

Public Document Pack



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THE CABINET

**Wednesday, 22nd July, 2015 at 8.15 pm in the Conference Room,
Civic Centre, Silver Street, Enfield, EN1 3XA**

Membership:

Councillors : Doug Taylor (Leader of the Council), Achilleas Georgiou (Deputy Leader of the Council), Daniel Anderson (Cabinet Member for Environment), Yasemin Brett (Cabinet Member for Community Organisations & Culture), Alev Cazimoglu (Cabinet Member for Health & Social Care), Nneka Keazor (Cabinet Member for Public Health & Sport), Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection), Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration), Alan Sitkin (Cabinet Member for Economic Regeneration & Business Development) and Andrew Stafford (Cabinet Member for Finance & Efficiency)

Associate Cabinet Members

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

Bambos Charalambous (Associate Cabinet Member – Non Voting), George Savva MBE (Associate Cabinet Member – Non Voting) and Vicki Pite (Associate Cabinet Member – Non Voting)

NOTE: CONDUCT AT MEETINGS OF THE CABINET

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

AGENDA – PART 1

1. APOLOGIES FOR ABSENCE

2. DECLARATION OF INTERESTS

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

DECISION ITEMS

3. URGENT ITEMS

The Chairman will consider the admission of any reports (listed on the agenda but circulated late) which have not been circulated in accordance with the requirements of the Council's Constitution and the Local Authorities (Executive Arrangements) (Access to Information and Meetings) (England) Regulations 2012.

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

4. DEPUTATIONS

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

5. ITEMS TO BE REFERRED TO THE COUNCIL

To note, that there are no reports to be referred to full Council.

6. REVENUE OUTTURN 2014-15 (Pages 1 - 24)

A report from the Director of Finance, Resources and Customer Services is attached. This sets out the overall Council General Fund and Housing Revenue Account outturn position for 2014/15. **(Key decision – reference number 4103)**

(Report No.24)
(8.20 – 8.25 pm)

7. CAPITAL OUTTURN 2014-15 (Pages 25 - 44)

A report from the Director of Finance, Resources and Customer Services is attached. This informs Members of the capital investment undertaken in 2014/15, and the way in which it has been funded. **(Key decision – reference number 4104)**

(Report No.25)
(8.25 – 8.30 pm)

8. ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2014/15
(Pages 45 - 54)

A report from the Director of Finance, Resources and Customer Services is attached. This reviews the activities of the Council's Treasury Management function over the financial year ended 31 March 2015. (Non key)

(Report No.26)
(8.30 – 8.35 pm)

9. QUARTERLY CORPORATE PERFORMANCE REPORT (Pages 55 - 70)

A report from the Chief Executive is attached. This notes progress made towards delivering the identified key priority indicators for Enfield. **(Key decision – reference number 4167)**

(Report No.27)
(8.35 – 8.40 pm)

10. CONTRACTING WITH LEE VALLEY HEAT NETWORK FOR PROVISION OF HEAT ON ENFIELD'S HOUSING ESTATES (Pages 71 - 80)

A report from the Director of Regeneration and Environment and Director of Finance, Resources and Customer Services is attached. This seeks authority to enter into a series of legal agreements with Lee Valley Heat Network (LVHN). **(Key decision – reference number 3988)**

(Report No.28)
(8.40 – 8.45 pm)

11. FUTURE NURSING AND RESIDENTIAL DEMENTIA CARE PROVISION AT HONEYSUCKLE HOUSE (Pages 81 - 88)

A report from the Director of Health, Housing and Adult Social Care is attached. This outlines proposals for the future nursing and residential dementia care provision at Honeysuckle House. (Report No.32, agenda part two also refers) **(Key decision – reference number 4159)**

(Report No.29)
(8.45 – 8.50 pm)

12. AWARD OF CONTRACT FOR ENFIELD INTEGRATED SEXUAL HEALTH COMMUNITY SERVICES (Pages 89 - 100)

A report from the Director of Health, Housing and Adult Social Care is attached. This seeks approval to the award of the contract. (Report No.33, agenda part two also refers) **(Key decision – reference number 4160)**

(Report No.30)
(8.50 – 8.55 pm)

13. ENFIELD RESIDENTS' PRIORITY FUND (Pages 101 - 104)

A report from the Chief Executive is attached. This sets out the recommendations of the Enfield Residents' Priority Fund Cabinet Sub-Committee. (Non key).

(Report No.31)
(8.55 – 9.00 pm)

14. CABINET AGENDA PLANNING - FUTURE ITEMS (Pages 105 - 110)

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

15. ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE

No issues have been submitted for consideration at this meeting.

16. MINUTES (Pages 111 - 132)

To confirm the minutes of the previous meeting of the Cabinet held on 17 June 2015.

17. MINUTES OF ENFIELD RESIDENTS' PRIORITY FUND CABINET SUB-COMMITTEE (Pages 133 - 134)

To receive, for information the minutes of the Enfield Residents' Priority Fund Cabinet Sub-Committee held on 1 July 2015.

INFORMATION ITEMS

18. ENFIELD STRATEGIC PARTNERSHIP UPDATE

To note that there are no written updates to be received at this meeting.

19. DATE OF NEXT MEETING

To note that the next meeting of the Cabinet is scheduled to take place on Wednesday 16 September 2015 at 8.15pm.

(Note: A provisional meeting has been scheduled for 12 August 2015 should any urgent matters arise for Cabinet consideration over the summer period which cannot await the next scheduled meeting. Members will be advised in due course).

CONFIDENTIAL ITEMS

20. EXCLUSION OF THE PRESS AND PUBLIC

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting for the items of business listed on part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

(Members are asked to refer to the part two agenda)

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MUNICIPAL YEAR 2015/2016 – REPORT NO. 24

MEETING TITLE AND DATECabinet: 22nd July 2015**REPORT OF:****Director of Finance, Resources and Customer Services****AGENDA PART 1****ITEM : 6****SUBJECT -
REVENUE OUTTURN 2014/15****Cabinet Member consulted:
Councillor Stafford**Contacts: Isabel Brittain Tel: 0208 379 4744
Ian Slater Tel: 0208 379 4034**1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the overall Council General Fund and Housing Revenue Account outturn position for 2014/15
- 1.2 It also provides an update on the 2016/17 budget including an update on the financial outlook, and the work being undertaken to address the budget gap in 2016-17 and future years.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the General Fund and Housing Revenue Account (HRA) outturn for 2014/15.
- 2.2 Agrees specific changes to reserves as set out in paragraph 4.3 and detailed in the service appendices.
- 2.3 Notes the latest position regarding the 2016/17 MTFS and budget outlook as reported in Section 6.

3. INTRODUCTION

- 3.1 This revenue outturn and budget review sets out the financial position of the Council and the arrangements in hand to manage the budget process for 2016/17 and across the period of the Medium Term Financial Plan.

4. GENERAL FUND**2014/15 Revenue Outturn Position**

- 4.1 The final outturn position is set out in Table 1 below. It provides a comparison between the latest budget and final outturn (subject to Cabinet confirming the carry forward of reserves for specific projects

and risks in 2015/16. A more detailed explanation of budget variations is included in the Appendices.

Table 1: Service Departments Revenue Outturn Position 2014/15	Budget £'000	Total Spend	Variance £'000
Chief Executive	3,592	3,509	(83)
Regeneration & Environment	33,640	33,638	(2)
Finance, Resources & Customer Services	48,609	48,609	0
Health, Housing & Adult Social Care	92,156	92,156	0
Schools & Children's Services	55,933	55,933	0
Service Net Costs	233,930	233,845	(85)
Corporate:	18,856	19,543	687
Net Expenditure	252,786	253,388	602
Revenue Support Grant	(80,483)	(80,485)	(2)
Business Rates	(66,257)	(66,257)	0
Collection Fund	319	319	0
Other	319	319	0
Central Funding Grants	(9,086)	(9,686)	(600)
Council Tax	(97,598)	(97,598)	0
General Fund Corporate Financing	(252,786)	(253,388)	(602)
General Fund Grand Net Total	0	0	0

- 4.2 The final outturn position for 2014/15 is one of a level spend. It should be noted that the final approved estimate figures included in Table 1 are controllable departmental budgets excluding central support allocations and capital and asset impairment charges. These figures show the net budget that is directly controlled by Departments.

Earmarked Reserves

- 4.3 The following contributions to reserves are set out below for noting and approval.

Table 2 : Specific Reserves	£000's
Finance, Resources & Customer Services	38
Health, Housing & Adult Social Care	174
Schools & Children's Services	1,419
Transfer to reserves	1,631

- 4.4 The level of General Fund Earmarked reserves at 31st March 2015 has reduced by £14.5m to £53.6m (£68.1m 31st March 2014). The HRA reserves have increased by £9.7m from £15.2m to £24.9m.
- 4.5 Details of total reserves as at 31st March 2015 are set out in Appendix 6. It should be noted that these reserves are not held in cash form and that there has also been an increase in the Council's net borrowing. The Council continues to maintain appropriate levels of reserves and monitor the Council's liquidity to ensure financial resilience is maintained.

The reserve for the Enfield Residents Priority Fund relates to committed but unspent funds.

Collection Fund

4.6 The Collection Fund covers both council tax and business rates. The Collection Fund recorded the following performance in 2014/15:

- A council tax in year surplus of £3.7m and a surplus balance on the account of £7.8m at 31st March 2015. The surplus is due to continued better than expected collection levels following the introduction of the local council tax support scheme two years ago. Whilst encouraging, more time is needed to confirm that collection rates will hold up over the longer term.
- A business rate deficit of £6.628m largely due to the need to provide a further £7.2m provision for potentially successful business rate appeals including backdated refunds relating to the National Non Domestic Rates (NNDR) Pool that was closed by the Government on 31 March 2013. The Local Government Association continues to lobby the Government to take responsibility for the continuing high level of losses nationally on appeals before April 2013 and offset all of these losses against the old NNDR Pool.

Enfield's share (% in columns) of the Collection Fund balances is as follows:

Table 5: Enfield Collection Fund Balances	Council Tax (78%)	Business Rates (30%)	Total
	£'000	£'000	£'000
Final accounts balance brought forward	(3,197)	956	(2,241)
(Surplus)/ deficit in year	(2,934)	1,988	(946)
Balance carried forward 31 March 2015	(6,131)	2,944	(3,187)

The Council 2015/16 budget includes an estimated Collection Fund surplus for Enfield at 31st March 2015 of £2.825m. The revised estimated Collection Fund balance as at 31st March 2016 for the 2016/17 budget will take into account the increased net surplus of £0.362m.

4.7 General Fund Balance

The level of the General Fund balances at 31 March 2015 was unchanged at £14m. This level of balances excludes the amount attributable to schools' delegated budgets and is in line with the assumptions included in the Budget 2015/16 and Medium Term Financial Plan report considered by Council in February 2015.

School revenue balances reduced by £2.2m to £11.3m at 31 March 2015. This reflects schools' decisions in the allocation of their resources. School balances are reported separately to the remainder of the General Fund as they are held for specific school purposes.

5. HOUSING REVENUE ACCOUNT

5.1 The outturn position on the HRA was a revenue surplus of £1.9m; a movement of £0.2m from the surplus of £1.7m reported in the February monitor.

5.2 HRA Outturn Variances 2014/15

HRA Outturn Variances	Variance £'000
Right to Buy fee income- Central Government	(397)
Grounds maintenance - from contract renegotiation and work reduction	(526)
Reduced heating budget - lower energy costs and more accurate charging structure	(395)
Reduced insurance premiums	(400)
Increased cost of council Tax- void properties	226
Loss of income from higher RTB sales and additional decants on estate renewal properties	455
Repairs and maintenance procurement costs were lower than anticipated	(111)
Additional Depreciation on land and buildings	698
More efficient collection rates has reduced the bad debt contribution	(78)
Saving in the Repairs painting programme and cancellation of old work accruals	(1,235)
The underspend in the Enfield Homes budget is due to savings in matrix costs, and increase in water rates commission and vacant posts	(148)
Service Net Costs	(1,911)

5.3 HRA Managed Budget

The Repairs and maintenance service underspent by £1,235k. This is £406k more than reported in February monitor and is partly due to a delay in starting some planned and cyclical maintenance programmes and partly due to cancelling old year accruals. The underspend is returned to the repairs and maintenance reserve at the year end.

5.4 Statement of Accounts Position

The HRA statement of Accounts shows a surplus of £573k for 2014/15 and this is due to the statutory adjustments which has to be included in the Accounts and includes additional depreciation and contributions to and from earmarked reserves.

6 2016/17-BUDGET AND FINANCIAL OUTLOOK UPDATE

Funding Settlement Update

- 6.1 The Government's programme of reducing public sector debt and spending is now embedded in the Council's financial planning. However, the previous Coalition Government only issued departmental public spending plans up to 2015/16. For this reason the Council's Medium Term Financial Plan (MTFP) includes illustrative forecasts of Government Funding based on recent Settlements. On the 8th July 2015, the Chancellor delivered the Summer Budget, the first of the new Parliament. It provided an update of public finances including the economic outlook and future plans for both public spending and taxation up to 2020-21. There was no comprehensive departmental spending detail which continues to hinder the Council's forward financial planning.

The Summer Budget contained a number of policies which are likely to impact on local government. At this stage it is too early to confirm what the exact impact will be for Enfield. More detail should be announced in this year's Government Spending Review but no confirmation has been given about the exact date in the Autumn or period that the review will cover. The headlines for London local government are summarised below:

- The Government has delayed the expected return to a budget surplus by a year to 2019/20, meaning fiscal consolidation will be at the same pace as over the last Parliament
- Overall reductions to departmental spending are less steep than forecast at the March Budget. However, the protection of certain departments, including the addition of Defence, will require larger cuts to unprotected budgets including Local Government.
- £12 billion of planned savings from the working-age welfare budget will be made by 2019/20 including:
 - The household benefit cap will be lowered from £26k to £23k in London, and £20k elsewhere;
 - Working age benefits will be frozen for four years;
 - A new youth obligation for 18-21 year olds will prevent automatic eligibility to housing benefit;
 - Social housing rents will be reduced by 1% a year for 4 years;
 - High income social tenants (those earning above £40k in London and £30k in the rest of England) will be required to be charged a market or near market rent. Additional rental income raised by councils is to be returned to the Government. The Government will consult on implementation.
- The Government will make £800m over the next five years available to councils for Discretionary Housing Payments to protect the vulnerable and help households adjust to Housing Benefit reforms.

- The Government will provide £30m to further speed up adoption and pave the way for regional adoption agencies
- Public sector pay increases will be limited to 1% a year until 2019-20. This is the level of provision in the Council's MTFP
- There is a commitment to £10 billion of transport investment in London over this Parliament
- The Government has published the interim findings from its business rate review which is due to report by the Budget 2016.

6.2 As with last year's settlement, specific issues with the current finance regime continue:

- Relative changes in population and deprivation will not be reflected in grant distribution which is likely to remain fixed until 2020.
- Council tax support funding is now merged into general Government funding and will be cut in line with local government finance generally so will also not reflect changing patterns of benefits.
- Welfare reform pressures continue especially on the homelessness budget and could be exacerbated following the policies announced in the Summer Budget.
- The Government has increased the risk around funding levels by transferring cash-limited grant funding from allocations based on resource equalisation and deprivation to incentive based funding such as business rate localisation and New Homes Bonus.
- The 2015/16 Local Government Settlement was not re-opened for the in-year savings imposed by the new Government earlier this year. However, the 2016/17 departmental spending limits baselines will be reduced for the in-year savings including the reduction to the Public Health Grant.

The Medium Term Financial Plan

6.3 The Council has a statutory duty to set a balanced budget and agree its Council Tax and Housing Rent levels for 2016/17 by early March 2016. The Medium Term Financial Plan (MTFP) agreed by Council in February set a balanced budget for 2015/16, and identified a range of pressures in the subsequent years. The latest estimated overall budget gap is £62m¹ over four years with the fourth year of the plan currently being finalised.

	2016/17	2017/18	2018/19	2019/20
	£m's	£m's	£m's	£m's
Budget Gap Council February 2015	18.1	11.7	18.3	13.5 ²

It should be noted that these budget gaps are after taking into account Enfield 2017 savings of £15.1m in 2015/16 as well as £7m in 2016/17 and a further £7m in 2017/18.

¹ Assuming a council tax increase of 1% from 2016/17 onwards

² Indicative only at this stage

The plan will be extended to four years as part of the budget process to take into account new pressures and risks not yet built into the MTFP and in particular those resulting from the Summer Budget. Other new pressures emerging are:

- **Care Act 2014**

The 2014/15 Budget Report to Council in February 2014 identified the risk of the Government not funding fully the social care proposals in the Dilnot Review. The Government has now confirmed 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. Analysis by London Councils forecasts that the potential total additional cost pressure that could be faced by London by 2019/20 as a result of introducing the cap and raising the threshold and current on-going social care cost pressures is approximately £1.3 billion. Around £877 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. The total estimated pressure for Enfield, which is derived from London Councils' model, is between £8m and £15m from 2018/19 and Government funding has not yet been confirmed.

At this time insufficient grant funding is anticipated. However, if greater than anticipated funding is made available the budget risk to the local authority will be reduced or mitigated.

- **Employer's National Insurance Changes 2016/17**

The Government has announced that the single-tier State Pension will begin in 2016/17. This will abolish the current practice whereby employees get a National Insurance (NI) rebate of 3.4% for contracting out of the second state pension to enter final-salary schemes. The Council will now have to pay higher NI contributions, amounting to 3.4% of their employees' relevant earnings.

- **Interest Rates**

The Governor of the Bank of England has not yet given any guidance on the date when interest rates may begin to rise. Whilst he expects base rates to remain 'materially below' its historic average of 5% for the next three years, there is clearly a risk of increases during the period of the MTFP which will add to current forecast shortfall.

- **Revenue impact of Capital Expenditure**

The capital programme sets out the Council's medium and long term investment plans in:

- Local Regeneration including Meridian Water and Alma Towers
- The Lee Valley Heat Network producing cheaper energy locally

- Affordable Housing including 100 Houses and Small Sites programmes
- Schools Expansion Plan to meet increasing demand for school places within the borough
- The Enfield 2017 Transformation Programme to improve customer access services whilst reducing Council back office costs
- Maintaining local infrastructure including roads and streets

Many of these programmes are invest to save that will produce revenue savings both in the Medium and Longer Term. The Council will also revise its accounting policies, where possible, to take advantage of commercial practice to mitigate the revenue impact of capital investment in major regeneration developments such as Meridian Water. It will also take into account any increased risks and mitigate any impact as far as possible including the retention of sufficient reserves and balances to meet short term financial demands of major projects.

Budget Process

- 6.4 Work has begun on the 2016/17 budget and subsequent years so that new savings proposals to balance the budget will be presented to Cabinet members in September to deliver a balanced budget over the period of the Medium Term Financial Plan. This year, the Chancellor's July Budget and Spending Review will be the first indications of the new Government's spending plans for local government and will need to be built into the MTFP.
- 6.5 The first phase of savings will be agreed with Members in November for implementation as soon as practicable, with the finalisation of the package in the Budget Report to Cabinet and Council in February 2016.
- 6.6 Circumstances will change over the next four years, and the MTFP will need to be reviewed annually and updated accordingly, both to reflect changing Administration priorities, changing funding levels and the impact of external factors (such as demographic growth, the economy, and the housing market).
- 6.7 The Council has a well-tested financial planning and budget setting process, which is being used again this year. Enfield has traditionally had a very strong track record of financial management, and has been rated as such by our External Auditor. The size of the budget gap the council faces is once again significant, and will require significant changes to front line, middle and back office services, in order to live within the funding available. During the course of this budget round, decisions will continue to be made in accordance with the following principles:
- Continuously review the Council's existing and planned Capital Programme, to minimise the capital investment that is reliant upon increased borrowing funded by the council tax.

- Utilise business and commercial practices where possible to increase investment without recourse to public funding.
- To invest where affordable so as to:
 - Grow the borough by developing Meridian Water to increase council tax revenues and boost local business and economy
 - Invest to Save in line with Enfield 2017 principles
- A further programme of property disposals, covering short, medium and long-term opportunities, in order to create capital funding that, in part, should be used to reduce the overall level of Council borrowing.
- Review front line service savings proposed by Directors and Cabinet members, in order to find savings to balance the 2016/17 budget and MTFS.
- Continue with the Enfield 2017 Transformation Programme for the Council that will deliver a much more automated, digitally supported experience for both internal and external customers of the Council.
- Continue the commercial development of the Council, so that income can be generated wherever possible, and/or longer term asset wealth is created. This covers a wide range of issues, including fees and charges (primarily in Environment, but also across the Council more generally), developing existing commercial relationships (with, for example, Serco and Fusion Leisure), trading of council services (e.g. cleaning, HR and payroll) with other councils, sharing services (building on the successful joint procurement unit with Waltham Forest), the development of the council's housing companies³, and, potentially, longer term opportunities such as the Lee Valley Heat Network and Garden Enfield.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The Medium Term Financial Plan will be updated for the latest Government spending plans.

8 REASONS FOR RECOMMENDATIONS

- 8.1 To ensure that members are aware of the outturn position for the authority including all major variances which have contributed to the outturn position.
- 8.2 Cabinet needs to manage the 2016/17 financial planning process with particular regard to continuing reductions in public spending.

³ The second to hold housing generated by the small sites work will be submitted to Cabinet for agreement.

9 COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

9.1 Legal implications

The Council has a statutory duty to ensure the proper administration of its financial affairs and a fiduciary duty to tax payers to use and account for public monies in accordance with proper practices.

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

9.2 Financial Implications

Financial implications are implicit in the body of the report. The variances and risks identified through the closure of accounts will be taken into account in the financial monitoring process for 2015/16.

By planning an effective budget round, and considering financial resources in the light of the Council's strategic priorities and other resources the framework for the development of the budget is robust, and in line with service delivery requirements. By considering risk as part of this process, council reserves and balances will be appropriately set to ensure the continued financial stability of the Authority.

9.3 KEY RISKS

The budget risks during 2014/15 were managed through detailed revenue monitoring reports provided monthly to Cabinet. Departments took action to minimise budget pressures and align departmental spend to budget. Some of these pressures will also affect 2015/16 and departments are already taking action to contain current year spending pressures, examples include:

- A reduction in fee income across all service areas has continued due to the recession and is being monitored in 2015/16 as part of the monthly budget monitoring regime.
- Welfare reforms especially relating to homelessness.
- Increased demand for services which is subject to tight financial control in all areas of spend
- Other pressures arising from the state of the UK economy and the continuation of the new Government's debt reduction programme.

10 EQUALITIES IMPACT IMPLICATIONS

- 10.1 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.

- 10.2 Financial reporting and planning is important in ensuring resources are used to deliver equitable services to all members of the community.

11 PERFORMANCE MANAGEMENT IMPLICATIONS

- 11.1 The report provides clear evidence of sound financial management and efficient use of resources.

12 IMPACT ON COUNCIL PRIORITIES

- 12.1 Fairness for All – The recommendations in the report fully accord with this Council priority.
- 12.2 Growth and Sustainability – The recommendations in the report fully accord with this Council priority.
- 12.3 Strong Communities – The recommendations in the report fully accord with this Council priority.

13 PUBLIC HEALTH IMPLICATION

- 13.1 There are no public health implications directly related to this report

Background Papers

None

Chief Executive's Department Revenue Outturn Position 2014/15

APPENDIX 1

Notes	Chief Executive	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	Service Net Expenditure & Transfers £000's	Outturn Variation to Latest Budget £000's
1	Sustainable Communities	1,200	1,200	0	1,200	0
	Corporate Improvement	924	849	(75)	849	(75)
	Former Employees	110	102	(8)	102	(8)
	Communications	1,056	1,035	(21)	1,035	(21)
	Human Resources	238	251	13	251	13
	Chief Executive	372	350	(22)	350	(22)
	Design & Print Trading Service	(308)	(278)	30	(278)	30
	2014/15 Service Budget	3,592	3,509	(83)	3,509	(83)
	2014/15 Net Expenditure	3,592	3,509	(83)	3,509	(83)

Explanation of Chief Executive's Department variances greater than £50k:		Variance £000's
1	Corporate Improvement	(75)
	A planned focus group was postponed until 2015/16 combined with refunds on a number of goods received from previous years.	
	Other Variances	(8)
	2014/15 Service Budget Variance	(83)

Regeneration & Environment Revenue Outturn Position 2014/15

APPENDIX 2

Notes	Environment	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's
	Director	657	620	(37)	620	(37)
	Planning, Highways & Transportation					
	Technical & Business Services	544	532	(12)	532	(12)
	Asst Dir Planning	105	115	10	115	10
1	Corporate Maintenance & Construction	181	162	(19)	162	(19)
	Development Management	191	254	63	254	63
	Parking	(1,043)	(1,056)	(13)	(1,056)	(13)
	Highways Services	3,189	3,231	42	3,231	42
2	Street Lighting	2,679	2,751	72	2,751	72
	Env Protection & Regulatory Services	2,857	2,903	46	2,903	46
	Corporate Health & Safety	559	557	(2)	557	(2)
3	Traffic & Transportation	588	500	(88)	500	(88)
	Public Realm					
4	Waste, Parks & Fleet Services	17,298	17,396	98	17,396	98
5	Vehicle Lease	961	704	(257)	704	(257)
	Economic Development					
	AD Economic Development	139	136	(3)	136	(3)
	Growth & Inward Investment	271	269	(2)	269	(2)
	Economic Development	500	505	5	505	5
6	People Transport Service	(647)	(458)	189	(458)	189
	Regeneration & Planning					
	Regeneration, Planning & Programming	(349)	(349)	0	(349)	0
	Neighbourhood Regeneration	573	565	(8)	565	(8)
	Strategic Planning & Design	606	606	0	606	0
	Sustainability	481	468	(13)	468	(13)
	Community Safety	2,196	2,188	(8)	2,188	(8)
7	Programme Office	1,104	1,039	(65)	1,039	(65)
	2014/15 Service Budget	33,640	33,638	(2)	33,638	(2)
	2014/15 Net Expenditure	33,640	33,638	(2)	33,638	(2)

Regeneration & Environment Department Outturn 2014-15

Explanations of variances greater than £50k:		Variance £000's
1	Development Management The service has an underspend in Development Control due to an overachievement of income that resulted from a number of large applications received, this is offset by overspends in Building Control and the Licencing service due to under achievements in income. There has been a sustained loss of income which has continued from 2013/14 in relation to Building Control fees. This is due to the continued low level of building construction activities in the current economic climate.	63
2	Street Lighting The overspend was due to expenditure on festive lighting, which in past few years has been funded corporately but for 2014/15 has been managed within the departments overall resources.	72
3	Traffic & Transportation This is mainly due to an over achievement of Temporary Traffic Orders income.	(88)
4	Waste, Parks & Fleet Services The overspend has been caused by (i) decision not to implement savings associated with bank holiday waste collection (ii) increased security requirements at Morson Road depot, (iii) fluctuating market prices for recyclable materials collected under the dry co-mingled contract; 2014/15 market prices resulted in a cost to the Council, whereas in previous years they were at a level that resulted in an income stream and (iv) pressure caused by the Household Waste Recycling Centre contract. These have been managed within the departments overall resources and partially mitigated through the early achievement of the future year saving in waste disposal costs relating to HRA sites.	98
5	Vehicle Leases This is a one-off underspend in the vehicle leasing budget as a result of the decision to introduce a nine year replacement cycle for the majority of waste vehicles following a review of the vehicle replacement programme undertaken recently. The changes have led to the re-profiling of the outstanding internal leasing payments for these vehicles over their remaining life, resulting in a short term reduction in annual charges until the vehicles are disposed of.	(257)
6	People Transport Service As reported in the February monitor there is an overspend in People Transport Service due to delay in contract award for buses and taxi service. Also due to the procurement and implementation of a new routing solution to replace the current manual processes in the People Transport Service which will deliver efficiencies.	189
7	Programme Office This is due to an over achievement in street naming and numbering income and an underspend in the GIS teams salaries budget. A planned focus group was postponed until 2015/16 combined with refunds on a number of goods receipted from previous years.	(65)
	Other Variations	(14)
	2014/15 Service Budget Variance	(2)

Finance, Resources & Customer Services Outturn Position 2014/15

APPENDIX 3

Notes	Finance, Resources and Customer Services	Latest Controllable Budget	Service Net Expenditure	Budget Variation	Ring-Fenced Grant	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's	£000's
1	Property Services	3,047	3,176	129	0	3,176	129
2	Corporate Items	338	273	(65)	0	273	(65)
	Administration	402	402	0	0	402	0
	Former Employees	735	690	(45)	0	690	(45)
	Corporate Procurement	349	349	0	0	349	0
	Corporate Governance	3,791	3,791	0	0	3,791	0
3	Legal & Registrars Services	682	474	(208)	0	474	(208)
	Accountancy	2,176	2,192	16	0	2,192	16
	Customer Services	15,284	15,284	0	0	15,284	0
	Leisure & Culture	6,229	6,192	(37)	38	6,230	1
	Director of FR&CS	349	349	0	0	349	0
	Central Support	247	232	(15)	0	232	(15)
4	ICT	14,286	14,473	187	0	14,473	187
	Transformation	694	694	0	0	694	0
	2014/15 Service Budget	48,609	48,571	(38)	38	48,609	0
	2014/15 Net Expenditure	48,609	48,571	(38)	38	48,609	0

Explanation of variances greater than £50k:		Variance £000's
1	Property Services Shortfall in income from across the investment portfolio due to economic and development factors as well as additional provision for dilapidation of leased-in properties.	129
2	Corporate Items Reduced spend on coroners services.	(65)
3	Legal & Registrars Services Over-achievement of income by Legal Services (£73k) & Land Charges (£269k), and an overspend caused by unrealised Home Office grant for Registration (£134k), culminated in the overall underspend for these Services.	(208)
4	ICT Unachieved savings and overspend due to delay in implementation of Cannon contract regarding Multi-funtional devices (MFD)	187
	Other Variations	(43)
	2014/15 Service Budget Variance	0

Finance, Resources and Customer Services: Grant Reserves 2014/15			2014/15 Grant
Purpose of carry forward	Reason for slippage	Contribution to Council's Strategic Objectives	£'000
Part of the HLF grant funded project at Forty Hall includes payments for volunteer time. The Head of Service for Leisure & Culture requests that this funding is carried forward to be available to pay for future costs in developing volunteering services at Forty Hall, including training and development, equipment and uniforms, etc.	Of £48k grant carried forward, £10k spent in 14/15; more Forty Hall volunteers to be recruited & trained in 2015/16	ENFIELD 2017 Strong communities - Encourage active citizenship	38.0
Total			38.0

Health, Housing & Adult Social Care Outturn Position 2014/15

APPENDIX 4

Notes	Health, Housing and Adult Social Care	Latest Controllable Budget	Service Net Expenditure	Budget Variation	Ring-Fenced Grant	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's	£000's
1	Strategy & Resources	10,213	7,636	(2,577)	0	7,636	(2,577)
	Adults Division		0				
2	Customer Pathway	36,481	38,033	1,552	0	38,033	1,552
3	Adult Mental Health	6,943	6,833	(110)	0	6,833	(110)
	Provider	9,964	9,964	0	0	9,964	0
4	Learning Disabilities	22,611	23,746	1,135	0	23,746	1,135
	Public Health	(52)	(52)	0	0	(52)	0
	Community Housing						
	HHASC Other	387	387	0	0	387	0
	Housing Strategic Services	(11)	(11)	0	0	(11)	0
	Assistant Director	0	0	0	0	0	0
	Business Development	394	394	0	0	394	0
	GF Temp Accommodation team	3,318	3,318	0	0	3,318	0
	Housing Gateway	0	0	0	0	0	0
	Housing Options & Advice	1,100	1,100	0	0	1,100	0
	Obsolete codes	0	0	0	0	0	0
	Residential Services	808	634	(174)	174	808	0
	2014/15 Service Budget	92,156	91,982	(174)	174	92,156	0
	2014/15 Net Expenditure	92,156	91,982	(174)	174	92,156	0

Health, Housing & Adult Social Care Outturn Position 2014/15

APPENDIX 4

Explanation of variances greater than £50k:		Variance £000's
1	Strategy & Resources	(2,577)
	The service has an underspend on Housing Related Support contracts (-£0.42m), due to the early achievement of future year savings and underspends in the Commissioning & Procurement team due to vacant posts (-£0.1m). However, these underspends have been offset by expenditure from an increase in DoLs applications and Safeguarding cases (+£0.07m). There is an underspend against the care purchasing contingency reserve, which was used to manage the in year pressure on demand led budgets (-£142k) in addition to unused accrued rent on Community Link (-£55k). The need for £2.1m of one-off funding in 14/15 to balance the outturn position is unsustainable and reflects a significant pressure which will need to be addressed in 15/16 so that the department's net expenditure can be contained within base budget. A one off contribution of £1.91m has been used to balance the Department's service budget for 2014/15.	
2	Customer Pathway (Older People & Physical Disabilities)	1,552
	The Customer Pathway service has overspent on demand led care purchasing budgets for Residential (+£1.34m) and Non-Residential (+£217k) care packages due to an increase in the average cost of packages, reduced income and a steady increase in the volume of client activity.	
3	Adult Mental Health	(110)
	The Mental Health service has underspent due to reduced net cost of care purchasing packages placement in year (-£83k) and reduced operational expenditure (-£27k).	
4	Learning Disabilities	1,135
	The 2014/15 outturn position for Learning Disabilities is consistent with the February monitor. The overspend of £1.1m consists of approximately £800k for costs associated with a) people being placed in Enfield by other local authorities whereby they become 'ordinarily resident' in the borough and the financial responsibility of Enfield Council and b) people who no longer met the criteria for NHS Continuing Health Care, for whom the Council became financially responsible. Both these items were included as Risk in the 2014/15 MTFP. The remaining £300k is as a result of expenditure for new people previously unknown to the service.	
Note: Community Housing- Net Nil Variance		
	The Community Housing service Outturn position is reporting a nil variance. This is as reported in the February 2015 monitor. Any underspend or overspend is managed within the Homelessness Initiatives Reserve Fund. An opening balance of £1,808k reserve was available in 14/15 and an additional £1,594k was contributed in year. The drawdown from the reserve in 14/15 is £1,168k. This was as a result of incentive payments made to agents and landlords to secure accommodation and some additional staffing costs required to deal with the rising demand for the service but was offset by service underspends. The balance of the Homelessness Initiatives Reserve Fund is £2,234k as at 31 March 2015.	
	Temporary accommodation procurement of nightly paid accommodation is reporting an overspend of £1,098k. This is due to continued increase in procurement of the more expensive nightly paid accommodation. However, the nightly paid rates continued to be managed by the service. There has been a £368k underspend on Repairs and a further £117k underspend on furniture replacement & repair. This underspend was due in part to favourable winter but also due to the reduction in the availability of Private Sector Leased temporary accommodation. The area of former tenant debt has also been reviewed and an £184k underspend is reported in 14/15. A £274k net underspend in PSL accommodation is reported, again this is due to reduction in PSL rates payable and a reduction in average PSL numbers. The reduction in the void rate from 3% to 1.45%, resulted void losses being minimised. A further underspend of £38k was due to a Thames Water rebate, with a further £88k contribution from the dilapidation reserve reported.	
	This area of spend remains volatile and there has been a significant increase in the number of families placed in more expensive nightly paid temporary accommodation this year (Average 2,350 compared to the budget of 2,059 in temporary accommodation as per the information available in March 2015 - an increase of 14.1%). The underlying pressure due to increased number of homelessness still remains.	
	Other Variations	0
	2014/15 Service Budget Variance	0

Housing, Health & Adult Social Care: Grant Reserves 2014/15			2014/15 Grant
Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	£'000
Bringing empty properties back into use maximises the use of the boroughs housing stock for those in housing need and improves neighbourhoods.	Due to additional external grants secured from GLA for empty property use.	Both the Council and the Mayor of London recognise this as a priority area.	174
Total			174

Schools & Children's Services Outturn Position 2014/15

APPENDIX 5

Notes	Schools & Children's Services	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	Ring-Fenced Grant £000's	Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's
	Children's Services						
1	Children's Services -Assistant Director	479	348	(131)	0	348	(131)
	Social Work Training Grant	23	23	0	0	23	0
2	Looked After Children	11,717	13,128	1,411	126	13,254	1,537
3	Children in Need	8,572	8,793	221	0	8,793	221
4	Cheviots	3,633	2,866	(767)	597	3,463	(170)
	Safeguarding & Quality Assurance	1,453	1,303	(150)	138	1,441	(12)
	Early Intervention Support Services	99	78	(21)	0	78	(21)
5	Youth Management & Business Support	7,040	5,899	(1,141)	558	6,457	(583)
	Education Services						
	Behaviour Support	82	95	13	0	95	13
	Community Acces, Childcare & Support	4,545	4,510	(35)	0	4,510	(35)
6	Admission Service	(17)	(86)	(69)	0	(86)	(69)
7	Asset Management	(88)	33	121	0	33	121
	Catering Services	(559)	(560)	(1)	0	(560)	(1)
	Human Resources	2,232	2,220	(12)	0	2,220	(12)
	Departmental Management Team	185	185	0	0	185	0
	Children & Adolescent MH & EPS Services	1,727	1,685	(42)	0	1,685	(42)
	Special Needs & Inclusion / Transport	4,803	4,783	(20)	0	4,783	(20)
	Schools Sports	(10)	(52)	(42)	0	(52)	(42)
	College Pension costs	83	77	(6)	0	77	(6)
	School Improvement Service	1,368	1,372	4	0	1,372	4
	Commissioning & Community Engagement						
	Children & Family Commissioning	1,853	1,862	9	0	1,862	9
	Commissioning Management Team	64	63	(1)	0	63	(1)
8	Enfield Art Support Service	159	72	(87)	0	72	(87)
9	Residential Care Purchasing (Children)	4,571	6,133	1,562	0	6,133	1,562
	Learning Skills for Work	623	624	1	0	624	1
	Resources IT	54	33	(21)	0	33	(21)
10	Business Improvement	870	667	(203)	0	667	(203)
11	Movement in Reserves	0	(2,059)	(2,059)	0	(2,059)	(2,059)
	Director	372	419	47	0	419	47
	2014/15 Service Budget	55,933	54,514	(1,419)	1,419	55,933	0
	2014/15 Net Expenditure	55,933	54,514	(1,419)	1,419	55,933	0

Schools & Children's Services Departmental Outturn 2014-15

Explanation of variances greater than £50k:

Variance
£000's

		Variance £000's
1	Childrens Services -Assistant Director	(131)
	There was an underspend within the division wide operational costs, which includes legal charges which were substantially lower than in previous years.	
2	Looked After Children	1,537
	The main causes of this overspend were the Leaving Care client costs overspend of £1,043k which is partially due to a 25% increase in the number of clients in the last 2 years and an increase in the number of young offenders and young people at risk of sexual exploitation who require more specialised and intensive support plus an increase in client demand/needs pressures. There is a shortage of semi-independent accommodation which means clients are unable to be moved from their expensive residential placements to reduce accommodation costs. There was also an overspend of £282k within the Unaccompanied Asylum Seeking Childrens budgets due to the increased number of clients (+ 1321 weeks) and higher costs resulting from the lack of suitable accommodation resulting in the usage of higher cost agency placements. The Fostering and Adoption service also reported an overspend of £225k due to higher than budgeted numbers of clients and additional special guardianship arrangements. The variance at the year end compared to February (+£165k) was mainly due to Leaving care client costs not previously included in the projections.	
3	Children in Need	221
	The increasing demand for the CiN service requires the social work teams to maintain their full staffing establishment to provide a safe service which resulted in additional expenditure of £333k. Staff turnover which increased in the first half of the year resulting in higher costs due to agency staff filling key vacant posts has been reduced by recruitment and retention payments. This overspend was partially offset by an underspend within the Section 17 budget of £105k due to a contribution from the Discretionary Housing Payments budget. The outturn was £60k lower than the February projection due to lower agency staff costs and Section 17 payments in March.	
4	Cheviots	(170)
	There was an underspend of £100k within the commissioned services as a result of the short break grant scheme. There was also an underspend of £58k within the overnight breaks budget due to 2 overnight providers being unable to provide a service.	
5	Youth Management & Business Support	(583)
	Following the restructuring of the YFSS service during 14/15 there was an underspend of £183k mainly within the staffing budgets as a number of posts were temporarily vacant. A further £380k of managed underspend has arisen within the Positive Activities for Young People and Special Activities budgets. The £65k variance between February and the year end is due to consultancy and training costs which did not take place before the end of March and an insurance claim settlement.	
6	Admission Service	(69)
	A pending restructure of the service has led to an underspend in this area.	
7	Asset Management	121
	The overspend relates to a £55k reduced profit share from the Cleaning Joint Venture and staffing costs which did not specifically relate to the School Expansion Project and therefore could not be capitalised.	
8	Enfield Art Support Service	(87)
	The underspend is mainly a result of lower premises hire costs plus additional buy-back income from schools.	
9	Residential Care Purchasing (Children)	1,562
	The external residential homes and agency fostering budgets were overspent due to more clients (+ 605 client weeks) and higher weekly average costs (+ £820k) for clients who are more challenging and vulnerable, which means they require specialist care placements to address their complex needs. The increase of £55k at year end compared to February is mainly due to new or extended agency fostering or residential placements that commenced in March.	
10	Business Improvement	(203)
	The underspend resulted from the delay in the implementation of a new staffing structure within the service. The £68k increase in the underspend at year end was due to lower than expected staffing and agency costs in the last few months of 14/15.	
11	Movement in Reserves	(2,059)
	Movement from Risk Reserves in order to mitigate the Children's Services pressure highlighted throughout the year in the Revenue Monitoring Reports to Cabinet	
	Other Variations	(139)
	2014/15 Service Budget Variance	0

Schools & Children's Services: Grant Reserves 2014/15			2014/15 Grant
Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	£'000
Adoption Reform Grant is a Government grant to local authorities to support and develop adoption services. Its focus is on new approaches to encourage families to adopt, finding homes for hard to place children and addressing organisational barriers to recruitment.	Enfield was awarded £390,000 for 2014/15 and £264,000 of this has been spent. Slippage re the remaining £126,000 is the result of delay in recruiting to the specialist posts outlined in the grant spending plan. The grant reserve is required to fund continuation of the Care Proceedings Manager post for a further year. This post has been crucial in driving improved practice in this area and reducing the length of care proceedings in line with national expectations. All North London boroughs are continuing these positions for a further year at least. The impact of this role was commended in the recent Ofsted inspection	The grant reserve will contribute very significantly to the Council's priority Fairness for All. The Council is corporate parent to our looked after children requiring adoptive homes and is responsible for their well-being. The national focus on adoption performance gives this area strategic importance. Under the current family justice framework, courts are increasingly reluctant to agree plans of adoption which means that those children leaving Council care through this mechanism are those who have already suffered, or are likely to suffer, very significant harm and abuse in their families of origin.	126.0
Special Educational Needs & Disability Grants. The purpose of the SEND Implementation Grant is to enable the Council to implement the wide reaching SEND Reforms as required in law, by the Children & Families Act 2014.	There have been some delays in the recruitment and training of staff plus the programme manager role is due to continue until March 2016. Funding for the design, build and implementation of an Education, Health & care Plan within Enfield 2017 also needs to be carried forward into 2015/16.	The SEND reform agenda provides an inclusive system which will strengthen and sustain family life, ensuring improved outcomes for children and young people. Training professionals and families is central to the cultural change and supports collective learning and collaboration.	597.0
Troubled Families Grant - The 'Change and Challenge' project represents the means by which the Council and its partners can bring about a transformation in engaging and working with our most complex and challenging families. The name reflects the fact that it is as much about transforming local service delivery as it is about families and individuals radically transforming their own lives.	In order to make best use of this funding it has been necessary to plan for its spend across the 5 years to 2019 (duration of this program) in order to ensure best value and sustainable initiatives are funded in line with the grant funding conditions and requirements.	The grant contributes very significantly to the Council's priority Fairness for All. Change & Challenge workers only intervene with the most complex & vulnerable families in the borough, working to promote "Fairness for All" and tackle inequality by supporting the provision of high quality services and opportunities to disadvantaged communities. C & C workers aim to enable young people and their families to achieve their potential, and thereby contribute to the Council's strategic objectives.	558.2
Social Work Improvement Fund - was a one off ring-fenced grant, and the ongoing, ring-fenced, Assessed and Supported Year in Employment (ASYE) grant for all Newly Qualified Social Workers (NQSWS). The purpose of both grants is to support social work improvement plans of local authorities in line with national requirements.	In order to make best use of this funding it has been necessary to plan for its spend across 14/15 and 15/16 in order to ensure best value and sustainable initiatives are funded in line with the grant funding conditions and requirements. All programmes to be funded by this grant have been prioritised by the Children's Services Division Operational Management Team.	Children & Families social workers only intervene with the most vulnerable families in the borough, working to promote "Fairness for All" and tackle inequality by supporting the provision of high quality services and opportunities to disadvantaged communities. Social work aims to enable all young people to achieve their potential, and thereby contribute to the Council's strategic objectives.	138.0
Total			1,419.2

Reserves & Balances 31st March 2015

APPENDIX 6

This Appendix sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2014/15.

Reserves and Balances 2014/15	Balance at 31 March 2014 £m's	Net Transfers 2014/15 £m's	Balance at 31 March 2015 £m's
Housing Revenue Account			
HRA Repairs Fund	1.5	1.40	2.90
HRA - Capital Reserve	13.7	8.30	22.00
Total HRA	15.20	9.70	24.90
General Fund			
Commitments Reserve	5.10	(3.00)	2.10
Risk Reserve	6.70	(1.80)	4.90
ICT Investment Fund	6.40	(1.30)	5.10
Interest Rate Equalisation Reserve	4.60	0.20	4.80
Insurance Fund	5.30	1.20	6.50
Council Restructuring Reserve	2.20	0.00	2.20
General Fund - Capital Reserve	5.00	(0.80)	4.20
Sustainable Service Development	1.10	(0.20)	0.90
European Social Fund	0.70	(0.30)	0.40
Repair & Maintenance	1.60	0.10	1.70
Residents Priority Fund	0.60	0.10	0.70
Welfare Benefits Reserve	4.80	0.00	4.80
Council Development Reserve	4.70	(3.60)	1.10
Projects Reserves	19.30	(5.10)	14.20
Sub Total Excluding Schools / Public Health	68.10	(14.50)	53.60
Dedicated Schools Grant Reserve	7.1	(1.10)	6.00
S106 Receipts	0.6	(0.10)	0.50
Public Health	1.2	0.40	1.60
Total General Fund Reserves	77.00	(15.30)	61.70
Total Earmarked Reserves	92.20	(5.60)	86.60

MUNICIPAL YEAR 2015/16 REPORT NO. 25**MEETING TITLE AND DATE:**Cabinet 22nd July 2015**REPORT OF:**Director of Finance, Resources &
Customer Services**Contact:**Isabel Brittain Tel: 0208 379 4744
Ann Freeman Tel: 0208 379 3002
Ian Slater Tel: 0208 379 4034

AGENDA - PART	1	ITEM: 7
SUBJECT – Capital Outturn 2014/15		
Cabinet Member consulted: Councillor Andrew Stafford		

1. EXECUTIVE SUMMARY.

- 1.1** The purpose of this report is to inform Members of the capital investment undertaken in 2014/15, and the way in which it has been funded. The report also includes the outturn position for the Prudential Indicators.
- 1.2** The report shows that in 2014/15 the Council's capital expenditure amounted to £129.8m compared with the latest programme of £161.6m. The resulting favourable variance of £31.8m is comprised of £1.9m Housing projects and £29.9m of General Fund projects. This is mainly due to re-profiling of schemes where the resources will be carried forward to 2015/16 including £11.7m in respect of Meridian Water for the purchase of land in early April.
- 1.3** Details of the service achievements and an analysis of the variations are contained in the report and Appendix 1.

2. RECOMMENDATIONS.

- 2.1** That the achievements and improved outcomes resulting from the Council's investments in capital projects are noted.
- 2.2** That the funding of the Council's capital expenditure for 2014/15 as set out in this report be agreed (paragraph 5.3).
- 2.3** That the outturn for the Council's prudential indicators be noted (section 6).

3. BACKGROUND

- 3.1** The Council's Capital Programme for 2014/15 to 2016/17 was agreed by Council on February 2014. The Capital Programme has been monitored on a quarterly basis and quarterly reports have been considered by Cabinet in September 2014, November 2014 and March 2015. This outturn report represents the 4th quarterly monitoring report for 2014/15 and a summary for the year.

4. PRINCIPAL ACHIEVEMENTS AND OUTCOMES

4.1 Overall the Council spent £129.8m on capital projects in 2014/15 compared with the latest programme of £161.6m. The principal achievements resulting from capital investment in 2014/15 are summarised below.

4.2 SCHOOLS AND CHILDREN'S SERVICES

In 2014/15 the main priority was again to ensure sufficient accommodation was planned and/or secured to meet the continuing and further increasing demand for primary school places. The Infant Free School Meals (IFSM) initiative required significant input from officers to identify schools requiring building works to improve kitchens.

As in 2013/14 significant capital funding was prioritised for basic need projects with DfE funding, such as the Targeted Basic Need grant, being used to reduce the call on general resources and the Council's borrowing requirements. In addition funding for condition issues was identified for outstanding condition issues at schools

The principal objectives and achievements were as follows:

1. To ensure the supply of sufficient primary school places through the implementation of the Authority's Strategy.
 - The completion of a number of schemes under the Primary Phase 1 of the School Expansion Programme, namely Highfield, Chesterfield, and George Spicer primary schools plus primary accommodation at Edmonton County Bury Street Campus to create an all-through school. Additionally the main works at Worcesters and Grange Park were completed but there will be follow on packages delivered in 2015/16.
 - The next phase is now advanced with construction activity in progress at Garfield, Prince of Wales and Bowes Edmonton primary sites.
 - Following the site purchase for a new Secondary Tuition Centre to replace the existing centre, the design has been completed and submitted for planning consent.
2. To develop a strategy to increase secondary school provision and if necessary respond to the raising of the age of participation.
 - Discussions on procuring additional sites to deliver the remainder of phase two to provide required additional primary and secondary school places are proceeding.
3. To ensure that school accommodation is of high quality and fit for purpose to improved educational attainment for all children and young people.
 - Significant investment in school buildings and services to facilitate improved attainment.
4. To support services for children with complex and special educational needs.
 - Investment in additional accommodation to increase the places in the special educational needs sector, particularly in the Autistic spectrum.

5. The Government's IFSM initiative requires that every child in reception, year 1 and year 2 in state-funded schools will receive a free school lunch from September 2014.
 - To deliver the IFSM initiative a number of schools were identified as requiring reorganisation, additional staff and improved catering equipment. SCS identified a further eight schools which, either through available space or poor building condition, would not be able to fully meet the new requirement of IFSM. Three kitchen improvement works at Bowes, Hazelbury Infants and Worcestors were completed by September 2014. Interim arrangements were implemented at the remaining five schools.
6. Maximise external and Government funding to support school building improvement.
 - SCS offices successfully applied to the Department for Education (DfE) for £813k additional capital to deliver the IFSM kitchen improvement works.

The DfE announced an invitation for Authorities to bid for additional funding for major works to schools under the Priority Schools Building Programme (PSBP). SCS officers submitted six school bids, Broomfield, West Lea, Walker, Durants, Brimsdown and Eldon for significant refurbishment or rebuilding. On the 9 February 2015 the DfE announced Enfield was successful with four of the school bids, Walker, Durants, Brimsdown and Eldon. The scope of the projects and funding has not yet been announced but will be reported when known.

4.3 ENVIRONMENT AND STREET SCENE

The principle achievements and outcomes of the 2014/15 Capital programme are considered below. The delivery of the programme was broadly in-line with agreed timescales and objectives.

Highway Services

There have been some slippages due to the delivery of the schemes through the London Highways Alliance Contract, although target lengths for road and pavement renewal have still been achieved.

The planned maintenance of carriageways and footways was undertaken in accordance with the principles set out in the Highway Maintenance Plan. The planned maintenance priorities ensure the most cost effective treatment at the right time for whole life asset management and improved customer satisfaction. Enfield's Capital Programme therefore forms an essential part of maintaining its highway assets in order to reduce the effects of ongoing deterioration of the overall network.

Enfield Council's target was to resurface or reconstruct 18km of Non-Principal Road carriageways during 2014/15. By the end of March 2015, 20.86 km of carriageways had been resurfaced. This includes approximately 3.1km of carriageway recycling saving approximately 245 tonnes of CO₂. 4.8km of Principal Roads have also been resurfaced, which were funded by Transport for London. In addition, Enfield received additional government funding of £0.566k, via TFL, as a result of the wet winter, which allowed for a further 1.5km of classified roads to be resurfaced. The Department for Transport also allocated a further £350k, for potholes/carriageway works as part of a national

initiative and this has been spent on resurfacing a further 1.5km of carriageways comprising of 'partial schemes'.

10km of footways have been renewed through the Footway Replacement Capital Programme against an initial target of 9km for 2014/15.

The Council has planted 452 new highway trees by removing deteriorating tree stock and replacing with young healthy trees. In addition, the Council has undertaken a programme of greening gateways and strategic routes in order to reduce the harshness of the urban environment. This has involved planting a further 112 trees.

Improvement works to the steps and drainage at Smeaton Road Bridge have been completed; however the replacement of the bridge deck surfacing has been deferred until 2015/16 to reduce the risk of wet weather disrupting night works. The Firs Farm Sustainable Urban Drainage Systems scheme phase 1 has been completed. Mollison Avenue highway drainage improvement works and Brimsdown ditch improvements have also been completed, with the Environment Agency contributing 75% of the cost of the Brimsdown Ditch works. Work to rebuild a small retaining wall alongside a footpath in the vicinity of Bincote Road is continuing.

Trimming and dimming technology has now been introduced throughout the Borough, together with a centralised monitoring system thereby enabling the PFI service provider to provide flexibility on the brightness level and operating times of streetlights. This will achieve long term savings in energy usage and a reduction in costs. This project is now substantially complete, with a few outstanding old-style lighting units remaining, which cannot accept the new technology. Options are currently being investigated to use LED lamps in these locations.

Traffic & Transportation - Transport for London Funded (TFL)

The Council submitted its Local Implementation Plan Annual Progress Report to the Mayor of London via TFL. The report set out a range of schemes to help deliver both the Mayor's Transport Strategy and the Council's own priorities, including extending the Greenway network and a range of road safety initiatives, which were formulated following consultation with both the public and key stakeholders. The Local Implementation Programme directly contributes to the Council's priorities: for example the bus stop accessibility programme enables people with impaired mobility to access the bus network and promoting cycling provides residents with a cost effective and healthy alternative to public transport and car use.

As per the agreed 14/15 Local Implementation Plan; Enfield Council's LIP allocation from TFL was £5.9m (Capital Allocation of £4.6m & Revenue Allocation of £1.3m).

This allocation was utilised to deliver a range of traffic improvement and road safety schemes, including walking and cycling routes, bus route accessibility and reliability, corridor improvements, traffic sign reviews, air quality, smoothing traffic and climate change mitigations, smarter travel (cycling and walking initiatives), station access and various other traffic and transport initiatives. TFL had also allocated £1.7m for Principal Road Renewal across

the Borough (for further info see paragraph three of the Highways Services section above).

The programme of works or measures set out above represent vital investment in the improvement and renewal of the transport infrastructure, particularly supporting regeneration and environmental enhancements with clear beneficial impact on climate change, improved public health, particularly those that seek to promote active travel and reduce harmful emissions.

Environmental Protection

The Council's Alleygating programme is successful in tackling fly tipping, other opportunistic crime, rear entry burglary and anti-social behaviour. The Alleygating schemes demonstrate Enfield's commitment to dealing with crime and antisocial behaviour in a highly practical and visual way. In 2014/15 Enfield Council installed over 40 alleygates, which enhance community safety and provides a cleaner and safer environment for Enfield residents, by reducing crime or fear of crime, fly tipping and other anti-social behaviours.

Community Safety

The Enfield Public Safety Centre (EPSC) office is owned and managed by Enfield Council. The centre is responsible for monitoring all council owned community safety cameras in public places including those on housing estates and internal building CCTV cameras for other Enfield Council's Services. The centre also carries out traffic enforcement on behalf of Transport for London helping to reduce congestion, keeps bus lanes open and enforces local breaches in parking and traffic legislation. The centre also supports the Metropolitan Police and an officer is based on site to collect & analyse any vital evidence footage, as well as responding to new incidents.

The CCTV Camera Replacement Programme and the three year CCTV expansion programme (2012/13 to 2014/15) progressed to plan and on budget. CCTV cameras were installed or replaced at various locations; enabling increased coverage of Enfield and providing essential assistance to the Metropolitan Police for incident management and evidence production. The public safety cameras have a positive impact on improving safety, deterring criminals and reducing anti-social behaviour.

In 2014/15 the Council placed 3 ANPR (Automated Number Plate Reading) cameras at strategic trunk routes around the borough, and placed 21 new community safety cameras in Enfield Town, Upper Edmonton, Cockfosters and Southgate Green areas as part of the agreed expansion programme. Also, seven new cameras covering the main routes into the Brimsdown Business estate and six traffic enforcement cameras near schools to deter dangerous parking practices have been installed. In addition, CCTV which is already established at town centres and civic buildings and car parks has been efficiently linked up with the EPSC system to provide more seamless coverage and reduce the opportunity for crime. The final phase of CCTV in the capital programme is being installed in Bush Hill Park, Winchmore Hill and Grange Ward areas and due completion in June 2015.

The CCTV system has been recognised as one of the best in London by receiving seven awards from the Metropolitan Police in 2015, and the service is working in partnerships to increase income generation by providing services

for other clients. The service has incorporated resilience measures to enable them to increase the range of services provided in the future and will continue to work with industrial and commercial areas in order to support regeneration proposals for the borough

Pymmes Park Lake Improvements

Pymmes Park Lake has been suffering from pollution linked to pipe misconnections in this area, which have allowed pollutants and waste into the lake. This pollution is impacting on the lake environment and the use of this area by local residents. The project has started and is planned to be completed in 2015/16.

Parks

Forty Hall Park Landscaping Project

Heritage Lottery Fund (HLF) awarded Enfield Council a grant of £1.8m, to restore the grounds of Forty Hall to its 17th & 18th century splendour. Works are practically completed (only minor snagging is outstanding); the project has now entered the 1 year Defect Liability Period which will end in November 2015 following which final payment will be made.

Warrener's Cottage refurbishment

The Cottage has been voluntarily surrendered from the Capel Manor Farm lease by Capel Manor College and has now been returned to LBE. The refurbishment works (to facilitate volunteer use) is complete.

Parks Play Equipment, Parks Fencing and Parks Footway

Significant works have been completed in Durants Park; Bush Hill Park, Grovelands Park, Wilbury Way and Ladysmith Road. Play equipment has been replaced in four parks and further items are currently under procurement. Delays experienced delivering footway works were due to the change in highway term contractor has caused the footway programme to slip; this should be rectified by spring/summer 2015. Fencing work is currently ahead of schedule with a major projects beginning January 2015. We are currently in the process of procuring a replacement play equipment contract; in the interim reactive works on the sites with the highest risks are being completed under competitive tender.

The Council also obtained S106 funding for the construction of Aldersbrook Avenue Recreation (Play Equipment) and a Town Park Water Feature. Aldersbrook Recreation Ground feasibility and consultations have been completed and the project is planned to be completed in 2015/16. The Town Park boating lake rejuvenation capital project is complete.

Vehicle Replacement Programme

8 Street Cleansing sweepers were purchased, enabling the Council to deliver cleaner streets, footpaths and to implement winter gritting of footways using existing grit spreading trailers. The new multipurpose sweepers also provide for improved weed spraying and increased productivity across the borough and the compact sweepers are to target residential area road channel and general pavement cleaning.

Building Improvements Capital Programme (BIP)

The Councils Repairs and Maintenance fund aims to ensure corporate buildings and their surroundings are fit for purpose. Properties are maintained via three main work streams, reactive, cyclical (PPM) and planned. Planned maintenance work is mainly identified via condition and other surveys. Properties are surveyed to assess their condition and the noted deficiencies are listed and ranked according to set criteria. Items of work are then grouped together, where beneficial to do so, and prioritised into a planned maintenance programme.

The 2014/15 Building Improvements was utilised to carry out various refurbishment and remedial works to corporate buildings, ensuring they are fit for purpose and providing a safe, healthy environment for staff and visitors. In addition, some external structural repairs, tree and resurfacing projects were also undertaken across various Council parks and car parks. For example, Ponders End Youth Centre has had various repairs undertaken, and the first phase of roof renewal at Rose Taylor Day Centre was undertaken. Pressure on the programme continues as it is asked to cover a wider remit.

The BIP programme also includes the Civic Centre Refurbishment.

Disability Access Programme (DDA)

Local Authorities have a duty under the Equalities Act 2010 to make reasonable adjustments to their buildings to eliminate discrimination. In compliance with the Act; approval was granted and works carried out to agreed timescale with users at Wheatsheaf Hall, Park Avenue Mental Health Resource Centre. Further individual projects are currently being assessed for inclusion within the 2015/16 programme.

The REFIT Programme

The REFIT programme has been developed and promoted by the Mayor of London and the Greater London Authority (GLA) in order to assist public bodies in London to reduce energy consumption. The project aims to deliver energy savings through the installation of various Energy Conservation Measures.

Due to the current cost of energy and the likelihood of further increases in the future, Enfield Council undertook energy efficiency measures to its' corporate buildings and schools; the project was partly funded by an interest free loan from Salix, which funded the Schools costs of the energy conservation measures, as at the end of 2013/14, 95% of the work was completed, which included the replacement of the Civic Centre Chiller and energy conservation measures across various schools, Civic Centre and Charles Babbage House. The remaining 5% of the work was completed in 2014/15.

The Electric Quarter

Work progressed on delivery of the Electric Quarter, with the acquisition of freehold interests in 188 and 198 High Street in April and May 2014 respectively. Heads of Terms for land forming part of the former Middlesex University Campus has been agreed, and the acquisition will be concluded April/May 2015. Negotiations continue with remaining landowners, with a view

to seeking voluntary acquisition of remaining land interests, in the first instance.

The Council's approved Delivery Partner Lovell is in the process of preparing a detailed planning application for the whole scheme and it is anticipated that a revised planning application will be submitted summer 2015. £981k will be re-profiled into 2015/16 to fund remaining acquisitions.

Ponders End South Street

Gateway scheme "Two Brewers" memorial was completed in September 2014.

Outer London Fund 2

In addition to partially supporting land assembly for the Electric Quarter, works to refurbish and extend the ground floor of the Enfield Business Centre were completed in September 2014, creating a multi-purpose, spacious state of the art business hub.

In addition to the "Two Brewers" memorial, two additional gateway public realm projects "Albany Gateway" and public realm outside the Enfield Business Centre were also completed in September 2014, with the intention to increase footfall and provide a quality public realm in north east Enfield.

New Southgate

Works to deliver "Take the High Road" were substantially completed by the end of March 2015. Works to improve the public realm along the High Road by the parade of shops completed in May 2014. Improvements to the Millennium Green open space were completed in January 2015, providing a nature trail, community art, information boards, seating and signage. Completion of the final stage of works started in March 2015, with replacement of fencing along the High Road.

Meridian Water

Land Assembly

The Council completed the acquisition of circa 9 hectares of land at Meridian Water from the National Grid on 2nd April 2015. The 14/15 capital programme allocation was utilised to fund this in April 2015. These sites can collectively provide approximately 1,500 new homes at Meridian Water. Significant work has progressed in conjunction with the Environment Agency to establish a comprehensive remediation strategy for the sites, in advance of residential development.

Angel Road Station

The Council has made great advances co-ordinating the delivery of key infrastructure. Network Rail has approved funding to provide an additional third track increasing rail provision to Meridian Water to 4 trains an hour from 2018 and in March 2015 Cabinet approved a funding package to enable a new Meridian Water station to be constructed by 2018.

Meridian Boulevard

Plans for a new Meridian Boulevard are underway with development of a detailed scheme for phases 1 and 2 in progress. Initial works to construct phase 1 are due to start in 2015.

Angel Gardens

Angel Gardens (Rays Road), phase 1 works to create an Activity Zone, including an outdoor gym, innovative “container play” and parkour free running course were completed in March 2015.

Edmonton Green

Detailed feasibility to commercially redevelop the railway arches as part of ‘Greening the Green’ project have been progressed, in conjunction with the mini Holland (Cycle Enfield) delivery programme. The total project depends on funding from partners i.e. network rail and GLA, hence the slippage into 2015-16.

Heritage & Design

The Crescent: The repair and enhancement of this prominent listed Georgian terrace in Edmonton is well advanced. The Council led works to the private properties have been substantially completed. A total of thirteen leaseholder properties out of a total of twenty five freeholder / long leaseholder properties have benefitted from the Council’s investment in the regeneration of the area through these grant aided works. The project has provided each of these properties with:

- A new dwarf boundary wall topped with railings and gate, in most cases with intercom access control;
- Railings dividing the front gardens;
- Topsoil and turf to front garden and paths where these were needed;
- Repair and redecoration of front façade;
- Hard standing at rear for bins and cars, with lockable bollards;
- Timber fence and gate to rear garden; and
- Restoration of lost architectural features where needed.

Bounces Lane at the rear has been upgraded and refuse storage and collection now takes place from the rear removing the need for bin stores at front of the building. The remaining 12 properties are owned by Newlon Housing Trust, which is currently undertaking complimentary restoration and enhancement works of its properties.

Outline designs have been prepared for the reinstatement of the Monmouth Road Open space (which was used as a contractor’s compound for the duration of the building works) and its enhancement as a pocket park. The pocket park proposals will be subject to public consultation shortly.

Work is underway, in partnership with Newlon, on a project exit strategy (Phase II works) that looks at how the improvements can be protected and further enhanced. Officers are investigating whether options (such as Ally Gating and CCTV) might be possible, to further assist in combatting fly tipping in Bounces Lane at the rear, as well as investigating options for more integrated management arrangements for the terrace. Delivery of some elements of the Phase II exit strategy works commenced in 2014/15 (brought

forward from 2015/16). Availability of materials and contractors has impacted on the completion and invoicing for these works.

Broomfield House: The Council has been supporting and facilitating the Broomfield House Trust and Friends of Broomfield Park in a community led proposal for the restoration of Broomfield House as a heritage and learning centre, through a Heritage Lottery Fund bid. The Council's bid to the HLF (for £4.175m) was not supported by the HLF Board of Trustees. Trustees were concerned about the scale of the restoration required; the level of grant requested and long term viability.

Since this time, the Council has been continuing to support the Trust and Friends in evolving their proposals, in an attempt to address the HLF's concerns and pave the way for a future more successful proposal. The Council have appointed consultants (Donald Insall and Associates) to prepare a Conservation Management Plan and Options Appraisal, as necessary work to move towards a successful HLF funding bid. The Conservation Management Plan will provide a strategic plan, which is needed to give a framework to investment, essential for Lottery funding purposes.

Garden Enfield

The Garden Enfield project continues to thrive, with five acres of organic vegetable production at Forty Hall Farm, 22 primary schools now growing with the provision of equipment and training, and 16 community growing projects receiving grant funding to start a community project.

The Forty Hall Farm market continues to supply Budgens supermarket, Baskervilles Café, Forty Hall Café and wholefood shops. With the opening of a new farm shop at the farm, produce is also being sold direct to the public. A sustainable growing project is now underway at Forty Hall Farm, and will provide visitors with growing projects with ideas for water and energy saving techniques.

The Enfield Veg Co. has grown its client base from 30 customers last year to over 60 customers receiving deliveries at five drop off points in the Borough. Potential for larger scale growing is now in final stages of feasibility.

Organiclea have been commissioned to deliver the Farm Start project in Enfield, and work is now underway to set up first pilot plots for entry level growers to have a chance to grow commercially.

Building on the success of the education programme will see a further 33 primary schools start to grow food at school, as well as securing training for secondary school students.

Lee Valley Heat Network (LVHN)

The final development stage for LVHN was completed in March 2015, six months earlier than expected. The main investment decision in LVHN is scheduled for Cabinet later in the year. There will be two recommendations to the main investment decision which is to bring forward and draw down £0.8m mobilisation costs from the LVHN total cost envelope, the size of which will be confirmed by the recently appointed LVHN cost consultants and the cost of borrowing to funded corporately, until LVHN has its own income with which to pay interest.

The overall cost envelope remains unchanged for LVHN Phase 1, with the project now being rolled out faster than planned, including detailed plans for future connections and network expansion. LVHN is on track to meet the £2.11 million forecast spend by September 2015.

The spend profile for 14/15 was slipped due to a number of factors, which include: the LVHN project team's consultancy time over the next few months to ensure the heat network is fully operational and ready for its first 40 customers in September and the delay in the North London Waste Authority Heat Supply Agreement and associated legal costs.

4.4 CORPORATE

On-going Capital investment in Leisure Centres

The Leisure Centre Capital Development programme is reaching its conclusion with retentions and a few minor snagging issues to be settled in 2015/16. Otherwise the Leisure Centre programme has been completed as originally planned.

CCTV installation for Forty Hall; and Car Park Lighting

To increase security it was agreed to add CCTV surveillance of this area to the London Borough of Enfield system. It was also agreed that car park lighting was required once the extensive works to the grounds at Forty Hall have been completed. Capital budget remaining from the original HLF project was transferred to the CCTV scheme with agreement from English Heritage. The Car Park lighting scheme commenced in 2014/15.

Palmers Green Library

The major refurbishment on the library began in August 2014, after work had already been undertaken to split the services between Southgate Town Hall and Palmers Green Library. This followed the sale of the Town Hall for residential development. The annexe has been demolished, including the existing Children's Library and work has started on the redevelopment of the Town Hall site. The Library is on schedule to re-open in Autumn 2015.

Enfield Residents Priority Fund (ERPF)

The ERPF budget for 2014/15 represented awarded but unspent project funding for the previous three years. £0.5m spend in year delivered restored community cricket ground facilities, support to refurbish a community used scout facility, several green gyms and enhanced park facilities, regeneration of open spaces and two road safety schemes to facilitate traffic calming. The remaining unspent funds, for projects that will complete in 2015/16, were carried forward

Bury Street West Redevelopment (Former Depot Site)

2014/15 was the first year of this project to develop the Council owned former depot site for affordable housing purposes. The project set up costs have not been fully spent in year and have been carried forward to continue with this key project in the new year.

4.5 HEALTH AND ADULT SOCIAL CARE

Health & Adult Social Care

Replace New Options Day Centre for Learning Difficulties clients

The relocation of New Options Learning Disabilities Day services previously based at the Claverings Estate. The new facility for New Options was built on the former College Farm site, adjacent to Albany Park. The building opened in January 2015 and is now occupied by the service. There is a 12 month defect period and some snagging items to resolve. The final account will be agreed and settled in January 2016, which will include a final payment to the contractor.

Re-provision of Adult Social Care facilities on the Elizabeth House site

The commissioning and procurement of a 70 bed dual registered care provision facility on the Elizabeth House site. Progress continues on the site for a dual registered care provision facility. Architects have developed detailed designs for the building, and planning permission has been granted. Our selected building contractor (Morgan Sindall) is currently procuring sub-contractor packages of services. An increase in the price of the scheme is expected and will be submitted to Cabinet for decision.

Ordnance Unity Centre

Practical Completion was awarded in November 2014 on the Ordnance Unity Centre. The library, hall and GP surgery are now open and the dentist is due to open shortly when NHS England finalise the contract with the community dentist provider. It is still anticipated that there will be some costs in 2015/16 to meet the requirements of the users of the building and address outstanding snagging items. The intention is to process the final account in November 2015, at which point a further payment may need to be made to the contractor depending on the outcome of the Extension of Time claims.

4.6 HOUSING: NON-HRA

Private Sector Housing

Private Sector Housing completed 235 Disabled Facilities Grants adaptations in 2014/15, totalling £1.607m. These Grants are to adapt privately owned property so that Enfield service users are able to remain safely and independently in their own homes.

Private Sector Housing completed 22 Discretionary Grants (for Small Works Assistance, Decent Homes Grants and Safe Homes Grants) to private residents. This has helped those that are elderly, vulnerable or on benefits to carry out necessary repairs to their properties which otherwise would leave them living in property that would not meet the Decent Homes Standard.

Under part funding from the GLA 2012-2015 Empty Homes Programme, Private Sector Housing have been able to offer Renovation Grants to owners of empty properties. During 2014-15, 13 empty properties were provided with assistance with 10 of these empty properties falling under the new Keeping

House Scheme, which is aimed at assisting elderly empty property owners living in care. In all cases the grants were provided with the condition that the house was leased for 5-years to a tenant nominated by the Council thereby assisting with the demand for long term temporary accommodation.

Affordable Housing Programme

In March 2015, the Development Team provided £200k grant funding to Newlon Housing Trust to part fund completion of a specialist learning and development facility. The Council will have 100% referral rights to the units. Anticipated completion scheduled for September 2015.

Additional expenditure totalling £66k was incurred carrying out refurbishment works to 171 South Street. A further £3k was spent carrying out a feasibility study on the viability of bringing back into use the former caretakers lodge in Bell Lane.

Housing Gateway

The Council budgeted for £21m to provide new homes in 2014/15 to help alleviate temporary accommodation budget pressures. This was delivered by the Council's wholly owned company Housing Gateway Ltd. The target number of homes to be provided was met and the unspent monies carried forward to 2015/16 to continue to address the increasing budget pressures in this area.

4.7 HOUSING- HRA

In 2014/15 the final revised budget for HRA Works to Stock was £31.07m. The actual expenditure was as follows; £25.31m was spent on works to improve Enfield's Housing Stock, £0.93m was used to fund Grants To Vacate (enabling tenants to move, freeing up properties to be re-let) and £0.024m was spent on Community Halls, giving a total spend of £26.3m. The resource balance of £4.8m was fully committed in 2014/15 and will be spent in 2015/16. The Decent Homes grant allocation of £14.606m for 2014/15 was fully utilised.

The expenditure for works to stock in 2014/15 included:

- £19.48m (including £14.606m of GLA Decent Homes Grant) was spent on making 1,272 properties decent. This delivered 728 kitchens, 636 bathrooms, 155 boilers, 1,553 windows, 802 doors, 557 rewires and 1,451 roof coverings;
- £6.70m was spent on Landlord Obligation Works, including £0.294m on the Lifts Replacement Programme, £0.933m on Adaptations, £0.366m on Fire Precautions, £0.956m on Water Safety works, £0.635m on Estate Improvements and £0.099m on the Boiler Replacement Programme.

Enfield Homes received its ALMO two-star status from the Housing & Communities Agency (HCA) in 2009/10, and was awarded an initial £64.5m for the first three years of its Decent Homes Programme. A further allocation of grant funding amounting to £44.606m has been awarded for the period 2012/13 to 2014/15.

Responsibility for the Decent Homes is now with the Greater London Authority (GLA), with Decent Homes funding having become a grant since 2012/13,

paid quarterly in arrears, against an agreed profile of quarterly targets for expenditure and homes made decent

Actual funding for the Decent Homes Programme received so far is as follows:

1. 2009/10 - £14.5m HCA Approval
2. 2010/11 - £34.0m HCA Approval
3. 2011/12 - £14.0m HCA Approval
4. 2012/13 - £18.0m GLA Decent Homes Grant Allocation
5. 2013/14 - £12.0m GLA Decent Homes Grant Allocation
6. 2014/15 - £16.6m GLA Decent Homes Grant Allocation

The total Decent Homes funding received to 31 March 2015 is £109.1m. The funding programme is now complete, but Decent Homes works will continue for a number of years.

5. FINANCIAL OVERVIEW

- 5.1 The table below shows the capital expenditure incurred in 2014/15 compared to the updated programme. The re-profiling of original capital budgets throughout the year will impact on the 2015/16 total budget:

Capital Expenditure	2014/15 Budget	2014/15 Outturn	Variance	(Under) / overspend	Re- profiling
2014/15	£000's	£000's	£000's	£000's	£000's
General Fund					
Schools & Children's Services	31,795	29,079	(2,716)	(52)	(2,664)
Environment	21,079	17,674	(3,405)	(307)	(3,098)
Regeneration	20,711	7,231	(13,480)	0	(13,480)
Health & Adult Social Care	2,097	1,929	(168)	0	(168)
Community Housing	23,831	17,871	(5,960)	9	(5,969)
Corporate	12,722	8,573	(4,149)	18	(4,167)
Sub-total	112,235	82,357	(29,878)	(332)	(29,546)
Schools Devolved Funding	6,956	6,956	0	0	0
Total General Fund	119,191	89,313	(29,878)	(332)	(29,546)
Housing Revenue Account	42,409	40,532	(1,877)	5,003 ¹	(6,880)
Total Capital Expenditure	161,600	129,845	(31,755)	4,671	(36,426)

¹ The 'overspend' arises from the application of specific HRA resources to maximise overall funding. This applies particularly to Right to Buy receipts which might be lost if not used in accordance with Government regulations.

The principal outturn variances are shown below with the programme variances shown in more detail in **Appendix 1**. The achievements and outcomes of individual schemes and programmes are set out in the report above.

Capital Outturn 2014/15 Main Budget Variations	Re- profiling £'000	(Under) / overspend £'000
<u>Main variations</u>		
• Meridian Water	(11,726)	
• Temporary Accommodation (Housing Gateway)	(5,333)	
• Schools & Children's Services	(2,668)	(52)
• Palmers Green Library Refurbishment	(2,342)	
• Housing Revenue Account	(6,880)	5,003
• Parks	(1,544)	
• Other Regeneration Schemes	(1,266)	
• Building Improvements (including Civic Centre)	(626)	(344)
• Highways & Street Scene	(826)	(1)
• Housing Assistance	(636)	9
• Ordnance Unity Centre	(588)	
• Bury Street West Redevelopment	(540)	
• Other minor variances	(1,451)	56
2014/15 Capital Outturn Variance	(36,426)	4,671

The Quarter 1 monitor in the new financial year will include details of re-profiling from 2014/15. The latest 2015/16 programme, including re-profiling, will be reviewed as part of the budget process to ensure all schemes are affordable with the Medium Term Financial Plan and meet corporate priorities.

5.2 The capital spend was financed as set out in the following table:

Source of Funding	£m
Borrowing	25.9
Borrowing to be met by Housing Gateway Ltd	15.7
Capital Grants and Contributions	48.6
Capital Receipts	16.1
Direct Revenue Contributions	12.9
Major Repairs Allowance	10.6
Total funding required to finance capital expenditure	129.8

Prudential borrowing is funded from within the overall Council budget under the prudential code framework.

6. PRUDENTIAL INDICATORS

6.1 In setting the budget for 2014/15, the Council also set certain prudential indicators to monitor the affordability and prudence of its capital programme. The outturn position for these indicators is reported below.

6.2 The table below shows the capital expenditure for the year split between the Housing Revenue Account and General Fund services. The indicator is shown compared with the most recent previously reported position on Quarter 3

report. The reasons for the variations between the original programme and the December monitor have been reported to Cabinet through the year as part of the regular monitoring process. The reasons for the variations to the outturn have been discussed in detail above.

Prudential Indicators

Capital Expenditure	Prudential² Indicator	Outturn 2014/15
	£'000	£'000
General Fund (including Devolved Schools)	121,056	89,313
Housing Revenue Account	42,409	40,532
Total	163,465	129,845

- 6.3 The Capital Financing Requirement reflects the Council's underlying need to borrow to fund its capital programme. It has been necessary to make a number of technical adjustments to the Capital Financing Requirement indicator as a result of PFI assets and associated liabilities being recognised on the Council's balance sheet. Also the loan to Housing Gateway Ltd to provide affordable housing is also included in the CFR. The movement between the outturn and the last reported position is generally as a result of the net re-profiling of capital schemes into future years and the use of additional revenue resources to fund the capital programme.

Capital Financing Requirement	Prudential² Indicator	Outturn
	£'000	£'000
General Fund	322,753	295,425
Housing Revenue Account	157,728	157,728
Total	480,481	453,153

- 6.4 The external debt shows the authority's borrowing position compared with the authorised maximum limit and operational limit approved by Council. The authority is well within these limits which provide the scope to take advantage of low cost borrowing opportunities if they arise and are advantageous to the Council.

External Debt 2014/15	Authorised Borrowing Limit £m	Operational Borrowing Limit £m	Outturn £m
Prudential Indicator	577	500	313

Further information is included in the Treasury Management Outturn Report also on this Cabinet meeting agenda.

² Quarter 3 2014/15 capital monitoring position

7 REASONS FOR RECOMMENDATIONS

To inform members of the final position on capital expenditure and financing for the year and to note the prudential indicators.

8 COMMENTS OF THE DIRECTOR OF FINANCE RESOURCES & CUSTOMER SERVICES

8.1 Financial implications

These are contained in the body of the report.

8.2 Legal Implications

Under the Local Government Act 2003 the Council has a duty to report on its capital expenditure and financing arrangements. This report assists in the discharge of that duty.

8.3 Property Implications

These are implicit within this report.

9 KEY RISKS

9.1 The Capital programme is monitored on a quarterly basis to cabinet and any variations are reported when identified. There are risks involved in the delivery of projects on time particularly where large amounts of re-profiling have been identified in the report. These projects will be closely monitored in the new financial year to ensure there is no loss in service delivery.

10. IMPACT ON COUNCIL PRIORITIES

10.1 Fairness for All

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

10.2 Growth and Sustainability

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

10.3 Strong Communities

The Capital programme is designed to address the values set out within the Council's priorities. All projects are considered in the context of these priorities.

11. EQUALITIES IMPACT IMPLICATIONS

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

11.2 Financial monitoring and reporting is important in ensuring resources are used to deliver equitable services to all members of the community.

12 PERFORMANCE MANAGEMENT IMPLICATIONS

The report provides clear evidence of sound financial management and use of resources.

13 PUBLIC HEALTH IMPLICATIONS

The capital programme includes schemes that support the Council objectives to improve the health of local residents and service users.

Background Papers

None

APPENDIX 1

CAPITAL OUTTURN 2014/15

Department/Scheme	2014/15 Budget £000	2014/15 Outturn £000	Variance £000	(Under) / Overspend £000	Re-profiling £000
REGENERATION & ENVIRONMENT					
Environment:					
Transport for London funding:					
Corridors, Neighbourhoods & Supporting Measures	1,577	1,582	5	5	0
Principal Road Renewal	1,744	1,735	(9)	(9)	0
Local Transport Funding	0	0	0	0	0
Major Schemes	250	252	2	2	0
Mini-Holland	700	701	1	1	0
2012/13 Highways & Streetscene	52	38	(14)	0	(14)
2013/14 Highways & streetscene	34	25	(9)	0	(9)
2014/15 Highways & streetscene	8,884	8,067	(817)	0	(817)
Environmental Protection	143	127	(16)	0	(16)
Community Safety	1,336	1,279	(57)	(1)	(56)
Waste & Recycling	15	(1)	(16)	(1)	(15)
Parks	3,136	1,592	(1,544)	0	(1,544)
Vehicle Replacement Programme	420	420	0	0	0
Depot	36	37	1	1	0
Parking	5	0	(5)	(5)	0
Building Improvement Programme	1,504	1,043	(461)	(344)	(117)
Civic Centre (BIP)	806	296	(510)	0	(510)
Sustainability	68	163	95	95	0
Disability Access Programme	369	318	(51)	(51)	0
Regeneration:					
Ponders End	755	567	(188)	0	(188)
Electric Quarter	1,987	1,006	(981)	0	(981)
New Southgate	100	61	(39)	0	(39)
Meridian Water	16,119	4,392	(11,727)	0	(11,727)
Edmonton Projects	70	12	(58)	0	(58)
Shires Estate - REACT Dysons Road	20	0	(20)	0	(20)
Garden Enfield	249	201	(48)	0	(48)
Lea Valley Heat Network	1,155	764	(391)	0	(391)
Enfield Highway	0	0	0	0	0
Regeneration - conservation / design	20	7	(13)	0	(13)
The Crescent - Edmonton - Phase 2	236	221	(15)	0	(15)
REGENERATION & ENVIRONMENT TOTAL EXPENDITURE	41,790	24,905	(16,885)	(307)	(16,578)
CORPORATE SCHEMES					
IT Work Plan	198	191	(7)	(1)	(6)
Ordnance Unity Centre	4,271	3,683	(588)	0	(588)
Southgate Town Hall & Library	235	149	(86)	0	(86)
Enabling Works					
Residents Priority Fund	861	422	(439)	0	(439)
High Speed Printers	60	60	0	0	0
Enfield 2017	1,457	1,444	(13)	0	(13)
Bury Street	700	160	(540)	0	(540)
Libraries	14	14	0	0	0
Palmers Green Library	4,154	1,813	(2,341)	0	(2,341)
Refurbishment					
Leisure	472	486	14	19	(5)
Culture	300	151	(149)	0	(149)
CORPORATE SCHEMES TOTAL EXPENDITURE	12,722	8,573	(4,149)	18	(4,167)

Department/Scheme	2014/15 Budget £000	2014/15 Outturn £000	Variance £000	(Under) / Overspend £000	Re-profiling £000
HEALTH, HOUSING AND ADULT SOCIAL CARE					
Housing					
Disabled Facilities Grant	1,766	1,607	(159)	0	(159)
Sub Regional Housing Grants	414	256	(158)	7	(165)
Housing Assistance Grants	357	70	(287)	0	(287)
Housing Gateway	21,000	15,667	(5,333)	0	(5,333)
Affordable Housing	294	271	(23)	2	(25)
Adult Social Care			0		
Residential and Social Care Provision - Elizabeth House	703	671	(32)	0	(32)
New Options	1,394	1,258	(136)	0	(136)
HEALTH, HOUSING AND ADULT SOCIAL CARE TOTAL EXPENDITURE	25,928	19,800	(6,128)	9	(6,137)
SCHOOLS & CHILDREN'S SERVICES					
Schools Access Initiative	172	0	(172)	(58)	(114)
Target Capital - Special Needs	413	424	11	(13)	24
Devolved Schools Capital	6,956	6,956	0	0	0
Children's Centres	393	116	(277)	24	(301)
Targeted Capital - School Meals Programme	845	747	(98)	1	(99)
Schools Condition Funding	1,266	1,179	(87)	0	(87)
City Learning Centres	7	8	1	1	0
Basic Need - Primary School Places	3,675	2,541	(1,134)	23	(1,157)
Primary Expansion Plan Phase 1	12,993	11,881	(1,112)	0	(1,112)
Primary Expansion Plan Phase 2 - Grange School	9,503	10,225	722	0	722
Primary Expansion Plan Phase 2	1,148	883	(265)	(29)	(236)
Primary Schools	17	17	0	0	0
Secondary Schools	249	116	(133)	(4)	(129)
Fire Precaution Works	514	439	(75)	2	(77)
Non School Schemes	600	503	(97)	1	(98)
SCHOOLS & CHILDREN'S SERVICES TOTAL EXPENDITURE	38,751	36,035	(2,716)	(52)	(2,664)
TOTAL GENERAL FUND PROGRAMME	119,191	89,313	(29,878)	(332)	(29,546)
HOUSING REVENUE ACCOUNT					
Decent Homes	3,056	2,611	(445)	273	(718)
General Work	26,991	22,700	(4,291)	433	(4,724)
Community Halls	24	24	0	0	0
Grants to vacate	1,000	930	(70)	(70)	0
Estate Renewals	11,338	14,267	2,929	4,367	(1,438)
HOUSING REVENUE ACCOUNT	42,409	40,532	(1,877)	5,003	(6,880)
TOTAL CAPITAL PROGRAMME	161,600	129,845	(31,755)	4,671	(36,426)

MUNICIPAL YEAR 2015/2016 REPORT NO. **26**

MEETING TITLE AND DATE:
Cabinet 22nd July 2015

REPORT OF:
Director of Finance, Resources
& Customer Services

Contact officer and telephone no:
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Agenda – Part: 1	Item: 8
Subject: ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2014/15	
Wards: All	
Cabinet Member consulted: Cllr. A. Stafford	

1. EXECUTIVE SUMMARY

1.1 This report reviews the activities of the Council's Treasury Management function over the financial year ended 31 March 2015.

1.2 The key points of the report are highlighted below:

		See section:
Debt Outstanding at year end to finance capital	<ul style="list-style-type: none"> £313m - an increase of £14.4m from 2013/14. 	6
Average interest on total debt outstanding	<ul style="list-style-type: none"> 4.36% - a reduction of 0.17% from 2013/14. 	7
Debt Re-scheduling	<ul style="list-style-type: none"> None undertaken. 	9
Interest earned on investments	<ul style="list-style-type: none"> £605k - an increase of £64k from 2013/14. 	11
Net Borrowing	<ul style="list-style-type: none"> Increased by £19.3m to £254.7m 	11

2. RECOMMENDATIONS

2.1 Cabinet is recommended to accept the Treasury Outturn report.

3. BACKGROUND

- 3.1 This report presents the Council's Annual Treasury Outturn Report for 2014/15 in accordance with the Council's treasury management practices. It is a regulatory requirement for this outturn report to be presented to Council by 30 September each year.
- 3.2 The statement requires the Director of Finance Resources & Customer Services to report on the preceding year's treasury management activities. In accordance with best practice, the Director's report includes information about borrowing levels and costs, as well as the impact of the cash flow management arrangements on the Council's financial position

The Council has fully adopted the recommendations in CIPFA's Code of Practice on Treasury Management in the Public Services. Specifically this includes:

- Creation of a Treasury Management Policy Statement.
- Development and maintenance of Treasury Management Practices setting out how the treasury objectives will be met.
- Production of reports to Council including annual strategy in advance of the start of the year, a mid-year review and an annual review following the year-end.
- Delegation to the Director of Finance Resources & Customer Services for the responsibility for implementation and monitoring the policies and practices, as well as the execution and administration of the treasury management decisions.

4. NATIONAL CONTEXT.

- 4.1 The market began the year with the expectation that interest rates would be unlikely to be raised until 2015. Despite strongly positive messages from Governor Carney suggesting rises sooner than the market expects, and that the point at which interest rates begin to normalise was getting closer. The dipping of CPI proved more of a driving force behind the markets, and the consensus at the year-end was for the expectation of the first rate rise to occur in Q3 2016. Longer term rates fell over the course of 2014, and had a small bounce back in Q1 2015.

5. THE HERITABLE BANK

- 5.1 Heritable Bank (a UK financial institution) went into administration on 7th October 2008 as a direct result of its Icelandic parent Landbanki bank failing. The Authority held a £5 million deposit. This investment was made on 9th January 2008 for 364 days.

- 5.2 The Council has been vigorously chasing recovery of our funds and lodged claims with the Heritable Bank administrator. Since this time the Authority has received regular distributions as set out below.

Table 1: Dividends received on Heritable Bank	Pence in the pound	£000s
Total received as at 31 st March 2015	94.21	4,891
Additional sum expected following the successful outcome of High Court case	5.79	301
Final sum including principal & full interest (sec 5.3)	100.00	5,192

- 5.3 Following the successful outcome of a High Court case against the parent company, the administrators have agreed to pay the full dividend. This means the Authority will have recovered all of its funds including interest from the Heritable bank. Members will be updated once the actual payment is received.

6 BORROWING IN 2014/15

- 6.1 The Council increased its overall borrowing by £14.4 million including £10.0m of loans raised to fund Housing Gateway Ltd (HGL) property acquisitions. The other loans were short term loans with an average interest rate of 0.45%. HGL will be repaying the loan and interest payments in semi-annual instalments over 35 years.

6.2

Table 2: Movement in year	Debt 1 April 2014	Debt Repaid	New Debt Raised	Debt 31 March 2015
	£000	£000	£000	£000
Temporary Borrowing (less than 12 months).	33,000	(58,000)	65,500	40,500
	33,000	(58,000)	65,500	40,500
Public Work Loan Board loans (PWLB)	232,084	(2,053)	-	230,031
Commercial Loan	30,000	-	-	30,000
Loans raised on behalf of HGL	-	-	10,000	10,000
Salix loan – renewal energy	3,541	(1,040)	-	2,501
	265,625	(3,093)	10,000	272,532
Total Debt Outstanding	298,625	(61,093)	75,500	313,032

- 6.3 The Council's Treasury Management strategy continues to follow the same direction as it set since the financial collapse in October 2008, whereby capital expenditure is funded wherever possible by using the Council's internal cash reserves. This has a beneficial impact on the interest charges because of the large differential between long-term fixed borrowing and the interest rate on short term investments, which has meant the 'cost of carry' would have been approximately 4%.

- 6.4 In January 2015 the Authority negotiated a £80 million loan facility with the European Investment Bank. The facility can be used for regeneration, housing and school projects. It is envisaged the loan will be used over the next three

years. The loan offers very competitive interest rates in comparison to the Public Work Bonds (PWLB).

7. INTEREST ON TOTAL DEBT OUTSTANDING

7.1 The average rate paid on total external debt in 2014/15 was 4.36% (4.53% in 2013/14).

7.2 Table 3 shows the interest paid (i.e. the cost of borrowing) by the Council during the year:

Table 3: Cost of Borrowing	2014/15	2013/14
		£000
Public Work Loan Board loans (PWLB)	11,099	11,132
Gloucester County Council	34	-
Commercial Loan	2,143	2,143
Salix Loan	-	-
Total Interest on Debt	13,276	13,275
Short Term Loans	201	136
Total interest paid	13,477	13,411
Interest Premiums		-
Total Cost of Debt	13,477	13,411
Cost Attributed to the Housing Revenue Account	7,327	5,737
Cost Attributed to General Fund	6,150	7,674
Total Cost of Debt	13,477	13,411

8. DEBT MATURITY STRUCTURE

8.1 The Council has 65 loans spread over 47 years with the average maturity being 38 years. This maturity profile allows the Council to spread the risk of high interest rates when debt matures in any one year.

8.2 Table 4 shows the maturity structure of Enfield's long-term debt and the average prevailing interest rates.

Table 4: Profile Maturing Debt	Debt Outstanding as at 31 March 2015	Debt Outstanding as at 31 March 2014
Years	£m	£m
Under 1 year	43.6	36.1
1- 5	47.6	11.7
5-10	8.7	37.7
10-15	0.0	0.0
15-25	20.1	20.1
25-30	10.0	10.0
30-40	123.2	103.2
40+	59.8	79.8
	313.0	298.6

9. DEBT RESTRUCTURING

- 9.1 Debt restructuring normally involves prematurely replacing existing debt (at a premium or discount) with new loans in order to secure net savings in interest payable or a smoother maturity profile. Restructuring can involve the conversion of fixed rate interest loans to variable rate loans and vice versa.
- 9.2 No debt restructuring was undertaken during the year. We will continue to actively seek opportunities to re-structure debt over 2015/16.

10. TREASURY MANAGEMENT PRUDENTIAL INDICATORS: 2014/15

- 10.1 Throughout 2014/15 total loan debt was kept within the limits approved by the Council at its meeting in March 2014 against an authorised limit of £570 million and an operating limit of £500 million. The authorised limit (as defined by the Prudential Code) was set at £570 million as a precaution against the failure, for whatever reason, to receive a source of income e.g. Council Tax. In the unlikely event of this happening, the Council would need to borrow on a temporary basis to cover the shortfall in cash receipts. In practice it is the operating limit by which the Council monitors its borrowing; any significant breach must be reported to Council.
- 10.2 The Council held no variable interest rate debt during 2014/15. The Council's Prudential Code however does allow for up to 25% of the debt to be held in variable interest rate debt.
- 10.3 The Prudential code allows up to 25% of its debt to mature in one year (£78 million). This limit was not breached; the actual position as at 31 March 15 was £46.1 (13.6%).

11. INVESTMENTS

- 11.1 The Council manages its investments arising from cash flow activities in-house and invests within the institutions listed in the Authority's approved lending list. It can invest for a range of periods approved in the Annual Treasury Strategy Report. The Council acts as the treasury manager for the 79 Enfield schools within the HSBC banking scheme and Enfield Homes. The Council produces a three year cash flow model (based on daily transactions) which projects the cash flow movements of the Council linked into the Council's medium term financial plan. This allows the Treasury Management team to make more informed decisions on borrowing and lending.
- 11.2 All investments entered into by the Authority during 2014/15 were fully compliant with the Annual Investment Strategy. The strategy makes clear that the investment priorities are given to security of principal then liquidity over yield. To this extent all investments have only been made with counterparties of high credit quality. Appendix 1 sets out the investments held as at 31 March 2015 - £58.4m (£63.4m 2013/14)
- 11.3 Total cash balances during 2014/15 varied considerably, predominantly as a result of the significant peaks and troughs arising from payment profiles of business rates collection, DWP payments and housing benefit payments.

11.4 Liquidity was managed through call accounts and money market funds. The authority used termed deposits for non-core cash,

Through careful cash management control (i.e. the ability to accurately predict the daily out/in flows of cash) the Treasury Management team have limited the Council's overdraft costs in the year to £36.

11.5 In 2014/15 the Council received £0.6 million in interest on money lent out to the money markets; an increase of £34k from 2013/14. This was as a result of investing deposits for longer periods (up to 364 days). The average cash balance held by the Council during the year was £102 million compared to £99 million in 2013/14. The longer duration of deposits has allowed the Authority gain higher interest rates on balances. This is set out in table 5 below:

Table 5: Interest Receipts	2014/15 £000	2013/14 £000
Total Interest Receipts	605	541
Interest paid to Enfield Homes	(2)	(5)
HRA balances	-	(26)
Section 106 Applications	(22)	(21)
Other Funds	(5)	(5)
Total Interest to General Fund	576	484

11.6 Table 6 shows the maturity structure of Enfield's investments and the prevailing interest rates. The Authority continues to adopt a very prudent approach and the 2014/15 strategy allowed investments up to 12 months with financial institutions that met our credit rating requirements.

11.7

Table 6: Duration of Investments	Investments as at 31 March 2015 £000's	No of Deals	Investments as at 31 March 2014 £000's	No of Deals
Months	£000's		£000's	
On demand	33,370	4	35,850	4
Within 1 Month	25,000	4	12,500	2
Within 3 Months	-	-	7,500	1
Within 6 Months	-	-	-	-
Within 9 Months	-	-	-	-
Within 12 Months	-	-	7,500	1
Investments held at 31st March	58,370	8	63,350	8

11.8 The Treasury Management team achieved an average interest rate of 0.6% (0.55% 13/14), out-performing the benchmark (Inter-Bank 7-day lending rate 0.35%). This was achieved by adopting an active treasury policy. The average interest rate fell due to banks reducing interest rates on our call accounts.

Net Borrowing

11.9 The Council's net borrowing decreased in 2014/15 as Table 7 demonstrates. This recognises that future capital expenditure will need to be financed from

external borrowing and will create pressure on the revenue budget, but this impact as been recognised in the Council's Medium term financial plan.

Table 7: Trend in Net Borrowing	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000
Total Borrowing	218,347	264,136	294,204	298,624	313,032
Total Investments	(30,000)	(43,600)	(40,200)	(63,350)	(58,370)
Net Borrowing	188,347	220,536	254,004	235,274	254,662
Annual change in net debt	42,150	32,189	33,468	(18,730)	19,388

The Capital Financing Requirement reflects the Council's underlying need to borrow to fund its capital programme (Table 8).

Table 8: Capital Financing Requirement (CFR)	31st March 2015	31st March 2014
	£m's	£m's
General Fund	322.8	264.9
Housing Revenue Account	157.7	157.7
Total	480.5	422.6

The Council is allowed to borrow up to its capital financing requirement which means it has £167m headroom to increase its borrowing

12. ALTERNATIVE OPTIONS CONSIDERED

12.1 None. This report is required to comply with the Council's Treasury Management Policy statement, agreed by Council in February 2014.

13. REASONS FOR RECOMMENDATIONS

13.1 To inform the Council of Treasury Management performance in the financial year 2014/15.

14. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES & CUSTOMER SERVICES

14.1 Financial Implications

Financial implications are set out in the body of the report.

14.2 Legal Implications

The Council has a statutory duty to ensure the proper administration of its financial affairs and a fiduciary duty to tax payers to use and account for public monies in accordance with proper practices.

The Statement has been prepared in accordance with the CIPFA Code of Practice.

14.3 Key Risks

Extending the maximum period of deposits will increase the level of risk of default. This fact must be considered against the backdrop that investments will still be restricted to countries outside the UK with a sovereign rating of AAA and that deposits will be made only with financial institutions with a high credit rating.

15. IMPACT ON COUNCIL PRIORITIES

15.1 Fairness for All

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

15.2 Growth and Sustainability

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

15.3 Strong Communities

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

16. PERFORMANCE MANAGEMENT IMPLICATIONS

16.1 The report provides clear evidence of sound financial management, efficient use of resources, promotion of income generation and adherence to Best Value and good performance management.

17 PUBLIC HEALTH IMPLICATION

17.1 There are no public health implications directly related to this report.

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 Financial reporting and planning is important in ensuring resources are

Background Papers:
None

APPENDIX 1: INVESTMENTS OUTSTANDING AT 31ST MARCH 2015

Call Accounts	Amount lent (£000)	Interest rate	Maturity Date
HSBC	11,370	0.40%	On demand
Handlesbanken	12,500	0.50%	On demand
Money Market Fund			
Ignis	3,500	0.47%	On demand
Goldman Sachs	6,000	0.41%	On demand
Deposits			
Nationwide building society	7,500	0.81%	9 th April 2015
Nationwide building society	5,000	0.81%	14 th April 2015
Lloyds bank	5,000	0.95%	21 st April 2015
Lloyds bank	7,500	0.95%	6 th May 2015
Total	<u>58,370</u>		

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MUNICIPAL YEAR 2015/2016 REPORT NO. **27****MEETING TITLE AND DATE:**Cabinet – 22nd July 2015**REPORT OF:**

Chief Executive

Contact officer and telephone number:

Alison Trew 020 8379 3186

E mail: alison.trew@enfield.gov.uk**Agenda – Part: 1****Item: 9****Subject: Quarterly Corporate Performance Report****Wards: All****Key Decision No: 4167****Cabinet Member consulted:****Cllr A. Georgiou****1. EXECUTIVE SUMMARY**

- 1.1 Cabinet has been receiving regular monitoring reports on the Corporate Performance Scorecard since September 2012.
- 1.2 In the current difficult financial environment, there is value in demonstrating that, in many areas, Council performance in delivering key priorities is being maintained and/or improved. It is also important that the Council understands and effectively addresses underperformance.
- 1.3 The attached report contains the latest available performance data at the end of May 2015, although the majority of indicators show performance at the end of Q4 2014/15.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes progress made towards delivering the identified key priority indicators for Enfield.

3. BACKGROUND

- 3.1 Cabinet has been receiving quarterly monitoring reports on the Corporate Performance Scorecard since September 2012. The reports demonstrate that in many areas, Council performance is being maintained or improved despite the challenging financial environment. The Council is also enabled to identify the targets that are not being met and whether there are further interventions that can be to ameliorate the situation, or, if it is out of the Council's control, how the Council can make a case to central Government and other public bodies.

- 3.2 The Corporate Performance Scorecard has been updated for 2014/15. Some new indicators have been added and targets have been revised to reflect Council priorities and local resources, demand etc. The indicators are grouped under the Council's three strategic aims, Fairness for All, Growth and Sustainability and Strong Communities. The scorecard also includes a number of financial health measures.
- 3.3 The attached quarterly performance schedule is also available on the Council's website.

4. PERFORMANCE

4.1 The attached report contains the latest available performance data at the end of May 2015, although the majority of indicators show performance at the end of Q4 2014/15. The tables also show performance against the London average where this is available. Where appropriate, explanatory comments are provided next to the performance information.

4.2 Financial Indicators

This section provides an overview of the Council's financial health. The first three indicators give the income and expenditure position, the next two provide an update on the Council's balance sheet and the final two indicators show the cash flow position.

4.3 Priority Indicators

The Priority Indicators scorecard groups performance indicators under the Council's three strategic aims, Fairness for All, Growth and Sustainability and Strong Communities.

Where a target has been set, performance is rated at green if it is on or exceeding the target; amber if there are concerns that the target may not be achieved by the end of the year; and red when the current levels of performance mean that the target is unlikely to be achieved. 3 of the indicators being reported do not have targets. Reasons for this include new indicators for which targets have yet to be established and indicators that have no national targets set (e.g. Domestic Violence).

80 performance indicators are being reported, of which 77 have targets. Of these, 52 (67.5%) are at green; 14(18.2%) are at amber; and 11(14.3%) are at red.

The notes cover a number of areas and may include explanation of how the indicators are calculated, commentary on progress towards achieving the targets, trends over time and national comparisons

5. ALTERNATIVE OPTIONS CONSIDERED

Not to report regularly on the Council's performance. This would make it difficult to assess progress made on achieving the Council's main priorities and to demonstrate the value for money being provided by Council services.

6. REASONS FOR RECOMMENDATIONS

To update Cabinet on the progress made against all key priority performance indicators for the Council.

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

7.1 Financial Implications

The cost of producing the quarterly reports will be met from existing resources.

7.2 Legal Implications

There is no statutory duty to report regularly to Cabinet on the Council's performance, however under the Local Government Act 1999 a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. Regular reports on the Council's performance assist in demonstrating best value.

7.3 Property Implications

None

8. KEY RISKS

Robust performance management helps identify areas of risk in service delivery and ensure that Council resources are used effectively and that the Council's good reputation is maintained.

9. IMPACT ON COUNCIL PRIORITIES

a. Fairness for All

The scorecard includes indicators that measure the Council's progress in reducing inequalities across the Borough.

b. Growth and Sustainability

The scorecard includes indicators that aim to support business growth, increase numbers of people in employment, protect and sustain Enfield's environment and support Enfield's voluntary and community sector.

c. Strong Communities

The scorecard includes indicators that assess how the Council's actions are contributing to strengthening communities, improving communications, reducing crime and improving health.

10. EQUALITIES IMPACT IMPLICATIONS

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment/analysis is not relevant or proportionate for the corporate performance report.

11. PERFORMANCE MANAGEMENT IMPLICATIONS

Robust performance management provides the Council with accurate data and ensures that service delivery is meeting local needs and priorities.

12. PUBLIC HEALTH IMPLICATIONS

The scorecard includes a number of health and wellbeing indicators that aim to address the key health inequalities in Enfield. From 2013/14, when the health reforms come into effect, further public health indicators will be added to the scorecard.

Background Papers

None

CMB Review - Financial Indicators 2014/15 Q4 (Protect)



Generated on: 07 July 2015

Area of Review	Key Highlights	Risk Rating - Mar'15
Income & Expenditure Position - Year end forecast variances	Balanced position including use of reserves for General Fund expenditure.	
Income & Expenditure Position - Budget Profiling	The budget profiling proved to be accurate throughout 2014/15	
Income & Expenditure Position - HRA	The HRA has achieved a £1.9m surplus in 2014/15	
Balance Sheet - Cash Investment	The profile of cash investments in 2014/15 was in accordance with the Council's approved strategy for prioritising security of funds over rate of return.	
Balance Sheet - General Fund balances year end projections	As set out in the Revenue Outturn report on this Cabinet agenda.	
Cash Flow - Cash balances and Cashflow Forecast	The Council's cash balances and cashflow forecast for 2014/15 ensured that sufficient funds were available to cover planned revenue and capital commitments.	
Cash Flow - Interest Receipts Forecasts	Interest receipts were on target for 2014/15	

(1) Fairness for All

(a) Housing and Homelessness

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Number of households living in temporary accommodation	2226	Mar'14	2820	2828	May 2015 result	The target in 2015/16 has been adjusted in line with Community Housing Services budgets which reflects extra funding for temporary accommodation due to the continuing high demand for homelessness services.
Private Sector Housing: Empty Homes Brought Back into Use	48	Mar'14	9	10	May 2015 result	
Overall satisfaction with repairs service provided by Council Homes	94%	Mar'14	92%	94%	March 2015 result	3,815 of those surveyed were satisfied with the repairs service from an overall total of 4,137 surveys returned (184 dissatisfied and 138 neither satisfied or dissatisfied). We have seen a dip in this indicator which is related to low satisfaction levels (88%) from one major contractor who no longer provides repair services to residents. New contracts have recently been agreed and it is expected that customer satisfaction levels will improve to that seen historically once these contracts have bedded in.
Contractor monitoring by Council Homes of responsive repairs completed YTD by agreed target date	99.48%	Mar'14	98.09%	98.85%	March 2015 result	
Rent collected by Council Homes as a proportion of rent due (excluding rent arrears)	100.78%	Mar'14	100.22%	100.00%	March 2015 result	
Rent arrears of current tenants managed by Council Homes	2.70%	Mar'14	2.61%	3.00%	March 2015 result	

(b) Adult Social Care

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Number of clients reviewed in the year (of clients receiving any long term service)	82.7%	Mar'14	82.6%	82.0%	March 2015 result	Target achieved
Percentage of Current Social Care Clients accessing Long Term Support (LTS) who receive Self Directed Support	New 14/15		99.80%	99.00%	March 2015 result	99.8% of clients were in receipt of a Personal Budget or Direct Payment. Please note that this is taken as a snapshot 31/03/2015.
Delayed transfers of care (patients) per 100,000 pop	6.64	Mar'14	5.01	5	April 2015 result	There were 12 patient delays during April, of which 8 were Health Delays and 4 were attributable to Social Care - all 4 were non-acute, all at Barnet, Enfield & Haringey Mental Health Trust (BEHMHT). This is a decrease on March (17 delays). Performance of 5.01 is only fractionally outside the target and is better than the average year to date performance - this figure represents the pro rata equivalent per 100,000 head of population.
Timeliness of social care assessment (all adults)	89.5%	Mar'14	97.0%	90.0%	March 2015 result	Target achieved
Carers receiving needs assessment or review and a specific carer's service, or advice and information	48.97%	Mar'14	40.25%	48.00%	March 2015 result	This percentage figure represents 2619 carers receiving a carers service or information and advice. This is below target for the year. End of year target = 48% The end of year focus was on the reviews which only included clients with long term services. This strategy would have impacted this measure. It should be noted, however, that although Enfield's performance has decreased in 2014/15, we are meeting our statutory requirements

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Number of adult learning disabled clients known to CASSRs in paid employment	151	Mar'14	153	152	March 2015 result	ANNUAL TARGET 2014/15 = 152 Full year outturn = 153 of people known to the council with an LD are in paid employment. 57 people with an LD receiving long term services are in paid employment. This is the new definition for ASCOF.
No of Adults receiving secondary mental health services in employment	4.1%	Mar'14	4.9%	5.3%	March 2015 result	ANNUAL TARGET 2014/15 = 5.3% This Indicator is a rolling average over 12 months 52 clients receiving Secondary Mental Health services were in paid employment at the end of February. This equates to 4.91%. This indicator includes all Secondary MH Service users aged 18-69 who are on Care programme approach (CPA) and were reviewed in the previous 12 months. Service Users must have an Enfield postcodes, but can be receiving services from other local Authorities.

(c) Safeguarding Children

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
The number of Looked after children who were adopted or where an Special Guardianship Order (SGO) was granted during the year as a percentage of the number of children Looked after who had been Looked after for 6 months or more	14.16%	Q4 13/14 result	11%	11%	Q4 2014/15 result	Since April 2014, there have been 18 Adoptions and 7 Special Guardianship Orders granted out of a cohort of 226. This is an incremental target: Q1 = 2.75%, Q2 = 5.5%, Q3 = 8.25% and Q4 = 11%.
Child Protection Plans lasting 2 years or more	2.8%	Mar'14	1.8%	5.0%	May 2015 result	5 children, out of a total of 273 children whose CP Plan ended within the last year, had been on a Plan for more than 2 years at the point the plan ended. Good performance is low (0-10%).
Percentage of children becoming the subject of Child Protection Plan for a second or subsequent time - in the past two years	3.6%	Mar'14	8.7%	8.0%	May 2015 result	This indicator counts children who had a previous child protection plan in the past two years. Of the 345 children who became subject to a Child Protection plan during the past 12 months, 65 (18.8%) had previously been on a Child Protection plan and 30 had been on a previous Child protection plan in the past two years. The increase in percentage from July to August 2014 was where 10 children started a CP Plan for a second or subsequent time within the past 2 years. This was made up of one group of 8 siblings and one group of 2 siblings. Of the 30 children forming the entire cohort, as at the end of May 2015, there were: 1 sibling group of 8 2 sibling group of 4 2 sibling groups of 3 3 sibling groups of 2 2 single children This means that the cohort of 30 children was only made up of 10 families in total, with the 3 largest families accounting for 53.3% of the cohort.
Percentage of child protection cases which were reviewed within required timescales	100%	Mar'14	100.0%	100.0%	May 2015 result	The percentage of child protection cases which were reviewed within the required timescale is 100%. There were 185 reviews in the denominator.
Care leavers aged 17-21 in suitable accommodation (Now Inc ages 17, 18, 20 & 21)	96%	Q4 2013/14 result	87.0%	90.0%	Q4 2014/15 result	This indicator used to be 19 year olds only, but was expanded last year to cover 20 and 21 year olds as well. 2015/16 this will be expanded further to cover 17 and 18 year olds. 121/138 care leavers were recorded as being in suitable accommodation.

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Care leavers in education, employment or training (17-21 years old eligible for leaving care service)	72%	Q4 2013/14 result	57.0%	70.0%	Q4 2014/15 result	<p>This indicator used to be 19 year olds only, but was expanded last year to cover 20 and 21 year olds as well. 2015/16 this will be expanded further to cover 17 and 18 year olds.</p> <p>77/135 care leavers are in Education Employment and Training. Performance has increased this quarter.</p> <p>Of the cohort 15 were NEET as pregnant or caring for children or unable to work due to illness or disability a further 7 were in custody, at the point of the information being gathered. This accounts for 16.3% of the base cohort.</p> <p>A NEET improvement Panel has now been set up to review individual cases and to agree targeted actions with clear timescales and additional strategies have been incorporated in an Action plan to target Young people who have refused to engage to support them to access EET.</p>

(d) Education

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
All Enfield Schools - Achievement of 5 or more A*- C grades at GCSE or equivalent including English and Maths - First Entry			59.7%	56.8%	2013/14 result	<p>There are two major reforms that have an impact on the 2013/14 GCSE and equivalent results. These should be taken in to consideration when looking at the latest results alongside previous years. These changes only apply to figures shown for 2013/14. The new methodology has not been applied to previous years.</p> <p>The changes relate to Reform of vocational qualifications Early entry Policy (In the past, school performance measures have been calculated using the best result that a pupil achieved in a subject, regardless of the number of times they may have been entered for it. In September 2013, to address the significant increase in early entries, the department announced that only the first result a pupil achieved would count in performance measures from 2013/14)</p> <p>2013/14 Enfield Average : 59.7% 2013/14 London Average: 61.5% 2013/14 England Average: 56.8% 2013/14 LBE Ranked 18/32 - London LA's.</p> <p>The Enfield figure was also affected by the low results of Enfield's academies. Maintained Enfield Schools Achieved: 66.3% - 5 or more A*- C (inc E&M) Best entry 63.8% - 5 or more A*- C (inc E&M) First Entry</p> <p>All Enfield Schools - Best Entry 61.4% - 5 or more A*- C (Inc E&M) -Target was 64%</p>
Achievement at level 4 or above in Reading, Writing and Maths at Key Stage 2 . all pupils- New 2012-13	76%	12/13	78.0%	76.0%	2013/14 result	Data taken from DFE performance tables. Enfield 78% England Ave: 78%
Percentage of Persistent Absence in State Funded Primary school. (15% Threshold - 38 or more sessions of absence)	3.4%	12/13	2.8%	3%	2013/14 result	<p>PA over 6 half terms 2013/14 is 2.8%. Enfield performance is better than target . The tackling of persistent absence has been recognised as a priority and a refocus of resources has involved recruitment of a new head of service. A challenging target has been met. London Ave is 2.0% England 1.9%</p> <p>Enfields Authorised Absence remains very good ranking 13/32 in London.</p>

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Percentage of Persistent Absence in State Funded secondary schools (15% Threshold 38 or more sessions of absence)	6.2%	2013/14	5.1%	5.5%	2013/14 result	Performance for 6 Half terms Autumn 2013, Spring 2014 and Summer 2014 = 5.1% England: 5.3% London: 4.3% Enfield 26/32 London LAs

(f) Sport and Culture

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Sports Development Sessions - Young People Attendances	42,636	13/14 result	72,407	76,520	Cumulative result for 2014/15 as of Q4 2014/15	This figure incorporates 5812 attendances from sports development sessions and 4830 from Enfield Festival sessions organised through the PE in Schools team.
Sports Development Sessions - Adult Attendances	29,778	13/14 result	45,178	30,075	Cumulative result for 2014/15 as of Q4 2014/15	
Leisure Centre - Young People attendances	827,960	13/14 result	823,764	784,391	Q4 2014/15 result	
Leisure Centres - Adult attendances	731,685	13/14 result	720,587	694,490	Q4 2014/15 result	
Number of all Library visits Actual and Electronic	3,113,536	2013/14	2,811,657	2,900,000	Q4 2014/15 result	Target figure was not adjusted to account for the closures of Palmers Green Library and Ordnance Unity Centre Library, which affects use of online facilities used in branch
Adults participating in sport and active recreation at local level	15.6%	2013/14 result	19.20%	21.00%	2014/15 result	This performance is taken from Sports England Survey of c500 local residents Figure shown is at Oct 14. It is lower than expected. Full year figure is usually better but these are not available until much later in the year.
Number of Arts activities for Children and Young people	8,322	13/14 result	8,629	8,550	Q4 2014/15 result	4th Quarter 2014/15 TOTAL 8629 Forty Hall 5,204 Salisbury House 75 Millfield Arts Centre - 3015 Dugdale Centre - 257 Festivals & Events - 78
Engagement in the Arts (People taking part in all arts at local level)	249,558	13/14 result	293,291	250,000	Q4 2014/15 result	4th Quarter 2014/15 TOTAL: 293,291 Forty Hall & Estate 126,402 (Online Visitors 75,873) Salisbury House 3,413 Millfield Theatre & House - 99406 Dugdale Centre - 35498 Festivals & Events - 28572
CYP Participation in Positive Activities (To measure and drive improved performance around the participation of young people in positive activities.)	101,942	13/14 result	106,362	105,000	Q4 2014/15 result	4th Quarter 2014/15 Total - 106,362 Forty Hall & Estate - 16,218 Salisbury House - 773 Millfield Theatre & House - 61,597 Dugdale Centre - 13,045 Festivals & Events - 14,729

(g) Income Collection, Debt Recovery and Benefit Processing

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Recovery of properties from illegal subletting (joint team with Enfield Homes)	69	13/14 result	89	75	Latest result for 2014/15 as of Q4 2014/15	
% of Council Tax collected (in year collection) Combined	94.86%	13/14 result	95.48%	96.20%	Q4 2014/15 result	This is an aspirational target. The Council has exceeded the in year collection rate assumed in the council tax base and budget setting of 95% and improved performance on last year of 94.86%
% Council Tax (Local Support Scheme) Collected	80.12%	13/14 result	81.24%	80.16%	Q4 2014/15 result	
% Council Tax (non benefit) Collected	97.07%	2013/14 result	98%	98%	Q4 2014/15 result	
% of Business Rates collected (in year collection)	98.77%	13/14 result	98.77%	96.90%	Latest result for Q4 2014/15 as of March 2015	
% of Housing Benefit Overpayments recovered.	84.79%	13/14 result	57.35%	80.00%	Latest result for Q4 2014/15 as of March 2015	Result of Government 'Real Time Information' data matching project that has raised £3m+ overpayments. Money recovered has increased from £4.8m in 2013/14 to £5.3m in 2014/15
Processing Times for New claims - Housing Benefit/Council Tax Support (average number of calendar days)	22.71	13/14 result	22.18	23	Latest result for Q4 2014/15 as of March 2015	
Processing Times for Benefit Change in Circumstances (average number of calendar days)	6.35	13/14 result	5.31	7	Latest result for Q4 2014/15 as of March 2015	

(2) Growth & Sustainability

(a) Employment & Worklessness

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Employment rate in Enfield - working age Population (JobCentrePlus indicator monitored by Enfield - Source: Office for National Statistics)	67.7%	Q4 13/14	69%		Q4 2014/15 result	139,900 in employment from a working age population of 207,300 (69%) The commensurate Job Seekers' Allowance benefit, paid to active out of work job seekers, has continued to decrease steadily and is now the lowest since 2008 at 5,124. (All figures from most recent ONS available)
Percentage of 16 to 19 year olds who are not in education, employment or training (NEET)	4.43%	Mar'14	3.50%	4.00%	May 2015 result	

(b) Planning

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Percentage of all valid planning applications that are registered within 5 working days of receipt	81%	13/14 result	77.0%	80.0%	Cumulative result for 2014/15 as of March 2015	Introduction of Idox during Q2 impacted on performance and although system issues remain, benefits of the system are being realised with performance exceeding target for last 5 months (3 of which exceeded 90%)
2 year rolling performance of major applications determined in 13 weeks		new 14/15	66.56%	50.00%	Cumulative result for 2014/15 as of Q4 2014/15	
Processing of planning applications: Major applications processed within 13 weeks	71.7%	13/14 result	75.00%	60.00%	Cumulative result for 2014/15 as of March 2015	Q3 Fall in performance due to 3 strategic applications on Meridian Water having to be determined and Applicant unwilling to enter PPA. Year to date figure remains at 68% and focus on ensuring determining remaining majors remains Figures adjusted for APR-DEC to exclude those applications covered by Planning performance Agreements.
Processing of planning applications: Minor applications processed within 8 weeks	71.63%	13/14 result	70.40%	70.00%	Cumulative result for 2014/15 as of March 2015	Reduction in performance due to increased developer activity and an increase in applications / enquiries. Restructure of Decisions Team with additional posts being implemented
Processing of planning applications: Other applications processed within 8 weeks	88.39%	13/14 result	82.80%	80.00%	Cumulative result for 2014/15 as of Q4 2014/15	Reduction in performance due to increased developer activity and an increase in applications / enquiries. Restructure of Decisions Team with additional posts being implemented

(c) Waste, Recycling & Cleanliness						
Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Residual household waste per household	459.22kg	Q3 13/14	469.67kg/hhd	435.00kg/hhd	Q3 2014/15 result	<p>Kerbside residual waste has increased by 1% with kerbside recycling decreasing by 3% and kerbside organic decreasing by 13% which would be the main contributor to the reduced recycling performance for the quarter. Significant increases in chargeable household waste (10%).</p> <p>Barrowell Green HWRC shows decrease of 2% on both recycling and residual tonnages reflecting the improved commercial waste controls that began half way through the period with the new contract.</p> <p>Flytipping tonnage shows a reduction of 8% from the previous year's position.</p> <p>Longer term trends suggest that increases in total household arisings may be levelling off.</p>
Percentage of household waste sent for reuse, recycling and composting	40.4%	Q3 13/14	39.84%	42.00%	Cumulative result for 2014/15 as of Q3 2014/15	<p>The London average for HH waste sent for Recycling, Composting or reuse is 7982.92. Enfield collected 13215.22 this quarter which means top quartile and 5th in London. Bromley who have the highest recycling rate collected 15624.00 Key drivers for the performance of this indicator are organic waste and comingled recycling kerbside systems both of which have seen a levelling off of tonnage since completion of service roll outs. Peripheral service provision such as estates recycling and flats above shops are proving challenging. Communications approach with NLWA is being reviewed to drive better performance in this area. Consultation is underway to identify service options that could increase recycling tonnages.</p>
Percentage of inspected land that has an unacceptable level of litter	2.28%	13/14 result	3.89%	4.00%	Cumulative result for 2014/15 as of March 2015	

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Percentage of inspected land that has an unacceptable level of detritus	5.26%	1013/14 result	5.07%	6.00%	Cumulative result for 2014/15 as of March 2015	
Percentage of inspected land that has an unacceptable level of graffiti	0.33%	2013/14 result	0.33%	2.00%	Cumulative result for 2014/15 as of March 2015	
Percentage of inspected land that has an unacceptable level of fly-posting	0.11%	2013/14 result	0.89%	1.00%	Cumulative result for 2014/15 as of March 2015	

(3) Strong Communities

(a) Crime Rates

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Burglary	3,446	Mar'14	2,953	3,010	March 2015 result	<p>The overall burglary figure includes burglary of domestic households (69% of total), commercial premises and businesses (20%) and domestic buildings such as sheds and garages (11%). Currently household burglary in Enfield is at its lowest level in several years. We should expect to achieve a reduction on last year's figure, but we are slightly below the stretch target for 2016 as set by the Mayor's Office for Policing and Crime.</p> <p>The partnership continues to implement alley gate schemes to reduce opportunities for rear entry burglary offending across the borough and other intensive initiatives are ongoing for seasonal increases over the winter months.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have reduced -14.7% compared to -13.2% across London.</p> <p>For more information on burglary in Enfield and tips to keep safe please see the following link: http://www.enfield.gov.uk/Info/100002/community_safety_and_emergency_planning</p>
Criminal Damage	2,040	Mar'14	2,026	2,208	March 2015 result	<p>Criminal Damage has reduced by more than-17% since 2011/12 and we are currently exceeding the stretch target which was set by the Mayor's Office for Policing and Crime.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have increased by +5.0% compared to approx. +7.9% across London.</p>
Robbery	917	Mar'14	832	954	March 2015 result	<p>Robbery has reduced by more than -26% since 2011/12 and we are currently exceeding the stretch target which was set by the Mayor's Office for Policing and Crime. Rates of offending per 1,000 residents are now notably below the London average, and the proportion of offences involving young people are at their lowest levels in several years.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have reduced -10.5% compared to -21.7% across London.</p> <p>For more information on robbery in Enfield and tips to keep safe please see the following link: http://www.enfield.gov.uk/Info/100002/community_safety_and_emergency_planning</p>

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update
Theft from Motor Vehicle	3,222	Mar'14	1,966	2,560	March 2015 result
Theft/Taking of Motor Vehicle	883	Mar'14	717	920	March 2015 result
Theft from the Person	599	Mar'14	449	403	March 2015 result
Violence with Injury	1,861	Mar'14	2,399	1,423	March 2015 result
Total Offences (MOPAC 7)	12,968	Mar'14	11,342	11,477	March 2015 result
Number of Domestic Crimes	1,887	Mar'14	2,532		March 2015 result

Notes
<p>Thefts from motor vehicle offences in Enfield increased between 2011 and 2014, but are now experiencing a reduction in volume.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have decreased -39.2% compared to -20.0% across London.</p> <p>For more information on vehicle crime in Enfield and tips to keep safe please see the following link: http://www.enfield.gov.uk/info/100002/community_safety_and_emergency_planning</p>
<p>Thefts of motor vehicles in Enfield have declined by over -33% since 2011/12 and we are currently exceeding the stretch target which was set by the Mayor's Office for Policing and Crime.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have decreased -16.5% compared to +5.7% across London</p>
<p>Theft from the person offences are composed largely of pick-pocket type offences and snatch thefts (predominantly where mobile phones are snatched from victims in the street). Just fewer than 60% of all Theft from Person offences involve mobile phones being taken from victims.</p> <p>London wide there has been a -24.4% decrease in this crime type since 2011/12, whilst Enfield has noted a decrease of only -5.7% in the same period.</p> <p>We are significantly off meeting the stretch target of -20%, as set by the Mayor's Office for Policing and Crime, for 2016.</p>
<p>Reported numbers of Violence with Injury have increased across both Enfield and London, this includes violent offences which may be associated with street gangs in addition to violence which takes place in the home. Enfield has experienced an increase of +24.2% in the past 12-months, compared to +18.4% for London.</p> <p>Nationally it is estimated that as much as 50% of all violence goes unreported to the police, particularly that which is domestic or familial, or that which occurs as part of the night time economy.</p> <p>A considerable amount of violence that is not reported to police is dealt with by the London Ambulance Service and Accident & Emergency Departments. Locally we have worked to obtain this data in order to improve our knowledge on geographic locations of violence so that resources can be better coordinated.</p>
<p>The Mayor's Office for Policing and Crime announced in 2011/12 that the Metropolitan Police would be measured against 7 neighbourhood crime targets, referred to as the MOPAC 7. An ambitious stretch target of -20% over the next four years was set for Burglary, Criminal Damage, Robbery, Theft from Motor Vehicles, Theft of Motor Vehicles, Theft from the Person and Violence with Injury.</p> <p>Enfield has noted a reduction in the 'MOPAC 7' to date and is on course to meet the stretch target as set by the Mayor's Office for Policing and Crime. The largest single contributors to this target are Burglary and Thefts from Motor Vehicles, which combined account for almost 60% of the MOPAC 7 crimes.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have decreased by -12.1% compared to -6.7% across London.</p>
<p>There is no local target regarding the number of crimes of domestic violence. Domestic Violence is significantly under-reported nationally therefore we actively encourage victims to report offences to the police. Current data shows a 30% increase in reported offences.</p>

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Number of Domestic Violence cases referred to MARAC	551	Q4 2013/14 result	699		Q4 2014/15 result	<p>The Multi-Agency Risk Assessment Conference (MARAC) is a regular local meeting whereby information about high risk domestic violence victims is shared between local agencies. A co-ordinated plan is drawn up to support the victim.</p> <p>There is no specific target set with regards to the number of referrals.</p>

(b) Health & Well Being

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
NDTMS Partnership Successful Completion Rate (%) for all Drug users in treatment (aged 18+), excluding alcohol-only users:	31%	Mar 14	18.1%	20%	March 2015 result	<p>The National Drug Treatment Monitoring Service (NDTMS) ratified rate for Successful Treatment Completions for the 12-month rolling period from April 2014 to March 2015 has fallen below the target of 20% for the first time to 18.1%, which is also below the London Average (19.64%), but above the National Average (15.8%).</p> <p>This rate has witnessed a slight downward trend in performance, due to Barnet, Enfield & Haringey Mental Health (BEHMH) NHS Trust not keeping its data up to date, which was not addressed until March 2014. This caused a spike in the 12-month rolling performance, which will be corrected only from May 2015 onwards. The Drug & Alcohol Action Team (DAAT) has set a target of 21.4% for the 2015/16 year and is requiring an increase in the numbers of patients in treatment to 1014.</p>
Obesity in primary school age children in Reception	12.6%	2012/13 result	12.2%	12.0%	2013/14 result	<p>The aim of the Healthy Weight strategy is to reduce Obesity in reception age to below 12% by 2015 and 11 % by 2021. The fall from 12.6% in 2012/13 is a welcome but small reduction. Selection bias cannot be ruled out, i.e. that more obese children are more likely to opt out of the survey.</p>
Obesity in primary school age children in Year 6	24.1%	2012/13 result	24.80%	21.40%	2013/14 result	<p>The Aim of the Healthy Weight strategy is to reduce the Year 6 rate to below 21.4% by 2015 and below 20% by 2021. It is disappointing that prevalence has risen from 24.1% last year. 40% of Year 6 pupils with an Enfield residence postcode were recorded as either overweight or obese. This compares to 64.2% in the adult (018+) population and indicates a significant impact upon current and future risk of long term conditions.</p>
4 week smoking quitters	1362	Q3 2013/14 result	1,130	1,275	Q3 2014/15 result	<p>This indicator presents the number of people who successfully quit smoking amongst those who set a 4 weeks target date in the quarter. As such, the data is submitted 6 weeks after the end of the quarter. Due to the method of collection, the year-end figure is a more accurate representation of the total number, as in some cases 'quitters' are confirmed after the quarterly deadline and this would cause a discrepancy in numbers.</p>
NHS Health Checks-offered (cumulative)	21.5%	Q4 2013/14 result	22.7%	20%	Q4 2014/15 result	<p>This figure is calculated against a denominator of 81,750. This is an estimate number provided by the DoH for people eligible for health checks. As of Q3, 18,591 health checks are reported to have been offered which equates to 22.7% of the eligible population.</p>
NHS Health Checks-received as % of Population	7.58%	Q4 2013/14 result	9.89%	8.81%	Q4 2014/15 result	<p>This figure is calculated against a denominator of 81750. This is an estimate number provided by the DoH of people on disease registers. At the end of Q4 there was a cumulative total of 8083 Screenings, equating to 7.8% of the eligible population. The end of year cumulative target is 8.81%</p>

(c) Enfield Council Website

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Page Views - Number of Public Web Page Views on Enfield Council website	9.3m	13/14 result	12,051,282	10,608,000	Cumulative result for 2014/15 as of March 2015	<p>Example of month of March - Web traffic from: Search engines = 58% Direct links = 16% Other websites = 25% Social Media = 0.90%</p>

(d) Council Corporate Indicators

Indicator	Previous Year Data	Time Period	Current Value	Current Target	Last Update	Notes
Average Sick Days - Council Staff (rolling 4 quarters)	8.45	13/14 result	7.84	8.00	Q4 2014/15 result	Data represents sickness absence for the period from 01.04.2014 to 31.03.2015. Council Employees: 26,003 days lost/ 3,318 average FTE = 7.84 average days
Stage 1 COUNCIL Complaint Scheme ALL Dept's. - % replied to within 10 working days		New 14/15	80.53%	92%	Q4 2014/15 result	Q4 Breakdown across Dept's: CEX - 100% (1 rec'd) FRCS - 88.89% (45 rec'd) HHASC - 74% (50 rec'd) R&E - 75% (16 rec'd) SCS - 100% (1 rec'd) YTD Breakdown: CEX 100% (3 rec'd) FRCS - 71.37% (227 rec'd) HHASC - 57.81(192 rec'd) R&E - 83.61% (61 rec'd) SCS- 100% (2 rec'd) Total 67.84% (rec'd 485, 156 closed out side timescale)
Stage 1 Children's Social Care STATUTORY Complaints Scheme - % replied to within agreed target		New 14/15	78.57%	92%	Q4 2014/15 result	YTD performance: 83.87% (31 rec'd , 5 closed outside 10 day target)
Stage 1 Adult Social Care STATUTORY Complaints Scheme - % replied to within agreed target (individually negotiated)		New 14/15	87.5%	92%	Q4 2014/15 result	YTD Performance: 90.39% (rec's 52, 5 closed outside agreed timescale)
Council's Property Disposals programme	£5.5m	2013/14 result	£4,708,800	£4,000,000	Cumulative result for 2014/15 as of Q4 2014/15	
Internal Audit Programme - % of reviews completed	97%	Q4 13/14	98.6%	97%	Q4 2014/15 result	
I.T. incidents resolved within SLA High Priority (severity 1) resolved within 2 hours	98.5%	Q4 13/14	98.78%	95%	Q4 2014/15 result	
I.T. incidents resolved within SLA (severity 2) High 7 hrs fix	100%	Q4 13/14	98.72%	95%	Q4 2014/15 result	
FOI Requests ALL DEPARTMENTS - Enquiries closed inside statutory target of 20 days	86.15%	13/14 result	96.24%	95%	Q4 2014/15 result	Council Q4 CEX 96.67% (30 rec'd) FRCS 98.18% (110 rec'd) HHASC 89.66% (58 rec'd) R&E 96.52% (115 rec'd) SCS 98.317% (59 rec'd) Total 96.24% (372 rec'd, 14 outside 20 day statutory time scale) 14/15 YTD CEX 94.55% (110 rec'd) FRCS 93.32% (389 rec'd) HHASC 65.37% (231 rec'd) R&E 94.39% (713 rec'd) SCS 94.42% (251 rec'd) Total 90.2% (1694 rec'd, 166 closed, outside 20 day statutory time scale) Comparison with previous years: 13/14 = 86.15% (1141 rec'd) 12/13 = 75.29% (874 rec'd)

Indicator
% of invoices paid within 30 days for all Departments

Previous Year Data	Time Period
97.24%	2013/14

Current Value	Current Target	Last Update
98.87%	98%	Cumulative result for 2015/16 as of May 2015

Notes

MUNICIPAL YEAR 2015/2016 REPORT NO. **28****MEETING TITLE AND DATE:**Cabinet: 22nd July 2015**JOINT REPORT OF:**

Ian Davis, Director of Regeneration and Environment and James Rolfe, Director of Finance, Resources & Customer Services

Contact officer and telephone number:

Bruce McRobie (x4321)

Email: bruce.mcrobie@enfield.gov.uk

Agenda - Part: 1	Item: 10
Subject: Contracting with Lee Valley Heat Network for the provision of heat on Enfield's Housing Estates	
Ward: All	
Key Decision: KD 3988	
Cabinet Members consulted: Councillors Oykenner and Stafford	

1. EXECUTIVE SUMMARY

- 1.1 The Housing Development and Renewal team have included a requirement for a heat network facility on all the major developments that they have procured.
- 1.2 These facilities will be fitted out with mechanical plant and associated equipment appropriately sized to provide heat to all the new homes and other properties on the new developments.
- 1.3 On completion of the new developments, the Council has the option of requiring transfer of ownership of the heat network facility including the mechanical plant and associated equipment either to the Council or to its nominee.
- 1.4 It is the intention to include similar requirements for the provision of a heat network facility fitted out with mechanical plant and associated equipment in the procurement of development partners on all future estate regeneration projects where they are large enough to justify the requirement.
- 1.5 The purpose of this report is to seek authority to enter into a series of legal agreements with Lee Valley Heat Network (LVHN) to give them responsibility for the operation and maintenance of the heat network facility, and to regulate arrangements between the Council and LVHN for existing and new heat network facilities that could be handed over to LVHN to adopt, operate and maintain in the future.

2. RECOMMENDATIONS

That Cabinet:

- 2.1 Notes the progress at paragraphs 3.15 and 3.16 that has been made to agree commercial arrangements between the Council and LVHN for both the operation and maintenance of known energy centre opportunities that will be developed as part of the estate regeneration programme and to regulate arrangements for future heat network facilities that may come forward from both the existing estates and from future regeneration projects.
- 2.2 Delegates authority to the Director of Regeneration and Environment, acting in consultation with the Director of Finance Resources and Customer Services, to agree the terms of and enter into the agreements that need to be put in place to regulate the commercial arrangements between the Council and LVHN. These include a Portfolio Agreement, Site Energy Agreements, and various other relevant template agreements.

3. BACKGROUND

Ladderswood Estate

- 3.1 On 27th April 2011 (Key Decision 3220) Cabinet authorised the selection of the New Ladderswood LLP, a consortium made up of the commercial subsidiary of One Housing and the contractor Mulalley, as the preferred development partner for the redevelopment of the Ladderswood estate, including the adjoining New Southgate Industrial Estate.
- 3.2 On 22nd December 2011, the Council entered into a Development Agreement with the New Ladderswood LLP.
- 3.3 The tender for the procurement of the development partner included a requirement for the provision of an energy centre and plant that is both capable of providing heat to all the homes, and other commercial spaces on the new development; but also to provide space to enable the installation of additional mechanical plant to allow for expansion of the heating system to supply heat to a number of adjoining developments.
- 3.4 The requirement for the energy centre was incorporated in the Development Agreement entered into on 22nd December 2011. Following completion of the Development Agreement the New Ladderswood LLP submitted a planning application and was granted planning consent on 14th February 2014 for a development scheme that includes an energy centre in Phase 1 of the development.

- 3.5 In addition to the new energy centre, Phase 1 of the Ladderswood development also includes the delivery of 40 new homes. These are due to be completed and to be occupied in September 2015.

Alma Estate

- 3.6 On 18th September 2013 (Key Decision 3769), Cabinet authorised the selection of Countryside Properties Ltd, as the preferred development partner for the redevelopment of the Alma estate.
- 3.7 The Council exchanged the Development Agreement with Countryside Properties on 13th November 2014.
- 3.8 As with the development at Ladderswood the tender requirements for the development at the Alma estate also included for the provision of an energy centre that was capable of providing heat to all the new homes and other properties to be constructed on the new development.
- 3.9 The requirement for the energy centre was incorporated in the Development Agreement entered into on 13th November 2014. Countryside Properties have submitted an outline planning application for the whole development and a detailed planning application for phase 1 of the development.

New Avenue Estate

- 3.10 On 22nd October 2014 (Key Decision 3793), Cabinet authorised the selection of Countryside Properties Ltd, as the preferred development partner for the redevelopment of the New Avenue estate.
- 3.11 The Council is presently in negotiations for the Development Agreement with Countryside Properties.
- 3.12 As for the developments at Ladderswood and the Alma estate, the tender requirements for the development at the New Avenue estate also included for the provision of an energy centre that is capable of providing heat to all the new homes and other properties to be constructed on the new development.
- 3.13 It is the Council's intention to enter into Site Energy Agreements (see 3.16 below) for Ladderswood, Alma and New Avenue.

Further estate regeneration projects

- 3.14 It is the Council's intention to include a requirement for a heat network facility with mechanical plant and associated equipment as part of the procurement process for all future estate regeneration projects where the size of the development can justify the requirement for a centralised energy centre.

- 3.15 It is the Council's intention to enter into an umbrella 'Portfolio Agreement' with LVHN. This will be a framework agreement setting out the basis of collaboration between the parties with respect to the promotion of heat networks on Council-led developments. It will set out the basis for the transfer of those networks to, and for the operation and maintenance of those networks by, LVHN. It will contain a number of agreed-form, contract templates for use on developments to achieve this. Under the Portfolio Agreement, the parties will agree that:
- the Council will provide LVHN with periodic updates on forthcoming opportunities within the borough for the provision of heat networks;
 - LVHN will provide the Council with a specification for the design of on-site heat networks, which will be adopted by the Council for use generally to raise standards on appropriate developments;
 - where the development meets relevant criteria on the technical and commercial viability of a district heating network, LVHN will provide an offer for the adoption of the relevant on-site heat network, and subject to approval by both parties, the parties will enter into a Site Energy Agreement (see 3.16 below);
 - this will require that the specification developed by LVHN together with a template asset adoption agreement, heat network connection agreement and template customer heat supply agreements will be adopted by the Council, for use with its development partners, and incorporated into each development agreement (or equivalent arrangement).
- 3.16 The negotiation and drafting of this Portfolio Agreement, and the template agreements, is well advanced, and it is expected that both the Council and LVHN will be in a position to exchange contracts by the end of August 2015. In relation to development schemes where a heat network is considered appropriate, it is the Council's intention (subject to further delegated approval in each case) to enter into a 'Site Energy Agreement' for each scheme. This will contain the site-specific details for the provision of services by LVHN and, where applicable, specify LVHN's requirements for adoption of the relevant on-site heat network. The Portfolio Agreement requires that the form of the Site Energy Agreement is developed, for the first development, from a term sheet included in the Portfolio Agreement. The developed form should then be re-used on subsequent developments amended to reflect site-specific differences. Each Site Energy Agreement will address site-specific property issues and will specify the relevant adoption fee (which shall represent a fair market value), connection fee (where applicable) and heat charges. Thereafter, LVHN will enter into heat supply agreement with customers in the form of the pre-agreed templates.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 That the Council manage the operation of each energy centre as they come forward. This has been discounted as the expertise for managing heat network facilities doesn't presently exist within Council; and it would not be economic to undertake this on an ad-hoc basis.
- 4.2 That the Council procure an external operator for each energy centre as they are completed. This has been discounted as, individually, each energy centre is not large enough to obtain the economies of scale that are considered necessary to be able to offer competitive heat prices to the consumers and certainly not on any basis that involves consistency between regeneration projects.

5. REASONS FOR RECOMMENDATIONS

- 5.1 LVHN Ltd (LVHN) (with its wholly owned subsidiary operating company) is a Council-owned company that is being set-up to specialise in the operation and maintenance of a heat network facility with the aim of providing consumers with a competitive retail heat price, achieved through economies of scale, access to competitive wholesale heat costs from the NLWA energy from waste plant and access to competitively priced funding. This will help achieve a key Council objective of reducing fuel poverty as well as reducing carbon.
- 5.2 Entering into a contract with LVHN for all heat network facilities that we know will come forward as part of the estate regeneration programme and for heat network facilities that will come forward in the future will help both the Council and LVHN achieve economies of scale that would not be achieved by contracting for each energy centre separately.

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

6.1 Financial Implications

- 6.1.1 As described in paragraphs 3.15 and 3.16, the Portfolio Agreement and proposed form of the Site Energy Agreements are in draft stage at present. The financial implications associated with these documents will be set out in full in the Delegated Authority Report when the agreements are ready for approval. These implications will consider the effects on the LVHN Company, the Council, the Housing Revenue Account 30-Year Business Plan and customers who will be connected to the new heat network. However, the overarching intention is that all parties will benefit from the proposed arrangements and economies of scale.

- 6.1.2 Similarly, prior to the signing of each individual Site Energy Agreement, financial viability will be carefully considered to ensure that the arrangements to be entered into are suitable and beneficial to all parties.

6.2 Legal Implications

- 6.2.1 As previously reported to Cabinet, the Council has power under section 1(1) of the Localism Act 2011 to do anything which individuals generally may do provided it is not prohibited by legislation and subject to public law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power to undertake the LVHN scheme in the manner envisaged by the recommendations in this Report. In addition, section 111 of the Local Government Act 1972 gives a local authority power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions (such functions including its housing and related economic development functions). In addition to the Localism Act 2011, the Council has power under section 95 of the Local Government Act 2003 to trade in function related activities through a company. Section 1 of the Local Government Act 2003 permits the Council to borrow and to comply with the Prudential Code for Finance in Local Authorities. The recommendations detailed in this report are in accordance with these powers.
- 6.2.2 LVHN is wholly owned by the Council, as an arm's length local authority controlled company, set up in accordance with the Companies Act 2006, and limited by shares. The company structure will include an operating company subsidiary. The overall structure reflects similar local authority trading companies. It will include the setting of parameters around operating discretions.
- 6.2.3 It is intended that LVHN Ltd (and its subsidiary) will operate as a commercial entity, charging customers a fair price for the retail supply of heat and, at the same time, making a return on investment. It will adopt, maintain and operate various heat network assets and provide heating & hot water to homes, businesses and public bodies. Pricing policy for domestic customers, in particular, will be subject to much closer Council scrutiny.
- 6.2.4 The commercial arrangements being made between the Council and LVHN are under negotiation. These arrangements will enable the Council to pass to LVHN responsibility for building (where appropriate), operating and maintaining heat networks on the Council's regeneration projects and/or, for market value, to take over heat network assets built by the Council's chosen development partners. They will ensure that customers are given access to appropriate remedies in case of LVHN performance failings and that the Council has the ability to step in or replace LVHN in case of insolvency. Ultimately, all legal agreements will be in a form approved by the Assistant Director of Legal Services.

- 6.2.5 In the event of delay in settling the commercial arrangements between the Council and LVHN (or a failure to establish LVHN at all), the Council would not be in breach of any obligation owed to the developers appointed to deliver the regeneration schemes referred to in paragraph 3 of this Report. In this event, the Council would defer or never exercise its options to adopt the heat network assets, and the relevant Developers would retain responsibility. This would, however, make subsequent adoption (or the introduction of alternative operating arrangements) problematic.
- 6.2.6 Overall, it should be possible to deliver the Council's objectives through LVHN, including the delivery of heat at a competitive retail price. Whilst procurement challenges in relation to the various contracts which will enable LVHN to operate can never be ruled out, legal advice has been taken and an appropriate procurement strategy is being followed to minimise the risk of any successful challenge.
- 6.2.7 As the sole shareholder in LVHN, and with restrictions on new share issues incorporated into LVHN's constitution, the Council would need to approve any proposal to sell shares to any new owner/co-owner. Appropriate contractual protections will need to be drafted at the time but it will be quite possible to do so.
- 6.2.8 If LVHN fails to deliver the heat networks on Council-led development, there is a risk for the Council in that it would be the supplier of last resort. However, should serious problems arise with LVHN or the way LVHN operates these assets, then the Council will have available to it a number of means of addressing these problems. As a company wholly owned by the Council, the Council will have the ability as sole shareholder and through Board membership, to influence or even force change. As the source of LVHN's debt funding, the Council will be able to exercise lender security rights over the assets of LVHN. And, through the vehicle of the Portfolio Agreement, the Council can provide for mandatory replacement of the operator of the district heating assets.

6.3 Property Implications

- 6.3.1 The Council's Property Procedure Rules (the Rules) apply to all real property (property assets), whether freehold, leasehold or other property interests in which the Council has or proposes to have a legal interest and;
- Set out mandatory procedures regarding the acquisition, management and disposal of property assets
 - Must be followed when transacting with another party using property in which the Council has an interest

- Commit the Council to a rigorous and business-like approach to the management of its property assets
- Ensure no property asset (or part) is occupied without appropriate legal documentation authorising the occupation

These Rules govern wholly property transactions and must be strictly followed.

Any other property interest, but not limited to wayleaves and rights of way set out in these rules, will require the approval of Strategic Property Services.

- 6.3.2 The proposed commercial arrangements and legal agreement between the LVHN (wholly owned by the Council and an arm's length local authority controlled company) and the Council could involve the transfer of heat network assets from the Councils property portfolio and may fall under this approval requirement.
- 6.3.3 In the event that the Council, as sole shareholder, considers selling shares to any new owner/co-owner there will be a requirement to obtain the advice of Strategic Property Services prior to any sale or issue of shares. Any change in part or full ownership of LVHN must have appropriate legal documentation taking into account any property implications.
- 6.3.4 If any heat network assets are to be transferred first to the Council it is imperative that any Corporate Landlord Responsibilities are addressed as far as is practical.
- 6.3.5 The transfer of heat network assets will be specifically recorded and documented within the legal agreement together with the provision to include additional heat network assets at a later stage if required.

7. KEY RISKS

- 7.1 The LVHN has developed a Risk and Mitigation Plan to cover the proposed heat network proposals and covers HRA projects. The plan was agreed at June 2015 Cabinet meeting

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

- 8.1.1 The estate regeneration programme contributes to this aim by tackling inequality and access to social housing by providing new homes.

8.2 Growth and Sustainability

- 8.2.1 The estate regeneration programme contributes to this priority by building strong and sustainable futures for our residents.

8.3 Strong Communities

8.3.1 The community plays a central role in driving forward change and regeneration in the local area to create a stronger community.

9. EQUALITIES IMPACT IMPLICATIONS

9.1 Equalities impact assessments are in place for the developments at Ladderswood, the Alma and New Avenue.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

10.1 This report does not recommend a change of service or implementation of new practices and therefore Performance Management Implications are not applicable.

11. PUBLIC HEALTH IMPLICATIONS

11.1 Climate change has been cited as the greatest public health threat in the 21st century. Increasing heat efficiency will help to mitigate this risk.

Background Papers

None

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MUNICIPAL YEAR 2015/2016 REPORT NO. 29

MEETING TITLE AND DATE:Cabinet: 22nd July 2015**REPORT OF:** Director of Health,
Housing and Adult Social Care**Agenda – Part: 1****Item: 11****Subject:** Future Nursing and Residential
Dementia Care Provision at Honeysuckle
House**Wards:** All**Key Decision No:** 4159**Cabinet Member Consulted:**

Cllr. A. Cazimoglu

Contact officer and telephone number: Andrew Thomson. 020 8379 5622

Email: andrew.thomson@enfield.gov.uk**1. EXECUTIVE SUMMARY**

1.1 At the Cabinet meeting of 19th June 2013 Members received reports on the procurement process to secure Nursing Care provision at Honeysuckle House. Members noted and approved recommendations to:

- note the closure of the procurement process for care provision at Honeysuckle House and consider the contractual options set out in the accompanying Part 2 Report;
- agree that Officers enter into direct negotiation with Care UK, the incumbent provider, to agree terms for a contractual agreement while longer term options were evaluated;
- delegate the decision to award the care management agreement to the Cabinet Member for Health and Social Care in consultation with the Cabinet Member for Finance and Efficiency.

1.2 Consistent with the Cabinet's decision, a Portfolio decision in December 2013 under KD 3685 gave approval for the Council to enter into a revised contractual arrangement with the incumbent provider. Additional information is available in Part 2 of this Report.

1.3 Following long and complex negotiations the Council has now reached agreement with Care UK for continued provision of nursing and residential dementia care services.

1.4 The outcome of these negotiations is detailed in the accompanying Part 2 Report.

2. RECOMMENDATIONS

- 2.1 That Cabinet approval is given to issue a three year interim contract to Care UK, subject to satisfactory performance being maintained. This interim contract should be for a two (2) year initial term with an option to extend for one (1) further year.
- 2.2 The interim contract will be consistent with the outcome of recent negotiations that are detailed in the accompanying Part 2 Report.
- 2.3 That definitive long-term recommendations for future care provision at Honeysuckle House are brought before Cabinet for approval for its meeting in October 2015; as also stated in the accompanying Part 2 Report.

3. BACKGROUND

- 3.1 Honeysuckle House consists of 30 beds for people with dementia in need or nursing care. This service was traditionally provided under a block contract between the Council and a private company, Care UK. The Council owns the freehold of the premises along with responsibility for all repairs, maintenance and decoration.
- 3.2 Care UK is a well-established care organisation and an employer of local residents. Their presence in Enfield also includes nursing care at Elizabeth Lodge in Winchmore Hill, at which the Council places service users under individual agreements, and a mental health treatment centre at Avesbury Lodge in Edmonton.
- 3.3 At the Cabinet meeting of 19th June 2013 Members were presented with reports giving details of a joint procurement programme for care services at Honeysuckle House alongside those at Parkview House in accordance with the Council's Contract Procedure Rules. The invitation to tender sought to achieve commissioning objectives to develop dementia care services, include respite provision and to seek proposals from providers for improving the building environment.
- 3.4 As detailed in those reports, all shortlisted providers for the tenders withdrew their interest without submitting bids. Members noted the reasons for the market's withdrawal from the tender process and approved recommendations to enable Officers to be authorised to enter into direct negotiation with Care UK to agree terms for a contract. This ensured stability for service users, their carers and families while longer term options were evaluated.
- 3.5 As observed through provider feedback from the recent procurement, these recommendations support the establishment of best value by providing the Council with the necessary time and opportunity to:

- meaningfully engage with care home providers ahead of any future competitive procurement and understand their perspectives on contemporary market direction and emerging demand;
- review its wider commissioning and procurement approach for nursing elderly dementia care services and the future status of related property assets.

3.6 In tandem with the findings from legal judgements concerning care home fees paid by other local authorities, these recommendations facilitate development of robust, long term commissioning and procurement plans for supporting people with complex needs.

3.7 Under key decision 3685, dated 3rd December 2013, the Council had negotiated with Care UK to secure future provision at Honeysuckle House for a further three (3) year period. However these negotiations could not be ultimately transferred to a new contract.

3.8 The Council undertook an options appraisal in 2014 (see Section 4 below) and assessed the potential to secure alternative provision. These options, including an attempt to directly negotiate a transfer to another known provider, did not deliver a viable cost-effective solution. This was fundamentally due to factors unique to the Honeysuckle House site itself which has been considered impractical by the market place for the long-term provision for services of this nature.

3.9 A new negotiated settlement with Care UK was therefore pursued. Details of these negotiations are included within the accompanying Part 2 Report.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 A risk and contingency workshop was held in March 2014, comprising of senior HHASC managers and Legal Services. This explored a range of options consistent with the long-term options as part of the original Cabinet decision in June 2013. These included:

- Negotiated settlement with Care UK;
- Re-tender / framework;
- Joint block contracting with Enfield NHS Clinical Commissioning Group or another Local Authority;
- Winding up the home;
- Selling as a going concern on the open market;
- Direct negotiation with an alternate provider;
- Establishing a special purpose vehicle such as a trading company, to which provision of care services would be transferred.

5. REASONS FOR RECOMMENDATIONS

- 5.1 National demand for residential nursing dementia care is projected to increase by 20.4% in the next decade. Enfield's care homes market is highly competitive with private funders, neighbouring authorities and health services all seeking placements at increasing rates, reducing Enfield Council's ability to access supply and affecting its negotiating position. Accordingly the nursing dementia services provided at Honeysuckle House are in short supply and securing continuity of this provision for Enfield Council is fundamental in the short-term until the future strategy for Honeysuckle House can be addressed.
- 5.2 Honeysuckle House was built in the 1990's and, although it remains fit for purpose at this time, it does require a longer-term plan. The provider market, including recent direct negotiations with Care UK and Sanctuary Care, have made transparent the issue of viability going forward. Two particular issues have been highlighted: the need for a complete refurbishment of the existing building; and the effective value for money considerations in running it as a 30 bed nursing home which do not provide sufficient bed capacity to make it attractive to the market place. The definitive longer-term recommendations will include options for re-providing this home at a new site and the consequential sale or closure of Honeysuckle House.
- 5.3 The recommendations included herein and in the accompanying Part 2 Report represent the most financially sustainable means of securing much-needed supply at rates that are below the market average for residential nursing dementia care services.

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

6.1 Financial Implications

- 6.1.1 Any additional costs for the Honeysuckle House contract with Care UK will need to be managed within existing HHASC resources.

6.2 Legal Implications

- 6.2.1 The Council is the Social Services Authority for the London Borough of Enfield within the meaning of the Local Authority Social Services Act 1970, and has the responsibility as defined under the National Health Service and Community Care Act 1990 to provide community care services.
- 6.2.2 The Council is empowered to procure the provision of the care services at Honeysuckle House pursuant to the general power of competence in Section 1 of the Localism Act 2011, Section 1 of the Local Government (Contracts) Act 1997, and under the Care Act 2014, by promoting an individual's well-being (S.1), assessing adults who appear to be in need of care and support and

identifying their needs (S.9) and meeting needs assessed as being eligible needs (S.13, S.18 and S20).

- 6.2.3 The contract documentation must be in a form approved by the Assistant Director of Legal and Governance.

6.3 Property Implications

6.3.1 The Council owns the freehold interest at Honeysuckle House. Currently the Council is responsible for the majority of all costs relating to the occupation of this building including all repair, maintenance and replacement costs. These recommendations include a proportionate transfer of many of these responsibilities to Care UK to ensure the Council achieves immediate cost benefit savings to support its efficiency commitments. This will yield an estimated £9,508 reduction on the maintenance costs for 2015/16 against the 2014/15 charges.

6.3.2 The division of responsibilities between the Council and Care UK will require formalisation in a leasehold agreement or similar as advised by Legal Services.

6.3.3 Any recommendations regarding the future of the site should be presented as appropriate under the Council's Constitution.

6.3.4 A condition report (including photographic schedule) should be appended to the lease.

6.3.5 The lease agreement must conform to the Property Procedure Rules and Scheme of Delegation before being entered into.

6.3.6 The lease will be outside the security of tenure provisions of Landlord & Tenant Act 1954.

6.3.7 The proportionate transfer of responsibilities could be agreed beforehand with Care UK in the form of a heads of terms so that each party understands their liabilities moving forward.

7. KEY RISKS

7.1 Recent legal judgements continue to confirm that Local Authorities adequately consider the cost of providing care when establishing their rates. The reputational position of the Council may be compromised if the Council is too resistant to price increases during negotiations. The Council's negotiating position was consistent with guidance subsequent to legal judgements. Ernst and Young have worked in partnership with Council Officers to ensure that this risk is mitigated for since the proposed new contract supports fixed rate inflationary increases being paid to Care UK. However, this financial strategy will ensure the Council is still able to keep its rates below the market average

for residential nursing elderly dementia provision during the three (3) year contracting period.

- 7.2 Levels of concern among carers, families and staff groups may rise should a clear positive direction not be presented at the earliest opportunity. A negotiated settlement and commitment to definitive long-term recommendations for the home, along with Care UK's intent to remain at Honeysuckle House, addresses concerns regarding the direction of the scheme.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

- 8.1.1 Approval of these recommendations ensures continued provision of high quality, affordable and accessible care services to all sections of Enfield's community.

8.2 Growth and Sustainability

- 8.2.1 Approval of these recommendations gives Enfield's citizens continued access to much needed provision for some of the Borough's most vulnerable people.

8.3 Strong Communities

- 8.3.1 Approval of these recommendations will ensure that the Council has the needs of local people at the heart of its actions, that it is open and accountable and that it works in partnership with others to ensure Enfield is a safe and healthy place to live.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 An equalities impact assessment has not been carried out. It is not considered relevant or proportionate to carry out an equality impact assessment of the proposal for an interim contract with Care UK at Honeysuckle House, while longer-term options are evaluated, as this arrangement will avoid service users suffering any negative impact.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The contract will contain a performance management framework with measures to ensure quality provision and service user satisfaction.

11. PUBLIC HEALTH IMPLICATIONS

- 11.1 Provision of nursing care homes is a core part of maintaining the health and well-being of Enfield residents with dementia and complex needs. It is useful that the Council is taking these measures to ensure appropriate and effective future provision.

12. Background Papers

- 12.1 None.

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MUNICIPAL YEAR 2015/2016**REPORT NO. 30****MEETING TITLE AND DATE:**Cabinet Meeting 22nd July 2015**REPORT OF:**

Director of Health, Housing and
Adult Social Care
Ray James

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Agenda - Part: 1	Item: 12
Subject: Award of Contract for Enfield Integrated Sexual Health Community Services	
Wards: All	
Key Decision No: KD4160 (HHASC)	
Cabinet Member Consulted: Cllr Keazor	

1. EXECUTIVE SUMMARY

- 1.1 A tender process has been completed for the provision of the Enfield Integrated Sexual Health Community Services contract, which incorporates:
- Family Planning
 - Genitourinary medicine (GUM)
 - Sexual Health Outreach Nurse for young people (4YP)
- 1.2 The current contract with Barnet, Enfield & Haringey Mental Health Trust (BEH MHT) will formally expire 31 October 2015 and the tender supports the Council with mitigating for unnecessary risks.
- 1.3 The financial envelope of this contract is £2,572,000 per annum and the value will remain the same throughout the term of the contract. It is capped at the maximum fixed price level for the duration of the contract, being 3 years 5 months with options to extend + 2 years + 2 years (to a maximum period of 7 years, 5 months).
- 1.4 To afford year on year efficiency gains for the Council whilst addressing the steady 13-15% growth on activity, Tenderers have been required to:
- (a) increase in-borough activity for the GUM service, which would lead to the reduction of out of borough activity, and
 - (b) reduce Family Planning activity via the Community clinic by training and supporting the borough's GPs to deliver this service and thereby increasing their performance level
- 1.5 The Family Planning and Sexual Health Outreach Nurse elements of the contract are paid on block and the GUM activity will be paid by results.
- 1.6 Following approval from the Strategic Procurement Board (SPB) on the 1st April 2015, a full tender process was implemented which adhered to Corporate Procurement Procedures and EU Procurement Regulations. The

new contract includes an initial contracting period of three (3) years and five (5) months with optional extensions on two, two (2) year basis rolling up to a further four (4) years.

1.7 A Market Engagement Event was held prior to SPB's decision to support the proposal. The event was attended by eighteen (18) organisations of which thirteen (13) were established organisations and trusts.

1.8 The Council employed the Open procurement procedure, which allowed all interested parties to tender thereby maximising the potential for a wide and diverse range of bids.

1.9 The tender panel included a Service user and a lead GP from the CCG

1.10 The ITT stage has now been completed and in order to finalise the procurement process, agreement is now being sought from Cabinet to approve the award of contract to the preferred Bidder noted in Part 2 for a period of three (3) years, five (5) months with the option to extend up to a further four (4) years, subject to satisfactory performance.

2. RECOMMENDATIONS

2.1 That Cabinet notes the tender process has adhered to Corporate Procurement Procedures, EU Procurement Regulations and the new contract will afford the Council with on-going year on year performance and value for money benefits.

2.2 That Cabinet notes the procurement process and endorses the award of the contract to the preferred Bidder, as outlined in Part 2 of this Report, for an initial period of three (3) years, five (5) months with the option to apply extensions on a two (2) yearly basis rolling up to four (4) further years.

3. BACKGROUND

3.1 Since the transition of the Public Health function and grant from the NHS to LAs in April 2013, Enfield Council has been an associate to Enfield CCG's Community Services Block Contract of which Enfield Integrated Sexual Health has been a part.

3.2 The Council has a statutory duty to provide Integrated Sexual Health Services as part of its Public Health England (PHE) Requirements.

The Local Authority's public health mandated responsibilities are:

- To protect the health of the local population

- To ensure appropriate access to Sexual Health Services

- 3.4 These services specialise in delivering sexual health protection and prevention treatment for the whole population. Together these services reduce the number of unwanted pregnancies and undetected sexually transmitted diseases that can have a long standing effect on individuals and the community. Ultimately, these services make a positive contribution to addressing the health inequalities in the Borough. The existing contract for Integrated Sexual Health services expires 31st October 2015 and cannot be extended without posing unnecessary risk to the Council from the market place as the current service delivery is not addressing the needs of the Borough.
- 3.5 The London Borough of Enfield tendered the three (3) services – Family Planning, GUM and Sexual Health Outreach Nurse - within the same contract to ensure the delivery of an integrated service and to attract competitive submissions from the market place. This approach also enabled innovative thinking from the market place around a whole systems design for service delivery. However it equally did not preclude bidders from partnering with other organisations to provide the quality services required.
- 3.6 The contract is for an initial period of three (3) years five (5) months with extensions on two two (2) yearly basis rolling for a further four (4) years. Any extension will be subject to satisfactory year-on-year performance being achieved. This will incentivise the successful bidder to retain high performance levels throughout the life of the Contract and will offer the Council improved opportunities for efficiency gains given that historical allocations of PHE funding for reproductive and sexual health has been determined by performance achievements.
- 3.7 The Genitourinary medicine (GUM) service is 100% fully payment by results compliant. This model of service delivery incentivises providers to deliver high performing provision and enables the Council to only pay for actual service delivery achieved, with a financial cap of £2,572,000; thereby offering further opportunities for efficiency savings. The contract also includes working with Voluntary and Community organisations to deliver HIV secondary counselling and to engage with the Borough's diverse community effectively.
- 3.8 The Family Planning service is payable on a block basis, which covers the delivery of contraception, liaising with the CCG when providing Termination of Pregnancy (ToPs) counselling and Psychosexual counselling. The contract places the successful Bidder as the sexual health lead for the Borough, delivering and monitoring the training and support of the Borough's GPs and Pharmacies to deliver a quality contraceptive service. The contract includes a comprehensive clause to enable the Council to change the contracting mechanism at its discretion if required in the future.
- 3.9 The Sexual Health Outreach (SHOUT) Nurse element of the contract relates to the employment of a SHOUT nurse service that supports the Teenage Pregnancy team, working with the young adult population across the Borough.

- 3.10 The contract is innovative in its design with the increase of locations and opening hours, thereby significantly improving access (see Appendix 1).
- 3.11 The use of surveys throughout the delivery of the service has supported the need to redesign the service delivery and a User Representative has been involved in the tender panel selection process.
- 3.12 Enfield Integrated Sexual Health community services is currently managed and delivered from locations that are under the management of the incumbent and/or NHS Property Services Ltd.
- 3.13 In order to maintain continuity of service beyond the contract term and manage the in-direct costs relating to the contract, the London Borough of Enfield will be the head lease holder for at least the Hub and the Town Spoke premises of the service model to ensure that the properties remain linked to the service and not the provider
- 3.14 The collective contract value of all three services is £2,572,820 per annum. The annual contract price is capped at a maximum fixed price level, pending performance. There is no annual increase for inflation.
- 3.15 Full details of the preferred Bidder, contract prices, and improved performances are contained herein within Part 2 of this Report.

3.14 The Tender Process

3.14.1 Following approval from the Strategic Procurement Board in April 2015 and a Market Engagement presentation on 5th March 2015, a competitive tender process for the Enfield Integrated Sexual Health (EISH) Community Service was commenced.

3.14.2 Full consultation has taken place with and support from Corporate Procurement, Finance and Legal Services over the management of the tender process. An open tender procedure was chosen due to the timeline and the desire to attract a wide and diverse selection of bids. The process was carried out in accordance with the Council's Contract Procedure Rules and EU Procurement Regulations.

3.14.3 A market engagement event was held on the 5th March 2015, which was attended by 35 people from 18 organisations. This event offered interested bidders an opportunity to gain an early understanding of the services being commissioned. It equally supported the Council to share details of its payment by results commissioning framework for GUM and receive feedback from the market place.

3.14.4 Following the Market Engagement Event, interested parties were invited to one-on-one meetings with the Commissioning Manager, Public

Health to address any queries that transpired from the event. Seven (7) organisations took advantage of the opportunity.

3.14.5 The Council advertised the opportunity on the 29th May 2015 through the London Tenders Portal. Initially 24 organisations expressed an interest, with four submitting their Tender on the 25th June 2015.

3.14.6 Pass/Fail responses were first assessed by Corporate Procurement. Technical capacity in the Tender and responses to the Technical Questionnaire and Method Statement were evaluated by the tender panel. Financial viability assessments were completed by Finance Officers. All four bidders were interviewed on the 1st and 2nd July 2015 by the panel after being evaluated as having both the technical capacity and financial viability to provide the services.

3.14.7 The evaluation criteria were based upon 40% finance and 60% Quality. The technical evaluation was designed to assess bidders' ability to offer quality services across the full breadth of specified requirements:

-	Service Delivery	40%	
	Meeting the requirements of the Service Specification		20%
	Community Needs		10%
	Working with the Commissioner		5%
	Staffing		5%
-	Performance	15%	
	Key Performance Indicators		9%
	Managing Performance		6%
-	Governance	10%	
	Quality Assurance		3%
	Clinical Governance		4%
	Safeguarding		3%
-	Social Value	10%	
-	Partnership Working	15%	
	Other Agencies		6%
	Voluntary Sector Organisations		5%
	Patients and Carers		4%
-	Implementation Arrangements	10%	

3.14.8 The commercial evaluation was produced to assess bidders' ability to improve on baseline performance data from 2014/5. There is no increase in contract value for this contract. Tender bidders have been required to submit proposals that will outperform previous performance with no additional resources.

3.14.9 The assessed commercial value on the basis of bidders' responses to two (2) performance elements:

- increasing the number of GUM attendance in-borough (thereby reducing the out-of-borough liability);
- reducing the number of contraceptive activity

These are based on the 2014/5 baseline performance levels.

3.15 The tender process complied with Corporate Procurement Regulations and EU Procurement Regulations and it is now necessary to award the contract for the Borough's Integrated Sexual Health Community Services.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 There were no alternative options to tendering externally as Enfield Council was unable to directly provide such a specialist service in-house within a competitive price range.

4.2 There was no option to extend the existing contracts as this would leave the Council vulnerable to challenge as the opportunity to extend was not detailed during the tender process. Additionally, the Council could not report on adequate performance and value from the existing Contractor that was transferred from the NHS.

5. REASONS FOR RECOMMENDATIONS

5.1 Tenderers have submitted responses to the ITT as part of a transparent and fair competitive procurement process in accordance with the Council's Contract Procedure Rules and EU Procurement Regulations. All responses have been robustly evaluated for quality and price.

5.2 Bidders have submitted applications and provided evidence to confirm that they have adequate experience in delivering the Borough's Integrated Sexual Health Community Services to afford the Council the assurance required. They have also demonstrated that they have a clear understanding of the sexual health needs of Enfield and have submitted proposals that will support the Borough in achieving its vision of '*making Enfield a Safer, Healthier and More Prosperous Community*'.

5.3 It is important that the Council sustains integrated sexual health provision to:

5.3.1 Reduce the levels of unwanted pregnancies in the Borough;

5.3.2 Reduce number of abortions and repeat abortions;

5.3.3 Reduce the level of undetected STIs and HIV late detection

- 5.3.4 Ensure that the Council's residents have direct access to services to help them make a positive and direct contribution towards the community;
 - 5.3.5 To ensure that young people have the best opportunity to stay safe, achieve and make a positive contribution;
 - 5.3.6 To ensure that residents have easy and direct access to high quality integrated sexual health services that deliver the best interventions in the most cost effective community settings.
- 5.4 It is recommended that Cabinet notes the procurement process and endorses the award of the Contract to the preferred Bidder for an initial period of three (3) years five (5) months, with the option to apply extensions on two, two (2) yearly basis rolling up to four (4) further years.

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

6.1 Finance Implications

6.1.1 Budget

Public Health England's initial grant allocation for Enfield in 2015/16 was £14.257 million, however, the Chancellor announced on 4th June 2015 that there would be an additional £200m reduction in the Public Health grant during 2015/16 in England; this represents an average reduction 7.14% nationally. There is a period of consultation underway to decide how best to deliver these savings, however if the reduction was to be applied evenly, this would equate to £1.018m for Enfield and result a reduction in the Public Health Grant from £14.257m to £13.239m and therefore this would be the new the base budget.

The grant is ring-fenced for promoting public health within the borough. The associated grant conditions are specific to public health outcomes, with the requirement to submit both quarterly & annual expenditure returns, to the DCLG & Public Health England.

The ring-fenced Public Health grant, which is designed to cover all expenditure incurred in delivering the Public Health function, covers three components:

Mandated (statutory) services (Sexual Health services, NHS Health Checks, National Children Measurement Programme, providing public health advice to NHS Commissioners and ensuring plans) are in place to protect the health of the public.

Non-mandated services (Tobacco control & Smoking Cessation services, increasing levels of physical activity and interventions to tackle obesity) and the commissioning of drug and alcohol prevention and treatment services,

which are currently commissioned by Drug and Alcohol Action Teams (DAAT's).

6.1.2 Contract

This entire contract is included in the mandated (statutory) services.

Bidders were asked to submit up to the indicative financial envelope allocated to this Contract, which is £2,572,000 per annum. The Invitation to Tender stated that any submission where the annual contract sum exceed the upper financial limit, would result in that submission being excluded from the tender process.

The Finance score represented a maximum of 40% of the overall Invitation to Tender, which was weighted in accordance with the quantitative data provided. The finance score was based on the performance figures submitted in the price schedule and not the total contract price.

Further detail is set out in Part Two of this report.

6.2 Legal Implications

6.2.1 Pursuant to the Local Authorities (Public Health Functions and Entry to Premises by Local HealthWatch Representatives) Regulations 2013/351 Part 2 Public Health Functions Regulation 6 'Sexual health services' (1) Subject to paragraphs (4) and (5), each local authority shall provide, or shall make arrangements to secure the provision of, open access sexual health services in its area.

6.2.2 The Council must comply with the Public Procurement Regulations 2015 (the Regulations) and its Contract Procedure Rules (CPR). This report confirms that Regulations and the CPR have been fully complied with.

6.2.3 The Council must comply with its obligations with regards to obtaining best value under the Local Government (Best Value Principles) Act 1999.

6.2.4 As the proposed contract is £250k or above the Council must comply with Key Decision procedure.

6.2.5 All legal agreements arising from the matters described in this report must be approved by the Assistant Director of Legal Services.

6.3 Property Implications

6.3.1 Strategic Property Services have negotiated a seven year lease term for two commercial units within Enfield Town to be used as the 'Spoke' for the (EISH) Community Services contract.

6.3.2 The lease will be contracted out of the security provisions of the Landlord and Tenant Act 1954.

6.3.3 There will be capability within the lease to sublet to the chosen contract provider.

6.3.3 The Landlord will be responsible the upkeep and repair of the exterior of the property including the provision of adequate buildings insurance. The Council will take on the responsibility of insuring and repairing the interior of the properties.

6.3.4 The Council will take the Properties on in a shell and core condition and procure a contractor to fit out the units to a high clinical standard. The specification to procure a contractor should highlight any standard/level of clinical requirement to fit out and design as mandatory under NHS guidelines.

6.3.5 The Council will also need to submit a planning application for a change of use to D1 Use under the Town and Country Planning (Use Classes) Order 1987 (as amended).

6.3.6 There will be additional transactional costs such as legal fees, surveyors and the potential VAT implications; currently the rent agreed is exclusive of VAT.

6.3.7 The acquisition of a 7 year lease conforms to the Council's Property Procedure Rules (PPR's) and the rent agreed demonstrates the Council's obligations have been satisfied under s120 of the Local Government Act 1972.

6.3.8 The leased-in properties will have to be entered onto the Councils Asset management data base – Atrium and managed within the Councils Commercial Portfolio.

7. KEY RISKS

Two key risks have been identified:

- 7.1 The management of performance during the transition period, which could lead to an initial possible loss in performance.

This was managed by requiring bidders to submit detailed Implementation Plans in their ITT applications.

The Contract start date of 01 November 2015 will give the successful Bidder adequate time to effectively implement the new contract.

HHASC Council Officers will closely monitor performance for sexual health provision on a monthly basis and the reports are subject to quarterly scrutiny by the Joint Sexual Health Board.

- 7.2 The out-of-borough activity will be open to strict scrutiny to ensure the annual reduction, as projected and required for Efficiency Savings.

HHASC Council Officers will closely monitor out-of-borough activity and work with the Borough Provider to ensure that the correct locations are available for residents to access seven days per week.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The tender process has been conducted in accordance with both the Council's Contract Procedure Rules and EU Procurement Regulations. Therefore the tender process has adhered to the principles of transparency and fairness to encourage healthy competition within this specialist sector and bidders have accordingly been appropriately supported throughout the process.

8.2 Growth and Sustainability

The increase in performance required will ensure that more people in the community are given access to integrated sexual health treatment to improve health opportunities in more appropriate and cost effective community settings.

8.3 Strong Communities

Enfield Integrated Sexual Health Community Services will be a community service working with the voluntary sector and other community services, examples being:

Secondary HIV prevention for people living with HIV, which assists in reducing onward transmission (including mother to child) and reduces stigma and social isolation.

Recognising the Borough's gang culture, it is acknowledged that gang allegiances may interfere with the safe access to clinics for some of the youth. This service will work with local partners – including the Enfield Gangs co-ordinator – offering access to EISH services from different venues.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 An Equalities Impact Assessment was undertaken to inform and support the previous Integrated Sexual Health Commissioning objectives. The findings and recommendations from this are still current to this process and have been utilised accordingly. This will improve the equality of access to services in the local area.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 Integrated Sexual Health Community Services are subject to robust monitoring processes for service delivery and service quality. The HHASC Commissioning, Public Health officer will ensure that appropriate and robust contract monitoring arrangements are maintained. The principal focus will be on accessibility to service users as well as how the successful Bidder manages performance. It is equally imperative that we increase HIV and STI testing, increase focus on outreach and preventative work and ensure that all members of this Borough's diverse population receives equal, quality treatment and support.
- 10.2 Regular contract monitoring will be undertaken on a monthly basis and regular audits to ensure that they are being compliant with national and local clinical guidelines, NICE guidance and use of Patient Group Directions (PGDs).
- 10.3 The successful Bidder is required to:
 - 10.3.1 generate quarterly data extract of all patient attendances and associated diagnoses and services at GUM and non-GUM clinics in accordance with PHE (Public Health England) Genitourinary Medicine Clinic Activity Dataset (GUMCADv2¹);
 - 10.3.2 utilise Sexual and Reproductive Health Activity Dataset (SRHAD) to capture contraception and other sexual and reproductive health activities;
 - 10.3.3 following a new HIV diagnosis, the Bidder is required to generate a data extract to the HIV and AIDS Reporting Section (HARS) in Public Health England;
 - 10.3.4 The completion of the Chlamydia Testing Activity Dataset (CTAD) is mandatory for all NHS and NHS-commissioned chlamydia testing carried out in England. Whilst CTAD is submitted by laboratories, it is the responsibility of the Bidder to ensure the core CTAD data requirements are provided to the laboratory for each chlamydia test.
- 10.4 SRHAD and HARS, together with GUMCADv2 will form the basis for a standardised sexual health dataset collected from the Borough's sexual health clinic settings (plus CTAD from laboratories). The Contractor is expected to report on and discuss quarterly GUMCADv2 and SRHAD data analysis from PHE to enable informed commissioning decisions relating to GUM attendances, activity and STI trends.

¹ PHE Genitourinary Medicine Clinic Activity Dataset (GUMCADv2) Guidance to Clinic Staff and Technical guidance and specification for data extract can be found: <http://www.hpa.org.uk/gumcad>

11. HEALTH AND SAFETY IMPLICATIONS

The Contractor is responsible for executing H&S guidelines

12. HR IMPLICATIONS

Not applicable.

13. PUBLIC HEALTH IMPLICATIONS

Good sexual health is an important part of people's lives, fundamental to the health and wellbeing of the individual and has obvious implications for the society. It requires a positive and respectful approach to sexuality and sexual relationships. Good service provision supports this through control of fertility and of sexually transmitted infections (STIs).

Given the financial implications of sexual health to Council budgets it is important to note the need for effective commissioning of services to meet both sexual health and financial needs. This contract should help to secure both.

It is anticipated that by increasing the number of GU in-borough attendances that not only will this contract reduce the borough's carbon footprint (climate change has been described as the greatest public health challenge of the 21st century) but also that the needs of the borough's diverse community will be better served, particularly the young and less affluent populations who may be both less able to travel and more sexually vulnerable.

Background Papers

None

MUNICIPAL YEAR 2015/16 REPORT NO. **31****MEETING TITLE AND DATE:**Cabinet -22nd July 2015**REPORT OF:**

Chief Executive

Contact officer and telephone number:

Alison Trew tel: 020 8379 3186

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Agenda - Part: 1	Item: 13
Subject: Enfield Residents' Priority Fund	
Wards: All	
Cabinet Members consulted: Councillors Brett, Oykenner and Georgiou	

1. EXECUTIVE SUMMARY

The Enfield Residents' Priority Fund (ERPF) has been in operation since 2011 and has been a great success. Over the four years, more than 750 projects worth £6.1m have been devised by residents working with ward councillors.

Increasing pressures on the Council's budgets led to the decision not to continue with the ERPF in 2015/16.

£63,115 of the 2014/15 ERPF resource was not allocated to projects. The ERPF Cabinet Sub-Committee agreed that they wish to ensure that residents benefit from the funding and having considered a number of options, are making a recommendation to Cabinet.

2. RECOMMENDATIONS

That Cabinet approve

2.1 The closure of the ERPF and that the £63,115 unallocated funding from the 2014/15 ERPF be returned to the General Fund.

2.2 Following 2.1 above, that £63,115 be redirected to Environment and Regeneration to fund additional environmental improvements to be delivered in the wards (as directed by the ward councillors) for the unallocated ward funding as set out in Appendix 1 of the report. An earmarked reserve will be set up and managed by the Director of Regeneration and Environment.

3. BACKGROUND

3.1 The Enfield Residents' Priority Fund (ERPF) has been in operation since 2011 and has been a great success. Over the four years, more than 750 projects worth £6.1m have been devised by residents working with ward councillors. The projects have varied in size and covered a wide range of activities and age-groups, and brought real benefit to communities and neighbourhoods across the Borough.

3.2 Increasing pressures on the Council's budgets led to the decision not to continue with the ERPF in 2015/16.

3.3 Following the final meeting of the ERPF Cabinet Sub Committee, £63,115 of available funding across a number of wards remained uncommitted. (List of wards and amounts - Appendix 1). Given the small amount of funding available, and reduction in officer capacity to quality assure applications and support the delivery of projects, it was felt that it would not be feasible or cost-effective to continue with the ERPF. The money would therefore be returned to the Council's General Fund.

3.4 However, members of the ERPF Cabinet Sub Committee felt that this funding should still be available to enable ward councillors, in consultation with local residents, to initiate activities to improve their local areas. It is proposed, therefore, that the funding be allocated from the General Fund to Environment and Regeneration to enable public realm activities such as additional street cleansing and the removal of fly-tips to be delivered.

4. ALTERNATIVE OPTIONS CONSIDERED

To continue with the ERPF until the funding has been allocated. It was felt that, given the small amount of money and the amount of officer and Member time to effectively deliver the programme, this was not feasible

5. REASON FOR RECOMMENDATIONS

To provide clear direction.

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

6.1 Financial Implications

There is £63,115 of unallocated funding remaining from the 2014-15 allocation which is available to redistribute as set out in the body of the report. The £63,115 of unallocated funding will be transferred to an earmarked reserve for use on specific Regeneration and Environment projects in agreement with the Director of Regeneration and Environment.

6.2 Legal Implications

The recommendations outlined in this report are in accordance with the Constitution and with Part 4.8 the Financial Regulations.

7. KEY RISKS

7.1 Given the reduction in support and quality assurance capacity, continuing to allocate the remaining ERPF funding using the existing ERPF process could result in issues of probity and governance.

7.2 There would be the possibility of reputational risk to the Council if the remaining ERPF funding was not used for its intended purpose of providing direct benefit to local residents.

8. IMPACT ON COUNCIL PRIORITIES

Fairness for All Growth and Sustainability, Strong Communities

Implementing the recommendations will ensure that the funding is spent on activities where there is evidence of genuine need and that contribute to the creation and maintenance of strong communities.

9. EQUALITIES IMPACT IMPLICATIONS

Environment and Regeneration will ensure that allocation of the funding follows the Council's policy and procedures. Applications to The Enfield Community Support Fund must demonstrate how they support the Council's key aims of achieving Fairness for All, Growth and Sustainability and Strong Communities, and how they build community resilience and address inequality.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

Distribution of the funding will be effectively monitored.

Background Papers

None

Appendix 1 –Enfield Residents’ Priority Fund 2014/15 - unallocated funding

WARD	Unallocated ERPF
Edmonton Green	£5,471.00
Haselbury	£4,730.00
Enfield Highway	£2,982.00
Enfield Lock	£6,505.00
Jubilee	£3,818.00
Lower Edmonton	£11,650.00
Southgate	£1,364.00
Southgate Green	£11,100.00
Southbury	£3,405.00
Town	£4,568.00
Turkey Street	£6,700.00
Upper Edmonton	£822.00
TOTAL	£63,115.00

THE CABINET

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

NEW MUNICIPAL YEAR 2015/2016

SEPTEMBER 2015

- | | | |
|-----------|---|-----------|
| 1. | Dujardin Mews (formerly known as Academy Street) – Development - Appropriation for Planning Purposes | Ian Davis |
|-----------|---|-----------|

This will seek approval to the required appropriation for Dujardin Mews. **(Key decision – reference number 3734)**

- | | | |
|-----------|------------------------------|-------------|
| 2. | Disposals – Tranche 6 | James Rolfe |
|-----------|------------------------------|-------------|

This will identify property assets which are either underperforming or considered surplus to operational requirements and in principle are listed for sale subject to further due diligence investigations. **(Key decision – reference number 3989)**

- | | | |
|-----------|---|-----------|
| 3. | Upton Road and Raynham Road Redevelopment Scheme | Ian Davis |
|-----------|---|-----------|

This report will seek approval in principle for a proposed redevelopment scheme which can provide a significant number of new homes, public realm enhancement and new facilities, as well as approval of draft heads of terms with a Registered Provider partner. **(Key decision – reference number 4119)**

- | | | |
|-----------|---------------------------------|-----------|
| 4. | Estate Renewal Programme | Ian Davis |
|-----------|---------------------------------|-----------|

This will explain the Council's 30 year Estate Renewal Programme. **(Key decision – reference number 3980)**

- | | | |
|-----------|---|-----------|
| 5. | The London Borough of Enfield Enforcement Policy | Ian Davis |
|-----------|---|-----------|

This is the overarching Policy for enforcement activities undertaken within Regeneration and Environment Department explaining how the Council responds to non-compliance. **(Key decision – reference number 4040)**

- | | | |
|-----------|--|-----------|
| 6. | Provided Services Business Case | Ray James |
|-----------|--|-----------|

(Key decision – reference number tbc)

- | | | |
|-----------|--|-----------|
| 7. | Meridian Water – Programme Update | Ian Davis |
|-----------|--|-----------|

This will provide a programme update on Meridian Water. **(Key decision – reference number 4033)**

8. **Revenue Monitoring Report: July 2015** James Rolfe

This will provide the latest revenue monitoring position as at 31 July 2015 for the Council as a whole. **(Key decision – reference number 4148)**

9. **Capital Monitoring Report: June 2015** James Rolfe

This will summarise the capital monitoring position of the Council as at 30 June 2015. **(Key decision – reference number 4153)**

10. **Parking Enforcement Policy** Ian Davis

This policy will set out the Council's approach to dealing with parking enforcement. **(Key decision – reference number 4058)**

11. **Safeguarding Adults Board Annual Report 2014-15** Ray James

This will present the Safeguarding Adults Board Annual Report 2014-15. (Non key)

12. **New Avenue Compulsory Purchase Order** Ian Davis

This will seek authority to resolve to use compulsory purchase order powers to effect acquisition of land and new rights in respect of the New Avenue Estate regeneration land. **(Key decision – reference number 4136)**

13. **Strategy and approach to delivering pupil places** Andrew Fraser

This will provide an annual update of the demand for pupil places and corresponding assessment of the strategy and approach to delivering any additional places required. **(Key decision – reference number 4141)**

14. **Scrutiny Annual Work Programme 2015/16** James Rolfe

This will set out the proposed scrutiny work programme and work streams for 2015/16 for the Council's Overview and Scrutiny Committee. The Council's Constitution requires that the work programme proposed by scrutiny is adopted by Council (as an annual scrutiny programme), on the recommendation of the Overview and Scrutiny Committee, following consultation with the Corporate Management Board and the Cabinet

OCTOBER 2015

1. **Housing Revenue Account Rent Policy** Ian Davis

This will provide a review and update of the November 2013 rent policy applying to tenants whose homes are held within the Council's Housing Revenue Account (HRA). **(Key decision – reference number 4126)**

2. **Quarterly Corporate Performance Report** Rob Leak

This will present the latest quarterly report on the Corporate Performance Scorecard. **(Key decision – reference number 4143)**

3. **Revenue Monitoring Report: August 2015** James Rolfe

This will provide the latest revenue monitoring position as at 31 August 2015 for the Council as a whole. **(Key decision – reference number 4149)**

4. **Small Housing Sites Phase 2: Group A** Ian Davis

This will seek Cabinet authority to redevelop a number of sites for new housing, including approval of an outline scheme budget, and fees to progress detailed design and submission of planning applications. **(Key decision – reference number 4161)**

5. **Section 75 Agreement – Integrated Mental Health Services** Ray James

This will seek approval of the Section 75 Agreement for Integrated Mental Health Services between Enfield Council and Barnet, Enfield and Haringey Mental Health Trust. **(Key decision – reference number 4128)**

6. **Public Consultation on Adult Social Care Transport Policy** Ray James

This will outline the proposed Adult Social Care Transport Policy following public consultation. **(Key decision – reference number 4086)**

7. **Approval of the Inter Authority Agreement** Ian Davis

This will seek approval of the Inter Authority Agreement between the NLWA and 7 waste collection authorities in North London. **(Key decision – reference number 4032)**

NOVEMBER 2015

1. **Revenue Monitoring Report: September 2015** James Rolfe

This will provide the latest revenue monitoring position as at 30 September 2015 for the Council as a whole. **(Key decision – reference number 4150)**

DECEMBER 2015

1. **Quarterly Corporate Performance Report** Rob Leak

This will present the latest quarterly report on the Corporate Performance Scorecard. **(Key decision – reference number 4144)**

2. **Revenue Monitoring Report: October 2015** James Rolfe

This will provide the latest revenue monitoring position as at 31 October 2015 for the Council as a whole. **(Key decision – reference number 4151)**

3. **Capital Monitoring Report: September 2015** James Rolfe

This will summarise the capital monitoring position of the Council as at 30 September 2015. **(Key decision – reference number 4154)**

JANUARY 2016

1. **Public Realm Redesign** Ian Davis

This will bring forward proposals for redesigning waste services. **(Key decision – reference number 4014)**

FEBRUARY 2016

1. **Budget Report 2016-17 and Medium Term Financial Plan** James Rolfe

This will recommend for approval by full Council, the Council tax level for 2016-2017 and the Medium Term Financial Plan 2016-2020. **(Key decision – reference number 4175)**

2. **Housing Revenue Account (HRA) Rent setting 2016/2017** James Rolfe

This will recommend for approval by full Council, the level of HRA rents for 2016-2017. **(Key decision – reference number 4174)**

2. **Northern Gateway Access Package** Ian Davis

This will outline the feasibility assessment stage of the potential link road element of the Northern Gateway Access Package. **(Key decision – reference number 4046)**

MARCH 2016

1. **Revenue Monitoring Report: January 2016** James Rolfe

This will provide an update on the Council's revenue position as at 31 January 2016. **(Key decision – reference number 4176)**

2. **Capital Monitoring Report: December 2015** James Rolfe

This will summarise the capital monitoring position of the Council as at 31 December 2015. **(Key decision – reference number 4155)**

3. Housing Supply and Delivery

Ian Davis

This will set out how the Council will increase housing supply in the short and medium terms. **(Key decision – reference number 4165)**

APRIL 2016

1. Revenue Monitoring Report: February 2016

James Rolfe

This will provide the latest revenue monitoring position as at the end of February 2016 for the Council as a whole. **(Key decision – reference number 4152)**

DATE TO BE CONFIRMED

1. Meridian Water: Development Approach

Ian Davis

This will provide an update on housing delivery within Meridian Water and the wider hinterland. (Parts 1 and 2) **(Key decision – reference number 4030)**

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CABINET - 17.6.2015

**MINUTES OF THE MEETING OF THE CABINET
HELD ON WEDNESDAY, 17 JUNE 2015**

COUNCILLORS

PRESENT Doug Taylor (Leader of the Council), Achilleas Georgiou (Deputy Leader), Daniel Anderson (Cabinet Member for Environment), Yasemin Brett (Cabinet Member for Community Organisations and Culture), Alev Cazimoglu (Cabinet Member for Health and Social Care), Nneka Keazor (Cabinet Member for Public Health and Sport), Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection), Ahmet Oykener (Cabinet Member for Housing and Housing Regeneration), Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) and Andrew Stafford (Cabinet Member for Finance Efficiency)

Associate Cabinet Members (Non-Executive and Non-Voting): Bambos Charalambous and George Savva MBE

ABSENT **Associate Cabinet Members (Non-Executive and Non-Voting):** Vicki Pite

OFFICERS: James Rolfe (Director of Finance, Resources and Customer Services), Ian Davis (Director of Regeneration and Environment), Ray James (Director of Health, Housing and Adult Social Care), Andrew Fraser (Director of Schools and Children's Services), Asmat Hussain (Assistant Director Legal and Corporate Governance), Kate Robertson (Assistant Director for Customer Service, Communications and Business Change), Jeff Laidler (Head of Sustainability), Marc Clark (Project Manager - Ponders End) and Andrew Golder (Press and New Media Manager) Jacqui Hurst (Secretary)

Also Attending: Geraldine Gavin (Independent Chair of the Local Safeguarding Children Board, Councillor Derek Levy, members of the public.

1**APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Vicki Pite (Associate Cabinet Member – Enfield North) and Rob Leak (Chief Executive).

An apology for lateness was received from Councillor Bambos Charalambous (Associate Cabinet Member – Enfield West).

2**DECLARATION OF INTERESTS**

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Councillor Yasemin Brett (Cabinet Member for Community Organisations and Culture) declared a disclosable pecuniary interest in Report No.6 – Review of Conservation Area Character Appraisals and Management Proposals: Phase 2 (Minute No.7 below refers) as she lived in one of the conservation areas listed in the report and which had been subject to a review. Councillor Brett left the meeting for the discussion of this item and took no part in the decision of Cabinet.

Asmat Hussain (Assistant Director – Legal and Corporate Governance) advised Members and Officers present that the Board Directors of Housing Gateway Limited should declare other non-pecuniary interests in respect of Report Nos. 10 and 15 – Housing Gateway Limited Annual Report (Minute Nos. 11 and 23 below refer). Therefore, Councillors Achilleas Georgiou (Deputy Leader), Ahmet Oykenler (Cabinet Member for Housing and Housing Regeneration) and Andrew Stafford (Cabinet Member for Finance Efficiency); and, James Rolfe (Director of Finance, Resources and Customer Services), Ian Davis (Director – Regeneration and Environment) and, Asmat Hussain (Assistant Director – Legal and Corporate Governance) declared other non-pecuniary interests in respect of these reports.

3

URGENT ITEMS

NOTED that the reports listed on the agenda had been circulated in accordance with the requirements of the Council's Constitution and the Local Authorities (Executive Arrangements) (Access to Information and Meetings) (England) Regulations 2012. These requirements state that agendas and reports should be circulated at least 5 clear days in advance of meetings.

4

DEPUTATIONS

NOTED that no requests for deputations had been received for presentation to this Cabinet meeting.

5

ITEMS TO BE REFERRED TO THE COUNCIL

AGREED that the following reports be referred to full Council:

1. Report No.7 – Library Development Strategy
2. Report Nos. 11 and 16 – Mobilisation and Operation of the Lee Valley Heat Network
3. Report Nos. 12 and 17 – Re-provision Project – Construction Contract
4. Report No.5 – Ofsted Improvement Plan (for information only)
5. Report Nos. 10 and 15 – Housing Gateway Limited Annual Report (for information only)

6

ENFIELD OFSTED IMPROVEMENT PLAN

Councillor Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection) introduced the report of the Director of Schools and Children's Services (No.5) presenting the Enfield Ofsted Improvement Plan following the inspection in Enfield from 20 January to 11 February 2015.

NOTED

1. That the Office for Standards in Education, Children's Services and Skills (Ofsted) had carried out an inspection in Enfield as detailed in the report. The Inspectors found that the local authority leads effective services which had resulted in an overall judgement that children's services in Enfield were "Good". The work of the Local Safeguarding Children Board had also been judged as "Good"; section one of the report referred.
2. The content of the following documents which had been appended to the report:
 - Enfield Improvement Plan
 - Inspection of services for children in need of help and protection, children looked after and care leavers and review of the effectiveness of the Local Safeguarding Children Board
 - Annual report of the Independent Reviewing Officer – 2014/15
3. Councillor Orhan outlined the current framework of Ofsted inspections and the high standards to be achieved. To date only 20% of local authorities inspected so far under the current framework had achieved a "Good" rating. Enfield was the only London Borough to have achieved this high standard to date. Congratulations were extended to all involved. This was an exceptional outcome for Enfield. However, the Council was not complacent and recognised the significant challenges ahead.
4. The key messages arising from the inspection report were highlighted for Members. The Council must maintain its current focus in order to continue to further improve. It was recognised that staff morale was high and that Enfield provided a strong and effective leadership. Effective partnership working had been recognised as had the strong political commitment in Enfield. The Borough had been acknowledged as ambitious and innovative in its approach.
5. The contents of the Action Plan in response to the 15 recommendations arising from the inspection: 11 referring to Schools and Children's Services and 4 referring to the Local Safeguarding Children Board. Officers were grateful to Ofsted for highlighting the areas requiring further improvement.

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6. The work which was being undertaken to address the issues of Child Sexual Exploitation. The newly formed Member led task group would be having its first meeting in the near future.
7. Councillor Orhan highlighted the key issues for Members' consideration and drew attention to the Safeguarding and Quality Assurance Service Independent Reviewing Officer Annual Report 2014/2015.
8. Geraldine Gavin (Independent Chair of the Local Safeguarding Children Board) outlined a number of points for Members' attention. The Board had been praised for its strong and effective partnerships and dialogue with the voluntary sector. Members noted that the Board worked closely with the Boards of neighbouring authorities. The Independent Chair was line managed by the Chief Executive and met regularly with the Cabinet Member for Education, Children's Services and Protection.
9. Members noted that Child Sexual Exploitation (CSE) was a priority for the Board, and nationally. Plans were in place and the newly appointed team would provide an effective focus of the multi-disciplinary work to be carried out. The challenges ahead were recognised. The 4 recommendations arising from the Inspection for the Board were acknowledged and discussed. Work would continue with the voluntary sector and partner agencies.
10. Councillor Orhan praised the strong leadership of Andrew Fraser (Director of Schools and Children's Services). Andrew Fraser was proud of the outcome of the Inspection in Enfield. The value of both committed staff and political support was recognised. New challenges would continue to arise in the future. It was imperative that the Council continued to focus on the recruitment and retention of high calibre staff to ensure that high standards of service could continue to be provided and improved upon.
11. Councillor Georgiou reiterated that this was an achievement for Enfield to be proud of. The high calibre services being provided to the children in the Borough had been recognised. On behalf of the Cabinet he expressed his thanks and appreciation to all involved.

Alternative Options Considered: Not applicable.

DECISION: Cabinet agreed

1. To note the following documents as appended to the report:
 - Enfield Improvement Plan
 - Inspection of services for children in need of help and protection, children looked after and care leavers and review of effectiveness of the Local Safeguarding Children Board

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- Annual Report of the Independent Reviewing Officer - 2014/15
2. To support the Schools and Children's Services Department and the Enfield Safeguarding Board to implement and achieve the actions relating to the 15 recommendations outlined in the Improvement Plan.
 3. To note the specific recommendations within the plan to improve the oversight and scrutiny functions of Senior Managers, the Enfield Safeguarding Children Board and elected members. The events in Rotherham and related published reports highlight the level and nature of risks faced should oversight and scrutiny of unsystematic or lack effective challenge.
 4. To refer this report to Council for information.

RECOMMENDED TO COUNCIL, that the report be considered for information.

Reason: Enfield's Children's Services and the Enfield Safeguarding Children Board would require the commitment and support from multiple partners and form colleagues across the Council in order to deliver on this plan within the allotted timescales.

(Non key)

7

REVIEW OF CONSERVATION AREA CHARACTER APPRAISALS AND MANAGEMENT PROPOSALS: PHASE 2

Councillor Yasemin Brett (Cabinet Member for Community Organisations and Culture) left the meeting for the discussion of the following item (Minute No.2 above refers).

Councillor Daniel Anderson (Cabinet Member for Environment) introduced the report of the Director of Regeneration and Environment (No.6) seeking approval of the revised Appraisals and Management Proposals for the conservation areas set out in the report.

NOTED the review that was being undertaken of the Borough's Conservation Area Character Appraisals and Management Proposals, as detailed in the report. This represented phase two of the review. The revised documents reflected legislative and other changes in recent years, as set out in section 3 of the report, and would continue to ensure the effective maintenance of these key areas.

Alternative Options Considered: An alternative option would be to not update the Conservation Area Appraisal and Management Proposal documents. The documents approved in 2008, 2009 and 2010 were now out of date in terms of national planning policy and the recasting of the local planning policy through the Local Plan, English Heritage guidance and changes in the physical fabric of the area over the last five years from

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development. These documents do not provide an up-to-date policy background to support Development Management decisions, including appeals. Not to update the documents would put them out of sync with the documents for other conservation areas in the borough that had been approved and updated under Phase 1.

DECISION: The Cabinet agreed to approve the revised Appraisals and Management Proposals for the following conservation areas:

- Abbotshall Avenue
- Grange Park
- Meadway
- Southgate Circus
- The Crescent
- The Lakes

Reason: The documents had been through consultation with local conservation area study groups, the Conservation Advisory Group (CAG) and the general public via the website and a public meeting held on 9 April. Historic England (formerly English Heritage) made minor comments on the detail of the text. The results of the consultation and the changes made were set out in Appendix 1 of the report.

(Key decision – reference number 4092)

Councillor Yasemin Brett returned to the meeting.

Councillor Bambos Charalambous arrived at this point in the meeting.

8

LIBRARY DEVELOPMENT STRATEGY 2015-2018

Councillor Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection) introduced the report of the Director of Finance, Resources and Customer Services (No.7) seeking approval of a new Library Development Strategy 2015-2018 and the investment necessary to realise the vision.

NOTED

1. That the Library Strategy recognised the pressures on resources and the changing needs of the Borough's residents. The Council was committed to providing a sustainable future for its libraries. The Strategy set out in Appendix C of the report provided a clear vision for the future. The Council would continue to support all 17 libraries, which was the highest number in a London Borough. A number of initiatives were being considered including co-locations; increased community involvement and the provision of space for community and voluntary organisations with effective partnership working.

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2. The opening hours of the libraries would be considered with the potential for some libraries opening for some hours on 7 days per week. Councillor Orhan highlighted a number of positive issues for Members' attention and outlined the targeted support that would be offered for residents who were unable to physically visit a library.
3. The key outcomes of the consultation were highlighted in section 7 of the report. Section 7.13 of the report set out how the Council had amended its original proposals in the light of responses received during the consultation.
4. An equality impact assessment had been undertaken as detailed in section 8 of the report.
5. That paragraph 5.10 of the report had been amended to read: "Bring to an end the mobile library service and existing/new customers who cannot attend a physical library will be offered a different service through an extended Home Library Delivery Service which will be supported by volunteers".
6. A further report would be provided at a future meeting of the Cabinet, when appropriate, providing an update on the developments being implemented.
7. Councillors Sitkin and Brett praised the proposed Library Strategy which was innovative and exciting. It represented a vision for the future and embraced the development of modern technology. The retention of 17 libraries was acknowledged together with the proposals for voluntary sector involvement.

Alternative Options Considered: The Council had considered four key alternatives, as set out in section 10 of the report and summarised below:

- Retaining the service as it currently stands with no budget reduction.
- Increasing revenue and cutting costs without impacting on service delivery
- Closure of libraries
- Outsourcing libraries to a trust or other organisation

RECOMMENDED TO COUNCIL

1. The Library Development Strategy as set out in Appendix C of the report be approved at the forthcoming Council meeting. This proposed delivering option 1 of the consultation options with some amendments to reflect the views expressed.
2. To note that the 7 day a week opening for the four flagship libraries would be piloted for one year and then reviewed.
3. That the Director of Finance, Resources and Customer Services and Cabinet Member for Education, Children's Services and Protection be

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delegated authority to approve co-location partnerships for the community libraries.

4. That the capital works required to deliver the improvements to the Edmonton Green Library set out in section 12a of the report (up to £5m) be added to the Council's Capital programme with the Director of Finance, Resources and Customer Services and Cabinet Member for Finance Efficiency being given delegated authority to start procurement and award contracts subject to further key decision notifications.

Reason: To deliver significant savings towards the Council's £80m target whilst protecting libraries from closure and ensuring a viable future for libraries that remain at the heart of local communities. The proposed option was the preferred option of the majority of respondents in a comprehensive consultation with amendments to reflect the concerns raised. The Equalities Impact Assessments illustrate that no one group was adversely affected by the proposal with access remaining high.

(Key decision – reference number 4043)

9

REVISED TERMS OF REFERENCE FOR LOCAL PLAN CABINET SUB-COMMITTEE

Councillor Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) introduced the report of the Director of Regeneration and Environment (No.8) seeking approval to the revised terms of reference for the Local Plan Cabinet Sub-Committee.

NOTED the proposed revisions to the terms of reference for the Local Plan Cabinet Sub-Committee were in relation to neighbourhood planning, the Community Infrastructure Levy Regulation 123 list (CIL expenditure) and Memorandum of Understandings for plan making, as detailed in the report. The proposals would streamline the decision making processes.

Alternative Options Considered: None.

DECISION: The Cabinet agreed to approve the revised terms of reference for the Local Plan Cabinet Sub Committee as set out in Table 1 of the report, Proposed Terms of Reference in section 4 of the report.

Reason: Changes to the terms of reference were necessary to ensure that decisions were made in the most efficient way in accordance with the Government legislation and the Council's Constitution. The terms of reference seek to secure the optimum balance between accountability, efficiency and speed in preparing local planning documents and the Community Infrastructure Levy charging schedule, and responding to neighbourhood planning.

(Non key)

10**SMALL HOUSING SITES: COMPULSORY PURCHASE ORDERS**

Councillor Ahmet Oykenar (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Regeneration and Environment (No.9) seeking approval to the making of compulsory purchase orders, as set out in the report.

NOTED

1. That council officers would engage and negotiate with all parties, where known, with property interests to attempt to reach an amicable agreement for the purchase of those interests, but in the event that terms could not be agreed it was proposed that the Council resolved to use powers to make Compulsory Purchase Orders to ensure the delivery of much needed new housing.
2. The sites in question, as detailed in the report.

Alternative Options Considered: NOTED that no alternative options had been considered for the four sites in question for the reasons set out in section 4 of the report.

DECISION: The Cabinet agreed

1. To resolve to use Compulsory Purchase Order powers under section 226 1 (a) of the Town and Country Planning Act 1990 (as amended) and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (if required) to make the following Compulsory Purchase Orders:
 - The London Borough of Enfield (Gatward Green Development) Compulsory Purchase Order 2015
 - The London Borough of Enfield (Cedars Court Development) Compulsory Purchase Order 2015
 - The London Borough of Enfield (Ordnance Road Development) Compulsory Purchase Order 2015
 - The London Borough of Enfield (Lousada Lodge Development) Compulsory Purchase Order 2015

As detailed in the report, in respect of the land shown on the plans in appendices 2, 3, 4 and 5 of the report, to effect acquisition of land and new rights within the areas on each site described in the report and shown on the Plans "The Order Land".

2. To note the generic draft Statement of Reasons (Appendix 1 of the report) which set out the justification for making the Compulsory Purchase Orders in relation to the Order Land referred to in Appendices 2, 3, 4 and 5 of the report.

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3. To delegate authority to the Director of Regeneration and Environment, acting in consultation with the Director of Finance, Resources and Customer Services, to take all the necessary steps consequent to the making of any Compulsory Purchase Order, on the basis that there was a compelling case in the public interest to make the Order, including:
 - (a) To publish the draft Compulsory Purchase Orders, referred to within this report, to seek confirmation of the Secretary of State and if confirmed, implement the Order.
 - (b) To modify the draft Statement of Reasons and the Order Plan and effect any other procedural requirements including (but not limited to) the publication and service of all notices and the presentation of the Council's case at any public inquiry.
 - (c) To acquire any interests in land within the Order Land by agreement and the making of payments equivalent to the market value of the property interest being acquired plus any statutory payments and disturbance compensation of the provision of property or services in lieu of the market value of the property interest being acquired and any statutory payments and disturbance compensation or the provision of property or services in lieu of the market value of the property interest being acquired and any statutory payments and disturbance compensation, in contemplation of the Order being made; and
 - (d) If and when the Order is confirmed then to acquire by compulsion and make payments of statutory compensation, if voluntary agreements could not be reached.

Reason: To enable the development of four sites. The Council being of the view that the proposed acquisition of the Order Land would: facilitate the carrying out of the development/redevelopment or improvement on or in relation to the Order Land; and, contribute to the promotion or improvement of the economic, social and environmental well-being of the Borough.

(Key decision – reference number 4120)

11

HOUSING GATEWAY LIMITED ANNUAL REPORT

Councillor Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Finance, Housing and Customer Services (No.10) presenting the Housing Gateway Limited First Annual Report.

NOTED

1. Report No.15 also referred as detailed in Minute No.23 below.
2. The success of Housing Gateway Limited which represented a model of good practice and innovative working practices for the Council. The company had bought 72 properties over the last year.

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3. The savings that the Council had and would continue to achieve in the provision of temporary accommodation. Congratulations were extended to the Board of Directors for the success to date.
4. Members expressed their continued concerns regarding the Government's housing policies. The Council would continue to lobby the Government as appropriate.

Alternative Options Considered: NOTED that the alternative options had been considered by Cabinet as part of a previous report (key decision number 3782). Cabinet was now being asked to note the contents of the first Annual Report, as the sole shareholder of Housing Gateway Limited.

DECISION: The Cabinet agreed to

1. Note the contents of the Housing Gateway Limited First Annual report;
2. Refer this report to Council for information.

RECOMMENDED TO COUNCIL, that the report be considered for information.

Reason: The Council was the sole shareholder of Housing Gateway Limited and it had been agreed by Cabinet that an annual report would be prepared to update the Council on the progress made by the company.
(Non key)

12

MOBILISATION AND OPERATION OF LEE VALLEY HEAT NETWORK (LVHN)

Councillor Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) introduced the report of the Director of Regeneration and Environment (No.11) regarding the mobilisation and operation of the Lee Valley Heat Network (LVHN).

NOTED

1. That Report No.16 also referred as detailed in Minute No.24 below.
2. The funding requirements and timescales involved as set out in detail in the report and drawn to Members' attention by Councillor Sitkin.
3. The detailed recommendations set out in section 2 of the report and reflected in the decisions below.
4. That appendix 1 to the report set out the proposed governance structure; option C was being recommended as the preferred structure.

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Alternative Options Considered: NOTED the following alternative options which had been considered as set out in section 4 of the report:

- Do nothing: this would lose the significant economic, environmental and social benefits forecast to be delivered by LVHN.
- Not to change the Articles of Association for HoldCo: now that the LVHN project was fully developed, it was appropriate to update the Articles to reflect the matters dealt with in this report, and to generally ensure they were up to date and fit for purpose.
- Not to provide the funding to mobilise LVHN Ltd and to enable it to operate for the first year.
- Options A, B and C: options A and B were discounted for the reasons explained in Appendix 1 of the report.

DECISION: The Cabinet agreed to

1. Confirm LVHN Ltd. As the Holding Company (HoldCo) (and of which Enfield was the sole shareholder) and approve the setting up of a wholly owned subsidiary company (OpCo) to undertake project delivery, as the method of governance and delivery for the LVHN business.
2. Approve the amended Articles of Association (including establishment of an Audit Committee) for HoldCo (as detailed in appendix 3 of the report) and to authorise that these be adopted as the revised Articles for the existing Council owned company (LVHN Ltd).
3. Approve the delegation arrangements described in section 3.7.15 of the report.
4. Approve the procurement of insurance to indemnify Council officers and Members acting as directors under the Local Authorities (Indemnities for Members and Officers) Order 2004.
5. Approve the drawdown of a total of £2.143 million from the Council's indicative capital programme consisting of:
 - £1.096 million forecast costs for the six months from September 2015 to March 2016.
 - £1.047 million forecast operational costs for the six months from April 2016 to September 2016, the drawdown of which would need to be specifically authorised by both the Director of Regeneration and Environment, and the Director of Finance, Resources and Customer Services.

This would increase the Council's project investment to £4.256 million to September 2016, as detailed in Table 1 (set out in Report No.16, Minute No.24 below refers).

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6. Approve the estimated £170k revenue cost related to borrowing an additional £2.143m, to cover interest payments and repayment of principal, with the remaining investment coming from existing budgets.
7. Recommend to full Council that the £2.143m project development costs be added to the Council's approved capital programme.
8. Approve the principle of the On-Lending Agreement, to enable LVHN Ltd. to operate at the level envisaged in the Business Plan, and a working capital facility of up to £0.5million to cover operating expenditure within the Business Plan but not covered by the On-Lending Agreement.
9. That following evaluation of the tenders and appointment of preferred bidders, the Council authorises HoldCo to enter into contract with:
 - The Design, Build and Operate contractor to commence necessary design work for the Strategic Heat Network and District Heating Energy Centre, to enable submission of the associated planning application by June 2016.
 - The Operations and Maintenance contractors for the Satellite Schemes, including an interim arrangement for the satellite scheme at Ladderswood until build out was complete.
 - The Customer Services contractor, initially for Ladderswood and as required for further stages of the project.
10. Authorise the Director of Regeneration and Environment to agree the entering into by the Council of any necessary ancillary agreements required to give effect to these contracts.

RECOMMENDED TO COUNCIL that the £2.143m project development costs be added to the Council's approved capital programme.

Reason: Enfield Council and the GLA had already invested significant resource and revenue funding to develop the LVHN Business Plan. The European Investment Bank had since demonstrated external investor confidence in the scheme. Without Enfield Council's continued investment to mobilise LVHN Ltd. and make it operational for its first full year, it is not possible to develop the Strategic Heat Network and Satellite Schemes in Phase 1. They are critical to catalysing the heat network and subsequently delivering the significant economic, environmental and social benefits forecast for this city-scale heat network.

(Key decision – reference number 4080)

13

RE-PROVISION PROJECT - CONSTRUCTION CONTRACT

Councillor Alev Cazimoglu (Cabinet Member for Health and Social Care) introduced the report of the Director of Health, Housing and Adult Social Care

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(No.12) seeking authority to enter into Stage 2 building contract for the construction of the building consistent with the previous Cabinet decision.

NOTED

1. That Report No.17 also referred as detailed in Minute No.25 below;
2. That this was an exciting and necessary project. The new facility would provide 70 bed spaces of care and accommodation for older people initially catering for the resident population transferring from the two care homes Bridge House and Coppice Wood Lodge and following this through time to become a high need residential and nursing care facility.
3. The financial implications of the project and the factors which had contributed to the cost increase as set out in section 4.6 of the report and in Report No.17 (Minute No.25 below also refers).
4. The demand for this service provision as set out in the report.
5. It was anticipated that work would begin in July 2015 with a target for completion by the end of 2016.
6. The value and necessity of this project was recognised by Members. It would provide a state of the art facility for Enfield.

Alternative Options Considered: NOTED the alternative options which had been considered as set out in section 13 of the report. Prior to the Council decision in July 2013 to make funding available for construction of the new care home a number of options had been identified

- The Council to commission the construction of building of the dual registered facility and then procure the service delivery aspect of the project separately.
- Provide site ownership to a provider chosen via tender competition for them then to develop and operate a dual registered care home on the site for the benefit of Enfield residents in need.
- Close Current Homes and re-provide with dementia bed spaces from the market.
- Abandon the Re-provision Project completely and continue as current.

Following discussion Option 1 – ie. the Council to commission the construction of building of the dual registered facility and then procure the service delivery aspect of the project separately via a contract of an appropriate length was the proposed preferred option this decision had been informed by:

- The Council's capacity to raise funds through using its borrowing facility;
- It had always been envisaged that the building should be future proof to meet changing needs.

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- The potential for shifting the balance of type of accommodation as needs change.

DECISION: The Cabinet agreed

1. To enter into Stage 2 building contract for the construction of the building consistent with the previous Cabinet decision.
2. To note that detailed recommendations were included in Report No.17, Minute No.25 below refers.
3. To note that further financial information was contained in Report No.17, Minute No.25 below refers.

Reason: To facilitate the continuation of the programme to construct a new care facility through providing authorisation to provide additional capital required due to increased construction cost.

(Key decision – reference number 4089)

14

PONDERS END 'ELECTRIC QUARTER' COMPULSORY PURCHASE ORDER

Councillor Ahmet Oykenar (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Regeneration and Environment (No.13) taking forward the Ponders End High Street Regeneration Scheme.

NOTED

1. That Report No.18 also referred, as detailed in Minute No.26 below.
2. The background to the proposed scheme as detailed in section 3 of the report. The proposals for housing and library provision were noted together with the timescales for moving forward.
3. The proposals to make a Compulsory Purchase Order to use if required, for the progression of the regeneration of Ponders End High Street.
4. The benefits that the scheme would bring to Ponders End. The scheme was much needed and would have a fundamental positive impact on the area.

Alternative Options Considered: NOTED the alternative options which had been considered as set out in section 4 of the report and below:

- Do Nothing – this would not deliver the Council's planning objectives as detailed in the Core Strategy
- Restrict regeneration activity to Council owned land only – this would result in piecemeal development which would not deliver a comprehensive regeneration scheme that could be achieved by tying the former Middlesex University Site into the High Street to create a

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dynamic urban quarter that could contribute to the economic sustainability of the High Street.

- Acquire all land and property interests on a voluntary basis – negotiations to acquire land and property interests had been pursued and would continue to be pursued alongside any compulsory purchase process.

DECISION: The Cabinet agreed

1. To resolve the make a Compulsory Purchase Order under section 226(1)(a) of the Town and Country Planning Act 1990 (“the 1990 Act”) (as amended) for the acquisition of land and new rights within the area described in the report and shown on the plan attached at Annex A to the report. The Council being of the view that the proposed acquisition of the Order Land would:
 - (a) Facilitate the carrying out of the development/redevelopment or improvement on or in relation to the Order Land; and
 - (b) Will contribute to the promotion or improvement of the economic, social and environmental well-being of the Borough.
2. To delegate authority to the Director Regeneration and Environment, acting in consultation with the Director of Finance, Resources and Customer Services, to:
 - (a) Take all necessary steps to make the order, including the finalisation of the Statement of Reasons and the draft order and carry out all subsequent work following submission to the Secretary of State (public inquiry (if called), through to confirmation and implementation of the Planning Compulsory Purchase Order (PCPO).
 - (b) Acquire all necessary interests in land within the area subject to the PCPO either by agreement or compulsorily, (supported by Urban Vision Partnership Limited as necessary and appropriate).
 - (c) Complete agreements with landowners and others having an interest in the area to be the subject of the PCPO including where appropriate seeking agreements affecting the delivery of any part of the development and making arrangements for the relocation of occupiers.
 - (d) Following confirmation of the PCPO to pay compensation and statutory interest entitlement to former landowners.
 - (e) Institute and defend any proceedings (as appropriate) which might be necessary as a consequence of the Council’s exercise of its PCPO powers.
3. That the Order be named:

“London Borough of Enfield (Ponders End Electric Quarter) Compulsory Purchase Order 2015”.

Reason: The use of Compulsory Purchase powers was a vital tool in delivering large, mixed use regeneration schemes. The making of a

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Compulsory Purchase Order to assemble the proposed development site had been envisaged when Cabinet had recommended undertaking the background work for a Compulsory Purchase Order in April 2012. Lovell Partnerships Limited had been appointed as the Council's Delivery Partner for the Electric Quarter and were progressing a detailed planning application with anticipated submission in July/August 2015. Lovell had demonstrated that finance was in place to deliver the scheme so it was now considered appropriate to progress the making of a Planning Compulsory Purchase Order to support the delivery process.

(Key decision – reference number 4076)

15

CABINET SUB-COMMITTEES FOR THE NEW MUNICIPAL YEAR 2015/16

AGREED that the following Cabinet Sub-Committees be established for the municipal year 2015/16:

Local Plan Cabinet Sub-Committee (4 Members)

Councillors Alan Sitkin, Ahmet Oykenner, Ayfer Orhan and Daniel Anderson

Enfield Residents Priority Fund Cabinet Sub-Committee (3 Members)

Councillors Yasemin Brett, Ahmet Oykenner and Achilleas Georgiou

Enfield Community Support Fund Cabinet Sub-Committee (3 Members)

Councillors Yasemin Brett, Achilleas Georgiou and Ahmet Oykenner

16

CABINET AGENDA PLANNING - FUTURE ITEMS

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

17

ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE

NOTED that no issues had been submitted for consideration at this meeting.

18

MINUTES

AGREED that the minutes of the previous meeting of the Cabinet held on 29 April 2015 be confirmed and signed by the Chair as a correct record.

19

MINUTES OF ENFIELD RESIDENTS' PRIORITY FUND CABINET SUB-COMMITTEE - 12 MAY 2015

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NOTED, for information, the minutes of a meeting of the Enfield Residents' Priority Fund Cabinet Sub-Committee held on 12 May 2015.

Members noted that Minute No.6 referred to a small amount of money remaining in the 2014/15 Residents Priority Fund which had not yet been allocated.

AGREED, to refer this matter back to the Enfield Residents' Priority Fund Cabinet Sub-Committee in the first instance, with a report then being submitted to a future Cabinet meeting for consideration.

20

ENFIELD STRATEGIC PARTNERSHIP UPDATE

NOTED

1. A summary of the minutes of the Enfield Strategic Partnership Board meeting held on 9 June 2015, which was circulated at the meeting for Members' information.
2. The outcome of the Enfield Strategic Partnership's June Board meeting.
3. In response to questions raised, Councillor Taylor clarified the amount of funding available for bids being made to the Partnership; section 7 of the minutes referred.

21

DATE OF NEXT MEETING

NOTED

1. that the next meeting of the Cabinet was scheduled to take place on Wednesday 22 July 2015 at 8.15pm.
2. A provisional meeting had been scheduled for 12 August 2015 should any urgent matters arise for Cabinet consideration which could not await the next meeting scheduled for 16 September 2015. Members would be advised in due course.

Councillor Taylor (Leader of the Council) took this opportunity, on behalf of the Cabinet, to express his thanks and appreciation to Andrew Fraser (Director of Schools and Children's Services) who was attending his last Cabinet meeting prior to his forthcoming retirement. Councillor Orhan (Cabinet Member for Education, Children's Services and Protection) stated that it had been a privilege working with Andrew Fraser since 2010, he provided excellent leadership and led by example. Councillor Orhan thanked Andrew Fraser for his commitment and support at a time when difficult decisions had had to be made. Councillor Orhan placed on record her gratitude to Andrew Fraser and

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extended her sincere good wishes to him for his retirement. Councillor Orhan's comments were endorsed by the Cabinet as a whole.

22

EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the items listed on part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

23

HOUSING GATEWAY LIMITED ANNUAL REPORT

Councillor Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Finance, Resources and Customer Services (No.15).

NOTED

1. Report No.10 also referred as detailed in Minute No.11 above.
2. The financial implications set out in section 6 of the report.

Alternative Options Considered: As detailed in Report No.10, Minute No.11 above refers.

Reason: As detailed in Report No.10, Minute No.11 above refers.
(Non key)

24

MOBILISATION AND OPERATION OF THE LEE VALLEY HEAT NETWORK (LVHN)

Councillor Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development) introduced the report of the Director of Regeneration and Environment (No.16).

NOTED

1. That Report No.11 also referred as detailed in Minute No.12 above.
2. The breakdown of finance details set out in section 3 of the report.
3. That Appendix 4 of the report set out the risk assessment and mitigation.

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Alternative Options considered: As detailed in Report No.11, Minute No.12 above refers; and, section 4 of this report.

Reason: As detailed in Report No.11, Minute No.12 above refers.
(Key decision – reference number 4080)

25

RE-PROVISION PROJECT - CONSTRUCTION CONTRACT

Councillor Alev Cazimoglu (Cabinet Member for Health and Social Care) introduced the report of the Director of Health, Housing and Adult Social Care (No.17).

NOTED

1. That Report No.12 also referred as detailed in Minute No.13 above.
2. The additional capital funding required as set out in the report.
3. The detailed project development and cost, and finance details of the project as clarified in the report and discussed by Members at the meeting.
4. The proposals for the existing facilities in the Borough.
5. The recognised demand for the provision of this facility and, the considerations which had been taken into account when planning the size and flexibility of the project. The needs of the residents and their families would continue to be met by the Council.

Alternative Options Considered: As detailed in Report No.12, Minute No.13 above refers.

DECISION: The Cabinet agreed to approve

1. The contract award to the company detailed in the recommendation of the report, accepting their tender in the sum detailed in the recommendation of the report, for the construction of the new 3 storey 70 bed care home on the site of the former Elizabeth House; and
2. Total scheme expenditure of the sum detailed in the recommendation of the report, including provision for construction, professional and technical costs, furniture, client costs, and a project contingency as detailed in paragraph 3.3 of the report; and
3. Allocation of a project contingency of £250,000 to be expended via operational decisions, where required; and

RECOMMENDED TO COUNCIL the approval of the additional capital cost of £2.647m as set out in section 6.1 of the report and for Council to note that the

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estimated running and capital financing costs could be contained within the Medium Term Financial Plan provision.

Reason: As detailed in Report No.12, Minute No.13 above refers.
(Key decision – reference number 4089)

26

PONDERS END "ELECTRIC QUARTER" COMPULSORY PURCHASE ORDER

Councillor Ahmet Oykenar (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Regeneration and Environment (No.18).

NOTED

1. That Report No.13 also referred as detailed in Minute No.14 above.
2. The contents of the report.

Alternative Options Considered: As detailed in Report No.13, Minute No.14 above refers.

Reason: To update Cabinet on land and property acquisitions required to deliver the Electric Quarter against agreed budgetary provision and outlined viability issues that were affecting the scheme, for which Cabinet was recommended to note.

(Key decision – reference number 4076)

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ENFIELD RESIDENTS PRIORITY FUND CABINET SUB-COMMITTEE - 1.7.2015

**MINUTES OF THE MEETING OF THE ENFIELD RESIDENTS PRIORITY FUND
CABINET SUB-COMMITTEE
HELD ON WEDNESDAY, 1 JULY 2015****COUNCILLORS**

PRESENT Yasemin Brett (Chair), Achilleas Georgiou and Ahmet Oykener

OFFICERS: Alison Trew (Head of Corporate Policy and Performance), Peter Doherty (ERPF Administrator), Jayne Middleton-Albooye (Head of Legal Services) and Joanne Stacey (Performance and Information Manager) Penelope Williams (Secretary)

1**WELCOME AND APOLOGIES**

The Chair welcomed everyone to the meeting. There were no apologies.

2**DECLARATION OF INTERESTS**

There were no declarations of interest.

3**URGENT ITEMS**

NOTED the reports listed on the agenda had been circulated in accordance with the requirements of the Council's Constitution and the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2002.

There were no urgent items.

4**ALLOCATION OF UNSPENT ENFIELD RESIDENTS PRIORITY FUND MONEY FOR 2014/15**

The Sub Committee received a report, which was tabled at the meeting, setting out options as to what to do about the unspent money in the 2014/15 Enfield Residents Priority Fund.

NOTED

1. Members were concerned to ensure that the residents in the different wards still had a say and influence about the money remaining in their ward allocations.

ENFIELD RESIDENTS PRIORITY FUND CABINET SUB-COMMITTEE - 1.7.2015

2. The legal advice that selecting an option, which could not be judged to be cost effective, could be open to challenge.
3. Amending the way the money was allocated by lifting the £5,000 cap and pooling the money among wards could lead to retrospective challenges.
4. There were no resources to administer any continuation of the fund by allowing new applications.
5. Members considered the three options provided in the report and agreed that option 3.8 would be recommended to Cabinet, but that all the money would be allocated to Environment and Regeneration and not 50% as proposed.

AGREED that the sub committee would recommend to Cabinet for approval the following option:

The Enfield Residents Priority Fund is closed and the remaining £63,115 is returned to the Council's General Fund.

The money is then allocated from the General Fund to Regeneration and Environment to enable additional public realm activities such as additional street cleansing and the removal of fly tips to be provided.

The money allocated to Regeneration and Environment would be earmarked on a pro rata basis, under a separate code, to be spent specifically in the wards with monies remaining. Councillors in the relevant wards would be able to request specific work to be carried out in these wards.

Reason: To ensure that, despite £63,115 of the 2014/15 funding not being allocated, redistribution as outlined in the recommendation would ensure that a clear link between the funding and the residents would be retained and a community benefit ensured.

5

MINUTES OF THE MEETING HELD ON 12 MAY 2015

The minutes of the meeting held on 12 May 2015 were received and agreed as a correct record.

6

THANK YOUS

As this was the last meeting of the Enfield Residents Priority Fund, the Chair thanked all the officers who had provided support to the fund over the past four years as well as the members of the committee.

She wished the officers well in their new roles.