**	**29,262**

Appendix 9

Capital Programme 2014/15 to 2018/19

Background

The capital programme has previously been presented to Council as a single statement including approved and indicative schemes. There is no change to this policy but the programme is now split into blocks as follows:

1. **Approved schemes** that are supported by business cases, have been through the necessary governance and reported to Cabinet or Council for funding in accordance with Financial Regulations. The associated capital financing costs are built into the Medium Term Financial Plan.
2. **Indicative schemes** (especially in later years) still require detailed business cases so that the schemes and funding can be agreed in accordance with Financial Regulations. At this stage, indicative figures have been included in the programme on the basis that additional funding such as CIL, capital grants and other external funding would be identified to finance the projects and so will not add to the Council's capital financing costs. Schemes where grant allocations are anticipated but not yet certain are also included here.

The combined blocks are equal to the Capital Programme reported to Cabinet in December 2014 after updating for additional schemes approved by Council and revised profiles have been included.

The Capital Programme tables have also been expanded to show more detailed estimates of the financing for the schemes. The Council funds capital expenditure by:

- Government grants
- Capital receipts
- Developer contributions (including S106 and in the future the community Infrastructure Levy (CIL)
- Borrowing

These methods are set out in more detail in Appendix 9(i). The Council can no longer rely solely upon these funding streams to meet the capital investment needs of the Council, especially in respect of regeneration. The Council continues to seek external support but the cuts in public spending and the recession mean that there is greatly reduced funding

available to councils. The Council has received reports during 2014/15 requesting approval to undertake commercial projects using wholly owned Council companies to acquire assets for housing and regeneration that can fund the necessary borrowing either by selling acquired assets at a profit or using annual income flows to meet capital financing costs such as interest and provision for debt repayment.

Capital Programme and Financing 2014/15 to 2018/19

The tables included in this Appendix are:

Table

A This is the **summary of the capital programme and financing** by department split between approved and indicative schemes as explained above.

B These tables analyse the proposed method to repay borrowing. This is broken down as follows:

- **Minimum revenue provision**. General Fund borrowing will be repaid over the life of the asset along with interest and is provided for in the annual budget as part of Corporate Expenses.

- **Council Owned Companies** - Income Generation. This covers schemes involving Housing Gateway and the Lee Valley heat Network. Investment in the project via Council owned companies will involve financing by borrowing. The companies will finance the borrowing from the income generated by trading which will be returned to the Council to meet capital financing costs including interest and the provision for the repayment of debt.

- **Regeneration Land Development**. This includes Meridian Water where the Council will acquire and dispose of land following development. Financing costs will repaid from the receipts from disposal thereby reducing revenue financing cost pressures.

C This sets out the **detailed programme schemes and funding** as summarised in Tables A.

Appendix 4 sets out the **Prudential Indicators** resulting from the **Approved Capital Programme**. The Indicative Programme is not yet

included in the indicators as detailed funding and scheme proposals have not been agreed and approved.

Table A.1

Approved Capital Programme Schemes	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000	Financing					
							Grants £'000	Capital Receipts £'000	Revenue £'000	S106 / CIL £'000	General Resource £'000	Total £'000
Schools & Children's Services	40,390	42,746	29,212	20,239	19,000	**151,587**	103,152	4,225	19,731	1,116	23,363	**151,587**
Regeneration & Environment:												**0**
Environment	21,500	26,489	20,000	10,481	6,147	**84,617**	40,223	0	10,136	327	33,931	**84,617**
Regeneration	20,711	26,795	6,804	6,274	0	**60,584**	2,675	0	0	171	57,738	**60,584**
Housing, Health & Adult Social Care:												
Adult Social Care	2,097	6,007	2,620	647	0	**11,371**	2,436	0	0	0	8,935	**11,371**
Housing Grants	2,342	2,818	0	0	0	**5,160**	1,398	0	0	0	3,762	**5,160**
Affordable Housing	1,294	2,100	0	0	0	**3,394**	0	0	0	0	3,394	**3,394**
Housing Gateway	20,000	20,000	20,000	20,000	20,000	**100,000**	0	0	0	0	100,000	**100,000**
Leisure and Cultural	4,940	0	0	0	0	**4,940**	25	0	92	0	4,823	**4,940**
Corporate Items	7,782	6,554	19,579	15,208	0	**49,123**	143	0	599	0	48,382	**49,123**
General Fund Programme	**121,056**	**133,509**	**98,215**	**72,849**	**45,147**	**470,775**	**150,053**	**4,225**	**30,556**	**1,614**	**284,327**	**470,775**
Housing Revenue Account	42,409	52,725	59,128	77,011	73,790	**305,063**	15,901	40,896	226,166	0	22,100	**305,063**
Approved Capital Programme	**163,465**	**186,234**	**157,343**	**149,860**	**118,937**	**775,838**	**165,954**	**45,121**	**256,722**	**1,614**	**306,427**	**775,838**

Table B.1

Approved General Fund Capital Programme General Resources	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000
Loan Repayment						
Minimum Revenue Provision	40,886	48,596	23,510	9,303	0	**122,296**
Council Owned Company: Income Generation	20,700	21,700	35,208	35,208	20,000	**132,815**
Regeneration land development	13,715	11,000	0	4,500	0	**29,215**
General Fund Programme Loan	**75,302**	**81,296**	**58,718**	**49,011**	**20,000**	**284,327**

Table A.2

Indicative Capital Programme Schemes	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000	Financing					
							Grants £'000	Capital Receipts £'000	Revenue £'000	S106 / CIL £'000	Loan £'000	Total £'000
Schools & Children's Services	0	0	3,293	5,200	5,183	**13,676**	13,676	0	0	0	0	**13,676**
Regeneration & Environment:												**0**
Environment	0	1,883	13,346	13,346	13,346	**41,921**	9,534	0	0	0	32,387	**41,921**
Regeneration	0	11,964	8,325	39,017	0	**59,306**	0	0	0	0	59,306	**59,306**
Housing, Health & Adult Social Care:												
Adult Social Care	0	100	100	100	0	**300**	0	0	0	0	300	**300**
Housing Grants	0	2,200	2,818	2,818	2,818	**10,654**	0	0	0	0	10,654	**10,654**
Affordable Housing	0	3,395	2,100	2,100	2,100	**9,695**	0	0	0	0	9,695	**9,695**
Indicative General Fund Programme	**0**	**19,542**	**29,982**	**62,581**	**23,447**	**135,552**	**23,210**	**0**	**0**	**0**	**112,342**	**135,552**

Table B.2

Indicative General Fund Capital Programme General Resources	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total
Loan Repayment						
Minimum Revenue Provision	0	18,714	23,511	31,031	15,086	**88,342**
Commercial: Income Generation	0	828	0	23,172	0	**24,000**
General Fund Programme Loan	**0**	**19,542**	**23,511**	**54,203**	**15,086**	**112,342**

Combined Capital Programme Total	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000	Financing					
							Grants £'000	Capital Receipts £'000	Revenue £'000	S106 / CIL £'000	Loan £'000	Total £'000
Total Capital Programme Approved and Indicative	**163,465**	**205,776**	**187,325**	**212,441**	**142,384**	**911,390**	**189,164**	**45,121**	**256,722**	**1,614**	**418,770**	**911,390**

Table C

DRAFT PROGRAMME APPROVED PROGRAMME	Capital Programme Budget 2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total £000	Total Earmarked Funding: Capital Grants £'000	Capital Receipts £'000	Revenue & MRR £'000	S106 & CIL £'000	General Resources by Years 2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total Funding £'000
Environment & Regeneration																
Transport for London funding:																
2014/15	3,937	4,728	0	0	0	**8,665**	8,665	0	0	0	0	0	0	0	0	**8,665**
Cycle Enfield	700	4,159	15,346	9,268	1,527	**30,000**	30,000									**30,000**
Highways & Streetscene:								0								
Programme	8,947	9,168	0	0	0	**18,115**	0	0	0	149	8,915	9,051	0	0	0	**18,115**
Environmental Protection	143	100	0	0	0	**243**	0	0	0	0	143	100	0	0	0	**243**
Community Safety	1,015	100	0	0	0	**1,115**	0	0	333	23	759	0	0	0	0	**1,115**
Waste & Recycling	15	503	0	0	0	**518**	0	0	0	0	15	503	0	0	0	**518**
Parks	3,113	971	0	0	0	**4,083**	1,558	0	62	155	1,563	746	0	0	0	**4,083**
Vehicle Replacement Programme	420	2,498	1,884	279	4,620	**9,701**	0	0	9,701	0	0	0	0	0	0	**9,701**
Depot	36	0	0	0	0	**36**	0	0	0	0	36	0	0	0	0	**36**
Parking	5	0	0	0	0	**5**	0	0	0	0	5	0	0	0	0	**5**
Building Improvement Programme (BIP)	1,926	1,392	0	0	0	**3,318**	0	0	40	0	1,886	1,392	0	0	0	**3,318**
Civic Centre (BIP)	806	2,770	2,770	1,934	0	**8,280**	0	0	0	0	806	2,770	2,770	1,934	0	**8,280**
Sustainability	68	0	0	0	0	**68**	0	0	0	0	68	0	0	0	0	**68**
Disability AccessProgramme	369	100	0	0	0	**470**	0	0	0	0	369	100	0	0	0	**470**
Regeneration:																
Ponders End	687	1,896	200	199	0	**2,982**	322	0	0	0	366	1,896	200	199	0	**2,982**
Electric Quarter	2,987	49	0	0	0	**3,036**	1,980	0	0	0	1,007	49	0	0	0	**3,036**
New Southgate	100	709	124	0	0	**933**	0	0	0	0	100	709	124	0	0	**933**
Meridian Water (Causeway etc)	1,403	10,272	5,500	0	0	**17,175**	45	0	0	87	1,348	10,195	5,500	0	0	**17,175**
Meridian Water Land Acquisition	13,715	11,000	0	4,500	0	**29,215**	0	0	0	0	13,715	11,000	0	4,500	0	**29,215**
Edmonton Projects	70	783	0	0	0	**853**	0	0	0	0	70	783	0	0	0	**853**
Enfield Town	68	0	0	0	0	**68**	68	0	0	0	0	0	0	0	0	**68**
Shires Estate - REACT Dysons Road	20	30	30	75	0	**155**	0	0	0	0	20	30	30	75	0	**155**
Market Gardening	249	1,250	950	1,500	0	**3,949**	0	0	0	0	249	1,250	950	1,500	0	**3,949**
Lea Valley Heat Network	1,155	130	0	0	0	**1,285**	75	0	0	0	1,155	55	0	0	0	**1,285**
Broomfield House	20	317	0	0	0	**337**	186	0	0	0	0	151	0	0	0	**337**
The Crescent - Edmonton	236	275	0	0	0	**511**	0	0	0	0	236	275	0	0	0	**511**
Industrial Estates Regeneration	0	84	0	0	0	**84**	0	0	0	84	0	0	0	0	0	**84**
						0										**0**
REGENERATION & ENVIRONMENT	**42,211**	**53,284**	**26,804**	**16,755**	**6,147**	**145,201**	**42,898**	**0**	**10,136**	**498**	**32,832**	**41,055**	**9,574**	**8,208**	**0**	**145,201**
Corporate Schemes																
IT Work Plan	198	483	0	0	0	**681**	143	0	539	0	0	0	0	0	0	**681**
Joint Service Centre	4,271	0	0	0	0	**4,271**	0	0	0	0	4,271	0	0	0	0	**4,271**
Southgate Town Hall & Library Enabling Works	235	0	0	0	0	**235**	0	0	0	0	235	0	0	0	0	**235**
Bury Street Depot Redevelopment	700	1,700	15,208	15,208	0	**32,815**	0	0	0	0	700	1,700	15,208	15,208	0	**32,815**
Enfield 2017	1,457	4,371	4,371	0	0	**10,200**	0	0	0	0	1,457	4,371	4,371	0	0	**10,200**
Residents Priority Fund	861	0	0	0	0	**861**	0	0	0	0	861	0	0	0	0	**861**
High Speed Printers	60	0	0	0	0	**60**	0	0	60	0	0	0	0	0	0	**60**
Libraries	0	0	0	0	0	**0**	0	0	0	0	0	0	0	0	0	**0**
Palmers Green & Enfield Library	4,168	0	0	0	0	**4,168**	0	0	0	0	4,168	0	0	0	0	**4,168**
Leisure	472	0	0	0	0	**472**	0	0	92	0	381	0	0	0	0	**472**
Culture	300	0	0	0	0	**300**	25	0	0	0	275	0	0	0	0	**300**
FRCS / CE TOTAL	**12,722**	**6,554**	**19,579**	**15,208**		**54,063**	**168**	**0**	**690**	**0**	**12,347**	**6,071**	**19,579**	**15,208**	**0**	**54,063**

DRAFT PROGRAMME	Capital Programme Budget 2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total £000	Total Earmarked Funding Capital Grants £'000	Capital Receipts £'000	Revenue & MRR £'000	S106 & CIL £'000	General Resources by Years 2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total Funding £'000
Health, Housing & Adult Social Care																
Housing																
Disabled Facilities Grant (£1.156m grant funded)	1,766	2,000	0	0	0	**3,766**	1,179	0	0	0	587	2,000	0	0	0	**3,766**
Sub Regional Housing Grants	219	0	0	0	0	**219**	219	0	0	0	0	0	0	0	0	**219**
Housing Assistance Grants	357	818	0	0	0	**1,175**	0	0	0	0	357	818	0	0	0	**1,175**
Housing Gateway	20,000	20,000	20,000	20,000	20,000	**100,000**	0	0	0	0	20,000	20,000	20,000	20,000	20,000	**100,000**
Affordable Housing	1,294	2,100	0	0	0	**3,394**	0	0	0	0	1,294	2,100	0	0	0	**3,394**
Adult Social Care																
Residential and Social Care Provision - Elizabeth House	703	5,857	2,174	201	0	**8,935**	0	0	0	0	703	5,857	2,174	201	0	**8,935**
New Options	1,394	0	0	0	0	**1,394**	1,394	0	0	0	0	0	0	0	0	**1,394**
Mental Health and Wellbeing Centre	0	150	446	446	0	**1,042**	1,042	0	0	0	0	0	0	0	0	**1,042**
HHASC TOTAL	**25,733**	**30,925**	**22,620**	**20,647**	**20,000**	**119,925**	**3,834**	**0**	**0**	**0**	**22,940**	**30,775**	**22,174**	**20,201**	**20,000**	**119,925**
Schools & Children's Services																
Schools Access Initiaitve	172	200	0	0	0	372	372	0	0	0	0	0	0	0	0	**372**
Target Capital - Special Needs	413	2,133	7,653	0	0	10,199	7,290	876	28	0	0	0	2,005	0	0	**10,199**
Childrens Centres	770	461	0	0	0	1,231	900	0	331	0	0	0	0	0	0	**1,231**
Targeted Capital - School Meals Programme	767	4,181	2,200	0	0	7,148	7,056	0	0	0	26	66	0	0	0	**7,148**
Schools Condition Funding	1,266	3,647	0	0	0	4,913	4,913	0	0	0	0	0	0	0	0	**4,913**
City Learning Centres	7	0	0	0	0	7	7	0	0	0	0	0	0	0	0	**7**
Basic Need - Primary School Places	3,973	487	0	0	0	4,460	1,711	0	435	239	1,700	375	0	0	0	**4,460**
Primary Expansion Plan Phase 1	13,771	3,123	280	0	0	17,174	8,143	1,809	914	109	4,934	1,265	0	0	0	**17,174**
Primary Expansion Plan Phase 2 - Grange School	5,310	777	0	0	0	6,087	5,787	0	0	0	0	300	0	0	0	**6,087**
Primary Expansion Plan Phase 2 - Garfield School	4,306	8,548	0	0	0	12,854	9,204	1,540	0	766	0	1,344	0	0	0	**12,854**
Primary Expansion Plan Phase 2	1,148	12,407	13,072	14,239	13,000	53,866	43,084	0	0	2	0	0	5,386	5,394	0	**53,866**
Primary Schools	17	0	0	0	0	17	0	0	0	0	17	0	0	0	0	**17**
Secondary Schools	249	1	0	0	0	250	93	0	0	0	157	0	0	0	0	**250**
Fire Precaution Works	835	706	7	0	0	1,548	1,314	0	0	0	192	42	0	0	0	**1,548**
Non School Schemes	679	75	0	0	0	754	489	0	104	0	158	3	0	0	0	**754**
Programme before Devolved Funding	**33,682**	**36,746**	**23,212**	**14,239**	**13,000**	**120,879**	**90,363**	**4,225**	**1,812**	**1,116**	**7,183**	**3,395**	**7,391**	**5,394**	**0**	**120,879**
Devolved Schools Capital Schemes	6,708	6,000	6,000	6,000	6,000	30,708	12,789	0	17,919	0	0	0	0	0	0	**30,708**
SCS TOTAL	**40,390**	**42,746**	**29,212**	**20,239**	**19,000**	**151,587**	**103,152**	**4,225**	**19,731**	**1,116**	**7,183**	**3,395**	**7,391**	**5,394**	**0**	**151,587**
TOTAL GENERAL FUND	**121,056**	**133,509**	**98,215**	**72,849**	**45,147**	**470,775**	**150,053**	**4,225**	**30,556**	**1,614**	**75,302**	**81,297**	**58,718**	**49,011**	**20,000**	**470,775**
Housing Revenue Account																
Major Works	30,071	37,644	36,980	30,039	21,320	**156,054**										
Estate Renewals	11,338	14,581	21,648	46,472	51,970	**146,009**	15,901	40,896	226,166						22,100	**305,063**
Grants to vacate	1,000	500	500	500	500	**3,000**										
HRA TOTAL	**42,409**	**52,725**	**59,128**	**77,011**	**73,790**	**305,063**	**15,901**	**40,896**	**226,166**	**0**	**0**	**0**	**0**	**0**	**22,100**	**305,063**
APPROVED CAPITAL PROGRAMME	**163,465**	**186,234**	**157,343**	**149,860**	**118,937**	**775,838**	**165,954**	**45,121**	**256,722**	**1,614**	**75,302**	**81,297**	**58,718**	**49,011**	**42,100**	**775,838**

DRAFT PROGRAMME	Capital Programme Budget						Total Earmarked Funding				General Resources by Years					
INDICATIVE PROGRAMME	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total £000	Capital Grants £'000	Capital Receipts £'000	Revenue & MRR £'000	S106 & CIL £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 Onwards £'000	Total Funding £'000
Environment & Regeneration																
Transport for London funding:																
Major Schemes			3,178	3,178	3,178	**9,534**	9,534									**9,534**
Highways & Streetscene:																
Previous Years	0	1,619	0	0	0	**1,619**	0	0	0	0	0	1,619	0	0	0	**1,619**
2014/15	0	0	8,350	8,350	8,350	**25,050**	0	0	0	0	0	0	8,350	8,350	8,350	**25,050**
Environmental Protection	0	0	100	100	100	**300**	0	0	0	0	0	0	100	100	100	**300**
Waste & Recycling	0	0	18	18	18	**54**	0	0	0	0	0	0	18	18	18	**54**
Building Improvement Programme (BIP)	0	0	1,500	1,500	1,500	**4,500**	0	0	0	0	0	0	1,500	1,500	1,500	**4,500**
Disability AccessProgramme	0	264	200	200	200	**864**	0	0	0	0	0	264	200	200	200	**864**
Regeneration:																
Electric Quarter	0	4,381	3,150	3,900	0	**11,431**	0	0	0	0	0	4,381	3,150	3,900	0	**11,431**
New Southgate	0	1,700	750	1,750	0	**4,200**	0	0	0	0	0	1,700	750	1,750	0	**4,200**
Edmonton Projects	0	2,130	1,500	375	0	**4,005**	0	0	0	0	0	2,130	1,500	375	0	**4,005**
Enfield Town	0	1,675	1,675	4,300	0	**7,650**	0	0	0	0	0	1,675	1,675	4,300	0	**7,650**
Angel Edmonton	0	150	150	150	0	**450**	0	0	0	0	0	150	150	150	0	**450**
Lea Valley Heat Network	0	828	0	23,172	0	**24,000**	0	0	0	0	0	828	0	23,172	0	**24,000**
Enfield Highway	0	0	0	225	0	**225**	0	0	0	0	0	0	0	225	0	**225**
Enfield Wash	0	0	0	225	0	**225**	0	0	0	0	0	0	0	225	0	**225**
Other Heritage projects / acquistions	0	1,100	1,100	1,670	0	**3,870**	0	0	0	0	0	1,100	1,100	1,670	0	**3,870**
Industrial Estates Regeneration	0	0	0	3,250	0	**3,250**	0	0	0	0	0	0	0	3,250	0	**3,250**
						0										**0**
REGENERATION & ENVIRONMENT	**0**	**13,847**	**21,671**	**52,363**	**13,346**	**101,227**	**9,534**	**0**	**0**	**0**	**0**	**13,847**	**18,493**	**49,185**	**10,168**	**101,227**
Health, Housing & Adult Social Care																
Housing																
Disabled Facilities Grant (£1.156m grant funded)	0	1,000	2,000	2,000	2,000	**7,000**	0	0	0	0	0	1,000	2,000	2,000	2,000	**7,000**
Housing Assistance Grants	0	1,200	818	818	818	**3,654**	0	0	0	0	0	1,200	818	818	818	**3,654**
Affordable Housing	0	3,395	2,100	2,100	2,100	**9,695**	0	0	0	0	0	3,395	2,100	2,100	2,100	**9,695**
Adult Social Care																
Welfare Adaptations	0	100	100	100	0	**300**	0	0	0	0	0	100	100	100	0	**300**
HHASC TOTAL	**0**	**5,695**	**5,018**	**5,018**	**4,918**	**20,649**	**0**	**0**	**0**	**0**	**0**	**5,695**	**5,018**	**5,018**	**4,918**	**20,649**
Schools & Children's Services																
Schools Access Initiaitve	0	0	200	200	200	**600**	600	0	0	0	0	0	0	0	0	**600**
Schools Condition Funding	0	0	2,600	4,500	4,483	**11,583**	11,583	0	0	0	0	0	0	0	0	**11,583**
Fire Precaution Works	0	0	493	500	500	**1,493**	1,493	0	0	0	0	0	0	0	0	**1,493**
SCS TOTAL	**0**	**0**	**3,293**	**5,200**	**5,183**	**13,676**	**13,676**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**13,676**
GENERAL FUND INDICATIVE	**0**	**19,542**	**29,982**	**62,581**	**23,447**	**135,552**	**23,210**	**0**	**0**	**0**	**0**	**19,542**	**23,511**	**54,203**	**15,086**	**135,552**
TOTAL APPROVED INDICATIVE PROGRAMME	**163,465**	**205,776**	**187,325**	**212,441**	**142,384**	**911,390**	**189,164**	**45,121**	**256,722**	**1,614**	**75,302**	**100,839**	**82,229**	**103,214**	**57,186**	**911,390**

Appendix 9(i)

Capital Financing Resources

General Fund Borrowing

The Council makes decisions on the level of borrowing, in the context of the Prudential Code criteria set out in the Treasury Management Strategy. The Government no longer provides revenue support for new borrowing, only capital grants.

Capital Grants

The Council has already been notified of the amounts involved of many of the grant allocations that can be expected to be received in 2015/16. It is possible that additional capital grant allocations may be announced for 2015/16 onwards, but it is unknown as to whether the funding would be earmarked for spending on specific Government rather than local priorities. Should any further grant allocations become available during 2015/16, information will be included in the quarterly capital monitoring reports to Cabinet.

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

Capital Receipts

The Council's General Fund Programme includes £4m to be financed from capital receipts in 2015/16. This is a prudent expectation of the total value which is anticipated to be achieved through the Asset Disposals Programme. This disposal programme has already been agreed at a previous Cabinet meeting. Future capital receipts will depend on decisions about existing assets and on detailed reviews where the sale of underperforming assets could be set against the improvement of other more valued facilities.

The Council is also looking for alternative ways of capital investment including the use of wholly owned Council Private Companies to both regenerate areas of Enfield whilst also generating profits that can be used to increase the Council's resources for capital investment within the borough. This approach also takes into account the current uncertain economic circumstances and that it may be necessary to take a longer term view on the timing of disposals to achieve the best possible level of capital receipts.

Section 106 Agreements

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

construction and development. Examples of such contributions range from the provision of affordable homes and new open space to funding of school places or employment training schemes. The developer will either implement these or make payments to the council for them to be carried out. The s106 agreements generally contain several of these elements and the responsibility of managing the expenditure is split across the relevant departments. The majority of S106 agreements are usually very specific about what and where the monies can be spent. The Community Infrastructure Levy (explained below) is taking over but S106 will remain in a reduced form.

Community Infrastructure Levy (CIL)

CIL is a new standard developer charge that local authorities can apply in their area. Monies collected from CIL will help to fund essential infrastructure needed to support planned growth in the Borough such as transport improvements. In October 2014, the Council approved the CIL Draft Charging Schedule for a six week public consultation and subsequent submission to the Secretary of State for Examination. This consultation was extended to enable all agents and developers working in the borough the opportunity to comment on the proposals for CIL charging. Once agreed, the CIL charge will be implemented and it's financing of the capital programme determined and reported to Cabinet as part of quarterly capital monitoring.

As stated above, the Council currently seeks developer contributions via a Section 106 (S106) agreement and the requirements for this are set out in the S106 Supplementary Planning Document (SPD) adopted in November 2011. For the introduction of an Enfield CIL the S106 SPD is being revised to take account of CIL as well as changes to national planning policy, particularly guidance relating to contributions on small housing sites.

General Fund Capital Reserve

The Council has maintained a capital reserve to support the Capital Programme in recent years. After 31 March 2016 the reserve will be exhausted if no further contributions to the fund can be identified in 2015/16.

Vehicle Replacement Fund

The Council operates an investment fund for the replacement of vehicles and equipment. This is built up from repayments from revenue over the life of the vehicles.

APPENDIX 10

STATUTORY CALCULATIONS AND RESOLUTIONS

The calculation of the Council's Council Tax Requirement is governed by the Local Government Finance Act 1992 (the Act) as amended by the Localism Act 2011.

Subject to Members agreeing the budget in this report, the following formal resolutions will need to be considered by Council:

1) it be noted that at its meeting on 28th January 2015, Council agreed the number of as its Council Tax base for 2015/16, in accordance with the Local Authorities (Calculation of Tax base) Regulations.

2) the following amounts be now calculated by the Council for the year 2015/16 in accordance with Section 31 to 36 of the Act as amended:

(a) **£1,064,354,600** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act (**gross revenue expenditure)**,

(b) **£963,438,000** being the aggregate of the amounts, which the Council estimates for items set out in section 31A(3) of the Act **(revenue income including government grants),**.

(c) **£100,916,600** being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above **(net revenue expenditure)**, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.

(d) **£ 1,100.34** being the amount at (c) above, all divided by the Council Tax base of **91,714** (1 above) calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of Council Tax for the year 2015/16.

(e)

Valuation Band	Proportion in relation to Band D	Enfield £
A	6/9	733.56
B	7/9	855.82
C	8/9	978.08
D	9/9	1,100.34
E	11/9	1,344.86
F	13/9	1,589.38
G	15/9	1,833.90
H	18/9	2,200.68

being the amounts given by multiplying the amount at (d) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

APPENDIX 10

STATUTORY CALCULATIONS AND RESOLUTIONS

f) it will be noted that, for the year 2015/16, the Greater London Authority (GLA) has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Band	Proportion in relation to Band D	GLA £
A	6/9	196.67
B	7/9	229.44
C	8/9	262.22
D	9/9	295.00
E	11/9	360.56
F	13/9	426.11
G	15/9	491.67
H	18/9	590.00

g) having calculated the aggregate amount in each case of the amounts at 2(e) and (f) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, sets the following amounts as the amounts of Council Tax for the year 2015/16 for each of the categories of dwellings shown below:

Valuation Band	Proportion in relation to Band D	Total £
A	6/9	930.23
B	7/9	1,085.26
C	8/9	1,240.30
D	9/9	1,395.34
E	11/9	1,705.42
F	13/9	2,015.49
G	15/9	2,325.57
H	18/9	2,790.68

3) The Referendums Relating to Council Tax Increases (Principles) (England) Report 2015/16 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2015/16.

The Council hereby determines that its relevant basic amount of council tax for the financial year 2015/16 for the London Borough of Enfield element of the Council Tax, is not excessive.

APPENDIX 11

Adult Social Care Proposed Charges, Allowance & Disregards		
	2014/15 Charge	**Proposed 2015/16 Charge**
Residential Care		
LB Enfield owned Homes for Older People (maximum)	£719.70 per week	£738 per week/£105.40 per day
Private or Voluntary sector homes	Maximum is full cost as determined by the home	Maximum is full cost as determined by the home
Charges for residents placed by other Local Authorities in Enfield Homes are made at the full cost of the service.		
Community Based Services		
Day Services (In house) cannot currently be purchased through a direct payment **Day Services provided externally will be charged at the cost of provision (TBA)**		
Physically disabled	£40.00 per day	At cost of provision
Mental Health	£40.00 per day	At cost of provision
Learning Disabilities	£40.00 per day	At cost of provision
Older People	£40.00 per day	At cost of provision
Meal contribution	£3.50	£3.50
- Snacks at Centre	Sold at cost	At cost of provision
Day care attendance for less than 4 hours will be charged at half the full day rate. Where clients attend a "drop in" service there is no charge as this service is usually for a brief period, e.g. 30 mins to 1 hour.		
Transport	New Transport Policy subject to a separate Cabinet decision and consultation process.	
Home Care: Maximum (incl. Additional Support)	£15.90 per hour	At cost of provision
Respite	Contribution determined by fairer charging assessment	A flat rate contribution for respite care for people with savings below £23,250. These are based on minimum living allowance rates minus personal allowance . As detailed below:

Age	Relationship status	Daily rate	Weekly rate
18-24	Single	£ 9.30	£ 65.10
From 25 and under pension age	Single	£11.45	£ 80.15
Pension age	Single	£18.00	£126.00
From 18 and under pension age	In a couple	£ 7.90	£ 55.30
Pension age	In a couple	£12.90	£ 90.30

Direct Payments	Assessed as a weekly contribution in accordance with Care Act 2014 guidelines as part of a Personal Budget.
Adults Placements	Assessed as a weekly contribution in accordance with Care Act 2014 guidelines. The maximum charge for placements in the private or voluntary sector is the full cost as determined by the placement.
Enablement	Enablement may be provided for up to 6 weeks. There is no charge for this service.
Deferred Payment charges	Actual charge for providing service, consistent with Care Act 2014, final decision to be delegated to Cabinet Member.

APPENDIX 11

	2014/15 Allowance per client	Proposed 2015/16 Allowance per client
Equipment/adaptations under £1000	Nil	Nil
For equipment/adaptations in excess of £1000, there may be a charge subject to financial assessment. For works carried out through the Disabled Facilities Grant process there may also be a charge subject to financial assessment, unless the disabled person for whom work is being completed is a child for whom child benefit is being claimed.		
Personal Expense Allowance (determined by Department of Health)	£24.40	£24.90
Treatment of an Individuals Capital Resources (determined by Department of Health)		
(i) Capital Resources Retained	£14,250	£14,250
(ii) Income Assumed for every £250 in excess of (i) above	£1.00	£1.00
(iii) Maximum charge applies where Capital Resources exceed	£23,250	£23,250
NB: The department applies the values above as determined by the Department of Health		
Interest Charge for late payment	Bank of England base rate plus 1%	
Disability Related Expenditure Allowances		
(i) DRE applicable under a full assessment	Increase by 2.5% (rounded to nearest £0.05)	
(ii) Optional minimum flat rate (Individuals are able to request a full assessment if required)	£10.50	Now subject to full DRE assessment & supporting evidence
The minimum cost of the service for charging is set at £2.50 per week.		

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
1	**GIS MAPPING**							
	Colour Copying - A4		2.50	0.00	2.50	2.60	0.00	2.60
	Colour Copying - A3		4.00	0.00	4.00	4.10	0.00	4.10
	Colour Copying - A2		5.00	0.00	5.00	5.50	0.00	5.50
	Colour Copying - A1		10.00	0.00	10.00	10.50	0.00	10.50
	Colour Copying - A0		19.00	0.00	19.00	19.50	0.00	19.50
	Colour Copying - A1/A0 Glossy Paper		43.00	0.00	43.00	45.00	0.00	45.00
2	**STREET NAMING & NUMBERING**							
	List of streets, places & footpaths in LBE (- Alphabetical Street Index) on hard copy or CD		46.50	0.00	46.50	48.00	0.00	48.00
	Amendments to the LSPF (annual charge)		52.00	0.00	52.00	53.30	0.00	53.30
	Postage & Packing		4.00	0.00	4.00	Standard Council charges apply		
	Numbering New Residential & Commercial Units – per unit		100.00	0.00	100.00	105.00	0.00	105.00
	Naming a Street – per street		270.50	0.00	270.50	280.00	0.00	280.00
	Naming a Block – per block		146.00	0.00	146.00	170.00	0.00	170.00
	Penalty for retrospective engagement with Street Naming & Numbering Process					100.00	0.00	100.00
	Provision of historical information for Street Naming & Numbering					25.00	0.00	25.00
3	**PROVISION OF INFORMATION**							
3a	PROVISION OF INFORMATION (External & Internal)							
	Mapping Work **OR** Technical advice per Hour		36.00	0.00	36.00	37.00	0.00	37.00
	1/2 day Map info Training (up to 3 people) Internal only		251.00	0.00	251.00	257.00	0.00	257.00
	External trading activities -Other authorities gazetteers					Price on application		
3b	ADOPTED ROAD ENQUIRIES							
	Up to 3 Questions		24.00	0.00	24.00	25.00	0.00	25.00
	4 or more Questions		48.00	0.00	48.00	50.00	0.00	50.00
4	**PROVISION OF PLANNING / BUILDING CONTROL INFORMATION**							
4a	**COPYING / SCANNING**							
	A4 Sheet (includes VAT at standard rate)	V	5.00	1.00	6.00	5.10	1.00	6.10
	Extra Copy (includes VAT at standard rate)	V	0.42	0.08	0.50	0.50	0.10	0.60
	A3 Sheet		6.00	0.00	6.00	6.20	0.00	6.20
	Extra Copy		1.00	0.00	1.00	1.10	0.00	1.10
	A3 Plan		6.00	0.00	6.00	6.20	0.00	6.20
	Extra Copy		1.00	0.00	1.00	1.10	0.00	1.10
	A2 Plan		9.00	0.00	9.00	9.20	0.00	9.20
	Extra Copy		1.50	0.00	1.50	1.60	0.00	1.60
	A1 Plan		10.00	0.00	10.00	10.30	0.00	10.30
	Extra Copy		2.50	0.00	2.50	2.60	0.00	2.60
	A0 Plan		12.00	0.00	12.00	12.30	0.00	12.30
	Extra Copy		3.00	0.00	3.00	3.10	0.00	3.10
	Discount for Conservation Study Groups:							
	Discount for Conservation Area Study Groups - 50% reduction in fees identified in 4a							
4b	**Postage for letters, large letters and packets.**		Standard Council charges apply			Standard Council charges apply		
5	**FOOTPATH CROSSINGS & PATHS ACROSS VERGES**							
	Costs associated with amending Traffic Management Orders to facilitate footway crossovers in Controlled Parking Zones		125.00	0.00	125.00	128.00	0.00	128.00
	Application for Footway Crossovers - The Local Authorities (Transport Charges) Regulation 1998.The application process includes a maximum of three site visits. The application process includes a maximum of three visits.		162.00	0.00	162.00	166.00	0.00	166.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	New: Additional Site visits for approval and estimation of vehicle crossover applications. Up to half hour of officer's time per visit.					30.00	0.00	30.00
	Construction of a crossover **per square metre** in paving slabs/blocks or asphalt. Excluding existing obstructions e.g. street lighting columns, street furniture, trees or utility apparatus. **Note:** Where a footway is currently constructed in asphalt / tarmacadam a new footway crossing will only be permitted to be constructed in asphalt / tarmacadam		170.00	0.00	170.00	230.00	0.00	230.00
	Provision of a footway crossover when constructed as part of a planned footway reconstruction scheme - (**20%discount** on full price shown above) (per square metre). Note: crossover specification to comply with scheme construction.		110.00	0.00	110.00	184.00	0.00	184.00
	There will be no discount where it is identified that a resident is crossing the footway illegally and contributing to damage of the footway.							
	Renewal of existing White line Entrance Marking on Highway		134.00	0.00	134.00	137.00	0.00	137.00
	New White line Entrance Marking on Highway		134.00	0.00	134.00	137.00	0.00	137.00
	Removal and replanting of shrub bed elsewhere in the Borough - per square metre		65.00	0.00	65.00	67.00	0.00	67.00
	Removal and replanting of grass verge elsewhere in the Borough - per square metre		58.00	0.00	58.00	60.00	0.00	60.00
	Application to request a tree removal in accordance with the tree strategy.					150.00	0.00	150.00
	Application for Heavy Duty Footway crossover - The Local Authorities (Transport Charges) Regulation 1998		800.00	0.00	800.00	820.00	0.00	820.00
	Construction and site supervision of Heavy Duty crossover excluding statutory utility diversions.		Price on Application			Price on Application		
6	**PROVISION OF STREET SEATS**							
	Per seat (Estimate will be provided on request at actual contractors cost, officer time and actual cost of plaque)		Price on Application			Price on Application		
7	**PROVISION OF STREET NAME PLATES**							
	Per Street Name Plate		Price on Application			Price on Application		
	Relocation only of existing Street Name Plate for footway crossing application		Price on Application			Price on Application		
8	**TEMPORARY TRAFFIC ORDER**							
	14.1 TTO Standard Charge		1,330.00	0.00	1,330.00	1,870.00	0.00	1,870.00
	14.2 Notice Standard Charge		665.00	0.00	665.00	775.00	0.00	775.00
	16.A Special Event Orders - (excluding community street parties)		663.00	0.00	663.00	775.00	0.00	775.00
	Enforcement of Temporary Traffic Orders - Resident & Business bays, waiting and loading							
	Admin fee	V	New			82.50	16.50	99.00
	Cancellation charge		New			49.00	0.00	49.00
	Additional Enforcement by Civil Enforcement Officer per day		New			70.80	0.00	70.80
	Use of removal vehicle (per removal)		New			200.00	0.00	200.00
	Cost of Suspension Board	V	New			30.00	6.00	36.00
	Please note the charges for Enforcement detailed above are separate and in addition to any charges which the applicant may incur in obtaining a Temporary Traffic Order or Street Works permits							
9	**RETRIEVE KEYS ETC. FROM ROAD GULLIES**							
	Per occasion **Note** This service is not provided out of hours.		181.00	0.00	181.00	186.00	0.00	186.00
10	**LICENCE FOR SKIPS**							
	Skip Licence - 28 days		50.00	0.00	50.00	50.00	0.00	50.00
	Continuation Licence - 14 days		30.00	0.00	30.00	30.00	0.00	30.00

Section Reference	*Italics denotes statutory fees* Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
11	**LICENCE FOR HOARDING/SCAFFOLDING**							
	Deposit before commencement of works (refundable against damage)							
	- Up to 10m^2		510.00	0.00	510.00	510.00	0.00	510.00
	- For each additional m^2 over 10		51.00	0.00	51.00	51.00	0.00	51.00
	Licence:							
	Application fee (non refundable)		63.00	0.00	63.00	65.00	0.00	65.00
	Licence Fee up to 2 months max (if approved)		151.00	0.00	151.00	155.00	0.00	155.00
	Renewal licence fee each subsequent month (if approved)		63.00	0.00	63.00	65.00	0.00	65.00
12	**LICENCE FOR THE ISSUE OF A STREET WORKS LICENCE UNDER S50 OF THE NEW ROADS & STREET WORKS ACT 1991**							
	Administration fee		189.00	0.00	189.00	194.00	0.00	194.00
	Capitalisation fee in lieu of annual charge		627.00	0.00	627.00	643.00	0.00	643.00
12a	**Licence for Cranes**							
	Licence for Cranes on the Highway up to 50 Tonnes		100.00	0.00	100.00	103.00	0.00	103.00
	Licence for Cranes on the Highway over 50 Tonnes		175.00	0.00	175.00	180.00	0.00	180.00
	Deposit before commencement of works (refundable against damage)		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
13	**CONTAMINATED LAND INFORMATION**							
	Contaminated Land Enquiry - Site History - where no records held		29.00	0.00	29.00	30.00	0.00	30.00
	Contaminated Land Enquiry - Site History - where records are held		124.50	0.00	124.50	128.00	0.00	128.00
14	**DEVELOPMENT CONTROL SERVICES**							
	Provision of Information including Solicitors & Developers Inquires - per hour (1 hour minimum charge)		54.00	0.00	54.00	55.00	0.00	55.00
	Providing written confirmation of compliance with planning permission, including a site visit.		234.00	0.00	234.00	240.00	0.00	240.00
	Planning Decision Notice		12.00	0.00	12.00	12.50	0.00	12.50
	Retrieval of planning files from storage (1948 to 2005)		5.00	0.00	5.00	5.10	0.00	5.10
	London Local Authorities (Charges for Stopping Up Orders) Regulations 2000		2,540.00	0.00	2,540.00	2,610.00	0.00	2,610.00
	Temporary signs for housing developments a returnable deposit of per sign to cover our costs in removing the signs in default		110.00	0.00	110.00	115.00	0.00	115.00
15	**TRANSPORTATION SERVICES**							
	Requests for Advice and Policy Guidance on Directional Signs		50.00	0.00	50.00	52.00	0.00	52.00
	Checking fee for S38 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of **£2,500.00** for works up to £10,000 in value + 8% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract			Flat rate of **£2,500.00** for works up to £10,000 in value + 8% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract		
	Checking & supervision fee for S278 Agreements (value of works based on current LBE term contract rates) (not subject to VAT)		Flat rate of **£2,500.00** for works up to £10,000 in value + 10% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract			Flat rate of **£2,500.00** for works up to £10,000 in value + 10% of the value of works over £10,000 + actual cost to accrue street lighting etc. into PFI contract		
16	**BUILDING CONTROL SERVICES**							
	Viewing Building Control Plans	V	25.83	5.17	31.00	26.67	5.33	32.00
	Completion Letter or Certificate on Building Regulations Applications	V	50.83	10.17	61.00	52.50	10.50	63.00
	Building control information including Solicitor's enquiries	V	55.83	11.17	67.00	56.67	11.33	68.00
	Copy of Decision Notice	V	10.83	2.17	13.00	11.67	2.33	14.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	Issuing of Completion Certificate	V	55.83	11.17	67.00	56.67	11.33	68.00
	Demolition Notice		212.00	0.00	212.00	217.00	0.00	217.00
	BUILDING CONTROL FEES							
16a	**Standard Domestic Charges for Estimate of costs less than £200,000**							
	Loft conversions < 40m²							
	Full plan	V	180.00	36.00	216.00	184.17	36.83	221.00
	Inspection charge	V	270.00	54.00	324.00	276.67	55.33	332.00
	Loft conversions 40m² - 60m²							
	Full plan	V	210.00	42.00	252.00	215.00	43.00	258.00
	Inspection charge	V	315.00	63.00	378.00	323.33	64.67	388.00
	Each additional 20m² over 60m²							
	Full plan	V	22.50	4.50	27.00	23.33	4.67	28.00
	Inspection charge	V	34.17	6.83	41.00	35.00	7.00	42.00
	Extension <6m²							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Extension 6m² - 40m²							
	Full plan	V	210.00	42.00	252.00	215.00	43.00	258.00
	Inspection charge	V	315.00	63.00	378.00	323.33	64.67	388.00
	Extension 40m² - 60m²							
	Full plan	V	255.42	51.08	306.50	261.67	52.33	314.00
	Inspection charge	V	382.50	76.50	459.00	391.67	78.33	470.00
	Extension 60m² - 100m²							
	Full plan	V	330.00	66.00	396.00	338.33	67.67	406.00
	Inspection charge	V	495.83	99.17	595.00	508.33	101.67	610.00
	Each additional 20m² over 100m²							
	Full plan	V	45.00	9.00	54.00	45.83	9.17	55.00
	Inspection charge	V	67.50	13.50	81.00	69.17	13.83	83.00
	Basements as extension above plus							
	Full plan	V	120.42	24.08	144.50	123.33	24.67	148.00
	Inspection charge	V	180.00	36.00	216.00	185.00	37.00	222.00
	Attached garage <30m²							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Detached garage 30m² - 60m²							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Through lounge							
	Full plan	V	60.00	12.00	72.00	61.67	12.33	74.00
	Inspection charge	V	90.00	18.00	108.00	91.67	18.33	110.00
	Removal of chimney breasts							
	Full plan	V	60.00	12.00	72.00	61.67	12.33	74.00
	Inspection charge	V	90.00	18.00	108.00	91.67	18.33	110.00
	Installation of new wc/shower/utility							
	Full plan	V	60.00	12.00	72.00	61.67	12.33	74.00
	Inspection charge	V	90.00	18.00	108.00	91.67	18.33	110.00
	Garage conversion							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Replacement windows up to 5 windows							
	Full plan	V	60.00	12.00	72.00	61.67	12.33	74.00
	Inspection charge	V	90.00	18.00	108.00	91.67	18.33	110.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	per extra 10 windows							
	Full plan	V	30.00	6.00	36.00	30.83	6.17	37.00
	Inspection charge	V	45.00	9.00	54.00	45.83	9.17	55.00
	Re-roofing							
	Full plan	V	75.00	15.00	90.00	76.67	15.33	92.00
	Inspection charge	V	112.50	22.50	135.00	115.00	23.00	138.00
	New wiring (non competent person)							
	Full plan	V	90.00	18.00	108.00	91.67	18.33	110.00
	Inspection charge	V	135.00	27.00	162.00	138.33	27.67	166.00
	Discount for each multiple works above							
	Full plan	V	30.00	6.00	36.00	30.83	6.17	37.00
	Inspection charge	V	45.00	9.00	54.00	45.83	9.17	55.00
	NEW BUILD DWELLINGS							
	(<300m² per dwelling)							
	1 new dwelling							
	Full plan	V	255.00	51.00	306.00	260.83	52.17	313.00
	Inspection charge	V	383.33	76.67	460.00	393.33	78.67	472.00
	2-5 dwellings per extra dwelling							
	Full plan	V	105.00	21.00	126.00	108.33	21.67	130.00
	Inspection charge	V	158.33	31.67	190.00	161.67	32.33	194.00
	6 -20 new dwellings per extra dwelling							
	Full plan	V	675.83	135.17	811.00	693.33	138.67	832.00
	Inspection charge	V	1013.33	202.67	1,216.00	1,039.17	207.83	1,247.00
	Extra dwelling over 5							
	Full plan	V	90.00	18.00	108.00	91.67	18.33	110.00
	Inspection charge	V	135.00	27.00	162.00	138.33	27.67	166.00
	Flat conversion to form 2 flats							
	Full plan	V	210.00	42.00	252.00	215.00	43.00	258.00
	Inspection charge	V	315.00	63.00	378.00	323.33	64.67	388.00
	Plus for each additional flat							
	Full plan	V	75.00	15.00	90.00	76.67	15.33	92.00
	Inspection charge	V	112.50	22.50	135.00	115.00	23.00	138.00
	Other works -Estimate of cost:							
	<£5000							
	Full plan	V	89.17	17.83	107.00	90.83	18.17	109.00
	Inspection charge	V	133.33	26.67	160.00	136.67	27.33	164.00
	£5001 - £10,000							
	Full plan	V	106.67	21.33	128.00	109.17	21.83	131.00
	Inspection charge	V	160.42	32.08	192.50	164.17	32.83	197.00
	£10,001 - £20,000							
	Full plan	V	151.67	30.33	182.00	155.00	31.00	186.00
	Inspection charge	V	227.50	45.50	273.00	233.33	46.67	280.00
	£20,001 - £30,000							
	Full plan	V	195.83	39.17	235.00	200.83	40.17	241.00
	Inspection charge	V	294.17	58.83	353.00	301.67	60.33	362.00
	£30,001 - £40,000							
	Full plan	V	240.83	48.17	289.00	246.67	49.33	296.00
	Inspection charge	V	360.83	72.17	433.00	370.00	74.00	444.00
	£40,001 - £50,000							
	Full plan	V	285.00	57.00	342.00	291.67	58.33	350.00
	Inspection charge	V	427.50	85.50	513.00	438.33	87.67	526.00
	£50,001 - £60,000							
	Full plan	V	320.83	64.17	385.00	329.17	65.83	395.00
	Inspection charge	V	480.83	96.17	577.00	493.33	98.67	592.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	£60,001 - £70,000							
	Full plan	V	356.67	71.33	428.00	365.83	73.17	439.00
	Inspection charge	V	535.00	107.00	642.00	548.33	109.67	658.00
	£70,001 - £80,000							
	Full plan	V	392.08	78.42	470.50	401.67	80.33	482.00
	Inspection charge	V	588.33	117.67	706.00	603.33	120.67	724.00
	£80,001 - £90,000							
	Full plan	V	427.50	85.50	513.00	438.33	87.67	526.00
	Inspection charge	V	641.67	128.33	770.00	658.33	131.67	790.00
	£90,001 - £100,000							
	Full plan	V	463.33	92.67	556.00	475.00	95.00	570.00
	Inspection charge	V	695.00	139.00	834.00	711.67	142.33	854.00
	£100,001 - £120,000							
	Full plan	V	499.17	99.83	599.00	511.67	102.33	614.00
	Inspection charge	V	748.33	149.67	898.00	766.67	153.33	920.00
	£120,001 - £140,000							
	Full plan	V	535.00	107.00	642.00	548.33	109.67	658.00
	Inspection charge	V	801.67	160.33	962.00	821.67	164.33	986.00
	£140,001 - £160,000							
	Full plan	V	570.42	114.08	684.50	585.00	117.00	702.00
	Inspection charge	V	855.00	171.00	1,026.00	875.83	175.17	1,051.00
	£160,001 - £180,000							
	Full plan	V	605.83	121.17	727.00	620.83	124.17	745.00
	Inspection charge	V	908.33	181.67	1,090.00	930.83	186.17	1,117.00
	£180,001 - £200,000							
	Full plan	V	641.67	128.33	770.00	658.33	131.67	790.00
	Inspection charge	V	962.50	192.50	1,155.00	986.67	197.33	1,184.00
16b	**Standard Non Domestic Charges for work less than £200,000**							
	Non Domestic New Builds & extensions up to 100m²							
	Other Residential/Institutional/Assembly/Recreational (<6m²)							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Industrial and Storage(<6m²)							
	Full plan	V	120.00	24.00	144.00	123.33	24.67	148.00
	Inspection charge	V	180.00	36.00	216.00	185.00	37.00	222.00
	Office and Shops(<6m²)							
	Full plan	V	150.00	30.00	180.00	154.17	30.83	185.00
	Inspection charge	V	225.00	45.00	270.00	230.83	46.17	277.00
	Other Residential/Institutional/Assembly/Recreational (<6-40m²)							
	Full plan	V	270.00	54.00	324.00	276.67	55.33	332.00
	Inspection charge	V	405.83	81.17	487.00	415.83	83.17	499.00
	Industrial and Storage(<6-40m²)							
	Full plan	V	180.00	36.00	216.00	185.00	37.00	222.00
	Inspection charge	V	270.00	54.00	324.00	276.67	55.33	332.00
	Office and Shops(<6-40m²)							
	Full plan	V	210.00	42.00	252.00	215.00	43.00	258.00
	Inspection charge	V	315.83	63.17	379.00	324.17	64.83	389.00
	Other Residential/Institutional/Assembly/Recreational (<40-100m²)							
	Full plan	V	420.83	84.17	505.00	430.83	86.17	517.00
	Inspection charge	V	630.83	126.17	757.00	646.67	129.33	776.00
	Industrial and Storage(<40-100m²)							
	Full plan	V	270.42	54.08	324.50	276.67	55.33	332.00
	Inspection charge	V	405.83	81.17	487.00	415.83	83.17	499.00
	Office and Shops(<40-100m²)							
	Full plan	V	330.83	66.17	397.00	339.17	67.83	407.00

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	Inspection charge	V	495.83	99.17	595.00	508.33	101.67	610.00
16c	Shop Fit out each 100m2 or part							
	Full plan	V	108.33	21.67	130.00	110.83	22.17	133.00
	Inspection charge	V	162.50	32.50	195.00	166.67	33.33	200.00
	Shop Front							
	Full plan	V	93.33	18.67	112.00	95.83	19.17	115.00
	Inspection charge	V	140.00	28.00	168.00	144.17	28.83	173.00
	Office Partitioning per 50m run							
	Full plan	V	93.33	18.67	112.00	95.83	19.17	115.00
	Inspection charge	V	140.00	28.00	168.00	144.17	28.83	173.00
	New Windows up to 10							
	Full plan	V	93.33	18.67	112.00	95.83	19.17	115.00
	Inspection charge	V	140.00	28.00	168.00	144.17	28.83	173.00
	Per Extra 10							
	Full plan	V	30.83	6.17	37.00	31.67	6.33	38.00
	Inspection charge	V	46.67	9.33	56.00	48.33	9.67	58.00
	Mezzanine Floor per 500m2 or part							
	Full plan	V	185.83	37.17	223.00	190.00	38.00	228.00
	Inspection charge	V	279.17	55.83	335.00	285.83	57.17	343.00
	Other Works-Estimate of cost:							
	<£5,000							
	Full plan	V	89.17	17.83	107.00	90.83	18.17	109.00
	Inspection charge	V	133.33	26.67	160.00	136.67	27.33	164.00
	£5001-10,000							
	Full plan	V	106.67	21.33	128.00	109.17	21.83	131.00
	Inspection charge	V	160.42	32.08	192.50	164.17	32.83	197.00
	£10,001-£20,000							
	Full plan	V	151.67	30.33	182.00	155.00	31.00	186.00
	Inspection charge	V	227.50	45.50	273.00	233.33	46.67	280.00
	£20,001-£30,000							
	Full plan	V	195.83	39.17	235.00	200.83	40.17	241.00
	Inspection charge	V	294.17	58.83	353.00	301.67	60.33	362.00
	£30,001-£40,000							
	Full plan	V	240.83	48.17	289.00	246.67	49.33	296.00
	Inspection charge	V	360.83	72.17	433.00	370.00	74.00	444.00
	£40,001-£50,000							
	Full plan	V	285.00	57.00	342.00	291.67	58.33	350.00
	Inspection charge	V	427.50	85.50	513.00	438.33	87.67	526.00
	£50,001-£60,000							
	Full plan	V	320.83	64.17	385.00	329.17	65.83	395.00
	Inspection charge	V	480.83	96.17	577.00	493.33	98.67	592.00
	£60,001-£70,000							
	Full plan	V	356.67	71.33	428.00	365.83	73.17	439.00
	Inspection charge	V	535.00	107.00	642.00	548.33	109.67	658.00
	£70,001-£80,000							
	Full plan	V	391.67	78.33	470.00	400.83	80.17	481.00
	Inspection charge	V	587.50	117.50	705.00	601.67	120.33	722.00
	£80,001-£90,000							
	Full plan	V	427.50	85.50	513.00	438.33	87.67	526.00
	Inspection charge	V	641.67	128.33	770.00	658.33	131.67	790.00
	£90,001-£100,000							
	Full plan	V	463.33	92.67	556.00	475.00	95.00	570.00
	Inspection charge	V	695.00	139.00	834.00	711.67	142.33	854.00
	£100,001-£120,000							

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	Full plan	V	499.17	99.83	599.00	511.67	102.33	614.00
	Inspection charge	V	748.33	149.67	898.00	766.67	153.33	920.00
	£120,001-£140,000							
	Full plan	V	535.00	107.00	642.00	548.33	109.67	658.00
	Inspection charge	V	801.67	160.33	962.00	821.67	164.33	986.00
	£140,001-£160,000							
	Full plan	V	570.83	114.17	685.00	585.00	117.00	702.00
	Inspection charge	V	855.83	171.17	1,027.00	876.67	175.33	1,052.00
	£160,001-£180,000							
	Full plan	V	605.83	121.17	727.00	620.83	124.17	745.00
	Inspection charge	V	908.33	181.67	1,090.00	930.83	186.17	1,117.00
	£180,001-£200,000							
	Full plan	V	641.67	128.33	770.00	658.33	131.67	790.00
	Inspection charge	V	962.50	192.50	1,155.00	986.67	197.33	1,184.00
17	**Planning Application Fees**							
	Prior Approval under the General Permitted Development Order (Amendment) 2013							
	An application which involves the making of any material change in the use of any buildings, or other land under Classes J, K and M of the General Permitted Development Order		*80*	*0*	*80*	*80*	*0*	*80*
	Application Type							
	Householder							
	Relating to one dwelling		*172*	*0*	*172*	*172*	*0*	*172*
	Relating to 2 or more dwellings		*339*	*0*	*339*	*339*	*0*	*339*
	Certificate of Lawfulness							
	Section 191 (1) (c) - Establish Use		*195*	*0*	*195*	*195*	*0*	*195*
	Section 191 (1) (a) or (b) - Existing per unit		*385*	*0*	*385*	*385*	*0*	*385*
	Section 191 (1) (a) or (b) - Existing 50 units		*19049*	*0*	*19049*	*19049*	*0*	*19049*
	Section 191 (1) (a) or (b) - Existing 51 and over units - per unit		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*
	Section 192 - Proposed		*Half full fee*	*0*	*Half full fee*	*Half full fee*	*0*	*Half full fee*
	Outline							
	Site area not exceeding 2.5 ha - per 0.1ha		*385*	*0*	*385*	*385*	*0*	*385*
	Site area of 2.5 ha		*9527*	*0*	*9527*	*9527*	*0*	*9527*
	Site in excess of 2.5ha - per 0.1ha		*115 Max 125,000*	*0*	*115 Max 125,000*	*115 Max 125,000*	*0*	*115 Max 125,000*
	Dwellings							
	Per dwelling created - below 50		*385*	*0*	*385*	*385*	*0*	*385*
	50 dwellings		*19049*	*0*	*19049*	*19049*	*0*	*19049*
	Per dwelling - above 50		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*
	Change of use		*385*	*0*	*385*	*385*	*0*	*385*
	Other buildings							
	No additional floor space and Floor space up to 40 sq.m		*195*	*0*	*195*	*195*	*0*	*195*
	Floor space between 40 sq.m. and 75 sq.m.		*385*	*0*	*385*	*385*	*0*	*385*
	Floor space between 75 sq.m. and 3750 sq.m. - for each additional 75 sq.m.		*385*	*0*	*385*	*385*	*0*	*385*
	3750 sq.m. created		*19049*	*0*	*19049*	*19049*	*0*	*19049*
	Each additional 75 sq.m. (or part thereof) above 3750 sq.m.		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*

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	Erection, on land used for the purpose of agriculture							
	Works up to 465 sq.m.		*80*	*0*	*80*	*80*	*0*	*80*
	Floor space between 465 sq.m. and 540 sq.m.		*385*	*0*	*385*	*385*	*0*	*385*
	Floor space between 540 sq.m. and 4215 sq.m. - for each additional 75 sq.m		*385*	*0*	*385*	*385*	*0*	*385*
	4215 sq.m. created		*19049*	*0*	*19049*	*19049*	*0*	*19049*
	Each additional 75 sq.m. (or part thereof) above 3750 sq.m.		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*
	Erection of glasshouses on land used for the purposes of agriculture							
	Works up to 465 sq.m.		*80*	*0*	*80*	*80*	*0*	*80*
	Works creating more than 465 sq.m.		*2150*	*0*	*2150*	*2150*	*0*	*2150*
	The erection, alteration or replacement of plant or machinery							
	Site area not exceeding 5ha- each 0.1ha or part thereof		*385*	*0*	*385*	*385*	*0*	*385*
	Site area of 5ha		*19049*	*0*	*19049*	*19049*	*0*	*19049*
	Site area in excess of 5ha - each additional 0.1ha or part thereof		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*
	The carrying out of any operations not coming within any of the above categories - for each 0.1 ha of site area		*195 Max 1,690*	*0*	*195 Max 1,690*	*195 Max 1,690*	*0*	*195 Max 1,690*
	Operations connected with exploratory drilling for oil or natural gas							
	Site area not exceeding 7.5 ha - for each 0.1 ha of site area		*385*	*0*	*385*	*385*	*0*	*385*
	Site area of 7.5 ha		*28750*	*0*	*28750*	*28750*	*0*	*28750*
	Per 0.1ha in excess of 7.5ha		*115 Max 250,000*	*0*	*115 Max 250,000*	*115 Max 250,000*	*0*	*115 Max 250,000*
	Winning and working of materials							
	Per 0.1 ha site area to maximum 15 ha		*195*	*0*	*195*	*195*	*0*	*195*
	Site area of 15 ha		*29112*	*0*	*29112*	*29112*	*0*	*29112*
	Per 0.1 ha site area in excess of 15 ha		*115 Max 65,000*	*0*	*115 Max 65,000*	*115 Max 65,000*	*0*	*115 Max 65,000*
	Disposal of refuse or waste materials or for the deposit of material remaining after minerals have been extracted from the land or for the storage of minerals in the open.							
	Per 0.1 ha site area to maximum 15 ha		*195*	*0*	*195*	*195*	*0*	*195*
	Site area of 15 ha		*29112*	*0*	*29112*	*29112*	*0*	*29112*
	Per 0.1 ha site area in excess of 15 ha		*115 Max 65,000*	*0*	*115 Max 65,000*	*115 Max 65,000*	*0*	*115 Max 65,000*
	Construction of car parks, service roads and access for the purpose of a single undertaking		*195*	*0*	*195*	*195*	*0*	*195*
	Extant Planning Permission							
	Householder		*57*	*0*	*57*	*57*	*0*	*57*
	Major development		*575*	*0*	*575*	*575*	*0*	*575*
	All other applications		*195*	*0*	*195*	*195*	*0*	*195*
	Non-Material Amendment							
	Householder		*28*	*0*	*28*	*28*	*0*	*28*
	All other applications		*195*	*0*	*195*	*195*	*0*	*195*
	Minor Material Amendment		*195*	*0*	*195*	*195*	*0*	*195*
	Reserved matters		*385*	*0*	*385*	*385*	*0*	*385*
	For non-compliance with conditions, variation or renewal of a temporary permission		*195*	*0*	*195*	*195*	*0*	*195*
	Request for written confirmation of compliance with condition(s)							
	Householder		*28*	*0*	*28*	*28*	*0*	*28*
	All other applications		*97*	*0*	*97*	*97*	*0*	*97*

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	Playing Fields		*385*	*0*	*385*	*385*	*0*	*385*
	Telecoms prior approval		*385*	*0*	*385*	*385*	*0*	*385*
	Buildings and roads constructed under PD for agriculture/forestry		*80*	*0*	*80*	*80*	*0*	*80*
	Demolition prior approval		*80*	*0*	*80*	*80*	*0*	*80*
	Advert to premises		*110*	*0*	*110*	*110*	*0*	*110*
	Directional advert		*110*	*0*	*110*	*110*	*0*	*110*
	All other adverts		*385*	*0*	*385*	*385*	*0*	*385*
18	**Coordinated Development Process & Sustainability Assessment Services-Development Control**							
18a	**Coordinated Plan Drawing and Approval Service**							
	N.B. 20% discount on Building Control Application fees included in the fees shown below.							
	Single Storey Extension	V	1,327.50	265.50	1,593.00	1,500.00	300.00	1,800.00
	Two Storey Extension	V	1,719.17	343.83	2,063.00	1,800.00	360.00	2,160.00
	Loft Conversion	V	1,565.83	313.17	1,879.00	1,750.00	350.00	2,100.00
	Combination Loft & Extension	V	3,420.83	684.17	4105.00	2,750.00	550.00	3,300.00
	Lawful Development Certificate	V	83.33	16.67	100.00	85.00	17.00	102.00
18b	**Comprehensive Code for Sustainable Homes Assessment**							
	For One Unit	V	5,416.67	1,083.33	6,500.00	5,551.67	1,110.33	6,662.00
18c	**BREEAM Assessment**	V	12,734.17	2,546.83	15,281.00	13,053.33	2,610.67	15,664.00
19	**HIGHWAY RELATED CHARGES**							
A	**Emergency Call-Out Service**		Price on Application			Price on Application		
	(a) Daytime Monday – Friday		Price on Application			Price on Application		
	Supervisor per hour (minimum 1 hour)		Price on Application			Price on Application		
	Highways Road gang (2 men) per hour (Minimum 1 hour)		Price on Application			Price on Application		
	(b) Overtime Monday - Saturday		Price on Application			Price on Application		
	Callout (Minimum of 2 hours)		Price on Application			Price on Application		
	Callout over 2 hours (per hour)		Price on Application			Price on Application		
	Highways Road Gang (2 men + lorry) (2 hours minimum charge)		Price on Application			Price on Application		
	Callout of Road Gang over 2 hours (per hour)		Price on Application			Price on Application		
	(c) Overtime Sunday & Bank Holidays &		Price on Application			Price on Application		
	After Midnight		Price on Application			Price on Application		
	Callout (Minimum of 2 hours)		Price on Application			Price on Application		
	Callout (over 2 hours) per hour		Price on Application			Price on Application		
	Highways Road Gang (2 men + lorry) (2 hours minimum charge)		Price on Application			Price on Application		
	Callout of Road Gang over 2 hours (per hour)		Price on Application			Price on Application		
	(d) Bag of Granules used in Road Traffic		Price on Application			Price on Application		
	Accidents, per Bag		Price on Application			Price on Application		
	(e) Lost Lamp		Price on Application			Price on Application		
B	**Replace Pedestrian Guardrails**		Price on Application			Price on Application		
	One panel		Price on Application			Price on Application		
	Two panels		Price on Application			Price on Application		
	Three panels		Price on Application			Price on Application		

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	Four panels		Price on Application			Price on Application		
	Five panels		Price on Application			Price on Application		
	Six panels		Price on Application			Price on Application		
C	**Street Lighting & Illuminated Street Furniture – (Removal of damaged items, & replaced to working order)**		Price on Application			Price on Application		
	Illuminated bollards per unit		Price on Application			Price on Application		
	Haldo Bollard		Price on Application			Price on Application		
	600 'O' Bollard		Price on Application			Price on Application		
	Pearce Gowshall Bollard		Price on Application			Price on Application		
	Lamp Columns per unit		Price on Application			Price on Application		
	Street Lighting Column - up to 5 metre		Price on Application			Price on Application		
	Street Lighting Column – 6 metre		Price on Application			Price on Application		
	Street Lighting Column – 8 metre		Price on Application			Price on Application		
	Street Lighting Column – 10 metre		Price on Application			Price on Application		
	Illuminated Large Base Sign Post/ Directional Sign per unit		Price on Application			Price on Application		
	Double Bracket/Post		Price on Application			Price on Application		
	Single Bracket/Post		Price on Application			Price on Application		
D	**Repairs to Footways – Patching & Repairs on footways e.g. Bituminous, Artificial Stone Paving, Modular Block Paving, Block Paving and Seeding/Turfing as required**		Price on Application			Price on Application		
	Per m^2 (over 1m2)		Price on Application			Price on Application		
E	**Bollards**							
	Supply and fix concrete bollard - (per bollard)		Price on Application			Price on Application		
	Supply & fix metal bollard - (per bollard)		Price on Application			Price on Application		
	Supply & fix timber bollard - (per bollard)		Price on Application			Price on Application		
F	**Brickwork**							
	Provision of all material & construction of brick wall up to 1.3 metre high, 225 mm thick using sand faced Fletton or equivalent stretcher bond per square metre		Price on Application			Price on Application		
G	**Grounds & Arboricultural Maintenance**							
	Shrub Replacement per item		Price on Application			Price on Application		
	Up to 5 litre pot		Price on Application			Price on Application		
	Up to10 litre pot		Price on Application			Price on Application		
	Up to 15 litre pot		Price on Application			Price on Application		
	Trees Hedges & Shrubs Causing Obstructions		Price on Application			Price on Application		
	Per tree, hedge or shrub fallen from privately owned land onto Public Highway		Price on Application			Price on Application		
	Per roots from tree, hedge or shrub from privately owned land causing damage to public highway		Price on Application			Price on Application		
	Per tree, hedge or shrub from privately owned land obstructing Council owned Street Lighting or Street		Price on Application			Price on Application		
	Removal after an accident		Price on Application			Price on Application		
	Per tree - removal and replacement of tree following vehicle damage or public interference		Price on Application			Price on Application		
	Up to 320 mm - DBH		Price on Application			Price on Application		
	Up to 400 mm - DBH		Price on Application			Price on Application		
	Up to 450 mm - DBH		Price on Application			Price on Application		
	Removal of Tree for Provision of Vehicle/Garage Crossover & Replacement Elsewhere		Price on Application			Price on Application		
	Up to 50 mm DBH		Price on Application			Price on Application		

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	Up to 160 mm DBH		Price on Application			Price on Application		
	Up to 240 mm DBH		Price on Application			Price on Application		
	Up to 320 mm DBH		Price on Application			Price on Application		
	Up to 400 mm DBH		Price on Application			Price on Application		
	Up to 450 mm DBH		Price on Application			Price on Application		
	Root Pruning per m2		Price on Application			Price on Application		
	Repairs to footway per m2		Price on Application			Price on Application		
	Root chasing per linear metre		Price on Application			Price on Application		
	Memorial Tree Planting and Plaque							
	To supply and plant tree with 2 year after care. Tree species from contractors planting list. Plaque size 6"x 4" limited to 60 characters (additional charge over 60 characters)			New		585.00	0.00	585.00
21	**FOOD CERTIFICATES**							
	Certificate		82.00	0.00	82.00	84.00	0.00	84.00
	Additional Charge per certificate if physical examination is required		175.00	0.00	175.00	180.00	0.00	180.00
22	**FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY COURSES – HELD AT CIVIC CENTRE**							
	(i) BASIC HEALTH & SAFETY COURSES							
	(include. materials & exam registration)							
	Total Fee per person		70.00	0.00	70.00	72.00	0.00	72.00
	(ii) FOOD HYGIENE COURSES							
	(include materials & exam registration)							
	Total Fee per person		70.00	0.00	70.00	72.00	0.00	72.00
	(iii) Replacement Certificates		30.00	0.00	30.00	32.00	0.00	32.00
	(iv) Examination Certificates		23.00	0.00	23.00	24.00	0.00	24.00
23	**FOOD HYGIENE COURSES AND BASIC HEALTH AND SAFETY TRAINING - OFF SITE**							
	(i) BASIC HEALTH & SAFETY COURSES							
	(include. materials & exam registration)							
	Per Course (No VAT applicable)		617.00	0.00	617.00	632.00	0.00	632.00
	Exam Registration charged by CIEH		0.00	0.00	0.00	0.00	0.00	0.00
	(ii) FOOD HYGIENE COURSES							
	(include materials & exam registration)							
	Per Course (No VAT applicable)		617.00	0.00	617.00	632.00	0.00	632.00
	Exam Registration charged by CIEH		0.00	0.00	0.00	0.00	0.00	0.00
24	**PUBLIC REGISTER COPIES**							
	IPC Authorised Premises Provision of copies – per premise – per officer half hour or part thereof		22.00	0.00	22.00	23.00	0.00	23.00
	Environmental Regulation of Industrial Plant		Price on Application			Price on Application		
	Notification of Cooling Towers register							
	Copy of full register		26.50	0.00	26.50	30.00	0.00	30.00
25	**ENVIRONMENTAL CRIME UNIT**							

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	Daily Storage Fee in Pound – no fees set by the Highways Act		40.00	0.00	40.00	40.00	0.00	40.00
	Disposal Costs - no fees set by the Highways Act		*70.00*	*0.00*	*70.00*	*70.00*	*0.00*	*70.00*
	DVLA release fee within 24 hours		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	DVLA release fee over 24 hours		*200.00*	*0.00*	*200.00*	*200.00*	*0.00*	*200.00*
	DVLA daily pound storage fees after 48 hours in Pound (In addition to the release fee)		*21.00*	*0.00*	*21.00*	*21.00*	*0.00*	*21.00*
	Surety fee Payable if unable to provide current tax disc at time of vehicle collection. This fee is refundable if the tax disc is produced within 14 days.		*160.00*	*0.00*	*160.00*	*160.00*	*0.00*	*160.00*
	Fee for a formal complaint made in respect of high hedges and trees, under part 8 of the Anti-Social Behaviour Act 2003		350.00	0.00	350.00	359.00	0.00	359.00
26	**LICENCES**							
	A. ANIMAL BOARDING ESTABLISHMENT		369.00	0.00	369.00	378.00	0.00	378.00
	B. BREEDING OF DOGS		291.00	0.00	291.00	298.00	0.00	298.00
	C. DANGEROUS WILD ANIMALS		416.00	0.00	416.00	426.00	0.00	426.00
	D. PERFORMING ANIMALS							
	Registration		167.00	0.00	167.00	171.00	0.00	171.00
	Certification		47.00	0.00	47.00	48.00	0.00	48.00
	E. PET SHOPS		265.00	0.00	265.00	272.00	0.00	272.00
	F. STREET TRADING							
	Vans/Stalls		172.00	0.00	172.00	176.00	0.00	176.00
	Forecourt of shops and cafes/restaurants in designated areas		824.00	0.00	824.00	845.00	0.00	845.00
	G. OCCASIONAL SALES							
	Initial Application		331.00	0.00	331.00	339.00	0.00	339.00
	Subsequent Applications		166.50	0.00	166.50	171.00	0.00	171.00
	H. RIDING ESTABLISHMENTS		581.00	0.00	581.00	596.00	0.00	596.00
	I. SEX SHOPS		21,218.00	0.00	21,218.00	21,748.00	0.00	21,748.00
	J. TABLES & CHAIRS							
	Up to 3 sq. m		205.00	0.00	205.00	210.00	0.00	210.00
	Between 3 and 10 sq. m		408.00	0.00	408.00	418.00	0.00	418.00
	Between 10 and 15 sq. m		817.00	0.00	817.00	837.00	0.00	837.00
	Between 15 and (maximum) 25 sq. m		1,623.00	0.00	1,623.00	1,664.00	0.00	1,664.00
	K. Zoos							
	Notification of intention to apply for a zoo licence		108.00	0.00	108.00	111.00	0.00	111.00
	New application for a zoo licence		866.00	0.00	866.00	888.00	0.00	888.00
	Renewal of licence		541.00	0.00	541.00	555.00	0.00	555.00
	Transfer of licence		649.00	0.00	649.00	665.00	0.00	665.00
	Variation of a zoo licence		649.00	0.00	649.00	665.00	0.00	665.00
	(plus the costs of inspection where applicable)							
	L. Pleasure Boats							
	Application for a boat hire licence		216.00	0.00	216.00	221.00	0.00	221.00
	Variation of a boat hire licence		108.00	0.00	108.00	111.00	0.00	111.00
	M. Hypnotism							
	Application for consent to conduct an exhibition, demonstration or performance of hypnotism		108.00	0.00	108.00	111.00	0.00	111.00
	TEMPORARY STREET TRADING LICENSE							
	Single event for a 'Seasonal' or 'Farmers' Market of up to 20 stalls for a maximum of 4 days' duration within a designated street trading area (3 Types)							
	1. Market which requires the closure of a non-classified road £175		175.00	0.00	175.00	179.00	0.00	179.00
	2. Market on the footway only £70		70.00	0.00	70.00	72.00	0.00	72.00
	3.Any other market / event, a licence fee will be set to recover the Council's costs					Price on application		

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	Note: a licence will only be granted for an area where the Council is satisfied that highway safety and free pedestrian passage requirements are not compromised. Where the Council concludes that a Market cannot be held without compromising these requirements, a refusal fee will be applied as indicated for the relevant category of temporary licence							
27	**APPROVALS**							
	CIVIL MARRIAGE VENUES - Inspection Fee:							
	(3 year approval)		717.00	0.00	717.00	735.00	0.00	735.00
	Registrars Inspection fee - C495		144.00	0.00	144.00	148.00	0.00	148.00
28	**LICENSING ACT 2003 - FEES AND EXEMPTIONS (statutory fee VAT Exempt)**							
A	***FEES PAYABLE:***							
	1.1 The fee for an application for the grant or variation of a premises licence is based on the rateable value of the property and the band specified for that rateable value, is as follows:		*GRANT & VARIATION FEE PAYABLE*	*VAT*	*GRANT & VARIATION FEE PAYABLE*	*GRANT & VARIATION FEE PAYABLE*	*VAT*	*GRANT & VARIATION FEE PAYABLE*
	RATEABLE VALUES							
	No rateable value to £4,300		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	£4,300 to £33,000		*190.00*	*0.00*	*190.00*	*190.00*	*0.00*	*190.00*
	£33,001 to £87,000		*315.00*	*0.00*	*315.00*	*315.00*	*0.00*	*315.00*
	£87,001 to £125,000		*450.00*	*0.00*	*450.00*	*450.00*	*0.00*	*450.00*
	£125,001 and above		*635.00*	*0.00*	*635.00*	*635.00*	*0.00*	*635.00*
	1.2 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:		*GRANT & VARIATION FEE PAYABLE*	*VAT*	*GRANT & VARIATION FEE PAYABLE*	*GRANT & VARIATION FEE PAYABLE*	*VAT*	*GRANT & VARIATION FEE PAYABLE*
	RATEABLE VALUES							
	£87,001 to £125,000		*450.00*	*0.00*	*450.00*	*450.00*	*0.00*	*450.00*
	£125,001 and above		*1,270.00*	*0.00*	*1,270.00*	*1,270.00*	*0.00*	*1,270.00*
	1.3 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:		*GRANT & VARIATION ADDITIONAL FEE*	*VAT*	*GRANT & VARIATION ADDITIONAL FEE*	*GRANT & VARIATION ADDITIONAL FEE*	*VAT*	*GRANT & VARIATION ADDITIONAL FEE*
	MAXIMUM NUMBER OF PERSONS							
	5,000 to 9,999		*1,000.00*	*0.00*	*1,000.00*	*1,000.00*	*0.00*	*1000.00*
	10,000 to 14,999		*2,000.00*	*0.00*	*2,000.00*	*2,000.00*	*0.00*	*2000.00*
	15,000 to 19,999		*4,000.00*	*0.00*	*4,000.00*	*4,000.00*	*0.00*	*4000.00*
	20,000 to 29,999		*8,000.00*	*0.00*	*8,000.00*	*8,000.00*	*0.00*	*8000.00*
	30,000 to 39,999		*16,000.00*	*0.00*	*16,000.00*	*16,000.00*	*0.00*	*16000.00*
	40,000 to 49,999		*24,000.00*	*0.00*	*24,000.00*	*24,000.00*	*0.00*	*24000.00*
	50,000 to 59,999		*32,000.00*	*0.00*	*32,000.00*	*32,000.00*	*0.00*	*32000.00*
	60,000 to 69,999		*40,000.00*	*0.00*	*40,000.00*	*40,000.00*	*0.00*	*40000.00*
	70,000 to 79,999		*48,000.00*	*0.00*	*48,000.00*	*48,000.00*	*0.00*	*48000.00*
	80,000 to 89,999		*56,000.00*	*0.00*	*56,000.00*	*56,000.00*	*0.00*	*56000.00*
	90,000 and over		*64,000.00*	*0.00*	*64,000.00*	*64,000.00*	*0.00*	*64000.00*
	1.4 The annual fee payable for a premises licence, is based on the rateable value of the property and the band specified for that rateable value, as follows:		*ANNUAL FEE PAYABLE*	*VAT*	*ANNUAL FEE PAYABLE*	*ANNUAL FEE PAYABLE*	*VAT*	ANNUAL FEE PAYABLE
	RATEABLE VALUES							
	No rateable value to £4,300		*70.00*	*0.00*	*70.00*	*70.00*	*0.00*	70.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	£4,300 to £33,000		*180.00*	*0.00*	*180.00*	*180.00*	*0.00*	180.00
	£33,001 to £87,000		*295.00*	*0.00*	*295.00*	*295.00*	*0.00*	295.00
	£87,001 to £125,000		*320.00*	*0.00*	*320.00*	*320.00*	*0.00*	320.00
	£125,001 and above		*350.00*	*0.00*	*350.00*	*350.00*	*0.00*	350.00
	1.5 In addition, premises in Bands D and E, where an application relates exclusively or primarily for the supply of alcohol for consumption on a premises located in a city or town centre, must pay a further fee, as follows:		*ANNUAL ADDITIONAL FEE*	*VAT*	*ANNUAL ADDITIONAL FEE*	*ANNUAL ADDITIONAL FEE*	*VAT*	ANNUAL ADDITIONAL FEE
	RATEABLE VALUES							
	£87,001 to £125,000		*640.00*	*0.00*	*640.00*	*640.00*	*0.00*	640.00
	£125,001 and above		*1050.00*	*0.00*	*1,050.00*	*1050.00*	*0.00*	1050.00
	1.6 In addition, where 5,000 or more persons are admitted at the same time to a premises when the existing licence authorises licensable activities to take place, the application must be accompanied by a fee corresponding to the range of number of persons within which falls the maximum number of persons allowed as follows:		*ANNUAL ADDITIONAL FEE*	*VAT*	*ANNUAL ADDITIONAL FEE*	*ANNUAL ADDITIONAL FEE*	*VAT*	ANNUAL ADDITIONAL FEE
	MAXIMUM NUMBER OF PERSONS							
	5,000 to 9,999		*500.00*	*0.00*	*500.00*	*500.00*	*0.00*	*500.00*
	10,000 to 14,999		*1000.00*	*0.00*	*1,000.00*	*1000.00*	*0.00*	*1000.00*
	15,000 to 19,999		*2000.00*	*0.00*	*2,000.00*	*2000.00*	*0.00*	*2000.00*
	20,000 to 29,999		*4000.00*	*0.00*	*4,000.00*	*4000.00*	*0.00*	*4000.00*
	30,000 to 39,999		*8000.00*	*0.00*	*8,000.00*	*8000.00*	*0.00*	*8000.00*
	40,000 to 49,999		*12000.00*	*0.00*	*12,000.00*	*12000.00*	*0.00*	*12000.00*
	50,000 to 59,999		*16000.00*	*0.00*	*16,000.00*	*16000.00*	*0.00*	*16000.00*
	60,000 to 69,999		*20000.00*	*0.00*	*20,000.00*	*20000.00*	*0.00*	*20000.00*
	70,000 to 79,999		*24000.00*	*0.00*	*24,000.00*	*24000.00*	*0.00*	*24000.00*
	80,000 to 89,999		*28000.00*	*0.00*	*28,000.00*	*28000.00*	*0.00*	*28000.00*
	90,000 and over		*32000.00*	*0.00*	*32,000.00*	*32000.00*	*0.00*	*32000.00*
B	***FEES PAYABLE:***							
	2.1 The fee for an application for the grant or variation of a club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:		*GRANT & VARIATION FEE PAYABLE*	*VAT*	*GRANT & VARIATION FEE PAYABLE*	*GRANT & VARIATION FEE PAYABLE*	*VAT*	GRANT & VARIATION FEE PAYABLE
	RATEABLE VALUES							
	No rateable value to £4,300		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	£4,300 to £33,000		*190.00*	*0.00*	*190.00*	*190.00*	*0.00*	*190.00*
	£33,001 to £87,000		*315.00*	*0.00*	*315.00*	*315.00*	*0.00*	*315.00*
	£87,001 to £125,000		*450.00*	*0.00*	*450.00*	*450.00*	*0.00*	*450.00*
	£125,001 and above		*635.00*	*0.00*	*635.00*	*635.00*	*0.00*	*635.00*
	2.2 The annual fee payable for club premises certificate is based on the rateable value of the property and the band specified for that rateable value, is as follows:		*ANNUAL FEE PAYABLE*	*VAT*	*ANNUAL FEE PAYABLE*	*ANNUAL FEE PAYABLE*	*VAT*	*ANNUAL FEE PAYABLE*
	RATEABLE VALUES							
	No rateable value to £4,300		*70.00*	*0.00*	*70.00*	*70.00*	*0.00*	*70.00*
	£4,300 to £33,000		*180.00*	*0.00*	*180.00*	*180.00*	*0.00*	*180.00*
	£33,001 to £87,000		*295.00*	*0.00*	*295.00*	*295.00*	*0.00*	*295.00*
	£87,001 to £125,000		*320.00*	*0.00*	*320.00*	*320.00*	*0.00*	*320.00*
	£125,001 and above		*350.00*	*0.00*	*350.00*	*350.00*	*0.00*	*350.00*
C	***OTHER FEES PAYABLE IN RESPECT OF APPLICATIONS MADE OR NOTICES GIVEN , ARE AS FOLLOWS***		*FEE PAYABLE*	*VAT*	*FEE PAYABLE*	*FEE PAYABLE*	*VAT*	FEE PAYABLE
	APPLICATION OR NOTICE							
	Notification of theft, loss, etc. of premises licence or summary		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Application for provisional statement where premises being built, etc.		*315.00*	*0.00*	*315.00*	*315.00*	*0.00*	*315.00*
	Notification of change of name or address of premises licence holder or designated premises supervisor		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Application to vary premises licence to specify individual as designated premises supervisor		*23.00*	*0.00*	*23.00*	*23.00*	*0.00*	*23.00*
	Application for transfer of premises licence		*23.00*	*0.00*	*23.00*	*23.00*	*0.00*	*23.00*

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	Application for a minor variation to a premises licence		*89.00*	*0.00*	*89.00*	*89.00*	*0.00*	*89.00*
	Notice of interim authority following death etc. of the premises licence holder		*23.00*	*0.00*	*23.00*	*23.00*	*0.00*	*23.00*
	Notification of theft, loss, etc. of club premises certificate or summary		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Notification of change of name or alteration of rules of club		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Notification of change of relevant registered address of the club		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Application for temporary event notice		*21.00*	*0.00*	*21.00*	*21.00*	*0.00*	*21.00*
	Notification of theft, loss, etc. of temporary event notice		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Application for grant or renewal of a personal licence		*37.00*	*0.00*	*37.00*	*37.00*	*0.00*	*37.00*
	Notification of theft, loss, etc. of personal licence		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Notification of change of name or address of personal licence holder		*10.50*	*0.00*	*10.50*	*10.50*	*0.00*	*10.50*
	Notification of right of freeholder to be notified of licensing matters		*21.00*	*0.00*	*21.00*	*21.00*	*0.00*	*21.00*
29	**SPECIAL TREATMENT LICENCE FEES & EXEMPTIONS ANNUAL LICENCES**							
	GROUP A							
	Establishments that offer invasive and high risk procedures such as lasers, electrolysis, tattooing, body piercing, body message. The treatments are:							
	Anthroposphical Medicine							
	Polarity Therapy							
	Aromatherapy							
	Qi Gong							
	Body Massage							
	Remedial/Sports Massage							
	Bowen Technique							
	Rolfing							
	Champissage/Indian Head Massage							
	Shiatsu							
	Endermologie							
	Fairbane/Tangent Method							
	Stone Therapy							
	Gyratory Massage							
	Thai Massage							
	Manual Lymphatic Drainage							
	Therapeutic/Holistic Massage							
	Marma Therapy							
	Metamorphic Technique							
	Physiotherapy							
	Tui-Na							
	Acupressure							
	Botox							
	Lasers/Intense Pulse Light							
	Collagen Implants							
	Moxibustion (if not accompanied by acupuncture it will be Group B)							
	Osteopathy							
	Sclerotherapy							
	Acupuncture							
	Micropigmentation							
	Beading							
	Bio Skin Jetting							
	Namripad Allergy Elimination Technique							
	Body Piercing							
	Electrolysis							
	Tattoo Removal							
	Korean Hand Therapy							

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD					
			REGENERATION & ENVIRONMENT DEPARTMENT			REGENERATION & ENVIRONMENT DEPARTMENT		
			AGREED CHARGES 2014/15			PROPOSED CHARGES 2015/16		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Tattooing							
	NEW LICENCES		656.00	0.00	656.00	672.00	0.00	672.00
	RENEWALS		491.00	0.00	491.00	503.00	0.00	503.00
	VARIATIONS		328.00	0.00	328.00	336.00	0.00	336.00
	TRANSFER		246.00	0.00	246.00	252.00	0.00	252.00
	OCCASIONAL LICENCE		328.00	0.00	328.00	336.00	0.00	336.00
	GROUP B							
	Establishments that offer medium risk and non invasive treatments such as UV tanning, facials and others. The treatments are:							
	Ayurvedic Medicine							
	Reiki							
	Sauna							
	Chiropody/Podiatry							
	Spa							
	Steam Room/Bath							
	Foot Detox							
	Hydrotherapy							
	Thalassatherapy							
	Thermo Auricular Therapy/Hopi Ear candles							
	Infra Red							
	Micro Currant Therapy/Non-Surgical Face lifts							
	Colour Therapy							
	Detox Box							
	Facials							
	Faradism							
	Reflexology							
	Floatation Tank							
	Galvanism							
	Ultra Sonic							
	High Frequency							
	Ultra Violet Tanning							
	Trichology							
	NEW LICENCES		491.00	0.00	491.00	503.00	0.00	503.00
	RENEWALS		382.00	0.00	382.00	392.00	0.00	392.00
	VARIATIONS		218.00	0.00	218.00	223.00	0.00	223.00
	TRANSFER		137.00	0.00	137.00	140.00	0.00	140.00
	OCCASIONAL LICENCE		246.00	0.00	246.00	252.00	0.00	252.00
	GROUP C							
	Establishments that offer manicures, pedicures, nail extensions and/or ear piercing only. The treatments are:							
	Nail Extensions							
	Pedicure							
	Manicure							
	Ear Piercing							
	NEW LICENCES		328.00	0.00	328.00	336.00	0.00	336.00
	RENEWALS		274.00	0.00	274.00	281.00	0.00	281.00
	VARIATIONS		191.00	0.00	191.00	196.00	0.00	196.00
	TRANSFER		82.00	0.00	82.00	84.00	0.00	84.00
	OCCASIONAL LICENCE		165.00	0.00	165.00	169.00	0.00	169.00

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	REPLACEMENT COPY OF LICENCE		28.00	0.00	28.00	29.00	0.00	29.00
30	**MOTOR SALVAGE OPERATORS**							
	Sole Trader		159.00	0.00	159.00	163.00	0.00	163.00
	Limited Company (one director)		159.00	0.00	159.00	163.00	0.00	163.00
	Partnership		159.00	0.00	159.00	163.00	0.00	163.00
	Additional fee for second & subsequent partners		80.00	0.00	80.00	82.00	0.00	82.00
	Limited Company (multi – director)		159.00	0.00	159.00	163.00	0.00	163.00
	Additional fee for second & subsequent director		80.00	0.00	80.00	82.00	0.00	82.00
	Certified copy of Register Entry		42.50	0.00	42.50	44.00	0.00	44.00
31	**WEIGHTS AND MEASURES FEES**							
	(Where hourly rates are quoted, these are computed up to the nearest half hour.)							
	Fees for the purpose of Section II(5) of the Weights and Measures Act 1985 & EEC Measuring Instrument (Fees) (as amended)							
	(A) SPECIAL WEIGHING AND MEASURING EQUIPMENT							
	The charges for examining, adjusting, testing, certifying, stamping, authorising or reporting on special weighing or measuring equipment be based on officer's time per hour or part hour at the place where the service is provided. Such types of equipment specifically excluded from tables (C) to (G) below include:		96.50 per hour or part hour	0.00	96.50 per hour or part hour	98.90 per hour or part hour	0.00	98.90 per hour or part hour
	(i) Automatic or totalising weighing machines							
	ii) Equipment designed to weigh loads in motion							
	(iii) Bulk fuel measuring equipment tested following a Regulation 65 or 66 occurrence							
	(iv) Weighing or measuring equipment tested by means of statistical sampling							
	((v) The establishment of calibration curves for templets							
	(vi) Templets graduated in millilitres							
	(vii) Testing or other services in pursuance of a community obligation other than EC initial or partial verification							
	(B) SPECIAL CIRCUMSTANCES							
	Where work is requested to be undertaken during unsocial hours, including weekends, the fee shall be charged at double the hourly rate.		193.00 per hour or part hour	0.00	193.00 per hour or part hour	197.80 per hour or part hour	0.00	197.80 per hour or part hour
	A minimum callout charge of 1 meter / 1 scale / 1 item will be charged for appointments cancelled on the day of the appointment							
	Waiting time / down time, at the cause of the customer, will be charged at an hourly rate .		96.50 per hour or part hour	0.00	96.50 per hour or part hour	98.90 per hour or part hour	0.00	98.90 per hour or part hour
	(C) WEIGHTS							
	For weights submitted at the same time and on the same order there will be a fee added per weight tested as in the table below:		66.00	0.00	66.00	68.00	0.00	68.00
	(i) Weights not exceeding 25kg		16.00	0.00	16.00	16.50	0.00	16.50
	(D) MEASURES							
	For measures submitted at the same time and on the same order there will be a fee added per measure tested as in the table below:		66.00	0.00	66.00	68.00	0.00	68.00
	(i) Linear measures not exceeding 3m or 10ft each scale		16.00	0.00	16.00	16.50	0.00	16.50
	(ii) Linear measures exceeding 3m each scale		16.00	0.00	16.00	16.50	0.00	16.50
	(iii) Capacity measures without divisions		16.00	0.00	16.00	16.50	0.00	16.50

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	(iv) Cubic ballast measures (other than brim measures)		153.00	0.00	153.00	157.00	0.00	157.00
	(v) Liquid capacity measures for making up and checking average quantity packages		37.00	0.00	37.00	38.00	0.00	38.00
	(vi) Templets							
	(a) per scale - first item		62.50	0.00	62.50	64.00	0.00	64.00
	(b) second and subsequent items		22.50	0.00	22.50	23.00	0.00	23.00
	(E) WEIGHING INSTRUMENTS Where an officer has to travel to the location of the weighing instrument for verification a fee will be charged in addition to the amount in the table below:		49.00	0.00	49.00	50.00	0.00	50.00
	Exceeding Not Exceeding							
	15 kg		55.00	0.00	55.00	56.00	0.00	56.00
	15kg 100kg		71.00	0.00	71.00	73.00	0.00	73.00
	100kg 250kg		98.00	0.00	98.00	100.00	0.00	100.00
	250kg 500kg		102.00	0.00	102.00	105.00	0.00	105.00
	*Where an instrument exceeds 500kg, the fee will be based on per officer hour or part hour plus the cost of hiring the test unit where applicable		96.50 per hour or part hour	0.00	96.50 per hour or part hour	98.90 per hour or part hour	0.00	98.90 per hour or part hour
	(F) MEASURING INSTRUMENTS FOR INTOXICATING LIQUOR							
	(i) Not exceeding 150ml.		24.50	0.00	24.50	25.00	0.00	25.00
	(ii) Other		43.50	0.00	43.50	45.00	0.00	45.00
	(G) MEASURING INSTRUMENTS FOR LIQUID FUEL AND LUBRICANTS							
	(i) Container type (unsubdivided)		95.00	0.00	95.00	97.00	0.00	97.00
	(ii) Other types – single outlets		137.00	0.00	137.00	140.00	0.00	140.00
	(iii) Other types – multi outlets		For flowmeters submitted for test at the same site on the same day there will be a charge of £56.00 with an additional fee of £66.00 per meter tested			For flowmeters submitted for test at the same site on the same day there will be a charge of £57.40.00 with an additional fee of £66.00 per meter tested		
	(iv)A charge to cover any additional costs involved in testing ancillary equipment which requires additional testing on site, such as credit card acceptors, be based upon the basic fee given above plus additional costs per officer hour		96.50 per hour or part hour	0.00	96.50 per hour or part hour	98.90 per hour or part hour	0.00	98.90 per hour or part hour
	CALIBRATION AND CERTIFICATION FEES FOR THE PURPOSE OF SECTION 74 OF THE WEIGHTS AND MEASURES ACT 1985.							
	For weights submitted at the same time and on the same order there will be a fee added to which will be the fee per weight tested as in the table below:	V	67.92	13.58	81.50	70.00	14.00	84.00
	Weights							
	Up to 500g – tolerance M!/M2)	V	10.00	2.00	12.00	10.42	2.08	12.50
	Stated value	V	15.83	3.17	19.00	16.25	3.25	19.50
	(ii) 1kg to 5kg – tolerance M!/M2)	V	10.00	2.00	12.00	10.42	2.08	12.50
	Stated value	V	15.83	3.17	19.00	16.25	3.25	19.50
	(iii) 10kg to 25kg – tolerance M!/M2)	V	13.33	2.67	16.00	13.75	2.75	16.50
	Stated value	V	21.25	4.25	25.50	21.67	4.33	26.00
	Adjustment – (per weight)	V	11.25	2.25	13.50	11.67	2.33	14.00
	ID marking – (per weight)	V	3.33	0.67	4.00	3.50	0.70	4.20
	MEASURES							
	(NB: These fees are subject to VAT at the standard rate).							

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	For measures submitted at the same time and on the same order there will be a fee added to which will be the fee per measure tested as in the table below:	V	67.92	13.58	81.50	70.00	14.00	84.00
	(i) Linear measures not exceeding 1m	V	32.50	6.50	39.00	33.33	6.67	40.00
	(ii) Capacity measures not exceeding 2L without subdivisions	V	32.50	6.50	39.00	33.33	6.67	40.00
	(iii) Capacity measures not exceeding 2L with subdivisions	V	16.67	3.33	20.00	17.17	3.43	20.60
	For each additional graduation	V	16.67	3.33	20.00	17.17	3.43	20.60
	All other measurements and tests to be based on a fee per officer hour or part hour	V	96.67	19.33	116.00	99.17	19.83	119.00
	A further discount of up to 10% may be available for bulk orders with the agreement of the Head of Trading Standards.							
	Where a collection, delivery, courier or postal service is requested by the customer a 10% administration charge/arrangement fee will be added to the cost of collection, delivery, courier or postal charge.							
32	**POISONS ACT 1972**							
	Type of Licence							
	Initial Registration		53.00	0.00	53.00	54.00	0.00	54.00
	Alteration of List		21.00	0.00	21.00	22.00	0.00	22.00
	Retention of Name on List		53.00	0.00	53.00	54.00	0.00	54.00
33	**GREATER LONDON (GENERAL POWERS ACT) 1984**							
	Registration to hold sales by competitive bidding		298.00	0.00	298.00	305.00	0.00	305.00
	Exemption from registration		99.00	0.00	99.00	102.00	0.00	102.00
34	**LICENSING OF STORES AND REGISTRATION OF PREMISES FOR THE KEEPING OF EXPLOSIVES**							
	STATUTORY FEES							
	Licence		*178.00*	*0.00*	*178.00*	*178.00*	*0.00*	*178.00*
	Licence renewal		*83.00*	*0.00*	*83.00*	*83.00*	*0.00*	*83.00*
	Registration		*105.00*	*0.00*	*105.00*	*105.00*	*0.00*	*105.00*
	Registration renewal		*52.00*	*0.00*	*52.00*	*52.00*	*0.00*	*52.00*
	Amending name of licensee or address of site		*35.00*	*0.00*	*35.00*	*35.00*	*0.00*	*35.00*
	Any kind of variation		*Reasonable cost of the work done by the licensing authority*			*Reasonable cost of the work done by the licensing authority*		
	Transfer of licence or registration		*34.00*	*0.00*	*34.00*	*34.00*	*0.00*	*34.00*
	Replacement licence document		*34.00*	*0.00*	*34.00*	*34.00*	*0.00*	*34.00*
	All year Fireworks supply licence		*510.00*	*0.00*	*510.00*	*510.00*	*0.00*	*510.00*
35	**CESSPOOL EMPTYING**							
	- Domestic Properties (No VAT)							
	Normal time per hour	V	Price on Application			Price on Application		
	Call out (time and ½ rates)	V	Price on Application			Price on Application		
	Sundays, Bank Holidays or after Midnight	V	Price on Application			Price on Application		
	Thames Water disposal charge to be added to above rates.							

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
37	**SCHEDULE 2 CLINICAL WASTE COLLECTION**							
	Roll of 13 Clinical Waste Sacks	V	60.00	12.00	72.00	61.50	12.30	73.80
	Sharps bins - 2.5 litres	V	5.42	1.08	6.50	5.58	1.12	6.70
	Sharps bin 22 litres	V	9.16	1.84	11.00	9.33	1.87	11.20
38	**DOMESTIC COLLECTIONS**							
	N.B. Domestic Bin Hire/Collection is Non Business - i.e. no VAT to be charged							
	Special Bulky Waste Collections							
	Bulky waste collection in 12 months:							
	1st Bulky waste collection up to six items (or 15 Sacks)		28.00	0.00	28.00	To cease - Prices now charged on a per item basis - see below		
	2nd collection in 12 months of up to six items :		58.00	0.00	58.00	To cease - Prices now charged on a per item basis - see below		
	1 item		36.00	0.00	36.00	36.00	0.00	36.00
	2 Items		40.00	0.00	40.00	40.00	0.00	40.00
	3 Items		44.00	0.00	44.00	44.00	0.00	44.00
	4 Items		48.00	0.00	48.00	48.00	0.00	48.00
	5 Items		52.00	0.00	52.00	52.00	0.00	52.00
	6 Items		56.00	0.00	56.00	56.00	0.00	56.00
	Bulky waste collection cancellation charge for between 1-3 days notice		15.00	0.00	15.00	15.00	0.00	15.00
	Additional charge for non standard sized items		53.50	0.00	53.50	54.80	0.00	54.80
	GREEN WASTE BIN (per extra bin)		51.50	0.00	51.50	52.80	0.00	52.80
	Electrical bulky item collections:							
	Bulky electrical items / white goods (up to 3 items)					To cease - Prices now charged on a per item basis - see below		
	1 item		36.00	0.00	36.00	36.00	0.00	36.00
	2 Items		40.00	0.00	40.00	40.00	0.00	40.00
	3 Items		44.00	0.00	44.00	44.00	0.00	44.00
	4 Items		48.00	0.00	48.00	48.00	0.00	48.00
	5 Items		52.00	0.00	52.00	52.00	0.00	52.00
	6 Items		56.00	0.00	56.00	56.00	0.00	56.00
	Bulky electrical item collection cancellation charge for between 1-3 days notice		15.00	0.00	15.00	15.00	0.00	15.00
	New bin and bin replacements:							
	Delivery and provision of 1 domestic 140 or 240 litre wheeled bin		51.00	0.00	51.00	51.00	0.00	51.00
	Delivery of each additional 140 or 240 litre wheeled bin (limited to a maximum of two additions per property)		25.00	0.00	25.00	25.00	0.00	25.00
	New bin and bin replacement cancellation charge for between 1-3 days notice		15.00	0.00	15.00	15.00	0.00	15.00
39	**GAMBLING ACT 2005**							
	FEES AND EXEMPTIONS (VAT exempt) ***NB Fee capped by Government***							
	New Applications							
	Bingo		*3500.00*	*0.00*	*3,500.00*	*3500.00*	*0.00*	*3,500.00*
	Betting Shop		*3000.00*	*0.00*	*3,000.00*	*3000.00*	*0.00*	*3,000.00*
	Adult Gaming Centre		*2000.00*	*0.00*	*2,000.00*	*2000.00*	*0.00*	*2,000.00*
	Track		*2500.00*	*0.00*	*2,500.00*	*2500.00*	*0.00*	*2,500.00*
	Family Entertainment Centre		*2000.00*	*0.00*	*2,000.00*	*2000.00*	*0.00*	*2,000.00*
	New Applications - where provisional statement already issued							
	Bingo		*1200.00*	*0.00*	*1,200.00*	*1200.00*	*0.00*	*1,200.00*

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	Betting Shop		1250.00	0.00	1,250.00	1250.00	0.00	1,250.00
	Adult Gaming Centre		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	Provisional Statement Applications							
	Bingo		3500.00	0.00	3,500.00	3500.00	0.00	3,500.00
	Betting Shop		3000.00	0.00	3,000.00	3000.00	0.00	3,000.00
	Adult Gaming Centre		2000.00	0.00	2,000.00	2000.00	0.00	2,000.00
	Track		2500.00	0.00	2,500.00	2500.00	0.00	2,500.00
	Family Entertainment Centre		2000.00	0.00	2,000.00	2000.00	0.00	2,000.00
	Transfer Applications							
	Bingo		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Betting Shop		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Adult Gaming Centre		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	Reinstatement Applications							
	Bingo		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Betting Shop		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Adult Gaming Centre		1200.00	0.00	1,200.00	1200.00	0.00	1,200.00
	Track		950.00	0.00	950.00	950.00	0.00	950.00
	Family Entertainment Centre		950.00	0.00	950.00	950.00	0.00	950.00
	Variation Applications							
	Bingo		1750.00	0.00	1,750.00	1750.00	0.00	1,750.00
	Betting Shop		1500.00	0.00	1,500.00	1500.00	0.00	1,500.00
	Adult Gaming Centre		1000.00	0.00	1,000.00	1000.00	0.00	1,000.00
	Track		1250.00	0.00	1,250.00	1250.00	0.00	1,250.00
	Family Entertainment Centre		1000.00	0.00	1,000.00	1000.00	0.00	1,000.00
	Annual Fees							
	Bingo		870.00	0.00	870.00	870.00	0.00	870.00
	Betting Shop		470.00	0.00	470.00	470.00	0.00	470.00
	Adult Gaming Centre		840.00	0.00	840.00	840.00	0.00	840.00
	Track		1000.00	0.00	1,000.00	1000.00	0.00	1,000.00
	Family Entertainment Centre		750.00	0.00	750.00	750.00	0.00	750.00
	Notification of Change of Circumstances		37.00	0.00	37.00	37.00	0.00	37.00
	Request for copy of Premises Licence		25.00	0.00	25.00	25.00	0.00	25.00
	GAMBLING ACT 2005 - FEES AND EXEMPTIONS (STATUTORY FEE VAT exempt)							
	Alcohol Licensed Premises Gaming Machine Permit Fees							
	New		150.00	0.00	150.00	150.00	0.00	150.00
	New Existing S34 Permit holder (more than 2 machines)		100.00	0.00	100.00	100.00	0.00	100.00
	Variation of information on permit e.g. number of machines		100.00	0.00	100.00	100.00	0.00	100.00
	Notification of 2 machines or less (new & existing)		50.00	0.00	50.00	50.00	0.00	50.00
	Transfer - If transfer of Premises Licence to sell alcohol granted		25.00	0.00	25.00	25.00	0.00	25.00
	Name change i.e. new married name etc.		25.00	0.00	25.00	25.00	0.00	25.00
	Replacement permit		15.00	0.00	15.00	15.00	0.00	15.00
	Annual fee (payable by premises with three or more machines)		50.00	0.00	50.00	50.00	0.00	50.00

Section Reference	Italics denotes statutory fees	Service is VATABLE	LONDON BOROUGH OF ENFIELD					
			REGENERATION & ENVIRONMENT DEPARTMENT			REGENERATION & ENVIRONMENT DEPARTMENT		
			AGREED CHARGES 2014/15			PROPOSED CHARGES 2015/16		
	Description of Fees & Charges		Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
	Club Gaming & Club Gaming Machine Permit Fees							
	New		*200.00*	*0.00*	*200.00*	*200.00*	*0.00*	*200.00*
	New Existing Part II or Part III Gaming Act 1968 registrations		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	New (fast track) holder of Club Premises Certificate under Licensing Act 2003		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	Renewal		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	Variation		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	Replacement permit		*15.00*	*0.00*	*15.00*	*15.00*	*0.00*	*15.00*
	Annual fee		*50.00*	*0.00*	*50.00*	*50.00*	*0.00*	*50.00*
	Unlicensed Family Entertainment Centre Gaming Machine Permit Fees							
	New		*300.00*	*0.00*	*300.00*	*300.00*	*0.00*	*300.00*
	New Existing Part II and Part III Gaming Act 1968 registrations		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	Renewal		*300.00*	*0.00*	*300.00*	*300.00*	*0.00*	*300.00*
	Change of Name		*25.00*	*0.00*	*25.00*	*25.00*	*0.00*	*25.00*
	Replacement permit		*15.00*	*0.00*	*15.00*	*15.00*	*0.00*	*15.00*
	Prize Gaming Permit Fees							
	New		*300.00*	*0.00*	*300.00*	*300.00*	*0.00*	*300.00*
	New Existing Section 16 Lotteries & Amusement Act 1976 Permit holder		*100.00*	*0.00*	*100.00*	*100.00*	*0.00*	*100.00*
	Renewal (every 10 years)		*300.00*	*0.00*	*300.00*	*300.00*	*0.00*	*300.00*
	Change of name		*25.00*	*0.00*	*25.00*	*25.00*	*0.00*	*25.00*
	Replacement permit		*15.00*	*0.00*	*15.00*	*15.00*	*0.00*	*15.00*
	Temporary Use Notice		*250.00*	*0.00*	*250.00*	*250.00*	*0.00*	*250.00*
	Small Society Lotteries							
	New		*40.00*	*0.00*	*40.00*	*40.00*	*0.00*	*40.00*
	Annual fee		*20.00*	*0.00*	*20.00*	*20.00*	*0.00*	*20.00*
40	**STREET CLEANING**							
40a	**Flytip removals from private land**							
	Flytip removals from private land - small items - first hour only	V	111.25	22.25	133.50	Price on application		
	Flytip removals from private land - large items - first hour only	V	157.50	31.50	189.00	Price on application		
	Area cleansing - Deep clean, clearance and/or tidy - first hour only	V	111.25	22.25	133.50	Price on application		
	Admin Charge (charge shall apply per job request)	V	37.08	7.42	44.50	Price on application		
	Removal of Supermarket Trolleys							
	Removal of abandoned trolley from land and Return to stores or disposal:							
	Cost per trolley (Up to 10 trolleys)	V	24.58	4.92	29.50	25.00	5.00	30.00
	Cost per trolley (Over 10 trolleys)	V	Special Charges apply			Special Charges apply		
	Cost of storage after notification (per day per trolley) (maximum 6 weeks before automatic disposal)	V	1.67	0.33	2.00	1.67	0.33	2.00
	Administrative fee per transaction	V	37.08	7.42	44.50	38.00	7.60	45.60

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			REGENERATION & ENVIRONMENT DEPARTMENT			REGENERATION & ENVIRONMENT DEPARTMENT		
			AGREED CHARGES 2014/15			PROPOSED CHARGES 2015/16		
			Basic	VAT@ 20%	Total	Basic	VAT@ 20%	Total
43	**TRANSPORTATION PLANNING**							
	Monitoring outputs of travel plans secured by S106 Obligations		3,530.00	0.00	3,530.00	3,620.00	0.00	3,620.00
44	**SAFETY CERTIFICATES FOR SPORTS GROUNDS**							
	Sports Grounds:							
	Application for a sport ground safety certificate		2,000.00	0.00	2,000.00	2,050.00	0.00	2,050.00
	Application to change a safety certificate for a sports ground		1,500.00	0.00	1,500.00	1,538.00	0.00	1,538.00
	Regulated Stands at sports grounds:							
	Application to certify a regulated stand at a sports ground		1500.00	0.00	1,500.00	1,538.00	0.00	1,538.00
	Application to change a safety certificate for a regulated stand at a sports ground		1000.00	0.00	1,000.00	1,025.00	0.00	1,025.00
45	***ENVIRONMENTAL PERMITTING (PPC)***							
	Statutory fee (set by DEFRA)							
45a	***LAPPC Application Fees:***							
	Application for an environmental permit part B - Standard Activities		*1,579.00*	*0.00*	*1,579.00*	*1,579.00*	*0.00*	*1,579.00*
	Additional Fee for operating without a permit		*1,137.00*	*0.00*	*1,137.00*	*1,137.00*	*0.00*	*1,137.00*
	PVRI, SWOB and Dry Cleaners Reduced Fee Activities		*148.00*	*0.00*	*148.00*	*148.00*	*0.00*	*148.00*
	PVRI & II Combined		*246.00*	*0.00*	*246.00*	*246.00*	*0.00*	*246.00*
	VRs and Other Reduced Fee Activities		*346.00*	*0.00*	*346.00*	*346.00*	*0.00*	*346.00*
	Reduced fee activities: Additional fee for operating without a permit		*68.00*	*0.00*	*68.00*	*68.00*	*0.00*	*68.00*
	Mobile screening and crushing plant		*1,579.00*	*0.00*	*1,579.00*	*1,579.00*	*0.00*	*1,579.00*
	Application fee for mobile crusher3rd - 7th Permit		*943.00*	*0.00*	*943.00*	*943.00*	*0.00*	*943.00*
	Application fee for mobile crusher 8th Permit and higher		*477.00*	*0.00*	*477.00*	*477.00*	*0.00*	*477.00*
	Where an application for any of the above is for a combined Part B and waste application, add an extra £297 to the above amounts		*297.00*	*0.00*	*297.00*	*297.00*	*0.00*	*297.00*
45b	***LAPPC Annual Subsistence Charge***							
	Standard Processes- Low Risk		*739.00*	*0.00*	*739.00*	*739.00*	*0.00*	*739.00*
	Standard Processes- Low Risk - Additional charge where a permit is for a combined Part B & Waste installation		*99.00*	*0.00*	*99.00*	*99.00*	*0.00*	*99.00*
	Standard Processes- Medium Risk		*1,111.00*	*0.00*	*1,111.00*	*1,111.00*	*0.00*	*1,111.00*
	Standard Processes- Medium Risk - Additional charge where a permit is for a combined Part B & Waste installation		*149.00*	*0.00*	*149.00*	*149.00*	*0.00*	*149.00*
	Standard Processes- High Risk		*1,672.00*	*0.00*	*1,672.00*	*1,672.00*	*0.00*	*1,672.00*
	Standard Processes- High Risk - Additional charge where a permit is for a combined Part B & Waste installation		*198.00*	*0.00*	*198.00*	*198.00*	*0.00*	*198.00*
	Annual Subsistence Fee - Reduced Fee Activity - Low Risk		*76.00*	*0.00*	*76.00*	*76.00*	*0.00*	*76.00*
	Annual Subsistence Fee - Reduced Fee Activity - Medium Risk		*151.00*	*0.00*	*151.00*	*151.00*	*0.00*	*151.00*
	Annual Subsistence Fee - Reduced Fee Activity - High Risk		*227.00*	*0.00*	*227.00*	*227.00*	*0.00*	*227.00*
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Low Risk		*108.00*	*0.00*	*108.00*	*108.00*	*0.00*	*108.00*
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -Medium Risk		*216.00*	*0.00*	*216.00*	*216.00*	*0.00*	*216.00*
	Annual Subsistence Fee - Reduced Fee Activity PVR I+II -High Risk		*326.00*	*0.00*	*326.00*	*326.00*	*0.00*	*326.00*
	Annual Subsistence Fee - Vehicle Respraying - Low Risk		*218.00*	*0.00*	*218.00*	*218.00*	*0.00*	*218.00*
	Annual Subsistence Fee - Vehicle Respraying - Medium Risk		*349.00*	*0.00*	*349.00*	*349.00*	*0.00*	*349.00*
	Annual Subsistence Fee - Vehicle Respraying - High Risk		*524.00*	*0.00*	*524.00*	*524.00*	*0.00*	*524.00*
	Annual Subsistence Fee - Mobile Crushing - Low Risk		*618.00*	*0.00*	*618.00*	*618.00*	*0.00*	*618.00*
	Annual Subsistence Fee - Mobile Crushing - Medium Risk		*989.00*	*0.00*	*989.00*	*989.00*	*0.00*	*989.00*
	Annual Subsistence Fee - Mobile Crushing - High Risk		*1,484.00*	*0.00*	*1,484.00*	*1,484.00*	*0.00*	*1,484.00*
	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Low Risk		*368.00*	*0.00*	*368.00*	*368.00*	*0.00*	*368.00*

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	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - Medium Risk		*590.00*	*0.00*	*590.00*	*590.00*	*0.00*	*590.00*
	Annual Subsistence Fee - Mobile Crushing 3rd - 7th Permits - High Risk		*884.00*	*0.00*	*884.00*	*884.00*	*0.00*	*884.00*
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - Low Risk		*189.00*	*0.00*	*189.00*	*189.00*	*0.00*	*189.00*
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - Medium Risk		*302.00*	*0.00*	*302.00*	*302.00*	*0.00*	*302.00*
	Annual Subsistence Fee - Mobile Crushing 8th & subsequent permits - High Risk		*453.00*	*0.00*	*453.00*	*453.00*	*0.00*	*453.00*
	Late payment fee		*50.00*	*0.00*	*50.00*	*50.00*	*0.00*	*50.00*
	Where a Part B installation is subject to reporting under E-PRTR Regulation add an extra £99 to the above amounts		*99.00*	*0.00*	*99.00*	*99.00*	*0.00*	*99.00*
	Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36							
45c	***Transfer & Surrender***							
	Standard process transfer		*162.00*	*0.00*	*162.00*	*162.00*	*0.00*	*162.00*
	Standard process partial transfer		*476.00*	*0.00*	*476.00*	*476.00*	*0.00*	*476.00*
	New operator at low risk reduced fee activity		*75.00*	*0.00*	*75.00*	*75.00*	*0.00*	*75.00*
	Surrender: all Part B activities		*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
	Reduced fee activities: transfer		*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
	Reduced fee activities: partial transfer		*45.00*	*0.00*	*45.00*	*45.00*	*0.00*	*45.00*
	Temporary transfer for mobiles: first transfer		*51.00*	*0.00*	*51.00*	*51.00*	*0.00*	*51.00*
	Temporary transfer for mobiles: repeat following enforcement or warning		*51.00*	*0.00*	*51.00*	*51.00*	*0.00*	*51.00*
45d	***Substantial Change***							
	Standard process		*1,005.00*	*0.00*	*1,005.00*	*1,005.00*	*0.00*	*1,005.00*
	Standard process where the substantial change results in a new PPC activity		*1,579.00*	*0.00*	*1,579.00*	*1,579.00*	*0.00*	*1,579.00*
	Reduced fee activities		*98.00*	*0.00*	*98.00*	*98.00*	*0.00*	*98.00*
45e	***LA-IPPC Charges:***							
	Application		*3,218.00*	*0.00*	*3,218.00*	*3,218.00*	*0.00*	*3,218.00*
	Additional fee for operating without a permit		*1,137.00*	*0.00*	*1,137.00*	*1,137.00*	*0.00*	*1,137.00*
	Annual subsistence fee: Low risk		*1,384.00*	*0.00*	*1,384.00*	*1,384.00*	*0.00*	*1,384.00*
	Annual subsistence fee: Medium risk		*1,541.00*	*0.00*	*1,541.00*	*1,541.00*	*0.00*	*1,541.00*
	Annual subsistence fee: High risk		*2,233.00*	*0.00*	*2,233.00*	*2,233.00*	*0.00*	*2,233.00*
	Late payment fee		*50.00*	*0.00*	*50.00*	*50.00*	*0.00*	*50.00*
	Substantial variation		*1,309.00*	*0.00*	*1,309.00*	*1,309.00*	*0.00*	*1,309.00*
	Transfer		*225.00*	*0.00*	*225.00*	*225.00*	*0.00*	*225.00*
	Partial transfer		*668.00*	*0.00*	*668.00*	*668.00*	*0.00*	*668.00*
	Surrender		*668.00*	*0.00*	*668.00*	*668.00*	*0.00*	*668.00*
	Where subsistence charges are paid in four equal instalments the total amount payable is increased by £36							
46	**STRAY DOGS SERVICE**							
	Reclaim of a stray dog:							
	Statutory Fee		*25.00*	*0.00*	*25.00*	*25.00*	*0.00*	*25.00*
	Kennelling fee (per day)		20.00	0.00	20.00	20.00	0.00	20.00
	Seizure fee		80.00	0.00	80.00	88.00	0.00	88.00
	Veterinary fees(Depends on any treatment that is needed)		Price on application			Price on application		
47	**PARKS AND OUTDOOR FACILITIES**							
	Charges marked ** do not include VAT, which will be added in certain circumstances in accordance with VAT Regulations							

Section Reference	*Italics denotes statutory fees* / Description of Fees & Charges	Service is VATABLE	LONDON BOROUGH OF ENFIELD REGENERATION & ENVIRONMENT DEPARTMENT AGREED CHARGES 2014/15 Basic	VAT@ 20%	Total	REGENERATION & ENVIRONMENT DEPARTMENT PROPOSED CHARGES 2015/16 Basic	VAT@ 20%	Total
	Public Liability Insurance is not included in these charges.							
	IN COMMEMORATION							
	Sponsor the planting of a tree	V	416.67	83.33	500.00	433.33	86.67	520.00
	Bench or Tree plaque & Fixing	V	112.50	22.50	135.00	116.67	23.33	140.00
	Memorial Bench	V	691.67	138.33	830.00	708.33	141.67	850.00
	CRICKET **							
	Season bookings can be made for 10 or 20 matches							
	Grade 1 - Saturdays (10 Matches)		585.00	0.00	585.00	600.00	0.00	600.00
	Grade 1 - Sundays (10 Matches)		645.00	0.00	645.00	655.00	0.00	655.00
	Grade 2 - Saturdays or Sundays (10 Matches)		495.00	0.00	495.00	510.00	0.00	510.00
	Casual matches, per day							
	Grade 1	V	70.83	14.17	85.00	75.00	15.00	90.00
	Grade 2	V	58.33	11.67	70.00	62.50	12.50	75.00
	BASEBALL – Enfield Playing Fields							
	Grade 1 (inc changing rooms & showers) Sat or Sun per session	V	33.33	6.67	40.00	41.67	8.33	50.00
	FISHING (15 June - 15 March)							
	Grovelands Park & Trent Country Park							
	Licensed adult, per day	V	6.25	1.25	7.50	6.67	1.33	8.00
	Licensed junior, per day	V	FREE			FREE		
	Season Ticket - adult	V	45.83	9.17	55.00	50.00	10.00	60.00
	Season Ticket - junior	V	FREE			FREE		
	FOOTBALL / GAELIC FOOTBALL / RUGBY **							
	Season bookings can be made for 16 or 32 games							
	SENIOR							
	Grade 1 - Saturdays (16 games)		680.00	0.00	680.00	680.00	0.00	680.00
	Grade 1 - Sundays (16 games)		785.00	0.00	785.00	785.00	0.00	785.00
	Grade 2 - Saturdays (16 games)		450.00	0.00	450.00	450.00	0.00	450.00
	Grade 2 - Sundays (16 games)		490.00	0.00	490.00	490.00	0.00	490.00
	Casual matches, per match							
	Grade 1 Saturday	V	70.83	14.17	85.00	72.50	14.50	87.00
	Grade 1 Sunday	V	77.50	15.50	93.00	79.17	15.83	95.00
	Grade 2 Saturday	V	51.67	10.33	62.00	53.33	10.67	64.00
	Grade 2 Sunday	V	56.67	11.33	68.00	58.33	11.67	70.00
	JUNIOR							
	Grade 2 - Saturdays or Sundays (16 games)		260.00	0.00	260.00	260.00	0.00	260.00
	Casual matches, per match							
	Grade 2	V	29.17	5.83	35.00	30.00	6.00	36.00
	Mini-Soccer							
	Every Saturday or Sunday (32 Matches)		330.00	0.00	330.00	330.00	0.00	330.00
	Casual, per match	V	13.75	2.75	16.50	14.17	2.83	17.00

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	5-a-side Football, per pitch, casual							
	Casual, per match	V	13.75	2.75	16.50	14.08	2.82	16.90
	Every Saturday or Sunday (32 Matches)		330.00	0.00	330.00	330.00	0.00	330.00
	9-a-side Football, per pitch							
	Grade 2 - Saturdays / Sundays (16 games)		375.00	0.00	375.00	375.00	0.00	375.00
	Grade 2 Saturday /Sunday, casual	V	43.33	8.67	52.00	44.17	8.83	53.00
	Floodlit Training - Henry Barrass Stadium, per hour							
	Available Mon/Tues/Wed/Thurs 6-9pm for 32 games		835.00	0.00	835.00	855.00	0.00	855.00
	Post Football litter clearance	V	41.67	8.33	50.00	43.33	8.67	52.00
	GOLF (WHITEWEBBS)							
	Golf Card: Adults only							
	5 day Season	V	49.17	9.83	59.00	50.00	10.00	60.00
	Weekday per round discount for Golf card holders (5 day season)	V	2.92	0.58	3.50	2.92	0.58	3.50
	Maximum total payment (5 day season)	V	471.25	94.25	565.50	471.25	94.25	565.50
	Annual Season Tickets:							
	7 Days play	V	529.17	105.83	635.00	541.67	108.33	650.00
	5 Days play excluding week-ends	V	354.17	70.83	425.00	375.00	75.00	450.00
	Introductory 1st year rate	V				458.33	91.67	550.00
	Green fees:							
	Standard weekday (Adults)	V	13.75	2.75	16.50	14.17	2.83	17.00
	Standard weekend (Adults)	V	18.33	3.67	22.00	19.17	3.83	23.00
	Early bird weekends only (before 7am)	V	12.50	2.50	15.00	12.50	2.50	15.00
	Standard weekday (Adults) - loyalty offer six rounds for price of five		New			New		
	Winter Green fee off-peak	V				8.75	1.75	10.50
	Weekend off peak ticket (variable times through year)	V	14.58	2.92	17.50	15.00	3.00	18.00
	Weekday off peak ticket (variable times through year)	V	8.75	1.75	10.50	8.75	1.75	10.50
	Juniors weekday	V	6.25	1.25	7.50	6.25	1.25	7.50
	Juniors weekend (variable times throughout year)	V	7.50	1.50	9.00	7.50	1.50	9.00
	Twilight ticket (2pm GMT 4pm BST)	V	8.75	1.75	10.50	8.75	1.75	10.50
	60+ Monday to Thursday	V	9.17	1.83	11.00	9.17	1.83	11.00
	Super Twilight ticket 2 hours before dusk(BST)	V	5.42	1.08	6.50	5.83	1.17	7.00
	Golf Lessons							
	Adult per half hour	V	15.00	3.00	18.00	15.42	3.08	18.50
	Adult per 60 mins	V	23.33	4.67	28.00	25.00	5.00	30.00
	Up to 3 adults sessions per half hour	V	41.67	8.33	50.00	42.67	8.53	51.20
	Up to 3 adults sessions per 60 mins	V	62.50	12.50	75.00	64.08	12.82	76.90
	Up to 5 adults sessions per half hour	V	67.08	13.42	80.50	68.83	13.77	82.60
	Up to 5 adults sessions per 60 mins	V	98.33	19.67	118.00	100.83	20.17	121.00
	Juniors 5 - 8 yrs per hour group lessons only (min 8 persons)	V	3.33	0.67	4.00	3.42	0.68	4.10
	Juniors 9 - 12 yrs per hour group lessons only (min 8)	V	4.17	0.83	5.00	4.33	0.87	5.20
	Juniors 13 - 18 yrs per hour group lessons only (min 8)	V	5.00	1.00	6.00	5.08	1.02	6.10
	Equipment Hire							
	Buggy Hire - Peak	V	16.25	3.25	19.50	16.67	3.33	20.00

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	Buggy Hire - Off Peak	V	New			8.33	1.67	10.00
	Buggy Hire 9 holes	V	8.75	1.75	10.50	9.00	1.80	10.80
	Trolley hire - 18 holes	V	2.92	0.58	3.50	3.00	0.60	3.60
	Club hire - 18 holes (13 clubs)	V	5.00	1.00	6.00	5.08	1.02	6.10
	Golf Society Days							
	Spoon	V	33.75	6.75	40.50	34.58	6.92	41.50
	Brassie	V	27.50	5.50	33.00	28.17	5.63	33.80
	Mashie	V	25.83	5.17	31.00	26.50	5.30	31.80
	Niblick	V	23.34	4.66	28.00	23.94	4.66	28.60
	NETBALL**							
	Adult Teams per court, per hour (incl changing rooms & showers)	V	12.08	2.42	14.50	12.50	2.50	15.00
	Junior Teams per court, per hour (incl changing rooms & showers)	V	8.33	1.67	10.00	8.75	1.75	10.50
	PUTTING (Grovelands Park)							
	Per person per round, adult		Free			Free		
	Per person per round, junior		Free			Free		
	60+ (Mon-Fri) per round		Free			Free		
	Putter and Ball		Free			Free		
	ROUNDERS							
	Per match (all Parks sites)	V	10.83	2.17	13.00	11.25	2.25	13.50
	ATHLETIC TRACK-QEII							
	Per hour (Mon- Friday)	V	27.50	5.50	33.00	27.92	5.58	33.50
	HIRE OF PITCHES FOR SCHOOLS							
	(the charges are normally VATable but the supply to LBE maintained schools is outside the scope of VAT)							
	FOOTBALL							
	Junior Pitch	V	14.17	2.83	17.00	20.00	4.00	24.00
	Senior Pitch	V	26.67	5.33	32.00	39.17	7.83	47.00
	NETBALL	V	7.92	1.58	9.50	8.75	1.75	10.50
	ROUNDERS	V	6.25	1.25	7.50	6.67	1.33	8.00
	RUGBY							
	Senior Pitch	V	26.67	5.33	32.00	39.17	7.83	47.00
	Athletics							
	Per hour (Mon- Friday)	V	27.50	5.50	33.00	27.92	5.58	33.50
48	**CEMETERY CHARGES**							
	The service is non-business for VAT where marked * i.e. no VAT to be charged.							
	INTERMENT FEES							
	RESIDENTS							

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	Note regarding resident fees: To qualify for the residency rate proof of residency of the deceased and the proposed registered owner must be provided at time of booking otherwise non resident fees will be charged Current Council tax bill or electoral roll.							
	0-2 years		Waived			Waived		
	Over 2 years		495.00	0.00	495.00	510.00	0.00	510.00
	NON RESIDENTS							
	0-2 years		265.00	0.00	265.00	270.00	0.00	270.00
	Over 2 years		1,455.00	0.00	1,455.00	1,530.00	0.00	1,530.00
	DIGGING FEES							
	Depth:							
	6'0" (Aged 2 years and under - fee waived for residents only)		520.00	0.00	520.00	535.00	0.00	535.00
	7'6"		610.00	0.00	610.00	630.00	0.00	630.00
	9'0"		805.00	0.00	805.00	830.00	0.00	830.00
	10'6"		905.00	0.00	905.00	930.00	0.00	930.00
	12'0"		995.00	0.00	995.00	1,020.00	0.00	1,020.00
	14'0"		1,225.00	0.00	1,225.00	1,260.00	0.00	1,260.00
	Caskets (Extra)		230.00	0.00	230.00	240.00	0.00	240.00
	SCATTERING OF CREMATED REMAINS ON GRAVES		44.00	0.00	44.00	46.00	0.00	46.00
	BURIAL OF CREMATED REMAINS IN GRAVES		230.00	0.00	230.00	240.00	0.00	240.00
	BURIAL OF CREMATED REMAINS IN COFFIN		130.00	0.00	130.00	133.30	0.00	133.30
	CHAPEL (per half hour)		100.00	0.00	100.00	105.00	0.00	105.00
	Soil Box service (extra)					40.00	0.00	40.00
	Rose Petal service					85.00	0.00	85.00
	GREEN BURIALS		As for Grave digging			As for Grave digging		
	TREE PLANTING ASSOCIATED WITH GREEN BURIALS		At cost			At cost		
	ABOVE CHARGES FOR NON RESIDENTS		Treble fee			Treble fee		
	Except in cases where the deceased person meets one of the following criteria. Criterion 1 - where there is a substantial residence in the Borough of not less than 10 years on the part of the Deceased and that they have moved away from the Borough not more than 10 years before date of death. Criterion 2 - where the deceased was the registered owner of the grave.		Exception applies - See note			Exception applies - See note		
	PRIVATE GRAVES **(exclusive right of burial 100 years)**							
	(Charge includes £42.00 for Grave Deed)							
	Reservation fee for Traditional graves [subject to location and availability].		320.00	0.00	320.00	350.00	0.00	350.00
	Buyback of Unused Traditional Graves		50% of current market value			50% of current market value		
	Baby Graves		335.00	0.00	335.00	345.00	0.00	345.00
	Traditional Grave 6' 6" x 2' 6"		2,995.00	0.00	2,995.00	3,250.00	0.00	3,250.00
	Lawn Grave (including base)		1,995.00	0.00	1,995.00	2,100.00	0.00	2,100.00
	Traditional Grave Outer Circle 9' x 4'		4,195.00	0.00	4,195.00	4,400.00	0.00	4,400.00
	Traditional Grave Inner Circle 9' x 4'		3,195.00	0.00	3,195.00	3,400.00	0.00	3,400.00
	MAINTENANCE on traditional graves							
	Tidying p.a. 6'6" x 2'6"	V	95.83	19.17	115.00	179.17	35.83	215.00
	Tidying p.a. 9'0" x 4'0"	V	145.83	29.17	175.00	258.33	51.67	310.00
	Planting twice 6'6" x 2'6	V	175.00	35.00	210.00	262.50	52.50	315.00
	Planting twice 9'0" x 4'0"	V	254.17	50.83	305.00	345.83	69.17	415.00

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	Purchase of ground surround at time of grave purchase	V		New		108.33	21.67	130.00
	Purchase of ground surround subsequent to burial	V		New		208.33	41.67	250.00
	Memorial bench with plaque including maintenance (10 years lease)	V				1,000.00	200.00	1,200.00
	MEMORIAL permit fees [Includes Replacement Memorials]							
	Up to 3'0" with headstone only		170.00	0.00	170.00	185.00	0.00	185.00
	Mini kerbs 1'6" x 2' 6"					70.00	0.00	70.00
	Kerbs only(Traditional)		170.00	0.00	170.00	185.00	0.00	185.00
	Up to 3'0" with headstone and kerb		240.00	0.00	240.00	270.00	0.00	270.00
	3'0" to 6'6" with headstone and kerb		350.00	0.00	350.00	380.00	0.00	380.00
	Up to 9'0"		690.00	0.00	690.00	740.00	0.00	740.00
	Inscription fee		65.00	0.00	65.00	75.00	0.00	75.00
	Vase		65.00	0.00	65.00	75.00	0.00	75.00
	Headstone and kerb for baby grave		1/2 above rates			1/2 above rates		
	EXHUMATION							
	Pricing is specific to individual grave.		Special charge			Special charge		
	COPY OF GRAVE DEED		42.00	0.00	42.00	43.00	0.00	43.00
	REGISTRATION OF TRANSFER OF RIGHTS:							
	Assignment or Probate		70.00	0.00	70.00	72.00	0.00	72.00
	Statutory Declaration		70.00	0.00	70.00	85.00	0.00	85.00
	SEARCH FEE PER ENTRY	V	10.00	2.00	12.00	15.00	3.00	18.00
	Grave inspection including photo or map	V				16.67	3.33	20.00
	GARDEN OF REMEMBRANCE							
	Scattering of cremated remains:							
	- resident		90.00	0.00	90.00	95.00	0.00	95.00
	- non-resident		Treble fee			Treble fee		
	Plaque	V	250.00	50.00	300.00	266.67	53.33	320.00
	Burial of cremated remains:							
	- resident		335.00	0.00	335.00	345.00	0.00	345.00
	- non-resident		Treble fee			Treble fee		
	Kerbside memorial plot							
	Exclusive Right of Burial site fee [50 years]			New		255.00	0.00	255.00
	Kerbside Memorial including plaque, inscription & vase	V		New		325.00	65.00	390.00
	The Book of Remembrance:							
	2 line entry	V	155.00	31.00	186.00	158.92	31.78	190.70
	5 line entry	V	215.00	43.00	258.00	220.42	44.08	264.50
	5 line entry with emblem	V	410.00	82.00	492.00	420.33	84.07	504.40

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	Remembrance card:							
	2 line entry	V	90.00	18.00	108.00	92.33	18.47	110.80
	5 line entry	V	125.00	25.00	150.00	128.08	25.62	153.70
	5 line entry with emblem	V	320.00	64.00	384.00	328.00	65.60	393.60
	GARDENS OF REST:							
	Exclusive Right of Burial site fee [50 years]		500.00	0.00	500.00	550.00	0.00	550.00
	Memorials		110.00	0.00	110.00	120.00	0.00	120.00
	Inscription fee		65.00	0.00	65.00	75.00	0.00	75.00
	Interment fees							
	- resident		240.00	0.00	240.00	250.00	0.00	250.00
	- non resident		Treble fee			Treble fee		
	Reservation Fee		180.00	0.00	180.00	190.00	0.00	190.00
	Extension of Lease - 5 years		130.00	0.00	130.00	150.00	0.00	150.00
	COMMON GRAVES							
	Contribution towards headstone	V	55.00	11.00	66.00	58.33	11.67	70.00
	Remove / replace headstone		80.00	0.00	80.00	90.00	0.00	90.00
	Remove / replace monument		220.00	0.00	220.00	250.00	0.00	250.00
	Boards	V	60.00	12.00	72.00	66.67	13.33	80.00
	Concrete Slab	V	120.00	24.00	144.00	125.00	25.00	150.00
	MAUSOLEUM/VAULTED BURIAL CHAMBER							
	Mausoleum Chamber (one interment)		7,000.00	0.00	7,000.00	8,000.00	0.00	8,000.00
	Double Vaulted Burial Chamber (for two interments)		5,800.00	0.00	5,800.00	6,800.00	0.00	6,800.00
	Keepsake Niche		850.00	0.00	850.00	900.00	0.00	900.00
	Interment fee		600.00	0.00	600.00	650.00	0.00	650.00
	Inscription fee per line	V	37.50	7.50	45.00	41.67	8.33	50.00
	Posy holder	V	16.67	3.33	20.00	To delete		
	Posy holder (Bronze) 12.5cm high	V				133.33	26.67	160.00
	Vase (Bronze) 16cm x 8cm x 9cm with plastic insert	V				154.17	30.83	185.00
	Motifs up to 200mm high	V	37.50	7.50	45.00	41.67	8.33	50.00
	Custom motif	V	POA			POA		
	Remove and refit charge	V	54.17	10.83	65.00	58.33	11.67	70.00
	Oval ceramic plaque 5cm x 7cm (colour)	V	66.67	13.33	80.00	70.83	14.17	85.00
	Oval ceramic plaque 5cm x 7cm (black and white)	V	45.83	9.17	55.00	50.00	10.00	60.00
	Oval ceramic plaque 7cm x 9cm (colour)	V				91.67	18.33	110.00
	Oval ceramic plaque 7cm x 9cm (black and white)	V				66.67	13.33	80.00
	Decorative Memorial Cross	V	150.00	30.00	180.00	158.33	31.67	190.00
	Decorative Candle Box	V	95.83	19.17	115.00	100.00	20.00	120.00
49	**EVENTS**							
	Funfairs							
	Per Operating Day (10 rides or more)		615.00	0.00	615.00	630.00	0.00	630.00
	Non Operating Day (10 rides or more)		300.00	0.00	300.00	300.00	0.00	300.00
	Per Operating Day (less than 9 rides)		565.00	0.00	565.00	580.00	0.00	580.00
	Non Operating Day (less than 9 rides)		250.00	0.00	250.00	255.00	0.00	255.00

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	Circus's							
	Per Operating Day		465.00	0.00	465.00	475.00	0.00	475.00
	Per Non Operating Day		200.00	0.00	200.00	205.00	0.00	205.00
	Commercial Events (inc Funfair and Circus's)							
	Administration Fee		155.00	0.00	155.00	158.00	0.00	158.00
	Small 50- 201 attendance							
	Per Operating Day		205.00	0.00	205.00	210.00	0.00	210.00
	Per Non Operating Day		100.00	0.00	100.00	105.00	0.00	105.00
	Medium Between 201-999 attendance							
	Per Operating Day		515.00	0.00	515.00	530.00	0.00	530.00
	Per Non Operating Day		250.00	0.00	250.00	255.00	0.00	255.00
	Large - Over 1000 attendance							
	Per Operating Day		775.00	0.00	775.00	790.00	0.00	790.00
	Per Non Operating Day		375.00	0.00	375.00	385.00	0.00	385.00
	Ticketed Events 15% of Gate Receipts							
	Community/Charities/Schools/Sporting/Internal departments							
	Administration Fee for events over 201 attendance		105.00	0.00	105.00	110.00	0.00	110.00
	75% Discount on Operating and Non Operating day							
	Ticketed Events - 9% of Gate Receipts for Community and Local Charities and internal departments							
	Ticketed Events - 10% of Gate Receipts for National Charities							
	Bonds							
	Funfair and Circus's		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
	Medium Events Over 500 -999attending		500.00	0.00	500.00	500.00	0.00	500.00
	Large Events 1000 – 5000 attending		2,000.00	0.00	2,000.00	2,000.00	0.00	2,000.00
	Extra Large Events 5001+ attending		5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00
	Activities - Private commercial Enfield based organisation (exercise/running classes) per day per park (annual fee)		150.00	0.00	150.00	153.00	0.00	153.00
	Activities - Charitable/Community (exercise/running classes) per day per park (annual fee)		100.00	0.00	100.00	102.50	0.00	102.50
	Activities - Private commercial National Organisation (exercise/running classes) per day per park (annual fee)		500.00	0.00	500.00	510.00	0.00	510.00
	Exemptions - Memorial /remembrance services		FREE			FREE		
	Post event parks staff clear up (per hour)	V	27.08	5.42	32.50	27.83	5.57	33.40
51	**ALLOTMENTS**							
	These charges require 1 year notice to allotment plot holders, therefore the proposed charges in this schedule relate to 2016/17. Allotment charges for 2015/16 were agreed at Full Council meeting in March 2014. They are shown below for the purpose of comparison.		**AGREED CHARGES FOR 2015/16**			**PROPOSED CHARGES FOR 2016/17**		
	Residents:							
	Grade A, 25 sq. metres (per pole)		10.00	0.00	10.00	10.50	0.00	10.50

Section Reference	*Italics denotes statutory fees*	Service is VATABLE	LONDON BOROUGH OF ENFIELD					
			REGENERATION & ENVIRONMENT DEPARTMENT			REGENERATION & ENVIRONMENT DEPARTMENT		
			AGREED CHARGES 2014/15			PROPOSED CHARGES 2015/16		
	Description of Fees & Charges		**Basic**	**VAT@ 20%**	**Total**	**Basic**	**VAT@ 20%**	**Total**
	Grade B, 25 sq. metres (per pole)		7.00	0.00	7.00	7.25	0.00	7.25
	Concessionary rate - age concession/low inc/unemployed (Enfield Residents only from 1 April 2012)		25% Reduction above			25% Reduction above		
	Water charge per pole		2.00	0.00	2.00	2.15	0.00	2.15
	Shed rentals		20.00	0.00	20.00	20.50	0.00	20.50
	Key deposits		5.00	0.00	5.00	10.00	0.00	10.00
	Plot deposit		15.00	0.00	15.00	20.00	0.00	20.00
	Non-Enfield Residents							
	Grade A, 25 sq. metres (per pole)		12.50	0.00	12.50	13.50	0.00	13.50
	Grade B, 25 sq. metres (per pole)		9.00	0.00	9.00	10.00	0.00	10.00
	Water charge per pole		2.00	0.00	2.00	2.15	0.00	2.15
	Shed rentals		25.00	0.00	25.00	25.50	0.00	25.50
	Key deposits		5.00	0.00	5.00	10.00	0.00	10.00
	Plot deposit		15.00	0.00	15.00	20.00	0.00	20.00

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Agenda Item 8

MUNICIPAL YEAR 2014/15 REPORT NO. 159A

Agenda – Part: 1	**Item:** 8

MEETING TITLE AND DATE:
CABINET– 11th February 2015
COUNCIL – 25th February 2015

JOINT REPORT OF:
Director of Health, Housing & Adult Social Care
Director of Finance, Resources and Customer services

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SUBJECT:
Housing Revenue Account Estimates 2015/16 and Rent Setting (HRA & Temporary Accommodation)
ALL WARDS

CABINET MEMBERS CONSULTED: CLLR OYKENER
CLLR STAFFORD

1. EXECUTIVE SUMMARY

1.1 This report sets out the proposed detailed budget for the Housing Revenue Account for 2015/16.

1.2 It also updates the 30 year HRA business plan and details the plan for the next 5 years to 2019/20.

1.3 Council (following recommendation by Cabinet) is asked to approve and the level of rents and service charges to be operative with effect from 6th April 2015 for Council tenants and for tenants in temporary accommodation.

2. RECOMMENDATIONS

Council is asked to agree (as recommended by Cabinet):

2.1 That the detailed revenue estimates of the Housing Revenue Account for 2015/16 be approved.

2.2 That the rents be increased in line with Government guidance and Enfield Council Rent Policy. This will result in an average increase of 2.2% for Enfield tenants.

2.3 That the level of service charges as set out in Paragraph 6.1 for those properties receiving the services be agreed for 2015/16.

2.4 That the proposals for increases in other income as detailed in Appendix 2 be agreed for 2015/16.

2.5 That the Temporary Accommodation rents as set out in Appendix 6 be agreed for 2015/16 and that the authority to review in the event of any changes be delegated to the Cabinet Member for Housing and Estate Regeneration and the Director of Health, Housing and Adult Social Care and the Cabinet member for Finance and Property Services and Director of Finance Resources and Customer Services.

2.6 That the total HRA capital programme of £52.7m be agreed for 2015/16 and a further 4 years.

2.7 That authority should be delegated to the Cabinet Member for Housing and Estate Regeneration and the Director of Health, Housing and Adult Social Care to approve tenders for Decent Homes and General Works.

3. BACKGROUND TO HRA BUSINESS PLAN

3.1 The Localism Act, replaced the current Housing Subsidy system with a system of HRA self financing which commenced from 1st April 2012.

3.2 The thirty year HRA business plan was approved by Cabinet in July 2012. The business plan is based on the following overarching assumptions:

- Rents will be increased in line with Government guidelines. The current guidance is for CPI (consumer price index) plus 1% (thus mirroring the assumptions in the government financial settlement).

- The Council is likely to borrow up to the HRA debt cap in the early years and after that it will set aside reserves to repay debt or actually repay debt. Any treasury management decisions will be taken within the context of protecting the council interests as a whole.

- The Council will improve or renew up to 19 estates over the next 30 years, six of which will happen in the first 10 years. (Alma, Dujardin Mews, New Avenue, Ladderswood, Small Sites and Highmead.)

- The Decent Homes backlog plus all elemental backlog will be cleared by the end of year 5 (March 2017).

3.3 The business plan also included a treasury management plan and details of planned capital expenditure.

3.4 The HRA business plan has been updated and submitted to Housing Board in July, September and December. This report updates the business plan which was submitted to Housing Board in December 2014.

3.5 The business plan was also subject to external review by Altair as reported to Housing Board in September 2014.

4. BACKGROUND TO RENTS and SERVICE CHARGES

4.1 Each year the Council is required by law to set the level of rents for Council dwellings for the forthcoming financial year after consultation with tenants. The decision must be taken early enough for tenants to be advised of any change at least 4 weeks prior to the date of that change.

4.2 Enfield Council's rent policy states that rents will be set in line with Government guidance. However this guidance is not mandatory, the Council has the freedom to establish a different rent policy. The impact of any change in policy will have a significant impact on the business plan.

4.3 Government rent policy guidance changed in 2013 and the Government recommended that rents should simply increase by CPI plus 1%. The Government guidance also states that the increase should be based on CPI as at the end of the previous September. CPI was 1.2% in September 2014.

4.4 Previously the Government recommended that Local Authority and Registered Social Landlord rents should be calculated using a formula based system.
Since 2003/04 Enfield rents have been calculated using this National social rents policy. The formula is based on:

- the market value of the property,
- average earnings for London manual workers
- the national average council rent
- the number of bedrooms in the property.

Rents have been increased in this way since 2003/4 and moved every year towards formula rents. The government's view was that most rents would have converged by the end of 2014/15. This is not the case with Enfield Council rents because rent increases were capped during the convergence period and a majority of rents have not yet converged although many are within £1 of the formula.

4.5 In addition to the rents, tenants may also be charged a service charge for certain communal services as appropriate. Government guidance gives some discretion over which services may be charged separately. The proposed charges for 2015/16 are shown in paragraph 6.1.

4.6 The Business plan assumes that rent will increase by CPI plus 1%, however the business plan also assumes that CPI will be 2% and it was only 1.2% in September 2014 and 0.5% in December.

5. PROPOSED RENT CHARGES FOR 2015/16

5.1 As outlined in Paragraph 4.3 it is recommended that the 2015/16 rents be increased in line with Government guidance. The rent increase for 2014/15 was based on an RPI inflation increase of 3.2%. The rent increase for 2015/16 is based on an inflation increase of 1.2%. This reflects CPI as at September 2014.

5.2 Appendix 5 shows examples of the proposed rents for 2015/16 for different property types and sizes across the Borough. It should be noted that these will vary for each tenant.

6. PROPOSED SERVICE CHARGES FOR 2015/16

6.1 It is recommended that the following service charges be made to those tenants in receipt of the services listed below

TABLE 1 – PROPOSED SERVICE CHARGES 2015/16

	Charge per week 2014/15 £	**Charge per week 2015/16 £**
Caretaking level (1) (non resident)	3.04	3.19
Caretaking level (2) (resident)	4.90	5.18
Caretaking level (2) Sheltered	From 1.42 to 3.11	From 1.45 to 3.18
Cleaning level (2) Sheltered	1.75	1.79
Cleaning level (3) Sheltered	2.50	2.56
Concierge	10.61	10.61
Grounds maintenance	1.25	1.25
CCTV	1.37	1.37
Communal electricity for lighting/lifts/door entry	N/A	From 0.15 to 3.00

6.2 These charges aim to recover the full cost of the service. Concierge, Grounds Maintenance and CCTV charges have remained the same and reflect the cost of the current contracts. There has been an increase in caretaking and cleaning due to the provision of an enhanced service and inflation.

6.3 It is proposed to introduce a new service charge for 2015/16. This charge will be for communal electricity for lighting, lifts and door entry schemes. Most London councils already charge for this service. The costs will be calculated on a block by block basis and based on the actual bill for that block. The charge will be capped at £3 per week. A majority of charges will be around £1.10 per week. This charge is eligible for Housing Benefit.

6.4 In addition to the above, water and sewerage charges will continue to be collected through the rents on behalf of the water authorities.

6.5 It is proposed that garage rents will increase by the same percentage as housing rents 2.2% (details in Appendix 2). This is in line with previous rent setting practise.

7. LEASEHOLDER SERVICE CHARGES

7.1 Details of estimated service charges for leaseholders are included at Appendix 4. This Appendix includes an estimate of all charges to leaseholders.

7.2 The administrative fee proposed for 2015/16 is £200.97 per leasehold unit; this is a 0.98% increase from 2014/15.

7.3 The charges outlined in section 6 have also been built in to the expected income from leaseholders where appropriate.

8 HEATING CHARGES

8.1 **General Heating Costs**

All Energy costs (Electricity, Gas & Fuel Oil) for 2015/16 are estimated to remain the same as 2014/15 charges. These are the estimated costs from our Energy Management Unit and Corporate procurement Team and are based on estimated price increases from the buying agents "LASER".

8.2 **Gas Sheltered Housing (Individual Block Charge)**

This method of charging for Sheltered Housing Tenants in blocks heated by gas was implemented from the beginning of April 2013. These tenants ceased being part of the fund from April 2013 but instead were charged on a block by block basis. These charges reduced in 2014/15 and will reduce further in 2015/16. The charges will be in the range £4.06 to £14.59 per week dependent on the average energy bills for the block for the last three years.

8.3 **Main Fund for residents receiving Electric heating and Oil heated Pruden Close (Pooled charge)**

The Gas sheltered housing charges were a pilot scheme in 2013/14 and this will be extended to all residents in the main heating fund. All residents will be charged on a block by block basis. This will lead to decreases in the charges for a majority of tenants. A small number of tenants will have their charges frozen at existing levels but there will be no increases for 2015/16. It is proposed that the change is introduced over two years. The average cost will reduce by 10% in 2015/16, this is based on the average energy bills for the blocks for last three years and most show a reduction in usage.

8.4 **Alma and Bliss and Purcell (Gas Heated)**

There are no proposals to increase heating charges at Alma and Bliss and Purcell as the Energy Management unit has advised that there will be a 0% increase in gas prices from 1st October 2014 as advised by our buying agents "LASER".

8.5 **Scott House (Gas heated)**

It is proposed to amend the method for charging heating for Scott House tenants and leaseholders as the heating system changes from fuel oil to gas supply. All flats will pay a standing charge of **£3.95 per week** to cover the costs of Wilson Energy systems and of LBE's Energy Management unit's administration costs. The standing charge for leaseholders will be subject to consultation. This block was removed from the heating fund pooled charge from 7th April 2014 and tenants

and leaseholders will pay for the amounts used by using a card system for the purchase of heating. The card charge will be **£0.1108** per kilowatt hour.

8.6 **Curtis House and other Ladderswood Properties** including Betspath, Lorne, Danford, Roberts and Mason Houses. (Oil Heated)
Fuel oil charges on these properties will remain the same as 2013/14 as the estate is decanted. The boiler at Curtis house has been already decommissioned in 2014/15. Danford, and Mason House is also to be decommissioned and tenants will move to individual electrical heating systems. The Lorne and Roberts blocks have already been moved to communal Gas heating system and Betspath block have also been moved to individual gas heating systems.

9. TEMPORARY ACCOMMODATION RENTS

Temporary Accommodation (TA) rents are set at Local Housing Allowance rate for the size of property in January 2011 less 10%, plus a flat rate management fee of £40 per week. The rents have not changed from 2014/15. The cap of £375 per week continues to limit rents for 4 and 5 bedroom accommodation. For any placed in TA outside of Enfield the rents are calculated at 90% of Local Housing Allowance plus £40. TA rents proposed for 2015/16 are attached at Appendix 6.

10. COMMUNITY HALLS RENTS

It is proposed that community halls rents be increased by £1 per hour for the basic rate and £1.80 per hour for the higher rate. (This equates to 7.6%). The responsibility for the collection of rents from Community Halls is currently with Enfield Homes and will be with the council from April 2015.

11. HRA 30 YEAR BUSINESS PLAN

11.1 The overarching assumptions for the HRA business plan are set out in Section 3. Table 2 sets out the assumptions made in compiling the medium term and budget projections.

TABLE 2 – BUSINESS PLAN ASSUMPTIONS

	Assumption	
Inflation on supplies and services	2.5% RPI	Although the business plan assumes this increase the detailed budget has not been inflated apart from the 1% increase for the pay award and this has contributed to the efficiency savings
Rent Increases	CPI plus 1%	CPI assumed as 2% although the actual used for 2015/16 is 1.2%

R&M cost increases	0%	Due to retendering of the contract significant savings of £1m are anticipated and inflation has not been added to the budget.
Garage income	2.2%	In line with rent increase of 2.2%
RTB	200 for 15/16 100 for 16/17 and 17/18 30 thereafter	Based on 200 expected sales in 2014/15
Management costs (previously Enfield Homes management fee)	3% reduction	Business plan assumption for next 3 years
Interest rate on borrowing	5.5% on existing debt 3.48% on self financing debt 4% on new debt	Reflects actual debt costs and estimates from Treasury Management
Interest rate on balances	0.75%	Estimated LIBID rate

11.2 The key issue for the HRA business plan is the increase in the number of RTBs. There are estimated to be 200 in 2014/15 and a similar number are projected for 2015/16. The Council has opted to retain the receipts for 1-4-1 replacement, however in order to do so must meet certain criteria. The Council (or another provider) must match fund the receipt, the receipt can only be 30% of expenditure and the receipt must be spent within 3 years.

11.3 Some of the estate renewal projects meet the criteria for use of RTB receipts but a majority do not because they are about re providing existing dwellings and not additionality. The consequence of this has been to increase capital expenditure within the business plan to match fund the RTB receipts to deliver a number of development projects.

11.4 Inflation is a further issue because the business plan assumes 2.5% for RPI and 2% for CPI. Since CPI was only 1.2% in September (RPI was 2.3%) this has meant a significant reduction in the level of rent and would have caused a gap in the business plan. This report recommends that a service charge is introduced for communal electricity, this is in line with a number of other boroughs and given the current position of the business plan it is not possible to continue to provide this service with no charge and this will provide sufficient additional income to close this gap. It is likely that inflation may remain low for some time (0.5% for December 2014) so it is important to keep the business plan and the rent policy under review.

11.5 The business plan is balanced however the key factor remains the Council's ability to match fund the RTB receipts. The business plan assumes that match funding will be provided by partners for a number of the schemes and it is projected that £14m will need to be given to partners to match fund otherwise the business plan will not balance in the medium term. If the proposed schemes do not work then the Council will not be able to afford to match fund all the receipts and continue with the existing capital and estates renewals projects.

11.6 A number of sensitivities have been modelled for the business plan the most obvious being a change in RTB numbers. Table 3 below shows the outcome of the sensitivities modelled.

TABLE 3 - SENSITIVITIES

	Revenue Balance Year 4 £000's	**Capital shortfall £000's**
Base	**8,714**	**0**
Sensitivities:		
Increase RTB numbers to 250 in 2015/16, 150 in 2016/17 and 2017/18	8,608	19,925
Decrease RTB no's to 150 in 2015/16, 50 in 2016/17 and 2017/18	17,987	0
Reduce RPI to 1.5% and CPI to 0% in 2016/17 and 2017/18	11,793	0
Increase interest rate to 1.25% in 2015/16 and 2016/17	9,237	0
10% increase in estate renewals costs	8,608	2,811

11.7 If RTB numbers go up then the business plan benefits from additional receipts but has to match fund them. An increase of 50 would increase the need to match fund by £18.1m and lead to a gap of £19.9m in the business plan. Similarly a reduction would mean that fewer receipts would need match funding from elsewhere.

12. BASE BUDGET FOR 2015/16

12.1 **Financial Monitoring 2014/15**

It is necessary to review the projected expenditure against estimates for the current financial year to take into consideration the ongoing impact of any major changes. These have been highlighted throughout the year in the regular financial monitoring reports; the November monitoring report is indicating a net surplus of £428k in the HRA. A summary based on the November monitoring position is shown in Appendix 1.

12.2 **2015/16 Base Budget**

Appendix 9 sets out the base budget for 2015/16 compared to the 2014/15 figures. The assumptions and explanations of the changes between 2014/15 and 2015/16 are outlined below.

13. DETAILED BUDGET CHANGES

INCOME

13.1 **Dwelling rents income – decrease of £635k**
This represents the additional income from a rent increase of 2.2%. This has been adjusted for the expected level of voids and the reduction in the number of properties due to estate regeneration schemes and right to buys.

13.2 **Leaseholder Service charge income – increase of £262k**
This is due to the significant increase in the number of leaseholders because of the increase in right to buys.

EXPENDITURE

13.3 **General Management – decrease of £1.040m**
An increase in the projected number of right to buy sales has resulted in additional income. This is partly offset by additional salary costs due to a 1% pay award. There are further management savings from reintegrating Enfield Homes with the Council. A proportion of the cost of the Customer Services Team has been re-categorised from General Management to Repairs Admin.

13.4 **Special Services – increase of £338k**
This heading represents the following services: caretaking, cleaning, concierge, CCTV, grounds maintenance, sheltered accommodation and energy costs. This includes the loss of supporting people grant of £420k and the increased cost of caretaking although this is offset by an increased service charge and there are also savings within sheltered housing and a reduction in energy costs.

13.5 **Cost of borrowing and Depreciation - increase of £198k**
Depreciation is adjusted to reflect the business plan calculation. The cost of borrowing has increased to reflect the fact that the HRA is no longer borrowing internally and will use its reserves. Interest will be shown separately and no longer offset against borrowing costs. It is estimated that the HRA will receive £476k in 2015/16.

13.6 **Repairs and maintenance (Base and Admin) - decrease £428k**
Following retendering of the Repairs and Maintenance contracts as planned the Repairs and Maintenance budget has been reduced by £1m in 2015/16. The re-categorisation of the Customer Services Team has partly offset this reduction.

13.7 **Contribution to bad debt provision – decrease £6k**
The budget has slightly reduced to £468k but this will be kept under review pending benefit changes associated with the implementation of universal credit.

13.8 **Revenue surplus to fund future capital expenditure – increase £505k**
This represents the amount set aside from revenue to fund future year's capital expenditure. This figure is determined by the HRA business plan and the surplus on the HRA. This takes account of the capital programme and the other sources of funding available.

14. ENFIELD HOMES

14.1 The management of the Council Housing stock was reviewed in 2012 (report to Cabinet 18th July 2012) and the contract with Enfield Homes was extended for a two year period to the end of March 2015. Cabinet confirmed in July 2014 that the management contract would cease at the end of March 2015 and that Enfield Homes would be reintegrated into the Council and the company dissolved.

14.2 There will no longer be any need to pay a management fee from the HRA and this will revert to being budget paying directly for services. The expected savings of 3% on management costs remains a target in the business plan.

15. CAPITAL FINANCE AND PRUDENTIAL CODE

15.1 The Prudential Code for Capital Finance requires the authority to have regard to affordability, prudence and sustainability when considering its capital investment plans and to set and keep under review a range of prudential indicators. The prudential indicators for the HRA are:

- estimated capital financing charges as a percentage of net revenue stream
- estimated capital expenditure
- estimated capital financing requirement
- incremental effect of capital investment decisions on housing rents.

15.2 The General Fund Budget report for 2015/16 elsewhere on the agenda sets out the background to the prudential code and shows the indicators for the HRA and the General Fund.

15.3 As part of the self financing determination the government has imposed a cap on HRA borrowing. This relates to the valuation calculation as determined by the self financing model. The cap for this Council is £198.015m. Actual borrowing at the end of 2014/15 is estimated to be £151.72m.

15.4 In essence the Prudential regime gives scope for the HRA to borrow for capital investment if the forecasts show that the resulting charges can be afforded over the medium to long term.

15.5 The Code, subject to an assessment of prudence, affordability and sustainability, gives scope to borrow above current levels. There is no additional HRA borrowing planned for 2015/16. However, the HRA business plan includes assumptions about borrowing in future years and about repaying debt during the lifetime of the business plan.

16. CAPITAL PROGRAMME

16.1 The table below sets out the overall capital expenditure planned for the next five years. The programme is broken down into three areas and these are detailed below.

TABLE 4: HRA 5 Year Capital Programme

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Works to stock	38,144	37,480	30,539	21,820	22,340
Estate renewal schemes	10,054	14,183	12,117	14,912	12,397
RTB projects	4,527	7,465	34,355	37,058	16,312
Total	**52,725**	**59,128**	**77,011**	**73,790**	**51,049**

16.2 The total capital expenditure for 2014/15 is estimated to be £42.4m; this includes the brought forward figure (£16.5m) from the previous year and £1m for GTV. The most recent monitor confirms that expenditure is on target. Whilst all the resources are committed to projects a number of these projects will not be completed until 2015/16 so some of this expenditure (£18m) will not take place until next year. The resources for these projects will be included in next year's capital programme.

16.3 **Works to the stock**

Enfield Homes originally prepared a five year capital programme for works to the stock which was approved by Cabinet and Council in October 2012. The programme has now been updated. The CLG has made available Decent Homes funding totalling £108.6m between 2009 and 2014/15. The Council has bid for further resources for 2015/16 however has not been successful. The capital programme for works to the stock will reduce in future years as CLG funding is no longer available. The table above shows a smaller programme in years 4 and 5.

16.4 **Estate Renewal schemes**

In addition to the works to the stock it is anticipated that the estate renewal programme will cost £14.6m in total in 2015/16, including the schemes funded by RTB receipts (£4.5m). This is reflected in the updated HRA business plan. A list of schemes and budgets is attached at Appendix 7.

16.5 **RTB receipts and related expenditure**

The following three schemes have already been agreed and all will use some of the 1-4-1 receipts as part of their funding. This will enable to Council to retain the receipts.

- Small sites,
- Dujardin
- New Avenue

There are a number of other schemes proposed and these will be the subject of a report to Cabinet in March. If these schemes are agreed then this will enable the Council to match fund and spend a significant proportion of the RTB receipts over the next three years. The match funding and budget for the expenditure are included in the business plan.

17. HRA BALANCES

17.1 The estimated position on balances is set out below.

TABLE 5: HRA BALANCES

	Balance at 31/03/14	Movement in 2014/15	Estimated balance as at 31/03/15
	£m	**£m**	**£m**
HRA General Balances	12.89	0.19	13.08
Repairs Fund	1.55	0.24	1.79
MRA to fund capital expenditure	8.51	0	8.51
RTB receipts held for 1-4-1 replacement	5.93	9.82	15.75
Capital Reserve	15.66	22.34	38.00
Total	**44.54**	**32.59**	**77.13**

17.2 It is considered prudent to retain at least £6m in General balances given the risks and uncertainties set out in the following section. In addition the HRA retains a further £2.5m as a contingency for asbestos.

17.3 In reality the business plan has considerably greater balances than £6m next year. The balances are outlined above and total £77.13m. The balances will be used to fund the capital programme over the next three years and will reduce to £8.7m by 2018/19. There is no longer any decent homes' funding available to fund the works to the stock capital programme so the HRA surplus and the use of balances and borrowing are the methods for funding expenditure in future.

17.4 The £1.79m in the repairs fund is intended for any significant increase in repairs costs. This is particularly likely in years where there are severe weather conditions.

17.5 In addition to the above reserves, a bad debt provision of £1.3m existed at 31 March 2014. The adequacy of this amount will be reassessed at the end of the financial year to reflect the level of rent arrears. It is considered prudent to sustain the current level of provision as there is a risk associated with the Government changes to the benefit system and introduction of universal credit.

18. TREASURY MANAGEMENT STRATEGY AND BORROWING PROPOSALS

The original business plan as agreed at Cabinet proposed that there would be no additional borrowing in 2015/16 and this position has not changed.

19. RISKS AND UNCERTAINTIES

19.1 **HRA 30 year business plan and self financing**
The reform of the HRA has had a major impact on the operation of the Housing Revenue Account from 2012/13. The freedoms and flexibilities for the HRA have been in operation for three years and are a major change for the management of the HRA. The HRA has a significant capital programme and the flexibility to decide on borrowing.

19.2 **Right to Buy**
The increase in the RTB discount to a maximum of £102.5k has seen applications increase four fold over the last two years. These applications have resulted in a large increase in actual sales. The total number of sales at the end January was 133, it is expected that sales in 2014/15 will total 200. The projected total of sales for 2015/16 is 200.

19.3 **Estate Renewals**
As outlined in the capital programme there six estate renewal projects in progress. They are factored into the HRA business plan and assumptions regularly updated as the schemes progress but any additional costs or receipts can have a significant effect on the business plan.

19.4 **Council tax on void properties**
Due to the high number of estate renewal properties being decanted and held void there has been an increase in council tax charges. There are currently 235 void estate renewal properties resulting in an increased charge of £340k.

19.5 **Inflation**
Inflation rates have been low and these impact on the HRA. The business plan assumes rent increases by 3% (CPI plus1%) when CPI is low there is a shortfall in the business plan. This is likely to be an issue next year if CPI remains low. It was 0.5% in December 2014. The impact of this is outlined in table 3.

19.6 **Interest rates**
The HRA is not likely to borrow for another 3 years but interest rates are likely to rise during this period and this remains a risk.

19.7 **Benefit changes**
The implementation of benefit changes will impact on the HRA. Implementation started in 2013/14 however universal credit has not been implemented yet. The change to the method of payment of benefit and the cap on benefits will impact significantly on tenants' ability to pay their rent and potentially on the level of arrears. The prospect of the economic outlook may also impact on the level of arrears. It is therefore prudent to keep the bad debt provision under review; the business plan assumes an increase will be needed when universal credit is implemented.

20. ALTERNATIVE OPTIONS CONSIDERED

Two alternatives were considered; these were not increasing rents in line with the Government guidance and increasing rents above this guideline. These two

options were both discounted. Neither of these options is in line with the Council's rent policy either which follows government guidelines. If rents were not increased this would mean significant loss of income and would undermine the business plan in future years.

21. REASONS FOR RECOMMENDATIONS

In view of the implications of the alternatives mentioned in paragraph 19, it is recommended to increase rents in line with the Council's rent policy and Government guidance.

22. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES & CUSTOMER SERVICES AND OTHER DEPARTMENTS

22.1 Financial Implications

The Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of estimates and the adequacy of proposed financial reserves. The 2015/16 HRA estimates have been prepared taking into account the following:

- The estimated impact of inflationary pressures. Allowance has been made for cost increases over and above the general rate of inflation where these are known;
- The estimated impact of increasing demands on resources where these are unavoidable;
- The estimated impact of underlying cost pressures, evidenced by financial monitoring reports in the current year; and
- An assessment of key risks and uncertainties.

It is therefore the view of the Director of Finance, Resources and Customer Services that the HRA budget is robust and that the balances held are prudent.

22.2 Legal Implications

Local authorities have the power to set their own rents under section 24 of the Housing Act 1985. The charge must be reasonable for the tenancy or occupation of their premises. Section 24 also requires local authorities to periodically review rents and make such changes as circumstances may require. The section confers a broad discretion as to rents and charges made to tenants. It is noteworthy that The Guide to Social Rent Reform issued by the Office of the Deputy Prime Minister (ODPM) in 2003 states that local authorities retain the discretion to decide what services can be charged for in addition to rent. Local authorities are expected to set reasonable and transparent charges which closely reflect what is being provided to tenants. The Guide recommends that protecting tenants from sudden large increases in their rent and service charges should take priority.

Sections 167 to 175 of the Localism Act 2011 introduced self financing. This replaces the Housing Revenue Account (HRA) Subsidy system and local authorities currently operating HRA will be able to keep all of their rental income and use it to support their housing stock. It also provides for the determination of

settlement payments calculated in accordance with such formulae as the Secretary of State may issue from time to time. The settlement payment under the 2011 Act replaced subsidy payments made under the HRA.

The Council is required to prepare proposals in January and February each year relating to the income of the authority from rents and other charges, expenditure in respect of repair, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be based on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance.

In relation to Temporary Accommodation rent, local authorities have discretion over the rents charged to their tenants and consequently have the power to increase the rent so long as some notice is given. The statutory 4 week notice does not apply to this category of tenants as they are not secure tenants but it is advised that a comparable amount of notice is given. The Income-Related Benefits (Subsidy to Authorities) (Temporary Accommodation) Amendment Order 2010 came into force on 1st April 2011. It makes changes to the Income-related Benefits (Subsidy to Authorities) Order 1998 and the way Housing Benefit Subsidy is calculated for tenants in temporary accommodation. The new subsidy scheme has been designed to better reflect the actual cost faced by local authorities in providing this type of accommodation and thereby encourage them to charge tenants a fair market rent for the type and location of the property occupied.

The Council is required to act in accordance with the public sector equality duty under the Equality Act 2010 and have due regard to the duty when carrying out its functions, which includes making decisions in the current context.

The Council also has a duty to show they have consciously addressed their mind to carrying out an Equality Impact Assessment (which includes any decision to increase or introduce charges to tenants).

23. KEY RISKS

These are detailed in Section 19

24. IMPACT ON COUNCIL PRIORITIES

Fairness for All
Providing high quality housing continues to be a priority. Rents are set in line with Government guidance and an increase of 2.2% is low when compared to a number of other London Boroughs.

Growth and Sustainability
The recommendations in the report will ensure that there is a sustainable HRA. The proposals will promote positive investment in the housing stock, ensure adequate funding is made available for the Council's landlord function and encourage compliance with the Government regulation on setting rents.

Strong Communities
Setting fair rents, investing in the Council's housing stock and effective management of the Council's housing stock are some of the areas of this report that will have positive effect on the local community.

25. EQUALITIES IMPACT ASSESSMENT

The HRA Business Plan supports the delivery of high quality services that promote equality, and value diversity.

26. PERFORMANCE MANAGEMENT IMPLICATIONS

Setting a balanced budget for 2015/16 should enable the HRA performance targets to be met. 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 proposals set out in this paper will ensure that the Council's limited capital and revenue resources are targeted on these key priorities.

27. PUBLIC HEALTH IMPLICATIONS

There are no public Health implications arising directly from setting this rent and detailed budget for 2015/16.

Background Papers
None

APPENDIX 1

Monitoring Variations for period ending 30th November 2014	**November**
Service Centre	**This Month £'000**
Retained	
Capital Financing - Premiums and Discounts	
An updated position on our outstanding loan premium payments has been provided by Treasury, our borrowing costs and depreciation are expected to be as budget.	0
Rates – Council Tax	
An overspend of £260k in the payments for council tax on void properties has been identified this month, due to a large number of unexpected council tax bills from previous years.	260
Rates – Business Rates	
The Business Rates budget is expected to underspend by £83k due to the HRA being incorrectly charged for some properties.	(83)
Underoccupation	
There is a forecast underspend on the Underoccupation Mutual Exchange budget of £30k due to a lower number of people seeking to downsize and a vacant post.	(30)
RTB's	
The RTB Administrative Income is expected to increase to £570k from £114k, based on full year sales of 200 properties. After adjustments for additional expenditure on RTB and Legal costs, the net income position is expected to be £415k	(415)
Supervision & Management General	
There is a forecast underspend on this budget of £50k, primarily on consultancy	(50)
Landlords Electricity	
The projected outturn is currently £100k lower than the budget estimate, based on the payments made to date and profiling against last year's expenditure.	(100)
Sheltered Housing	
A review of Supporting People grant has identified a forecast net saving of £55k	(55)
Shops	
Additional income of £20k from shops has been identified this month.	(20)
Total Variation on Retained budgets	**(493)**
Managed	
Bad Debt	
Then bad debt budget has been reduced from £1.474m to £474k in line with the HRA Business Plan, with £1m moved to fund Capital Expenditure. There is projected saving of £74k due to more efficient collection rates.	(74)
Dwellings Rent	
A shortfall in rental income of £380k is currently estimated, predominately due to higher than expected RTB sales and plans to decant some additional properties in 2014/15.	380
Garages	
The garage budget is based on a void rate of 58% while the current void rate is 54%, giving a further £3k of income. Further £2k of additional income is expected from a shortlife property.	(5)
Repairs and maintenance	
This is currently projected to underspend by £236k	(236)
Total Variation on Managed budgets	**65**
Total HRA Variation	**(428)**

APPENDIX 2

OTHER PROPOSALS FOR INCOME IN THE HRA

1. Garage Rents

1.1 The garages which are let to Council tenants, leaseholders and private tenants are standard lock-up.

1.2 A 'non Council tenant premium' is also charged on all lets to private tenants, and any Council tenant or leaseholder who rents more than 2 garages. It is proposed that the rents be increased by 2.2%. The proposed charges for 2015/16 are:

	2014/15 Weekly Net Rent £	2015/16 Proposed Net Rent £
Category (G1) Standard Lock-up Garages	9.60	9.81
Non Council tenant premium (NCTP)	2.54	2.60

APPENDIX 3

COMMUNAL HEATING CHARGES

1.1 The Council has 1,727 properties in 71 blocks of flats serviced by communal heating systems and all costs of gas electricity and fuel oil were held in a pool and tenants were charged based on the total cost within the pool. However this system is now changed and all properties are charged on the block by block basis.

Since 1996 leaseholders have been charged a proportion of the actual cost of the fuel used in their blocks, calculated on the basis of individual property rateable values.

1.2 **General Heating Costs**

There will be an overall 10% decrease in heating costs for both gas and electricity costs in 2015/16. The fuel oil charge will remain the same as 2013/14 and properties with standing charges remain set at 2014/15 pricings.

APPENDIX 4

ADMINISTRATION/MANAGEMENT CHARGE FOR LEASEHOLD UNITS

1. The administration and management charge is a flat rate added to the cost of services to cover the preparation of estimates and actual costs, billing consultation on repairs and improvement works and estate management.

2. It is estimated that by 31 March 2015 a total of 4,561 properties will have been sold under leasehold arrangements.

3. At the end of each financial year, the actual cost is determined and an appropriate adjustment made to the charge.

4. The cost of administration and management for 2015/16 is estimated at £917k and it is, therefore, recommended that the charge for 2015/16 be fixed at £200.97 per leasehold unit. This compares with the 2014/15 charge of £199.02 per leaseholder unit.

5. The charges below are estimates for 2015/16, adjustments will be made mid year to reflect actual charges.

	Charge per week 2014/15 £	**Charge per week 2015/16 £**
Administration & Management Charge	3.83	3.86
Caretaking level (1) (non resident)	3.04	3.19
Caretaking level (2) (resident)	4.90	5.18
Concierge		
Merlin House	10.03	10.03
Cormorant House	10.52	10.52
Curlew House	10.80	10.80
Walbrook House	11.82	11.82
CCTV		
Alma Road	1.19	1.19
Walbrook House	2.05	2.05
Shepcot House	1.44	1.44
Grounds Maintenance	1.25	1.25
Paladin Bins	1.75	1.80
Insurance		
1 Bed	1.80	1.80
2 Bed	2.03	2.03
3 Bed	2.32	2.32
4 Bed	2.59	2.59
Flat Repairs (Annual Charge)	1.00	1.00
Ground Rent (Annual Charge)	10.00	10.00
Estate Charge (Annual Charge)	10.00	13.00

APPENDIX 5

AVERAGE RENTS

Property Type	Average Rent 14/15	Average Rent 15/16	Increase %	Increase £
Bedsit	81.05	82.80	2.20%	1.75
1 bed flat	86.90	88.80	2.20%	1.90
1 bed house	98.40	100.60	2.20%	2.20
2 bed flat	96.15	98.30	2.20%	2.15
2 bed house	109.70	112.10	2.20%	2.40
3 bed flat	106.80	109.20	2.20%	2.40
3 bed house	120.90	123.60	2.20%	2.70
4 bed flat	112.08	114.50	2.20%	2.42
4 bed house	128.40	131.20	2.20%	2.80
5 bed house	137.70	140.70	2.20%	3.00
6 bed house	159.50	163.00	2.20%	3.50
Average	**100.54**	**102.75**	**2.2%**	**2.21**

* Average rent for 2014/15 is adjusted to reflect the removal of properties under RTB

The above are examples of the average rents likely to be charged for specific properties. They are not necessarily typical, nor the maximum or minimum rents which will be charged.

Service charges have been excluded, but will be payable in addition to the rent subject to the services provided to each property.

APPENDIX 6

TEMPORARY ACCOMMODATION RENTS

The Government has not yet given any indication that the rents will increase for 2015/16 and there was no increase for 2014/15.

Category	Weekly rent 2014/15	Weekly rent 2015/16
	£	£
Shared accommodation	178.75	178.75
1 bedroom self contained	200.88	200.88
2 bedroom	247.90	247.90
3 bedroom	310.00	310.00
4 bedroom	375.00	375.00
5 bedroom and larger	375.00	375.00

ESTATE RENEWAL EXPENDITURE **APPENDIX 7**

Schemes	Total resources allocated over the next 5 years £'000
Highmead	23
Ladderswood	943
Dujardin	5,925
Alma	39,009
New Avenue	4,177
Small sites	40

These figures represent gross expenditure as included in the last housing capital monitor it is likely that there will be some underspends in Alma and Dujardin projects in 2014/15 and if so these resources will be carried forward to 2015/16.

APPENDIX 8

Proposed Housing Capital Programme 2015/16	
Scheme Description	**Budget Estimates £**
WORKS TO STOCK	**Programme 1**
Decent Homes 2015/16 Programme	
Cambridge Road East	800,000
Cambridge Road West	3,650,000
Lavender Hill	1,400,000
Churchbury Lane	2,150,000
Winchmore Hill	1,700,000
Barrowfield Close	3,200,000
Edmonton Green	1,850,000
Enfield Town	2,650,000
Ashburton & Crediton	500,000
Brimsdown Pods	5,450,000
Waltham Cross	750,000
Channel Islands	3,800,000
Cheshunt	2,200,000
Enfield Kitchens & Bathrooms	1,000,000
DECENT HOMES TOTAL	**31,100,000**
Consultant Fees (3.5%)	**1,053,500**
General Works	
Aids & Adaptations	500,000
Boiler Replacement Programme	100,000
Voids Capitalisation	450,000
Legionella (Water Safety Programme)	300,000
Fire Safety Programme	300,000
Adaptations (HOP)	250,000
Environmental Improvements (EQT)	400,000
Brittany House lifts	300,000
Lifts Phase 4	900,000
Minor Capital Works Programme	225,000
Asbestos Programme	425,000
Structural Repairs	200,000
GENERAL WORKS TOTAL	**4,350,000**
CAPITALISED STAFF COSTS (Decent Homes & General Works) Based on 4.5%	**1,595,250**
HRA TOTAL	**38,098,750**
Approved Budget as per HRA Business Plan	**38,100,000**
Balance	**1,250**

HOUSING REVENUE ACCOUNT 2014/15 TO 2015/16

APPENDIX 9

	2014/15 Estimate	2015/16 Estimate	Variations	See Para
Expenditure				
General Management	14,896,496	13,856,410	-1,040,086	13.3
Special Services	5,790,372	6,128,321	337,949	13.4
Rent Rates and other Charges	505,160	508,800	3,640	
Cost of Borrowing	7,326,720	8,159,375	832,655	13.5
Depreciation set aside to fund future repairs	13,538,660	13,380,704	-157,956	13.5
Repairs and Maintenance	15,478,872	15,051,188	-427,684	13.6
Provision for bad and doubtful debts	473,770	467,864	-5,906	13.7
Total Expenditure	**58,010,050**	**57,552,662**	**-457,388**	
Income				
Dwellings rent and service charges	-59,079,270	-58,444,364	634,906	13.1
Non Dwellings rent	-841,300	-829,702	11,598	
Shops/Commercial	-2,266,530	-2,221,562	44,968	
Leaseholder service charges	-3,105,460	-3,367,740	-262,280	13.2
Total Income	**-65,292,560**	**-64,863,368**	**429,192**	
Net cost of services	**-7,282,510**	**-7,310,706**	**-28,196**	
Interest on Balances	-1,000	-477,944	-476,944	13.5
Net Operating expenditure	**-7,283,510**	**-7,788,650**	**-505,140**	
Contribution to Reserves for future capital expenditure	7,283,510	7,788,650	505,140	13.8
Net Operating expenditure	**0**	**0**	**0**	

Enfield
HRA Business Plan
Major Repairs and Improvements Financing
(expressed in money terms)

Appendix 10

		Expenditure											Financing					
Year	Year	Catch up works	Future Major Repairs	Improvements	Disabled Adaptations	Exceptional Extensive	**Capital Programme**	New Build Development Costs	New Build for RTB Receipts	**New Build Total**	Other	**Total Expenditure**	Borrowing	RTB Receipts	Other	MRR	RCCO	**Total Financing**
		£,000	£,000	£,000	£,000	£,000	**£,000**	£,000	£,000		£,000	**£,000**	£,000	£,000	£,000	£,000	£,000	**£,000**
1	2015.16	2,159	32,054	0	1,030	2,901	**38,144**	10,054	4,527	**14,581**	0	**52,725**	0	6,617	18,632	13,381	14,095	**52,725**
2	2016.17	2,213	31,238	0	1,056	2,974	**37,480**	14,183	7,465	**21,648**	0	**59,128**	0	6,588	7,111	13,316	32,113	**59,128**
3	2017.18	1,287	25,131	0	1,082	3,039	**30,539**	12,117	34,355	**46,472**	0	**77,011**	0	13,198	20,095	13,307	30,411	**77,011**
4	2018.19	1,319	16,277	0	1,109	3,115	**21,820**	12,412	37,058	**49,470**	2,500	**73,790**	22,100	12,165	15,056	13,364	11,105	**73,790**
5	2019.20	1,352	16,700	0	1,095	3,193	**22,340**	12,397	16,312	**28,709**	0	**51,049**	3,000	5,966	22,932	13,515	5,637	**51,049**
6	2020.21	1,386	17,058	0	1,165	3,273	**22,882**	4,310	16,689	**20,999**	0	**43,881**	13,500	6,108	1,172	13,821	9,279	**43,881**
7	2021.22	1,421	17,503	0	1,194	3,355	**23,473**	4,418	1,104	**5,522**	0	**28,995**	0	1,492	4,466	14,259	8,779	**28,995**
8	2022.23	1,456	17,930	0	1,224	3,439	**24,049**	4,529	1,080	**5,609**	0	**29,658**	0	1,517	1,022	14,581	12,538	**29,658**
9	2023.24	1,493	18,769	0	1,255	3,525	**25,041**	4,641	1,054	**5,695**	0	**30,737**	0	1,472	6,471	14,746	8,047	**30,737**
10	2024.25	1,068	30,996	0	1,286	1,859	**35,209**	5,782	0	**5,782**	0	**40,991**	0	298	1,022	15,080	24,590	**40,991**
11	2025.26	1,095	15,178	0	1,318	1,906	**19,497**	5,868	0	**5,868**	0	**25,365**	0	288	4,898	15,296	4,882	**25,365**
12	2026.27	1,122	15,586	0	1,351	1,953	**20,013**	5,954	0	**5,954**	0	**25,968**	0	277	522	15,690	9,478	**25,968**
13	2027.28	1,150	15,976	0	1,385	2,002	**20,514**	5,123	0	**5,123**	0	**25,637**	0	0	4,634	15,914	5,088	**25,637**
14	2028.29	1,179	16,556	0	1,420	2,052	**21,206**	5,252	0	**5,252**	0	**26,458**	0	0	522	16,323	9,612	**26,458**
15	2029.30	1,208	17,296	0	1,455	2,104	**22,063**	5,383	0	**5,383**	0	**27,446**	0	0	4,885	16,557	6,004	**27,446**
16	2030.31	1,139	18,131	0	1,492	279	**21,041**	5,517	0	**5,517**	0	**26,558**	0	0	522	16,983	9,053	**26,558**
17	2031.32	1,167	18,584	0	1,529	286	**21,567**	5,655	0	**5,655**	0	**27,222**	0	0	5,150	17,226	4,845	**27,222**
18	2032.33	1,196	19,248	0	1,567	293	**22,304**	5,797	0	**5,797**	0	**28,101**	0	0	522	17,669	9,910	**28,101**
19	2033.34	1,226	19,729	0	1,606	301	**22,862**	5,942	0	**5,942**	0	**28,804**	0	0	5,432	17,922	5,449	**28,804**
20	2034.35	1,257	20,431	0	1,647	308	**23,642**	6,090	0	**6,090**	0	**29,733**	0	0	522	18,383	10,827	**29,733**
21	2035.36	1,293	21,027	0	1,688	316	**24,324**	6,242	0	**6,242**	0	**30,566**	0	0	5,731	18,646	6,189	**30,566**
22	2036.37	1,326	21,772	0	1,730	324	**25,151**	6,398	0	**6,398**	0	**31,550**	0	0	522	19,125	11,902	**31,550**
23	2037.38	1,359	22,316	0	1,773	332	**25,780**	6,558	0	**6,558**	0	**32,338**	0	0	6,048	19,399	6,890	**32,338**
24	2038.39	1,393	23,104	0	1,818	340	**26,655**	6,722	0	**6,722**	0	**33,377**	0	0	522	19,898	12,957	**33,377**
25	2039.40	1,428	23,682	0	1,863	349	**27,321**	0	0	**0**	0	**27,321**	0	0	6,385	20,183	753	**27,321**
26	2040.41	2,487	41,126	0	1,910	793	**46,316**	0	0	**0**	0	**46,316**	0	0	522	20,819	24,974	**46,316**
27	2041.42	2,549	42,154	0	1,957	813	**47,474**	0	0	**0**	0	**47,474**	0	0	6,742	21,236	19,496	**47,474**
28	2042.43	2,613	43,462	0	2,006	834	**48,915**	0	0	**0**	0	**48,915**	0	0	522	21,660	26,732	**48,915**
29	2043.44	2,678	44,549	0	2,056	854	**50,138**	0	0	**0**	0	**50,138**	0	0	522	22,094	27,522	**50,138**
30	2044.45	2,745	45,930	0	2,108	876	**51,658**	0	0	**0**	0	**51,658**	0	0	522	22,535	28,601	**51,658**

Enfield
HRA Business Plan
Operating Account
(expressed in money terms)

Appendix 11

		Income					Expenditure														
Year	Year	Net rent Income	Other income	Misc Income	RTB Admin	Total Income	Managt.	Depreciation	Responsive & Cyclical	Other Revenue spend	HRA Cost of Rent Rebates	Misc expenses	Total expenses	Capital Charges	**Net Operating (Expenditure)**	Repayment of loans	Transfer from / (to) MRR	RCCO	**Surplus (Deficit) for the Year**	**Surplus (Deficit) b/fwd**	**Interest**	**Surplus (Deficit) c/fwd**
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	**£,000**	£,000	£,000	£,000	**£,000**	**£,000**	**£,000**	**£,000**
1	2015.16	60,412	3,415	2	570	64,398	(19,982)	(13,381)	(15,051)	(509)	0	0	(48,923)	(8,191)	**7,285**	0	0	(14,095)	**(6,810)**	**61,396**	**435**	**55,020**
2	2016.17	61,640	3,500	2	285	65,427	(19,753)	(13,316)	(15,084)	(481)	0	0	(48,633)	(8,191)	**8,603**	0	0	(32,113)	**(23,509)**	**55,020**	**433**	**31,944**
3	2017.18	61,584	3,587	2	285	65,458	(19,516)	(13,307)	(15,304)	(493)	0	0	(48,620)	(8,191)	**8,648**	0	0	(30,411)	**(21,763)**	**31,944**	**263**	**10,444**
4	2018.19	62,765	3,677	0	86	66,528	(19,460)	(13,364)	(15,584)	(259)	0	0	(48,666)	(8,605)	**9,256**	0	0	(11,105)	**(1,849)**	**10,444**	**119**	**8,714**
5	2019.20	64,641	3,769	0	86	68,495	(19,888)	(13,515)	(15,977)	(265)	0	0	(49,645)	(8,759)	**10,091**	0	0	(5,637)	**4,455**	**8,714**	**137**	**13,305**
6	2020.21	67,338	3,863	0	86	71,287	(20,441)	(13,821)	(16,589)	(272)	0	0	(51,123)	(9,566)	**10,598**	0	0	(9,279)	**1,319**	**13,305**	**175**	**14,799**
7	2021.22	70,138	3,960	0	86	74,183	(21,011)	(14,259)	(17,219)	(278)	0	0	(52,767)	(9,934)	**11,483**	0	0	(8,779)	**2,704**	**14,799**	**202**	**17,704**
8	2022.23	72,231	4,059	0	86	76,375	(21,472)	(14,581)	(17,733)	(285)	0	0	(54,071)	(9,882)	**12,422**	0	0	(12,538)	**(116)**	**17,704**	**265**	**17,853**
9	2023.24	74,385	4,160	0	86	78,631	(21,944)	(14,746)	(18,259)	(293)	0	0	(55,243)	(9,882)	**13,506**	0	0	(8,047)	**5,459**	**17,853**	**309**	**23,621**
10	2024.25	76,694	4,264	0	0	80,959	(22,437)	(15,080)	(18,540)	(300)	0	0	(56,357)	(9,882)	**14,720**	0	0	(24,590)	**(9,870)**	**23,621**	**280**	**14,031**
11	2025.26	79,168	4,371	0	0	83,539	(22,953)	(15,296)	(19,014)	(307)	0	0	(57,571)	(9,882)	**16,087**	0	0	(4,882)	**11,205**	**14,031**	**295**	**25,530**
12	2026.27	81,721	4,480	0	0	86,202	(23,479)	(15,690)	(19,501)	(315)	0	0	(58,985)	(9,882)	**17,335**	0	0	(9,478)	**7,857**	**25,530**	**442**	**33,829**
13	2027.28	84,356	4,592	0	0	88,948	(24,018)	(15,914)	(20,001)	(323)	0	0	(60,256)	(9,882)	**18,810**	0	0	(5,088)	**13,722**	**33,829**	**610**	**48,161**
14	2028.29	87,074	4,707	0	0	91,781	(24,568)	(16,323)	(20,513)	(331)	0	0	(61,736)	(9,524)	**20,521**	(13,000)	0	(9,612)	**(2,091)**	**48,161**	**707**	**46,777**
15	2029.30	89,879	4,825	0	0	94,704	(25,133)	(16,557)	(21,038)	(339)	0	0	(63,068)	(8,809)	**22,827**	(13,000)	0	(6,004)	**3,823**	**46,777**	**730**	**51,330**
16	2030.31	92,773	4,945	0	0	97,719	(25,708)	(16,983)	(21,640)	(348)	0	0	(64,679)	(8,094)	**24,945**	(13,000)	0	(9,053)	**2,892**	**51,330**	**792**	**55,014**
17	2031.32	95,760	5,069	0	0	100,829	(26,299)	(17,226)	(22,194)	(356)	0	0	(66,075)	(7,379)	**27,374**	(13,000)	0	(4,845)	**9,529**	**55,014**	**897**	**65,440**
18	2032.33	98,842	5,196	0	0	104,037	(26,901)	(17,669)	(22,762)	(365)	0	0	(67,697)	(6,664)	**29,676**	(13,000)	0	(9,910)	**6,766**	**65,440**	**1,032**	**73,238**
19	2033.34	102,021	5,326	0	0	107,347	(27,518)	(17,922)	(23,344)	(375)	0	0	(69,159)	(6,153)	**32,035**	(13,000)	0	(5,449)	**13,585**	**73,238**	**1,200**	**88,024**
20	2034.35	105,303	5,459	0	0	110,761	(28,148)	(18,383)	(23,942)	(384)	0	0	(70,856)	(5,292)	**34,613**	(13,000)	0	(10,827)	**10,785**	**88,024**	**1,401**	**100,210**
21	2035.36	108,686	5,595	0	0	114,281	(28,794)	(18,646)	(24,625)	(393)	0	0	(72,458)	(4,577)	**37,246**	(13,000)	0	(6,189)	**18,057**	**100,210**	**1,639**	**119,906**
22	2036.37	112,178	5,735	0	0	117,913	(29,452)	(19,125)	(25,254)	(403)	0	0	(74,236)	(3,862)	**39,815**	(13,000)	0	(11,902)	**14,913**	**119,906**	**1,910**	**136,729**
23	2037.38	115,780	5,879	0	0	121,659	(30,128)	(19,399)	(25,900)	(413)	0	0	(75,841)	(3,147)	**42,670**	(13,000)	0	(6,890)	**22,780**	**136,729**	**2,222**	**161,731**
24	2038.39	119,497	6,025	0	0	125,523	(30,817)	(19,898)	(26,563)	(424)	0	0	(77,701)	(2,432)	**45,389**	(13,000)	0	(12,957)	**19,432**	**161,731**	**2,572**	**183,735**
25	2039.40	123,644	6,176	0	0	129,820	(31,553)	(20,183)	(27,294)	(434)	0	0	(79,465)	(1,717)	**48,638**	(13,000)	0	(753)	**34,884**	**183,735**	**3,018**	**221,637**
26	2040.41	128,245	6,331	0	0	134,575	(32,456)	(20,819)	(28,175)	(445)	0	0	(81,896)	(997)	**51,683**	(13,190)	0	(24,974)	**13,519**	**221,637**	**3,426**	**238,582**
27	2041.42	132,061	6,489	0	0	138,550	(33,267)	(21,236)	(28,880)	(456)	0	0	(83,839)	(635)	**54,076**	0	0	(19,496)	**34,580**	**238,582**	**3,838**	**277,000**
28	2042.43	135,990	6,651	0	0	142,641	(34,099)	(21,660)	(29,602)	(468)	0	0	(85,829)	(663)	**56,149**	(0)	0	(26,732)	**29,417**	**277,000**	**4,376**	**310,792**
29	2043.44	140,035	6,817	0	0	146,852	(34,951)	(22,094)	(30,342)	(479)	0	0	(87,866)	(573)	**58,413**	(6,000)	0	(27,522)	**24,891**	**310,792**	**4,849**	**340,532**
30	2044.45	144,201	6,988	0	0	151,188	(35,825)	(22,535)	(31,100)	(491)	0	0	(89,952)	(453)	**60,783**	0	0	(28,601)	**32,182**	**340,532**	**5,349**	**378,064**

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Agenda Item 9

MUNICIPAL YEAR 2014/2015 REPORT NO. 169A

Agenda – Part: 1	**Item: 9**
Subject: **Responding to the DCLG Report Inspection of Rotherham Metropolitan Borough Council.** **Wards: All**	
Cabinet Members consulted: **Cllrs Doug Taylor, Ayfer Orhan and Rohini Simbodyal.**	

MEETING TITLE AND DATE:
Cabinet – 11th February 2015
Council – 25th February 2015
REPORT OF:
Director of Schools and Children's Service

Contact officer and telephone number:

Andrew Fraser

E mail: Andrew.fraser@enfield.gov.uk

1. EXECUTIVE SUMMARY

1.1 This report reflects on the recent events in Rotherham, the publication of the most recent report by the Government's investigation team led by Louise Casey (publication date 4th February 2015) and instructed in compliance with Section 10 of the Local Government Act 1999.

1.2 The Rotherham report has highlighted the key role that Council members must play in holding professionals to account in safeguarding vulnerable children and young people.

1.3 This report makes recommendations to further strengthen the robust governance and political oversight of safeguarding to vulnerable children and young people.

1.4 Cabinet are being asked to consider this as an urgent item given the recent publication of the Rotherham Council report and the key challenges identified as a result. The recommendations are as set out below.

2. RECOMMENDATIONS

2.1 Council is asked to note that Cabinet agreed to support Scrutiny's focus on children's and young people's issues and recommend that Overview and Scrutiny Committee (OSC) includes a standing item on every OSC agenda regarding children and young people's issues.

2.2 Council is asked to agree (as recommended by Cabinet) that:

(a) That Cabinet recommend to Council the establishment of a specialist dedicated task group with a strong focus on Child Sexual Exploitation and associated risks for children and young people.

(b) The membership will be in accordance with the requirements of political proportionality, chaired by Cllr Ayfer Orhan as cabinet statutory lead member, with the Chair of Overview and Scrutiny also invited to be member. The detailed terms of reference to be considered at the first meeting of the task group once established.

(c) The task group will report on its work to Council on a bi-annual basis along with any recommendation on tackling on Child Sexual Exploitation and the associated risks for children and young people.

3. BACKGROUND

The recent events and publication of the reports concerning child sexual exploitation in Rotherham have caused a ripple of outrage and alarm, not just with those professionals who work with children, but also with the public at large.

The publication of Louise Casey's report forms a judgement that Rotherham Metropolitan Council is "not fit for purpose" and that there has been insufficient leadership throughout the organisation, both in relation to senior management and from the political leadership at the helm of the Council. A key finding, clearly stated within the report, is that scrutiny has been missing. The full report can be found by following https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/401125/46966_Report_of_Inspection_of_Rotherham_WEB.pdf
Excerpts from this report can be found at Appendix A and B.

Professor Alexis Jay's Independent Inquiry into Child Sexual Exploitation in Rotherham was commissioned by the council in October 2013 and published on 26 August 2014. Covering the periods of 1997 to 2013, it looked at how Rotherham's Children's Services dealt with child sexual exploitation cases. The report found evidence of sexual exploitation of at least 1,400 children in Rotherham in this period.

Given the serious failings highlighted by the Jay report, the Secretary of State for Communities and Local Government, Eric Pickles, appointed Louise Casey on the 10 September 2014 to carry out an inspection of Rotherham in relation to the exercise of its functions on governance, children and young people and taxi and private hire licensing.

Louise Casey's report was published on 4 February 2015. She also wrote to the Secretary of State for Communities and Local Government on the 27 January 2015 and 3 February 2015.

After careful consideration, the Secretary of State made an oral statement in the House of Commons on 4 February 2015 in which he confirmed that he is considering exercising his powers of intervention in relation to Rotherham. The department has also written to Rotherham Council setting out the details of the intervention package the Secretary of State is proposing.

Rotherham Council has 14 days to make representations on Louise Casey's report and the Secretary of State's intervention proposals. The Secretary of State will carefully consider any such representations before taking any decision about how to proceed.

There remains national interest in the failings of Rotherham Council in relation to safeguarding and the culture of the organisation as a whole in all areas of its work, as one in denial, with a culture of bullying and cover-ups. The impact of the latest report has seen mass resignations of the council's cabinet and a recommendation from the Department for Local Government and Communities that control is removed from Rotherham Council and placed into the hands of a centrally appointed team of Commissioners.

The current OFSTED framework for inspection of services for children in need of additional support and reviewing local safeguarding boards is clear that there is a need for challenge, knowledge, understanding and scrutiny at the highest level with councils.

The publication of the Louise Casey report has heightened the emphasis on this in inspections across the country.

It is proposed that the Council further strengthens its focus on children and young people proposing that the Overview and Scrutiny Committee address children's issues as a standing item at all its scheduled meetings.

That Cabinet recommend to Council to urgently establish a specialist dedicated task group with a strong focus on Child Sexual Exploitation and associated risks for children and young people.

The membership will be in accordance with the requirements of political proportionality, chaired by Cllr Ayfer Orhan as cabinet statutory lead member, and to invite the Chair of Overview and Scrutiny to be member. The detailed terms of reference to be considered at the first meeting of the task group once established.

This will be in addition to the suite of governance measures already existing which include:

- Regular (weekly) meetings with the Lead Members with responsibility for Children's Services and Youth
- Regular meetings with Opposition Lead Member with responsibility for Children
- The work of the Enfield Safeguarding Children's Board (ESCB) which holds partners to account for services to improve outcomes for vulnerable children
- The work of the Independent Reviewing Officers (Annual report to ESCB and Overview and Scrutiny Committee)
- LSCB Annual Report to Overview and Scrutiny Committee
- Designated Officer Annual Report to Overview and Scrutiny Committee
- Regular reporting to Overview and Scrutiny Committee in relation to Fostering and Adoption
- Regular reporting to Overview and Scrutiny Committee in relation to Complaints
- Regular (Monthly) briefings to the Leader of the Council by the Director of Schools and Children's Services and the Assistant Director for Children's Services

This proposal is in harmony with the work of Enfield 2017, transforming services in the borough to serve our customers and residents well and offer the highest quality of provision.

4. ALTERNATIVE OPTIONS CONSIDERED

None.

5. REASONS FOR RECOMMENDATIONS

The recommendations address the following:

- The current climate of national concern in relation to safeguarding children
- The publication of the report into Child Sexual Exploitation at Rotherham and the effect across the country
- Reflection on lessons learnt from "the Rotherham effect" where the investigation report describes the Council *as "complacent, with institutionalised political*

correctness and blatant failures of political and officer leadership" (see Appendix A and B)

- Recognition that Enfield cares deeply about its children and young people, and prioritises their wellbeing within its structures for governance, support and challenge.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

The financial implications are considered to be minimal and affordable within the medium term financial plan. This will be reviewed regularly.

6.2 Legal Implications

Section 101 (1) (a) of the Local Government Act 1972 permits a local authority to 'arrange for the discharge of any of their functions by a committee or a sub-committee…of the authority'.

Schedule 2 paragraph 4 (1) of the Children Act 1989 requires every local authority to take reasonable steps, through the provision of services under Part III of the Children Act 1989, to prevent children in their area suffering ill-treatment or neglect.

The proposals set out in this report comply with the above provisions.

6.3 Property Implications

None

7. KEY RISKS

The recent and alarming issues highlighted in the 2 key reports since 2012 investigating the events in Rotherham, have evidenced the level and nature of risks faced should focus on these issues be lacking or unsystematic.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

8.2 Growth and Sustainability

8.3 Strong Communities

A further strengthening of the focus on Child Sexual Exploitation through the task group described within this proposal would ensure that all 3 of the councils' key aims are addressed and that the corresponding 9 objectives within the Children and Young People's Plan, shared by the Council and its partner agencies, are treated with rigour and challenge from the heart of the political leadership through to the front line service delivery.

9. EQUALITIES IMPACT IMPLICATIONS

A full equalities impact assessment will be carried out during the creation of the task group.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The intention underpinning this proposal is to support the continuous drive for improvement by the Council and its partners in relation to the support and improved outcomes for vulnerable children.

11. PUBLIC HEALTH IMPLICATIONS

This proposal will also ensure that measures to improve the health and wellbeing of children and families will be further challenged through the scrutiny function. This proposal will further strengthen measures in the borough to prevent the sexual exploitation of children. The task group will include internal and external stakeholders and partners.

Appendix A – Excerpt – Executive Summary: Investigating Rotherham Metropolitan Borough Council - report from Louise Casey

Appendix B – Excerpt – Leadership and Governance in Rotherham - investigating Rotherham Metropolitan Borough Council

Background Papers: None

Appendix A

NB This is an extract (Overview and Executive Summary) of the full report

Report of Inspection of Rotherham Metropolitan Borough Council

February 2015

Author: Louise Casey CB

February 2015
HC1050

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Foreword

Terrible things happened in Rotherham and on a significant scale. Children were sexually exploited by men who came largely from the Pakistani Heritage Community. Not enough was done to acknowledge this, to stop it happening, to protect children, to support victims and to apprehend perpetrators.

Upon arriving in Rotherham, these I thought were the uncontested facts. My job was to conduct an inspection and decide whether the Council was now fit for purpose.

However this was not the situation I encountered when I reached Rotherham. Instead, I found a Council in denial. They denied that there had been a problem, or if there had been, that it was as big as was said. If there was a problem they certainly were not told – it was someone else's job. They were no worse than anyone else. They had won awards. The media were out to get them.

So this is why in making a judgement as to whether Rotherham Council is fit for purpose today I have set it in the context of how it has behaved in the past and its reluctance to deal with past failings.

I recognise that child sexual exploitation is hard to tackle. It is complex, sometimes thankless and very hard to get it right. But it is vital that public services face up to difficult tasks. However, Rotherham Council is a place where difficult problems are not always tackled as they should be. When faced with the solid findings contained in the report it had itself commissioned by Professor Jay, it did not accept them. And without accepting what happened and its role in it, it will be unable to move on and change.

We must not lose sight of what the failures in Rotherham have meant in practice; victims have been hurt and remain without justice, the Pakistani Heritage Community has been harmed by association , as have individual social workers, police officers, taxi drivers and other hard working people in the Council, voluntary sectors and the town of Rotherham more broadly. It has also harmed public services because what happened in Rotherham does not represent its values - of putting the needs of the most vulnerable always at its centre.

I want to be clear that the responsibility for the abuse that took place in Rotherham lies firmly with the vile perpetrators, many of whom have not yet faced justice for what they have done. I hope that this will shortly be rectified. But in its actions, the conclusion that I have reluctantly reached is that both today and in the past, Rotherham has at times taken more care of its reputation than it has its of its most needy.

Child abuse and exploitation happens all over the country, but Rotherham is different in that it was repeatedly told by its own youth service what was happening and it chose, not only to not act, but to close that service down. This is important because it points to how it has dealt with uncomfortable truths put before it. However, I propose that this report is one uncomfortable truth that will not be ignored, but that Rotherham Council will use it to embrace the change so sorely needed and ensure that from here it get its priorities right.

Louise Casey CB
January 2015

Background and methodology

Professor Alexis Jay's Independent Inquiry into Child Sexual Exploitation in Rotherham was commissioned by Rotherham Metropolitan Borough Council in October 2013 and published on 26th August 2014. Covering the periods of 1997-2009 and 2009 - 2013, it looked at how Rotherham Metropolitan Borough Council's (RMBC) Children's Services dealt with child sexual exploitation cases.

The report found evidence of sexual exploitation of at least 1400 children in Rotherham over this period. The majority of the perpetrators were described as 'Asian' by victims. Professor Jay found there was a "collective failure" by both the Council and police to stop the abuse.

A Best Value authority is under a general Duty of Best Value to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness."[1]

The Secretary of State may appoint a person to carry out an inspection of a specified best value authority's compliance with the requirements of this duty in relation to specified functions.

On the 10th September 2014, the Secretary of State appointed Louise Casey CB under section 10 of the Local Government Act 1999 to carry out an inspection of the compliance of Rotherham Metropolitan Borough Council with the requirements of Part 1 of that Act, in relation to the Council's exercise of its functions on governance, children and young people, and taxi and private hire licensing.

In undertaking this inspection, Louise Casey CB was directed to consider:

- In exercising its functions on governance, children and young people, and taxi and private hire licensing, whether the local authority:
- allows for adequate scrutiny by Councillors;
- covers up information, and whether 'whistle-blowers' are silenced;
- took and continues to take appropriate action against staff guilty of gross misconduct;
- was and continues to be subject to institutionalised political correctness, affecting its decision-making on sensitive issues;
- undertook and continues to undertake sufficient liaisons with other agencies, particularly the police, local health partners, and the safeguarding board;
- took and continues to take sufficient steps to ensure only 'fit and proper persons' are permitted to hold a taxi licence; and
- is now taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and has the capacity to continue to do so.

Louise Casey CB was appointed as lead Inspector but as the statute allows, the Secretary of State appointed on her recommendation, Assistant Inspectors to ensure that she had all the required skills and experience available to her to fulfil her remit.

[1] Department for Communities and Local Government, *Best Value Statutory Guidance,* 2011

Louise Casey CB began her inspection on the 1st October 2014.
In total the inspection team carried out over 200 meetings with:

- Victims and their families
- Whistle-blowers
- Concerned members of the public
- Current and former Cabinet Members
- Current and past Councillors
- Current and past senior officers
- The Monitoring Officer
- Heads of Safeguarding
- Former Directors of Children's Services
- Current and past staff in Children's Services
- Managers and staff in taxi licensing
- External auditors
- Other local interested parties
- Representatives from the following partners:
  - Apna Haq
  - Barnsley and Rotherham Chamber of Commerce
  - Council of Mosques
  - GROW
  - Learners First
  - Local Safeguarding Children's Board
  - Rotherham Clinical Commissioning Group
  - Rotherham Diversity Forum
  - Rotherham Ethnic Minority Alliance
  - Rotherham NHS Trust
  - Rotherham, Doncaster and South Humber Mental Health Trust (RDaSH)
  - Safe @ Last
  - Schools (x 2)
  - Senior partners who have now left Rotherham
  - South Yorkshire Fire and Rescue Authority
  - South Yorkshire Police
  - Voluntary Action Rotherham

Inspectors met with over 30 representatives from the Rotherham Partnership, representatives from the Youth Cabinet, and from the community sector as facilitated and invited by Voluntary Action Rotherham.
The inspection also reviewed documentary evidence, sampled cases and processes and observed practice, including:

- Approximately 320 requests for documents totalling up to 7000 documents and information
- 68 past and current cases in Children's Services
- 19 staff case files
- 22 taxi licensing cases
- Reviewing policies, procedures and practices

The Inspection team is very grateful for the cooperation of the management and support staff of the current Council in helping the facilitation of the inspection. We were treated courteously at all times.

The team is also grateful that all current and former staff that we approached including frontline workers, managers, Directors and Members agreed to be interviewed. Two people declined – former Leader, Roger Stone and former Police and Crime Commissioner, Shaun Wright.

EXECUTIVE SUMMARY

Rotherham Metropolitan Borough Council is not fit for purpose. It is failing in its legal obligation to secure continuous improvement in the way in which it exercises its functions. In particular, it is failing in its duties to protect vulnerable children and young people from harm.

This inspection revealed past and present failures to accept, understand and combat the issue of Child Sexual Exploitation (CSE), resulting in a lack of support for victims and insufficient action against known perpetrators.

The Council's culture is unhealthy: bullying, sexism, suppression and misplaced 'political correctness' have cemented its failures. The Council is currently incapable of tackling its weaknesses, without a sustained intervention.

On 26th August 2014 Professor Alexis Jay published an Independent Inquiry into Child Sexual Exploitation in Rotherham. The report, commissioned by RMBC as a review of its own practices, concluded that over 1400 children had been sexually exploited in Rotherham between 1997 and 2013. The vast majority of the perpetrators were said to be 'Asian' men.

In response, on 10th September 2014, the Secretary of State for Communities and Local Government appointed Louise Casey CB to carry out an inspection of Rotherham Metropolitan Borough Council (RMBC) under section 10 of the Local Government Act 1999. The inspection would assess the Council's compliance with the requirements of Part 1 of that Act, considering leadership and governance, scrutiny, services for children and young people, taxi and private hire licensing, and whether the council 'covers up' information.

The inspection team reviewed approximately 7000 documents, looked in detail at case files and met with over 200 people, including current and former staff, council Members, partners, victims and parents.
Our investigations revealed:

- a council in denial about serious and on-going safeguarding failures
- an archaic culture of sexism, bullying and discomfort around race
- failure to address past weaknesses, in particular in Children's Social Care
- weak and ineffective arrangements for taxi licensing which leave the public at risk
- ineffective leadership and management, including political leadership
- no shared vision, a partial management team and ineffective liaisons with partners

- a culture of covering up uncomfortable truths, silencing whistle-blowers and paying off staff rather than dealing with difficult issues

Despite Professor Jay's findings, which we fully endorse, and substantial quantities of information available within the Council, RMBC demonstrates a resolute denial of what has happened in the borough. This took several forms – notable in their recurrence – including dismissal of Professor Jay's findings, denial of knowledge of the 'scale and scope' of CSE, blaming others, and denial that CSE remains a serious problem in present day Rotherham.

Whilst the appointments of a Children's Commissioner and interim Chief Executive (CE) have undoubtedly been beneficial, changes in the senior management team alone will not be enough to shift things on. Interviews with staff and Members of RMBC highlighted a pervading culture of sexism, bullying and silencing debate. The issue of race is contentious, with staff and Members lacking the confidence to tackle difficult issues for fear of being seen as racist or upsetting community cohesion. By failing to take action against the Pakistani heritage male perpetrators of CSE in the borough, the Council has inadvertently fuelled the far right and allowed racial tensions to grow. It has done a great disservice to the Pakistani heritage community and the good people of Rotherham as a result.

We have concluded that RMBC does not have strong enough political and managerial leadership to guide the borough out of its present difficulties and put it back on a path to success.
RMBC's Children's Services are failing, with a lack of clarity over priorities, repeatedly missed deadlines for the assessment of children in need of care and protection, poor decision-making, drift and delay. The dedicated CSE team is poorly directed, suffers from excessive case loads, and an inability to share information between agencies.

Perpetrators are identified, but too often little or no action is taken to stop or even disrupt their activities and protect children from harm. One of the most important partners is South Yorkshire Police, with whom inspectors expected to find a robust and equal relationship. Instead, RMBC demonstrated an excessive deference to police assurances and a failure to recognise their own role in pursuing perpetrators. This prevented the use of council powers to tackle perpetrators and a lack of scrutiny over the police's actions – actions which inspectors would also call into question.
Partnership working is ineffective. The structures are overly-complicated and do not drive action. Partners are critical that the Council is not providing a lead in these troubled times for the town.

The Council does not use inspection to learn and improve. Members are overly reliant on officers and do not challenge tenaciously enough to ensure improvements. Meeting and action plans are numerous but unproductive, with a tendency towards inertia.

Some Members have not set and modelled the high standards expected of those in public life. Historic concerns around conduct have not been effectively tackled. RMBC has a culture of suppressing bad news and ignoring difficult issues. This

culture is deep-rooted; RMBC goes to some length to cover up information and to silence whistle-blowers.

RMBC needs a fresh start.

Appendix B

Extract from Report of Inspection of Rotherham Metropolitan Borough Council – Section on Leadership and Governance

SECTION TWO: ROTHERHAM TODAY

1. IS THE COUNCIL TAKING STEPS TO ADDRESS PAST WEAKNESSES AND DOES IT HAVE THE CAPACITY TO DO SO?

The inspection was directed to consider whether the local authority is now 'taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and has the capacity to continue to do so' in other words, whether the Council is fit for purpose.

We have been objective about where RMBC is today, but have also had to acknowledge and recognise the long shadow of the past which is still cast across much of what we found.

Background

Councils are expected to develop a strong vision for the place and the people they serve, deliver good quality universal and specialist services together with their partners, and to ensure both the highest standards of conduct and good stewardship of resources. To do this requires strong political leadership by the Leader of the Council and the Cabinet, supported by Members; and strong managerial leadership by the Chief Executive and the Senior Leadership Team, supported by officers.
These leadership teams must also be working effectively together. The Leader and the Chief Executive are jointly responsible for ensuring the Council is fulfilling its responsibilities and that Members and officers maintain healthy relationships.

Judgement

To reach a judgement on RMBC's overall leadership, governance and management, we have inspected:
• governance arrangements
• how the Council operates
• how some vital services are performing
• use of resources
• the role and conduct of Members and senior officers
• the Council's capacity to tackle the failings that have been identified.

Inspectors found that on paper Rotherham has reasonable arrangements within the expected range. There is a constitution and codes of conduct, agreed decision making processes, and arrangements for undertaking statutory, scrutiny and regulatory functions.
However, we found that the overall culture, the lack of a shared strategic vision, the complexity of partnership structures and the lack of strong political and managerial leadership at RMBC were severely inhibiting its ability to tackle failings and lead the transformation of the borough.

Inspectors have concluded that the Council is failing and does not have the capacity to address past weaknesses. We do not attribute these failings to single individuals. They rest on the collective responsibility of the Council's political and managerial leadership as a whole.

Through their action or inaction, many senior managers and Councillors have allowed failings to persist over long periods of time. The Council has taken some steps to address past weaknesses and in the last few weeks there has been an improvement in pace.

We note that an Improvement Board has been jointly established by the Council and the Local Government Association to provide oversight, support and challenge.
However, such welcome progress has to be viewed in the context of:

- no current shared strategic vision
- no permanent chief executive
- no cohesive senior leadership team and several key vacancies
- a structure which does not work and is being changed
- a weak and inexperienced Cabinet
- no sense of collective responsibility to tackle CSE
- a poorly directed tier of middle managers, some of whom did not demonstrate that they had the skills, drive and ability necessary to turn the organisation around
- a history of poor performance and a tolerance of failure in Children's Services
- a denial of past failings.

Leadership and Governance

The Council has many issues to address but lacks the necessary skills, abilities, experience and tenacity within either the Member or senior officer leadership teams.
This judgement is based on the evidence we have seen, referred to in other chapters of this report, about the way in which the Council operates and responds to challenge, in terms of:

- the way in which it has responded to inspection outcomes and issues of performance to date
- the way in which it has failed to tackle the prevalence of CSE
- the culture of the Council and its values
- Member and officer working relationships
- the management culture and performance of the Council's services specifically Children's Services and Licensing
- the inability of the political leadership to hold officers to account and for senior officers to provide appropriate information to Members
- the inability of all Members to properly represent the interests of local people and businesses, particularly by failing to effectively challenge to ensure improvements in outcomes

Rotherham Council lacks political leadership in that it is not clear what it wants to do, what kind of organisation it wants to be, and how it will get there.

The Improvement Board has recognised the need to articulate a clear vision, supported by the right people, structures, policies, plans and processes. This may mean being clear about what the Council will stop in order to do the things that it wants to do. With finite resources, tough choices have to be made and determined political leadership will be required to steer the Council through the current difficulties and a further period of very significant change.

Whilst competence might be enough to do a reasonable job in a stable authority, Rotherham Council needs outstandingly talented and determined managers to drive the changes required.

Failure to listen, learn, challenge and improve Since 2000, Rotherham has been the subject of regular inspection and judgements by external assessors including OFSTED and the Audit Commission. Apart from a brief period in 2005/7, these have indicated significant failings and weaknesses over the period. In some cases, false assurances were taken from inspections, but significant concerns were also raised and not addressed. The Council has not used inspection as a tool to drive improvement.

Too often, the Council has been content to settle for ‘adequate’ where in reality this meant residents, including vulnerable children and young people, were not being served well. The Council’s response has been to develop voluminous action plans and monitoring reports. But there has also been a propensity for plans to slip or be ignored and not be implemented at all, while monitoring reports are obscure and over positive.

Inspectors saw regular reports to the Cabinet and Scrutiny committees, but not the effective challenge we would expect from elected Members. The notion of challenge has been misunderstood and misinterpreted as bullish questioning. Challenge means setting aspirational targets, knowing how far to stretch the organisation, asking searching questions, drilling down into information and data, ensuring targets are kept to and agreed actions implemented. It also means recognising organisational inertia and doing something about it; identifying when people are struggling, finding out why and getting alongside them, overcoming barriers and working out solutions.

Children’s Services have not been subject to appropriate challenge and have been allowed to decline and fail.

Failure to tackle CSE effectively

The first part of this report describes how RMBC has historically dealt with CSE. Inspectors have found an organisation which seems unable to face up to the reality of CSE; unable to hold a frank and honest dialogue, either internally or with partners and the community about the nature and consequences of CSE; and unable or unwilling to take the action necessary. Inspectors have seen evidence of meetings, reports, strategies, action plans and operations for more than a decade and yet we met senior officers and Members who expressed surprise at the scale and scope of CSE described in the Jay Report. The numbers of children affected by CSE were regularly reported to various officer and Member forums.

It is hard to accept that over these years no-one questioned the scale and scope of CSE. No-one seems to have asked why there have been so few convictions of perpetrators, nor what could be done about the perpetrators who were known to be at large and operating in the community.

The Council's managerial and political leadership did not effectively challenge the police on this issue. Nor did they take steps to identify what could be done to disrupt the activity of perpetrators and to prevent young people becoming victims. Where concerns were raised, action was inadequate and, even today, too little has been done to support historic victims who are known to the Council.

The culture of not following up actions had profound implications for the failure to grasp the challenge of CSE. For instance, the former leader of the Council personally chaired a task and finish group in 2005 in an attempt to tackle CSE. This agreed a range of actions, such as a zero tolerance campaign, but officers never implemented the plan. Three years later, Councillors commented that the 2008 CSE action plan was almost identical to the 2006 plan with the dates changed and sent it back. But even then, not enough was done to maintain focus and sustain progress.

Inspectors found that a contributory factor was the prevailing climate of concern for community cohesion and the lack of clarity of leadership in terms of CSE and race. In January 2015, months after the Jay report was published, Inspectors found the support for victims to be sadly lacking. Whilst the Leader should be commended for making additional funds available, the lack of a strategy to support victims, any proactive outreach, and contact with known survivors is lamentable. Inspectors have seen improvements in very recent weeks, thanks to new managerial leadership, but it is unclear whether this will be sustained.

Poor culture and values

It is too easy to blame a single individual or small number of individuals for the culture and poor public service values in some parts of RMBC today. Many of the staff we met were exemplary and tried their best in difficult circumstances. Many wanted to feel proud of the borough and felt ashamed of what had happened.

As outlined in section one, the former Leader and his Deputy were not universally popular but did bring some positive dividends to the borough. Inspectors witnessed too much retrospective political point scoring and scapegoating rather than the necessary learning required to lead Rotherham to a more positive future. Too many officers and Members have sought to apportion blame to others rather than to accept responsibility themselves.

However, it was publicly known that the former Deputy Leader had a conviction from 2003 and had been subject to a further police investigation in 2013 although this had led to no action. We heard that some Members and officers felt intimidated by him and that he had made threats. He denies this. Inspectors heard that he had made representations on behalf of taxi drivers to speed up the issue of licences in advance of CRB checks. On another occasion, officers felt he had brought pressure to bear on them which resulted in proposals to undertake unannounced safety checks on taxis being stopped. They were replaced by checks after giving ten days' notice and the Vehicle and Operator Services Agency (VOSA) withdrew from the plans.

Whether rightly or wrongly, some officers and Members felt they could not raise matters relating to Pakistani heritage taxi drivers and perpetrators because of community cohesion implications.

The former Deputy Leader was summonsed to court and had a liability order issued against him for non-payment of council tax. This cannot possibly be seen as setting the high standards rightly expected of those in public life. Two other Members also faced action for non-payment of council tax.

Inspectors found that the conduct of some senior officers and leading Members was, at times, inappropriate but went unchallenged. People claimed to have been shouted down, silenced and intimidated. This undoubtedly had wider implications in terms of what was seen as acceptable in Rotherham. However, we also note that the Council received 'Investors in People – Gold' which indicates that in some parts of the Council the culture may be healthier.

The management and performance of Council services

Inspectors found an organisation which is not corporate and which operates in silos.

The inspection has not been able to look at all services and we acknowledge that some may be operating well. But there is no sense of shared ownership, particularly of the difficulties facing Children's Services. This is clearly demonstrated in relation to CSE. This is why the Safer Rotherham Partnership, the Council's community safety, taxi licensing, regulatory functions and legal tool kit have not been used to disrupt the activities of perpetrators of CSE in order to protect children. Too many senior figures sought to distance themselves from the issue.

Despite the appointment of an excellent interim CE, even since the publication of the Jay report we have found insufficient evidence of clear managerial leadership to tackle the issues it raised, nor of political leadership to ensure officers were held to account for delivering. The lack of a clear overall strategic vision has contributed to the silo culture of the Council, and one where Children's Social Care has been marginalised. The complexity of

the partnership structures, the profusion of meetings, action plans and monitoring reports and the propensity to fail to follow through on agreed actions exists beyond Children's Social Care. The culture of 'keeping your head down,' of cover-up, and the level of anxiety amongst those interviewed was above what might normally be expected.

More generally Members blame officers for failure for progress and officers blame Members for lack of leadership.
There needs to be a shared ethos that no department or team can regard itself as serving its community well if the Council is failing its most vulnerable people. All parts of the Council must play a role in tackling that failure.

Can the Council tackle identified weaknesses?

Rotherham Council has failed to achieve and maintain an acceptable standard of performance over the past 14 years. Corporate governance, leadership and management have been mixed, improving at times but unable to sustain momentum. Social services' performance has declined from a high point in 2001 when it was among the top ten performers in the country. Children's Social Care maintained a good but declining performance to 2007 when it experienced a significant decline from which it never recovered. During the last seven years it has never moved above an adequate rating which in modern assessment terminology would be seen as 'requires improvement'. It hit a low point in 2009 when it was rated as poor and subject to a government notice to improve. It managed to get itself up to an adequate rating by 2011 and the improvement notice is lifted. It did not improve further and by 2014 had declined again into 'inadequate'.

Conversely, over the same period, from receiving a highly critical corporate governance report in 2000 the Council as a whole has improved at least in parts.
Inspectors asked themselves whether the corporate focus on improving overall, and on winning awards for some services, has been at the cost of services for vulnerable children.

It is also possible that the improvements in educational attainment, which in part contributed to Children's Services achieving adequate overall from 2010 onward, masked the evident decline in Children's Social Care. There are some key features in the performance picture since 2009 which suggest that the notice to improve may have been lifted too quickly.

All of the concerns listed below have been found in this 2014 inspection. The table shows when and how frequently they have appeared in the past.

Area of criticism	Date(s) of inspection report
Lack of vision, leadership and effective management	2000, 2002, 2009, 2013, 2014
Personal development reviews and supervision	2002, 2009, 2010, 2011, 2012, 2014
Core assessments for children, procedures and timeliness	2005, 2007, 2009, 2010, 2011, 2012, 2014
Concerns re teenage pregnancies	2006, 2008, 2014
Weaknesses in social care management/safeguarding	2008, 2009, 2012, 2013, 2014
Plans, pace, not embedded	2009, 2011, 2012, 2013, 2014
Confused governance, too many groups, confusion and increased risk	2009, 2011, 2013, 2014
Access Team	2009 (x2), 2011, 2012, 2014
Social care capacity/resources/prioritisation	2009 (x2), 2012, 2014
Information/data/analysis	2009 (x2), 2011, 2014
Domestic violence	2011, 2012, 2014

The Corporate Governance Inspection of 2002 found it was: 'Not always clear how decisions are made…the quality of information provided to Members was observed as poor. The Council operates in silos…We were unable to find clear plans to reprioritise funding areas…the Council needs to be much clearer about what its priorities are. There is no link

between service planning and human resource planning. There is not yet a climate of robust risk management. Financial management is sound.'

These findings are identical in almost every regard to those of today's inspection.
Recurring weaknesses have been identified in Children's Social Care. The Serious Case Review following the death of Child S, published in 2012 notes: inadequate assessment, lack of clear and timely case recording, slow and inefficient response, inadequate supervision and review, children not heard and risk assessment poor, among 22 weaknesses. The author noted that all 22 weaknesses had been features in previous Serious Case Reviews. And they remain today. Clearly Rotherham Council does not use inspections to drive improvement.

Rotherham does not learn, even in the most tragic circumstances, and it has not improved. Without sustained support and scrutiny, there's a strong likelihood it will fall back.

Top to bottom – translating political leadership into action

Organisations as big and complicated as local authorities need to have some basic arrangements in place to make sure that everything runs smoothly.

Plans and decisions

The Council's approach to strategic and corporate planning is generally in line with expected norms. The plans and strategies are much as you might expect on paper but they do not connect with reality on the ground. It is the Council's failure to drive through its actions that makes Rotherham stand out.

One illustration of this disconnection between vision, plans and practice is the Council's equalities plan and single equality scheme. The documents are clear, aspirational and include a summary of good practice. However, we found that this was not rooted in the day-to-day experience of staff. We set these matters out in more detail elsewhere in considering political correctness and race. The point here is that whilst plans and policies look appropriate, or even good, they bear little relationship to what inspectors found at the frontline.

There are too many plans and priorities and these are insufficiently connected to each other or day-to-day operations. Where decisions are made, there is insufficient oversight to ensure they are acted upon, or have the desired effect. Inspectors found evidence that Member decisions were sometimes ignored, and plans just left on the shelf.

Plans disconnected to staff

Inspectors were told that in Children's Services only "60-80% of staff are having Performance Reviews, with HR spot checking more than anything". Inspectors did not find this to be at all adequate. We would expect the vast majority of staff, with few exceptions, to be having performance reviews so they know what is expected of them and how their work contributes to the delivery of the Council's plans. Inspectors concluded that some staff did not understand the Council's vision; a number were clearly confused about what was expected of them and this hampered their performance in terms of day-to-day service delivery.

Plans not delivered in a timely way

Across the Council's plans, we found many examples of slippage, which demonstrate that there was, and is, inadequate managerial and political oversight of key deliverables. Reporting arrangements to the senior leadership team are not adequate and scrutiny of

performance data by Members is not systematically ensuring that slippage is picked up and officers appropriately called to account.

Where slippage directly relates to capacity (human or financial), and we saw examples where this was cited to be the case, then Members need to understand the deficit and be presented with realistic options to enable them to prioritise effectively. They also need to step up to the mark to make sure they fully understand what is happening.

Reports are poor; Member challenge is ineffective

Inspectors found very little evidence that service failings were identified and addressed. The signs that Children's Social Care services were failing had been there for a very long time but the senior leadership team did not act, and Members did not look hard enough. We saw some evidence that some officers sought to keep Members at arms-length, and direct them away from concerns.

Certainly, officer reports did not always present the facts in an easily accessible way, sometimes failed to set out the full position and at times could be seen as misleading. We considered that Members did not ask probing questions to get underneath the skin of reports and data.

An example would be the Rotherham Local Safeguarding Children Board (RLSCB) report on the subject of CSE considered by Rotherham's Cabinet on 24th September 2014. Inspectors found that the document was neither easily accessible nor written for a lay audience. It was partial and assumed prior knowledge of issues. The report was not engaging. It did not seek Members' views, or present options. Instead, it encouraged Members to accept the recommendations of officers without proper scrutiny of the facts.

Omitting all details, one line states that 'all of the recommendations of the Jay report have been incorporated into the CSE plan and will be subject to future progress reports'. This approach does not afford Members the opportunity to review the CSE plan, nor scrutinise how the recommendations have been included and, crucially, whether the actions proposed are likely to be effective.

Inspectors also found the critical analysis provided by officers in this report was poor. There were no milestones, timescales, benchmarks, evaluation or reporting on progress. This was also true in terms of data, which inspectors found was presented without any detailed analysis or explanation, nor with any real sense of scale, trends and whether things were getting better or worse. Moreover, the CSE data presented is partial: for example, indicators of triggers for CSE, including absence from school, and children accessing mental health services, are not included.

Monitoring and reporting is inconsistent and, at times, weak.

Monitoring and reporting on plans is inconsistent. Officers sometimes painted too positive a picture of Council performance, or omitted important facts in their reports, that might have led to greater awareness and scrutiny by Members. For example, the monitoring report to the Self-Regulation Select Commission on 5th September 2013 on Corporate Plan Outcomes, outturn 2012/2013 reports that 'all children in Rotherham are safe'. The indicators are green throughout the year. There is no text explaining how this has been measured. Figures for domestic violence in the borough are very high and are a known concern. A series of articles in The Times have raised serious issues about the Council's safeguarding arrangements. Inspection reports point to repeated weaknesses in Children's Services. Inspectors are therefore at a loss to understand how anyone in the Council, officer or Member, could accept without challenge a report stating that 'all children are safe.'

'People have to understand the role of Members and put governance arrangements in place which allow Members to fulfil their [leadership and scrutiny] roles.' A member of the Improvement Board

Questionable priorities

The Council has not got its priorities right. It puts resources into pursuing awards when it should be focussing on sorting out the basics. In March 2014, the CSE Team received an award from the National Working Group Network for 'the longest journey under challenging conditions'. We found this extraordinary given the failings in its core business. Performance in Children's Services as a whole has not been above adequate, in other words, meeting the minimum standards, since 2010. Surely this woeful position should have been the focus of leadership and management rather than window dressing.

"Badges and awards seemed to be important to the organisation, and they would put resource into pursuing them – something that seemed a bit out of sync with the overall reflection of the Council." A former officer

Loss of public trust and confidence

Rotherham needs to restore public trust and confidence. The need for change has to be accepted before change can begin. Those closely associated with past failures need to let others make a fresh start.

Inspectors judged it important to consider what knowledge Members had about the CSE issue and what their responsibilities were at any given time over the period that Professor Jay investigated.

For more than a decade, there have been reports and updates about CSE. These outlined the nature of CSE, how it was being tackled and the numbers of victims or young people at risk known to Council services. There have been dedicated CSE workers employed by the Council throughout this time. The Council has commissioned at least three external reports into CSE and has multiple internal reports and plans.

In 2004, the Chief Executive directed the Executive Director of Children and Young People's Services to commission the 'Report on Organisations Delivering Services to Young People with Experience or at Risk of Experiencing Sexual Exploitation'. The findings of this report caused the then Leader Roger Stone to commission a Sexual Exploitation Task & Finish group – consisting of six Councillors and five senior officials – to get CSE 'sorted'.

This group held meetings throughout 2005. In 2006, the Children and Young People's Scrutiny Panel reviewed a CSE action plan and covering report, in which the vulnerabilities of looked after children and children in foster care were highlighted. The Children and Young People's Scrutiny Panel and Rotherham Local Safeguarding Children Board considered progress on the CSE action plan in 2007 and 2008 – although it changed very little throughout this time – and received updates in 2009. In 2010, the Safeguarding Board established a specific CSE subgroup.

Across the years we found many positive plans, statements of intent and agreed actions to improve services to deal with what was recognised as a significant problem as early as 2004. However, while reviewing these reports, a pattern emerged of plans and reports being the only response to the problem. Nothing much changed on the ground.

We do not accept that Councillors with a long history in Rotherham did not know about the scale and extent of CSE. We conclude that they did not act.

The current Leader was the Lead Member for Children's Services from 2010 to 2014. We found him to be a decent, committed and hardworking Councillor. He has provided additional funding for victims of CSE (even if we do not find the current offer to be good enough).
However, we have found that he was aware of CSE, including Operation Central, and had sufficient opportunity to uncover and act on the scale of the problem. We acknowledge that he was poorly served by officers, but nevertheless, he could, and should have done more, sooner.

As Lead Member, he also knew about the long-standing weaknesses in social care and safeguarding but did not ensure improvements were delivered and maintained on a sufficient scale. The fact is that Children's Services have not been better than adequate, and have declined under his watch. As Leader since the Jay report, we have found he has not given sufficiently strong and visible leadership, or put in place a coherent strategy to deliver improvements, support victims, tackle perpetrators or restore public confidence.

Overall, Inspectors have not been impressed with the calibre and grip of leading Members. We have reluctantly concluded that they cannot be left on their own to lead the Council out of its current responsibilities.

Scrutiny and Standards

"It is effectively a club which can't be challenged." A key partner

In undertaking this inspection, the inspection was directed to consider whether the local authority allows for adequate scrutiny by Councillors. We have already commented on whether scrutiny takes place as part of the day to day operation of the Council (in other words, whether there is sufficient rigour and challenge in the exercise of its duties) and we have concluded that it does not. This section looks at the form and effectiveness of the Council's formal scrutiny arrangements.

Rotherham has an Overview and Scrutiny Management Board (OSMB) that draws up the scrutiny work programme in conjunction, produces the annual report and then receives reports back on progress and final reports of major reviews that they undertake. The OSMB would also hear any call-ins. In addition, it undertakes an annual project with the Youth Cabinet. There are four Select Commissions which report to the OSMB which are:
• Self-Regulation (covers financial strategy and budget decisions)
• Health (includes the statutory role)
• Improving Lives (covers children and adult social care and schools);
• Improving Places (covers the physical environment).

Overall, the Council has an adequate structure in place and some individual pieces of work have been effective. It has some examples of good practice including undertaking work with the Youth Cabinet to review the issue of self-harm. However, it is not clear how effective it has been in holding Cabinet Members and senior officers to account for their individual performance and decision-making.

Inspectors could not find much evidence of how scrutiny had changed practice or policy making.

In March 2013 the OSMB, the Cabinet and the Management Team met together to draw up the work Programme for 2013/14. This is good practice. It is unfortunate therefore that we did not see evidence that this happened 2014/15.

Inspectors reviewed two years of OSMB papers and minutes, plus the work of the Improving Lives Select Commission. OSMB meets regularly, with reasonable attendance and agenda range. They seem to adhere to the work programme of reviews. OSMB has a standard item

of report updates from the four Select Commissions. Chairs of the commissions attend for their items as do some Cabinet Members.

The call-in procedure requires six Members to sign a call-in request. This seems too high a threshold for a Council which only has small opposition groups. Inspectors could only find one call-in which is not surprising. You would not expect the Labour Members to call in their own decisions when they have other ways to raise issues. The call-in was from six UKIP Councillors in July 2014 concerning a decision to be part of a four Council broadband project. The call-in was heard at OSMB which spent some time on the issue. This seemed appropriate given the risks.

The Improving Lives Select Commission has had CSE in its work programme for the past two years and the issue was regularly considered. The meeting in January 2014 was devoted just to CSE and there was a strong turnout of Members and all partner agencies attending. The meeting considered the report of the chair of the LSCB and a suite of the other reviews and reports. Whilst it is clear that matters were considered in some detail, it is much less clear what happened as a result.
Inspectors saw little evidence of impact.

> *"We were asking for stuff but we weren't getting it. I felt like it was a real battle to get information." A Councillor*

It's difficult to know how Member led the scrutiny function is and to what extent it is challenging Members as well as officers. Overall, whilst it appears to be a very active programme and within the normal range you would expect in terms of effectiveness, there are some concerns.

Senior officers described a difficult relationship with overview and scrutiny, a lack of detailed information to back benchers, and an in-built self-regulation of the process. Senior Members admitted that Cabinet has been unprepared to release information to scrutiny. At one point there was an instruction – lasting five months - that no information could be given to scrutiny without the agreement of the Lead Member.

> *"The Cabinet had failed in not scrutinising themselves enough". A leading Labour Councillor*

Inspectors concluded that overview and scrutiny had been deliberately weakened and under-valued. The structures and processes look superficially adequate, but the culture has been one where challenge and scrutiny were not welcome.

> *"People did feel fearful of attending the scrutiny board and intimidated in Council meetings." A senior officer*

Where Councillors have scrutinised other agencies, e.g. aspects of health, they have been more effective and robust. However, not enough Members really know how to get underneath information presented by officers, and the organisation has not properly resourced and facilitated effective scrutiny. It was generally acknowledged that the scrutiny team was small and disconnected from the Senior Leadership Team.

The fact that Members' services are provided informally and are in the gift of each director leaves the Member position weak and further discourages effective day to day challenge. Clearly, if scrutiny is unwelcome and only funded at the behest of those being scrutinised, it is unlikely to be effective. This is not a reflection on the officers who support the scrutiny function. In fact, despite all the barriers we found them to be passionate about the value of scrutiny and doing their best despite obstacles in the path.

Whilst the opposition in Rotherham is small, we saw limited evidence of them raising concerns and putting pressure on the leadership. In terms of CSE, we could not find evidence that the opposition had been at all effective in scrutinising and challenging, or active in getting the matter on the agenda.

Member Standards of Conduct

Member conduct is vital as it is at the heart of what is expected of those in public life and holding public office. In Rotherham, with its chequered history, visibly demonstrating high standards in public life really matters. They need to be squeaky clean.

The Council's arrangements are generally in line with those of Councils across the country. It has an appropriate constitution, decision-making and delegation framework, and committee structure.

However, the Council has some features which are more specific to Rotherham and worthy of note. Taken individually they may seem minor, but taken together and viewed in the context of Rotherham's past, they suggest a culture of patronage and an unwillingness to tackle unacceptable conduct by some Councillors.

Cabinet advisors:

The Leader may appoint Cabinet advisors who receive a special responsibility allowance. On average up to three such appointments have been made for each Cabinet role. Large numbers of Members are therefore receiving an allowance. In 2011, the Independent Member Remuneration panel recommended that the provision of allowances for these roles together with vice chairs of committees should cease. The Council did not accept this recommendation but the reasons for this are not recorded.

Although there is nothing improper about Rotherham's arrangements, they have led to a perception of 'grace and favour' and patronage including among leading Members.
Members' allowances:

The remainder of the scheme for Members' allowances is fairly standard. The basic allowance at £12,130pa is higher than the London basic rate but it is adjusted in line with staff pay (so has been reduced by 1.5%). This seems reasonable although it remains on the generous side.

The Monitoring Officer role:

The Monitoring Officer has a specific duty to ensure that the Council, its officers and its elected Members maintain the highest standard of conduct in all they do. The Monitoring Officer has a duty to write a report if he/she considers that any proposal, decision, or omission made by, or on behalf of the Council, is illegal or would be illegal. This is not a duty to write a report every time an allegation of illegality is made, but only if in his/her personal opinion that it did, or will occur. Inspectors were not made aware of any Monitoring Officer reports.

There is a culture where the opportunities to identify potential problems of governance or adherence to the code of conduct are missed. Inspectors found a general lack of professional curiosity or tenacity to grasp issues. For instance, we found that while there is a gifts and hospitality book for Members, no-one has the responsibility for taking an overview of the content and checking compliance. Therefore it is not routinely done.

Inspectors examined the register of Councillors' interests. In one instance we noted a potentially serious irregularity which we have raised with the CE so that the matter can be clarified or otherwise dealt with. Again, there was no systematic routine checking.

We observed that the Monitoring Officer role could be stronger and better resourced, especially given concerns about Member standards and behaviour. We are pleased to note that the Monitoring Officer now sits on the top management team.

Non-payment of Council Tax:

Following concerns raised by a whistle-blower, we found evidence that over the years, there are instances of Councillors not paying Council tax bills until reminders or summons are issued. In some cases the Council has had to seek liability orders from the Magistrate's Court before payment arrangements have been secured from Councillors.

Inspectors found this to be entirely out of keeping with the conduct expected of those holding public office and deeply damaging to the reputation of Councillors and the Council. It is a matter that political leaders must address. In addition, the Monitoring Officer should ensure that all Councillors' Council tax accounts are checked prior to the Council tax setting meeting to ensure compliance with legal requirements on no arrears over two months.

> *The former CE told inspectors:*
> *"I have found many officers and elected Members at all levels who have always conducted themselves professionally and with the appropriate demeanour in accordance with officer and Member codes of conduct. On some occasions there have been a small number that did not always have the same high standards."*

CRB and DBS checks

Inspectors looked to see whether Members had been subject to appropriate CRB and DBS checks. Since the introduction of the CRB regime in 2003, very few Councillors had been checked in the role of 'Councillor' or 'Elected Member'. We found that Members had decided not to submit themselves to such checks, against the CE's advice.

Some Councillors have been checked in order to sit on the fostering and adoption panels but the majority of checks, and certainly all the recent DBS checks, have been carried out at the behest of the schools or other responsible person in the recruiting organisation for the role of governor or volunteer. The Council is compliant with the minimum requirements of the DBS regime and has clearly chosen to take a light touch. However, there has been no historic, systematic checking of Members who had access to vulnerable children.

Senior Management of the Council

> *"We need your help… point us in the direction of what we need to be doing." A senior manager*

During the inspection:

- the CE left and an interim started
- the Strategic Director for Neighbourhoods and Adult Services (NAS) took early retirement at short notice
- the Director for Schools and Lifelong Learning left
- the former Leader resigned from the Council
- a government appointed Children's Commissioner started
- a new Director of Children's Services was appointed; and
- an external Improvement Board started to meet once a month to provide support.

The Children's Commissioner, Malcolm Newsam, was appointed by the Department for Education to help Rotherham improve the performance of Children's Social Care and safeguard and promote the welfare of children. Inspectors were impressed with his evident capability and are confident that he will play a major role in helping to set Children's Services

on the right course. He will chair the Children, Young People and Families Improvement Board, which met for the first time in January 2015.

The interim CE, who is in post until May 2015, has made a good start in stabilising RMBC and filling key vacancies. Inspectors were pleased to see early work on a restructure, an improvement plan and the addition of the Director of Finance and the Monitoring Officer to the Senior Leadership Team. We also welcome the newly created post of Director of Resources. Without it, the centre has been weak and unable to effectively regulate other parts of the organisation. This should introduce strong leadership to the corporate function, which is essential as effective HR, legal, finance and communications services are all needed to help RMBC transform.

RMBC has managed budget reductions by taking the path of least resistance and letting volunteers go. This has delivered the numbers, but at a significant cost. There has not been clear planning for the future, so good people have been allowed to leave even though their skills and talents were required. The Council needs to manage its budget while also investing in talented people and vital services.

Inspectors have met some committed and dedicated third tier officers. However, the Council does not have the managerial capacity to lead its way out of the present difficulties. This has been compounded in the short term by resignations and departures, though in the medium and long term this turnover was no doubt necessary. Inspectors were pleased to note that additional managers had been seconded in to shore up Children's Social Care, together with a significant investment in additional frontline social workers.

"We have lost our way." A current officer

Inspectors found that the Senior Leadership Team did not sufficiently look at the quality of operational delivery, operational service risks or issues. Some services in Rotherham are improving and winning accolades and awards, but Children's Social Care has been allowed to fail without effective monitoring and intervention. Senior managers pointed to these achievements in interviews as a means of 'balancing' the picture overall. We believe this is unhelpful. The scale of the failings in Children's Services cannot be weighed in the balance against even the most outstanding performance elsewhere. No council can be deemed to succeed if its Children's Social Care services are so inadequate. Officers' failure to grasp this point was a real concern to Inspectors. However, we include in Annex B a number of the Council's achievements which were highlighted by the outgoing CE and Leader.

Issues in Children's Social Care have not had the prominence and priority they should have across the Council. CSE does not appear to feature strategically, operationally or even as a risk until 2013/14. From 2010, each annual report notes pressures on the Children's Services budget and changes being made to get it under control. But the senior leadership team did not take corporate responsibility for ensuring issues were addressed.

Inspectors conclude that the CE, the Strategic Director of Children's Services and the Senior Leadership Team, as the team responsible for ensuring a good standard of performance across the Council's services, have collectively failed in recent times.

The failure to properly challenge and scrutinise data, and to intervene where services were in decline, has had significant consequences for children and young people in Rotherham. By not tackling CSE effectively, senior officers have failed children and young people, in particular the victims, and allowed the present difficulties to prevail. This failure to act has had wider consequences, including the recent marches by the EDL and a reported rise in racial abuse for the Pakistani heritage community, and taxi drivers in particular.

Finance

Inspectors interviewed the Director of Finance, Monitoring Officer, Director of HR, external Auditors, other staff and Members, including the Deputy Leader who holds the Resources portfolio. We also attended the Improvement Board when it considered the Council's financial strategy and reviewed financial plans, audit plans and a sample of audit reports. We looked at identified weaknesses in more detail through case file sampling and further interviews.

The Council has appropriate arrangements in place for planning and managing resources. This is confirmed by annual returns and the audit of accounts. Finance staff should be commended on ensuring that significant budget reductions in recent years have been delivered in a timely manner. They have done a good job to balance the books and deliver relative financial stability. Our summary of the Council's financial position is in Annex C.
However, Inspectors found that the overall approach to finance planning was not based on a clear and political strategic vision. The Improvement Board recognises this and is working to develop one.

In the absence of this vision, the budget process has been led by finance. All departments were asked to find a quota of savings, with some protection for frontline services. This approach has delivered the bottom line, but with serious consequences. For example, some services no longer have the capacity to function effectively. We were particularly concerned about the level of funding for central regulatory functions and those which will drive transformation, like legal services, organisational development, strategy, and resources to ensure community cohesion.

RMBC did invest in Children's Social Care during recent years but did so without really understanding what was driving demand. They lacked, and still lack, the data to make robust decisions. But they did not address this.

The budget process has not sufficiently considered the overall impact of reductions. Instead, each cut has been considered in isolation. This has allowed significant weaknesses to emerge in Children's Social Care and possibly elsewhere.

> *"The leadership have already recognised that in many aspects the Council is not fit for purpose, the approach to the budget of salami slicing is not going to be sustainable." A critical friend*

Inspectors were made aware of a number of rumours relating to grant giving, regeneration, and the failures of the Arms Length Management Organisation (ALMO) and the BT contract. We were not able to investigate these in any meaningful way given the time available but were reassured by the auditors that they were satisfiedwith the Council's affairs.

Human Resources

Inspectors tested human resources processes in action. We selected as an example CRB/DBS checks to ensure that vulnerable people are protected from any unsuitable staff. Inspectors reviewed policies, procedures, the posts identified for checks and then selected staff files at random and without notice.

Ten files were sampled (six individuals in social care and four in Neighbourhoods and Adult Services). Seven files passed on first inspection, where a screen shot of an up to date CRB/DBS check was found. The three files where a record of a CRB/DBS check was not first found on inspection dated back to staff who had been employed by RMBC for a number of years. Further investigation confirmed that the CRB/DBS checks were up to date. We were pleased to find the process was secure.

However, Inspectors found several checks in NAS that were more than a year overdue despite monthly reminders from HR. These important checks and balances are not being given sufficient priority by some managers working in services where staff support vulnerable adults. At worst, it leaves vulnerable people exposed to harm. This matter needs to be urgently addressed.

Higher up the organisation, there was little awareness of the HR implications of the process of downsizing and change. The greatest risk facing any organisation is that its people are not up to the job. But this seems to have been over-looked in the relentless focus on the numbers. It was a serious concern to Inspectors that HR could not comment on the capacity of the Council to deliver its plans. It clearly must be their job to help ensure the Council has the right people with the right skills in the right jobs.

Audit function

We looked at the Council's audit plans and a sample of audit reports, both internal and external, over the past decade and found arrangements to be within expected norms.
We were concerned, however, about the overall approach to audit. For example, processes that had been highlighted as failing many times over in Children's Services (i.e. contact and referral arrangements) would have benefited from the insight and rigour of audit yet did not find their way into the plan. Some services, such as the licensing/taxi function and the looked after children's service, have not been audited in the last three years in spite of concerns raised in the media.

All areas of known weakness should be audited within a systematic programme that ensured all Council services, functions and processes were subject to review every three years, alongside the statutory audit arrangements. A greater use of audit to support improvements would be beneficial as part of a comprehensible rolling programme of reviews.
Rotherham is rife with rumours about impropriety which creates an unhealthy climate of mistrust. External audit should be directed to look at areas where persistent speculation arises in order to restore public confidence or tackle the weaknesses identified, or both.

Risk management

We looked at the Council's processes for identifying and reporting on risks, including the probability of them arising and their impact. On paper, arrangements are much as we would have expected. However, we were told that risks were not really discussed and owned by management teams.

Inspectors noted that the risk of Children's Services not improving was in the top five risks after the OFSTED report in 2009. However, it was downgraded in October 2012 and did not appear in the top five after that date. No rationale was given. Clearly, risks should not be downgraded without a proper analysis and reporting of the facts.

The service was clearly not improving. The risk register should have provided an opportunity for SLT to identify this and take action. Taking it out of the top five identified risks meant that it was no longer visible to Members. This should have been questioned at Cabinet and/or been subject to scrutiny. Inspectors saw no evidence of this.

> *"Safeguarding would have been on risk register. Child Sex Exploitation was reported to SLT but it was down to the lead Director to deal with it." An officer*

There are no legal comments on reports relating to risk. In other words, no formal view is provided as to whether the Council is at risk of failing to meet its statutory duties.
The fact that the fall-out from the Jay report was not identified as a risk ahead of publication, and no plans were put in place to manage it, is just one indication that the way the Council

identifies and manages risk could be strengthened. Even more significant is the way that the Jay report was handled through the risk management process after publication.
A report to the Audit Committee on 17th September 2014 identifies the Jay report as the second highest risk facing the Council. The risk is described as follows: ‘Major reputation damage and loss of confidence in the Council; demoralising impact on employees; potential financial claims; potential impact on inward investment; short and medium term disruption/distraction from services; subsequent OFSTED and corporate governance inspections.’ It does not set out what it will do to mitigate such risks and indeed, these risks are now very real issues.

There is nothing about the risk to children.

The risk of services continuing to fail children should have been the Council’s highest priority. But it was not. This goes to the heart of the culture of the Council and what senior leaders think really matters.

MUNICIPAL YEAR 2014/2015 REPORT NO. 149A

Agenda – Part: 1	Item: 10
Subject: **Review & Adoption of a Statutory Pay Policy Statement**	
Cabinet Member Consulted: Cllr Andrew Stafford	

MEETING TITLE AND DATE:
Remuneration Committee – 26 January 2015
Council - 25 February 2015

REPORT OF:
Assistant Director - Human Resources

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1. EXECUTIVE SUMMARY

The Localism Act 2011 requires all Councils to review and adopt a Pay Policy Statement each financial year. This report proposes a number of amendments to the Council's policy agreed in 2014 for adoption in the financial year 2015/16.

2. RECOMMENDATIONS

The Council adopts, as recommended by Remuneration Committee, the Statutory Pay Policy Statement attached as Appendix 1 of this report.

3. BACKGROUND

3.1 Sections 38 to 43 of The Localism Act 2011 required all Councils to formally adopt a pay policy statement by 31 March 2012. The Act requires that a policy statement is adopted annually by a vote of the Council and once adopted, can only be varied by a vote of the Council.

3.2 In broad terms, the Act requires that the Statutory Pay Policy Statement includes:-

- A local authority's policy on the level and elements of remuneration for each chief officer
- A local authority's policy on the remuneration of its lowest paid employees (together with its definition of 'lowest paid employees' and its reasons for adopting that definition)
- A local authority's policy on the relationship between the remuneration of its chief officers and other officers
- A local authority's policy on other specific aspects of chief officers' remuneration; remuneration on recruitment, increases and additions

to remuneration, use of performance related pay and bonuses, termination payments and transparency.

The pay and remuneration of schools based staff is not covered by the Act.

3.3 The Remuneration Sub Committee has reviewed the operation of the pay policy for the financial year 2014/15 and has recommended the following amendments:

Paragraph 3.5 to read

In all the Council has seven such performance related salary ranges covering 472 posts with salary ranges starting at or above £35,716 p.a.

This amendment incorporates the latest pay award.

Paragraph 3.6 to read

The latest JNC pay rate is effective from January 2015.

This amendment provides the new pay award date.

Paragraph 3.6.4 to read

The salary range for Assistant Directors is £80,337-£94,514 (consolidated) through of £101,925 (non-consolidated).

Paragraph 3.8 to read

The last increase in the NJC spine is effective from January 2015.

This amendment provides the new pay award date.

Paragraph 3.10 to read

Delete £8.80 and insert £9.15
Delete £16,517 and insert £17,175
Delete 1.3.14 and insert 1.3.15

This amendment incorporates the London Living Wage increase due to be implemented on 1 March 2015.

Amend paragraph 3.14.2 to read

The Council's flexible retirement policy, adopted in 2011, enables eligible staff to receive their occupational pension and continue working, for a maximum period of up to two years, provided they either reduce their contractual hours by at least 50% or reduce the grade of their job by two grades. Nine staff were retired flexibly in the period 1 January to 31 December 2014.

This paragraph has been amended to incorporate updated statistics.

Amend paragraph 3.14.4 to read

The Council has the discretion to agree the early retirement of a member of staff aged 55 to 60, where this is in the best interests of the efficiency of the service. In such cases, the Council considers each case on its merit and in the light of this determines a) whether to agree the request and b) where applicable, whether to waive any actuarial reduction that may arise. Two staff were retired early in the interests of the efficiency of the service in the period 1 January to 31 December 2014.

This paragraph has been amended to incorporate updated statistics.

Amend paragraph 3.15 to read

Decisions to retire staff on grounds of permanent ill health are medical decisions over which the Council has little influence or discretion. In such cases, the Council will meet any additional costs that arise as specified in Regulation 20 of the Local Government Pension Scheme Regulations. Three staff have been retired on grounds of permanent ill health in the period 1 January to 31 December 2014.

This amendment incorporates the latest figures.

Amend paragraph 3.17.1 to read

All staff are eligible to join the Local Government Pension Scheme. Approximately 57% of the workforce are currently members of the Pension Scheme. The level of contributions made by staff is determined by Regulations. In addition, the Council makes a contribution to the Local Government Pension Scheme in respect of each member of staff who is a member of the scheme.

This amendment revises the percentage.

Amend paragraph 3.20 to read

On 1 April 2013, the NHS public health function was transferred to local councils. The transfer was actioned under a statutory transfer scheme and transferred staff have been protected on their NHS pay, pensions and conditions of service. At present, there are eight staff on NHS terms and conditions. The terms of the transfer agreement protect councils from equal pay challenges until April 2015. However, from this date, councils will need to review the pay arrangements to ensure that any differentials are objectively justified.

This additional sentence makes reference to the end of the transfer arrangements.

4. ALTERNATIVE OPTIONS CONSIDERED

The review and adoption of a Statutory Pay Policy Statement each financial

year is a statutory requirement.

5. REASONS FOR RECOMMENDATIONS

To meet a statutory requirement

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES & CUSTOMER SERVICES

6.1. Financial Implications

No financial implications arise from the adoption of the proposed Pay Policy Statement.

6.2 Legal Implications

The Council is required under sections 38-43 of the Localism Act 2011(the Act) to adopt a pay policy statement for every financial year. The pay policy statement for 2015/16 must be adopted by 31 March 2014. The pay policy statement must be adopted by full council, and can only be varied by full council. Once it has been adopted, all determinations on pay, conditions and remuneration of chief officers (broadly, the chief executive, directors and assistant directors) for that year must be in accordance with the policy.

6.3 Key Risks

If the Council did not have an agreed Pay Policy, which is reviewed annually to ensure that it is fit for purpose, then the Council could be open to legal or equal pay challenges.

7. IMPACT ON COUNCIL PRIORITIES

7.1 Fairness for All

The annual adoption of a Pay Policy Statement will afford the Council a regular opportunity to ensure that the remuneration of senior managers remain commensurate with the responsibilities of the roles relative to the pay of the Council's overall workforce.

7.2 Growth and Sustainability

Ensuring the appropriate remuneration for senior managers should enable the Council to recruit and retain the best managers with a view to providing services to the community which stimulate growth in the local economy.

7.3 Strong Communities

The publication of the remuneration details of senior managers will ensure that the local community has access to the information needed to hold senior managers to account for the realisation of the Council's vision.

7.4 **Equalities Impact Assessment**

The production of a statutory pay policy statement is a legislative requirement which will only impact on a very small number of senior staff**.**

8. HEALTH AND SAFETY IMPLICATIONS

None

9. PUBLIC HEALTH IMPLICATIONS

Detailed in paragraph 3.20 of the Pay Policy.

Background Papers

None

Appendix 1

The Council's Statutory Pay Policy 2015/16

1. Enfield Council is a large and diverse organisation providing a range of statutory and other services to a local community with a population of c300,000. It is responsible for managing a combined annual capital and revenue spend of c£1.1 bn. To ensure such a large and complex organisation is effectively led and efficiently managed, the Council needs to be able to attract and retain a range of high calibre and skilled managers and leaders. In a competitive job market, the value and composition of the remuneration package offered to senior managers i.e. Assistant Director and above is a key factor enabling the Council to attract, recruit, motivate and retain staff with the skills sets required to deliver the Council's vision objectives and aspirations, which in turn, have a significant impact on the lives of local residents.

2. This statement has been drawn up primarily to meet the requirements of Section 38(1) of the Localism Act 2011. The full details of the remuneration of both senior managers and other groups of staff employed by the Council will be published on the Council's website as required by the Code of Recommended Practice for Local Authorities on Data Transparency. The details of the remuneration received by individual senior managers in each financial year will be published in the annual statement of accounts.

3. **Pay Provisions**

   3.1 The implementation of the Council's pay and remuneration strategy for senior managers is overseen by the Remuneration Sub-Committee of the Council's Audit Committee.

   3.2 The key features of the Council's remuneration package for senior managers include

      3.2.1 a competitive salary structure that is aligned with benefits packages offered by other benchmark public sector organisations providing a similar range of services i.e. primarily other London boroughs;

      3.2.2 a pay structure where progression through the appropriate pay range is directly related to a senior manager's performance against the range of objectives set annually in consultation with Members. Under the terms of the Council's performance related pay scheme, originally agreed by Cabinet in 2006, pay progression through the top 10% of each salary range is not consolidated (i.e. is at risk) and consequently, the pay of individual senior managers can and does go down should performance levels fall and agreed objectives not met. The Council believes that adopting this approach promotes, recognises and rewards the high levels of performance that are expected within a delivery orientated organisation culture. This model of pay progression was extended to apply to all posts at middle management and above in 2010. Full details of the Council's performance related pay ranges are published on the Council's website as are details of how the performance related pay progression operates. The operation of

the performance related pay scheme is rigorously moderated and subject to independent audit. In 2011, this audit was undertaken by PricewaterhouseCoopers. The implementation of the performance related pay scheme for senior managers at Assistant Director level and above is overseen by the Remuneration Sub-Committee.

3.3 To further support the Council's aim of developing and embedding a delivery orientated organisation culture, the Council will take every opportunity to link progression through relevant pay ranges to the performance of individual members of staff.

3.4 As part of its commitment to ensuring equal value in pay matters, the Council determines the relative grades of the vast majority of jobs in the organisation through the application of recognised analytical job evaluation schemes. For the majority of staff, the job evaluation scheme used is that developed by the Greater London Provincial Council published in 2000. For middle and senior management jobs, the Hay Job Evaluation Scheme developed by Hay Management Consultants is used.

3.5 The Council determined the pay ranges for Heads of Service, Assistant Directors, Directors and the Chief Executive in 2006, with advice from Hay Management Consultants, using benchmarking data drawn from the Chief Officers Pay and Benefits Survey independently compiled by London Councils. The Council's middle and senior managers' pay ranges have a spread of 25 percentage points i.e. difference between the lowest and highest salary levels in the pay range. In the lower part of each salary range, i.e. points 1-16, performance related salary progression is consolidated i.e. once that level of salary is attained, it will be retained in future years, regardless of performance, while in the upper part of each salary range i.e. points 17-25, pay progression is not consolidated and can go up or down in line with recorded performance levels in the previous performance year. This model of performance pay being 'at risk' reflects that envisaged in the report to the Government on Fair Pay in the Public Sector published in 2011. In all, the Council has seven such performance related salary ranges covering 472 posts with salary ranges starting at or above £**35,716** p.a.

3.6 The pay ranges for middle and senior managers are increased in line with National Pay Agreements determined by the Joint National Council (JNC) for Chief Officers. The latest increase in JNC pay rates is effective from **January 2015**; currently,

3.6.1 the salary range for the Chief Executive is £161,097-£189,528 (consolidated) through to £208,479 (non consolidated);

3.6.2 the salary range for the Directors of Schools & Children's Services, Regeneration & Environment, Finance, Resources & Customer Services, Health, Housing & Adult Social Care is £116,352-£136,884 (consolidated) through to £150,570 (non consolidated);

3.6.3 the actual levels of pay received by the Chief Executive and each Director are published annually in the Council's statement of accounts;

3.6.4 the salary range for all Assistant Directors is £**80,337**-£**94,514** (consolidated) through to £101,925 (non-consolidated);

3.6.5 the contracts of employment of all senior managers only allow them to undertake additional duties and responsibilities with the recorded agreement of the Leader of the Council, in the case of the Chief Executive and the Chief Executive in the case of a Director or Assistant Director. Where these additional duties attract the payment of a fee, the Remuneration Sub-Committee will determine the proportion of that fee that is received by the individual senior manager and that received by the Council. In the specific case of fees for local and other election duties, the Council allows any fees received to be retained by the Chief Officers' fulfilling these roles.

3.7 The Council has the discretion to exceptionally make additional one off payments to staff at any level, including senior staff, in recognition of work undertaken in addition to that of their substantive role. Any such additional payments will be authorised by the Chief Executive, in the case of a payment being made to a Director or an Assistant Director and the Leader of the Council, in the case of discretionary payment being made to the Chief Executive. An objective justification for each such payment will be recorded on the employee's file. Any such additional payments made will be reflected in the relevant statements of earnings published in the annual statement of accounts. The Council has no provision to make a bonus payment to any member of staff.

3.8 The pay rates of other staff in the Council are based on a pay spine negotiated by the National Joint Council (NJC) for Local Government Services and supplemented to reflect regional differences arising from agreements made by the Greater London Provincial Council (GLPC). The last increase in the NJC pay spine is effective from **January 2015**. Typically, the pay range for each grade comprises four incremental pay points with staff progressing to the next pay point after specified periods of time in the post. Each grade pay range has a spread of c10% with each incremental step equating to c2½% increase in pay. All pay progression through the grade range is consolidated. The Council currently operates a performance related pay scheme for staff who work in the Customer Service Centre.

3.8.1 The Council will consider paying an appropriate market supplement, in addition to the job evaluated grade range where it can be objectively demonstrated that the Council is experiencing difficulties in recruiting and retaining suitably skilled and qualified staff to provide safe, efficient and effective high quality services and that the level of pay offered is the primary reason for this.

3.9 **Pay on appointment**

3.9.1 Under the terms of the Council's Constitution, all permanent appointments to posts graded Assistant Director, Director and Chief Executive are made by the Appointments' Panel. As progression through the relevant salary range is determined by performance, staff will normally be appointed at the minimum point of the grade unless there is an objectively justifiable reason for appointing to a higher salary and this is a) recorded and b) approved by the chair of the Appointments' Panel that made the appointment and c) reported to the next Council in the case of the appointment of a Director. (Note the Council's Constitution already requires the appointment of the Chief Executive to be ratified by the full Council). The composition of the Appointments' Panel for appointments to posts at Assistant Director, Director and Chief Executive is set out in the Council's Constitution.

3.9.2 The 2012 and 2013 government guidance on pay policy statements recommends that full Council should have the opportunity to vote before large salary packages are offered in respect of a new appointment, and propose £100,000 as an appropriate threshold. Supplementary guidance does not have the force of law but the council is required to have regard to it.

3.9.3 In Enfield, all appointments at Assistant Director level and above are made by an Appointments Sub Committee comprising elected members of both political parties; and the adopted pay policy already requires a report to be made to Council where it is proposed to offer the appointment at a salary other than the minimum of the appropriate salary range.

The council's Constitution already requires the appointment of a new Chief Executive to be ratified by full Council, and such an approval could be explicit as to the salary to be offered; so this leaves only Director level posts where the salary offered on appointment could exceed the £100,000 threshold. The salary range for Directors is fixed (see paragraph 3.6.2 above) and is binding on the council by virtue of the pay policy statement. If there is a decision to pay a Director at a higher point, it must be reported to the next full Council meeting. If the matter is reported to full Council, it would be open to a member to move a motion on the matter which could be the subject of a vote. The Council therefore, believes that the requirements of openness and accountability and the principles of transparency are met by existing procedures. Set against this, the potential delays in waiting for a full Council meeting before being able to offer a job, or having to renegotiate the salary, risk losing good candidates and increasing recruitment costs.

3.9.4 On this basis, the council is satisfied that its existing mechanism for senior appointments allows for an appropriate level of accountability, openness and oversight by members.

3.9.5 Appointments to posts at all other levels in the Council will be made at the minimum point of the relevant grade unless agreed by the Assistant Director of Human Resources or as specified in the approved scheme of delegation. Where appointments are made to salary levels above the minimum of the scale, the objectively justifiable reasons for this will be recorded on the relevant personnel file. The Council does not make any additional payments to prospective senior managers to encourage them to join the Council's workforce. Relocation expenses can be paid in approved cases where these are agreed by the Chair of Appointments' Panel that made the appointment.

3.9.6 From time to time, to meet unforeseen temporary business needs, it may be necessary for the Council to engage specialists contractors/agency workers to cover elements of the roles of senior manager posts. In such cases, the engagement of such workers and the rates of payment and conditions of engagement will be approved by the Cabinet Member for Finance & Corporate Resources which will not necessarily be in line with the Council's general terms and conditions for staff engaged under a permanent contract of employment.

3.9.7 The Council would not normally consider appointing a person to a permanent senior management post other than under a normal employment contract.

3.10 **Low pay**

In March 2011, the Cabinet determined that irrespective of the grade of a job as determined by the application of an analytical job evaluation process, the minimum level of pay received by any employee would be the level of the London Living Wage as set/amended from time to time by the Greater London Authority. The Council will determine the lowest paid by reference to the contractual hourly rate of pay of the employee. For these purposes Apprentices are considered to be engaged under training rather than employment contracts. The London Living Wage is currently £**9.15** per hour i.e. £**17,175** per annum for a full time worker (i.e. working 36 hours per week). Where appropriate, basic levels of pay that are on or below the GLPC pay spine point **11** or equivalent on **1.3.15** are enhanced by the payment of a pay appropriate supplement to ensure that every member of staff receives a level of pay is equivalent to the level of the London Living Wage. GLPC pay spine point 8 is currently the first point in the GLPC pay spine that is above the current level of the London Living Wage. The pay spine point below which supplements are paid will vary in line with increases in the London Living Wage. Any subsequent increase in the London Living Wage will be implemented within six months of the increase in the level of London Living Wage being announced. The Council staff will not adjust the basic wage levels of staff already in receipt of pay levels that are above the London Living Wage for the purpose of maintaining grade/pay differentials. An explanation of the Council's reasons for adopting the London Living Wage as the low pay benchmark are set out in report 207 considered by the Cabinet on 9 March 2011.

3.11 Working hours

3.11.1 Middle and senior managers in the Council do not have a specified working week and are required to work the hours necessary for the effective performance of their duties. It is not unusual for senior managers in the organisation i.e. Assistant Directors, Directors and Chief Executive to regularly work up to 60 hours per week without any compensatory time off or additional payments being made.

3.11.2 Staff other than middle and senior managers work a basic 36 hour week and are entitled to time off in lieu or additional payments in respect of any hours worked in excess of an average of 36 hours per week calculated over specified periods. Enhanced payments are made to staffs who are contractually required to work at night, at weekends and on bank holidays.

3.12 Other non-pay benefits

3.12.1 Holiday entitlement

In addition to paid time off in respect of public/bank holidays, the paid annual leave entitlement for all staff is set out in the following table:-

Directors and Assistant Directors	**Completed Years of Continuous Service as at 31 March**	
	0 - 4 years	5 + years
Chief Executive & Directors	32 days	35 days
Assistant Directors	29 days	32 days

Other Staff	**Completed Years of Continuous Service as at 31 March**	
Grade and pay spine	0 - 4 years	5 + years
Up to and including Scale 4 (scp 1-21)	24 days	29 days
Scales 5-6 (scp 22-28)	25 days	30 days
SO1 to PO2 (from scp 29)	26 days	31 days
MM1 to HOS2	29 days	31 days

3.12.2 **Sick pay**

While unable to work because of illness, staff at all levels receive

During 1st year of service	1 month's full pay and (after completing 4 months service) 2 months half pay
During 2nd year of service	2 months full pay and 2 months half pay
During 3rd year of service	4 months full pay and 4 months half pay
During 4th and 5th year of service	5 months full pay and 5 months half pay
After 5 years service	6 months full pay and 6 months half pay

This provision mirrors the national terms and conditions for local authorities' staff.

3.13 **Other general terms and conditions of service**

Other general terms and conditions of service for senior staff are as determined by the Joint National Council for Chief Officers and for other staff by the National Joint Council for Local Government Services.

3.14 **Termination payments**

3.14.1 In 2010, the Cabinet adopted a revised policy in respect of the level of discretionary payments made to staff who were made redundant. Under the terms of this policy, which applies to staff at all levels including senior managers, on being made redundant, staff who are immediately able to access their occupational pension payments will receive a redundancy payment which is calculated using the statutory table for the calculation of redundancy payments with the payment being based on an actual week's pay i.e. salary ÷ 52.14 weeks, rather than a statutory week's pay. In all cases of redundancy of staff at all levels the Council automatically waives any actuarial reduction in pension payments that would otherwise arise. Staff who are not able to access an occupational pension for any reason receive a supplementary additional discretionary payment calculated on half a week's actual pay for every year of local government service. The Council's redundancy payments scheme is located at http://enfieldeye/downloads/file/8665/redundancy_compensation_provisions

3.14.2 The Council's flexible retirement policy, adopted in 2011, enables eligible staff to receive their occupational pension and continue working, for a maximum period of up to two years, provided they either reduce their contractual hours by at least 50% or reduce the

grade of their job by two grades. **Nine staff were retired flexibly in the period 1 January to 31 December 2014**.

3.14.3 On 21 March 2012, the Council adopted a severance policy under which staff at all levels in the Council could be allowed to leave the Council's employment with a discretionary severance payment. Details of this scheme are set out in the relevant Cabinet report.

3.14.4 The Council has the discretion to agree the early retirement of a member of staff aged 55 to 60, where this is in the best interests of the efficiency of the service. In such cases, the Council considers each case on its merit and in the light of this determines a) whether to agree the request and b) where applicable, whether to waive any actuarial reduction that may arise. **Two staff were retired early in the interests of the efficiency of the service in the period 1 January to 31 December 2014.**

3.14.5 While under the specific circumstances set out in this statement, the Council may waive the actuarial reduction that would otherwise arise as a consequence of the early payment of an employee's occupational pension; the Council does not enhance the pension provision of any staff.

3.14.6 The Council would not normally consider re-engaging in any capacity any senior member of staff who had left the Council with a discretionary compensatory payment within two years of his/her recorded last day of service. Any proposal to do so would be subject to the agreement of an appropriately constituted Appointments' Panel.

3.14.7 The Council has no provision to make any other termination payments to staff at any level in the organisation other than in settlement of a potential or actual legal claim against the Council. Any such payment to a senior member of staff would be agreed by the Chief Executive or appropriate Director, in consultation with the Leader of the Council, under the terms of an appropriate Compromise Agreement following receipt of written legal advice.

3.14.8 As a matter of principle, the Council expects all staff to work any contractual periods of notice unless it is considered this would not be in the best interests of the Council.

3.14.9 Where the Council proposes to exercise its discretion to make a severance payment of £100,000 or more, under paragraphs 3.14.2 (flexible retirement), 3.14.3 (severance) or 3.14.4 (early retirement in the interests of efficiency), the proposal shall be referred to full Council for decision.

3.14.10 Where the Council proposes to make an officer redundant which will involve costs of £100,000 or more and which is in excess of the provisions detailed in paragraph 3.14.1, the proposal should be referred to full Council for decision.

3.14.11 Where the Council has incurred costs in relation to the redundancy of an officer in excess of £100,000 but which consists exclusively of payments made in accordance with the Council's redundancy scheme detailed in paragraph 3.14.1, the payment will be reported to the Remuneration Sub Committee for information.

3.15 **Retirement on medical grounds**

Decisions to retire staff on grounds of permanent ill health are medical decisions over which the Council has little influence or discretion. In such cases, the Council will meet any additional costs that arise as specified in Regulation 20 of the Local Government Pension Scheme Regulations. **Three staff have been retired on grounds of permanent ill health in the period 1 January to 31 December 2014.**

3.16 **Other payment/reimbursement of expenses/accommodation costs**

3.16.1 Middle and senior managers engaged on grades MM2 and above are not reimbursed for any additional expenses incurred in the course of carrying out their duties within the borough boundaries. Reimbursement of actual costs incurred is made in respect of additional costs incurred in travelling outside the borough on production of an appropriate receipt. Where Council business necessitates an overnight stay and it has not been possible for the Council to directly pay for accommodation and/or meals in advance, all staff including senior managers are reimbursed all reasonable costs as set out in the Council's policy on subsistence allowances and overnight stays as approved by the appropriate Director for Assistant Directors, the Chief Executive for Directors and the Leader of the Council for the Chief Executive. No senior managers were reimbursed for overnight expenses in the period up to April 2012.

3.16.2 All other staff are reimbursed for additional expenses incurred in the course of undertaking their duties irrespective as to whether this work is undertaken within or outside the borough boundaries. Reimbursements of expenses for other staff are authorised in accordance with the Council's Scheme of Delegation.

3.17 **Occupational pension provisions**

3.17.1 All staff are eligible to join the Local Government Pension Scheme. Approximately **57%** of the workforce are currently members of the Pension Scheme. The level of contributions made by staff is determined by Regulations. In addition, the Council makes a contribution to the Local Government Pension Scheme in respect of each member of staff who is a member of the scheme.

3.17.2 The level of pension contribution made by the Council is based on actuarial calculations approved by the Council's Pension Board from time to time.

3.17.3 In the light of recent changes in general taxation legislation and particularly in respect of the annual and lifetime pension allowances, there is an increasing likelihood that in the medium term, a number of senior managers will choose to cease to be members of the Local Government Pension Scheme. In such cases, the Council would not make any compensatory payment to a senior manager to maintain the overall value of the individual's remuneration package.

3.18 **Relationship between the remuneration of the Chief Executive and that of the overall workforce**

3.18.1 Section 38(2) of the Localism Act 2011 requires the Council to set out policies on the relationship between the remuneration of its chief officers and that of other staff. The Code of Recommended Practice for Local Authorities on Data Transparency defines the "pay multiple as the ratio between the highest paid salary and the median average salary of the whole of the authorities' workforce".

3.18.2 The report on Fair Pay in the Public Sector highlights that in general terms, the multiple indicating the relationship between the pay of the Chief Executive and the pay of the general workforce in a local authority is significantly lower than for organisations of similar size, turnover and complexity in the private sector. The report indicates that typically the pay of the Chief Executive of a London Borough is approximately eight times that of the median pay of all staff (chart 2A, page 33, Fair Pay in the Public Sector). In 2013/14, the gross pay of the Chief Executive was 7.37 times the median pay for the whole of the Council's non schools workforce. For the past three years, the Chief Executive has declined to accept his contractual entitlement to a performance related increase in salary up to 10%. Consequently, the level of the multiple could change in the event that the Chief Executive opted to accept any entitlement to a non consolidated performance related payment that might arise in future years. The multiple for 2013/14 will be published in the annual accounts.

3.18.3 To ensure the Council continues to offer a competitive remuneration package to staff at all levels in the organisation, the Council periodically undertakes a benchmarking exercise to ensure that potential pay levels remain aligned with the median pay of other London Boroughs.

3.19 **Shared services**

Where the Council agrees to share the services of a senior manager with one or more other councils, then the remuneration and terms of conditions of employment will be determined by the primary employer with the secondary employer reimbursing the primary employer an agreed sum.

3.20 **Public Health Team**

On 1 April 2013, the NHS public health function was transferred to local councils. The transfer was actioned under a statutory transfer scheme and transferred staff have been protected on their NHS pay, pensions and conditions of service. **At present, there are eight staff on NHS terms and conditions. The terms of the transfer agreement protect councils from equal pay challenges until April 2015. However, from this date, councils will need to review the pay arrangements to ensure that any differentials are objectively justified.**

Agenda Item 11

MUNICIPAL YEAR 2014/2015 REPORT NO. 150A

MEETING TITLE AND DATE:
Remuneration Committee –
26 January 2015
Council - 25 February 2015

REPORT OF:
Assistant Director
Human Resources

Agenda – Part: 1	**Item: 11**
Subject: **Exercising Discretion Under the Local Government Pension Scheme** **Wards:**	
Cabinet Member Consulted: Cllr Andrew Stafford	

Contact officer and telephone number:

Tony Gilling – 020 8379 4141

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1. EXECUTIVE SUMMARY

1.1 Over the last 20 years, there have been a number of changes to the Local Government Pension Scheme (LGPS). The LGPS regulations require the employer to formulate, publish and keep under review its policies on how it will exercise certain discretions under the LGPS.

1.2 This report details the new discretions available to the employers introduced under LGPS 2014 and puts forward recommendations on how the Council will exercise these discretions. It also reviews discretions available under previous regulations in the light of the current challenges the Council faces.

2. RECOMMENDATIONS

That the recommendations detailed in 3.2.1 to 3.5.1 of the report are agreed (as recommended by Remuneration Committee) to apply with effect from 1 March 2015.

3. BACKGROUND

3.1 The Local Government Pension Scheme (LGPS) provides a number of discretions for employers to exercise. This report puts forward recommendations as to how the London Borough of Enfield will exercise these new discretions. It also reviews discretions available under previous regulations in the light of the financial challenges the Council faces. The following LGPS regulations apply:

The Local Government Pension Scheme Regulations 2013 (A).

The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 (B).
The Local Government Pension Scheme (Administration) Regulations 2008 (C).
The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) (D).
The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (E).
The Local Government Pension Scheme Regulations 1997 (as amended) (F).
The Local Government Pension Scheme Regulations 1995 (as amended) (G).

3.2 **The 2014 Scheme (Listed Regulations A and B)**

3.2.1 Whether to grant extra annual pension of up to £6,500 (currently) to active members or within 6 months of leaving if employment contract was terminated on redundancy or efficiency grounds.

Recommendation – Given the current financial climate, the Council will not exercise this discretion unless there is a need to make a settlement of a potential or actual legal claim against the Council.

3.2.2 Whether to contribute towards the cost of an active member voluntarily electing to purchase extra annual pension of up to £6,500 (currently).

Recommendation – Given the financial climate, the Council will not exercise this discretion.

3.2.3 Whether to permit flexible retirement. If so, whether to permit the release of all, part or none of the post 31.3.2008 benefits and whether to waive in whole or in part any actuarial reductions applicable to benefits taken before normal pension age.

Recommendation - The Council has agreed a flexible retirement policy which states that in normal circumstances the actuarial reduction will not be waived. It is recommended that the actuarial reduction can be waived where there is a sound business case e.g. to avoid a redundancy payment.

3.2.4 Whether to apply the 85 year rule protection for members voluntarily retiring on or after age 55 and before age 60 (the 85 year rule will not automatically apply for voluntary retirement on or after age 55 and before age 60 in LGPS 2014).

Recommendation - In normal circumstances no, however, protection can be granted where there is a sound business case e.g. to avoid a redundancy payment.

3.2.5 (i) For active, deferred or suspended Tier 3 ill health members with no 85 year rule protection voluntarily retiring on or after age 55:

Whether to waive on compassionate grounds any actuarial reductions applicable to pre 1.4.2014 benefits.

Whether to waive in whole or in part any actuarial reductions applicable to post 31.3.2014 benefits.

(ii) For active, deferred or suspended Tier 3 ill health members with 85 year rule protection voluntarily retiring on or after age 55 and who will be age 60 or over on 31.3.2016:

Whether to waive on compassionate grounds any actuarial reductions applicable to pre 1.4.2016 benefits.
Whether to waive in whole or in part any actuarial reductions applicable to post 31.3.2016 benefits.

(iii) For active, deferred or suspended Tier 3 ill health members with 85 year rule protection voluntarily retiring on or after age 55 and who will be age 60 on or after 1.4.2020:

Whether to waive on compassionate grounds any actuarial reductions applicable to pre 1.4.2014 benefits.
Whether to waive in whole or in part any actuarial reductions applicable to post 31.3.2014 benefits.

(iv) For active, deferred or suspended Tier 3 ill health members with 85 year rule protection voluntarily retiring on or after age 55 and who will be age 60 between 1.4.2016 – 31.3.2020:

Whether to waive on compassionate grounds any actuarial reductions applicable to pre 1.4.2020 benefits.
Whether to waive in whole or in part any actuarial reductions applicable to post 31.3.2020 benefits.

Recommendation – For active members actuarial reductions can be waived where there is a sound business case e.g. to secure a resignation in a potential restructure. The discretion will not be exercised for deferred or suspended Tier 3 members.

3.2.6 Whether to permit an active member to elect to transfer other pension rights in to the LGPS if they have not made such an election within 12 months of becoming an active member.

Recommendation – Given that extending the 12 month time limit for an active member to transfer other pension rights in to

the LGPS can result in additional costs to the Council, the Council will not exercise this discretion.

3.2.7 Whether to extend the 12 month time limit for an active member to elect to **not** have deferred LGPS benefits from previous employment aggregated with their active member pension account (unlike transfers of other pension rights in to the LGPS, aggregation of deferred LGPS benefits with the active member pension account is automatic).

Recommendation – The 12 month time limit for an active member to elect to retain deferred LGPS benefits will only be extended if there is clear evidence that the member had not been informed of the implications of aggregation and, as a consequence, would suffer a detriment to their pension benefits.

3.2.8 Whether to contribute to a Shared Cost Additional Voluntary Contribution (SCAVC) arrangement.

Recommendation – Given the financial climate, the Council will not exercise this discretion.

3.3 **The 2008 Scheme (Listed Regulations C, D and E)**

3.3.1 Whether to grant application for early payment of accrued benefits on or after age 55 and before age 60. If so, whether to waive on compassionate grounds any actuarial reductions applicable to the accrued benefits. This discretion continues to apply to members awarded a deferred benefit under LGPS 2008 (ceased active membership between 1 April 2008 and 31 March 2014).

Recommendation – Given the financial climate, the Council will not exercise this discretion.

3.3.2 Whether to grant application for early payment of suspended Tier 3 ill health pension on or after age 55 and before age 60. If so, whether to waive on compassionate grounds any actuarial reduction applicable to the pension. This discretion continues to apply to members awarded a Tier 3 ill health pension under LGPS 2008 (ceased active membership between 1 April 2008 and 31 March 2014).

Recommendation – Given the financial climate, the Council will not exercise this discretion.

3.3.3 Whether to permit a person who became an active member again <u>before 1 April 2014</u> to aggregate any deferred LGPS benefits with their active membership if they have not made such

an election within 12 months of becoming an active member again (unlike automatic aggregation under the 2014 Scheme, aggregation of deferred LGPS benefits with active membership under the 2008 Scheme is not automatic).

Recommendation – Given that extending the 12 month time limit for an active member (who became an active member again before 1 April 2014) to aggregate deferred LGPS benefits with their active membership can result in additional costs to the Council, the Council will not exercise this discretion.

3.4 **The 1998 Scheme (Listed Regulations F)**

3.4.1 Whether to grant application for early payment of accrued benefits on or after age 50 (significant tax charges on member and LGPS if released before age 55) and before age 60. This discretion continues to apply to members awarded a deferred benefit under LGPS (ceased active membership between 1 April 1998 and 31 March 2008).

Recommendation – Given the financial climate, the Council will not exercise this discretion.

3.4.2 If the application under the above discretion is granted, whether to waive on compassionate grounds any actuarial reductions applicable to the accrued benefits.

Recommendation – Given that the policy is not to grant discretion, this is not applicable.

3.5 **The 1995 Scheme (Listed Regulations G)**

3.5.1 Whether to grant application for early payment of accrued benefits on or after age 50 (significant tax charges on member and LGPS if released before age 55) and before age 60 on compassionate grounds. This discretion can only be exercised on compassionate grounds, but if exercised actuarial reductions do NOT apply. This discretion continues to apply to members awarded a deferred benefit under LGPS 1995 (ceased active membership on or before 31 March 1998).

Recommendation – Given the financial climate, the Council will not exercise this discretion.

4. ALTERNATIVE OPTIONS CONSIDERED

The LGPS regulations require the employer to formulate, publish and keep under review its policies on how it will exercise certain discretions under the LGPS. If

the Council exercised more flexibility in the discretions, it would place additional financial burdens on the employer during a time of significant financial challenges.

5. REASONS FOR RECOMMENDATIONS

As detailed above, the recommendations have been made in the light of the financial challenges the Council faces while providing some flexibility to agree the release of additional pension benefits where it meets the needs of the Council.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

Any additional cost incurred by adopting these recommendations could be spread over five years. The number of times that the discretions will be granted cannot be estimated, but each case will lead to additional pressures on the revenue budgets for the employee's department

6.2 Legal Implications

6.2.1 By virtue of regulation 60 of the Local Government Pension Scheme Regulations 2013 (LGPS Regulations 2013) and paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 Scheme employers are required to have a policy in relation to five specific discretions.

- (funding of additional pension) whether to grant extra annual pension of up to £6,500 (figure at 1 April 2014) to an active Scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency [regulation 31 of the LGPS Regulations 2013]
- whether to permit flexible retirement for staff aged 55 or over who, with the agreement of the employer, reduce their working hours or grade [regulation 30(6) of the LGPS Regulations 2013] and, if so, as part of the agreement to permit flexible retirement whether to waive any actuarial reduction [regulation 3(5) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013]
- whether, where an active Scheme member wishes to purchase extra annual pension of up to £6,500 (figure at 1 April 2014) by making Additional Pension Contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC) [regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013]

- whether to waive any actuarial reductions [regulations 3(1) and (5) of, and paragraph 2(1) of Schedule 2 to, the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulations 30(5) or 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulation 30(8) of the LGPS Regulations 2013]

- whether, as the 85 year rule does not (other than on flexible retirement) automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on for such members [paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

6.2.2 The employer must publish and keep this policy under review and send to the Pension Fund Administering Authority. Any subsequent revisions to the policies must be published and copied to the Pension Fund Administering Authority within one month of the change in policy. Revisions to the policies applying under the 2008 Scheme have to be published and copied to the Administering Authority within one month of the date of the change in policy.

6.2.3 In formulating and reviewing its policy, the Scheme employer must have regard to the extent to which the exercise of its discretionary powers could lead to a serious loss of confidence in the public service [regulation 60(5) of the LGPS Regulations 2013].

6.3 **Property Implications**

None

7. KEY RISKS

The report provides a number of recommendations which enable the Council to reduce dismissal costs. If the recommendations are not implemented it could serve to increase dismissal costs and undermine the Council's ability to flexibly manage staff reductions over the next three years.

8. PERFORMANCE MANAGEMENT IMPLICATIONS

The recommendations in this report provide a degree of flexibility to manage potential performance issues.

9. HEALTH AND SAFETY IMPLICATIONS

None.

10. PUBLIC HEALTH IMPLICATIONS

None

Background Papers: None

Agenda Item 12

MUNICIPAL YEAR 2014/2015 - REPORT NO.139A

MEETING TITLE AND DATE: Audit Committee – 8 January 2015 Council - 25 February 2015	**Agenda - Part: 1** | **Item: 12** **Subject:** Amendments to Contract Procedure Rules **Wards:** None Specifically **Key Decision No: N/A**
REPORT OF: Director of Finance, Resources and Customer Services Dave Levy, Assistant Director of Procurement telephone number: 0208 379 3212 E mail: david.levy@enfield.gov.uk	**Cabinet Member consulted:** **N/A**

1. EXECUTIVE SUMMARY

This report proposes changes to the Council's Contract Procedure Rules (CPRs), part of the Council's Constitution, to reflect best practice in procurement, reduce bureaucracy and comply with the forthcoming Public Contracts regulations 2015

2. RECOMMENDATIONS

2.1 To approve (as recommended by Audit Committee) the changes to the Contract Procedure Rules for inclusion within the Council's Constitution.

2.2 To note that implementation of the changes will take place immediately after the forthcoming Public Contract regulations 2015 are implemented by UK Government on 26 February 2015.

3. BACKGROUND

3.1 The Council may only contract with external parties within the legal framework for local authority procurement i.e. in accordance with the UK Public Contracts Regulations 2006 (as amended), the Council's Contract Procedure Rules (s135 of the Local Government Act 1972), the general duty to obtain Best Value (Local Government Act 1999) and also the European Treaty principles of transparency, non-discrimination of providers in member states and equality of treatment.

3.2. To ensure that the Contract Procedure Rules continue to reflect current best practice and compliance with legal obligations a review has been undertaken. The review has consulted with nominated officers across the Council to address areas of ambiguity, omissions

and changes in legislation since the last revision in 2013.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 There are no alternative options to consider as the Council is required to maintain such a set of rules. The Contract Procedure Rules are reviewed annually.

5. REASONS FOR RECOMMENDATIONS

5.1 Under section 135 of the Local Government Act 1972 a local authority is required to make standing orders for contracting of goods, works and services. There is also an obligation to include in those standing orders provisions for securing competition for contracts and regulating the manner in which tenders are invited. The standing orders may provide that contracts of a certain value are exempt and may authorise the authority to exempt the provisions where justified by special circumstances. The Contract Procedure Rules are the Council's standing orders as required under the Act.

5.2 The Contract Procedure Rules must also comply with the requirements of the EU public procurement regime which are brought into UK law by the Public Contracts Regulations 2006 (as amended). The regulations make competition of certain contracts mandatory and there is no right to waive those requirements.

5.3 The proposed revisions to the Contract Procedure Rules reflect good practice and deal with a variety of issues: some are just to correct out of date or incorrect references and inconsistencies; some are to make the meaning of the rules clearer; and some are substantive changes to the operation of the rules.

5.4 This year's changes take into account the forthcoming Public Contracts Regulations 2015 which are aimed at opening up public sector contracts to Small to Medium Enterprises, reducing the time it takes to procure and simplifying procedures.

5.5 The reasons for the proposed substantive changes are set out in the table below:

Paragraph number	Proposed Changes	Rationale/comments
Introduction		
1.1.6/1.1.8	Clarifying the definition of genuine emergencies (1.1.6) and which social care packages are exempt (1.1.8)	The wording has been extended to provide clarity to the scope of these exemption.
1.5	Clarity over the threshold at which the Council's e-tendering system is used.	This has been moved so it appears early in the rules giving greater

		impact, clearly stating the requirement to use the Councils e-tendering system for all procurements over £1000.
1.12/1.13	The current arrangement on waivers have been amended requiring prior approval by the Assistant Director Procurement prior to relevant Director approval. The Officer decision thresholds have also been increased.	This is to ensure effective management and control on contract waivers whilst at the same time extending the decision threshold for Officers.
The Public Services (Social Value) Act 2012		
5	New section added	This is to ensure compliance with requirements of new legislation
Annual Procurement Plan		
6	New section added to introduce an Annual Procurement Plan	This is to provide greater transparency on future procurement, and enable greater opportunities to pursue alternative strategies/collaborations to achieve best value. This will also enable key decisions on approval of procurements earlier and negate the need for a DAR where the procurement is approved as part of the Annual Procurement Plan by Cabinet.
Procurement Thresholds		
7.1 & 7.2		The thresholds have been revised to allow for greater flexibility for staff and to reduce bureaucracy. Changes to the Public Contracts Regulations which abolish prequalification questionnaires below the EU threshold will create additional administrative burden for officers. To mitigate this the proposal is to increase the

		threshold for quotes up to the EU threshold as set out in the table at 7.2 of Appendix 1. This will also support the localism agenda by requiring officers to get local quotes where practical to do so.
Competitive Dialogue, Negotiated and Framework Contracts		
8.2	The wording has been changed to a requirement for 'approval' to strengthen the requirement to seek advice from Corporate Procurement before using a framework.	This is to strengthen the requirement to seek approval from Corporate Procurement before using framework contracts.
Opening of Tenders		
13.1	Paragraph 13.1 be amended to read: 'Where tenders have not been carried out electronically officers must contact Corporate Procurement to agree the process for opening such tenders'.	This is to ensure Corporate Procurement are advised of all tenders not completed electronically.
Award of Contracts		
15.3	Paragraph 15.3 amended to read: 'All contracts must be awarded based on the advertised evaluation criteria included in the advert or invitation to tender documentation and cannot be changed after the receipt of submissions'.	This is to give greater clarity and guidance to Officers to avoid challenges from the market
15.4.2	Paragraph 15.4.2 be added to read: 'cannot come into force until a mandatory “standstill” period of at least ten calendar days has elapsed from the date of notifying tenderers in writing of the Contract award decision'.	This is to give greater clarity and guidance to Officers to avoid challenges from the market..
Award of Contracts - Notification		

17.1.2	The following wording in paragraph 17.1.2 be amended to read 'Conclude the Contract and promote to the Council's Contract register via the Councils e-tendering system unless the Assistant Director of Procurement and Commissioning has approved a manual tender or the procurement was via another e-tendering system'.	This is to reflect the use of the Councils e-tendering system and to ensure the online contracts register is fully populated
Variations to Contract		
19.1/19.2/19.3	The wording has been amended to avoid ambiguity and ensure that Officers obtain the appropriate advice and follow the appropriate procedures when considering variations to contract	To give clearer guidance to Officers when considering variations to contract
Pre-approved Suppliers for Work		
25	This replaces the previous section 25 updating the rules with regards use of pre-approved suppliers for works	The process for use of pre-approved suppliers for works was approved by the Strategic Procurement Board in April 2014, this change reflects the current practice as agreed by that board.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

There are no specific financial implications. Each contract has to be delivered within the available budget. The aim of all Council procurement is to obtain value for money and ensure compliance with relevant legislation.

6.2 Legal Implications

The Council is required under the Local Government Act 2000 to have a Constitution, as part of that constitution the Council has the Contract Procedure Rules, which reflect current legislation such as The Public Contracts Regulations 2006. Corporate Procurement play a pivotal role in ensuring compliance and works closely with Legal Services to ensure

Officers within the Council are aware and understand their requirements with regards to procurement under the Contract Procedure Rules.

6.3 Property Implications

There are no property implications since there are separate Property Procedure Rules which control the management of Council Property.

7. KEY RISKS

- Having clear and consistent Contract Procedure Rules is essential to mitigate the risks of non-compliance with both statute and best practice.

- The current revision also addresses recent developments including the new Public Contracts Regulations.

- They will be supported by a short guide for everyday use which should reduce the risk of no-compliance at local level

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The Rules ensure that the Council's procurement processes are fair, non-discriminatory and transparent

8.2 Growth and Sustainability

The new rules, particularly the changes to thresholds, will enable greater access to small to medium enterprises and support local regeneration.

9. EQUALITIES IMPACT IMPLICATIONS

The CPRs have been designed to reflect current EU and domestic law relating to public sector works, supplies or services contracts.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The CPRs ensure that procurement is carried out in a way that complies with all legislation and ensures that best value is achieved. Consequently this will support the delivery of excellent services by the borough since it will ensure that the goods and services are procured in an effective manner.

11. PUBLIC HEALTH IMPLICATIONS

There are no specific public health implications arising from the proposals within the report

Appendices:
Appendix 1 – Revised Contract Procedure Rules

Background Papers: None

Contract Procedure Rules

1. Introduction

1.1. These Contract Procedure Rules (the Rules) apply to the procurement by the Council of Works, Supplies and Services (as defined by EU Procurement rules) and Works and Services Concessions. They are intended to ensure that a contract is entered into only in circumstances which can demonstrate:

- Certainty in the terms of the contract
- Consistency in the application of the law and Council policy
- Probity
- Value for money

To achieve these objectives these Rules must be followed every time the Council commences a procurement and/or enters into a contract. Contract Procedure Rules are made under section 135 of the Local Government Act 1972. The following types of procurement do not fall within the scope of the Rules:

1.1.1. contracts of direct employment;

1.1.2. contracts solely for the sale or purchase of land, which are subject to the Property Procedure Rules (NB: Some property transactions may fall within the scope of the EU Procurement regime where works, supplies or services are connected with the property transaction, so legal advice should be taken in this instance);

1.1.3. the instruction of barristers

1.1.4. specialist professional services necessary for legal proceedings (including expert witnesses, experts, mediators, adjudicators, arbitrators and costs draftsmen);

1.1.5. Unconditional Grants by the Council.

1.1.6. genuine emergencies beyond the control of the Council (**NB**: Lack of sufficient planning and/or internal process delays will not constitute special, exceptional or emergency circumstances);

1.1.7. Individual care packages or education placements, it is considered in the Council's interest or is required to meet obligations under the relevant legislation.

1.1.8. Adult social care service packages managed by the Council on behalf of a client under the Personalisation agenda e.g. Managed Accounts & Direct Payments/Individual budgets.

1.2. The Council recognises the benefits to be gained from the introduction of e-tendering, e-auctions, e-reverse auctions, purchasing cards and e-purchase-to-pay software. For the purposes of the Rules, the term "contract" refers to both paper/hard copy documents and processes and their replication by electronic media. Only e-tendering systems approved by the Assistant Director Procurement may be used.

1.3. References to officers or posts in these Rules include their authorised deputies or delegates, in accordance with the Councils Constitution and Councils Scheme of Delegation.

1.4. No contract shall be entered into, nor any tender invited, unless provision is made in the annual budget or is otherwise agreed for the proposed expenditure by the officer with appropriate delegated authority and such is in accordance with the Financial Procedure Rules.

Officers' Responsibilities: Conduct, Conflicts of Interest & Corruption

1.5. All Contracts procured under these rules >£1,000 will be undertaken using the Council's e-tendering system unless otherwise agreed by the Assistant Director Procurement,

1.6. These Rules are mandatory for all Council contracts. **All officers must follow these Rules in full, except where a valid waiver under 1.11-1.15 has been obtained or falls outside the scope of these Rules**

under in accordance with 1.1.1 to 1.1.8. Failure to do so may constitute misconduct leading to disciplinary action. If any officer witnesses or identifies a failure to comply with these Rules, they should raise it with their manager or report it confidentially under the Council's Whistle Blowing Policy.

1.7. The Code of Conduct for employees applies to all procurement activities, in particular, the following parts:

1.7.1. Working with People, in particular contractors

1.7.2. Conflict of Interest/Pecuniary Interest

1.7.3. Equality & Diversity Integrity & Honesty

1.7.4. Gifts and Hospitality

It is every officer's responsibility to be aware of and act in accordance with the Code of Conduct. If in any doubt, officers must seek advice from their manager or Human Resources. All officers engaged in a procurement process shall comply with the Code of Conduct and must not invite or accept or offer any gift or reward in respect of the award or performance of a contract. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the Bribery Act 2010[1] and section 117 of the Local Government Act 1972.

1.8. If an external consultant is appointed by the Council the officer with responsibility for the appointment must ensure that the consultant, acting on behalf of the Council complies with these Rules in full, without exception. All non-Council Officers must sign an agreement not to use information gained during employment with the Council, to gain any commercial or pecuniary advantage in relationship to concurrent or future employment/engagement.

[1] [1] reference the councils anti bribery policy:.....

1.9. No non-Council officer shall award a contract or whom a contract should be awarded to unless specifically empowered to do so in writing by an officer or body authorised to confer that power. The Authorised Officer shall ensure that the non-Council officer's performance is monitored.

1.10. The risks associated with any procurement process and/or contract must be assessed using the Council's Corporate Risk assessment template and documented on file. Appropriate actions should be taken to ensure that the Council's potential and actual exposure is minimised. This includes provision of an issues log and estimated costs against any risks as contingency.

Application & Waiver of the Rules

1.11. These Rules apply to all contracts for Supplies, Works or Services entered into by or on behalf of the Council, except where waiver of all or part of the Rules is approved. Waivers should only be sought in exceptional circumstances given the general presumption that competition is the best way to demonstrate best value (see Rule 4.1) in accordance with the tendering processes identified against the thresholds set out in Rule 7.2. The Council must comply with the requirements of the EU Procurement regime, in particular the Public Contract Regulations ("the Regulations") as it is not possible to waive these requirements.

1.12. The Rules will only be waived where it can be shown:

1.12.1. the decision does not fall within Rule 9 (exceptions to competitive tendering)

1.12.2. the Council's overall interests, including best value, are met by waiving all or part of the Rules

1.12.3. the agreement of the Assistant Director Procurement and Commissioning is obtained.

1.13. Once section 1.11 to 1.12 have been complied with, waivers may be approved:

1.13.1. by the relevant Director (or, where unavailable, the Chief Executive) for all Contracts with estimated value of up to EU Procurement threshold for Services or £500,000 for works subject to the appropriate authority report.

1.13.2. If the decision is a Key Decision then the rules relating to Key Decisions must be followed including placing notice of such Key Decisions on the Council's Key Decision List In cases of urgency Rule 15 and/or 16 of the Councils Constitution must be adhered to.

1.14. All waivers will be reported to the Councils Audit Committee on an annual basis by Assistant Director of Procurement and must be justified by the relevant Director

1.15. The Director requesting the waiver **must** keep a written record of any waiver of the Rules sending a copy to the Assistant Director of Procurement using the standard form for waivers of the Rules published from time to time by the Assistant Director Procurement (which must include a unique reference number tracked by the Assistant Director Procurement)[2].

Guidance and Advice

1.16. Guidance on these Rules and procurement is set out in the Council's Procurement Manua[3]l and Community Benefits Toolkit[4]

1.17. Advice on the application of these Rules should be obtained from the Assistant Director Procurement and/or the Assistant Director of Legal Services.

[2] Standard form for waivers: http//.....
[3] The Councils Procurement Manual can be found at: http.....
[4] Community Benefits Toolkit: http.....

2. Interpretation

2.1. The Assistant Director of Legal Services shall make all decisions relating to the interpretation of these Rules.

2.2. These Rules shall be interpreted subject to current European Union (EU) and domestic law relating to public sector works, supplies or services contracts. Where there is any conflict between these Rules and the law (whether domestic or EU law), the latter shall prevail.

3. Record Keeping

3.1. Services must keep a record of compliance with all stages of these Rules, preferably in electronic format. Records should ordinarily be kept by the relevant contracts manager and should be retained in accordance with the periods set out in the Council's Records Retention Schedule. If records are kept in electronic format only, they must be kept in the same electronic folder and scanned copies of hard copy documents must also be retained on the folder. Services must have systems in place to ensure that authorised officers can readily access all files. Where it is necessary to keep original paper documents, such as a signed contract, a hard copy file must also be maintained.

3.2. For contracts over £75,000 (Services and Supplies) and £100,000 (Works) the original contract must be sent to, or will be retained by, the Assistant Director of Legal Services for secure storage.

4. Presumption of Competition for Contracts

4.1. The Council's presumption is that best value is achieved through competitive tendering. All contracts shall be competitively tendered, except where allowed by these Rules or a waiver is agreed under Rule 9.

5. The Public Services (Social Value) Act 2012

5.1 Before beginning the commissioning process for the supply of any services Authorised Officers must consider whether the Public Services (Social Value) Act 2012 applies to the services. Where it does apply

Authorised Officers must make the following considerations at the pre-procurement stage:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the “relevant area”;
- how in conducting a procurement process the Council might act with a view to securing that improvement; and

whether to undertake a consultation on these matters.

6. Annual Procurement Plan

6.1 An Annual Procurement plan will be taken to Strategic Procurement Board in February and Cabinet in the April of each year.

6.2 All procurements where the anticipated total contract value is in excess of EU Thresholds for supplies and services contracts or £1,000,000 for works contracts must be reported by each Directorate to Strategic Procurement Board in the Annual Procurement Plan. Strategic Procurement Board will take the Annual Procurement Plan or an update to that Plan to the Cabinet for approval to procure who have delegated decision powers to change the approval recommendation

6.3 Where the procurement meets the key decision criteria, as set out in the Council’s Constitution:

6.3.1 It is the responsibility of the Director, in consultation with the Lead Member, to agree the recommended Annual Procurement Plan.

6.3.2 Approval of this recommendation by Cabinet determines authorisation required for the procurement, including where decision making is delegated to the Director.

6.4 Strategic Procurement Board must approve additions to the Annual Procurement Plan or an update to that plan before submitting to Cabinet.

7. Procurement Thresholds

7.1. The procurement requirements in the table below apply according to the estimated total value of the contract. The procurement requirements below are minimum requirements. For all contracts of any value, services should consider whether a formal tendering process is appropriate.

7.2. For contracts over a term of years, the value of the contract is the total value over the whole contract including any potential extensions, not its annual value.

Estimated Contract Value	Tendering Requirements	Method of completion of contract
Up to £10,000	At least one written quotation must be received. Where practicable an eligible quotation from a local supplier must be sought. Best value must be obtained and framework and other corporate agreements, where they exist, are used. (Managers must retain sufficient evidence to demonstrate compliance). All quotations over £1,000 must be via the Council's e-tendering system. For under £1,000 written evidence of expenditure must be retained e.g. invoice receipt etc.	Use of Purchase Order.
Contracts from £10,001 to 50,000	At least two written quotations must be received. A quotation from a local supplier must be sought. Where this is not possible the reasons must be recorded. Best value must be obtained and framework and other corporate agreements, where they exist, are used (Managers must retain sufficient evidence to demonstrate compliance and best value, e.g. by confirmation of oral quotations in writing). If less than two quotes are received the Divisional Director or Head of Service must approve the award. The decision must be recorded in writing and all documentation supporting the decision retained.	Use of Purchase Order or Standard Contract for more complex requirements (refer to 13.4 for requirements for sealing)
Contracts from £50,001 to	At least three written quotations must be received. A quotation from a local supplier	Use of Purchase

£100,000 (for supplies and services) or £500,000 (for works):	must be sought. Where this is not possible the reasons must be recorded. Best value must be obtained and framework and other corporate agreements, where they exist, are used (Managers must retain sufficient evidence to demonstrate compliance and best value, e.g. quotations are not acceptable). If less than three quotes are received the Divisional Director or Head of Service must approve the award subject to discussion with the Assistant Director of Procurement. The decision must be recorded in writing and all documentation supporting the decision retained. Works – In accordance with rule 25	Order of Standard Contract for more complex requirements (refer to 13.4 for requirements for sealing)
Contracts above £100,000 to EU threshold * (for supplies and services) or above £500,000 (for works)	At least five written quotations must be received. At least 2 quotation from a local supplier must be sought. Where this is not possible the reasons must be recorded. Best value must be obtained and framework and other corporate agreements, where they exist, are used (Managers must retain sufficient evidence to demonstrate compliance and best value, e.g. by confirmation of oral quotations in writing). If less than five quotes are received the Divisional Director or Head of Service must approve the award subject to discussion with the Assistant Director of Procurement. The decision must be recorded in writing and all documentation supporting the decision retained. Works – Either in accordance with rule 25 or by competitive tender in accordance with rule 9 and where applicable, all EU procurement rules apply. In all cases at least 5 Contractors should be invited to Quote (for works) or Tender, unless there is an overriding business or legal justification that this is not required.	<u>Up to £250,000:</u> Signature on Standard Contract or sealed by Legal Services if required <u>Over £250,000:</u> Sealed by Legal Services (refer to 13.4 for requirements for sealing)

7.3 When seeking quotes on a regular basis Officers must ensure that they rotate those suppliers invited to quote i.e. that different suppliers are

invited for each exercise. It is acceptable to invite a previously successful supplier for a similar contract, if that supplier performed well. Corporate Procurement will monitor compliance with this requirement.

7.4 * If the value of the tender is less than 10% below the EU thresholds, then officers must consider procuring in accordance with EU rules.

8. Competitive Dialogue, Negotiated and Framework Contracts

8.1. When a service considers that the competitive dialogue or negotiated route is the preferred method of procurement, the Assistant Director of Legal Services and the Assistant Director Procurement must be consulted before submission of the business case required in accordance with Rule 10.

8.2. Framework agreements may be used to procure goods, services and works subject to approval by the Assistant Director Procurement and Commissioning that a particular framework is acceptable to the Council. This includes those available from other Local Authorities or Public sector bodies for use within the Council following an assessment of the terms of the framework ensuring that it offers best value and legal compliance. You must check the Councils Contract register seeking advice from Corporate Procurement to see if there is an existing Contract or a framework agreement that has been approved for use within the Council suitable for the proposed procurement.

8.3. Not all frameworks agreements are established in the same way and so when using a framework it is necessary to follow the process applicable to that particular framework. This may include, for example, holding a mini-competition between contractors appointed under the framework. It is the responsibility of the officer letting the contract to ensure that the proper process is followed, taking advice from the Assistant Director Procurement and/or the Assistant Director of Legal Services as necessary.

9. Exceptions to Competitive Tendering

9.1. Competitive tendering or the obtaining of quotes is not required where:

9.1.1. A legally compliant framework agreement is in place which the Council has procured or has the right to access (subject to complying with the rules applicable to that framework (see Rule 8.3 above));

9.1.2. Existing corporate contracts are in place that the Services/Supplies/Works required can be obtained;

9.1.3. Effective competition is prevented by government or statutory control;

9.1.4. Any repairs, services or works to be executed or parts, goods, materials or services to be supplied in connection with existing machinery, vehicles, plant or equipment of a proprietary nature where no suitable alternative supplier exists.

9.1.5. The ongoing maintenance, updating and support of existing ICT hardware and/or software that are proprietary in nature and no suitable alternative supplier exists.

9.1.6. The contract provides in writing for an extension to the length of the contract's term and the following conditions are met:

a. the extension is for substantially the same works, supplies and/or services provided in the original contract;

b. the financial terms for the extension are as agreed in the original contract;

c. the length of the extension is not longer than that permitted by the original contract;

d. the total value of the extension is not more than the total value of the original contract;

e. such extension would not breach the Public Contracts Regulations;and

f. the appropriate authority/approval is in place in accordance with the Councils scheme of delegation.

9.1.9. Special educational needs or social care contracts if, in the opinion of the responsible officer, following consultation with the Assistant Director Procurement , it is considered in the Council's interest or is required to meet obligations under the relevant legislation.

9.1.10. Where the goods, services or works are only available from a single supplier or are available only at a fixed price and no suitable alternative is available in accordance with EU procurement law.

9.2. With regards the exceptions, advice should be sought from Assistant Director of Procurement and Assistant Director of Legal Services if there is any risk that such would breach EU rules, where applicable.

9.3. With the exception of procurements using framework agreements under Rule 9.1.1 the Director must be able to demonstrate that any decision not to seek competitive tenders fully complies with this Rule 9, was reasonable in all the circumstances and was in the best interests of the Council. The decision must be recorded in writing and all documentation supporting the decision must be retained.

9.4. In the event of the use of the exception, the requirement to comply with the Regulations and Directives remains. A voluntary award notice without competition should be published for any exception granted that is in excess of the OJEU threshold, the procedures leading to the award under the Regulations must be followed.

10 Approval to Procure

10.1. No procurement process shall commence without formal approval as required by Rule 6 or Rules 10.2 to 10.4 below. Assistant Director of Procurement must be notified in each instance.

10.2. A business case must be produced for all requirements with a contract value above the EU Procurement thresholds for supplies and services contracts or £1,000,000 for works contracts. The business case must be submitted to the Strategic Procurement Board for approval.

10.3. For all contracts with a contract value of more than the EU Procurement threshold for Supplies/Services or £1,000,000 for Works the business case will be reported to the Cabinet Portfolio member for approval to commence the procurement process except where it has already been reported to Cabinet as part of the Annual Procurement Plan.

10.4. For all requirements with a contract value of less than the EU Procurement threshold for Supplies/Services or £1,000,000 for Works, the business case will be reported to the Director for approval to commence the procurement process

10.5. The Assistant Director Procurement must be consulted on, and at the discretion of the Assistant Director Procurement may take lead responsibility for, all procurements above the EU Procurement thresholds for Supplies/Services/Works.

ICT project approval:

10.6. No ICT related project or project spend will commence without prior approval from the ICT Work Programme Board. All procurement relating to ICT (e.g. software, hardware, licenses, etc) will be undertaken by the Corporate IT, with the exception of those items pre-classified by Corporate IT as non-essential items (a list of which is available on the Enfield Eye under the ICT homepage or those items available via the eMarket place or online IT Helpdesk. No ICT expenditure will take place outside of ICT, unless prior approval is sought from the Head of ICT Supplier Management.

11. Invitations to Quote/Tender & Advertising

11.1. Where a competitive tender process is to be undertaken tenders will as a minimum be advertised as follows:

Estimated Contract Value	Advertising Requirements
Contracts up to the EU Threshold	www.londontenders.org (please note the Council's internet site points suppliers to this link)
Contracts above EU thresholds	Compliance with EU advertising rules including issue of Prior Information Notice (where appropriate) and Contract Notice in the Official Journal of the European Union (OJEU) (via the Council's tendering portal – www.londontenders.org), where applicable.

11.2. Services may also consult the Assistant Director Procurement to discuss any additional appropriate forms of advertising for individual contracts.

11.3. In exceptional circumstances where e-tendering is not used every invitation or notice to tender shall state that all tenders must be received in a sealed envelope marked "Tender" followed by the subject to which it relates, the deadline date and time (normally 12 Noon) for receipt and shall not identify the sender.

12. Receipt of Tenders

12.1. Where tenders have not been carried out electronically, following prior agreement by the Assistant Director Procurement, they must be addressed to the Director of Finance Resources & Customer Services Upon receipt of tender packets or envelopes they must be date stamped, recorded and locked away until the specified time for opening.

13. Opening of Tenders

13.1. Where the Council's electronic tendering system has been used only those officers authorised within the system to accept tenders shall do so once the closing date and time has passed.

Where tenders have not been carried out electronically officers must contact Corporate Procurement to agree the process for opening such tenders.

14 Receipt/Opening of Quotes

14.1 The receipt and opening of quotes will be carried out by the service department not Corporate Procurement. The officer concerned must ensure their Director has been informed and ensure that the receipt and opening of quotes is equal, transparent, non-discriminatory and proportionate.

15 Award of Contracts

15.1 All contract awards that are Key Decisions in accordance with the Councils Constitution must be reported as a Directors/Portfolio/ Cabinet/Full Council report.

15.2 Subject to 13.1 the Council's Scheme of Delegation, sets out the delegated powers of officers to approve contract awards. If the Council's Scheme of Delegation does not delegate this power then the authority report for approval of the procurement and/or contract must state who the authority to award the contract will be delegated to.

15.3 All Contracts must be awarded based on the advertised evaluation criteria included in the advert or invitation to tender documentation and cannot be changed after the receipt of submissions.

15.4 Where a contract has been tendered in accordance with EU Procurement Rules the contract cannot come into force until;

15.4.1 firstly the appropriate authority report has been signed off and the call in period in accordance with the Councils Constitution has expired and;

15.4.2 cannot come into force until a mandatory "standstill" period of at least ten calendar days has elapsed from the date of notifying tenderers in writing of the Contract award decision.

Letter of Acceptance:

15.5 In exceptional circumstances and with the prior approval of the Assistant Director of Legal Services, a letter of acceptance may be issued to allow works/services/supply of goods to commence in advance of contract execution.

15.6 The letter must set out the key contract terms - price, duration, etc., and authorises the contractor to carry out Works, Services or Supplies up to a specified value before the formal agreement is signed.

15.7 Subject to 15.6, in the case of works contracts a letter of acceptance in a form already approved by the Assistant Director of Legal Services is acceptable in order to allow work to commence, although the issue of a formal contract must follow without delay.

15.8 Letters of acceptance are only binding on the Council and the contracting party where the letter expressly states that their Tender has been accepted and the Council agrees to pay them the tender sum. The letter of acceptance should normally seek to incorporate the terms and conditions of the relevant Council standard contract or relevant industry standard contract (e.g. JCT, ICE, NEC) indicating the Council's intention to enter into a formal, written contract with the contracting party, to carry out the works/services or supplies described in the letter, such work/services or supply of goods to commence on a date specified or at any rate before the parties execute the formal, written contract, until then the contracting parties obligations to the Council shall be governed by the Invitation to Tender documentation.

15.10 The wording of the letter of acceptance must be reviewed by Legal Services (unless a previously approved template is used) prior to issue, to ensure the letter is fit for its intended purpose.

15.11 A letter of acceptance is not a substitute for execution of the formal agreement, especially if under Seal.

15.12 Limited Liability Letters may only be used where there is a requirement for urgent works mobilisation (not simply to allow site access) and only if such has been approved by the Assistant Director of Legal Services (unless a previously approved template is used) and the appropriate authority report in accordance with the Councils Constitution has been signed off.

16 Post-Tender Negotiations

16.1 Post-tender negotiations may only take place if the tender documents allow for negotiation and set out the basis for such negotiation or such negotiations otherwise comply with the EU and domestic law.

16.2 In all other circumstances, all valid tenderers should be invited to re-tender on a revised specification.

17 Award of Contracts – Notification

17.1 When a contract is awarded, all services must

17.1.1 Where applicable, publish the Contract Award Notice in OJEU via the electronic tendering system.

17.1.2 Conclude the Contract and promote to the Council's Contract register via the Councils e-tendering system unless the Assistant Director of Procurement and Commissioning has approved a manual tender or the procurement was via another e-tendering system.

17.2 If the procurement has been carried out outside of the e-tendering system (only with the prior approval of the Assistant Director Procurement), then services must notify Corporate Procurement who will update the Contract Register.

18 Form of Contracts and Standard Terms

18.1 All contracts must be in writing or an official order in lieu and a copy kept by the relevant service or held electronically. All contracts over £75,000 (Services/Supplies) or £100,000 (Works) in value shall be in a form approved by the Assistant Director of Legal Services and the original shall

be held by the Assistant Director of Legal Services in accordance with Rule 3.2.

18. 2 Contract documents must be retained in accordance with the Corporate Retention Policy or for a minimum period of six years from the contract end date and, if under seal for a period of twelve years from the contract end date.

Sealing contracts

18.3 A contract must be sealed where:

13..1. the contract is over £250,000 in value;

13..2. the Council wishes to enforce the contract for a period of more than 6 years;

13..3. the price paid or received under the contract is a nominal price that does not reflect the value of the supplies or services;

13..4. it is required by the parties.

18.4 Where contracts are completed by each side adding their common seal, the affixing must be attested by or on behalf of the Assistant Director of Legal Services. The Assistant Director of Legal Services is responsible for the process of sealing contracts.

Terms and Conditions

18.5 Every written contract or official order in lieu thereof shall specify:

18.5.1 the works, supplies, services or materials to be supplied or performed;

18.5.2 the price to be paid with a statement of discounts or other deductions;

18.5.3 the time or times within which the contract is to be performed; and

18.5.4 the place or places for delivery or performance.

18.5.5 the terms and conditions that apply to the contract.

18.6 Every written contract shall include a clause which gives the Council the right to immediately terminate the contract if the contractor, or any of its employees or agents, commits an offence under the Bribery Act 2010. Appropriate clauses are included in the Council's standard terms and conditions of contract.

18.7 Every written contract shall include a clause requiring any sub-contractor permitted to be employed by the contractor to be paid by the contractor within 30 days of the issuing of a valid invoice.

18.8 There may be occasions where it is necessary to use a supplier's terms and conditions of contracts. The use of such terms must be approved by the Assistant Director Procurement and the Assistant Director of Legal Services

Insurance

18.9 All contracts must require the Contractor to maintain the Council's minimum acceptable levels of public liability, employers liability and professional indemnity insurance unless otherwise agreed with the Council's Finance/Insurance Team.

18.10 Officers of the Council shall ensure that any consultant working for the Council has appropriate indemnity insurance in place before the consultant commences any work for the Council, this includes agency staff, where appropriate.

19 Variations to the Scope of Contracts

19.1 The Contract Manager may agree with a Contractor to carry out additional works or services that were not included in the original contract but which, through change control or unforeseen circumstances have become necessary.

19.2 Prior to the variation of the scope of a contract:

19.2.1 A budget must be allocated for that expenditure

19.2.2 Value for money must be demonstrated

19.2.3 The relevant Head of Service / Director must agree the variation

19.2.4 Legal advice must be sought where required.

19.2.5 Supplies, services or works must not exceed 50% of the total value of the original contract and must represent best value

19.2.6 All variations must be signed off using the conditions and documentation agreed within the contract

19.2.7 Variations to contracts must be authorised in accordance with the Financial scheme of delegation.

19.3 Advice should be sought from the Assistant Director Procurement and Commissioning and the Head of Legal and Democratic Services when considering whether the proposed variation is lawful under the EU procurement rules

19.4 Cabinet must agree variations that are Key decisions.

19.5 Notwithstanding the above, officers responsible for contract administration of Works contracts are able to meet contractual obligations to make payments and issue instructions in accordance with the contract terms to mitigate risks of costs arising from delay on site.

20 Claims from Contractors

20.1 Claims from Contractors shall be referred to the Assistant Director of Legal Services for consideration of the Council's legal liability and, where necessary to the Director of Finance Resources and Customer Services for consideration, before a settlement is reached. No payment will be made in relation to a dispute to a contractor without the appropriate decision made by an authorised officer under the Council's Scheme of Delegation in accordance with the Councils Constitution.

21 Bonds and Other Security

21.1 Every contract exceeding £250,000 in value (or contracts of lower value where the Director of Finance Resources and Customer Services considers it necessary) for works, services, supplies or materials to be provided, shall require the contractor to provide sufficient security for the due performance thereof, except where the relevant Director and the Director of Finance Resources and Customer Services consider this to be unnecessary.

21.2 Sufficient security shall be one of:

21.2.1 a Performance Bond in a form approved by the Assistant Director of Services for 10% of the contract sum or, for contracts for a term of years, 10% of the annual contract value;

21.2.2 in exceptional circumstances and as agreed by the Director of Finance Resources and Customer Services a performance bond for more than 10% of the contract sum;

21.2.3 a parent company guarantee in a form approved by the Assistant Director Legal .

22 Partnerships / Shared Services

22.1 In normal circumstances, only the Council's Cabinet or committees and/or officers with delegated powers may make procurement decisions including decisions to enter into a contract on the Council's behalf.

22.2 Unless a partnership or other body has a separate legal identity from the Council and has delegated, contractual or statutory authority to act on the Council's behalf;

22.2.1 the partnership or body can only make recommendations to the Council in respect of the procurement of supplies, services and/or works;

22.2.2 the Council will then decide whether to procure those services and will comply with these Rules; *and*

22.2.3 the Council and the contracting service and manager remain legally and financially accountable for the contract.

23 Pre-Tender Market Research and Consultation

23.1 Officers may review the market for a proposed procurement through discussions with suppliers and other research but may not:

a) Base any specification on one Contractor's offering such as to distort competition;

b) Make any indication or commitment to Contractors that their offering may be preferred by the Council;

c) Suggest any procurement route which is not consistent with these Rules;

d) Enter into negotiations about price where a competitive procurement process has yet to take place.

23.2 Any pre-market research undertaken, including discussions with Contractors and others must be fully documented on file. Any market research must then be proceeded by a compliant procurement process where there is a business case to proceed

24 Consultation

24.1 For Housing procurement contracts the Commonhold and Leasehold Reform Act (CLRA) may apply. Where applicable, officers must undertake the required consultation with leaseholders. Leaseholders can nominate contractors for inclusion on a tender list for specific, below EU threshold, procurement projects. Officers must liaise with Home Ownership Services to clarify the requirements under the CLRA before commencing with any procurement likely to affect Leaseholders.

24.2 For all other procurements officers shall ensure that where applicable consultation with stakeholders is undertaken within the appropriate period of the procurement process.

25 Pre-approved suppliers for Works

25.1 Officers may in accordance with the thresholds set out in Rule 7.2 use Constructionline for selection of pre-approved suppliers for works procurements below the EU threshold that do not have cross boarder interest, as appropriate.

25.2 Corporate Procurement will post an annual advert on to the London Tenders Portal signposting suppliers interested in accessing tender opportunities for Constructionline categories for works below the EU threshold. This will also be made clear on the Council's website.

25.3 A business case must be produced before commencement of procurement, as per the Contract Procedure Rules.

25.4 For all procurements with a contract value of more than £1,000,000 for Works, the business case must be reported to the Strategic Procurement Board and the Cabinet Portfolio member for approval to commence the procurement process.

25.5 For all requirements with a contract value of less than £1,000,000 for Works, the business case will be reported to the Director for approval to commence the procurement process. This is, as a rule, covered by approval of the Capital Works Programme.

25.6 All necessary approvals to procure must be in place prior to using Constructionline.

Glossary of Terms:

Aggregation	Is the requirement to add together the estimated value of separate contracts for meeting a single requirement. EU procurement expressly prohibits the splitting of requirements into smaller units or orders in an attempt to avoid the application of EU procurement.
Best Value	means the optimum combination of price and quality identified through the Most Economically Advantageous Tender (MEAT).
Concessions	A type of contractual arrangement under which, rather than paying the contractor to deliver a work or service, the Council grants the contractor the right to exploit an opportunity and receive some or all of its income from third parties (e.g. the public), retaining the profit.
Contract	means an agreement between the Council and any other organisation, including another public authority, made by formal agreement or by issue of a letter of acceptance or official purchase order for works, supplies or services.
Directors	Means Directors of Enfield Council
E-Auctions/Reverse Auctions	The use of electronic media to conduct a tendering or bidding exercise where suppliers are able to bid, in secure, controlled conditions, for a contract.
E-Procurement	The electronic system used in the Council to electronically raise requisitions, purchase orders, supplies receipts and invoice payments.

E-Tendering	The carrying out of the tendering process using electronic means, such as the internet and specialist e-tendering software applications. It includes undertaking the tasks of advertising the requirements for supplies and services, registering suppliers, and issuing and receiving tender documents via the internet, as well as automating the evaluation of responses to a tender. Systems also incorporate contract management functionality.
EU	means European Union.
EU Procurement	A procurement conducted in accordance with the relevant EU Directives and the corresponding UK legislation including in particular the Public Contracts Regulations 2006 as amended or replaced from time to time.
Forward Plan	Is the list of Key Decisions published by the Council
Framework Agreement	An agreement with suppliers which sets out the terms and conditions under which specific purchases can be made throughout the term of the agreement and which where necessary has been tendered in accordance with EU Procurement
Goods	means tangible products that can be consumable or non consumable.
Key Decision(s)	A proposal: 1. Which involves expenditure / savings of £250,000 or above - this includes proposals phased over more than one year and match / grant aided funding, with a total of £250,000 or above, or; 2. Which has significant impact on the local

	community in one or more wards.
OJEU	means the Official Journal of the European Union
Performance Bond	Is a bond issued by an insurance company or a bank to guarantee satisfactory completion of a project by a contractor.
Public Procurement Legislation	means all relevant external procurement rules and regulations applying in England.
Quotation	A formal statement or promise usually submitted by a potential supplier in response to a request for a quotation to supply specified supplies, works or services required by a purchaser at specific prices within a specific time frame. (A quotation should be distinguished from an Estimate, which is not a fixed price). N.B. A contract arises on acceptance of a quotation. Unless otherwise specified a quotation may be subject to the supplier's terms and conditions of business and those terms and conditions become part of the contract. Therefore a request for quotations should specify that the quotation is subject to the Council's terms and conditions.
Services	Includes, for example, services such as maintenance of equipment, transportation, consultancy, technical services etc as defined by the current Public Contract Regulations.
Tender	A sealed bid submitted in response to an invitation to tender, which invitation contains detailed information on requirements including a specification and terms

	and conditions
Variation	Any alteration, modification, addition to or deletion of any requirement of the Contract terms or specification.
Works	The outcome of building or civil engineering as defined under Schedule 2 of the Public Contract Regulations 2006, as amended

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Agenda Item 13

MUNICIPAL YEAR 2014/2015 REPORT NO. 161A

Agenda – Part: 1	**Item: 13**
Subject: The Care Act 2014 **Wards: All** **Key Decision No: 3995**	
Cabinet Member consulted: Cllr Don McGowan - Cabinet Member for Health and Adult Social Care	

MEETING TITLE AND DATE:
Cabinet – 11 February 2015
Council – 25 February 2015

REPORT OF: Ray James, Director of Health Housing and Adult Social Care

Contact officer and telephone number:

Keezia Obi, Head of Service – Care and Support

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1. EXECUTIVE SUMMARY

1.1 Local implementation of the Care Act 2014 is well underway and the first set of reforms come into force in April. This report is a summary of progress on the local implementation of the Act categorised by key requirements and workstream areas. It also identifies key areas of risks to implementation deliverables for April 2015 including mitigating actions.

Care and support affects a large number of people and three-quarters of people aged 65 will need care and support in their later years. At local level there are 53 care homes that cater for older people and of the approximate 1600 people in residential care, 46% are state funded. Of the 5000 people receiving care at home, 80% are state funded. 64% of recipients of social care services in Enfield are older people.

Recent research undertaken by the council's corporate research team has identified that in total it is projected that there are approximately 1130 self funders in borough in residential and domiciliary care, of which 827 are not known to us and may approach the council for assessment under the new legislation.

Since last reporting to Cabinet the final regulations and guidance for part 1 of the Act have been published. Part 1 deals with the reforms due in April: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/366104/43380_23902777_Care_Act_Book.pdf

1.2 Dept. of Health consultation on the funding reforms which come into force in April 2016 is expected in February.

1.3 Summary of the main changes set out in the Act:

a. The principle of wellbeing is the core of the new Act: shaping care and support around what matters to people and what they want to achieve.
b. The right to choice is embedded, through care plans and personal budgets.
c. Carers will be on the same footing as those they care for, with extended rights to assessment and support.

d. The requirement for the local authority, police, NHS and others to have a process for safeguarding adults from abuse or neglect becomes law.
e. There will be a single, national threshold for eligibility to care and support.
f. There is a new focus on preventing and delaying people's care needs.
g. People will be supported with information, advice and advocacy to help them access care when they need it and to plan for their future needs.
h. There will be continuity of care when people move between areas.
i. The local authority has new guidance on how it should shape the market and commission services focused on outcomes and promoting wellbeing.
j. There are new protections to make sure no-one goes without care if their provider fails, regardless of who pays for their care.

1.4 The requirements for the delivery of the Care Act are consistent with the operating principles for Enfield 2017 which enable the council to meet the requirements in the Care and Support Statutory guidance of promoting wellbeing preventing and reducing need, the provision of effective information and advice and managing the market:

- Do it once – and in one place
- Only do the things that make sense for us to do so (e.g. we won't take on things that we are not specialist in)
- Automate and self-serve nearly all transactional activity
- Consolidate teams and create smaller, more focussed centres of excellence
- Enable work to be delivered with fewer resources
- Empower our customers to help them resolve their own requests and thus managing demand more effectively
- Continue to partner with other organisations and agencies to help deliver better services at a reduced cost
- Maximise income where it is cost effective to do so

2. RECOMMENDATIONS – Council is asked to note, as recommended by Cabinet:

2.1 The progress made to implement the Care Act in Enfield and the key risks associated with implementation and the mitigating actions.

2.2 That the financial modelling to understand the impact of the Care Act continues at both local, regional and national level including through ADASS and London Councils, as advised at July Cabinet and October Council meetings. This will include ensuring a robust response to the government consultation on the funding reforms due in February. As previously reported, when the Government introduced the Care Bill it advised that any new burdens on local government would be funded. Until clear funding allocations are made available, there is a risk that this cost is not fully funded, but, at present it is not possible to form an opinion.

2.3 This major change is taking place within Enfield 2017 and this has provided a positive framework for Care Act implementation, in particular changes to the Gateway Services and assessment hub.

3. BACKGROUND

3.1 The first major reforms under the Care Act will be implemented in April 2015. This report focuses on the key requirements set out under these reforms. In the following year the funding reforms will be implemented and this report also provides an update on work taking place to prepare for this, recognising that the majority of the requirements and changes will be delivered within the Enfield 2017 programme.

3.2 We are making considerable progress in a number of areas and confidence in meeting the key requirements is good. However, there are a number of areas that during the next three months will require considerable staff investment alongside evidence that we will meet key milestones.

3.3 The key requirements of the Act to be implemented in April 2015 are:

- Duties on prevention and wellbeing
- Duties on information and advice
- Duty on market shaping
- National minimum threshold for eligibility
- Assessments, including carers assessments
- Personal budgets and care and support plans
- New charging framework
- Safeguarding Adults – on a statutory footing
- Universal deferred payment agreements

April 2016:

- Extended means test
- Capped charging system
- Care Accounts

3.4 Since last reporting to Cabinet, a comprehensive local response to the draft regulations was submitted, the process for which included public consultation events. Colleagues in the department also inputted into the London-wide response. Link to the Council's response:
http://www.enfield.gov.uk/info/1000000845/the_care_act_2014/3126/the_care_act_2014

3.3 Critical to the success of implementation is our knowledge and understanding of the Care Act Regulations and Guidance. The guidance is comprehensive at 500+ pages and the Care Act Board is tasked with ensuring we interpret it and correctly translate into policy and practice. This includes inputting into the London Care Act Lawyers group who are considering 'hot topics', such as charging and eligibility. This regional work will help to inform decisions in due course here at Enfield.

4.0 Governance arrangements

4.1 Implementation of the Act continues to be overseen by the Care Act Board. Since last reporting to DMT, a reference group of local people has been set up and Safeguarding Adults is now a key work stream area, whilst also contributing to the Operational Change Management work stream. Membership of the Care Act Board includes representation from both Enfield 2017 and Human Resources, as ultimately, implementation of the Care Act is an inherent part of the former.

4.2 The governance structure will continue to evolve to meet the changing requirements of Enfield 2017, so that, for example, work on information provision, workforce development, finance and IT/BI progresses as part of Enfield 2017 plans.

4.3 Ensuring that it is implemented within the Enfield 2017 strategic transformation programme is an essential and important factor concerning the delivery of the Care Act. This is being managed in a number of ways including Enfield 2017 team representation on the Care Act Board, reporting to Strategic Transformation Board (STB) and regular engagement and discussion on key deliverables to ensure we meet both statutory requirements and deliver on the wider strategic transformation.

4.4 Progress has been made against key areas of governance as follows:

- Programme Structure & Governance set-up
- Programme Plan in place, monitored & updated
- Risk & issue management in place
- User involvement in service design
- Undertake equality impact assessments
- DAS leadership and policy sign-off
- Regular stocktakes & self-assessments

5.0 Summary progress of key requirements

Duties on prevention and wellbeing - the duties on prevention and wellbeing are being addressed in a number of ways. Current activity includes reviewing existing provision and undertaking a gap analysis, such as what is provided via the voluntary and community sector and through public health initiatives. Regular briefings to HHASC are taking place which sets out the framework for wellbeing and prevention and reducing or delaying need, as set out in guidance. This will need to be extended to ensure that all staff involved in the provision of advice and information to customers are fully aware of their new responsibilities. The national communications campaign which is due shortly will support the local messages being given about the wellbeing principles. Further work needs to take place to embed prevention in council policy and our commissioning arrangements.

Duties on information and advice (including advice on paying for care) - a comprehensive gap analysis has been produced which includes signposting and access to independent financial advice. Current provision is of a good variety, but the Care Act Board needs to ensure that the final offer is comprehensive, universal, accessible and proportionate. Next steps are the preparation & implementation of a local Information and advice strategy, including what the final model will look like, for example, council led, delivered by the Voluntary and Community Sector and Citizens' Advice, local people or a combination, and how via the Enfield 2017 Customer Gateway it will be delivered.

Duty on market shaping -good progress is being made in a number of key areas including the market failure and provider exit strategy and the refresh of a market position statement.

National minimum threshold for eligibility and assessments (including carers assessments) -progress is being made in a number of key areas including reviewing our assessment processes ensuring it focuses on prevention and wellbeing, and how we to meet increased demand for carers assessments. This, and related activities will need to be built into the Customer Gateway and Assessment Hub.

Personal budgets and care and support plans – good progress is being made to ensure the care and support planning process is Care Act compliance and reviewed in line with the customer pathway and assessments.

New charging framework and universal deferred payments - good progress is being made in this area including the estimates of likely increase in number of requests for deferred payments and putting in place back office support in place to manage increased number of deferred payments

Safeguarding Adults - the Care Act will place safeguarding adults on a statutory footing. Enfield has an established Safeguarding Adults Board with representation by all statutory and key partners; this is a well-attended and a safeguarding adults strategy is in place which is now under review with regard to making safeguarding personal. It has a clear preventative agenda. With regard to carrying out safeguarding reviews, the current policy will be updated by end of February, and the police has developed an information sharing protocol with the NHS to support local work.Work is also underway to work towards achieving the gold standard for Making Safeguarding Personal.

Information Technology (IT) requirement - good progress is being made to ensure out IT systems support the new duties, including mapping business requirements and gap analysis, and work is underway with systems providers.

Workforce Capacity and development - a workforce development plan has been produced and being delivered including 40+ briefings to staff across HHASC, external social care providers and to the Council's finance division. A range of focussed events and courses have been organised and an e-learning module about the Care Act has been developed.

Communications - a communications plan is in place and a range of tools have just been published by Public Health England to support local communications. A reference group of local people is in place and members have begun commenting on key Care Act requirements, for example deferred payments.

6.0 Finance - financial modelling and paying for the reforms

6.1 Very good progress has been made in this key area, as follows:

- Modelling the potential financial impact – is at an advanced stage
- Completion of a variety of financial modelling tools
- Development of a local financial model
- Assumptions being tested
- Charging policy consultation due
- Working estimate of total number of self-funders
- Working estimate of number of self-funders who will present themselves

6.2 In the last four months we have completed the financial modelling tools made available through London Councils, ADASS and the DoH. These tools model the financial impact of the care cap (Dilnot), assessing all self funders, increased carers assessments and carers services. Following an analysis of the results regionally, the robustness of the tools has been challenged. In light of this, we have undertaken modelling locally, applying local intelligence, national trend data and results from research undertaken by LBE.

6.3 We have had challenge sessions, internal and external, to validate the assumptions. Externally, finance leads from Islington and Haringey have reviewed the financial model and have validated the figures and assumptions made. Current steps include testing the assumptions with Ernst Young.

6.4 **Self Funders estimates** - In August 2014 the council's corporate research team undertook research of self funders in Enfield. The research was undertaken utilising surveys and actively engaging with residential and domiciliary care providers in Enfield. During a similar period the Institute of Public Care (IPC) has undertaken self funder research for LSCP. IPC estimated numbers of self funders based on a combination of provider survey responses, CQC data, national data from ELSA (English Longitudinal Study of Aging) and Attendance Allowance stats.

Following an analysis of the IPC data and methodologies we have concluded that the Enfield research was more comprehensive therefore we are basing our estimates on internal methodologies.

7.0 THE FINANCIAL IMPACT OF IMPLEMENTING THE CARE ACT

7.1 The Government has made available an allocation to support local authorities in implementing the Care Act reforms, as follows:

Year:	**2014/15**			**2015/16**		
	Revenue	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Details/ Summary	**£**	**£**	**£**	**£**	**£**	**£**
Care Bill Implementation Grant 2014/15	125,000	0	**125,000**			**0**
Care Bill implementation funding in the Better Care Fund (£135m nationally)				725,000	270,000	**995,000**
Social Care New Burdens				1,422,260		**1,422,260**
	125,000	**0**	**125,000**	**2,147,260**	**270,000**	**2,417,260**

7.2 This above breaks down the allocations of Adult Social Care new burdens funding and the Better Care Fund element to cover implementation of the Care Act. The Social Care New Burdens funding is indicative but intended to cover Early Assessments, Deferred Payment Agreements and Carers and Care Act implementation.

7.3 The wider reforms costs such as the increase in assessments, new rights for carers, developing the market, and the new business processes and costs relating to IT and finance systems e.g. for care accounts to calculate progression towards reaching the cap, may have a financial impact.

7.4 The cap on the costs people will have to pay for their care and the increase of the capital thresholds is likely to be the most significant cost pressure resulting from the Act. It is expected that this will take effect in 2018/19, 3 years being the time expected for people to reach the cap.

7.5 Last July London Councils published their analysis of the potential financial impact of the reforms, and this indicated that the funding allocations to cover the cost of implementation will fall far short of the expected costs. It also identified that people living in London will reach the cap earlier than other parts of the country, adding to the

financial burden. The report, Care and Support Reform: Cost implications for London[1], states:

"The government has announced that from April 2016 a cap will be introduced limiting the amount of money people will have to pay towards their care. This cap will be set at £72,000. The government will also raise the means testing threshold at which people are eligible for support from local authorities, from the current £23,250 to £118,000. London Councils has analysed the cost implications of these reforms, illustrating the additional cost pressures that can be expected by London boroughs.

Cost pressures in London
London Councils' analysis has found that the potential total additional cost pressure that local authorities could be faced with by 2019/20 as a result of introducing the cap and raising the threshold AND the on-going social care cost pressures is approximately £1.3 billion. Approximately £877[2] million of this will be as a direct result of implementing the capped cost model for care and raising the eligibility threshold over the first four years.

National cost pressures
The government's estimates of providing £1 billion per year to fund the funding reforms nationally is inadequate. London Councils' analysis has found that the reforms nationally over four years will cost in the region of £6 billion – on average £1.5 billion per year (cost pressures will be heavily weighted in the first and fourth year of implementation)."

8.0 ALTERNATIVE OPTIONS CONSIDERED

8.1 It is a statutory requirement to implement the Care Act, so no alternative options have been considered in the drafting of this report.

9.0 REASONS FOR RECOMMENDATIONS

9.1 It is a statutory duty for local authorities to implement the Care Act. It is essential that Cabinet is aware of the reforms and the implications for the Council.

10.0 COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

10.1 Financial Implications

As stated above, the Care Act requirements are to be introduced by April 2015. The table under paragraph 16.1 above shows the grant allocations of £125k in 2014/15. Each Local authority has been awarded this allocation to "provide additional support to local Authorities for them to build change management capacity to implement the requirements of the Care Bill" (DoH circular ref: LASSL (DH)(2014)1)

A further £2.4m of grant funding has been allocated in 2015/16, of which revenue funding has been identified from the Better Care Fund (£725k), Social Care New Burdens (£1.422m) and capital funding of £270k (DoH circular ref: LASSL (DH)(2014)2).

The full cost of implementation is unlikely to be felt until 2018/19 and the department will continue to model and monitor the likely costs in intervening years, as the council will now need to provide funding support to "self-funders" (those who currently meet the full cost of their care services) once they reach the £72k cap and may collect less income from clients that currently contribute towards their care costs.

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[1] Care and Support Reform: Cost implications for London http://bit.ly/1a7ubwm

[2] It is important to note that at the time of the financial modelling not all data was available regarding the working age thresholds of the cap.

10.2 **Legal Implications –** Most of the provisions of the Care Act 2014 ('the Act') will come into force in April 2105.

The Act is a major reform, intended to consolidate piecemeal Community Care legislation developed over 60 years into a single statute. It introduces a range of specific statutory duties the Council must comply with and some powers.

The Act is supported by Regulations and the Care and Support (C&S'*Guidance'*, which were published in October 2014 in their revised form, following consultation. Further draft Regulations are to be published in relation to the funding provisions.

The general principles of the Act and the powers and duties of local authorities are as set out above in the body of the report. However, the Act's provisions for a cap on care costs, care accounts and personal budgets will not come into force until April 2016.

The proposals set out in this report fall within the powers and duties set out in the Act.

10.3 **Property Implications** – none identified.

10.4 **KEY RISKS:**–

Financial – as noted, further research is being undertaken to quantify future years financial risk or opportunity to the council. Any financial risk to the Council will be managed via regular updates to DMT, CMB and Cabinet presenting the full impact of the reforms, which will be revised periodically to include latest intelligence.

People – in particular workforce capacity and staff readiness, including the availability of key staff to implement the changes from April 2015 e.g. applying new eligibility framework, prevention and the wellbeing focus. This is being mitigated by ensuring appropriate levels of staff are in place and learning and development is provided to ensure the council meets its statutory requirements. This includes the additional demand for assessments and new carers assessments from April 2015, which will predominantly be delivered via Gateway Services and the Assessment Hub, building on the work already undertaken.

IT requirements – the procurement of the required IT solutions e.g. the wellbeing assessment tool (askSARA) and defining the enhancement of future business requirements for the current self-serve assessment tools (Quickheart). These are business critical areas for Care Act implementation and colleagues in HHASC, Corporate IT and Enfield 2017 are managing this to ensure Care Act deliverables are met and a longer-term IT strategy developed to meet these requirements as part of Enfield 2017.

10.5 **IMPACT ON COUNCIL PRIORITIES –** the Care Act will have a positive impact on the council priorities and local community. New assessment arrangements and eligibility criteria will help to provide fairer access to services, including how it is funded. It will encourage active citizenship by strengthening our Personalisation arrangements and supporting people to be independent and improvements to our information and advice services will impact on the provision of high quality, affordable and accessible services for all.

ENFIELD 2017 – as noted in the recommendations, the Care Act legislation is being introduced at the same time that the council's transformation programme is being delivered. The overarching principles are very much aligned and it has been extremely important that we manage this interface. Enfield 2017 representation on the Care Act

Board has been both essential and helpful, in particular in addressing any potential risk to delivery and in maximising opportunities to enhance both change programmes.

10.6 EQUALITIES IMPACT IMPLICATIONS (EIA) – a full impact assessment has been undertaken and, as Enfield 2017 models are developed, these will be repeated.

10.7 BUSINESS CONTINUITY –

The implementation of the Care Act will not result in any significant change to the customer pathway for Adult Social Care or the staffing structure, , as these will be addressed by the Enfield 2017 programme, so the current business continuity plans will remain in place and be reviewed and updated as required as part of the delivery of that programme.

However there is detailed guidance relating to 'Managing provider failure and other service interruptions' and in order to comply with this, a strategic commissioning plan is being developed in order to deliver the duties in Act and ensure effective provision of care and support for the future services. This will be a joint piece of work with Safeguarding and will be informed by the CQC guidelines.

10.8 PERFORMANCE MANAGEMENT IMPLICATIONS - the implementation of the Care Act will contribute to the achievements of the council and Enfield 2017. New duties within the Care Act 2014 will require the Council and its statutory partners to work in partnership to develop processes, systems, measures and tools to evaluate delivery against the new duties and on the wider impact of these duties on the local population.

10.9 HEALTH AND SAFETY IMPLICATIONS – none identified.

10.10 HR IMPLICATIONS - Consideration will need to be given to the most appropriate method of recruiting to the additional resources that will be created to support the implementation of the Care Act. The Council's Recruitment and Selection Policy and procedures will need to be complied with. It will also be necessary to submit job role profiles for job evaluation by HR in order to establish the grades of posts where these do not already exist within the current structure or are not created as part of Enfield 2017.

10.11 PUBLIC HEALTH IMPLICATIONS - the PH implications of the Care Act are significant and LBE will need to take account of new and emerging best practice in order to understand and identify what may be regarded as a service that prevents need. The Act places a great emphasis on the provision of advice and information which can be useful but this should not detract from that these on their own may not always be sufficient to change health behaviour and reduce prevalence of long-term conditions or even the most effective means of changing behaviour.

Background Papers – none.

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Council Questions – Wednesday 25 February 2015

Section 1 - Questions to Cabinet Members

Question 1 from Councillor Neville to Councillor Taylor, Leader of the Council

Could he tell the council whether he approves of all women shortlists for Parliamentary seats as in the Edmonton Constituency?

Reply from Councillor Taylor

I do not think that this is an appropriate question for Council. This is a matter for each of the political parties to consider themselves.

Question 2 from Councillor Doyle to Councillor Taylor, Leader of the Council

At the last Council meeting you gave a response to an Emergency Question. Would you like to comment further on the answer you gave?

Reply from Councillor Taylor

With regard to the urgent question to me at the last Council meeting, which was replied to in writing, some concerns were raised that inferences might be drawn which could be considered defamatory. I made clear by way of a personal statement at the time that there was no intention on my part to make such inferences, and indeed on reflection I do not believe such inferences could reasonably be drawn from the text. However I also made it clear that I was happy to apologise to the ex-member if he felt that to be the case, and I am by way of this reply reaffirming that point.

Question 3 from Councillor Dines to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration

Do you agree that all female shortlists are the right way to select candidates for elections as in the Edmonton Parliamentary Constituency?

Reply from Councillor Oykener

I do not think that this is an appropriate question for Council. This is a matter for each of the political parties to consider themselves.

Question 4 from Councillor Abdullahi to Councillor Sitkin, Cabinet Member for Economic Development

Could the Cabinet Member for Economic Development tell the Council about the efforts this administration is making to galvanise business support for the expansion of the West Anglia mainline?

Reply from Councillor Sitkin

As members of the London, Stansted Cambridge Consortium – and in line with our policy of maintaining direct active contacts with all of Enfield's businesses large and small – we have mobilised local companies in this campaign and passed their responses to the Government, together with Enfield's own statement of support.

Question 5 from Councillor Dines to Councillor Orhan, Cabinet Member for Education Children's Services & Protection

Do you agree that all female shortlists are the right way to select candidates for elections as in the Edmonton Parliamentary Constituency?

Reply from Councillor Orhan

I do not think that this is an appropriate question for Council. This is a matter for each of the political parties to consider themselves.

Question 6 from Councillor Maguire to Councillor Taylor, Leader of the Council

Would the Leader comment on allegations of social cleansing in an inner London borough and the impact on Enfield?

Reply from Councillor Taylor

This term was used by the Opposition Leader in the London Borough of Westminster. It appears that Westminster Council is buying properties in Newham, Barking and Dagenham, Redbridge and Enfield in order to place residents in temporary accommodation. So far £6 million has been invested and a further £9 million is available for purchasing properties.

The impact of this is to reduce the supply of properties for Enfield residents.

Question 7 from Councillor Neville to Councillor Taylor, Leader of the Council

I refer to the written answer to my urgent question about the conviction of Councillor Erbil on two matters of fraud. When you drafted the answer I appreciate that you were hoping that you would be shortlisted for the Edmonton parliamentary seat and naturally wanted to be careful what you said about Councillor Erbil. Can you confirm that is the reason why you failed to indicate your own view as to his future membership of the council?

Now that you have not been shortlisted perhaps you would care to tell the council whether you believe that it is appropriate for somebody who has been convicted of two offences of fraud to remain on the council, having previously been elected at a time when he was facing these charges, but had presumably not declared them during the Labour party's selection process.

Reply from Councillor Taylor

I was very clear in my response to the emergency question. The matters relating to Councillor Erbil are being considered by the National Party.

I would remind Councillor Neville that in my time as a Councillor there have been a small number of Members on both sides accused of misconduct. Some of these have been dealt with by reference to the police, some by the internal Standards Committee (until recently it was not known as the Councillor Conduct Committee). I do not recall commenting on any Councillor either during investigation nor afterwards and, I am not intending to change that on this occasion. I have been entirely consistent in my approach.

Question 8 from Councillor Fonyonga to Councillor Bond, Cabinet Member for Environment and Community Services

Can the Cabinet Member give an update on improvements to Albany Park?

Reply from Councillor Bond

In 2013 the Council developed a range of potential improvements as part of a bid to the Heritage Lottery Fund (HLF). Unfortunately the HLF bid was unsuccessful, but the Parks Service has since taken elements of the original concept and developed a revised draft plan to improve provision within the park. The Parks Service has recently met with a range of local stakeholders to test the proposed improvements ahead of a public consultation which will commence in late February. Subject to the outcome of the consultation and any revisions, the Parks Service will then start to raise the funding that is required to deliver the improvements. The delivery of the improvements will be phased as funding is secured.

Question 9 from Councillor Neville to Councillor Taylor, Leader of the Council

I refer to the written response to my urgent question concerning Councillor Erbil. My original question asked you when you became aware of what would have been a pending prosecution for the two offences of fraud. Your response did not answer that question. You said that you referred the matter to the national party “promptly after the member informed me of the matter on 21 January 2015”. The following questions arise for clarity:

1. Prior to the 21 January 2015 had you any knowledge whatsoever, actual or anecdotal, of the fact that Councillor Erbil was facing prosecution or had indeed been convicted?
2. Did Councillor Erbil personally inform you on 21 January 2015 of his conviction, or was that the date on which you referred the matter to the national party having been made aware that the press were about to expose the convictions? It just happens that 21 January 2015 was the same date that the press contacted me!
3. You failed to answer the question as to whether you had referred the matter to the Councillor Conduct Committee by commenting that the Monitoring Officer was seeking clarification of the issues. It occurs to me that there was little

clarification to be sought. This was a member of your group who had been convicted of quite serious offences and you should have promptly referred him to the Councillor Conduct Committee. Can you tell the council why you did not do so?

Reply from Councillor Taylor

1. No
2. Yes that was the date of my first knowledge of this issue
3. I met with the Monitoring Officer who took the view that she should not rely on press reports but should get the full facts about the case from the Court. That was the issue of clarification.

I do not believe that she felt a reference to the Councillor Conduct Committee was appropriate. She will have been mindful of section 3.2 of the Procedure for Handling Complaints against Councillors and co-opted Members which states, 'Complaints will not be accepted where:

(c) it would be more appropriate for the complaint to be dealt with by a court
(e) legal action is under way

In that light this case would not appear to be relevant for the Councillor Conduct Committee.

Question 10 from Councillor Lappage to Councillor Georgiou, Deputy Leader of the Council

It is important for local residents that Enfield Council continues to attract as much funding as possible as a result of raising the profile of the work it does and promoting its achievements. Can the Deputy Leader advise how many times has Enfield Council been positively featured in the national press and broadcast media in the last year?

Reply from Councillor Georgiou

Enfield Council continues to work hard to get regional and national recognition for the great work being undertaken by the authority to create a fairer and better Enfield. Over the last two years (to 1 April 2014) coverage in the national and broadcast media has increased by 217%. In 2013/14 we generated 621 positive pieces in the national press and broadcast media.

These have included coverage of the Enfield Experiment on the front page of the Guardian, the successful bid for £30 million pounds to invest in Cycle Enfield, the establishment of the Housing Gateway property company, our innovative Gang Call-in programme and the flagship Meridian Water development in Edmonton.

We are proud of Enfield, and as community leaders we will continue to ensure it gets the recognition it deserves as a great place to live, work, visit, do business and invest.

Question 11 from Councillor Neville to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration

I refer to his answer to question 23 from me in the last council meeting in connection with enforcement action taken under the Housing Act 2004 over the past five years. Will he agree with me that out of some 26,000 plus houses let by the private sector the total number of enforcement actions taken is miniscule? Either those figures reflect the number of cases where action was called for, or if not, a lack of resource. Can he tell the council which it is?

Reply from Councillor Oykener

The answer to the question was rather narrow and focused specifically on enforcement action – if Councillor Neville had asked me more generally about the pressures facing the private sector housing enforcement team I would have presented him with the following table, which shows an inexorable rise in complaints concerning private sector housing across the borough. This of course does not include all the data collected by the police or by environmental services, which shows a similar trajectory, but it does illustrate the point.

Category	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Housing Disrepair Reports	539	745	995	1055	1017
HMO Disrepair & Licensing Issues	65	95	62	48	85
Formal Notices Served	34	36	43	101	106

Question 12 from Councillor Chibah to Councillor Stafford, Cabinet Member for Finance

In Main Avenue, is a Housing Revenue Account shop, which was occupied by a Safer Neighbourhoods' Team. They left the shop some 18 months ago: they surrendered the lease 12 January 2015.

Can you tell the Council the cost to tax payers of London for this period of non-occupancy and does he agree with me that this money would have been better spent on police on the streets of Enfield?

Reply from Councillor Stafford

The Unit was surrendered on the 12 January, Capital contribution towards dilapidations, rates and legal cost were paid, together with 18 months' rent. This unit will shortly be offered to the market. Therefore there has been no loss of income to the Council. Whether the police have spent their money wisely over the last 18 months is a question for them.

Question 13 from Councillor Neville to, Cabinet Member for Environment and Community Safety

At the extraordinary meeting of the council 23 December 2014, I asked you to confirm whether prior to making your decision not to lock park gates at night, you did or did not consult the borough police. In your reply you state "officers spoke to the police prior to making the decision".

Your decision is dated 3 October 2014. Will you accept from me that in answer to a series of questions I raised under the Freedom of Information Act, the police have confirmed that they were not consulted until October 2014 and that their response was not sent to the council until 12 December 2014, in fact after the MOPAC (Mayor's Office for Policing and Crime) meeting to which you refer, which took place on 2 December 2014, itself two months after you had made your decision.

In the circumstances will you concede that in your written answer of 23 December 2014, which presumably you had time to think about, you misled the council inasmuch as you had not consulted the police prior to taking that decision on 3rd October, and your consultation with them, was only an afterthought following public protest and the calling in of the decision and general concern from members of the opposition.

Will you now apologise to the council for this serious failing not only to consult but more particularly for giving the council inaccurate information, which you must have known to be inaccurate, and resign from the cabinet.

Reply from Councillor Bond

Informal discussions between the police and the Council's Head of Community Safety started in the summer, certainly no later than August 2014. The Police's position has always remained the same i.e. this is a decision for the Council.

Question 14 from Councillor Hasan to Councillor Brett, Cabinet for Community Organisations

Can the Cabinet Member for Community Organisations advise how many families are currently being assisted by food banks in Enfield and how many children?

Reply from Councillor Brett

Thank you, Councillor Hasan for raising such an important issue. Food Banks in the borough continue to provide a vital resource for some of our most vulnerable individuals and families. Enfield Council officers working with the North Enfield and Edmonton Food Banks have supplied me with some recent data that illustrates the scale of hardship some of our residents are facing.

The latest cumulative data from North Enfield Food Bank shows that since April 2012 they have fed a total of 11,191 people, of which 4,556 were children. Over 89 tonnes of food has been distributed that equates to over 100,000 meals. They report that the

numbers of clients accessing the service continues to rise and during January 2015 they fed 431 people of which 143 were children.

Edmonton Food Bank also continues to face significant demand. The latest 6 month monitoring we have from them (June 2014 - November 2014) shows that 780 families accessed their food bank, breaking down into 320 adults and 460 children.

The Council remains committed to doing what it can to help the food banks in Enfield assist local people in need. We are also working with wider partners to help build the kind of sustained prosperity and opportunity in the borough that means local people will have less cause to rely on services such as these in the future.

Question 15 from Councillor Neville to Councillor Taylor Leader of the Council

Would he list for the council a non-exhaustive list of circumstances, the occurrence of which should cause a cabinet member to resign his position?

Reply from Councillor Taylor

Within our constitution cabinet members shall hold office until:

(a) he/she resigns from office; or
(b) he/she is suspended from being a councillor under Part III of the Local Government Act 2000* (although he/she may resume office at the end of the period of suspension); or
(c) he/she is no longer a councillor; or
(d) he/she is removed from office, either individually or collectively, by the Leader of the Council.

*The authority cannot disqualify or suspend councillors: suspension was permitted under the Local Government Act 2000 regime however this was removed by the Localism Act 2011 which made fundamental changes to the system of regulation of standards of conduct for elected and co-opted members of local authorities.
The Local Government Act 1972 sets out when a person shall be disqualified for being elected or being a member of the local authority. Some of the provisions refer to employment in a company which is under the control of the local authority, the person is subject of a bankruptcy restrictions order or has within five years before the day of election or since his election been convicted in the United Kingdom, the Channel Islands or the Isle of Man of any offence and has had passed on him a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine.

Question 16 from Councillor Cazimoglu to Councillor Georgiou, Deputy Leader of the Council

Meridian Water is set to bring thousands of jobs and homes to the borough, helping to drive the local economy for the benefit of all our residents for years to come. Can the Deputy Leader advise how the Council has helped to raise its profile in the last 12 months?

Reply from Councillor Georgiou

Enfield Council has delivered lots of events and activity in the last year which has helped raise the profile of this flagship development. This has included regional and national events such as the launch of the Lee Valley Heat Network and local events such as the Meridian Water Festival.

As a result Meridian Water has featured in numerous pieces of press and broadcast media on outlets including BBC London TV, ITV London TV, BBC Radio London, BBC News website, LBC, Capital FM, Choice FM, Heart FM, Magic FM, Estates Gazette, Inside Housing, Housing News, – as well as being covered frequently by The Enfield Advertiser and The Enfield Independent.

It was particularly pleasing to see the recent full page article in The Evening Standard (4 February 2015) which encouraged readers to invest in a development set to rejuvenate the site and transform the area.

Question 17 from Councillor Neville to Councillor Stafford Cabinet Member for Finance

Could he please tell the Council what are the current extra revenue charges in respect of the increase of £69 million in the general fund borrowing that has taken place since Labour took power in 2010?

Reply from Councillor Stafford

The £69m and £84.6m reflect the increase in the Council's Capital Financing Requirement (CFR) over the period and not the actual increase in borrowing. It also includes estimated borrowing in 2014/15 in respect of the General Fund.

Total borrowing to finance both the General Fund and the Housing Revenue Account (HRA) Capital Programme actually increased by £49.5m. The actual increase in interest payments was £0.275m.

The General Fund Minimum Revenue Provision will increase by £2.5m. This is based on the General Fund CFR. There is no requirement for Minimum Revenue Provision in respect of the Housing Revenue Account (HRA) although the HRA business plan does include provision for repayment of debt in later years.

Question 18 from Councillor Dogan to Councillor Bond, Cabinet Member for Environment and Community Services

Can the Cabinet Member tell the Council of planned works to the Ridgeway?

Reply from Councillor Bond

In 2015/16, we are planning to resurface a section of the Ridgeway (approximately between Oak Avenue and the junction with Lavender Hill). The Council has approved a plan to introduce a pedestrian refuge island on The Ridgeway a little way north of the access to Rectory Farm. This will facilitate safe crossing for pedestrians

and cyclists using the new Greenway from Enfield Island Village to The Ridgeway. The remainder of the Greenway, stretching to Hadley Wood, is planned to be implemented in 2016. The crossing will also facilitate the existing London Loop walking route.

Question 19 from Councillor Neville to Councillor Stafford Cabinet Member for Finance

Could he tell the council what are the current revenue charges in respect of the increase of £84.6million in the housing revenue account borrowing that has taken place since Labour took power in 2010 and how these are being funded?

Reply from Councillor Stafford

Please refer to the combined response to Question 17

Question 20 from Councillor Pite to Councillor McGowan, Cabinet Member for Health and Adult Social Services

The NHS has come under enormous pressure over the winter period. Can the Cabinet Member advise what Enfield Council and Adult Social Care are doing to support hospital discharges and avoid delayed discharges?

Reply from Councillor McGowan

Adult Social has increased capacity within the hospitals through the introduction of seven day working, which has been in place since January 2014. Over the winter period, we have increased our social work, occupational therapy and enablement resources to cope with increasing demand and ensure that a whole systems and timely approach is in place for patients. We have moved some enablement assessing staff into the hospital teams to work with social work, ward and discharge staff to further support timely and safe discharge arrangements.

We have also increased our social work and occupational therapy capacity in the community over the winter period to work with community nursing colleagues and GPs to provide targeted, coordinated support to those who a) may be a risk of admission to hospital and b) reduce the risk of an unplanned acute admission. This includes reviewing the needs of those with complex health and social care needs and those in residential / nursing placements.

It has been acknowledged by both North Middlesex University Hospital (NMUH) and the Royal Free London NHS Foundation Trust that delays due to LBE social care are minimal, our performance remains strong and our weekend and bank holiday working is making a difference within the system, both the Haringey and Barnet Systems Resilience Groups have aired this and our performance has been acknowledged by them. The few delays we have had over the last couple of months in acute settings are primarily down to nursing care availability; this is resolved, for now. There were no Social Services delays in acute wards reported over the Christmas period.

At NMUH in January, a week was identified to 'reset' the system by running a 'perfect week' model. This means getting to a situation where we do not have patients in Accident and Emergency (A&E) for long periods awaiting hospital beds. As a result of this work, workstreams have been identified, in areas for improvement in the main causes of delays. This includes equipment, working with care home providers to improve their assessment timescales, Continuing Care Assessment processes and the discharge planning process.

We attend daily bed meetings, and twice weekly teleconferences, to discuss issues relating to discharge, which are increased during particularly challenging periods.
We have improved systems to secure necessary community equipment with our colleagues in Integrated Community Equipment Services (ICES) through streamlining the equipment assessment and requisition process from ward staff to community nurses. Feedback indicates this is working well.

We continue to work in the community with those who require adult social care services to ensure they are safe. Over winter, we have increased provision for community based service users who may be at risk of admission / re-admission. We have experienced a 7% increase in in the number of people receiving an enablement service and a 7% increase in the number of assessments completed across the whole service between November and January this year. These figures, along with excellent Delayed Transfer of Care performance and discharge numbers, indicate a successful approach to avoiding unnecessary, unplanned admissions to hospital. This is supported through integrated working in the community (Older Peoples' Assessment Unit, Integrated locality team; Care Homes Assessment Team; GP hotspots project).

Question 21 from Councillor Neville to Councillor Taylor, Leader of the Council

Does he accept the findings of the Institute of Fiscal Studies which reveal that total public spending will have fallen by a mere 2.3% over the lifetime of this parliament or less than half of a percentage point per annum helping the hard working residents in Enfield?

Reply from Councillor Taylor

I do not see public spending as a bad thing. The NHS, Defence of the Realm, the Police, Education and Social Services for example are paid for by public spending. An ideological desire to shrink the state does not protect the most vulnerable, allowing pooled resources for the greater good and enhance society.

Question 22 from Councillor Anderson to Councillor Georgiou, Deputy Leader of the Council

As an open and transparent Council, Enfield is committed to keeping Enfield's residents well informed about Council services, activities, events and decisions through traditional and new media. Can the Deputy Leader advise how many Council stories have the local press covered in the last year and how successful has the Council been in increasing engagement with local people through social media?

Reply from Councillor Georgiou

Unlike many London boroughs Enfield is fortunate enough to have well established and well regarded local papers which play a vital role in keeping our local residents well informed about the Council and Council services - and accountable for our policies and decisions. Local newspapers remain residents' preferred source of information about the Council (2013), so we work hard to support the local press when they feature stories involving the Council, answer their enquiries, respond to criticism and help sustain a vibrant local democracy.

The Enfield Advertiser and The Enfield Independent continue to provide extensive coverage of Council-related services, initiatives, events, policies and decisions – both on-line and in their paper editions – 1667 articles in 2014 up from 1602 articles in 2013 despite the purdah period in May 2014. We value the vital role they play in building a stronger community in Enfield and providing a critical friend for the Council.

We also continue to drive forward new ways of communicating and engaging with local people which meet their changing lifestyles and needs. In the last two years we have increasingly used social media to connect with people who prefer this channel and reach residents who do not use more traditional media. The number of people who like the Council's main Facebook page has increased by 50% since April last year and the Council's main Twitter feed now has 6,024 followers – up 7% since October.

Question 23 from Councillor Neville to Councillor Taylor, Leader of the Council

Does he accept the findings of the Institute of Fiscal Studies (IFS) which reveal that spending on social security will have actually risen during the lifetime of this parliament thus helping the less fortunate residents in Enfield?

Reply from Councillor Taylor

It appears that Councillor Neville believes that increasing the welfare bill is a policy objective of the Government. I personally have not studied the IFS review.

Question 24 from Councillor Stewart to Councillor McGowan, Cabinet Member for Health and Adult Social Services

Can the Cabinet Member tell me what Enfield is doing to ensure that "Making Safeguarding Personal" is integrated into the Safeguarding Adults' Process?

Reply from Councillor McGowan

Service delivery is the key area where change has occurred, which has been focused on engaging with the workforce to develop:

- Skills and competencies which seek to enable and equip staff to work with individuals to negotiate outcomes and seek resolution.
- Creating safeguarding adults champions within the adult social care team.

- Ensuring staff ask those who have been harmed about their outcomes at the beginning of the safeguarding process and the extent to which this has been achieved or resolved at the end.

The IT system has been reviewed and developed so that we can now evidence that we are working in a person centred way which clearly sets out outcomes. In addition, the Strategic Safeguarding Adults Service complete interviews with those who have been harmed and this has demonstrated an improvement in how adults have control and involvement in the safeguarding process.

Both internal and external audit reports have demonstrated a change in practice in line with Making Safeguarding Personal (MSP) which ensures empowerment, partnership, proportionality, protection, prevention and accountability.

Advocacy has been developed, particularly in ensuring that this is available and offered within safeguarding. The Care Act has sharpened the focus on advocacy as there is a now a duty to provide advocacy in safeguarding cases where an individual requires this. Additionally we have updated all of our local practice guidance to be MSP compliant.

Structurally a Multi-Agency Safeguarding Hub (MASH) is being developed and is to be operational from April 1, 2015. The MASH will contribute towards Making Safeguarding Personal through an effective and responsive service, to reports of abuse, that enables disclosure, establishes what the person being harmed wants, personalises risk management and puts the person in control.

Making Safeguarding Personal also has a strong preventative requirement which is met in Enfield by:

- Work planned with those who may be at risk of causing harm.
- Provider Concerns Process and Safeguarding Information Panel which seeks to prevent and work with care providers to minimise risk.
- Work with carers to support those at risk of being harmed by the person they care for and support when they are at risk of harming.

Enfield Council as the responsible body for setting up the Safeguarding Adults Board are also driving the Making Safeguarding Personal agenda to partner organisations on the Board. The Council has requested all partners to submit their action plans for how MSP will be implemented within their organisation. The Strategic Safeguarding Adults Service has completed presentations on MSP to the Board and provides updates to meetings on progress against our action plan. In turn, the draft Safeguarding Adults Strategy 2015-2018 is in the spirit of person centred and outcome focused safeguarding practice.

Question 25 from Councillor Neville to Councillor Taylor, Leader of the Council

Does he accept that, by scrapping the Labour government's planned annual fuel duty hikes, the government has saved the average motorist, in Enfield, £11 every time they visit the pumps?

Reply from Councillor Taylor

Tax raising is a complicated matter and I assume that a saving in this area is displaced somewhere else. Presumably abolition of this duty or road tax would save motorists even more.

Question 26 from Councillor Kepez to Councillor Bond, Cabinet Member for Environment and Community Safety

Can the Cabinet Member for Environment and Community Safety tell the Council how many meetings he has had with Friends of the Parks so far this year?

Reply from Councillor Bond

Since January 2015 I have met with Friends of Parks groups and representatives 16 times.

Question 27 from Councillor Neville to Councillor Taylor, Leader of the Council

Does he agree with President Barack Obama who recently said “I would note that Great Britain and the United States are two economies standing out at a time when a lot of other countries are having problems, so we must be doing something right” thus benefitting the hard working and the less fortunate residents of Enfield?

Reply from Councillor Taylor

Can I congratulate Councillor Neville for becoming an Obama fan. Perhaps, however, the esteemed President is less sighted on the failure of the Conservative Government, than we are.

Question 28 from Councillor Brett to Councillor Oykener, Cabinet for Housing and Estate Regeneration

Can the Cabinet Members advise how much Enfield Council is receiving in discretionary housing payment in this funding round? Is the reduction fair?

Reply from Councillor Oykener

Enfield Council has received one of the biggest cuts in discretionary housing payments in the country at 40%. This is despite a 50% increase in homeless enquiries and a 40% increase in people having to go into temporary accommodation. Our funding reduces from £2.7m this year to £1.6m in 2015/16, a cut of over £1m.

Discretionary housing payments are critical to preventing homelessness and have been used to reduce the impact of the Government’s welfare reforms locally. The formula used by the Government has favoured councils with high levels of council/social housing stock which has meant the biggest cuts have been faced by councils such as Enfield with a large private rented sector.

This funding cut comes on top of a 40% reduction in emergency support payments

for people facing financial crisis and the wider funding reductions impacting on the Council, which taken together, represents an attack on the very poorest in our society.

Question 29 from Councillor Neville to Councillor Taylor, Leader of the Council

Does he agree with Robert Peston the BBC's Economics Editor, (not known for his support of the Conservative Party), that "real household disposable income per head is above where it was in the boom years by just over 1% largely because of low interest rates and welfare payments made to cushion the effects of the recession" thus benefitting the hard working and the less fortunate residents of Enfield?

Reply from Councillor Taylor

I have no idea if Robert Peston is a supporter of the Conservative Party or not. I do know that a study of Enfield shows increasing poverty and decreasing quality of life as a result of cuts and low wages.

Question 30 from Councillor Lemonides to Councillor Bond, Cabinet Member for Environment and Community Services

Can the Cabinet Member give an update on planned improvements to Turkey Street Station?

Reply from Councillor Bond

The council has successfully secured £100k from Transport for London (TfL)'s Major Scheme fund to develop proposals to improve the public realm around both Bush Hill Park and Turkey Street stations. The release of this first tranche of funding, which will enable designs to be developed and consultation to take place, is linked to works starting on another Major Scheme in Ponders End towards the end of 2015. It is anticipated that around £1m plus will be released in 2016/17 for the implementation of both schemes. These improvements will complement the station enhancements planned by TfL when London Overground takes over the running of stations and train service in May 2015.

Question 31 from Councillor Neville to Councillor Taylor, Leader of the Council

Does Councillor Taylor accept that on the basis of a further quote from Robert Peston in an article in The Times on 30 December 2014 that "the median British household is worth about £220,000, 10% more than before the crash, and the median net worth of British adults is more than twice that of Americans" explaining that "average net worth is much higher in America but because wealth is shared much less equally in the United States the average exaggerates the prosperity of most Americans". Enfield residents will have benefitted to some degree from this improvement in national prosperity.

Reply from Councillor Taylor

While Robert Peston is a noted commentator I do not believe that Enfield residents

have felt any improvement in their prosperity. Indeed we have frozen the Council Tax again as a response to the pressures on working families.

Question 32 from Councillor Doyle to Councillor Georgiou, Deputy Leader of the Council

Despite halving the annual Council spend on communications activity over the last 5 years, Enfield Council has doubled levels of feeling informed about Council services among local residents. Can the Deputy Leader tell the Council how Enfield Council manage to ensure that it remains accountable as well as keeping residents informed about vital services and activities with reduced funding?

Reply from Councillor Georgiou

We constantly review and challenge the way we communicate with our residents to keep them well informed about the Council in the ways that they prefer and in the most effective and cost effective manner.

We work hard to engage with our strong and vibrant local papers - which circulate to the majority of households in the borough. We also produce Our Enfield which is the other top preferred source of information about Enfield Council with residents (2013) and is the only publication to be distributed to every household in the borough. This is also far more cost effective than alternative methods of reaching the same number of residents with information about universal services and news of borough-wide interest - such as placing more advertisements in multiple publications or producing and distributing lots of individual leaflets.

Information and campaigns that are relevant to more selective audiences are carefully targeted to ensure that the most effective and best value communications channels are used.

We continue to improve our digital offering to meet residents changing expectations about how they want to be kept informed and access services. Use and satisfaction with the Council's website continues to rocket as residents increasingly go on-line not only to find out information but to carry out transactions and communicate with us. More people than ever are also following and engaging with the Council through social media including residents that we find it hard to reach in other ways. Short term investment in technology is not only leading to an improved customer experience but will also contribute to considerable savings for Enfield's taxpayers in the medium and long term.

However, although we will continue to use technology to communicate with residents, in the ways they prefer, while delivering savings, we will not do so at the expense of the digitally excluded. Changes to the way we communicate with our residents will continue to be driven by their changing lifestyles and needs – not ours.

Question 33 from Councillor Neville to Councillor Taylor, Leader of the Council

On the 4 February 2015 you used the Urgency Powers to appoint a deputy to Councillor Hamilton on the Lee Valley Regional Park Authority. In so doing it appears

that you broke with protocol, established over numerous years and administrations, that the deputy is chosen from the opposition benches. Am I to take it that this was a deliberate breach of protocol which if so affect ongoing business relationships between the parties?

Reply from Councillor Taylor

I can confirm that the appointment of Councillor Levy, as the Council's Deputy Member on the Lee Valley Regional Parks Authority (LVRPA), was agreed by myself under the Council urgent action procedure on 4 February 2015. This was due to the temporary incapacity of the appointed member.
The Leader of the Opposition was advised of the decision and reason for urgency on the same day, with the details also included (for noting) on the February Council agenda.

The Council has not operated with a deputy member on LVRPA since July 2013, when the four year term of office of the previous representative (who was an Opposition Member) expired. Following the local election in 2014, we have now been able to regularise the position regarding the length of appointments to LVRPA so these now run concurrently with the four year term of each Council, allowing respective administrations to decide upon their own membership arrangements on this body. It was entirely reasonable where the majority side was not represented by the full member at the LVRPA that a deputy from the majority side should be appointed. That, however, is unlikely ever to be the case again because of the change to appointment dates.

Question 34 from Councillor Pite to Councillor Bond, Cabinet Member for Environment and Community Safety

Can the Cabinet Member give an update on the improvements to Pymmes Park?

Reply from Councillor Bond

The Officers continue to work with the Friends of Pymmes Park on the agreed short, medium and long term items of the Park Priority Plan. This includes:

- A successful pilot litter campaign was conducted in Pymmes Park during the October 2014 half term.
- The decommissioning of the old automated toilet block (introduced by the Conservatives when in power and in my opinion a folly of an idea) ahead of putting the building to the market in the spring.
- Working with MIND in Enfield to expand the use of the Bowling Green in partnership with other local groups.

We have established a project group, including helpfully members of the Friends of Pymmes Park with a view to developing a wetland are with reed beds to encourage wildlife and birds to the area. This will involve investment by both Enfield Council and other agencies and will benefit park users today and for the future.

We have made significant improvements to the water quality in the lake, again supported by partner agencies and the Friends' group by direct action such as dredging the area periodically but more importantly by working with residents to ensure that where home improvements or building works involves plumbing, that the connections are correct and do not result in water from washing machines etc running into the surface water drains and then to the lake.

As the development continues, we hope to involve local schools and residents even more. We know that the more people make good use of the park, the better. Legitimate use of our parks will encourage more people to visit and discourage antisocial behaviour.

Question 35 from Councillor Neville to Councillor Bond, Cabinet Member for Environment and Community Safety

Can he tell the Council:

a) How much has been spent since January 2013 in clearing up fly tips?

b) For the same period how much income has been received for bulky waste collections?

Reply from Councillor Bond

a) Fly-tip clearance is integrated into the street cleaning operations with all teams tasked with collection of litter, street cleaning and also abandoned waste or fly tip materials. The cost of the service is £4.3m

b) For the period January 2013 to date, £193k of income has been received for Bulky waste collections.

Question 36 from Councillor Anderson to Councillor Brett, Cabinet for Community Organisations

Given the strong attendance at Holocaust Memorial Day and from increasingly diverse communities this year and with a waiting list would the Cabinet Member consider moving it to a larger venue?

Reply from Councillor Brett

I would like to thank Councillor Anderson for highlighting the success of this year's Holocaust Memorial Day (HMD). I am sure he will agree with me that it is hugely reassuring to know that our residents retain a strong commitment to respecting and celebrating the diversity we enjoy in Enfield during what are very challenging times.
Over recent years, the Council has made increased efforts to reach a wider audience, especially from the younger generations. So I am pleased that our annual HMD event, held at the Dugdale Centre, was at full capacity this year, and do acknowledge that we could have accommodated more residents if additional space had been available to us.

In the light of the high levels of local interest, I have instructed officers to look again at alternative venues that could meet an increased demand for places at our annual HMD event. I would be delighted to pass on any suggestions Councillor Anderson may have in this regard and look forward to another successful commemoration event in 2016.

Question 37 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

Please could the Cabinet Member for Environment & Community Safety explain to the chamber his department's proposals to stop fires occurring in parks where BBQs will in future take place?

Reply from Councillor Bond

An option has been included in the part 2 fees and charges budget report on this agenda to allow for a trial Parks BBQ scheme. This will be considered in any proposed trial.

Question 38 from Councillor Lemonides to Councillor Stafford, Cabinet Member for Finance

Can the Cabinet Member advise how much has the authority invested in capital projects over the last 4 years? What is the current level of borrowing for the London Borough of Enfield?

Reply from Councillor Stafford

From 2010/11 to 2013/14 the Council invested £478.6m in capital projects. The current level of borrowing at 31st January 2015 is £330.6m.

Question 39 from Councillor Laban to Councillor Bond Cabinet Member for Environment and Community Safety

Please could the Cabinet Member for Environment & Community Safety set out his plans to fund additional staff to clear up our parks after BBQs have taken place?

Reply from Councillor Bond

I refer you to my previous reply to Question 37. This will be considered in any proposed trail

Question 40 from Councillor Levy to Councillor Bond, Cabinet Member for Environment and Community Safety

Can the Cabinet Member give the Council an update on planned improvements to Bush Hill Park Station?

Reply from Councillor Bond

Please refer to the combined response to question 30.

Question 41 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

Please could the Cabinet Member for Environment & Community Safety explain how his department will enforce the rules that will undoubtedly be put in place relating to conducting BBQs in parks?

Reply from Councillor Bond

I refer you to my previous reply to Question 37. This will be considered in any proposed trial.

Question 42 from Councillor During to Councillor McGowan, Cabinet Member for Health and Adult Social Services

Can the Cabinet Member give an update on New Options?

Reply from Councillor McGowan

Health, Housing and Adult Social Care (HHASC) took possession of the keys to New Options on the 26th January and the staff team spent the next few days unpacking crates and preparing the building for service delivery.

We were proud to welcome our customers to the new build for the first time on Friday 30th January 2015 and their response has been absolutely fantastic.
Staff morale is high and the team are working with customers to co-produce the activities being developed in the new space.

We continue to work with the contractor with some small snagging issues and they are responding to requests.

Everyone is really looking forward to the official launch on the 27th of February 2015 and to sharing our fabulous resource, which so many people have worked hard to make a reality.

Question 43 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

Does the Cabinet Member for Environment & Community Safety not agree that to raise the price of crossovers as indicated in the fees and charges report does little to make it attractive for people to do the right thing and pay for a crossover before the cost of enforcement is necessary?

Reply from Councillor Bond

The cost per square metre for constructing vehicle crossovers, as indicated in the fees and charges for 2015/16, is based on the rate provided by our new London Highways Alliance Contractor. Although this new contract will provide savings to the Council overall, the unit rate for constructing crossovers in response to residents' applications is significantly higher than our previous contractor's rate. Officers are therefore tendering this specific area of work to ensure that we offer the best possible value to our residents. I will therefore amend the rate for 2015/16 once a new contractor has been appointed for 2015/16.

Question 44 from Councillor Maguire to Councillor Bond, Cabinet Member for Environment and Community Services

Can the Cabinet Member give an update on policing figures for Enfield?

Reply from Councillor Bond

In terms of Police Officer numbers, the current target strength for police officers in Enfield is 566 and the current actual number is 557. This target has been reduced from the original target of 583 because a number of functions are now centralised and not counted against the borough strength. The Council would like the Mayor of London to provide more officers to Enfield to reflect the high demand and geographical size of the borough in support of our local police teams. We need officers on streets and not behind desks.

Question 45 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

Does the Cabinet Member for Environment & Community Safety agree that if waste collection is to change to fortnightly, the Labour Group will be failing to deliver on its manifesto pledge to guarantee a weekly waste collection service?

Reply from Councillor Bond

I have no intention of breaching our manifesto pledge.

Question 46 from Councillor Jiagge to Councillor Stafford, Cabinet Member for Finance

Can the Cabinet Member for Finance advise how much the reductions in Local Government Funding have been over the last 5 years and how these have impacted on residents in Enfield?

Reply from Councillor Stafford

In the last 5 years this Council has had its Government funding reduced by £44m, with 2015/16 seeing a further reduction of £21.5m. The Council has of course done its utmost to minimise the impact of these reductions on residents in the Borough, through the implementation of "back office" savings like the Enfield 2017 programme

but there is a limit on the amount of efficiency savings that can be found and in future years the anticipated further reductions can only make it more difficult to protect all front line services.

Question 47 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

Please could the Cabinet Member for Environment & Community Safety explain why the 14/15 saving in relation to the Anti Social Behaviour Services Joint Services Review is taking so long to achieve?

Reply from Councillor Bond

The Joint Services Review recommended that there be greater integration between both the Community Safety Unit (CSU) Anti Social Behaviour (ASB) Team and that of Enfield Homes. Obviously this needs to be managed to coincide with the re-integration of Enfield Homes, which is due to take place during the coming year. The implications for service areas are still being worked through and it would therefore not be appropriate to discuss the details of the proposals at this stage, In advance of discussions with individual staff members. Both Enfield Homes and the Community Safety Unit have been working hard to deliver excellent service to customers. The two teams currently share a single case management system to ensure appropriate information exchange

Question 48 from Councillor During to Councillor Sitkin, Cabinet Member for Economic Development

Could the Cabinet Member for Economic Development please update the Council about the recent progress:

a. At Meridian Water
b. On the Smart Homes agenda
c. On Garden Enfield
d. On the Town Centre Framework

Reply from Councillor Sitkin

Meridian Water

Progress continues to be made with regards to the delivery of Meridian Water. In particular the Council has advanced in land assembly terms. Three sites will be under the Council's control by the end of March and we expect two further sites to also be under our control by summer 2015.

Angel Gardens Phase 1 will be open to the public at the end of February 2015. Funding has been approved to complete the rest of the park, which will open by the year end.

Meridian Angel Primary School successfully secured planning permission (subject to Condition and S106 agreement) at January 2015 Planning Committee. The school will open in early 2016 and is set to accommodate 420 pupils by September 2021.

Progress continues to be made in finalising the railway investment proposals that will result in 4 trains per hour stopping at Angel Road Station in 2018. Work is underway to deliver Meridian Boulevard that will set the benchmark for the quality expected at Meridian Water.

An Official Journal of the European Union (OJEU) Contract Notice has been published to procure a multi-disciplinary design team to kick-start the early delivery of housing with first completions anticipated in 2018. Housing Zone negotiations have been positive, with an announcement expected in spring 2015.

a. Smart Homes

Smart Homes offers grants of up to 75% of the cost for solid wall insulation and additional energy saving measures, to a maximum of £6,000 to Enfield residents. Haringey Council is leading the scheme and residents in the following boroughs can benefit: Enfield, Camden, Islington, Hackney, Haringey and Waltham Forest.

As of 10 February 2015, Enfield has 141 residents who are progressing through the grant process.

Some recent promotion of Smart Homes by Enfield includes:

- Articles in Our Enfield and Staff Matters
- A lunch time drop-in session for staff with a local installer
- Presentations at Area Partnership meetings to promote the scheme
- Promotion through community groups
- Liaising with colleagues in Housing and Adult Social Care who work with residents who could benefit
- Assisting Ecologic Energy with street-by-street promotion in a targeted area
- A targeted letter to residents signed by Councillors Bond, Sitkin and Oykener to promote the scheme.

Through the Retrofit London Project, Enfield Council is working with local installers to help them promote the Smart Homes offer to residents. This is part of this Labour Administration's long-term economic plan to nurture a viable high value retrofitting activity in Enfield - a plan that unlike its namesake employed by others, is undeniably working for the people of Enfield.

The following drop-in sessions have been organised to enable local businesses to promote the offer to residents:

Date	Time	Venue	Installer
Tuesday 17th February	**9am-11am**	**Enfield Business Centre 201 Hertford Road, Enfield, EN3 5JH**	**Ecologic & Ecologistics**
Wednesday 18th February	**3pm – 7pm**	**Manor House Development Trust - The Redmond Community Centre, Kayani Avenue, London, N4 2HF**	**Ecologic**
Thursday 19th February	**10am - 2pm**	**Oakwood Library 185-187 Bramley Road, Oakwood, N14 4XA**	**Ecologic**
Wednesday 4th March	**11am – 2pm**	**The Dugdale Centre Thomas Hardy House, 39 London Road, Enfield, Middlesex, EN2 6DS**	**Ecologistics**

Enfield has been informed by Haringey Council that Department for Energy and Climate Change has agreed to an extension of the project, and is awaiting confirmation on the duration of the extension.

b. Garden Enfield

1. Commercial Growing

- Project feasibility ongoing with good progress on the business plan (stress-testing simulations in light of feedback received from sectorial stakeholders with whom we have now started making contact).

2. Forty Hall Farm & **Enfield Veg Co.**

- Enfield Veg Co. now in second year of operation, delivering to 5 drop-off points, and customer numbers up to 65, about double what is was ca 9 months ago.

3. Community Growing Projects - four projects underway

- Friends of Albany Park and Eco Life: poly tunnel for aquaponics - under construction, orchard agreed: 30 volunteers involved in the project.

- Enfield Young Farmers Club: collaboration between the Football Club (Fit to Live) with Nightingale Academy: site on school campus has been cleared and ready for planting; young people from the football club are volunteering and learning through the project.

- Friends of Arnos Grove Park have a project plan and equipment to grow.

- Broomfield Park Orchard have a project plan for growing project

4. Enfield Farm Start

- Delivery partner appointed, Organiclea.

- Enfield residents will have the opportunity to receive training directly from their site at Hawkwood Nurseries, as well as become involved with the Enfield Farm Start project in Enfield.

5. Education

- There are now 62 schools growing or interested in growing.

- Over 20 work experience placements in the horticulture sector have taken place this year.

- The City Bridge Trust project will see ten learners starting their Level 1 introduction to horticulture course start in March alongside functional skills and work experience.

c. Town Centre Framework

A new Town Centre Framework was drafted in 2013. This was consulted fully with many retailers, businesses and stakeholders. All comments were received and amendments made to the framework. This is now complete and the finished document is to be made available for public consumption via the Council's website and also sent to retailers via email. This new framework will be the core strategic document to drive future strategy for the town centres and also look to develop new management models for the running and operation of town centres.

Question 49 from Councillor Laban to Councillor Bond, Cabinet Member for Environment and Community Safety

The budget report includes a proposal to increase football senior pitch hire fees for schools from £32.00 to £47.00 making physical exercise more expensive. Please could the Cabinet Member for Environment & Community Safety explain how this decision coincides with Enfield Council's health and wellbeing pledge to reduce childhood obesity and promote exercise to all?

Reply from Councillor Bond

Schools book a variety of pitches within the borough. The increase is a reflection of the cost of providing this service to schools and remains significantly cheaper than the rate charged to adult football clubs. Addressing childhood obesity is a council wide challenge, not just the responsibility of the Parks Service.

Question 50 from Councillor Jemal to Councillor Bond, Cabinet Member for Environment and Community Safety

The local MP for Enfield North is running a petition regarding weekly collections of waste, which is this administration's policy.

On the page to sign up to the petition two adverts appear one for waste collection operating from Chiswick and the other also outside the Borough is more expensive than LB Enfield costs.

Do you agree with me, that this goes against trying to get jobs in Enfield by advertising competitors from other parts of London and also provides poor value for any residents of Enfield lured into using the company, given the level of fees charged, which clearly has the support of Nick De Bois MP as they appear on his website.

Reply from Councillor Bond

Yes, but when the Opposition tell us they want to copy Barnet and move our loyal, dedicated and hardworking staff to Northern Ireland, I suppose it is expected.

Question 51 from Councillor Laban to Councillor Bond Cabinet Member for Environment and Community Safety

Please could the Cabinet Member for Environment & Community Safety set out his plans on how his department will enforce health and safety in relation to BBQ's in parks if in the future he intends to stop locking parks at night?

Reply from Councillor Bond

I refer you to my previous reply to Question 37. This will be considered in any proposed trial.

Question 52 from Councillor Doyle to Councillor Stafford, Cabinet Member for Finance

Is it true that Her Majesty's Revenue and Customs (HMRC) have sublet a property in Enfield to a charity? In so doing, is the HMRC avoiding paying business rates?

Reply from Councillor Stafford

HMRC have been the rate-payers for Capital House in Green Lanes for over 40 years. Their managing agent sub-let two vacant floors of the building to a charity in August 2014. Prior to this sub-letting, HMRC were responsible for paying business rates on the whole building totalling £150,000. By sub-letting two floors to a charity they have avoided paying business rates for these two floors. The loss to Enfield residents is not known at the moment as the agents for the HMRC have requested the rating assessment to be split to accommodate this reduction.

Question 53 from Councillor Hurer to Councillor Stafford, Cabinet Member for Finance

On the 31st March 2014 the balance on the Risk Reserve is £6,669,000. On the 31st March 2019 it is projected to fall to £1,808,000.

Could the Cabinet member provide us with the breakdown with respect to any specific earmarked amounts in both these balances?

Reply from Councillor Stafford

The risk reserve has been set aside to cover such costs as the Local Plan (£1.8m), Sustainability, including Lee Valley Heat Network (£1.0m), Homelessness (£0.7m), a potential transfer of NHS liabilities as part of health reforms (£0.6m), Special Educational Needs transport pressures (£0.4m) and other potential costs relating to various cost risks (£0.4m). The remaining balance of £1.8m is there to meet further costs that may require one-off funding including reductions in Government funding and implementation of Enfield 2017.

Question 54 from Councillor Hurer to Councillor Stafford, Cabinet Member for Finance

On the 31 March 2014 the total balance on the General Fund Reserve is £69,810,000. This is projected to decrease by over £50m to £19,410,000 by the 31 March 2019.

Given this trend and that there will be further pressures on Local Government finances in which year does the Cabinet Member project that the Council will have no General Fund Reserves at all?

Reply from Councillor Stafford

Councillor Hurer is referring to specific reserves of £69.8m set aside for specific projects and requirements. The Council also maintains a General Fund balance of £14m as advised by the Director of Finance and Customer Services. The projection makes no assumptions on contributions to reserves which the Council may decide to make in future years depending on future Government funding and budget outturns. The Council may also decide to use the reserves for other purposes or retain them depending on the latest circumstances.

The Council reviews all balances and reserves every year as part of the budget setting process and will continue to ensure sufficient resources are maintained based on risks and statutory advice from the Director of Finance, Resources and Customer Services.

Question 55 from Councillor Hurer to Councillor Stafford Cabinet Member for Finance

S142, subsection 3 of the Local Government Finance Act 1988 states that:

“The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the relevant expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including the sums borrowed) available to meet that expenditure”.

Based on the current level of committed revenue and capital expenditure, projected revenue and capital expenditure, income (revenue and capital), borrowing, increased interest payments due to increased levels of borrowing and taking into consideration the downward trend in available reserves and that the projected budget gap in 2018/2019 will be in the region of £80m, on what date does he believe that the S151 Officer will make such a report?

Reply from Councillor Stafford

I don’t believe he will, and I have no intention of putting the officer or indeed the Council in the position of needing to make such a statement.

Question 56 from Councillor Milne to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration and Councillor Bond, Cabinet Member for Environment and Community Safety

In light of the findings in Rotherham and just about every other serious case review, regarding the lack of co-ordination and communication between agencies in tackling serious matters affecting the public and in particular vulnerable members of society, do the Cabinet Members for Housing and Estate Regeneration and Environment and Community safety agree that it is a complete folly to run two separate Anti-Social Behaviour teams in this Council and the merger promised as a part of last year's budget savings should have been delivered long ago?

Reply from Councillors Oykener and Bond

Please refer to response for Question 47.

Question 57 from Councillor Milne to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration and Councillor Bond, Cabinet Member for Environment and Community Safety

What risk assessments and/or co-ordination with other agencies is undertaken to ensure law abiding members of society are not put at risk when the Council houses known or suspected gang members.

Reply from Councillors Oykener and Bond

The Community Safety Unit provides checks on suitability for housing placements if asked and in some cases co-ordinate offender management where people are subject to orders or other requirements. We have challenged the placement of offenders within the borough when they are moved from outside Enfield, if this places people at risk.

Where a person requires housing as part of a multiagency public protection response, the risks associated with that person are identified and risk managed in line with a strictly defined protocol.

Periodically the housing service may be required to assist gang members as a result of a professional referral, again this would be accompanied by a multi-agency risk assessment.

Since November 2014 we have a specific clause within the tenancy conditions for council tenants prohibiting involvement in gangs or gang related activity thus enabling enforcement action to be taken where there is evidence of such behaviour.

Question 58 from Councillor Milne to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration

What powers do the Council have to evict tenants that subject their neighbours to antisocial behaviour and since 2010 how many times have those powers been invoked.

Reply from Councillor Oykener

Eviction is the ultimate sanction against council tenants who exhibit antisocial behaviour. Schedule 2 to the *1985 Housing Act* sets out the Grounds upon which a court may grant an order for possession against a secure council tenant. Grounds 1 and 2 (as amended by section 144 of the *1996 Housing Act*) are the grounds relied upon to seek possession against antisocial tenants.

Ground 1 of schedule 2 to the 1985 Act provides for the granting of a court order where rent due from the tenant is unpaid or where an obligation of the tenancy has been broken or not performed. The council's conditions of tenancy contain a number of specific clauses prohibiting antisocial behaviour and can and have been relied upon in taking legal action against tenants and or members of their household or visitors. There is also a new "absolute" ground for possession for use against secure tenants in social housing. Where a landlord decides to use this ground the court will have to grant an order for eviction if the notice requirements have been fulfilled and, where relevant, review procedures have been followed, and any one of five specified conditions is met.

Since 2010 we have evicted three council tenant households who have been involved in antisocial behaviour. We have taken a range of other actions to prevent recurring antisocial behaviour including eleven acceptable behaviour contracts, four injunctions, four Anti-Social Behaviour Orders (ASBO)s and 94 tenancy actions including serving notices and securing suspended possession orders.

Question 59 from Councillor Dines to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration

Can you please explain the timescales for the appeal on Landlords Licensing?

How much of the money raised by the Landlords Licensing Scheme can be used to employ enforcement officers?

How much has the Council budgeted for the legal appeal on Landlords Licensing?

Has the Council developed a 'Plan B' for a new consultation in case it loses the appeal? If so, how many boroughs will it run the consultation in? How much money has been set aside to run this new consultation? Will it be conducted in house or will it be run by external consultants?

Reply from Councillor Oykener

As is usually the case, it is not possible to give accurate timescales for the appeal outcome as this is dependent on the resources of the Court. There has been no decision yet on the initial stage of the process, the application for permission which the Court of Appeal will first consider on the papers.

None of the funding raised through licensing can be used to fund enforcement officers, funding raised can only be used to cover the cost of the administration of the licensing scheme.

The Council has budgeted £9,000 for the legal appeal, but is anticipated that the actual costs will be less than this. As with every litigation, costs are reviewed at every stage of the process.

With regard to the development of a consultation 'plan B'- if required – the approach will be determined by the most up to date legal and best practice advice, combined with a value for money assessment regarding the best use of resources available. This will neither rule in or out the use of internal resources, or the use of external consultants.

Question 60 from Councillor Dines to Councillor Taylor, Leader of the Council

Do you agree with the Labour Leader in Scotland that Londoners, including those living in Enfield, should pay higher taxes in order to pay for services in Scotland?

Reply from Councillor Taylor

I am extremely exercised by grant damping and its impact on Enfield. That is a more direct issue for me. The distribution of funding across the UK is a legitimate matter for public debate and I suppose the question is whether there should be redistribution or not of tax take.

Question 61 from Councillor Neville to Councillor Bond, Cabinet Member for Environment and Community Safety

Is he aware that the Green Dragon Public House on Green Lanes has been sold for possible redevelopment adding to a fairly long list of popular and long established public houses which now no longer exist? Given the history of the Green Dragon and pro public house policies in the Government National Planning Policy what

action will the council take to protect the Green Dragon and other similar public houses?

Reply from Councillor Bond

Alongside the commitments contained in national planning policy, the Council's recently adopted Development Management Document contains policy (DMD11) on the protection of community facilities. This can include pubs were they meet serve a community need and were community service provision is already low.

The introduction of greater flexibility into the planning system however means that certain changes of use can occur as permitted development without the need for planning permission. This includes change of use from a public house to various retail uses. Depending on the nature of the proposed use, the Council may not have any control over the loss of the public house.

Question 62 from Councillor Neville to Councillor Oykener, Cabinet Member for Housing and Estate Regeneration

- Since May 2010 can he tell the Council how many complaints of antisocial behaviour have been received in Council owned housing?

- How many tenants have been evicted on the primary grounds of antisocial behaviour?

Reply from Councillor Oykener

During this period three tenant households were evicted for antisocial behaviour. The prime aim of our antisocial behaviour work is to prevent antisocial behaviour continuing and so we do use a range of other tools.

Over the same period we secured four injunctions, served eleven acceptable behaviour contracts, obtained four ASBOs and took 94 tenancy actions including formal notices and securing suspended possession orders.

Section 2 – Questions to Associate Cabinet Members

Question 63 from Councillor Chamberlain to Councillor Savva, Associate Cabinet Member for Enfield South East

Could the Associate Cabinet Member please tell the council what meetings he has attended and with whom since last Council meeting?

Reply from Councillor Savva

I would like to thank Councillor Chamberlain for his question.

Firstly as a result of this government appalling economic record and sheer disregard of working people's needs and hard up families, I have liaised with Cabinet members and officers to identify a way forward in assisting leaseholders living at council

owned properties to help with the payments towards the costs of improvements on their estates and or houses.

As this administration is a caring one, unlike the national government, this authority offered a longer period in paying, and those who can pay immediately, will be given a 5% discount.

On the other issues:

- I have attended Corporate Asset Management Board, Strategic Leadership Forum, CAPE, a number of associate cabinet member meetings with cabinet members and directors.
- Chaired a well-attended Enfield Cycle meeting.
- Visited the North London Credit Union with Councillor Yasemin Brett (Cabinet Member for Community Organisations) and Councillor Bernadette Lappage.
- Attended residents' association meetings with officers at the Civic Centre.
- Undertaken an estate inspection at Klinger Hall estate on a rainy and windy morning.

From now until the end of the municipal year I will have attended no less than 5 Corporate Asset Management Board meetings, no less than 5 Strategic Leadership Forums, no less than 3 Cabinet meetings, at least 8 advice surgeries, plus a large number of other meetings with various local organisations, not mentioning other committee meetings and panels - too many to mention.

I do hope and trust Councillor Chamberlain works just as hard.

Question 64 from Councillor Laban to Councillor Uzoanya, Associate Cabinet Member for Enfield North

Could the Associate Cabinet Member please tell the council what meetings he has attended and with whom since last Council meeting?

Reply from Councillor Uzoanya

Since the last Council meeting I have attended the following meetings:

The Enfield North Partnership Board - 26/02/14

NB: Whilst the above meeting occurred prior to the date of last Council, it is important to make reference to it as I did not include details of the Enfield North Partnership Board meeting due to the deadline for responding to questions for Full Council

Small sites meeting organised by the Director of Council Homes - 2/02/15

The purpose of this meeting is to respond to the growing demand for homes and decent homes housing within the borough

Cabinet meeting - 11/02/15

Health and Well Being Board - 12/02/15

Council will be cognisant of the fact that little time has elapsed between the last Full Council on the 28/01/15 and Full Council scheduled for 25/02/14, hence the reason for amount of meetings attended listed above.

Councillor Laban may also like to know that I have other meetings planned for the following dates, which will have occurred since the deadline for response to the question she has asked and the date Council takes place as noted the paragraph above.

Cycle Enfield - 17/02/15

Strategic Leadership Forum - 17/02/15

I am more than happy to provide a supplementary answer to above meetings.

Question 65 from Councillor Neville to Councillor Bambos Charalambous, Associate Cabinet Member for Enfield West

Could the Associate Cabinet Member please tell the council what meetings he has attended and with whom since last Council meeting?

Reply from Councillor Charalambous

Since the last Council meeting I have attended the Cabinet meeting on 11 February 2015 in my capacity as Associate Cabinet Member for Enfield West and have meetings scheduled with the Directors of Finance Resources & Customer Services and Children's Services on 20 February. In addition I have had a number of informal meetings and discussions with members from both parties on issues including forum planning and localism.

Council: 25th February 2015

Review of Political Balance and Council Proportionality Arrangements

Contact: James Kinsella (020 8379 4094) & Asmat Hussain (020 8379 6438)

1. Background

1.1 Following the recent change in the political composition of the Council, as a result of Councillor Nesimi Erbil becoming an Independent (Labour) Member, Council is being asked to note the change in its political balance and proportionality arrangements.

2. Review of Political Balance & Proportionality

2.1 The last proportionality review of the Council was undertaken at the Council Meeting on 8 October 2014, following a change in composition of the Council. Following the recent change, the membership of the Council now stands as follows:

- Labour: 39 members – which equates to an overall % in terms of Council membership of 61.90%

- Conservatives: 22 members – which equates to an overall % in terms of Council membership of 34.92% (unchanged from the review in June 14)

- Independent (Labour): 2 members - which equates to an overall % in terms of Council membership of 3.18%

2.2 Given the above change in membership, there has been a need to review the overall allocation of seats on Committees and other relevant bodies to take account of the revised % set out above. It should be noted, that although the political balance on the Council now includes two Independent Members, there is no requirement to include them member within the proportionality review as they have not formed into a "political group" under the requirements of Section 15 of the Local Government & Housing Act 1989.

2.3 Of the 156 seats available for allocation between the Groups, Labour (following the last proportionality review undertaken in October 2014) has 99 seats with the Conservative Group allocated 54. As a result of the new political balance on the Council the overall % of seats that Labour are now entitled to has been reduced by 2, which will give them a total allocation of 97 and equate to 61.2% of available seats. There has been no change in the overall allocation to the Conservative Group.

2.4 In order to comply with the revised proportionality requirement, the Labour Group have advised they will be vacating one seat on each of the following bodies:

- Licensing Committee: revised membership Labour - 9 (reduced from 10) / Conservative - 5 (unchanged).

- Staff Appeals Panel: revised membership Labour - 7 (reduced from 8) / Conservative - 4 (unchanged).

2.5 The only seats that Councillor Erbil will be permitted to retain are on Council and at his Ward Forum.

2.6 As Councillor Erbil was removed from the above Committees at the last Council meeting in January 2015, these seats will remain vacant and no further changes will be required in terms of committee memberships arising from this review.

3. Recommendation

Council is being asked to note the change in political balance and proportionality on the Council and to agree the revised allocation of seats as detailed above.

Use of the Council's urgency processes involving a waiver of the Key Decision & Call-In process, which have been agreed following the last update presented to Council on 16 July 2014.

Council is asked to note the decisions taken and the reasons for urgency.

1. Decision: Purchase of 30-38 London Road, Enfield, London, EN2 6EF

1.1 Reason for Urgency:

The Leader of the Council, under the Cabinet urgency procedures, agreed to approve the purchase of the property at 30-38 London Road, Enfield, London, EN2 6EF. The property was auctioned on 10 December 2014. It was a key site that would have enhanced the regeneration of the Town Centre in Enfield Town and would have added to the Council's existing investment portfolio.

It had not been possible to give the required 28 day notice on the Council's Key Decision List because the property had been entered into the Allsop's December commercial auction and the Council had not been aware of it until the week commencing 1 December 2015. Valuers had been commissioned to ascertain a value before making an informed decision to proceed.

The use of the Council's Rule 16 Urgency Procedure (involving the waiving of the Key Decision and five day call in period) was approved by the Chair of Overview and Scrutiny Committee on 9 December 2015.

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