

# Public Document Pack



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## THE CABINET

**Wednesday, 16th December, 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 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 Oykenen (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**

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 days in advance of meetings.

### **4. DEPUTATIONS**

To receive a deputation from Councillor Erin Celebi (Bush Hill Park Ward Councillor), on behalf of the Raglan School Crossing Patrol in relation to concerns regarding their crossing.

(8.20 – 8.30 pm)

### **5. ITEMS TO BE REFERRED TO THE COUNCIL**

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

### **6. ISSUES ARISING FROM THE OVERVIEW AND SCRUTINY COMMITTEE (Pages 1 - 18)**

#### **Scrutiny Workstream Final Reports and Recommendations**

A report from the Overview and Scrutiny Committee is attached. This provides a summary of the final scrutiny workstream reports from 2014/2015, and the comments of the respective Cabinet Members and Directors. (Non key)

(Report No.132)

(8.30 – 8.35 pm)

### **7. REVENUE MONITORING REPORT 2015/16: OCTOBER 2015 AND 2016/17 BUDGET UPDATE (Pages 19 - 38)**

A report from the Director of Finance, Resources and Customer Services is attached. This sets out the Council's revenue budget monitoring position based on information to the end of October 2015. The report also provides a

brief update on the Spending Review 2015. **(Key decision – reference number 4151)**

(Report No.133)

(8.35 – 8.40 pm)

**8. CAPITAL PROGRAMME MONITOR SECOND QUARTER SEPTEMBER 2015 BUDGET YEAR 2015-16** (Pages 39 - 60)

A report from the Director of Finance, Resources and Customer Services is attached. This informs Members of the current position up to the end of September 2015. **(Key decision – reference number 4154)**

(Report No.134)

(8.40 – 8.45 pm)

**9. QUARTERLY CORPORATE PERFORMANCE REPORT** (Pages 61 - 74)

A report from the Chief Executive is attached. This provides the latest available performance data at the end of quarter two 2015/16. **(Key decision – reference number 4144)**

(Report No.135)

(8.45 – 8.50 pm)

**10. SETTING UP THE COUNCIL'S TRADING COMPANY** (Pages 75 - 92)

A report from the Director of Health, Housing and Adult Social Care is attached. This proposes the establishment of a Local Authority Trading company. (Report No. 142, agenda part two also refers). **(Key decision – reference number 4194)**

(Report No.136)

(8.50 – 8.55 pm)

**11. UPTON ROAD AND RAYNHAM ROAD REDEVELOPMENT SCHEME** (Pages 93 - 110)

A report from the Director of Regeneration and Environment is attached. This sets out an indicative scheme proposal and preferred option for consideration. (Report No.140, agenda part two also refers). **(Key decision – reference number 4119)**

(Report No.138)

(8.55 – 9.00 pm)

**12. RESIDENTIAL PROPERTIES IN PARKS PORTFOLIO** (Pages 111 - 120)

A report from the Director of Regeneration and Environment and Director of Finance, Resources and Customer Services is attached. This sets out the current position in respect of 39 residential properties within parks and street properties owned by the Council. (Report No.141, agenda part two also refers) **(Key decision – reference number 4084)**

(Report No.139)

(9.00 – 9.05 pm)

**13. CABINET AGENDA PLANNING - FUTURE ITEMS** (Pages 121 - 124)

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

**14. MINUTES** (Pages 125 - 136)

To confirm the minutes of the previous meeting of the Cabinet held on 18 November 2015.

**15. MINUTES OF LOCAL PLAN CABINET SUB-COMMITTEE** (Pages 137 - 142)

To receive, for information, the minutes of meetings of the Local Plan Cabinet Sub-Committee held on 22 October and 5 November 2015.

### **INFORMATION ITEMS**

**16. ENFIELD STRATEGIC PARTNERSHIP UPDATE**

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

**17. DATE OF NEXT MEETING**

To note that the next meeting of the Cabinet is scheduled to take place on Wednesday 20 January 2016 at 8.15pm.

### **CONFIDENTIAL ITEMS**

**18. 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)

## MUNICIPAL YEAR 2015/2016 REPORT NO. **132**

**MEETING TITLE AND DATE:**

Cabinet 16<sup>th</sup> December 2015

<b>Agenda - Part:</b> 1	<b>Item:</b> 6
<b>Subject:</b>	
SCRUTINY WORKSTREAM FINAL REPORTS AND RECOMMENDATIONS	
Cabinet Members consulted: Cllr Georgiou, Cllr Stafford Other Members Cllr Levy	

**REPORT OF:**

Overview & Scrutiny Committee  
Contact officer and telephone number:

Claire Johnson Scrutiny & Member Services Manager Tel: 020 8379 4239

e-mail: [Claire.johnson@enfield.gov.uk](mailto:Claire.johnson@enfield.gov.uk)

### 1. EXECUTIVE SUMMARY

- 1.1 This report provides a summary of the final scrutiny workstream reports from 2014/2015, and the comments of the respective Cabinet Members and Directors.
- 1.2 Copies of the full workstream reports are available in the Members' Library for information, or through the Councillors and Democracy page of the website.
- 1.3 Progress on implementation of the agreed recommendations will be monitored through Overview and Scrutiny Committee (OSC).

### 2. RECOMMENDATIONS

- 2.1 Cabinet are asked to note the Scrutiny workstream reports and note the Cabinet Members' and Directors' responses to the recommendations.

### 3. BACKGROUND

- 3.1 Following the review of Scrutiny and the new arrangements for undertaking time limited workstreams, five workstreams were undertaken in 2014/2015 and the final reports were agreed by OSC in July 2015.
- 3.2 Following constructive feedback from the Director of Health Housing and Adult Social Care after the issue of the first draft finalised report, a new arrangement has been introduced which allows a discussion between the Chair of the workstream and the Cabinet Member and Director about the review and the reason behind the recommendations, with a more detailed response to the recommendations.
- 3.3 The agreed recommendations are then monitored through OSC.
- 3.4 Chairs of the workstreams were asked to provide feedback on the new process, the following comments were made:  
The meetings with the Directors and Cabinet Members were useful, and it was helpful to have direct input and discussion about the review, however, they felt that there were unexplained delays from some departments in providing the detailed response that was promised.

### 4.0 Workstreams

- 4.1 A brief summary of the workstreams and the recommendations are listed below, full versions of the reports can be found on the Councillors & Democracy page of the website.
- 4.2 **Health Inequality** - Chaired by Cllr Daniel Anderson, Cllr Andy Milne (Vice Chair) Cllr Vicki Pite, Cllr Nick Dines, Cllr Christiana During, Cllr Suna Hurman  
The report details the findings, conclusions and recommendations of the Health Inequality Workstream. The review focussed on the role of the Public Health team itself, primarily The Public Health Annual Report (2014); the remit and budget allocated to the department; the existing contractual arrangements; and the child poverty strategy and draft action plan. The workstream also looked at the smoking cessation programme targeted at the Turkish community as this provided a good 'snapshot' of the work of the Public Health Department in practice. Members questioned the balance of funding and the allocation and distribution of existing funds, focused as they are mainly on sexual health and drug & alcohol treatments. Members were particularly concerned over the considerable amount of money, spent on Public Health Leadership and CCG core health & intelligence, the benefits of which are not clearly evidenced, and which seemed to be non-aligned with the stated priorities of the department.

The workstream found that, as with other councils across London, the controllable spend on existing sexual health contractual arrangements, inherited from the PCT, failed to deliver measurable results. They are unable to demonstrate the effectiveness of interventions and value for money, whilst the focus appears to be more on outputs than outcomes. However, moving forward, we are reassured that new contractual arrangements will be in place to address these concerns.

- 4.3 Though members felt that the Public Health Annual Report was well put together and illuminating, there were concerns about the lack of context, the use of statistics contained within, and the failure to highlight the importance of, or demonstrate community engagement. In addition, there appeared to be a lack of synergy between this and the Health & Wellbeing Board's Joint Health and Wellbeing Strategy. Furthermore, the five objectives contained within the latter were not completely aligned with the Public Health team's three priorities.
- 4.4 Though causality between behaviours and childhood obesity is hard to prove, it was equally hard to overlook the fact that obesity is linked to 30 diseases and estimated to cost Enfield £78.6m a year and that childhood obesity in Enfield is amongst the highest in London.
- 4.5 Turning to child poverty, instead of building on the firm basis of an already comprehensive and well written strategy, the Public Health team initiated an extensive review and second draft strategy. Time and resources - both human and financial - have been spent on producing an ongoing and extensive range of material that the panel found confusing. In addition, whilst there is no definitive evidence base yet as to the most effective interventions to sustainably tackle child poverty the idea of developing a 30 to 40-year plan to eradicate child poverty is unrealistic and unachievable. It is also our view that the child poverty strategy requires a more corporate steer as many of the central features are not within the purview of the public health mandate and questioned the likelihood of it having an impact, in the short and medium term, on children's health and wellbeing.
- 4.6 In conclusion, members believe that the Public Health Department's own priorities need to be recalibrated away from the socio-economic and wider determinants of health, such as improving the quality of housing; raising aspirations amongst children; and improving parenting skills, which are the responsibilities of other council departments, towards what have been shown to be the most effective public health interventions, such as increasing home care visits; pre and post natal nursing support; encouraging physical activity of mums; improving health and wellbeing; smoking cessation, improving nutrition and improving physical activity.

- 5.0 **Speech & Language Therapy** – Chaired by Cllr Nneka Keazor, Peter Fallart (Vice Chair), Guney Dogan, Turgut Esendagli, Bernadette Lappage, Alessandro Georgiou
- 5.1 This workstream looked at the Speech & Language service following feedback from the Edmonton Schools Partnership that access to Speech & Language Therapists (SALT) was limited.
- 5.2 The ability to communicate is an essential life skill for all children and young people and it underpins a child's social, emotional and educational development.
- 5.3 The workstream found that demand for support far exceeds the capacity of the Speech & Language Team, and therefore this has resulted in a mixed approach with schools making their own arrangements in order to support the needs of the children.
- 5.4 The workstream members felt that there needed to be a standard approach across the Borough so that all children received the same access and opportunity to improve their Speech, Language and Communication Difficulties (SL&CD), but recognised the limitations of the Core team to deliver this alone.
- 5.5 A number of recommendations were made, and these will be monitored through the OSC process.
6. **High Streets & Town Centres review** - Chaired by Cllr Joanne Laban, Cllr Claire Stewart, Vice Chair, Cllr Derek Levy, Cllr Robert Hayward, Cllr Dinah Barry, Cllr Jansev Jemel.
- 6.1 This Scrutiny Workstream was established to undertake a review of high streets and town centres. Particular areas of focus were the numbers of empty units, management of town centres, the retail mix/variety of shops and Business Rates. In relation to these:
- 6.2 Members carried out a variety of visits to ascertain numbers of empty units, the retail mix on offer, and the current look of our high streets.
- 6.3 The management of town centres was discussed with representatives of Enfield Business and Retailers Association and the Chamber of Commerce.
- 6.4 A survey was undertaken of 3 areas to identify the variety of shops.
- 6.5 Members heard from senior managers about the Business Rate process, both locally and nationally.



- 6.6 The workstream identified a number of recommendations based on the evidence gathered to enhance the work already being undertaken.
- 7.0 Gangs & Weapon Enabled Crime** – Chaired by Cllr Krystle Fonyonga, Cllr Lee- David Sanders, Cllr Christine Hamilton, Cllr Bernadette Lappage, Cllr Eric Jukes, Cllr Ahmet Hasan.
- 7.1 Scrutiny members decided to look at this area, as gangs and weapon enabled crime is a top priority for the Safer & Stronger Communities Board (SSCB); young people are over-represented as both victims and offenders in crime statistics.
- 7.3 Enfield has seen a disproportionate escalation in the levels of serious youth violence above the London average.
- 7.4 From the evidence collected as part of the workstream, members identified a number of recommendations for consideration.
- 8.0 Temporary Accommodation** – Chaired by Cllr Edward Smith, Cllr Mary Maguire, Cllr Abdul Abdullahi (Vice Chair), Cllr Christiana During, Katherine Chibah, Erin Celebi.
- 8.1 Tackling homelessness is a key priority both locally and nationally. Statutory homelessness acceptances are rising everywhere especially across London. The use of temporary accommodation is increasing; Enfield fluctuates between fourth and seventh in terms of the highest number of households living in temporary accommodation in London (approximately 2,700 households).
- 8.3 The demand for properties in London is pushing up prices and private rents, causing more people to apply for social housing. The impact of the benefit cap is also causing Councils in London to move their homeless families to cheaper areas like Enfield.
- 8.4 The projected cost pressure of temporary accommodation if the Council takes no mitigating actions is £7.5m and this has been identified as the single largest cost pressure in 2015/16.
- 8.5 The workstream looked at the evidence and the principal supply and demand suggesting measures to help alleviate this problem and reduce costs in this area.

## **9. WORKSTREAM RECOMMENDATIONS**

- 9.1 The recommendations from each workstream and the Cabinet Members' and Directors' responses are attached at Appendix A.

## **10. REASONS FOR RECOMMENDATION**

To comply with the requirements of the Council's Constitution.

## **11. ALTERNATIVE OPTIONS CONSIDERED**

No other options have been considered as the OSC is required, under the Council's Constitution, to submit the scrutiny reports to Cabinet.

## **12. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **12.1 Financial Implications**

Any cost implications of undertaking the Scrutiny workstreams will be found from within the existing budget.

### **12.2 Legal Implications**

The recommendation set out within this report is within the Council's powers and duties and complies with our requirements under the Local Government Act 2000. The Council's OSC operates in accordance with the Council's constitution.

### **12.3 Key Risks**

There are no key risks associated with this report. Any risks relating to individual scrutiny workstreams have been identified and assessed through the scrutiny process.

## **13. IMPACT ON COUNCIL PRIORITIES**

### **Fairness for All, Growth & Sustainability, Strong Communities**

OSC will monitor the implementation of the recommendations from the 2014/15 Scrutiny workstreams to ensure that issues affecting a wide range of Enfield residents are addressed and that services provided are fair and equitable; that due attention is given to the sustainability of interventions; and that communities are informed about and are able to actively participate, where appropriate, in their implementation.

**14. EQUALITIES IMPACT IMPLICATIONS**

Equalities impact assessments relating to individual scrutiny workstreams and their recommendations will be assessed through the scrutiny process.

**15. PERFORMANCE MANAGEMENT IMPLICATIONS**

OSC will monitor the workstream programme and ensure that review recommendations are acted on and implemented by departments.

**16. PUBLIC HEALTH IMPLICATIONS**

Although these reports reflect a number of important public health issues there are no direct public health issues as it will be the recommendations and actions resultant in each report that will affect the health of the borough.

**Background Papers**

None



**Appendix A**

**CABINET MEMBERS' AND DIRECTORS' RESPONSES TO SCRUTINY  
WORKSTREAM REPORTS & RECOMMENDATIONS**

**HEALTH INEQUALITY WORKSTREAM** – Chair Cllr Anderson

Panel members: Cllr Milne, Cllr Pite, Cllr Hurman, Cllr During, Cllr Dines

Recommendations	Director/Cabinet Members Response
<b>Recommendations relating to the Cabinet Members for Public Health and Sport, Education, Children’s Services and Protection and Environment.</b>	<b>Meeting with Cllr Anderson and Ray James 28<sup>th</sup> October (Cllr Anderson met separately with the Cllr Keazor).</b>
<p><b>Tackling obesity within schools:</b> We call upon the Government to ensure that all schools are subject to national nutritional standards. Our local MPs could help raise this with ministers. <b>Action: Secretary of State for Education and local MPs</b></p>	Letter sent by the Chair to the Secretary of State and response received..
<p>We would like to see a more coordinated approach to healthy eating in schools. The local authority should work with schools to ensure that ALL pupils eat healthy meals and not just be provided with the option. Advisory guidance on packed lunches has not worked. Schools should look at enforcing restrictions on what food children can bring in for lunch. <b>Action: Director of Education</b></p>	The Cabinet member and Director accept the report, and acknowledge the spirit of the recommendations.
<p>We would like to see schools prohibiting pupils under the age of 16 from leaving school premises during lunch breaks so as to limit the opportunity of them accessing unhealthy options from takeaways and newsagents. <b>Action: Director of Education</b></p>	The Cabinet member and Director accept the report, and acknowledge the spirit of the recommendations.
<p><b>Public Health Report: our recommendations:</b> We would expect that any future use of evidence used in the Annual Report should be reliable and that any statistics should be benchmarked with other authorities using standard methodologies. A failure to do so will make it impossible to evaluate improvements in treatments or the effectiveness or otherwise of preventative strategies. <b>Action: Director of Public Health</b></p>	The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors & Democracy page on the Council website.
<p>We would like to see more clearly defined outcomes, i.e. to reduce smoking, to vaccinate more children, early diagnosis of lung cancer and HIV</p>	The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix,

<p>etc., and it should then map out how this will be achieved, how it will be measured and over what timeframe. As it stands, there is no clear and identifiable plan to achieve the objectives. <b>Action: Director of Public Health</b></p>	<p>with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p><b>The wider determinants of health: our recommendations</b>          Though nobody would argue against improving social and community networks, and general socioeconomic, cultural and environmental conditions, we do question the over-reliance on the wider determinants of health arguments to demonstrate improvements in health care in the short to medium term. We remain unclear as to what practical strategies would be required to replicate 'the Roseto effect' and, in many ways, the evidence completely contradicts the standard advice that the profession are at pains to maintain. We would therefore like to see clear, consistent, coherent and practical health advice. <b>Action: Director of Public Health</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p><b>Public health spending allocations: our recommendations</b>          We would like to see the amount spent on Public Health Leadership and CCG core health &amp; intelligence, significantly reduced, not least because the benefits of which are not at all clear. We would like to see the money saved diverted to projects directly in the community with spending more closely aligned with the stated priorities, namely tackling obesity, increasing physical activity and stopping smoking. We do not consider £388k dedicated to tackling the growing obesity crisis as sufficient. We would also like to see evidence of the more integrated approach cited by Dr Ahmad, where the public health budget compliments other departmental spends. <b>Action: Cabinet Member for Public Health and Director of Public Health</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p><b>Sexual health contracting arrangements: our recommendations</b>          We would like the Secretary of State for Health to ensure that the pan London arrangements for sexual health treatments are tightened up and that the</p>	<p>Letter sent by the Chair to the Secretary of State and response received providing details of a Pan London Sexual Health Transformation Project, that address the concerns that the Scrutiny members had.</p>

<p>rates charged are competitive. There should be measures in place to determine how many patients are seen, and the spend per patient.</p> <p><b>Action: Secretary of State for Health</b></p>	<p>Enfield is part of this Pan London review.</p>
<p><b>Community engagement programmes: our recommendations</b></p> <p>In light of the experience with the smoking cessation programme, we would expect to see a more consistent approach with regards to community engagement. The goal should be to effect sustainable, rather than short-term, behavioural change. This, we believe, can only be achieved in collaboration with communities. Relationships, therefore, need to be fostered and maintained in order to maximise finite human and financial resources. <b>Action: Director of Public Health</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p>Though we agree that changing attitudes in the community is necessary, it should be done in conjunction with, and not in place of, enforcement against smoking in shisha bars. <b>Action: Director of Regeneration and Environment</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p>We would like to see better joined-up approaches in tackling smoking, engaging other partners, such as pharmacies, that can help engage local communities, e.g. distributing literature in given areas and providing advice. We agree that bringing public health under local authority control facilitates a more strategic approach. We also agree that it is most important to engage the young and to shift focus on to prevention rather than cure, i.e. reducing the number of people smoking in the first place. <b>Action: Director of Public Health</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p>We believe that the Public Health Department's priorities need to be recalibrated away from the socio-economic and wider determinants of health, such as improving the quality of housing; reading for school readiness and beyond; building resilience in families; raising aspirations amongst children; and improving parenting skills, all of which feature in Dr Duggal's most recent evidence-based review (dated</p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>



<p>March 2015). We do not doubt that they need to be addressed as part of a wider child poverty strategy, but evidence suggests that as well as being resource intensive there is very little proof of positive outcomes in terms of health improvements. This simply reiterates our view that the child poverty strategy requires a corporate steer as many of the central features are not within the direct purview of the public health mandate.</p> <p><b>Action: Director of Public Health</b></p>	
<p>The 'Review of Interventions' document had itself demonstrated what the most effective interventions were and we believe that the Public Health Department priorities should be on practical interventions that improve the health of the borough, such as:</p> <ul style="list-style-type: none"> <li>▪ increasing home care visits;</li> <li>▪ pre and post natal nursing support;</li> <li>▪ encouraging physical activity of mums;</li> <li>▪ improving health and wellbeing;</li> <li>▪ improving physical activity;</li> <li>▪ tackling mental health;</li> <li>▪ improving nutritional intake;</li> <li>▪ improving dental health;</li> <li>▪ improving access to immunisations;</li> <li>and</li> <li>▪ home interventions</li> <li>▪ stopping smoking</li> </ul> <p><b>Action: Director for Public Health</b></p>	<p>The Cabinet member and Director accepted the recommendation. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page on the Council website.</p>
<p><b>Child Poverty: our recommendations</b> We believe that the child poverty strategy is a corporate strategy and, as such, the responsibility should reside with the Corporate Management Team and the Cabinet with public health feeding into its development in the same way that health &amp; social care, housing &amp; regeneration, education, and environment would do. Indeed, though the draft child poverty strategy talks about supporting families into work and increasing their earnings, improving living standards, and preventing poor children becoming poor adults etc., it says less about the focus on ill health as a driver of poverty.</p>	<p>The recommendation was accepted. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors &amp; Democracy page.</p>

<b>Action: Chief Executive</b>	
We believe that the original child poverty strategy provides a vision, priorities and next steps. It also outlines the local, national and regional context, the local strategic framework, the drivers of child and family poverty, risk factors, consequences and how the impact can be mitigated. We therefore believe it is a firm basis for pursuing a viable way forward. In addition, Government policy now appears to be moving in this direction. <b>Action: Chief Executive</b>	The recommendation was accepted. The full response can be found as an appendix, with the Health Inequality Workstream report on the Councillors & Democracy page.

**SPEECH & LANGUAGE PROVISION** – Chair Cllr Keazor

Panel members: Cllr Dogan, Cllr Esendagli, Cllr Lappage, Cllr Fallart, Cllr Alessandro Georgiou

<b>Recommendations</b>	<b>Director/Cabinet Members Response</b>
<b>Recommendations relating to the Cabinet Member for Education, Children’s Services and Protection</b>	<b>Meeting with Cllr Orhan, Cllr Levy, Tony Theodoulou and Jenny Tosh 12<sup>th</sup> October</b>
To incorporate Speech, Language & Communication Difficulties into the SEND Strategy.	Agreed.
To provide match funding of £25,000 to the Edmonton Schools Partnership so that a further year’s pilot can be undertaken, with a view to replicating and implementing the delivery model sustainably in all schools across the Borough.	The ESP have agreed to fund the £25,000 match funding for the pilot project to continue for a further year.
To review the level of SL&CD support provided to the Pupil Referral Unit (PRU) as a priority.	Agreed
That the Health team undertake a regular needs assessment of their service to ensure that the needs of all children identified with a SL&CN are catered for. Currently the number of children with SL&CD in their Educational & Health Plan is recorded, however, no data is recorded by Health on the overall number of children with an identified Speech, language & Communication need.	It is excellent news that match funding is secured for the Edmonton Partnership model of high quality practice. Incorporating SLCN into the SEND Strategy is welcomed. The important issue of quantifying and mapping local prevalence across the broad range of different levels of needs will require collaborative effort to ensure we have a thorough needs analysis to address priorities.

To continue to increase awareness with secondary schools of the link between communication difficulties and challenging behaviour, and encourage referrals to the Speech & Language Service.	Agreed.
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### HIGH STREETS & TOWN CENTRES – Chair Cllr Laban

Panel members: Cllr Levy, Cllr Hayward, Cllr Barry, Cllr Jemal, Cllr Stewart

<b>Recommendations relating to Cabinet member for Finance &amp; Efficiency &amp; Director of Finance Resources &amp; Customer Service.</b>	<b>Meeting with Cllr Stafford, Cllr Laban and James Rolfe 2<sup>nd</sup> October</b>
Review how data on empty units is collated to ensure the Council has the most up-to-date information available.	Agreed.
Proactively advise small, independent retailers of the discounts available for Business Rates.	Agreed.
<b>Recommendations relating to Cabinet member of Economic Regeneration and Business Development &amp; Director of Environment and Regeneration</b>	<b>Meeting with Cllr Sitkin, Cllr Laban, Ian Davis 9<sup>th</sup> October</b>
Involve retailers with the development of Town Teams and encourage retailers to work proactively with the Council.	It is very gratifying to see that the conclusions of the Town Centre/Retailer scrutiny panel support the initiatives that this Administration had already started undertaking prior to the communication of these recommendations. This pertains not only to the work long commenced on establishing self-directed Town Teams but also the new Council business portal, a smart cities agenda that is well advanced. With regards to the idea that a forum be established to facilitate communications between lessors and potential lessees, this too is already being attended to through the Administration's proactive relationships with local property agents and constant enjoinder that the latter take part in the new Town Team framework
Ward Councillors to attend retailers' meetings. (see 4.10).	“ “

Liaise with the relevant Town Centre Management Group to devise a mail shot relating to marketing the borough and signposting help and advice. (see 4.23).	“ “
Establish a Landlord/Letting Agents Forum (see 4.13).	“ “
<b>Recommendations relating to Cabinet member &amp; Director of Environment</b>	<b>Meeting with Cllr Anderson, Cllr Laban, Ian Davis 19<sup>th</sup> October</b>
2.7 Within the confines of planning legislation, consider how the Council can influence shop front design to enhance the aesthetic appearance of the high street. (see 4.11).	Amended wording accepted by the Chair, and recommendation agreed by The Director of Environment and Cabinet member.
2.8 Consider ways in which the Council can influence the variety of shops within a high street or town centre (see 4.17)	Amended wording accepted by the Chair, and recommendation agreed by The Director of Environment and Cabinet member.

**GANGS AND WEAPON ENABLED CRIME** – Chair Cllr Fonyonga

Panel members: Cllr Hasan, Cllr Hamilton replaced by Cllr Abdullah, Cllr Lappage, Cllr David-Sanders, Cllr Jukes

<b>Recommendations relating to the Cabinet member for Community organisations &amp; Culture and the Director of Environment &amp; Regeneration</b>	<b>Meeting with Cllr Brett, Cllr Fonyonga, Andrea Clemons 18<sup>th</sup> September</b>
The Gangs Call-in is well regarded by the workstream and seen as a valuable process. Members recognise the difficulty of evaluating the process, given that outcomes take time. However, as the Call-in has now been in operation for 3 years, members felt that some evaluation should be developed in order to provide some quantitative and qualitative data to inform the process.	Agreed
The workstream recommend that the gangs strategy and action plan to come back to a future meeting of the standing crime scrutiny workstream to monitor and that they are kept informed of its implementation.	Agreed
To note that Gang Awareness training will be offered to all Councillors, this will form part of the Member Development Programme.	Agreed, and training delivered on the 29 <sup>th</sup> October by A.Clemons.
To note that Gang awareness and knife crime training will now form part of the training offered to all PEP members.	Agreed and implemented.

<b>Recommendations relating to the Cabinet member for Education, Children’s Services and Protection, the Interim Director of Children’s Services, and Interim Chief Education Officer.</b>	<b>Meeting with Cllr Orhan, Cllr Fonyonga, Tony Theodoulou, and Jenny Tosh 5<sup>th</sup> October</b>
The Council considers holding further “Say it like it is” events for primary school pupils to come together and have a voice with a suggested focus on making the right choices.	Amended wording accepted by the Chair, and recommendation agreed.
All Workstream members have agreed, and it is suggested that all Ward Councillors make contact with, and attend some sessions at their local youth activity events, and secondary schools within their ward to promote their role as a ward councillor and community leader.	Agreed

**TEMPORARY ACCOMMODATION** – Chair Cllr Smith

Panel members: Cllr Maguire, Cllr Chibah, Cllr Celebi, Cllr Erbil, Cllr Abdullahi replaced by Cllr During

<b>Recommendations relating to the Cabinet member for Housing and the Director of Health, Housing and Adult Social Care.</b>	<b>Meeting with Cllr Oykener, Cllr Smith, Ray James and Malcom Dabbs 28<sup>th</sup> October</b>
More publicity is needed to ensure that households seeking or in private rented accommodation are aware that they can approach the Council for advice or assistance if they are in financial difficulty.	The recommendations were noted and a full response is attached with the Temporary Accommodation Workstream report on the Councillors & Democracy page of the website.
More work is needed to ensure that all tenants in temporary accommodation are fully aware that they are required to bid for permanent properties and have been provided with advice and guidance on how to do this	The recommendations were noted and a full response is attached with the Temporary Accommodation Workstream report on the Councillors & Democracy page of the website.
In view of the rising number of successful applicants for homelessness status and concerns over interpreting the Government’s guidelines, LBE’s Housing Department should consider recording in the case of future applicants for social housing: <ul style="list-style-type: none"> <li>• their place of birth and country of origin;</li> </ul>	The recommendations were noted and a full response is attached with the Temporary Accommodation Workstream report on the Councillors & Democracy page of the website.

<ul style="list-style-type: none"> <li>• the nature of their local connection to Enfield;</li> <li>• those with un-resolved immigration status placed in temporary accommodation under non- housing legislation</li> </ul>	
<p>Review the Councils strategy for payments to private landlords providing temporary accommodation in order to reduce overall costs by establishing a flexible approach with the ability to renegotiate rental levels when necessary to dissuade landlords from evicting benefit dependant tenants. The Council should also renew its efforts to reach agreements with other London Boroughs to reduce temporary housing costs</p>	<p>The recommendations were noted and a full response is attached with the Temporary Accommodation Workstream report on the Councillors &amp; Democracy page of the website.</p>
<p>The Council should consider the option of moving more homeless households in expensive NPA accommodation into areas which provide value for money including beyond the M25 to districts where this is likely to achieve significant financial savings. To avoid legal challenge, it needs to introduce a clear policy framework taking into account of the needs of the children and any other welfare requirements of the households in question</p>	<p>The recommendations were noted and a full response is attached with the Temporary Accommodation Workstream report on the Councillors &amp; Democracy page of the website.</p>

**MUNICIPAL YEAR 2015/16 REPORT NO: 133****MEETING TITLE AND DATE:**Cabinet: 16<sup>th</sup> December 2015**Report Of:**Director of Finance, Resources and  
Customer Services**Contact:**

Isabel Brittain: 0208 379 4732

**AGENDA PART 1****ITEM 7****Subject: Revenue Monitoring Report  
2015/16: October 2015 &  
2016/17 Budget Update****Wards: All****Councillors Consulted:****Councillor Stafford****1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the Council's revenue budget monitoring position based on information to the end of October 2015. The report forecasts an outturn position of £1.6m overspend for 2015/16.
- 1.2 Corporate Management Board are working with departmental Management Teams and Finance Officers to identify in-year savings to manage the £1.6m departmental overspend.
- 1.3 The report also provides Members with a brief update on the Spending Review 2015.

**2. RECOMMENDATIONS**

It is recommended that Cabinet:

- 2.1 Notes the £1.6m departmental overspend revenue outturn projection
- 2.2 Agrees that departments reporting pressures should formulate and implement action plans to ensure that all possible actions are undertaken to remain within budget in 2015/16.
- 2.3 Authorise a loan to the value of £1.5m to Enfield Innovations Ltd to be accessed over the life of the company to be funded either from reserves or by external borrowing depending on the financial instrument used (Section 7.3).
- 2.4 Authorise the ability for the Council to pay the £1.5m loan in instalments as required by the company and delegate authority to the Director of Finance, Resources and Customer Services to formalise this via a second Facility Letter, as per the terms agreed via the Portfolio non-key decision in July 2015 (Section 7.3).
- 2.5 Cabinet notes the 2016/17 budget update (Section 5).

**3. BACKGROUND**

- 3.1 The Council's revenue expenditure against budget is monitored through regular reports to the Corporate Management Board and Cabinet. These reports provide a snapshot of the revenue position for each Department and for the

Council as a whole, and provide details of any projected additional budget pressures and risks, or any significant underspends.

- 3.2 The Revenue Monitoring Report is a result of the monthly monitoring process carried out by Departments, which is based on the following principles to ensure accuracy, transparency and consistency:
- Risk assessments, to enable greater emphasis to be placed on high-risk budgets throughout the year.
  - Comparisons between expenditure to date, current budgets and budget profiles.
  - Expenditure is predicted to the year-end, taking account of seasonal fluctuations and other determinants of demand.
  - The ‘Key Drivers’ that affect, particularly, the high-risk budgets are monitored and reported to Department Management Teams.
  - Action plans to deal with any areas that are predicting or experiencing problems staying within agreed budgets are produced.
- 3.3 This report provides information on the main budget variances and their causes that are affecting the Council across all departments. Although a full budget monitor is carried out each month, the variations in this report are deliberately limited to +/- variances of £50,000 or over in order to provide a greater strategic focus.
- 3.4 A summary overview of financial performance is outlined below in Table 1. The intention of this is to provide the key highlight messages in a “dashboard” style summary. It is designed to capture the key messages across the Council’s main financial areas, namely:
1. Income and expenditure;
  2. Balance sheet (liquidity, debtor/creditor management, investments and use of balances); and
  3. Cash flow forecasting and management.

**Table 1: Summary performance overview**

Area of review	Key highlights	Risk Rating		
		Aug	Sept	Oct
Income and expenditure position	• Year-end forecast variances of £1.6m departmental overspend have been identified to date in relation to General Fund net controllable expenditure. Plans are being implemented to manage this variance.	Red	Amber	Amber
	• Budget profiling across all departmental budgets will continue to be applied in order to reflect predicted net spending patterns.	Amber	Amber	Amber
	• The HRA is projecting a level spend in 2015-16.	Green	Green	Green
Balance Sheet	• The current profile of cash investments continues to be in accordance with the Council’s approved strategy.	Green	Green	Green
	• The year-end projections for General Fund balances may not meet the Council’s Medium Term Financial Strategy target levels based on the current forecast overspend.	Amber	Amber	Amber
Cash flow	• The Council’s cash balances and cashflow forecast for the year (including borrowing) will ensure sufficient funds are available to cover planned capital and revenue commitments.	Green	Green	Green
	• Interest receipts forecast for the year are on target with budget.	Green	Green	Green



#### 4. October 2015 Monitoring – General Fund

4.1 A summary of the departmental and corporate projected outturns and variances against budget is set out in Table 2 as follows:

**Table 2: Forecast Outturn Table- Net Controllable Budget / Spend**

October 2015	Net Controllable Budget				
Department	Original Budget	Approved Changes	Approved Budget	Projected Outturn	October Variation
	£000s	£000s	£000s	£000s	£000s
Chief Executive	3,372	1,292	4,664	4,164	(500)
Regeneration & Environment	28,796	(2,615)	26,181	25,526	(655)
Finance, Resources & Customer Services	44,365	12,706	57,071	57,886	815
Health, Housing and Adult Social Care	91,276	(5,952)	85,324	85,324	0
Children's Services	49,045	(3,968)	45,077	48,533	3,456
Enfield 2017	(15,100)	0	(15,100)	(9,600)	5,500
<b>Total Department Budgets</b>	<b>201,754</b>	<b>1,463</b>	<b>203,217</b>	<b>211,833</b>	<b>8,616</b>
Contribution from reserves	0	0	0	(5,500)	(5,500)
Collection Fund	(2,825)	0	(2,825)	(2,825)	0
Corporate Items	36,419	(1,463)	34,956	33,427	(1,529)
Government Funding	(134,431)	0	(134,431)	(134,431)	0
<b>Council Tax Requirement</b>	<b>100,917</b>	<b>0</b>	<b>100,917</b>	<b>102,504</b>	<b>1,587</b>

\*Enfield 2017 is projected to achieve approximately £9.6m of a £15.1m savings total included in the budget for 2015/16. Any balance of savings required will be funded through the use of one-off reserves. The full year effect of the Enfield 2017 proposals will provide £15.1m of savings in 2016/17.

#### 5. 2016/17 Budget & Medium Term Financial Plan Update

The Chancellor set out the Government's Spending Review on 25<sup>th</sup> November 2015. This was too late to include a comprehensive analysis in this report. The on the day headlines for local government include:

- 56% cut in the Local Government Departmental Expenditure Limit and a forecast 13% increase in council tax and business rates<sup>1</sup>. Government report that overall local government spending is forecast to be higher in cash terms by 2019/20 but is a real terms reduction of 1.7% per year. The financial impact on councils will not be known until the Local Government Finance Settlement is published.

Table 2.17: Local Government

	£ billion					
	Baseline		Plans			
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
DCLG Local Government DEL <sup>1</sup>	11.5	9.6	7.4	6.1	5.4	*
Locally financed expenditure <sup>2</sup>	28.8	29.0	31.5	33.6	35.1	*
<b>Local government spending<sup>3</sup></b>	<b>40.3</b>	<b>38.6</b>	<b>38.9</b>	<b>39.7</b>	<b>40.5</b>	<b>*</b>

<sup>1</sup> In this table, Resource DEL excludes depreciation.

<sup>2</sup> Treasury/DCLG analysis based on data underlying the OBR's Local Authority Current Expenditure (England) forecast.

<sup>3</sup> Does not include the impact of business rate reforms, which the government will consult on shortly.

- Creation of a social care precept by giving social care councils the flexibility to raise council tax by up to 2% above the referendum threshold<sup>2</sup>. Government forecast a potential additional £2bn could be

<sup>1</sup> Office of Budget responsibility Forecast

<sup>2</sup> 2016/17 threshold not known yet.

raised nationally by 2019/20. Also, social care funds of £1.5bn to be made available and included in the Better Care Fund by 2019/20.

- Government still committed to Dilnot reforms to social care with funding in 2019/20 to cover the cost of local authorities preparing for these changes. The cap on reasonable care costs and extension of means tested support will then be introduced and funded from April 2020.
- By the end of Parliament local government will retain 100% of business rate revenues. The system of top-ups and tariffs which redistributes revenues between local authorities will be retained. The uniform business rates will be abolished so that:
  - Any local area will be able to cut business rates as much as required to win new jobs and generate wealth and
  - Elected city wide mayors will be able to add a premium to business rates to pay for new infrastructure, provided they have the support of local business community determined by the Local Enterprise Partnership.

As part of these reforms the main local government grant will be phased out and additional responsibilities devolved to local authorities. For example the Government will consider transferring responsibility for funding the administration of housing benefits for pensioners and public health to councils. This will be consulted upon in 2016.

- The government will consult on reforming the New Homes Bonus including the reduction in the length of payment from 6 to only 4 years. The government estimates a saving of £800m which can be used for social care. Proposals will form part of the local government finance settlement consultation including damping to ensure no council loses out disproportionately.
- Around £600m savings will be made from the Education Services Grant (ESG) including phasing out the additional funding schools receive through the ESG. The government will reduce the local authority role in running schools and remove a number of statutory duties. The government will consult on policy and funding proposals in 2016. ESG is paid to councils for the schools they maintain and directly to academies. In 2015/16 councils received £570m out of a total of £815m. More information is needed on how the cuts will be achieved and what proportion will come from council budgets.
- The government will issue new guidance to restrict excessive salaries and drive efficiencies for local tax payers. To support the efficiency drive the Government will allow local authorities to spend 100% of their fixed asset receipts (Excluding Right to Buy) on the revenue cost of reform projects. Conditions will include limiting the years of the flexibility and qualifying criteria which will be included in the local government finance consultation in December.

The date for the local government finance settlement consultation had not been announced before publication of this report.

## **6. DEPARTMENTAL MONITORING INFORMATION – BUDGET PRESSURES & PROJECTED SAVINGS**

### **6.1 Chief Executive's Department (Appendix A1)**

The department is currently projecting an over recovery of income against budget of £500k relating to the Matrix Agency rebate for 2015/16.

### **6.2 Regeneration & Environment (Appendix A2)**

The department is currently projecting a favourable variance of £655k; explanations for variances over £50k are detailed in Appendix A:

### **6.3 Finance, Resources & Customer Services (Appendix A3)**

The Finance Resources and Customer Services are projecting an overspend in 2015/16 of £815k. The overspend is due mainly to loss of rent income from across the commercial portfolio as a result of redevelopment and vacant units as well as loss of income from Transport for London's bus shelter contract due to cessation. There are additional budget pressures due to loss of government grant income from Registrar Services and non-recoverable costs of Multifunction Devices (MFDs).

### **6.4 Health, Housing & Adult Social Care (Appendix A4)**

#### **Adult Social Care**

The department is currently forecasting a projected budget overspend of £3.186m. This will be addressed through the use of a one off £2.50m contribution from earmarked reserves and the remaining £0.686m through other control measures in order to achieve the reported balanced position at year end. The main forecast pressures are in Learning Disabilities (£1.7m), Older People (£1.87m) and Physical Disabilities (£0.37m). These figures include the allocation of 2015/16 Better Care Fund.

#### **Community Housing**

There is currently a projected nil variance for 2015/16. However, this area of spend remains volatile and the underlying pressure due to increased number of homelessness still remains. There has been a £2m net budget to increase in 15/16 to reduce these pressures and there is also on-going mitigation work being carried out looking at cost avoidance schemes which will manage both service demand and costs of all forms of temporary accommodation. There is a risk around the market management of NPA. There is also an emerging risk due to the CLG review of homelessness grant, which may result in removal of the £539k Homelessness prevention grant.

### **6.5 Children's Services (Appendix A5)**

Children's Services are currently projecting an overspend of £3.456m. This arises due to increasing demand for Children's services, including, Leaving Care Client costs (£1.155m), Social Work Teams (£0.587m), Unaccompanied Asylum Seeking Children (UASC) and UASC aged 18+ (£0.705m), SEN Transport (£0.800m), Special Guardianship Allowances (£0.229m), Prevention

of Care payments (£112k). These pressures are partially offset by savings elsewhere in the service. Additional in year savings of £518k that were identified to offset agency costs were included in the SCS forecast last month; this saving is now being reported as a corporate saving to offset overall pressures.

Despite the management action that is being undertaken to identify mitigating savings a significant year end overspend is currently anticipated due to the continued upward trend of the demographic pressures and the increasing numbers of children presenting with complex needs. This was recognised as a risk in the budget setting process for 2015/16.

## **6.6 Schools Budgets (Appendix A6)**

These variations do not form part of the General Fund position but are reported for information.

## **7. OTHER GENERAL FUND ITEMS**

### **7.1 Treasury Management and cash flow analysis**

The Council's net debt position has increased since 1st April 2015 by £39m as at 31<sup>st</sup> October to a total of £294m and will continue to do so over the year. This is because of the impact of a number of key strategic land purchases for Meridian Water (£18m) and the purchase of a farm (£3m) and as the Council continues to purchase/build residential homes through Housing Gateway and Enfield Innovation. A further land acquisition for Meridian Water (£29m) is planned for later in the year. This will also need to be financed.

The Governor of the Bank of England has now confirmed that short-term rates will rise steadily over the next two years. Hence, it now looks an opportune time to move into longer term rates.

The Council will continue to look to minimise the cost of borrowing, however, this increased borrowing cost has been recognised in the Council's Medium Term Financial Plan.

A summary of this year's Treasury Management activity is set out in Appendix B.

### **7.2 Corporate Items (Including Contingency & Contingent Items) General Fund**

The Council maintains a general contingency of £1.0m. It is expected that £0.8m of this contingency will be utilised for the funding of expenditure in Schools & Children's Services relating to No Recourse to Public Funds costs agreed by Cabinet in 2014-15. The balance of £0.2m is currently unutilised.

### **7.3 Enfield Innovations Limited**

In July 2014 Cabinet agreed to establish a wholly owned local authority company to develop, own and manage a portfolio of new homes for local people to be available for market rent (KD 3890). This is part of a wider redevelopment strategy to increase the supply of value for money, quality accommodation in Enfield. Funding for the development of 57 units was agreed by Council in April 2014 (KD 3780).

The company (Enfield Innovations Ltd) has now been established and leases have been assigned from the developer to the company as required by the Development Agreement. The financial model for Enfield Innovations has been updated to reflect current market rental levels and all expected expenditure for the company. Due to the phasing of the loan repayments, a requirement for initial working capital to the value of £1.5m has been identified, to ensure the company can make the outstanding payments to the developer without resulting in a cash deficit in the early years. The model indicates that the majority of the working capital requirement is in year 1-3 and by the end of the term the company will have a positive cash flow and Net Present Value.

It is proposed that the working capital is accessed by Enfield Innovations Ltd in instalments as required and governed by a Facility Letter to track the value of the instalments and associated interest rate, in line with the existing mechanisms in place for the agreed loan.

Cabinet is asked to authorise a working capital<sup>3</sup> loan to the value of £1.5m to Enfield Innovations Ltd to be accessed over the life of the company to be funded either from revenue reserves or by external borrowing depending on the financial instrument used.

## **8. Housing Revenue Account (HRA) – Projected Level Spend**

The HRA projection for October is a nil variance. A predicted 2015/16 underspend on planned repairs of £500k will be offset by one-off expenditure on feasibility studies to kick-start the next phases of estate regeneration and the small sites rolling programme.

The repairs underspend is one-off and will not be ongoing, so the monies will be used to fund up-front costs of feasibility studies (also one-off). This will allow the Council to accelerate the future Estate Renewal Programme and build more housing. In the longer term, once new schemes have been identified, there is an expectation that the cost of feasibility work will be taken into account in determining financial viability such that the programme is delivered on a cost neutral basis and the upfront costs repaid.

Any identified HRA underspends which are deemed to be ongoing continue to be removed from managers' budgets in order to assist in addressing the impact of the Government's new social rent policy. The target to find £1.5m savings in total in 2015/16 has now been achieved, but work is ongoing to identify further savings where possible.

## **9. ACHIEVEMENT OF SAVINGS**

- 9.1 The 2015/16 Budget Report included new savings and the achievement of increased income totalling £31.6m to be made in 2015/16. To date £16.0m of savings (57%) are classified as Blue or Green (on course for full achievement). £5.0m are currently Amber with £8.6m currently classed as Red. The Enfield 2017 element of this saving (£5.5m) will be met from contributions from reserves as the savings come on-line, as stated in the July monitoring report to Cabinet. Appendix C provides supporting information for the Amber / Red

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<sup>3</sup>Working capital is the commercial accounting for short term revenue current assets and liabilities.

savings. The overall savings position in terms of traffic light classifications is set out below:

**Table 4: New Savings Monitor - Summary Position October 2015**

Department	Red		Amber		Green		Blue		Total
	£000's	%	£000's	%	£000's	%	£000's	%	£000's
Environment	0	0%	0	0%	(1,894)	100%	0	0%	(1,894)
Finance, Resources & Customer Services	0	0%	(56)	5%	(947)	80%	(180)	15%	(1,183)
Housing, Health & Adult Social Care	(3,060)	28%	(4,950)	46%	(2,750)	26%	0	0%	(10,760)
Schools & Children's Services	0	0%	0	0%	0	0%	(1,590)	100%	(1,590)
Corporate	0	0%	0	0%	(1,060)	100%	0	0%	(1,060)
Enfield 2017	(5,500)	36%	0	0%	(9,600)	64%	0	0%	(15,100)
<b>Total New Savings for 2015/16</b>	<b>(8,560)</b>	<b>27%</b>	<b>(5,006)</b>	<b>16%</b>	<b>(16,251)</b>	<b>51%</b>	<b>(1,770)</b>	<b>6%</b>	<b>(31,587)</b>

## 10. ALTERNATIVE OPTIONS CONSIDERED

Not applicable to this report.

## 11. REASONS FOR RECOMMENDATIONS

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

11.2 To update members on the latest position in relation to the 2016/17 Financial Settlement and Spending Review information as it affects the London Borough of Enfield.

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

### 12.1 Financial Implications

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The monthly revenue monitoring is part of this review process and this latest monitoring report confirms that there will be a reduction in the Council's reserves in order to manage the Council's major transformation initiative Enfield 2017. In terms of the departmental projected variance of £2.7m, measures will be put in place to address risks identified through the monitoring process and contain expenditure within approved budgets.

This report provides a further budget update on the preparation of the 2016-17 budget and Medium Term Financial Plan.

### 12.2 Legal Implications

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.

### 12.3 **Property Implications**

Not applicable in this report.

## 13. **KEY RISKS**

There are a number of general risks to the Council being able to match expenditure with resources this financial year and over the Medium Term Financial Plan:-

- Achievement of challenging savings targets.
- State of the UK economy - which impacts on the Council's ability to raise income from fees and charges and on the provision for bad debt.
- Uncontrollable demand-led Service Pressures e.g. Adult Social Care, Child Protection etc.
- Potential adjustments which may arise from the Audit of various Grant Claims.
- Movement in interest rates.
- Changes to Government funding

Risks associated with specific Services are mentioned elsewhere in this report.

## 14. **IMPACT ON COUNCIL PRIORITIES**

14.1 **Fairness for All** – The recommendations in the report fully accord with this Council priority.

14.2 **Growth and Sustainability** – The recommendations in the report fully accord with this Council priority.

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

## 15. **EQUALITIES IMPACT IMPLICATIONS**

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.

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

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

**16. PERFORMANCE MANAGEMENT IMPLICATIONS**

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

**Background Papers**

None



## Appendix A1

<i>Chief Executive</i>	<i>Budget Variation October 2015 (£'000)</i>
The department is currently projecting an over recovery of income against budget of £500k relating to the Matrix Agency rebate for 2015/16.	(500)
<b>Chief Executive Total</b>	<b>(500)</b>

## Appendix A2

<b>Regeneration &amp; Environment</b>	<b>Budget Variation October 2015 (£'000)</b>
Overspend in Regulatory services due to external legal costs.	60
Overspend in Development Management due to an under achievement in building control income and overspend in salaries.	138
Overspend in Street Lighting is forecast as a result of additional payments to the Street Lighting Reserve.	90
Underspend in Vehicle Leasing charges which is due to the planned delay as a result in service reviews in the purchase of vehicle and parks equipment.	(183)
Efficiencies identified following on-going project to review services across the department.	(347)
Underspend in Traffic & Transport Service as a result of capitalisation of salaries to approved capital schemes e.g. Cycle Enfield, additional Temporary Traffic Order income and a reduction in Traffic signal maintenance payments to TfL.	(323)
Underspend in Architectural services due to additional fees from recharges of officers time as a result of work undertaken for the capital and maintenance programmes.	(136)
<i>Other Variations:</i>	46
<b>Regeneration &amp; Environment Total</b>	<b>(655)</b>

## Appendix A3

<i>Finance, Resources &amp; Customer Services</i>	<i>Budget Variation October 2015 (£'000)</i>
<b>Information &amp; Comm. Technology (ICT)</b> - Reduction in recovery of MFD printing costs	137
<b>Legal &amp; Corporate Governance Services</b> - Reduction in citizenship income from Government and additional staff costs in Legal services due to use of agency staff.	181
<b>Property Services</b> - Shortfall of rent income mainly from Palace Garden Exchange, New Southgate Estate, Bus Shelters, Community House, the Ark and Swan Annexe respectively. These have been offset in part by additional rent income from the Civic Centre, Ordnance Hub, Green Towers and Housing Gateway Ltd.	618
<b>Other Items</b>	(121)
<b>Finance, Resources &amp; Customer Services Total</b>	<b>815</b>

<b>Health, Housing and Adult Social Care</b>	<b>Budget Variation October 2015 (£'000)</b>
<b>Adult Social Care</b>	
Key assumptions within the forecast are based on projected activity and year to year trends, which suggest that this is an accurate projection at this point in the financial year. A significant risk in 2015/16, as a consequence of the Cheshire West Supreme Court ruling, has been the broadening of what is considered a Deprivation of Liberty. This ruling has had a major impact on all English Councils who have a responsibility for Adult Social Care and we have seen a significant increase in the number of people requiring a DoLS assessment.	
<b>Strategy &amp; Resources</b> - The service is projecting an overspend from an increase in Deprivation Of Liberty (DoLS) applications (+£290k) and Voluntary Community Sector (+£183k). This is partly offset through Housing Related Support contracts (-£78k), due to the early achievement of future year savings.	402
<b>Mental Health</b> - The service is currently projecting an overspend for the year on care packages.	334
<b>Learning Disabilities</b> - The service continues to project an overspend position as a result of managing demand led services. Not included in the monitor are additional risks of £0.5m for Continuing Health Care .	1,712
<b>Older People and Physical Disabilities (the Customer Pathway)</b> - The service is projecting care purchasing overspends against a net budget of £34m. This position is consistent with last year's care purchasing overspend.	2,238
<b>Independence &amp; Wellbeing Services</b> - The projected underspend is due to additional client income.	(78)
<b>Application of one off resources</b> - New Burdens Grant (£1.422m) previously allocated towards the implementation of the Care Act.	(1,422)
<b>Public Health Grant</b> The departmental forecast also includes ring fenced Public Health Grant. Public Health grant allocated in 2015/16 is now £15.67m, this reflects a reduction in grant of £1.034m but also an additional grant allocation of £2.447m for 0 to 5 year olds. The Public Health grant is ring fenced and as per the Department of Health guidance, underspends have been carried forward to meet the grant conditions.	0
Use of reserves and other control measures	(3,186)
<b>Adult Social Care &amp; Public Health</b>	<b>0</b>
<b>Community Housing</b>	
The Community Housing service October 2015 position is reporting a nil variance. Any underspend or overspend is managed within the Homelessness Initiatives Reserve Fund.	
<b>Temporary Accommodation</b> - There is a net overspend of £128k on temporary accommodation. This is made of a £204k overspend resulting from the loss of 98 units in the Private Sector Leased portfolio and Private Leased Annexe portfolio and £47k overspend on repairs budget due to the introduction of a new contract. However, there is a (£423k) underspend in nightly paid accommodation because the continuing inter-borough agreement has produced an average 5.02% unit cost reduction in price. Tactically it is more cost effective to make block bookings in advance, to preserve the accommodation at the agreed nightly rates. The cost of these reserved bookings is £163k and the increase in usage of out of hours accommodation is £27k, this area is not budgeted for and is currently under review . There is an overachievement of (£40k), generated from refunds collected by the cash deposit recovery officer. The area of provision for tenant debt has also been reviewed and an underspend of (£46k) is projected due to the reduction in PSL numbers and an £198k projected overspend mainly due to increase in NPA current tenant arrears.	130
<b>Empty property Strategy</b> - Alternative funding has been secured for Empty Property works from external grant carried forward and New Homes Bonus grant. This has resulted in a projected underspend of £295k.	(295)
<b>Transfer back to reserve to fund initiatives.</b> The reserve opening balance at 1 April 2015 is £2.234m, £1.207m will be utilised to fund PSL and PLA incentives, £78k will be utilised to support extra capacity in the grants team and L&D staff member , £78k to fund Out of hours costs and leaving a closing balance of £1.036m after this contribution of £165k.	165
<b>Community Housing Total</b>	<b>0</b>
<b>Housing, Health &amp; Adult Social Care Total</b>	<b>0</b>

<b>Children's Services</b>	<b>Budget Variation October 2015 (£'000)</b>
<b>Early Years</b> There is a salary overspend of £170k due to the delay with the implementation of the Play structure. This overspend has been offset by underspends of £220k elsewhere within the Early Years section.	(51)
<b>Asset Management</b> The latest estimated eligible recharge to capital expenditure by the service manager has resulted in an increase of the non-capitalised agency staff expenditure this month.	100
<b>Catering</b> This service is now projecting an underspend of £67k based on current meal numbers . The reduction in the underspend this month is mainly due to the £50k in year budget reduction agreed by CMB which resulted from savings on the programmed maintenance and renewals of cashless systems software & hardware.	(67)
<b>School Enhanced Pensions.</b> An underspend of £72k is projected assuming the current monthly payments continue until year-end.	(72)
<b>Educational Psychologists &amp; CAMHS</b> Following an in year budget saving of £95k being actioned and the inclusion of £210k from the Care Commissioning Grant income a reduced overspend is now estimated. The overspend is due in part to the non achievement of £375k staffing savings but is partially offset by other operational underspends and the inclusion of the additional income.	31
<b>SEN Transport</b> An overspend of £800k is projected based on current information from Environmental Services.	800
<b>Education Welfare.</b> Savings are projected in the employee budget due to long term sickness, maternity leave and continuing vacancies.	(52)
<b>Young Persons Substance Misuse</b> The previously reported underspend of £81k as a result of contract value renegotiation with Compass has effectively been removed by an in year saving budget reduction of £81k agreed at CMB.	(2)
<b>Unallocated Department Wide Budgets -</b> This budget includes previous years' MTFP savings not yet achieved relating to previous years management reviews and the loss of joint venture income.	200
<b>E.A.S.S. Music</b> An underspend of £61k is anticipated as a result of staff vacancy and additional grant funding.	(61)
<b>External Residential Child Care Placements</b> The external residential homes and agency fostering budget are now showing a net underspend of £69k. It should be noted that these projections are only based current and planned placements so future new placements will cause the projection to increase in the coming months. Within the external agency fostering budget there is an overspend of £248k due to a larger than expected increase in adolescent children coming into care who cannot be accommodated by our in house fostering service due to their complex needs. The Education / SEN placements are also reporting a £146k overspend. These overspends are offset by current underspends within the community homes sector (-£218k) and Secure Remand (-£185k).	(69)
<b>Careers</b> An underspend of £87k primarily as a result of additional income (-£40k) and the implementation of a staffing restructure in January 2016 (-£47K) has reduced this month as a result of the in year saving budget reduction of £47k agreed at CMB.	(35)
<b>Assistant Director - Childrens Division</b> Further underspends have been identified within the indirect salary budgets and running cost budgets held by the Assistant Director	(60)
<b>Children In Need - Social Work Teams</b> The increasing demand for front line social work services requires these teams to maintain their full staffing establishment to provide a safe service. A number of key vacant posts need to be covered temporarily by experienced agency staff due to maternity leave, secondments and to provide support to newly qualified less experienced social workers recently recruited to join the teams as permanent staff. As the teams are fully staffed this results in a non-achievement of the £237k vacancy factor within the staffing budget. The remaining overspend is due to the ongoing usage of additional agency staff to cope with the significant rise in Contacts, Referrals , Child Protection Investigations and Registrations and LAC, which started last Autumn and currently shows no sign of permanently reducing. The service will continue to seek options to reduce the overspend by reviewing cases that can be managed by our universal services and ensuring newly qualified staff are provided with sufficient support and management.	527
<b>Prevention of Care - Section 17.</b> The budget is overspending due to the demand for residence orders, rents & deposits for families in need. The projection has been based on the recent average monthly spend and actuals to date. An agreed contribution of £100k from the Emergency Support Scheme budget as in previous years has reduced this overspend.	112

<b>Children's Services</b>	<b>Budget Variation October 2015 (£'000)</b>
<b>Assessment &amp; Intervention Team.</b> Following a successful restructure the team is now fully staffed which means that the vacancy factor of £38k is unlikely to be achieved. There are also some PRP costs which currently cannot be contained within the budget and higher than estimated costs arising from a recharge for a clinical psychologist post, which account for the remaining variances.	60
<b>In House Fostering Allowances</b> The projection for allowances has increased by £64k this month mainly as a result of 5 new placements and 1 new planned placement plus an extension to 2 parent and child placements. There is also an increase of £10k for assessment costs.	157
<b>Adoption Allowances</b> This budget is overspending mainly due to an increase in the number of special guardianship allowances becoming payable and projected lower income from inter-agency fees.	229
<b>Leaving Care - Client Costs</b> The Leaving Care client costs budget is currently projecting an overspend of £1155k. This is partially due to an increase in the number of clients staying put within the Leaving Care service with no corresponding budget increase and the numbers of adolescents becoming LAC now turning 17. There is also 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. The LAC service are continuing to review the most expensive support packages and exploring alternative or new options for service provision for these clients where possible. There is also a shortage of semi-independent accommodation which means clients are unable to be moved from their expensive residential placements. The overspend has increased this month due to 1 new client placements and increased costs on existing clients due to their complex needs.	1,155
<b>Unaccompanied Asylum Seeking Children</b> This budget is now supporting an additional 604 UASC client weeks above the original budget. During October there has been a net increase of 6 clients. The budget is under pressure as there is also a shortage of suitable accommodation for the recent arrivals resulting in the use of more expensive agency fostering placements. The government grant is also insufficient to cover the actual client costs for some clients who require expensive placements.	211
<b>Former Unaccompanied Asylum Seeking Children 18+</b> The shortage of suitable accommodation for this client group has resulted in costlier provision. As the actual client numbers are now above the 25 fee threshold so grant funding of upto £81k will be claimable this year.	494
<b>Joint Service for Disabled Children</b> - this service is reporting an underspend within its staffing and running cost budgets plus there has been a reduction in the number of children accessing commissioned services as a result of the short break grant scheme.	(146)
<b>Youth &amp; Family Support Service - Business Support</b> The overspend is due to payments in lieu of notice and additional early retirement pension costs for 2 senior management posts which were deleted in 15/16.	50
<b>Youth Offending Unit</b> The overspend is due to full staffing, agency staff to cover maternity leave and vacant posts plus a reduction in the Youth Justice Board grant of £32k.	62
<b>Youth Strategy &amp; Support Service</b> The main reason for the underspend is a planned spending reduction within the Positive Activities for Young Children budget which is required to offset the overspends within the overall YFSS service. The underspend has been increased this month mainly as a result of a virement of £170k for in-year budget savings agreed at CMB.	(208)
<b>Safeguarding &amp; Quality Assurance</b> The overspend is due to the team being fully staffed and unconsolidated PRP payments. The overspend has reduced this month as a member of staff is now part time.	54
<b>Other Minor Variations</b>	37
<b>Children's Services Total</b>	<b>3,456</b>

<b>Schools Budget</b>	<b>Budget Variation October 2015 (£'000)</b>
Schools Budgets - These variations do not form part of the General Fund position.	<b>£000</b>
<b>Behaviour Support</b> An underspend of £82k is projected by Primary B.S. as a result of staff vacancies which in some cases will now not be filled until January. The reduction in underspend this month is the result of the inclusion of the full cost of recharges previously omitted.	(82)
<b>Special Education Needs-</b> Overspend of £218k for L.A. Special Day, £772k for Independent Day and £64k for Mainstream Tuition are reduced by an underspend of £303k for Independent Residential and £21k for SEN Equipment.	730
<b>Central Licences</b> Overspend as a result of licence costs being far greater than delegated budget and will be reviewed as part of 2015/16 budget process.	106
<b>Other minor Variations</b>	(30)
<b>Schools Contingency-</b> A contingency provision was set aside in the 2015/16 budget to offset anticipated pressures, mainly in the SEN service. Based on current projections a total of £724 will be required.	(724)
<b>Schools Total</b>	<b>0</b>

## Treasury Management Cashflow Investments &amp; Borrowing as at 31st Oct 2015

The Treasury Management position as at 31st Oct 2015 is set out below:

	31st March £000's	30th June £000's	30th Sept £000's	31st Oct £000's
Long term borrowing	272,532	272,532	314,986	314,986
Short-term borrowing	40,500	17,000	19,000	34,000
<b>Total borrowing</b>	<b>313,032</b>	<b>289,532</b>	<b>333,986</b>	<b>348,986</b>
Total investments	58,370	19,315	46,195	55,190
<b>Net debt</b>	<b>254,662</b>	<b>270,217</b>	<b>287,791</b>	<b>293,796</b>

## Movement in debt over the year:

	1 <sup>st</sup> April £000's	Debt repaid £000's	New debt £000's	31st Oct £000's
PWLB	230,031	(1,026)	20,000	249,005
Commercial loan	30,000	0	0	30,000
Gloucester CC	10,000	0	0	10,000
Salix	2,501	(520)	0	1,981
Temporary borrowing	40,500	(32,500)	26,000	34,000
LT Borrowing Local Authorities			8,000	8,000
LT Borrowing from LEEF			6,000	6,000
EIB LT Borrowing			10,000	10,000
<b>Total borrowing</b>	<b>313,032</b>	<b>-34,046</b>	<b>70,000</b>	<b>348,986</b>

## London Borough of Enfield Investments at 31st Oct 15

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity	Lowest Credit Rating
<b>Call Accounts</b>	£					
HSBC	1,315,000		On demand	0.40%	1	AA-
Handelsbanken	15,000,000		On demand	0.50%	1	AA-
<b>Money Market Funds</b>						
Ignis	10,000,000		On demand	0.50%	1	AAAm*
Goldman Sachs	10,000,000		On demand	0.44%	1	AAAm*
Deutsche	6,775,000		On demand	0.43%	1	AAAm*
HSBC	4,600,000		On demand	0.42%	1	AAAm*
<b>Termed Deposits</b>						
Lloyds Bank PLC	7,500,000	06/05/2015	05/05/2016	1.00%	187	A
<b>Total - Investments</b>	<b>55,190,000</b>		<b>Average</b>	<b>0.54%</b>	<b>187</b>	
Number of Investments	7					

## London Borough of Enfield Short Term loans at 30th Sep 2015

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity
Wokingham BC	£3,000,000	11/08/2015	19/07/2016	0.50%	262
North Yorks CC	£5,000,000	01/12/2014	30/11/2015	0.70%	30
NW Leicestershire DC	£2,000,000	26/06/2015	24/06/2016	0.50%	237
Tyne & Wear Transport	£2,000,000	03/06/2015	01/06/2016	0.50%	214
Sedemoor DC	£5,000,000	04/06/2015	02/06/2016	0.50%	215
Wokingham BC	£2,000,000	08/09/2015	18/08/2016	0.50%	292
Thameside MBC	£10,000,000	01/10/2015	01/04/2016	0.45%	153
South Ayrshire Council	£5,000,000	27/10/2015	25/10/2016	0.55%	360
<b>Total</b>	<b>£34,000,000</b>		<b>Average</b>	<b>0.52%</b>	<b>220</b>



2015/16 Budget & Medium Term Financial Plan  
 Departmental Red & Amber Savings - October 2015

Appendix C

Ref No.	Proposal Summary (from template)	Risk	Total 2015/16	Remarks
<b>Red Savings</b>			<b>£000's</b>	
<b>Health, Housing &amp; Adult Social Care</b>				
HHASC 15/16 S3	Reduction in unit costs - care purchasing	Red	(1,200)	HHASC 15/16 S3 & S4 being met through EY savings proposal S02. Current projected saving for 15/16 is £2,140k.
HHASC 15/16 S8	Voluntary Sector Contracts	Red	(360)	Notice still needs to be given to VCS organisations re: funding reductions. Until this happens no progress can be made on this saving.
HHASC TA Mit	TA Mitigation	Red	(1,500)	On-going mitigation work being carried out looking at cost avoidance schemes which will manage both service demand and costs of all forms of temporary accommodation . There is a risk around the inter-borough agreement (for Nightly paid accommodation). There is also another risk due to the likely removal of the £539k Homelessness prevention grant by the Government.
<b>Enfield 2017</b>				
E2017	Implementation of the E2017 Transformation	Red	(5,500)	This sum will reduce as the savings from this major transformation project come on-line. In 2015-16 any shortfall from implementation delays will be met from a contribution from reserves.
<b>Total Red Savings</b>			<b>(8,560)</b>	
<b>Amber Savings</b>				
<b>Housing, Health &amp; Adult Social Care</b>				
HHASC 15/16 S1	Brokerage Redesign	Amber	(800)	HHASC 15/16 S1 & S2 being met through EY savings proposal S01. Current projected saving for 15/16 is £385k.
HHASC 15/16 S2	Demand Management - Dementia	Amber	(50)	
HHASC 15/16 S6	Personalisation of Transport services	Amber	(100)	£20k achieved to date. Work is ongoing to achieve the £100k in year.
HHASC 15/16 S4	Care purchasing reduction through market management	Amber	(2,000)	HHASC 15/16 S3 & S4 being met through EY savings proposal S02. Current projected saving for 15/16 is £2,140k.
HHASC TA Mit	TA Mitigation	Amber	(1,500)	On-going mitigation work being carried out looking at cost avoidance schemes which will manage both service demand and costs of all forms of temporary accommodation . There is a risk around the inter-borough agreement (for Nightly paid accommodation). There is also another risk due to the likely removal of the £539k Homelessness prevention grant by the Government.
HHASC 15/16 S7	Residential Price improvement	Amber	(500)	Estimated savings achievable in 15/16.
<b>Finance, Resources &amp; Customer Services</b>				
FRCS 25-1 (2)	Culture and Arts development at Forty Hall	Amber	(56)	Arts & Culture restructure is still in the process of being implemented
<b>Total Amber Savings</b>			<b>(5,006)</b>	
<b>Total Red / Amber Savings</b>			<b>(13,566)</b>	

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**MUNICIPAL YEAR 2015/2016 REPORT NO. 134**

**MEETING TITLE AND DATE:**Cabinet: 16<sup>th</sup> December 2015**REPORT OF:****Director of Finance, Resources & Customer Services**

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[Ann.Freeman@enfield.gov.uk](mailto:Ann.Freeman@enfield.gov.uk)[Ian.Slater@enfield.gov.uk](mailto:Ian.Slater@enfield.gov.uk)**Agenda – Part: 1****Item: 8****Subject:** Capital Programme Monitor  
Second Quarter September 2015  
Budget Year 2015-16**Wards:** All**Key Decision No:****Cabinet Member consulted: Cllr Stafford****1. EXECUTIVE SUMMARY**

The purpose of this report is to inform Members of the current position up to the end of September 2015 regarding the Council's Capital Programme (2015-19) taking into account the latest information for all capital schemes including the funding arrangements.

The report shows that the overall approved capital expenditure is projected to be £193.6m for the General Fund and £55.8m for the HRA for 2015/16.

The report:

- 1.1 Sets out the estimated capital spending plans for 2015-19 reported as schemes approved for implementation including proposed funding and indicative schemes not approved and subject to confirmation of funding
- 1.2 Confirms that the revenue capital financing costs for the approved programme is provided for in the Medium Term Financial Plan and notes the review of the programme, especially in relation to the indicative programme and later years' requirements.
- 1.3 Advises upon the Council's borrowing and investment activity.

**2. RECOMMENDATIONS**

It is recommended that:

1. Cabinet agrees the additions to the General Fund Capital Programme totalling £0.5m in 2015/16 (Table 1) to be primarily funded from grants, contributions and general resources and notes that this will not materially increase capital financing costs.
2. The updated four year programme including proposed reductions is agreed by Cabinet subject to indicative estimates included in later years (Section 5)

### 3. BACKGROUND

The Council's Capital Programme is continually reviewed and monitoring reports are submitted to Cabinet on a quarterly basis.

The Council continually strives to maximise external grants and contributions, attracting new revenue streams to fund projects wherever possible and minimising the need to borrow.

This is the second quarterly report on the 2015/16 capital budget and four year Capital Programme 2015-19. Council approved the programme on the 25<sup>th</sup> February 2015 and noted the indicative schemes that require further approval of budget and funding.

### 4. 2015/16 CAPITAL BUDGET

The following updates are included this quarter in the proposed 2015/16 capital budget.

#### Additions to the Programme

There are a number of additions to the 2015/16 capital budget which are summarised in Table 1 below. Funding is from a mixture of external grants, contributions, earmarked reserves set aside and council resources approved by Cabinet

Table 1: Growth Items Scheme	2015/16 £'000	Funding Source
<b>Regeneration &amp; Environment</b>		
CCTV Morson Road Depot Enhancements	100	Revenue Contributions (ES1056)
<b>Regeneration &amp; Environment total</b>	<b>100</b>	
<b>Adult social Care</b>		
The Reprovision Project -Elizabeth House	292	General Resources
New Options - Design & Rebuild	31	Unapplied Grant (DH Social Care & Mental Health)
<b>Adult social Care total</b>	<b>323</b>	
<b>Housing</b>		
Decent Homes - Sub Regional Fund	125	Grant - North London TFS Decent Homes pot
<b>Housing total</b>	<b>125</b>	
<b>GENERAL FUND TOTAL</b>	<b>548</b>	

The significant change in later years that has also been included in this report is in respect of Elizabeth House Re-provision Project where growth of £1.5m was reported for 2016/17 and approved by Cabinet on 17<sup>th</sup> June 2015.

#### Updated Project Expenditure Profiles

Monitoring of the programme has identified the following projects where the forecast spending profile has significantly changed from the original forecasts:

- The Environment & Regeneration Programme requires the following re-profiling:
  - Ponders End Regeneration budget re-profiled £1.8m into 2015/16 from 2016/17 (£0.7m) and 2017/18 (£1.1m).
  - Electric Quarter Regeneration budget re-profiled £7.1m into 2015/16 from 2016/17 (£3.2m) and 2017/18 (£3.9m).
  - New Southgate Regeneration budget re-profiled £4.3m into 2015/16 from 2016/17 (£2.6m) and 2017/18 (£1.7m).
  - Meridian Water Regeneration budget re-profiled £21.4m into 2015/16 from 2016/17 (£16.9m) and 2017/18 (£4.5m).
  - Edmonton Regeneration budget re-profiled £4.8m into 2015/16 from 2016/17 (£4.4m) and 2017/18 (£0.4m).
- The Schools and Children's Services Programme requires the following re-profiling:
  - Special Needs / Special Schools budget re-profiled £1.7m out of 2015/16 into 2016/17.
  - Targeted Capital (School Meals) budget re-profiled £1.1m out of 2015/16 into 2016/17 (£1.0m) and 2017/18 (£0.1m).
  - Schools Condition Fund budget re-profiled £2.0m out of 2015/16 into 2016/17.
  - School Expansion Programme budget re-profiled £0.7m out of 2015/16 into 2016/17.
- Housing has re-profiled £0.5m out of 2015/16 and into 2016/17

### **Scheme Reductions**

Reductions to General Fund schemes reported this quarter are:

- Environment & Regeneration
  - A reduction of £0.106m budget for the Morson Road Depot CCTV Enhancements in 2015/16.
- Adult Social Care
  - The Reprovision of Elizabeth House will be reducing its budget by £0.04m in 2017/18.
  - Mental Health & Wellbeing Centre reducing 2018/19 budget by £0.731m due to reduced grant funding.
- Schools and Children Services
  - Basic Needs (Primary School Places) reporting a budget reduction of £0.004m in 2015/16.
- Housing Revenue Account
  - Major Works budgets are reporting reductions of £3.9m in 2015/16 and £8.6m in 2016/17. A review of the major works programme has been completed which has resulted in these reductions.

- o Estate Renewals budgets are reporting reductions of £26.1m in 2017/18 and £13.7m in 2018/19. These schemes are being reviewed at present and will be reintroduced into later years of the capital programme when the projects have been reprofiled.

### Latest 2015/16 Capital budget

The capital budget for 2015/16 is shown in Table 2 below with detailed schemes shown in Appendix A. The table summarises the latest position including the changes set out above but excludes the indicative programme which is set out in Appendix B.

	Approved Budget at Q1 £'000	Slippage (To) / From Future Years £'000	Additions 2015/16 £'000	Proposed Reductions 2015/16 £'000	Proposed Programme 2015/16 £'000
<b>2015/16 Capital Budget (Appendix A)</b>					
Regeneration & Environment	58,453	39,673	100	(106)	98,120
Finance, Resources and Customer Services	16,322	0	0	0	16,322
Health, Housing and Adult Social Care	38,546	(139)	448	0	38,855
Schools and Children's Services	45,946	(5,637)	0	(4)	40,305
<b>Total General Fund Expenditure</b>	<b>159,267</b>	<b>33,897</b>	<b>548</b>	<b>(110)</b>	<b>193,602</b>
Housing Revenue Account	59,705	0	0	(3,888)	55,817
<b>Total Capital Expenditure</b>	<b>218,972</b>	<b>33,897</b>	<b>548</b>	<b>(3,998)</b>	<b>249,419</b>

### Key Projects programmed for 2015/16.

The principle outcomes of the current year programme are considered below:

#### 4.1 Environment and Regeneration

The Environment Department's Capital Programme is broadly in-line with agreed timescales and objectives set out in Budget Report to Cabinet in February 2015.

- o **Highway Services**

Enfield Council plans to resurface or reconstruct 11km of Non-Principal Road carriageways during 2015/16, as set out in the Highway Maintenance Plan. The Authority has resurfaced 9km of carriageway between to date, with the remaining 2.1km to be completed in the remaining quarters. The Authority also planned to resurface 3km of Principal Roads, of which 2.3km has been completed so far.

The Footway Replacement Capital Programme will be used to renew 9.7km of footways of which 6.25km had been renewed at the end of September 2015.

The Council intends to plant a total of 400 plus new highway trees. Planting sites have been identified and removal of deteriorating stock has begun. Planting scheduled for winter months.

Enfield Council will also implement a programme of Structures and Watercourses schemes. Design work for Smeaton Road Bridge and Mollison Avenue complete and works commenced in October. The work on Firs Farm wetlands is progressing on schedule (80% completed at end of September). Planning permission has been granted for Bury Lodge Wetlands. The contractor has also been appointed and is due to commence on site in October.

Safety fence improvements at Nags Head Road/Lea Valley roundabout and Mollison Avenue are in the design phase.

- **Traffic & Transportation**

Enfield Council will deliver a range of traffic improvement and road safety schemes, set out in Enfield's Local Implementation Plan Annual Progress Report, including: walking and cycling routes; bus route accessibility and reliability; corridor improvements; traffic sign reviews; air quality; smoothing traffic and climate change mitigation; Smarter Travel (cycling and walking initiatives); Station Access and various other Traffic and Transport Initiatives.

- **Cycle Enfield**

TfL will be releasing £1.9m of Mini Holland funding in 2015/16 for design and implementation of schemes in 2015/16. Preliminary design and modelling of the main road schemes is progressing well and TfL has approved the base traffic models. The results of the public consultation for the A105 scheme are currently under analysis. Consultation for the Enfield Town and Southbury Road schemes will run from 25 September 2015 to 18 December 2015.

The Cycle Enfield programme is progressing in accordance with agreed timescales and budgets.

- **Environmental Protection**

The 15/16 scheme budget of £178k will be used to install gates, which enhance community safety and provide a cleaner and safer environment for Enfield residents, by reducing crime or fear of crime, fly tipping and other antisocial behaviours.

- **Community Safety**

The CCTV Camera Replacement Programme is budgeted to spend up to £186k; as planned in the 2015/16 CCTV replacement programme.

The final phase of CCTV in the capital programme is being installed in Bush Hill Park, Winchmore Hill and Grange Ward areas with Bush Hill Park area completed and the remainder due completion in 2015.

Pymmes Park Lake Improvements: Pollution linked to pipe misconnections in this area, have allowed pollutants and waste into the lake. The project to tackle this started in 14/15 and is planned to be completed in 2015/16 at estimated cost of £154k.

Extension of Enfield Public Safety Centre Server Room £120k: The building of a server room; extension at the Enfield Public Safety Centre (EPSC) as outlined by the feasibility study, to create further server and communications equipment space is progressing and has been tendered with a higher than estimated cost and a report for approvals of sufficient capital funding is in progress.

- **Depots**

Morson Road Depot Security Enhancements Proposal: A report has been approved to enhance the Morson Road Depot Security, for the purpose of improving security to safeguard critical Council assets.

The recommended option is estimated to cost a total of £420k and the proposed works will be completed in 2016/17.

- **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. Work is practically completed with only snagging outstanding. Aldersbrook Recreation Ground feasibility and consultations have been completed and the project is planned to be completed in 2015/16.

Parks Play Equipment: Significant works have been completed in eight parks across the borough. A contract for the remaining works has been awarded. The project is on target for completion by March 31st 2016.

Parks Fencing: 80% of the works programme has been completed. The remaining 20% is on target for completion by 31st March 2016.

Parks Footway: The works programme is severely behind schedule due to under performance from the new highway contractor. Eleven schemes out of twenty two have been completed. Construction will resume in the spring of 2016 once ground conditions improve. The target completion date has been revised to 31st October 2016.

Millicent Grove Cherry Blossom Close Open Space: a S106 contribution of £275k (£170k for contract works) from Fairview Homes towards the provision of Multi Use Games Area and ancillary equipment, landscaping and play area. The tender is in process and the works are planned to be complete in 2015/16.

Additional parks requirements for later years are now included in the Indicative Programme (appendix B) and the priority will be assessed as



part of the Capital Programme Review and the outcome will be reported back to Cabinet for ratification.

- **Vehicle Replacement Programme**

The planned replacements of refuse vehicles, special education needs buses and parks equipment has not taken place as was projected in the 15/16 replacement programme. This is due to the ongoing service reviews and restructures in Fleet Management and Waste Operations. The replacement programme will be reviewed further for the next quarter capital monitoring.

- **Building Improvement Programme**

The 2015/16 programme includes various refurbishment and remedial works to corporate buildings, ensuring that they are fit for purpose and provide a safe, healthy environment for staff and visitors. Pressure on the programme continues as it is asked to cover a wider remit.

The BIP programme also includes the Civic Centre Capital budget of £8.280m. The refurbishment and remodelling floors 9-3 of block A. Sectional completion of floors 8 & 9 was achieved on 19<sup>th</sup> August 2015. Floor 7 is has just commenced and the whole contract is due to be completed in May 2017.

- **Disability Access Programme**

In compliance with the Equalities Act 2010, approval was granted for accessible toilets at Rose Taylor Day Centre, and to reconfigure the special needs toilets at Addison House. In addition further improvements to Park Avenue Mental Health Resource Centre are planned together with other project under the 2015/16 programme.

- **The Electric Quarter**

Land acquisitions have been progressed within budget and revisions to the regeneration proposals caused by the advent of the free school proposals have been subject to development appraisals by Jones Lang LaSalle. The Council acquired of 1.1 ha from the EFA in June 2015, which will largely form the first phase of delivery. The Council continues to negotiate the acquisition of properties by negotiation, and approved a resolution to make a CPO in June 2015. A revised Planning Application was submitted in October 2015, with a start on site scheduled for Q4 2015/16.

A Cabinet report in October 2015 requested £500k to fund feasibility work on future high street improvements in advance of a cabinet report due for November 2015 which will reallocate budgets from other areas to deliver future improvements to Swan annexe and the wider Ponders End High Street.

- **South Street East**

Phased public realm works to promote safety and improve access to the east of South Street are complete, including implementation of speed tables and a cycle refuge. The Gateway scheme “Two Brewers” memorial has been completed. The remaining budget has been vired to Ponders End High Street to redevelop Swan annexe/ future high street improvements, pending cabinet report in November 2015.

- **Ponders End Waterfront**

Initial works to clear the waterways ahead of Phase 1 implementation have been completed. Project paused and being reviewed at the moment.

- **New Southgate**

Works to deliver “Take the High Road” were substantially completed in March 2015. The re-scoped Scheme has been completed and resources redirected to the wider neighbourhood regeneration programme, cabinet report pending.

- **Meridian Water**

**Land Assembly:** The Council unconditionally exchanged on Dwyer land with deposit in June 2015 to secure 6 hectares of land; to support development of Meridian Water. This complements the acquisition of circa 9 hectares of land at Meridian Water from National Grid which was acquired on 2nd April 2015. These sites can collectively provide approximately 3,000 new homes. Dialogue has progressed positively with IKEA towards an exclusivity agreement; however any further acquisitions will be subject to completion of a financial model demonstrating a return in investment for the Council. Significant work has progressed in conjunction with the Environment Agency to establish a comprehensive remediation strategy for the sites, in advance of residential developments.

**Meridian Boulevard:** The Causeway is the key east to west central transport, public realm and infrastructure project for Meridian Water, linking the neighbourhoods through a range of works such as public squares, priority bus and cycle ways and bridges over the waterways. Early phased design has been completed for phase 1, and is being consulted with landowners. Legible London Scheme will be developed as phased delivery, in tandem with development of Meridian Water and the Causeway (Meridian Boulevard). The timetable has been reviewed in line with phased delivery of Meridian water, and resources temporarily redirected to Meridian Water acquisitions. A cabinet report is due November 2015 which will reallocate budgets to this project.

**Angel Road Station:** £931k to be spent on fees and entering into the Development Services Agreement with Network Rail in 15/16, the remainder slipped into financial year 16/17. An additional £1.16m is sought to progress work for an enhanced station design subject to Cabinet decision October 2015. Further investment in the station will be subject to a cabinet report due November 2015 to forward fund a new station building in advance of developer contributions.

**Angel Gardens:** Angel Gardens (Rays Road) has progressed. Phase 1 works to create an Activity Zone, including an outdoor gym, innovative “container play” and parkour free running course completed in March 2015. The project has been paused pending additional feasibility work and resources temporarily redirected to Meridian Water acquisitions. A cabinet report is due in November 2015, which will reallocate budgets to this project.

- **Edmonton Green**

Detailed feasibility to commercially redevelop the railway arches as part of ‘Greening the Green’ project; have been progressed in conjunction with the (Cycle Enfield) delivery programme. The total project depends on funding from partners i.e. network rail and GLA. Project to be reviewed, resources temporarily redirected to Meridian Water acquisitions. A cabinet report is due in November 2015, which will reallocate budgets to this project.

- **Regeneration and Enhancement of the Crescent**

The main phase of works under the Regeneration and Enhancement project at The Crescent has been completed. Final payments in respect of the building works fall due in 15/16. Up to £100k is earmarked for the creation of the Monmouth Road Open Space pocket park (consultation on this is programmed for winter 2015, with project delivery commencing spring 2016). Exit strategy projects are currently under consideration, including the installation of CCTV to combat anti-social behaviour on Bounces Lane. The budget is expected to be fully expended by the end of the financial year.

- **Broomfield House Restoration**

The HLF and Historic England (formerly English Heritage) have encouraged the Council to bring forward a Conservation Management Plan (CMP) for the House, Stable block and Park and an Options Appraisal for the House and Stable Block.

- **Business & Economic Development projects**

**Meridian Business Park:** Funding partners have been met and prioritised projects have been identified. Highways are in the process of advising cost estimates and timeline.

- **Improvement of shop fronts**

Enfield Council has been awarded £1,083m of New Home Bonus funding from the Growth Deal for London for the period 2015-2017. £440k of this is for Improvement of shop fronts in Enfield Town and Ponders End.

- **Lee Valley Heat Network**

The final development stage for ‘Energetik’ (the new brand name for the Lee Valley Heat Network) was completed by March 2015, six months earlier than expected. Since then work has been undertaken to mobilise the company, with the first Board meetings at the start of September 2015. The project is currently on budget, with the project’s £1.369 million

development & mobilisation budget closing on 30 September 2015, and the company's operating accounts commencing on 1 October 2015.

Energetik's £2.143 million operational costs were approved by Full Council in July 2015, covering the company's first full year of operations from 1 October 2015 to 30 September 2016. The main investment decision in Energetik is scheduled for Full Council in May 2016.

#### **4.2 Corporate Projects.**

##### **o Palmers Green Library**

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, following the sale of the Town Hall for residential development. With the main library premises closed, refurbishment works are progressing as planned. The Library re-opened in September 2015.

##### **o Edmonton Green Library**

It was agreed at Cabinet & Council in June 2015 to add the refurbishment of Edmonton Green library to the Council's Capital programme. The report recommended the improvements required to bring this library to the same level as the other three key libraries in the borough which has had significant investment recently.

#### **4.3 Health, Housing and Adult Social Care.**

The principal and ongoing elements of the Adult Social Care Capital Programme are all progressing well and on track to deliver including:

- o The commissioning and procurement of a 70 bed dual registered care provision on the Elizabeth House site.
- o The relocation of New Options Learning Disabilities Day services currently based at the Claverings Estate.
- o A scheme for a Mental Health and Wellbeing centre is in preparation.
- o The upgrade and integration of Social Care IT systems. The Carefirst system is continually being developed to ensure it remains fit for purpose to meet the Council's business requirements. However, this scheme is now monitored within the Corporate IT service in FRCS Department.

The Adult Social Care Capital Programme forecast for 2015/16 at Quarter 2 is:

- Elizabeth House - dual registered care provision had a contractor, for the construction of a new 3 storey 70 bed care home on the site of the former Elizabeth House, approved by Cabinet in June 2015. An additional capital sum of £2.647m was approved, making the total projected cost of the project £11.663m. Work on site has begun, with completion expected by October 2016.
- The Mental Health and Wellbeing Centre project is still in the early stages of development, and it is hoped to bring forward recommendations before the end of 2015/16.

#### **4.4 Community Housing**

Projects include:

- Disabled Facilities Grant to enable private sector residents to remain in their homes.
- Discretionary Housing Assistance Grants:  
To enable residents to remain in accommodation that is free from serious disrepair and suitable for their needs. These include Small Works Assistance and Decent Homes works.
- North London Sub Region:  
The North London Sub Region grant targets the bringing of empty properties back into use through CPOs, Grants and Nominations scheme. Empty property revenue contributions are also available. Decent Homes Grants help with Cat 1 heating and Insulation Hazards and help to bring private properties up to the decent homes standard.
- Affordable Housing Programme:  
Increasing move-on accommodation options for adults with care and support needs who are moving on to live with increased independence in the community, including purchase of appropriate properties through the Housing Gateway- £2.2m.  
  
Purchase the interest and refurbishment of former caretakers lodge in Bell Lane and the renovation and adaptation of Council Assets for use as Temporary Accommodation - £790k

#### **4.5 Schools and Children's Services**

The principal areas of capital expenditure in 2015/16 are as follows:

- Construction of Phase 1 of the Primary School Expansion Plan is generally complete with some external and highways works in progress. Phase 2 is advanced with the majority of projects completing this financial year.

- The design of a new Pupil Referral Unit to replace the Secondary Tuition Centre in 2017 is at the planning consultation stage.
- Projects to support the implementation of early education for 2 year olds through non-ring fenced Capital Grant funding of £1.1m secured by the Council.
- The settlement of final costs for a number of pre Primary School Expansion Programme school expansion schemes that are already operational.
- Universal Infant Free School Meals (UIFSM). The UIFSM programme consists of nine projects, five of which have been delivered in 2014/15. The remainder are major projects and in construction with completion expected in the first quarter of 2016/17.
- The Condition & Fire Prevention Programme has in the main been actioned for delivery as per the 1st June 2015 Cabinet report.

#### **4.6 Housing Revenue Account**

The 2015/16 capital allocation of £59.7m has reduced to £55.8m this quarter. This is due to underspends and re-profiling in major capital works of £3.9m

- **Major Capital Works**

These schemes are now funded mainly from HRA general resources along with some Government “Right to Buy One for One Replacement Scheme” receipts.

Some small underspends have been identified on old schemes within the programme and some re-profiling into 2016/17 has taken place. The current projection is that spend of £39.6m will be achieved this year. A review of the major works programme has been completed which has resulted in reductions in future years spending.

- **Estate Renewals**

The estate renewal programme of £15.2m is funded from a combination of resources including Greater London Authority grants, developers’ contributions, HRA earmarked resources and “Right to Buy One for One Replacement Scheme” receipts. It is also delivered on a cost neutral basis based on projected future rental income streams. At present, all schemes are projected to be on track to achieve the target spending. Similarly, all budgeted income for 2015/16 is still expected to be received this year.

- **Grants to Vacate**

The Council has been successful in attracting £600,000 additional funding from the Government’s Social Mobility Fund to pay towards this scheme. The budget for Grants to Vacate is £1.1m.

In the Medium term, the HRA Capital Programme is still on target to achieve the budgets included in the HRA 30-Year Business Plan.

## 5. CAPITAL PROGRAMME 2015/16 to 2018/19

The detailed approved capital programme is set out in Appendix A. It should be noted that later years include indicative costs which will be revised once detailed scheme plans are finalised. Appendix B sets out information on further indicative schemes proposed but not yet approved.

### Table 3 Financing of Capital Expenditure

The following tables sets out the current funding position for the 2015-19 Capital Programmes. The second part of the table shows that the increase in borrowing is to be funded to a significant extent by 'commercial arrangements with business plans for commercial property rental and capitalisation of costs associated with major regeneration at Meridian Water. These commercial arrangements are intended to avoid revenue financing costs and so do not impact on the council tax or the Medium Term Financial Plan.

<b>Table 3</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total Approved General Fund Programme (App A)</b>	<b>193,603</b>	<b>111,351</b>	<b>73,569</b>	<b>44,847</b>	<b>423,370</b>
Funded From:					
Earmarked Resources	(53,861)	(53,888)	(29,533)	(24,847)	<b>(162,129)</b>
Disposals Programme	(4,000)	(4,000)	(4,000)	0	<b>(12,000)</b>
Unapplied Capital Receipts	(520)	0	0	0	<b>(520)</b>
General Fund Capital Reserve	(1,000)	0	0	0	<b>(1,000)</b>
<b>Capital Financing Requirement</b>	<b>134,222</b>	<b>53,463</b>	<b>40,036</b>	<b>20,000</b>	<b>247,721</b>
<b>Total HRA Programme</b>	<b>55,817</b>	<b>50,576</b>	<b>50,949</b>	<b>60,045</b>	<b>217,387</b>
Funded From:					<b>0</b>
Earmarked Resources	(55,817)	(50,576)	(50,949)	(60,045)	<b>(217,387)</b>
<b>Capital Financing Requirement</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total increase in CFR</b>	<b>134,222</b>	<b>53,463</b>	<b>40,036</b>	<b>20,000</b>	<b>247,721</b>
Increase in CFR Funded by:					
Council Tax	44,122	18,255	4,828	0	67,205
Commercial Business Plans	90,100	35,208	35,208	20,000	180,516
	<b>134,222</b>	<b>53,463</b>	<b>40,036</b>	<b>20,000</b>	<b>247,721</b>

### Types of Capital Funding

Earmarked Resources	Specific government grants or other contributions from external parties and the use of specific reserves within
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	<p>the Council's available resources.</p> <p>Funding is specific to certain schemes or certain types of capital investment e.g. provision for additional school places. There is a high level of certainty over these funding streams.</p>
Disposals	<p>Estimated proceeds from the sale of assets (net of disposal costs) that have so far been approved for disposal over the life of the programme.</p> <p>Given the uncertainties that can arise in connection with the sale of assets, there are risks that the planned sales will not be achieved within the projected timescales or ultimately not realise the projected capital receipts.</p>
Unapplied Capital Receipts	<p>Capital receipts from previous years' disposals, brought forward from 2013/14 and the balance in the General Fund Capital Reserve.</p>
Minimum Revenue Provision (MRP)	<p>Capital expenditure that cannot be funded immediately from grants, capital receipts or direct revenue/reserve contributions must be funded from the annual set aside from the revenue budget (MRP).</p> <p>MRP is determined according to statutory regulation based on the Capital Financing Requirement.</p> <p>There are equivalent statutory arrangements for the funding of HRA capital expenditure which do not involve an HRA Minimum Revenue Provision.</p>

## 6. REVENUE IMPLICATIONS

The revenue implications of the Capital Programme are set out below.

The table excludes Commercial projects where the income streams from development partners is anticipated to cover any capital financing costs resulting in a neutral position for the Council. All other net costs are included in the Medium Term Financial Plan. An interest rate of 3.5% is used based on latest data.



**Table 4 – Revenue Implications**

Approved Programme (Appendix A)	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Full Year Effect £'000
<b>General Fund</b>					
Additional MRP	0	1,765	2,495	2,688	2,688
Interest on Borrowing	772	1,833	2,162	2,156	2,062
<b>Total GF Approved Revenue Cost</b>	<b>772</b>	<b>3,598</b>	<b>4,657</b>	<b>4,844</b>	<b>4,750</b>
<b>HRA</b>					
Interest on Borrowing	0	0	0	0	0
<b>Total Revenue Cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Local Government is currently facing reduced resources due to the continued reductions in public sector costs. At the same time there are increases in demand for our key services and the continued affordability of the Capital Programme should be viewed in this context.

Over recent few years the Council has reduced its short term investments primarily to fund the Capital Programme. This has been a sensible approach agreed with our external treasury advisors given the relative interest earned from investments in comparison to borrowing costs. The Council is now in a position where it will need to actually borrow to finance capital investment that is not funded from other resources such as grants, contributions and capital receipts. The Council has headroom in its current borrowing position to allow this to happen given that actual borrowing including the effect of the current Capital Programme is within the Council's Capital Financing Requirement but will continue to review its borrowing position on a regular basis when assessing the affordability of future capital projects.

The revenue costs do not include any capital financing relating to indicative schemes. These are still subject to approval of business plans and proposed funding arrangements.

The annual review of the existing capital programme is underway. It will particularly focus on the later year schemes where existing and indicative budgets (which have not got business plans) will be assessed for funding and affordability. Potential funding in later years will be firmed up and where necessary, programmes revised to fit funding available.

## **7. CAPITAL PRUDENTIAL INDICATORS**

Legislation requires each authority to have regard to the CIPFA Prudential Code for Capital Finance. This means that authorities are responsible for determining whether decisions on capital investment are affordable, prudent and sustainable. Adhering to CIPFA's Prudential Code is the means by which local authorities demonstrate that they have satisfied this

obligation. The Secretary of State's reserve power could be used if an authority fails to adhere to the Prudential Code. Similarly the Secretary of State has the power, on national economic grounds, to set limits in relation to borrowing by local authorities as a whole.

Members' involvement in the process is essential for good governance of the strategic decisions around capital investment and to ensure compliance with the requirements of the Prudential Code. The Council must be able to demonstrate that capital expenditure plans are affordable, external borrowing is prudent and sustainable, and that treasury decisions are taken in accordance with good practice.

When considering its programme for capital investment the Council is required, under the Prudential Code, to agree and monitor a number of mandatory prudential indicators. The Council must take account of the following matters when setting and revising the prudential indicators:

- **Affordability:** e.g. the implications for Council Tax and housing rents;
- **Prudence and sustainability:** e.g. implications for external borrowing;
- **Value for Money:** e.g. through the use of option appraisals;
- **Stewardship of Assets:** e.g. asset management planning;
- **Service objectives:** e.g. whether the proposals meet the Authority's strategic objectives;
- **Practicality:** e.g. achievement of the forward plan.

The indicators set out in this report are those reported in the 2015/16 Budget report to Council on 25<sup>th</sup> February 2015. These will be monitored and reported on at each quarters monitoring report for 2015-16.

**Table 5 - Capital Expenditure Indicator General Fund and HRA**

<b>Table 5: Capital Programme (Appendix A)</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>Total £'000</b>
Approved Programme	193,602	111,351	73,569	44,847	<b>423,369</b>
<b>General Fund Indicator</b>	<b>133,510</b>	<b>98,210</b>	<b>72,850</b>	<b>45,150</b>	<b>349,720</b>
HRA Latest Forecast	55,817	50,576	50,949	60,045	<b>217,387</b>
<b>HRA Indicator</b>	<b>52,730</b>	<b>59,130</b>	<b>77,010</b>	<b>73,790</b>	<b>262,660</b>
Total Latest Forecast	249,419	161,927	124,518	104,892	<b>640,756</b>
<b>Total Indicator</b>	<b>186,240</b>	<b>157,340</b>	<b>149,860</b>	<b>118,940</b>	<b>612,380</b>

The General fund figures show the re-profiling of schemes from 2014/15 into 2015/16 and later years and the advancement of the Meridian Water scheme land acquisition.

**Table 6 – Current forecast of Capital Financing Requirement**

The Capital Financing Requirement measures the extent to which the Council's capital expenditure has not yet been funded; it represents the authority's underlying need to borrow to meet its capital commitments. The Council's actual borrowing must not exceed this amount; actual borrowing is determined by the availability of internal funds such as maturing investments and cash backed reserves and balances that can provide cash resources to meet capital expenditure. As stated above, the Council cannot sustain its Capital Programme from these internal sources any longer and new borrowing arrangements will need to be put in place to support the Capital Programme.

The latest forecast of the Capital Financing Requirement for the relevant years is set out in Table 6.

<b>Table 6 (Approved Programme Appendix A)</b>	<b>Estimated as at 31<sup>st</sup> March 2016 £'000</b>	<b>Estimated as at 31<sup>st</sup> March 2017 £'000</b>	<b>Estimated as at 31<sup>st</sup> March 2018 £'000</b>	<b>Estimated as at 31<sup>st</sup> March 2019 £'000</b>
<b>General Fund</b>				
Latest Forecast	418,435	455,079	476,466	476,454
<b>Indicator</b>	<b>386,722</b>	<b>428,015</b>	<b>459,058</b>	<b>465,076</b>
<b>HRA</b>				
Latest Forecast	157,728	157,728	157,728	157,728
<b>Indicator</b>	<b>157,728</b>	<b>157,728</b>	<b>157,728</b>	<b>179,828</b>
<b>Total</b>				
Latest Forecast	576,163	612,807	634,194	634,182
<b>Indicator</b>	<b>544,450</b>	<b>585,743</b>	<b>616,786</b>	<b>644,904</b>

The later year's figures reflect the movement of General Fund indicative schemes into the approved programme and the advancement of the Meridian Water scheme from later years into 2015/17. Revised indicators will need to be presented to Council when the capital review has been completed.

### **Prudential Borrowing Indicators**

- a) Authorised limit: The Council is prohibited from borrowing more than its Authorised Limit. The indicator should be set at a level that while not desired could be affordable but may not be sustainable. The Council's authorised borrowing limit for 2015/16 is £600m; this excludes long term liabilities under PFI Contracts and Finance Leases. The highest level of borrowing during the period was £313m (including borrowing less than a year). This is an increase of £44m from the previous quarter reflecting that a number of loans have been taken out in anticipation of maturing loans in later in the year.

- b) Operational boundary: The Operational Boundary is based on the most likely level of borrowing for the year. The Council's Operational Boundary for 2015/16 is £525m. Occasional breaches of the Operational Boundary are unlikely to be significant however a sustained or regular trend above the Operational Boundary would be significant. During the past quarter the Council's gross borrowing was within the Operational Boundary. The additional borrowing required to fund the Capital Programme as set out in this report can be contained within this threshold.
- c) Net borrowing (i.e. long term borrowing less investments): Current Net Borrowing stands at £287m. In the medium term, net borrowing should only be used for a capital purpose. Specifically net external borrowing in 2015/16 should not exceed the estimated Capital Financing Requirement at 31<sup>st</sup> March 2016. This limit has not been exceeded.

## **8. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **8.1 Financial Implications**

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The quarterly capital monitoring is part of this review process. If required, measures will be put in place to address risks identified through the monitoring process and to contain expenditure within approved budgets

### **8.2 Legal Implications**

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.

### **8.3 Property Implications**

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

## **9. KEY RISKS**

All of the key risks relating to the first quarter are included within the main report.

## **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.

## **12. PERFORMANCE MANAGEMENT IMPLICATIONS**

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

## **13. HEALTH AND SAFETY IMPLICATIONS**

Not applicable to this Report.

## **14. PUBLIC HEALTH IMPLICATIONS**

None specific to this Report

### **Background Papers**

None

## Appendix A

4 Year Programme <b>APPROVED PROGRAMME</b>	Capital Programme Budget				Total £000
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	
<b>Environment &amp; Regeneration</b>					
Transport for London funding:					
Major Schemes	1,650	-	-	-	1,650
Cycle Enfield	1,913	17,563	9,281	543	29,300
2015/16	3,114	-	-	-	3,114
Highways & Streetscene:					
Programme	10,407	-	-	-	10,407
Environmental Protection	178	-	-	-	178
Community Safety	462	-	-	-	462
Waste & Recycling	390	45	-	-	435
Parks	2,382	396	0	-	2,778
Vehicle Replacement Programme	48	4,358	343	4,620	9,369
Parking	50	-	-	-	50
Building Improvement Programme (BIP)	1,342	-	-	-	1,342
Civic Centre (BIP)	3,280	2,770	1,934	-	7,984
Disability Access Programme	355	-	-	-	355
Regeneration:					0
Ponders End	16	-	-	-	16
Electric Quarter	7,146	-	-	-	7,146
New Southgate	4	-	-	-	4
Meridian Water	63,226	-	-	-	63,226
Angel Edmonton	50	-	-	-	50
Market Gardening	80	2,168	1500	-	3,748
Lea Valley Heat Network	1,464	-	-	-	1,464
Broomfield House	150	180	-	-	330
The Crescent - Edmonton	290	-	-	-	290
Business & Economic Development/Regeneration	123	501	-	-	624
<b>REGENERATION &amp; ENVIRONMENT</b>	<b>98,120</b>	<b>27,981</b>	<b>13,058</b>	<b>5,163</b>	<b>144,322</b>
<b>Corporate Schemes</b>					
IT Work Plan	1,273	-	-	-	1,273
Joint Service Centre	588	-	-	-	588
Southgate Town Hall & Library Enabling Works	86	-	-	-	86
Bury Street Depot Redevelopment	1,540	15,208	15,208	-	31,956
Enfield 2017	9,900	5,150	-	-	15,050
Residents Priority Fund	439	-	-	-	439
Palmers Green & Enfield Library	2,342	-	-	-	2,342
Leisure	5	-	-	-	5
Culture	150	-	-	-	150
<b>CORPORATE TOTAL</b>	<b>16,323</b>	<b>20,358</b>	<b>15,208</b>	<b>0</b>	<b>51,889</b>

4 Year Programme <b>APPROVED PROGRAMME</b>	Capital Programme Budget				
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £000
<b>Health, Housing &amp; Adult Social Care</b>					
<b>Housing</b>					
Disabled Facilities Grant (£1.156m grant funded)	2,159	-	-	-	2,159
Sub Regional Housing Grants	262	100	-	-	362
Housing Assistance Grants	605	500	-	-	1,105
Housing Gateway	25,333	20,000	20,000	20,000	85,333
Affordable Housing	2,990	-	-	-	2,990
<b>Adult Social Care</b>					<b>0</b>
Residential and Social Care Provision - Elizabeth House	7,206	3,674	-	-	10,880
New Options	150	-	-	-	150
Mental Health and Wellbeing Centre	150	446	342	684	1,622
<b>HEALTH, HOUSING &amp; ADULT SOCIAL CARE TOTAL</b>	<b>38,855</b>	<b>24,720</b>	<b>20,342</b>	<b>20,684</b>	<b>104,601</b>
<b>Schools &amp; Children's Services</b>					
Schools Access Initiative	268	-	-	-	268
Target Capital - Special Needs	744	9,018	-	-	9,762
Children's Centres	777	-	-	-	777
Targeted Capital - School Meals Programme	1,657	3,534	2,872	-	8,063
Schools Condition Funding	2,429	5,249	1,650	-	9,328
Basic Need - Primary School Places	1,639	-	-	-	1,639
Primary Expansion Plan Phase 1	4,204	280	-	-	4,484
Primary Expansion Plan Phase 2 - Grange School	1,186	-	-	-	1,186
Primary Expansion Plan Phase 2 - Garfield School	7,726	659	-	-	8,385
Primary Expansion Plan Phase 2	12,616	12,929	14,239	13,000	52,784
Secondary Schools	95	-	-	-	95
Fire Precaution Works	855	573	200	-	1,628
Non School Schemes	109	50	-	-	159
<b>Programme before Devolved Funding</b>	<b>34,305</b>	<b>32,292</b>	<b>18,961</b>	<b>13,000</b>	<b>98,558</b>
Devolved Schools Capital Schemes	6,000	6,000	6,000	6,000	24,000
<b>SCHOOLS &amp; CHILDREN'S SERVICES TOTAL</b>	<b>40,305</b>	<b>38,292</b>	<b>24,961</b>	<b>19,000</b>	<b>122,558</b>
<b>TOTAL GENERAL FUND</b>	<b>193,603</b>	<b>111,351</b>	<b>73,569</b>	<b>44,847</b>	<b>423,370</b>
<b>Housing Revenue Account</b>					
Major Works	39,565	32,628	29,918	22,243	124,354
Estate Renewals	15,152	16,948	21,031	37,302	90,433
Grants to vacate	1,100	1,000	-	500	2,600
<b>HRA TOTAL</b>	<b>55,817</b>	<b>50,576</b>	<b>50,949</b>	<b>60,045</b>	<b>217,387</b>
<b>APPROVED CAPITAL PROGRAMME</b>	<b>249,420</b>	<b>161,927</b>	<b>124,518</b>	<b>104,892</b>	<b>640,757</b>

## Appendix B

PROPOSED SCHEMES NOT YET FUNDED OR APPROVED					
<b>4 Year Programme</b>					
<b>INDICATIVE PROGRAMME</b>					
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £000
<b>Regeneration &amp; Environment</b>					
TFL Future years	-	3,178	3,178	3,178	9,534
Highways & Streetscene:					
Programme		8646	8450	8450	25,546
Corridor Improvements - Hertford Rd	-	1,619	-	-	1,619
Waste & Recycling	-	421	18	-	439
Parks (extend programme)	-	1,095	1,053	-	2,148
Building Improvement Programme (BIP)	-	1,455	1,500	1,500	4,455
Disability Access Programme	-	200	200	200	600
Regeneration:					
Enfield Town	-	3,350	3,350	-	6,700
Lea Valley Heat Network	-	-	23,172	-	23,172
Enfield Highway	-	-	225	-	225
Enfield Wash	-	-	225	-	225
Other Heritage projects / acquisitions	-	2,200	1,670	-	3,870
Industrial Estates Regeneration	-	-	3,250	-	3,250
<b>REGENERATION &amp; ENVIRONMENT</b>		<b>22,164</b>	<b>46,291</b>	<b>13,328</b>	<b>81,783</b>
<b>Health, Housing &amp; Adult Social Care</b>					
<b>Housing</b>					
Disabled Facilities Grant (£1.156m grant funded)	1,000	2,000	2,000	2,000	7,000
Housing Assistance Grants	1,200	818	818	818	3,654
Affordable Housing	2,529	4,629	2,100	2,100	11,358
<b>Adult Social Care</b>					<b>0</b>
Welfare Adaptations	100	100	100	100	400
<b>HEALTH, HOUSING &amp; ADULT SOCIAL CARE TOTAL</b>	<b>4,829</b>	<b>7,547</b>	<b>5,018</b>	<b>5,018</b>	<b>22,412</b>
<b>Schools &amp; Children's Services</b>					
Schools Access Initiative	-	250	250	250	750
Schools Condition Funding	-	-	2,850	4,483	7,333
Fire Precaution Works	-	-	267	500	767
<b>SCHOOLS &amp; CHILDREN'S SERVICES TOTAL</b>	<b>0</b>	<b>250</b>	<b>3,367</b>	<b>5,233</b>	<b>8,850</b>
<b>GENERAL FUND INDICATIVE</b>	<b>4,829</b>	<b>29,961</b>	<b>54,676</b>	<b>23,579</b>	<b>113,045</b>



MUNICIPAL YEAR 2015/2016 REPORT NO. **135****MEETING TITLE AND DATE:**Cabinet – 16<sup>th</sup> December 2015**REPORT OF:**

Chief Executive

Contact officer and telephone number:

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Agenda – Part: 1

Item: 9

**Subject: Quarterly Corporate Performance Report****Wards: All****Key Decision No: 4144****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, how well the Council is doing in delivering its key services and priorities. 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 the end of Q2 2015/16.
- 1.4 Employment is a major priority for the Council and it should be noted that the % of residents claiming Job Seekers fell to 2.00% in September, the lowest figure since before 2006.

**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, how well the Council is doing in delivering its key services and priorities 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 2015/16. Some indicators have been deleted as they are no longer relevant and 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 Q2 2015/16. The tables have been expanded to show monthly performance for those indicators measured monthly as well as the figure for the quarter. They 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.

4 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).

Q2 performance data for 11 indicators are not yet available. The definition for the care leavers targets has been changed and we are currently unable to extract all the necessary data. Q1 data for the waste and recycling performance indicators were published at the end of October 2015. Both are below target and should be considered as red. The April – July 2015 data for the cleanliness indicators have also been published. These are above target and should be considered as green.

Of the remaining 56 performance indicators, 28 (50.00%) are at green; 16 (28.6%) are at amber; and 12(21.40%) 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 2015/16 (protect)



Generated on: 18 November 2015

Area of Review	Key Highlights	Risk Rating - Sept'15
Income & Expenditure Position - Year end forecast variances	Year-end forecast variances of £2.7m departmental overspend have been identified to date in relation to General Fund net controllable expenditure. Plans are being implemented to manage this variance.	
Income & Expenditure Position - Budget Profiling	Budget profiling across all departmental budgets will continue to be applied in order to reflect predicted net spending patterns.	
Income & Expenditure Position - HRA	The HRA is projecting a level spend in 2015-16	
Balance Sheet - Cash Investment	The current profile of cash investments continues to be in accordance with the Council's approved strategy	
Balance Sheet - General Fund balances year end projections	The year-end projections for General Fund balances may not meet the Council's Medium Term Financial Strategy target levels based on the current forecast overspend however actions to reduce the overspend will reduce the risk.	
Cash Flow - Cash balances and Cashflow Forecast	The Council's cash balances and cashflow forecast for the year (including borrowing) will ensure sufficient funds are available to cover planned capital and revenue commitments	
Cash Flow - Interest Receipts Forecasts	Interest receipts forecast for the year are on target with budget	

## (1) Fairness for All

### (a) Housing and Homelessness

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Number of households living in temporary accommodation	2956	2879	2880	2930	2930	
Private Sector Housing: Empty Homes Brought Back into Use	30	18	25	29	29	
Overall satisfaction with repairs service provided by Council Homes	92%	91%		91%	91%	1723 out of 1901 surveys returned in respect of works orders issued under the new and contracts (period April to September inc) indicated their satisfaction with the responsive repair service
Contractor monitoring by Council Homes of responsive repairs completed YTD by agreed target date	98.85%	89.97%	88.29%	88.79%	88.79%	Performance has been negatively impacted by anticipated challenges that have occurred during the typical early settlement period while the new major responsive repairs term contracts are implemented. Intensive contract management intervention has now taken place and we have seen improvement in the direction of travel across all the above performance indicators in September.
Rent collected by Council Homes as a proportion of rent due (excluding rent arrears)	100.20%	102.42%	101.96%	101.53%	101.53%	

### (b) Adult Social Care

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Number of clients reviewed in the year (of clients receiving any long term service)	82.0%	20.4%	26.5%	34.6%	34.6%	
Percentage of Current Social Care Clients accessing Long Term Support (LTS) who receive Self Directed Support	99.00%	99.43%	100.00%	99.96%	99.96%	99.85% of clients receiving a Long Term Service have a Personal Budget. Please note that this is taken as a snapshot 31/10/2015.
Delayed transfers of care (patients) per 100,000 pop	5	8.77	8.68	8.85	8.85	There were 23 patient delays during August, of which 17 were Health Delays and 3 were attributable to Social Care, and 3 were joint delays.
Timeliness of social care assessment (all adults)	90.0%	96.0%	94.8%	95.0%	95.0%	
Carers receiving needs assessment or review and a specific carer's service, or advice and information	28.00%	17.45%	20.23%	23.15%	23.15%	EOY target is 48%
Number of adult learning disabled clients receiving LTS in paid employment		59	59	61	61	
No of Adults receiving secondary mental health services in employment	5.3%	4.5%	4.4%	4.4%	4.4%	<b>ANNUAL TARGET 2015/16= 5.3%</b> <b>This Indicator is a rolling average over 12 months</b>  <b>45 clients receiving Secondary Mental Health services were in paid employment at the end of July. This equates to 4.37%.</b> 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. The latest report from BEHMHS shows 89 forensic inpatients. If these did not form part of the denominator, performance would be 5% Service Users must have an Enfield postcode, but can be receiving services from other local Authorities.

**(c) Safeguarding Children**

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
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	5.5%	Measured Quarterly			4%	Since April 2015, there have been 5 Adoptions and 4 Special Guardianship Orders granted out of a cohort of 224. 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	5.0%	1.4%	1.4%	2.6%	2.6%	5 children, out of a total of 280 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	8.0%	5.9%	6.5%	6.0%	6.0%	This indicator counts children who had a previous child protection plan in the past two years. Of the 348 children who became subject to a Child Protection plan during the past 12 months, 59 (17%) had previously been on a Child Protection plan and 21 had been on a previous Child protection plan in the past two years.
Percentage of child protection cases which were reviewed within required timescales	100.0%	100.0%	100.0%	100.0%	100.0%	The percentage of child protection cases which were reviewed within the required timescale is 100%. There were 227 reviews in the denominator.
Care leavers aged 17-21 in suitable accommodation (Now Inc ages 17, 18, 20 & 21)	90.0%	Measured Quarterly				<b>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. The current quarter's performance does not include 17 and 18 year olds as we are presently unable to extract this data.</b>  91/107 care leavers were recorded as being in suitable accommodation.
Care leavers in education, employment or training (17-21 years old eligible for leaving care service)	65.0%	Measured Quarterly				<b>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.</b>  65/107 care leavers are in Education Employment and Training. Performance has increased this quarter.  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.  <b>The current quarter's performance does not include 17 and 18 year olds as we are presently unable to extract this data.</b>

**(f) Sport and Culture**

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
CYP Participation in Positive Activities (To measure and drive improved performance around the participation of young people in positive activities.)	60,000	Measured Quarterly			60,701	2nd Quarter Figures - 60,701 Forty Hall - 17646 Millfield Arts Centre - 24090 Dugdale Centre - 12,243 Salisbury House - 522 Festivals & Events - 6200
Number of Arts activities for Children and Young people	4,200	Measured Quarterly			4,300	2nd Quarter Figures - 4300 Forty Hall - 2704 Millfield Arts Centre - 1130 Dugdale Centre - 395 Salisbury House - 31 Festivals & Events 40

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Sports Development Sessions - Young People Attendances	7,984	Measured Quarterly			6,259	<p>These figures do not include partner organisation figures. We are still awaiting Sport England project (ECYPS) stats from Q2.</p> <p>Current totals have a number of outstanding figures however we are on target to reach our annual target.</p> <p>Awaiting final figures from Fusion Lifestyle - new monitoring officer appointed.</p> <p>2nd Quarter Figures - 178,196  Forty Hall - 110169 (Online Customers 64543)  Millfield Arts Centre - 36,865  Dugdale Centre - 16,498  Salisbury House - 3954  Festivals &amp; Events 10700</p>
Sports Development Sessions - Adult Attendances	7,674	Measured Quarterly			6,906	
Leisure Centre - Young People attendances	416,001	Measured Quarterly			398,331	
Engagement in the Arts (People taking part in all arts at local level)	150,000	Measured Quarterly			178,196	

### (g) Income Collection, Debt Recovery and Benefit Processing

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Recovery of council properties fraudulently obtained, sublet or abandoned	37	Measured Quarterly			33	<p>The number of recovered Council properties has fallen slightly behind schedule. However, the team will imminently receive the results of a data-matching initiative with credit reference agency Callcredit. This exercise is designed to identify any tenants who have close financial links with properties other than their tenancy address, and is expected to generate a large number of leads for investigation.</p> <p>Expect a further £13m overpayments to be raised this year compared to £5.1m in 2014/15 due to data matching employment records</p> <p>YTD - 26.4. Backlog of work being addressed through the use of call-off contract with Civica began in October 2015, which will provide additional capacity until backlog is cleared. Being addressed in Q3.</p> <p>YTD - 10.92. Backlog of work being addressed through the use of call-off contract with Civica which began in October 2015, which will provide additional capacity until backlog is cleared. Being addressed in Q3.</p>
% of Council Tax collected (in year collection) Combined	54.95%				54.89%	
% Council Tax (Local Support Scheme) Collected	40.5%	Measured Quarterly			46.78%	
% Council Tax (non benefit) Collected	55.28%				55.82%	
% of Business Rates collected (in year collection)	55.95%				56.26%	
% of Housing Benefit Overpayments recovered.	61.00%				48.22%	
Processing Times for New claims - Housing Benefit/Council Tax Support (average number of calendar days)	23	25.29	26.03	29.08	29.08	
Processing Times for Benefit Change in Circumstances (average number of calendar days)	7	12.28	9.95	16.9	16.9	

### (2) Growth & Sustainability

#### (a) Employment & Worklessness

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Number of families identified in Change and Challenge programme Showing Improvement	138	Measured Quarterly				<p>Q1 - 128  Q2 data will be available at the end of December.</p>



Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Employment rate in Enfield - working age Population (JobCentrePlus indicator monitored by Enfield - Source: Office for National Statistics)	70%	Measured Quarterly			72.7%	154,400 (72.7%) economically active residents in employment (83,300 males/71,100 females). (data is Annual Population Survey for Jul 14 - Jun 15)
Percentage of 16 to 19 year olds (Academic age Y12-y14) who are not in education, employment or training (NEET)	6.50%	3.79%	6.60%		6.60%	4,135 (2.0%) of residents claiming Job Seekers' Allowance (September 2015). Lowest figure since prior to 2006.  NEET numbers historically rise in August. At the start of every August young peoples destinations are reset in the system and a new cohort of young people is identified. The service then contact all young people aged 16-19, working with schools and colleges to determine young peoples new destinations. The NEET calculation is affected by the number of young people whose destination is currently unknown and as such the NEET figure is artificially higher until we confirm the new destinations for our young people.
Young Offenders' access to suitable accommodation	95.0%	100.0%	100.0%	96.3%	96.3%	Final annual figure will be average of November, December and January.

### (b) Planning

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Percentage of all valid planning applications that are registered within 5 working days of receipt	80.0%	87.2%	89.7%	86.9%	87.9%	87.9% based on 1080 out of 1228 applications being registered within the necessary timescale.
2 year rolling performance of major applications determined in 13 weeks	60.00%	73.91%	73.56%	73.26%	73.59%	73.59% based on 195 out of 265 applications being determined within the necessary timescale.
Processing of planning applications: Major applications processed within 13 weeks	70.00%	100.00%		66.67%	88.89%	No major decisions issued for August 2015. 88.89% based on 8 out of 9 applications being processed within the necessary timescale.
Processing of planning applications: Minor applications processed within 8 weeks	70.00%	79.69%	69.23%	83.72%	78.08%	78.08% based on 114 out of 146 applications being processed within the necessary timescale.
Processing of planning applications: Other applications processed within 8 weeks	80.00%	86.23%	82.61%	81.34%	83.46%	83.46% based on 323 out of 387 applications being processed within the necessary timescale.

### (c) Waste, Recycling & Cleanliness

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Residual waste per household	145.00kg/hhd	Measured Quarterly				<p><b>DATA FOR QUARTER 1 RELEASED AT THE END OF OCT 2015 - OUTSIDE OF TARGET:</b> 164.64kg per household against target of 145kg/hhd - Data is provided By the North London Waste Authority (NLWA), we are awaiting Q2 data.</p> <p>Waste growth is linked to a number of variables including economic-upturn and as a result waste throughout the UK is expected to rise in the short-to-medium term with initial predictions ranging between 3% and 6.6% growth.</p> <p>As previously reported the Council's figures continue to show a small growth in the overall waste collected from households. This increase is mainly associated to the kerbside and estate properties. It is expected that residual waste will start to decline marginally following initiatives such as increased waste enforcement activities, Flats above Shops project and a communications campaign. However, taking into account the expected growth, more measures will be required to sufficiently reduce residual waste, which may require a service change in the longer term.</p>
Percentage of household waste sent for reuse, recycling and composting	42.00%	Measured Quarterly				<p><b>DATA FOR QUARTER 1 RELEASED AT THE END OF OCT 2015 - OUTSIDE OF TARGET:</b> Recycling rate of 38.8% against target 42% Data is provided By the North London Waste Authority (NLWA), we are awaiting Q2 update.</p> <p>A recycling action plan has been agreed to improve recycling rates in the short term pending any service change to increase recycling and reduce waste arising. This includes a targeted recycling communication campaign, addressing contamination and waste and recycling provision.</p> <p>Further to this, the Barrowell HWRC is now at 50% recycling and will be rising to meet the contract target of 65% for April 2016. This is the second largest contributor to the total waste generated</p>
Percentage of inspected land that has an unacceptable level of litter	4.00%	2.67%				Inspections are carried out the in defined tranches across the year. They are April to July, August to November and December to March. The next inspections will be complete by end November.
Percentage of inspected land that has an unacceptable level of detritus	6.00%	3.55%				Inspections are carried out the in defined tranches across the year. They are April to July, August to November and December to March. The next inspections will be complete by end November.
Percentage of inspected land that has an unacceptable level of graffiti	2.00%	0.00%				Inspections are carried out the in defined tranches across the year. They are April to July, August to November and December to March. The next inspections will be complete by end November.
Percentage of inspected land that has an unacceptable level of fly-posting	1.00%	0.17%				Inspections are carried out the in defined tranches across the year. They are April to July, August to November and December to March. The next inspections will be complete by end November.

### (3) Strong Communities

#### (a) Crime Rates

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Burglary	1,417	829	1,012	1,204	1,204	<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 and are in line to achieve 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 -12.3% compared to --9.6% across London.</p>
Criminal Damage	1,039	728	901	1,082	1,082	<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 +5.2% compared to approx. +9.3% across London.</p>
Robbery	449	310	384	458	458	<p>Robbery has reduced by more than -22% 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 historic 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 increased by +6.7% compared to -8.1% across London.</p>
Theft from Motor Vehicle	1,205	756	942	1,138	1,138	<p>Thefts from motor vehicle offences in Enfield have seen a significant long-term reduction over the past 4 years, with a -30.2% reduction since 2011/12.</p> <p>12-month rolling data (which is monitored by MPS) shows Enfield to have decreased -15.8% compared to -11.1% across London.</p>
Theft/Taking of Motor Vehicle	433	201	257	308	308	<p>Thefts of motor vehicles in Enfield have declined by over -40% 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 -21.9% compared to +2.2% across London</p>
Theft from the Person	190	148	181	218	218	<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 -16.4% decrease in this crime type since 2011/12, whilst Enfield has noted a decrease of only -3.2% 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>
Violence with Injury	670	814	1,029	1,205	1,205	<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 +11.1% in the past 12-months, compared to +9.6% for London.</p> <p>Approximately 40% of violence with injury offences are domestic related. 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 &amp; 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>

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Total Offences (MOPAC 7)	5,401	3,786	4,706	5,615	5,616	<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 -4.9% compared to -0.9% across London.</p>
Number of Domestic Crimes		957	1,246	1,466	1,466	<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 significant increase in reported offences. (Q1 figures corrected)</p>
Number of Domestic Violence cases referred to MARAC		Measured Quarterly				<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	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
NDTMS Partnership Successful Completion Rate (%) for all Drug users in treatment (aged 18+), excluding alcohol-only users:	16.15%					<p><b>Successful Treatment Completions.</b> The DAAT has improved the performance considerably for the number of drug users successfully completing treatment. The Covalent end of year target is 217 (21.4%) and the current 12 month rolling performance is confirming that the DAAT has already achieved 249 (24.56%). It is expected that this performance will improve further before stabilising off thereafter. NEXT DATA RELEASED IN DECEMBER</p>
4 week smoking quitters	345	Measured Quarterly				<p>Data collected quarterly - 278 quitters in Q1 2015-16, This figure will go up during the year as more data is collected. We are confident of hitting the end of year target of 1572. Target profiled in line with previous trend in performance. Quarter 2 data available early December 2015</p>
NHS Health Checks-received as % of Population	4.4%	Measured Quarterly			5.9%	<p>Health checks received by 4891 at end of Quarter 2 (3113 in Q1 and 1778 in Q2). 5.9% is 4891 as percentage of population eligible for health checks (82961).</p>

### (c) MEQs, Complaints and FOIs

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Stage 1 COUNCIL Complaint Scheme ALL Dept's. - % replied to within 10 working days	92%	Measured Quarterly			84.21%	<p>96 of 114 Complaints answered within 10 days (84.21%) in Quarter 2. Year to date: 209 of 240 (87.1%)</p> <p>Q2 - HHASC 35/41 (85%); SCS 0/1 (0%); FRCS 37/43 (86%); R&amp;E 21/26 (81%); CEX 3/3 (100%)</p>
Stage 1 Adult Social Care STATUTORY Complaints Scheme - % replied to within agreed target (individually negotiated)	92%	Measured Quarterly			88.24%	<p>Q2: 15 of 17 (88.2%) HHASC statutory scheme complaints answered within agreed timescales. Year to date (Q1 &amp; Q2) 30 of 33 (90.9%)</p>
FOI Requests (All Departments) - Percentage closed inside 20 day target	95%				91.01%	<p>314 of 345 answered within 20 days in Q2 (91%). Year to Date: 644/704 (91.5%)</p>

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Member Enquiries (ALL) - Percentage responded to within 8 day target	95%	Measured Quarterly			89.56%	Member Enquiries answered within 8 days for all Departments in Quarter 2: 1287 of 1437 (89.6%) Member Enquiries answered within 8 days for all Departments - Year to Date: 2535 of 2814 (90.1%)

#### (d) Other Corporate Indicators

Indicator	Current Target	July 2015	August 2015	September 2015	Q2 2015/16	Latest Note
		Value	Value	Value	Value	
Average Sick Days - Council Staff (rolling 4 quarters)	8.00	Measured Quarterly			7.99	Data represents sickness absence for the period from 01.10.2014 to 30.09.2015. Council Employees: 26,690 days lost/ 3,339.9 average FTE = 7.99 average days
Internal Audit Programme - % of reviews completed	26%	Measured Quarterly			20%	The number of reviews completed has fallen behind the profiled target. A number of reviews are nearing completion of the fieldwork. The team will focus on progressing reviews to completion within the agreed timescales.
I.T. incidents resolved within SLA High Priority (severity 1) resolved within 2 hours	95%	Measured Quarterly			100%	
% of invoices paid within 30 days for all Departments	98%	97.35%	97.45%	98.29%	97.69%	

(4) Annual Performance Indicators

Education

Indicator	Current Target	2012/13	2013/14	2014/15	Latest Note
		Value	Value	Value	
All Enfield Schools - Achievement of 5 or more A* - C grades at GCSE or equivalent including English and Maths - First Entry	56.8%		59.7%		<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 <b>Reform of vocational qualifications</b>  <b>Early entry Policy</b> (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><b>2013/14 Enfield Average : 59.7%</b>  <b>2013/14 London Average: 61.5%</b>  <b>2013/14 England Average: 56.8%</b>  <b>2013/14 LBE Ranked 18/32 - London LA's.</b></p> <p>The Enfield figure was also affected by the low results of Enfield's academies.  <b>Maintained Enfield Schools Achieved:</b>  <b>66.3% - 5 or more A* - C (inc E&amp;M) Best entry</b>  <b>63.8% - 5 or more A* - C (inc E&amp;M) First Entry</b></p> <p><b>All Enfield Schools - Best Entry</b>  <b>61.4% - 5 or more A* - C (inc E&amp;M) -Target was 64%</b></p>
Achievement at level 4 or above in Reading, Writing and Maths at Key Stage 2 . all pupils- New 2012-13	80.0%	76.0%	78.0%	80.0%	<p>Enfield has shown a 2%point improvement upon last years performance, at 80% is equal to the National Figure. London has remained the same as last year at 82%.                      Enfields Girls (83%) perform better than boys (78%)  <i>Data taken from DfE Statistical First Release August 2015</i></p>
% Pupils achieving a good level of development at the end of the Early Years Foundation Stage. New 2012-13	60.0%	49.0%	58.2%	63.9%	<p>London - 68.1%                      England - 66.3%</p> <p>Enfield Boys - 56.7%                      Enfield Girls - 71.5%                      Gap - 14.8%</p>

**MUNICIPAL YEAR 2015/2016 REPORT NO. 136**

**MEETING TITLE AND DATE:**  
Cabinet - 16 December 2015

**REPORT OF:**  
Director of Health, Housing and  
Adult Social Care

Contact officer and telephone number:

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<b>Agenda – Part 1</b>	<b>Item: 10</b>
<b>Subject: Setting Up the Council's Trading Company</b>	
<b>Wards: All</b>	
<b>Cabinet Member consulted: Cllr Alev Cazimoglu</b>	

## **1. EXECUTIVE SUMMARY**

1.1 Independence and Well Being Services (IWS) provide a range of high quality services for some of the most vulnerable people in Enfield. Need and demand for the kind of offers made continues to grow, however the impact of austerity measures has resulted in a necessity, to produce a plan that responds to need, whilst maximising the potential of commercial opportunities and enabling savings to be generated. The Care Act (2014) also introduces additional duties to local authorities around co-production, integration, prevention and market management.

1.2 The proposed Local Authority Trading Company (LATC) identifies synergy between services currently part of IWS and others like Safe and Connected which are part of the Council's wider suite of offers and proposes a vision for an emerging company. The LATC maximises use of Council assets to generate revenue whilst ensuring quality provision in the market place at the right price.

1.3 Section 95 of the Local Government Act 2003 permits local authorities to trade commercially in their normal functions, enabling Enfield to take advantage of such opportunities which it is unable to fully exploit without the mechanism of a trading company.

1.4 This report proposes the establishment of a Local Authority Trading company, wholly owned by LBE, to commence trading in April 2016.

1.5 This matter has been explored in partnership between HHASC and Enfield 2017 with technical information provided by Ernst and Young. There has been discussion at Strategic Transformation Board level and with the Chief Executive. The journey to this recommendation has explored Mutuals, Charities, other models of Social Enterprise, joint management arrangements and full outsourcing however the LATC recommendation is considered to represent a real opportunity for Enfield.

1.6 It is proposed that the LATC appoint a successful commercial non-executive member of the board to provide mentorship, guidance, and greater commercial credibility to the company.

## **2. RECOMMENDATIONS**

- 2.1 That the Cabinet, subject to consultation, establishes a Local Authority Trading Company formed from Independence and Well Being Services.
- 2.2 That the Trading Company is registered under the name Independence and Well Being Services Ltd.
- 2.3 That the transfer of services to the Trading Company is agreed by the Cabinet Member for Health and Social Care and other involved Members, in consultation with the Trading Company's board of directors, in accordance with the Council's Scheme of Delegation, with a report coming back to Cabinet after 6 months.
- 2.4 That the governance and legal structures of the Trading Company - including the day to day management of performance and budgets and the structure and membership of the Board of Directors - are established as outlined in the body of the report with a further progress report in 6 months' time.
- 2.5 That the Trading Company undergoes a comprehensive review of performance following 3 years of operation.

## **3. BACKGROUND**

### **3.1. Evaluating future options**

Independence and Well Being Services emerged from HHASC's in house Provider Services in 2013, based on the need to strengthen ties between similar services, reducing duplication and maximising the impact of a flexible firm methodology.

Service offers are based on a blend of Well Being services to be purchased with a Personal Budget, Service Level Agreements to manage arrangements on behalf of other Council Services and contracts to deliver services for partner organisations such as the NHS. The new structure was the next step to commercialising Independence and Well Being Services which was followed up with a growth strategy and examination of added value provided via responses to Provider Concerns and reducing delayed transfers of care.

There are a number of reasons why the delivery of in house Adult Social Care Services needs to change.



- Demand for services is forecasted to rise by 14% by 2020. There is a need to safeguard services. Making them more sustainable ensures their existence to serve residents in the future.
- The cost of providing care is an important consideration for Local Authorities as Social Care Budgets reduce year on year. Services delivered directly by the Council are a minimum of 11% more expensive than comparators delivered by the private sector. Using a LATC to trade these services increases commercial awareness and maximises the use of council resources to address spend, whilst maintaining the key 'people' and 'community' principles underpinning Local Authority existence.
- The Introduction of the Care Act (2014) enshrines areas previously considered as best practice, in law. The LATC option enables Enfield Council to ensure that;
  - Personalisation and Co-production is central to service delivery
  - The Council builds on already established integration with local NHS provision
  - Focus on prevention and Independence outcomes (where appropriate) rather than more traditional bed based options
  - There is provision and influence in the Market which shapes the quality and price of services that people can use to achieve their outcomes
  - Provider failure is managed by a responsive and skilled operation which is wholly Council owned and for which operations are reported to a Council oversight board.
- The LATC enables us to ensure that a number of the Council's operating procedures are front and centre in the delivery of Council owned Adult Social Care Services.
  - Do it once – and in one place
  - Only do the things that make sense for us to do so (e.g. we won't take on things that we are not specialist in)
  - Automate and self-serve nearly all transactional activity
  - Consolidate teams and create smaller, more focussed centres of excellence
  - Enable work to be delivered with fewer resources
  - Empower our customers to help them resolve their own requests and thus managing demand more effectively
  - Continue to partner with other organisations and agencies to help deliver better services at a reduced cost
  - Maximise income where it is cost effective to do so

As with all Local Authorities, Enfield has reviewed the available options for its in house provider services. In partnership with Ernst and Young and Enfield 2017 HHASC have explored:

- Externalisation
- Mutuals
- Charities
- Forms of Social Enterprise
- Local Authority Trading Companies
- Shared Management Arrangements

Options Appraisal filtered the available options to that of Local Authority Trading Company. With confidence that there is significant demand for the resources and capabilities available to Independence and Well Being Services (details in part 2), it is proposed that Enfield Council establishes a trading company limited by shares to trade under section 95 of the Local Government Act 2003. (See Business Options Summary in Part 2)

A number of other local authorities have established LATC's (see Appendix 1). Key to the success of Enfield's organisation is vision; leadership and commercial strategy which makes best use of our economies of scope and scale.

### **3.2. Rationale for setting up a trading company**

Independence and Well Being Services provide a range of high quality services with a reputation for excellence. However, within the local authority regulatory framework, the Council is limited to how far it is able to exploit commercial opportunities with these services.

Transferring the services to a trading company, will enable Enfield to continue to provide high quality services for residents but the company also has the flexibility to provide services to other organisations for the purpose of making a surplus.

'A LATC is most likely to deliver the Council strategy relating to coproduction, integration and prevention – as this is a continuation of existing service strategy, which will be supported by keeping the services together. The Council will be moving to direct payments for all non-residential services. Both the alternative models (*LATC and Outsourcing*) are compatible with this strategy (whereas continuing in-house delivery is not). As mentioned above the LATC will need to standardise its payment process across services for this to be achieved.' **Ernst and Young (2015)**

'The Financial Analysis shows that externalising the services would have greater financial benefits over the short and medium term. This also provides a lower financial risk as the benefits will be delivered directly from the existing Council budgets. The LATC has the potential to provide longer term benefits through additional revenue and growth as the business develops into new services, and a greater client base. The LATC is forecast to deliver £1.04m of identified benefits and up to £1.38m in Year 3 if the stretch opportunities are realised.' **Ernst and Young (2015)**

'Both options remain feasible based on Strategic, VFM and Feasibility Analysis. The decisive factors are whether the Council wishes to move to a Commissioning operating model and realise quick financial benefits, or whether there is buy-in for

the potential of the current services to delivery long term growth and delivery of the strategic vision for Social Care services.’ **Ernst and Young (2015)**

An externalisation model may deliver savings more quickly, however the LATC model is being proposed as beyond the short term, it can deliver the savings required, as well as significantly more financial benefits through trading opportunities. Demand for Social Care services continues to grow and the LATC offers an opportunity to continue to meet Enfield’s strategic objectives, whilst establishing a more sustainable solution to supporting the needs of vulnerable people in Enfield.

<b>Service area</b>	<b>Growth 13/14 – 14/15</b>
Well Being Services	32%
Outreach Services	16%
ICES	9.8%
Safe and Connected	4.4%

The capabilities of the Trading Company determine that the market offers a reasonably attractive landscape for it to compete in, owing to the possession of a number of areas offering sustainable competitive advantage. Whilst barriers to entry into this industry can be significant for smaller organisations, the economies of scale and scope the LATC represents, facilitates capacity to deliver higher volumes of work, an important consideration as austerity measures continue to reduce potential margins.

Independence and Well Being Services are an important part of Enfield’s Community. Many of the buildings are utilised in the evenings and weekends to facilitate community groups. As well as community hire for VCS and local activity groups, examples include New Options being used to host the Albany Community Coffee morning. As well as strengthening Community Cohesion, maximising the use of resources is also providing valuable revenue for the Council.

Independence and Well Being Services work to make Enfield residents more independent and Well. Outreach, Safe and Connected and ICES services reduce care purchasing costs and admission to acute settings, whilst services like Rose Taylor Day Centre and New Options improve health, wellbeing and increase confidence.

Whilst Well Being Services are purchased directly via Personal Budget and Self-funding arrangements, Independence Services operate under Service Level agreement with Council Services and under contract with wider commissioners. Shadow trading activity monitoring over recent years demonstrated sales above break-even point. Expansion plans for further integration with the NHS via Wheelchair service delivery (see 2015 S75 agreement) and delivery of integrated equipment and assistive technology solutions for other authorities have the potential to generate revenue creating a surplus for a Council dividend or reinvestment into the business. Enfield Council is the sole shareholder of this Trading Company.

Delivering a number of quality services for a fair market rate sets the bar for other Providers in terms of customer expectation of quality and price. The ability to influence in this way provides Enfield with additional tools with which to manage the Market.

Enfield has a reputation of providing good quality services for vulnerable people. With the LATC model this quality can be maintained owing to the way we will efficiently merge services, maximising economies of scope and scale.

Decisions on services to be traded must also take into consideration the financial viability of the service within a trading market and whether the service culture is open to change in order to avoid commercial failure.

It is proposed that initially the following services are considered for transfer to the Trading Company, subject to viability. Final decisions will be made, as appropriate, by the Executive Board.

Outreach  
Integrated Community Equipment Service  
Safe and Connected.  
Wheelchair Service

New Options  
Formont  
Community Link  
Park Avenue  
Rose Taylor

Some examples of other Councils that have developed a Local Authority Trading Company with in house adult social care services are Croydon, Essex, Barnet, and Sefton. Details and links can be found in Part 2.

### **3.3. What the proposed trading company would look like**

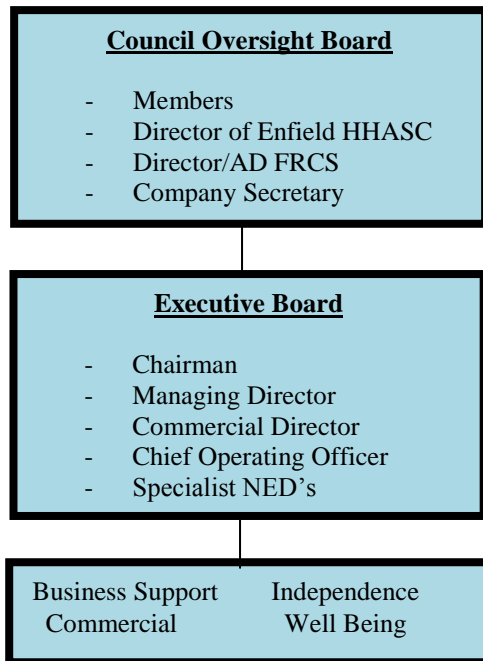
The structure, governance and resources of the Company are likely to develop and change over time according to decisions made by Cabinet and the LATC Executive Board, as services are added to it.

A separate name and brand will be created for the Company and a marketing strategy developed accordingly. It is recommended that these are approved by the Executive Board. The proposed name for the Company is Independence and Well Being Services Ltd.

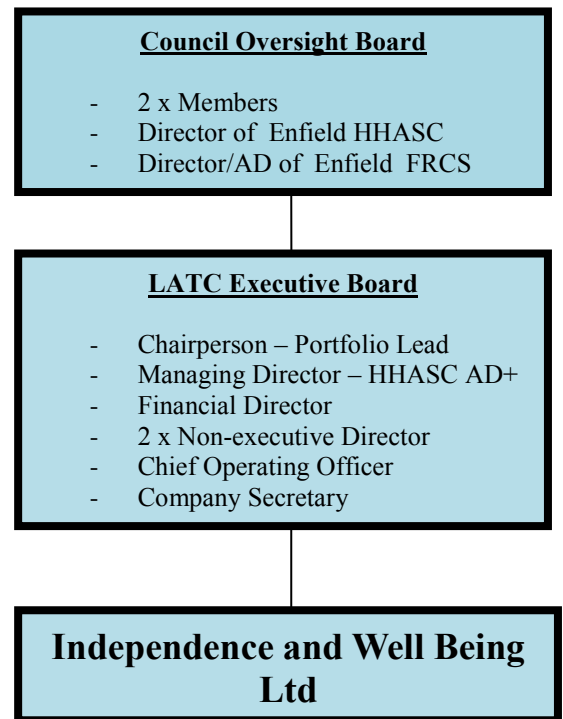
3.3.1 Governance

Two potential Governance proposals have been made.

Option 1



Option 2



It is recommended that the Trading Company follows Option 2. The Company is managed by an Executive Board which will be responsible for the operational management of the organisation. This will include a senior Enfield Council officer overseeing Managing Director responsibility, a Financial Director, Chief Operating Officer and Non –Executive Directors where it is deemed that their Commercial expertise will be of benefit to the organisation. The Executive Board will be held to account by the Oversight Board which sits within the Council. The portfolio lead, whilst not a member of the Oversight Board, will be attendance. Each Board Member reserves an equal voting right on all key decisions. A model of Quorum will ensure robust decision making by the Boards. Determination of what will be considered quorate will be included in the Terms of Reference for the Oversight and Executive boards.

It is recommended that an experienced professional with the relevant commercial profile is appointed in a Non-Executive capacity to provide additional technical expertise to the Executive Board.

The Company's Terms of Reference to be developed by the Executive Board subject to approval by the Oversight Board, will provide the Directors with a framework in which to operate and Articles of Association.

The Directors are responsible for the management and direction of the company. They must act as and for the company and they must ensure that the company does everything that it is legally obliged to do, such as ensuring compliance with laws (such as filing annual accounts) and entering in to and performing contracts.

The Directors of the services in the company will attend Council meetings as required, so decisions made are subject to the scrutiny of wider governance structures and reflect all relevant issues that relate to that service.

A report will be presented to Cabinet on a six monthly basis providing a briefing on the trading company's progress.

### 3.3.2 Services

Services trading from April 2016 are as follows;

<b>Outreach</b>	<b>New Options</b>
<b>Integrated Community Equipment Service</b>	<b>Formont</b>
<b>Wheelchair Service</b>	<b>Community Link</b>
<b>Safe and Connected</b>	<b>Park Avenue</b>
	<b>Rose Taylor</b>

It is proposed that the business cases to include these services are reviewed and approved by the Cabinet Member for Health and Social Care and other involved Members, in consultation with the Trading Company's board of directors. The Company will be established in such a way as to enable further services to be included in the future.

It is proposed that the authority to approve new business cases for trading opportunities is delegated to the Executive Board. The business plans should produce a detailed account of how the opportunity will be viable within the trading company.

### 3.3.3 Staff

Whilst secondment of staff in the initial stages of Trading was being considered, it is now being proposed that Council staff are transferred under TUPE directly into the LATC. Terms and conditions will remain the same. New employees joining the LATC will also work under the same terms and conditions. The Executive Board will be

responsible for reviewing the performance of the LATC on an annual basis. The LATC will continue Enfield Council's position of being a London Living wage employer.

#### *3.3.4 Legal*

It is proposed that the Company will adopt the model Articles of Association provided by the Companies Act 2006 as amended to fit in with the nature and requirements of the Company. This document has a similar function to the Council's Constitution, in that it sets out the governance arrangements for the company. It sets out provisions dealing with, among other matters, how meetings of shareholders and directors are conducted, the procedures for dealing with conflicts of interests of directors, the circumstances under which a director should vacate office, and the issue and transfer of shares. These Articles will be amended from the outset based on legal advice and may be further amended as necessary as the Company develops.

#### *3.3.5 SLAs*

The Authority will provide a number of Service Level Agreements (SLAs) to the Trading Company in the initial stages to ensure that the company is properly supported and financially viable. The costs of any support provided to the Company by the Authority must be recovered. Initially these agreements will include human resources, payroll and pensions, insurance, IT and procurement. The Trading Company will review these arrangements once operations stabilise on the basis that best value may be achieved through external contracts for these provision. It is noted that the requirements of the Trading Company are likely to be different to that of a Council department.

#### *3.3.6 Consultation*

The proposed consultation will engage fully with all potentially affected staff, existing services users and families and carers. Comments will also be invited from wider stakeholders including partnership boards and partner organisations.

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

There are many options open to Councils to sell their services, develop staff and raise income. Thus, the trading company is one of a number of options explored as part of the Council's changing needs and priorities. Other considerations have included;

- Shared service opportunities with other Councils and wider organisations
- Development of staff owned Mutuals
- Establishing a Charity from in house provision
- Trading via Social Enterprise
- External Tender – Contracting out Council Provision
- Retaining In House provision

The Ernst and Young Provider Services Business Case and Appendices exploring considered options is placed in the Members' Library.

The Trading Company is fully owned by Enfield Council. This provides flexibility and the opportunity for The Council Oversight Board to deploy resources to respond to the changing landscape in Enfield. The added value generated from the company serves Enfield, however outsourcing options reduce Enfield Council's influence over services and additional tasks undertaken by other Providers will result in additional charges. This is particularly relevant in Outreach, and equipment areas where much of the added value reduces care purchasing costs, responds to Provider Concerns and influences the wider market, an important consideration for Section 5 of the Care Act (2014).

## **5. REASONS FOR RECOMMENDATIONS**

### **That the Trading Company is established under the name Independence and Well Being Services Ltd.**

As a separate legal entity, the Company will require its own branding and marketing. Independence and Well Being Services Ltd is an available name and currently on a Bing search IWS is the 3<sup>rd</sup> listing and on Google the Facebook page is the 5<sup>th</sup> listing. This company will be registered with Companies House.

### **That the transfer of services to the Trading Company is agreed by the Trading Company's board of directors and the relevant Cabinet members in accordance with the Council's Scheme of Delegation**

Approval to investigate the full viability of transfer of a service to the Trading Company and approval for the service to be transferred in principle should be delegated to the relevant Cabinet member in accordance with the Council's Scheme of Delegation. Approval of the transfer of a service based on the service's financial viability and full business plan should rest with the Company's Board of Directors. This mechanism will ensure all relevant issues are considered so decisions are robust, both for Enfield Council and Independence and Well Being Services Ltd.

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

### **6.1 Financial Implications**

The creation of a trading company will enable the Council to take advantage of opportunities which are known to exist but which the Council is unable to exploit without the mechanism of a Trading Company. This includes income from additional services, being able to bid for other services, partnership working and reduce running costs of providing existing services.



A five year income and expenditure statement is shown in the part 2 report and cash flow statement for the full period has been produced. This shows that the LATC is projected to make a surplus from 16/17 for the following five years. As the LATC is established, there may be potential to reduce some of the operating costs through efficiencies and procurement.

A specialist local authority VAT firm, LAVAT has been employed by the Council to give specialist advice on the VAT implications for the Company.

The firm examined two options. The first involves setting up two companies, a service delivery company and a support function company, managed by the same board. The Council would enter into a contract with the service provider (Company A) which will provide the services to the Council. There will be a further contract for the supply of care services by a second staff provider (Company B) to Company A. The staff would be employed by Company B and provide staff to Company A. This model is used by other LATCs including Essex Cares and Olympus Care Services Ltd.

LAVAT have commented that "In our opinion this option carries significant risk. Although it is claimed that this structure has "sign-off" from HMRC it is, in our opinion, contrived in that its only purpose is to mitigate VAT and therefore is susceptible to being regarded as VAT avoidance."

The second option is a creation of one company for all its supplies and services, where the Company would agree with the HMRC, that the supplies and services are exempt from VAT.

LAVAT have commented "We have successfully argued this alternative view with HMRC on behalf of another local authority in respect of an outsourced care function. Provided the arrangements between the Council and Company are carefully documented (to avoid ambiguities) and both the facts and the documentation reflect a single supply of supporting the delivery of a whole service we believe this can be safely implemented."

There may be partial VAT implications which need to be examined in further detail. LAVAT however, have concluded "while there is further detailed work to be done in ensuring that a solution is carefully implemented, we believe that the majority, if not all, the VAT cost can be mitigated".

The Company will be liable to Corporation Tax which is currently at 20% on profits. The Government have announced that this rate will fall to 19% in April 2017, and then to 18% in April 2020.

All of the assets, buildings, equipment, fixtures and fittings and stock (wheel chairs and adaptive aids) will remain the property of the Council. The Company will need to comply with the regulatory requirements of the Companies Act 2006 and additionally with the regulatory regime for local authority Companies under the Local Government and Housing Act 2003. The Council must recover the full cost of any accommodation, goods, services,

employees or anything else it supplies to the company in pursuance of any agreement or arrangement to facilitate the power to trade

## 6.2 Legal Implications

The Council's main trading powers are set out in section 95 of the Local Government Act 2003 and section 1(4) of the Localism Act 2011, support by section 4 of the 2011 Act.

Section 95 of the Local Government Act 2003 Act allows the Council to do for a commercial purpose anything which it is authorised to do for the purpose of carrying on any of its ordinary functions. This means that the Council can include an element of profit in the charges for its services. The power conferred by section 95 may only be exercised by the Council through a company within the meaning of Part 5 of the Local Government and Housing Act 1989. Part 5 refers to a company limited by shares, a company limited by guarantee, an unlimited company and an industrial provident society.

Under sections 1(4) and 4 of the Localism Act 2011, the Council can use its 'general power of competence' to do something 'for a commercial purpose or otherwise for a charge' so long as it does this through a 'company'. 'Company' is defined as a company under section 1(1) of the Companies Act 2006 or a society registered or deemed to be registered under the Cooperative and Community Benefit Societies and Credit Unions Act 1965.

The Council is obliged under section 96 of the 2003 Act and the Local Government (Best Value Authorities)(Power to Trade) (England) Order 2009 to prepare a business plan that accords with the requirements in the 2009 Order being a comprehensive statement as to—

- (a) the objectives of the business,
- (b) the investment and other resources required to achieve those objectives,
- (c) any risks the business might face and how significant these risks are, and
- (d) the expected financial results of the business, together with any other relevant outcomes that the business is expected to achieve.

The Council would usually be required to run a procurement exercise for the provision of the Services by a separate entity, however the Teckal exemption under regulation 12(1) of the Public Contracts Regulations 2015 can be relied upon when one or more contracting authorities receive services from a separate entity that:

- (a) is owned by one or more contracting authority;
- (b) the contracting authorities exercise control over the entity similar to that they would exercise over an internal department;
- (c) there is no private equity involvement; and
- (d) more than 80% of the services provided by the entity are back to the controlling public bodies.

If these tests are all met, then a contract could be awarded to the company without running a procurement exercise first. However, it is imperative when applying these tests to consider those service users who will be receiving direct payments. These service users could start to receive services directly from the company and could be classed as services being delivered to someone other than the Council. If these services were likely to be more than 20% of the overall value of the all Services provided then this would need to be reconsidered and it may be necessary for the Council to run a procurement exercise before awarding a contract to the company.

Due diligence must be afforded to section 149 of the Equality Act 2010 regarding the public sector equality duty.

The Council has obligations under the Data Protection Act 1998 and these will need to be suitably managed within the arrangements with the company so that the Council is not in breach of its obligations.

Employees currently working in Council services can TUPE transfer on their current terms and conditions, which include their pension rights and they will carry over to the company their years of service with the Council. It is advisable that staff and unions are consulted with regarding any proposals in order to mitigate any employment issues.

The Council must be mindful of the rules with regards to State Aid. Any services provided by the Council to the Company will have to be provided at a commercial rate or General Block Exemptions will need to be utilised in order to avoid issues of State Aid.

Central government and other public bodies are required by law to consult before making certain decisions, including in relation to making changes to how they deliver statutory services. The Local Government Act 1999 provides for a general duty to consult widely, including with representatives of persons liable to pay any tax, precept or levy or non-domestic rates, representatives of persons who use or are likely to use services provided by the authority, and representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions. In deciding whom to consult and the form, content and timing of consultation, the authority must have regard to any guidance issued by the Secretary of State.

A failure to consult properly and adequately can lead to a policy or decision being overturned by the courts. Consultation forms part of a Local Authority's general duty to act fairly and the Council should take into consideration responses from a consultation before approving the recommendations in this report.

### **6.3 Property Implications**

6.3.1 There are no direct Property Implications regarding the setting up of the proposed Trading Company. There may be some

indirect Property Implications regarding the existing property use and future accommodation needs that result from the subsequent service changes. Strategic Property Services are keen to explore these with the service as and when the accommodation aspects of the proposals become apparent.

- 6.3.2 Any future transfer of property to the Trading Company from the Council will have to be undertaken at market values and subject to the Council Property Procedure Rules (PPR's).

#### **6.4 Public Health Implications**

The current in house Well Being Services offer a variety of activities aimed at reducing the burden of ill health for vulnerable people. This includes activities to increase levels of physical activity and improve nutrition.

Through the proposed LATC the Council has identified a means whereby it can offer independence and wellbeing services more widely with the potential for income generation.

Wellbeing services has an obvious benefit to service user and carers in increasing health and potential respite to Carers. If the LATC is successful as other examples have been these benefits will increase. There will be a need for the Council to monitor the development of the LATC to ensure a) these benefits are realised and b) that if the company is not successful there are contingency plans to protect vulnerable residents.

### **7. KEY RISKS**

As detailed in Part 2.

### **8. IMPACT ON COUNCIL PRIORITIES**

#### **8.1 Fairness for All**

A successful trading company will enable the Council to continue to provide high quality, accessible services to all in a challenging financial environment.

#### **8.2 Growth and Sustainability**

Forming a trading company will assist with the retention of Council staff in the areas selected for trading, and will, provide sustainable employment opportunities. As 60% of the Council's staff live in the Borough, potentially 60% of staff who transfer to the Trading Company are subsequently likely to live and work in the Borough.

The Success of the Trading Company lies within effective use of it's resources and capabilities to facilitate growth within Enfield and neighbouring boroughs.

### **8.3 Strong Communities**

A number of Independence and Well Being buildings are already being utilised by community groups.

Outreach and several equipment offers focus on vulnerable people continuing to be part of their community. Significant attention is assigned to reduce the likelihood that citizens will need to leave their homes as their needs become more complex.

## **9. PERFORMANCE MANAGEMENT IMPLICATIONS**

Forming a trading company has the potential for improving performance of the selected services through a greater focus on efficient, effective service delivery and providing improved value for money. Shadow Trading and the development of a comprehensive Management Information dashboard has prepared the service infrastructure for need to continue to grow and improve.

## **10. HEALTH AND SAFETY IMPLICATIONS**

The management agreement between the Council and the Trading Company will require the company to comply with all Health and Safety regulations. The estate has significant experience in Managing Health and Safety, Quality Standards and CQC registered services.

## **Background Papers**

None

## Appendix 1

### Local Authority Trading Company Examples

<http://www.croydon-care-solutions.com/>

Croydon Care Solutions (CCS) is the name given to Croydon's LATC which was established in March 2011. CCS is the parent company and there are 2 subsidiaries, Croydon Day Opportunities and Croydon Equipment Services. Croydon Care Solutions delivers day opportunities for vulnerable people, Community Support for adults with Learning Disabilities, Equipment Services, Employment Services, and Partnership Services for other Local Authorities.

<https://www.ecl.org/about-us/> - <https://www.essexcares.org/>

As a Local Authority Trading Company, Essex Cares has a block contract for services with KPIs linked to payment mechanisms. This ensures that the relationship is a commercial arrangement and is transparent in terms of interests. Indeed the basis of the LATC formation was on certain specific conditions which avoid the challenge of for example providing state aid and also having to fully tender in the first instance all the transferring services.

A key benefit of being an LATC is now being able to trade outside of Essex CC and engage both with self-funders as well as other local authorities. As a provider to Essex CC and health the situation is being examined to ensure that delivery is secured for the future through QIPP plans.

Essex Cares has undergone a recent re-brand. Now trading under the name ECL, their responsive and flexible teams deliver: Mobility aids and equipment, Outreach, Reablement, Sensory Services, Telecare, Well Being Hubs and Work Based Training.

<http://www.seftonnewdirections.co.uk/>

Sefton New Directions is an independent care provider owned and controlled by Sefton Council and regulated by the Care Quality Commission. New Directions offers adult service users rewarding and fulfilling lives through individualised support and care that also deliver peace of mind for families and loved ones.

Day care and longer term services are tailored to individual needs, whether that's at home, in the community or in specialist respite and residential units.

Recently they have expanded into Sefton's modern leisure facilities, providing lots more opportunity for fulfilling lives.

Care and support is for adults of all ages with disabilities as well as older people with age related conditions including Dementia. Included services:

Young Adults  
Health Wellbeing

Care at Home

Positive Mental

Senior Living  
people moving on

Supported Accommodation

Young

Shared Lives  
and Respite

Chase Heys

Short Stay

The Autism Unit

Dementia Care

<http://www.yourchoicebarnet.org/>

Your Choice Barnet is a Local Authority Trading Company owned by Barnet Council. It is a specialist social care organisation offering support for hundreds of people with physical and learning disabilities. These range from visual and hearing impairments to autistic spectrum conditions and behaviours that may challenge services.

Services include

- a variety of day services
- support for people to live independently in their own homes
- a highly regarded short breaks (respite) service.

People are encouraged to make use of personal budgets, exercise more choice through individual plans and take real control over their lives.

Your Choice Barnet also offers consultancy and training.





**MEETING TITLE AND DATE:**

**Cabinet 16<sup>th</sup> December  
2015**

**REPORT OF:**

Director,  
Regeneration & Environment

**Agenda – Part: 1****Item: 11**

**Subject:** Upton Road & Raynham Road  
Redevelopment Scheme

**Wards:** Upper Edmonton

**Key Decision No:** KD 4119

**Cabinet Member consulted:** Cllr Oyken

Contact officer and telephone number: Nick Fletcher, 0208 379 1781

E mail: [nick.fletcher@enfield.gov.uk](mailto:nick.fletcher@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 The proposed redevelopment of the land and buildings at Upton Road & Raynham Road presents the opportunity to deliver a comprehensive housing led scheme that can significantly enhance a challenging site in Upper Edmonton, achieving a number of Council objectives and community benefits.
- 1.2 The proposed redevelopment can deliver over 100 new homes, community space, replacement retail space and public realm improvements.
- 1.3 This report sets out an indicative scheme proposal and preferred option, and recommends that Cabinet authorises a scheme in principle, and authorises the use of compulsory purchase powers for the purpose of land assembly.

**2. RECOMMENDATIONS**

This report recommends that Cabinet:

- 2.1 Authorise the initiation of a comprehensive housing led redevelopment scheme within the attached Red Line Plan at **Appendix 1**.
- 2.2 Note the approach to engage stakeholders, including affected residents, set out in **paragraph 3.33** of this report.
- 2.3 Authorise the serving of initial Demolition Notices in accordance with Schedule 5A of the Housing Act 1985 with immediate effect (subject to call-in).
- 2.4 Resolve to use Compulsory Purchase powers under section 226 1 (a) of the Town and Country Planning Act 1990 (as amended) should the Council fail to acquire property interests by negotiation within the boundary of the proposed development land, on the assumption that a Compulsory Purchase Order is confirmed.

## 2. RECOMMENDATIONS (continued)

- 2.5 Delegate authority to the Director – Regeneration and Environment, acting in consultation with the Director of Finance, Resources and Customer Services, to make a Compulsory Purchase Order if required in respect of the land shown edged red on the Plan at **Appendix 2** to effect acquisition of property interests within the areas on each site described in the report and shown edged red on the Plans “The Order Land”.
- 2.6 Delegate authority to the Director of Regeneration and Environment, acting in consultation with the Director of Finance, Resources and Customer Services, to finalise the Statement of Reasons, and take all the necessary steps consequent to the making of any Compulsory Purchase Order,:
- a) To publish any Compulsory Purchase Order, referred to within this report, to seek confirmation of the Secretary of State and if confirmed, implement the Order;
  - b) To continue negotiations with owners of property interests within the Order Land and acquire such property interests by agreement.

## 3. BACKGROUND

- 3.1 In September 2014, Cabinet authorised a budget to progress feasibility work for a large number of sites that were identified across the borough, for new housing (KD3920). Architects, and other consultants have since been appointed and progress is being made in the preparation of scheme proposals on numerous sites.
- 3.2 As part of this feasibility work, this report proposes a larger scale housing led scheme which can have a transformational impact on a challenging site in Upper Edmonton, while contributing to increasing housing supply in the borough, and the Council’s wider regeneration objectives.
- 3.3 Enfield has a growing population, which is being exacerbated from inward migration from other London Boroughs, and there is a huge need to contribute to increasing housing supply generally, and particularly affordable housing as a result of the rising costs of temporary accommodation.

### THE SITE

#### Strategic Context

- 3.4 The circa 1.8ha site sits within the red line boundary on the attached plan at **Appendix 1**. The site stretches across Upton Road and Raynham Road, to the immediate south of the A406 North Circular,

located in the area known as 'Angel Edmonton' in the ward of Upper Edmonton.

- 3.5 The proposed Upton Road & Raynham Road development site is located within the 'Hinterland' area of Enfield Council's Housing Zone, and in close proximity to the Meridian Water Masterplan Area, therefore fitting into the Council's wider strategic housing and regeneration objectives.
- 3.6 The site is located between 5 and 8 minutes away from Silver Street Station which provides rail services to Liverpool Street, Seven Sisters (Victoria Line) and Enfield Town. The train service running through Silver Street Station has now been adopted by the Transport for London, as part of the London Overground network, and the frequency of trains is expected to improve in the future.
- 3.7 The site is located within 2-3 minutes' walk away from the vibrant Fore Street which is a designated District Centre. The completion of the Silver Point scheme (formerly the Highmead Estate) on Fore Street has set a precedent for high density residential development in the area.

Site – Description of land, buildings and ownership

- 3.8 The majority of the proposed development site includes land owned freehold by the Council, held for housing purposes, and within that there are a number of leasehold interests which are set out under 'Vacant Possession and Re-housing' within this report. The proposed development site also includes a significant amount of Council owned Highways land. The Council owns approximately 1.4ha of the 1.8 ha site.
- 3.9 Riverside & English Churches Housing Group owns a significant proportion of the proposed development site (circa 0.34ha).
- 3.10 The proposed development site also includes third party land owned by Transport for London (circa 300m<sup>2</sup>) and another private landowner (circa 240m<sup>2</sup>).
- 3.11 The buildings considered within the red line boundary for proposed demolition and redevelopment include:
  - Beck House (1 to 12a) including the existing retail units, and garages;
  - Beck House (13-47) including 34 bedsits and ancillary accommodation.
  - The garages (1-10) accessed from Upton Road; and
  - Garages associated with Scott House;
  - Structures within the public realm of Scott House.

- 3.12 The Angel Community Centre will be considered for demolition and re-provision, and also comprehensive refurbishment/partial redevelopment.
- 3.13 Beck House is a part-three, part-four storey residential building built in the 1960s with non-residential units on the ground floor. The Council owns the western part of Beck House which includes twelve flats, with nine of these homes being occupied by tenants and three homes owned by leaseholders (one of which is a resident leaseholder) with two retail units at ground level. The Eastern part of Beck House is owned by Riverside ECHG and used for low to medium supported housing (34 bedsits) assisting up to 34 single homeless people.
- 3.14 The eighteen storey tower, Scott House, which has recently received significant capital investment through an ECO project with British Gas, is not included within the proposed redevelopment land.
- 3.15 The land to the west of Scott House on Raynham Road includes a single storey community centre, the Angel Community Centre, a small car park and a ball court. The Angel Community Centre is a circa 750m<sup>2</sup> (GIA) community facility constructed in the 1960s. The pay & display car park on Raynham Road, the Cross Street highway, and the Raynham Road highway, all owned by the Council, are also included within the scheme proposal.

## **JUSTIFICATION FOR REDEVELOPMENT**

### Beck House

- 3.16 The existing Council owned and Riverside ECHG owned blocks are in need of significant investment. The Council owned part of Beck House (1-12a) is one the Council's poorest performing housing assets, with one of the lowest ranked Net Present Values per unit.
- 3.17 Costs for both refurbishment, as well as redevelopment in isolation have been considered but the most logical, economically viable and efficient solution that can achieve wider objectives is to include it within a comprehensive redevelopment scheme, potentially working in partnership with Riverside ECHG.

### Angel Community Centre

- 3.18 The Angel Community Centre is a well-used community facility, managed by the Council's Youth Services.
- 3.19 However the opportunity to provide a new and improved building as part of a comprehensive redevelopment scheme could improve the quality of the service and local facilities for a wider catchment area. The building suffers from roof leaks and is inefficient to heat. To avoid

disruption to the service, an alternative location could be considered on the Raynham Road car park site. This would also have the advantage of being closer to Fore Street.

- 3.20 An option to comprehensively refurbish and reconfigure the existing building, and rationalise space around the building, will also be considered. While this would cause greater disruption to the service in the short term, it may prove to be more cost effective.

#### Underutilised land on Raynham Road

- 3.21 Land on the northern edge of Raynham Road is currently underutilised and has capacity for new housing, given its urban location and high public transport accessibility level. The land is constrained by proximity to the busy A406 North Circular Road, but there is an opportunity to provide a strong edge and improve the sense of enclosure along Raynham Road.
- 3.22 According to survey evidence, the Raynham Road car park is generally underutilised on six out of seven days per week, apart from Friday prayer days when it is at full capacity.
- 3.23 A principle of the scheme is to offset the loss of this car park by providing the same number of spaces within the highway, and in addition to this, provide an appropriate amount of parking for the new development. The proposed building line of the housing on Raynham Road is set back sufficiently to enable a design solution to accommodate a significant volume of parking.

#### Traffic and parking constraints

- 3.24 Although the area suffers from chronic traffic congestion and parking saturation at peak times, and it is acknowledged that additional homes will create pressures, the scheme presents an opportunity to design a more effective solution with more unrestricted parking for flexible use, to address these issues as far as possible.
- 3.25 It is understood that there are significant traffic flow and parking issues associated with the Eical Masjid on prayer days, the town centre at various peaks, Raynham Primary School during drop-off and pick-up, and match days for Tottenham Hotspur.
- 3.26 Comprehensive parking studies have been and are being undertaken to support the parking strategy for the scheme, as this is a planning requirement. In addition to the provision of parking spaces in various forms, further mitigation measures are also likely to be proposed to reduce the impact of the development.

- 3.27 As the scheme design is developed further, and stakeholders are invited to consultation events traffic and parking issues can be considered further by the Council.

## **THE SCHEME**

### Capacity Study

- 3.28 An initial capacity study for a comprehensive scheme received strategic applications feedback from planning officers, and this has informed the design brief to the architects.
- 3.29 The capacity study helped gauge the likely level of accommodation on the site and test some key principles with planning officers informally, such as the housing mix and parking numbers.
- 3.30 After internal discussions to agree the design brief, Peter Barber Architects were instructed to progress with a design feasibility study for the site.

### Public realm

- 3.31 The existing public realm around Scott House suffers from poor urban design, which creates a negative perception of safety and security in the area. Public realm improvements around the base of the tower can enhance the character of the physical environment to create a more active and overlooked communal space, which will benefit both existing and new residents. There are opportunities to increase capacity for car parking, improve accessibility, and to green the area with new trees and planting.
- 3.32 The opportunity to design a strong edge against the A406 North Circular, along with strong planting would significantly improve the environment and sense of enclosure on Raynham Road.

### Scheme Design Feasibility

- 3.33 The current proposed scheme designed by Peter Barber Architects proposes between 91 and 109 new dwellings and various options for replacement community space of an equivalent size as well as a part refurbishment, and provision of retail space.
- 3.34 Opportunities to increase the level of density further will be explored subject to initial pre-application discussions with Development Management. This will be considered with a detailed parking strategy that seeks to mitigate any impact on the current level of parking saturation, congestion and traffic flow in the study area.

- 3.35 The current scheme proposal as at the design feasibility stage, and if this report is approved, the design team will be targeting the submission of a planning application during spring 2016.

#### Stakeholders and Consultation

- 3.36 There are a wide number of different stakeholders who are affected by the scheme proposal, with varying levels of interest. The Council has attempted to make or made initial contact with the majority of these stakeholders so far, and in the coming weeks, discussions will take place with all of the following community stakeholders.

- Residents of 1-12a Beck House – tenants, leaseholders, and retail lessees (Enfield)
- Residents of 13-47 Beck House (Riverside)
- Residents of Scott House (including the TRA)
- Residents living on Raynham Road, Upton Road, Booker Road, Raynham Avenue, and Woolmer Road and other surrounding streets.
- Representatives and users of Angel Community Centre
- Locally based community groups, including REACT
- Representatives of the Eical Masjid (Edmonton Mosque)
- Raynham Primary school
- Adjacent landowners
- Ward Councillors
- Cabinet Members

- 3.37 In terms of the design of the scheme, it is proposed that a series of consultation events are scheduled to engage the above stakeholders to discuss the key elements, including but not limited to the following:

- the internal layouts and specification of the homes, targeted at prospective residents (i.e. existing Beck House residents)
- the design of the highways improvements, and public realm, aimed at the wider community
- the design of and specification for the community centre, aimed at the wider community
- the design of play equipment and soft landscaping proposals, aimed at the wider community

- 3.38 Residents and owners of properties in 1-12a Beck House, who are most affected by the proposed scheme have been notified by the Council in writing and invited to meet Council officers to discuss the available options. A meeting with tenants and leaseholders (including retail lessees) was held at the Angel Community Centre on Tuesday 1<sup>st</sup> December.

- 3.39 Officers have explained the available options to tenants and will be able to assist them throughout the process for re-housing. For tenants

this would entail either bidding through the Choice Based Lettings system to enable them to move off the estate, or into a new build property through the new development (which may require a temporary move off the estate until a new build property is completed). The Council will also contact leaseholders to arrange for a valuation to make an offer to purchase their property.

- 3.40 Specific focussed meetings will need to take place to ensure that all of the above stakeholders are engaged throughout the process, and to ensure that issues are considered.
- 3.41 In addition to community engagement, there are a number of statutory and non-statutory consultees who will also need to be formally engaged as the design is developed. These include but are not limited to the following:
- The Greater London Authority
  - Transport for London
  - The Environment Agency
  - Thames Water
  - DCLG – National Planning Casework Unit (NCPU)

Acquisition, obtaining vacant possession and Compulsory Purchase Order

- 3.42 It is proposed at this stage that a Compulsory Purchase Order will be needed to support the development of the land bound by a red line and shaded pink, on the attached plan at **Appendix 2**.
- 3.43 A Statement of Reasons will set out the full justification for the proposed Compulsory Purchase Order at a later date.
- 3.44 To deliver the redevelopment scheme, the Council and Riverside ECHG are both required to get vacant possession of their respective parts of Beck House.
- 3.45 The Council will progress negotiations with all interests under the basis of a Compulsory Purchase Order being in place, which allows the Council to pay basic loss, home loss and disturbance payments in advance of obtaining a Compulsory Purchase Order. Leaseholders will be contacted by the Council, and the Council will cover the cost of a valuation by an independent RICS valuer.
- 3.46 The Council is currently aware of three residential leaseholders, and two commercial lessees that it will need to negotiate with. Council officers will 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 cannot be



agreed it is proposed that the Council uses Compulsory Purchase Order powers to ensure the delivery of much needed new housing.

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

##### “Do Nothing”

- 4.1 Due to the poor quality of the existing blocks, poor quality accommodation, the physical and environmental issues with the site, and the strong case for increasing housing supply and regeneration, the “Do Nothing” option would not achieve any of the Council’s objectives.

##### Redevelopment of 1-12a Beck House in isolation

- 4.2 Design feasibility work has previously been undertaken for redevelopment for the Council owned part of Beck House (1-12a) in isolation. This option could result in approximately 26 units on this part of the site although the financial viability for a Council scheme was not tested. However given the need for a comprehensive approach to addressing the whole site and delivering additional new homes to meet strategic housing objectives, this option would not meet the Council’s ambitions.

##### Scheme without Raynham Road Car Park

- 4.3 Design options without the Raynham Road Car Park have not yet been explored. The financial viability of the scheme is compromised if the scale/quantum of development is reduced.
- 4.4 Furthermore, it is considered that a comprehensive scheme that includes both of these elements can deliver the greatest overall benefit in terms of housing numbers, using the land more efficiently and providing quality new accommodation and community facilities while providing necessary replacement on-street or ‘end-on’ parking.

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

- 5.1 There is a strong case for progressing with a comprehensive regeneration scheme for the land on Upton Road and Raynham Road, based on a number of economic, social and environmental factors which are contained within this report.

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

## **6.1 Financial Implications**

- 6.1.1 Any costs associated with the appropriation of the site bound by a red line in Appendix 4 from its present holding purpose to planning purposes are likely to be minimal, but if they should arise, will be contained within the development scheme budget.
- 6.1.2 All other costs associated with the recommendations set out in this Part 1 report have been accounted for as part of the total scheme cost and are considered in detail in the Part 2 report.

## **6.2 Legal Implications**

- 6.2.1 The recommendations in this report are in accordance with the Council's powers under s1 of the Localism Act 2011, which authorises the Council to do anything that an individual can do, unless prohibited by legislation.

The Council does have powers to acquire land compulsorily, e.g. under s 226 of the Town and Country Planning Act 1990 (as amended), for the purpose of land assembly for the proposed development if negotiations to acquire land by agreement are not successful

## **6.3 Property Implications**

- 6.3.1 The proposed development is an ambitious proposal to bring forward much needed housing on a number of connected sites that have been neglected for a long time.
- 6.3.2 To support the development, the Council will be required to obtain vacant possession by purchasing a number of leasehold and other property interests. The Property Procedure Rules will need to be followed when agreeing terms for the purchase of these property interests; although it will be assumed that when negotiations take place a CPO is already in place thus enabling the payment of Basic Loss, Home Loss and Disturbance Compensation payments as appropriate.
- 6.3.3 A Compulsory Purchase Order and use of Council powers to appropriate for planning purposes are also required to support obtaining vacant possession.
- 6.3.4 The use of (Obtaining) a Compulsory Purchase Order (CPO) will help support obtaining vacant possession as negotiations are undertaken within the shadow of CPO powers which will in turn assist with enabling the completion of the proposed development.

- 6.3.5 The Council's Property Procedure Rules require that a report recommending a resolution to make a compulsory purchase order is made in consultation with the Director of Finance, Resources and Customer Services; who concurs with this report. Compulsory Purchase powers are essential to ensure the acquisition of leasehold and other property interests on the estate and to obtain vacant possession which is critical to completion of the proposed development within the prescribed timescales and budgetary constraints.
- 6.3.6 A number of statutory undertakers may have property interests in the site. These property interests are exempt from the usual Compulsory Purchase Order powers. Negotiations are proceeding with the statutory undertakers to reach agreement on relocation of their property interests where this is necessary to enable completion of the proposed development.
- 6.3.7 Careful consideration will need to be given to the phasing of the development and in particular the requirement to deliver vacant possession (of parts) at pre-determined points within the development. Bearing in mind potentially adverse financial consequences for the Council for failure to deliver vacant possession within the set development time frame, robust programming and governance protocols should be embedded within the project.
- 6.3.8 A collaborative approach between Directorates and agencies is required to create and ensure positive financial indicators to delivering this 'Strategic Gateway' development for the Council.
- 6.3.9 Further intensification of the site (circa 4.5 acres) is required in terms of the number of units that the site can deliver, given the Public Transport Accessibility Level (PTAL) is at its uppermost limit in this area, the current development falls short of aspiring to its highest potential/density, with the Council losing out financially.
- 6.3.10 If a greater density can be achieved and in turn increased return for the scheme and the Council, this may allow and make appropriate the financial sense for under-croft parking or modified off street to be designed into the scheme as parking issues are one of the largest risks to this project.
- 6.3.11 Given the location of this 1.8ha (4.5 acres) development site, it does require scaling up to accommodate necessary safeguards against noise attenuation from the A406.
- 6.3.12 This is a one-time opportunity to create a new visible Gateway into Enfield which will complement Meridian Water, the wider

Housing Zone hinterland in Edmonton and the regeneration within Haringey LB – this should not be lost.

## **7. KEY RISKS**

- 7.1 Key Risks cover commercially sensitive information and are therefore included in Part 2 of this report.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

- 8.1.1 The proposed redevelopment of this site can provide replacement accommodation to a much higher standard, and provide an increase in the supply of much needed new housing for different tenures and income levels, along with higher quality community facilities.

- 8.1.2 Compulsory Purchase Order powers can guarantee the delivery of new housing on a number of sites. New housing for mixed tenure, delivered by the Council can help tackle inequality and provide high quality, affordable and accessible accommodation for Enfield residents. The Council is taking a consistent approach across the borough to increase the supply of new housing. In this instance, the possible use of Compulsory Purchase Order powers could be considered to serve the 'greater good'.

### **8.2 Growth and Sustainability**

- 8.2.1 Increasing the supply of new housing can satisfy market demand in the borough for new housing, and help meet the borough's housing needs.
- 8.2.2 New homes will be designed to meet relatively high standards for sustainability. The Code for Sustainable Homes is being superseded but the Council will insist on Code for Sustainable Homes Level 4 or equivalent for its new developments.

### **8.3 Strong Communities**

- 8.3.1 Increasing housing supply, designing new mixed tenure homes and a scheme with strong urban design principles to encourage activity, interaction and community cohesion will have a positive impact on the local community.
- 8.3.2 Local residents living in close proximity to proposed developments, and those with interests affected by scheme proposals will be consulted on the design of new housing development proposals.

## **9. EQUALITIES IMPACT IMPLICATIONS**

- 9.1 An Equalities Impact Assessment is yet to be undertaken for this project. This will need to be undertaken if the Council proceeds with a scheme.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

- 10.1 No performance management implications have been identified at this stage.

## **11. HR IMPLICATIONS**

- 11.1 Existing project management, surveying and support resources in the Housing Development & Renewal team will oversee the delivery of the scheme, working with a number of advisory colleagues across the Council, and specialist external consultants such as architects, surveyors, lawyers, cost consultants, and an employer's agent.

## **12. HEALTH AND SAFETY IMPLICATIONS**

- 12.1 Health & Safety implications will follow at a later date in a subsequent report when a contractor has been appointed and more detailed information about demolition and construction has been obtained.

## **13. PUBLIC HEALTH IMPLICATIONS**

- 13.1 There are a number of public health implications arising from a housing redevelopment scheme because housing is a major determinant of health.
- 13.2 Affected residents will be significantly disrupted by the scheme however it is hoped that the improved offer of accommodation will at the very least improve their quality of life.
- 13.3 Any vulnerable residents affected by the scheme will be engaged by a specialist Re-housing officer to assess the level of support they need throughout the process.
- 13.4 The wider community should stand to benefit in the long term through the proposed scheme, however in the short term, disruption from construction and related activity may adversely impact the quality of life and day to day routine of local residents. It is considered that the long term benefits will outweigh the short term level of disruption.

- 13.5 New residents will benefit from high quality and spacious new homes, which will be well insulated, have adequate private amenity space, plentiful natural light and generous floor to ceiling heights. The quality of new homes will positively impact the health of residents.

### **Background Papers**

None

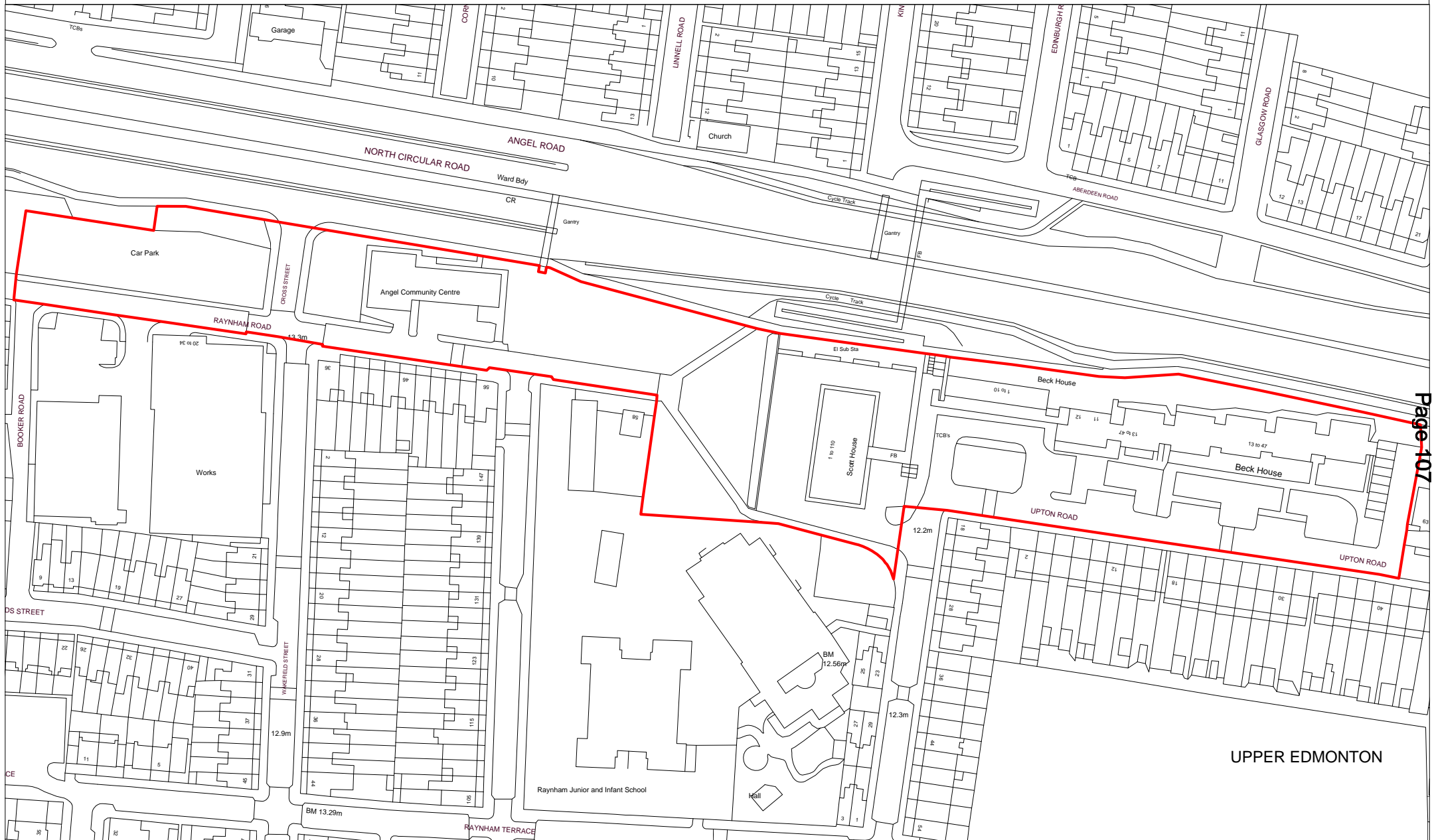
Appendices

Appendix 1 – Proposed Development Land

Appendix 2 – Proposed Compulsory Purchase Order Land

# Upton Road and Raynham Road Opportunity

1.788Ha



Page 107

LONDON BOROUGH OF ENFIELD  
CIVIC CENTRE, SILVER STREET  
ENFIELD, EN1 3XE  
[www.enfield.gov.uk](http://www.enfield.gov.uk)



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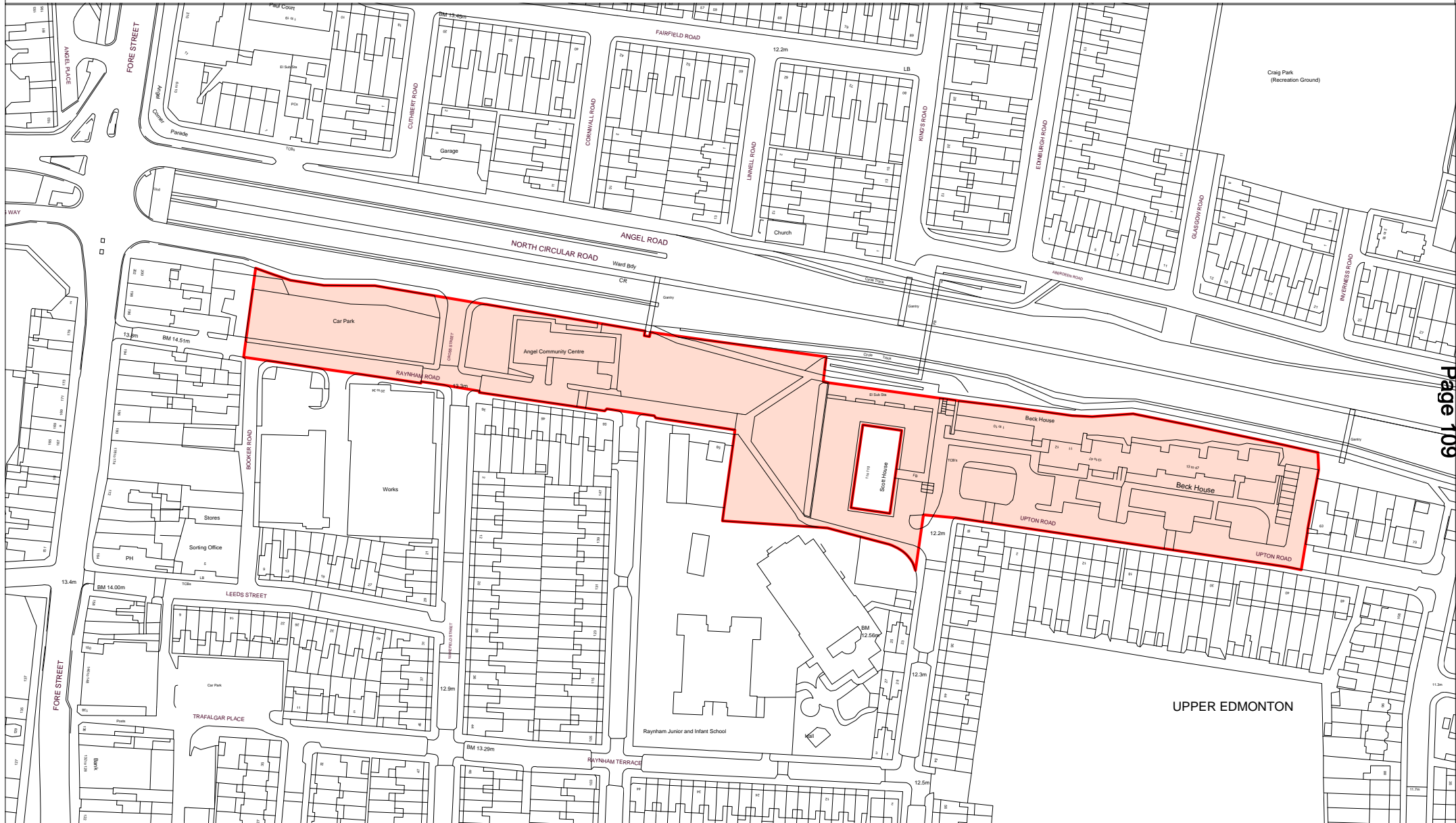
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# The London Borough of Enfield (Upton Road & Raynham Road) Compulsory Purchase Order 2016

Proposed Order Land  1.8Ha



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## MUNICIPAL YEAR 2015/2016 REPORT NO. **139**

**MEETING TITLE AND DATE**  
**CABINET – 16 December 2015**

**REPORT OF:** Director –  
 Environment and Regeneration  
 and Director of Finance,  
 Resources and Customer  
 Services

<b>Agenda - Part: 1</b>	<b>Item: 12</b>
<b>Subject:</b>	
<b>Residential Properties in Parks Portfolio</b>	
<b>Wards: All    KD 4084</b>	
<b>Cabinet Members consulted:</b> Cllr Stafford and Cllr Anderson	

Contact Officer and telephone  
 number

[Karen.maguire@enfield.gov.uk](mailto:Karen.maguire@enfield.gov.uk) - 0208-379-3170

### 1. EXECUTIVE SUMMARY

This report sets out the current position in respect of 39 residential properties within parks and street properties owned by Enfield Council. The properties are currently held in the General Fund (GF) and since June 2014 Strategic Property Services has been actively managing these properties.

To ensure that these properties are effectively managed, maintained and funded, this report proposes an intermediate strategy that will:

- Regularise the legal status of occupiers of the properties.
- Regularise rents.
- Ensure effective on going management, repair and maintenance.
- Fund the future management and costs of repair/ maintenance.
- Secure self-funding of the on-going repair and investment costs from disposals of those properties which have been vacated.
- Generate capital receipts from disposals.
- Transfer all rental income received by the Parks Department from April 2015 to Strategic Property Services for these properties only

## 2. RECOMMENDATIONS-

### **Portfolio Management and Ownership**

- 2.1 To authorise the budget (as set out in Part 2 of this report) for the ongoing management, repair and maintenance (including comprehensive surveys) of the properties identified in Appendix 1 (part 2) *Schedule for Parks Properties*.
- 2.2 To authorise Strategic Property Services to manage the properties until the refurbishment programme is completed.
- 2.3 To continue to consult and negotiate with the tenants, where appropriate, new rents and tenancies.
- 2.4 To delegate authority to the Director of Finance Resources and Customer Services, to prepare a comprehensive strategy for the future management and holding of the `park` properties in an appropriate fund.

### **Retention of Properties**

- 2.5 To authorise the retention of the vacant parks properties listed in Appendix 1- *Schedule for Parks Properties*; to use as decant properties where appropriate

### **Disposals**

- 2.6 To authorise Strategic Property Services to investigate and undertake the disposal and/or redevelopment of vacant parks dwellings listed in Appendix 2- *Schedule for Parks Properties* (attached to Part 2 of this report).
- 2.7 To authorise that the capital receipts from the disposal of the properties be utilised to reimburse the repairs and maintenance expenditure incurred to-date for urgent repairs and to fund future necessary repairs to the remaining properties.

## 3. BACKGROUND

### 3.1 **Overview**

The Council has acquired various residential properties located within its parks through various local and national government legislative and regulatory changes. In the last 9 months the Council has made considerable progress in identifying the immediate/short term actions required for the effective management of this property portfolio, and SPS has taken over its direct management. Officers will investigate further ways of

holding these assets in the future as part of the overall management strategy.

3.1.1 The parks residential portfolio contains 39 properties that are scattered throughout the borough. These properties vary in type, size, and age and are in varying degrees of repair, with some considered to be beyond economic repair and structurally unsound. Over a number of years, ambiguities evolved as to how these assets were held and managed, where their income was allocated and where funding for repairs and maintenance was to come from.

### 3.2 Current Occupation Status:

Occupied	Vacant/Refurbishment Programme	Disposal/Redevelopment
28	4	7

### 3.3 Regularising Tenancies and Rent Reviews

3.3.1 Appendix 1 (part 2 report) identifies those properties where tenancies may be issued. Further details can be found in Part 2 of this report.

3.3.2 To-date officers have successfully negotiated ten rent increases.

3.3.3 This approach is considered justified and equitable, given that rents charged on these properties over the years have been substantially lower than the relevant social rents.

3.3.4 Preliminary estimates suggest that as a result of the proposed rent changes, the Council could increase the rental income from £80,000 to £150,000 in 2017.

### 3.4 Condition of Properties

3.4.1 Over the years, very little investment has taken place in these properties, resulting in varying states of repair.

3.4.2 Currently, essential works are being undertaken on several properties to ensure statutory compliance. Works on high risk properties have been completed. Officers are currently carrying out comprehensive surveys to ascertain the next phase of refurbishment.

3.4.3 In certain cases it will be necessary to undertake opening up works and further specialist surveys/reports (structural, damp and timber infestation). Professional fees for such surveys have been included in the proposed budget.

### **3.5 Relocation**

3.5.1 To-date, seven tenants have agreed and were relocated to different properties. Details are included in Part 2.

### **3.6 Vacant Possession**

3.6.1 In order to assist with the extensive works programme required, officers are utilising vacant properties for decant purposes until the works are completed. The Council has a range of legal powers to obtain vacant possession of the properties, if negotiations fail, but to date it has not been necessary to resort to legal action.

### **3.7 Disposal/Redevelopment Potential**

3.7.1 Part 2 of the report contains information about the proposed disposals and/or redevelopment proposals. The disposal of these assets will be reviewed within the context of their setting and location and dealt with sensitively by officers.

### **3.8 Economic Benefits of the Current Management Programme**

3.8.1 In terms of the economic benefits, the entire property portfolio has an estimated value of £8-9m with the benefit of full vacant possession. Current annual rental income of the properties identified in Appendix 1 is only £83,000. Increasing the rents as suggested above will result in a rent increase to circa £150,000 in £2015/16.

### **3.9 Other issues**

3.9.1 By actively managing the property portfolio and bringing it up to standard, SPS will ensure that void periods are minimised. The current turnaround is 6 weeks for a full refurbishment programme.

## **4. ALTERNATIVE OPTIONS CONSIDERED**

Three options for the future strategic management of the Parks Residential Property Portfolio were developed and considered, viz.:

1. The strategy outlined in this report.

2. Transferring the Housing Portfolio to the Housing Revenue Account with immediate effect. This option was not considered appropriate at this stage because the HRA is unable to fund the investment required. The transfer to the HRA fund may be part of the long term strategy for the management of these properties, which will continue to be reviewed as the properties undergo the initial repair and maintenance works.
3. Disposing of the entire portfolio. Whilst this seems simple at face value, the condition of the stock, the location of the properties and the nature of the tenancies would make this a lengthy and costly exercise resulting in the Council losing control over properties located in parks and creating new management issues.
4. The option to do nothing has been rejected as the responsibilities of the Council as corporate landlord together with lack of funding would compound future liabilities.

## **5. REASONS FOR RECOMMENDATIONS**

- 5.1 To agree a clear programme for immediate maintenance of the residential properties; including the regularisation of the basis of occupation, and rents.
- 5.2 To provide funds for the required works.
- 5.3 To consider the long term management options for these properties and prepare a comprehensive long term strategy.

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

### **6.1 Financial Implications**

See Part 2 for detailed Financial Implications.

- 6.1.2 Officers are currently carrying out repairs and maintenance to bring the portfolio up to an acceptable standard. It is intended that once sold the capital receipts from the vacant properties will be used to fund the monies already spent and to bring the balance of properties up to decent homes standards and / or fund the remedial works for the remaining properties.

### **6.2 Legal Implications**

- 6.2.1 The Council must, in its capacity as landlord, comply with its obligations under the landlord and tenant, housing and health

and safety legislation. The recommendation to implement an immediate strategy for the maintenance of the parks properties accords with the Council's obligations.

6.2.2 Going forward, the Council must consider the allocation of the properties in an appropriate fund. Currently the properties are held in the General Fund (GF).

6.2.3 The final allocation of the properties to the appropriate fund will be the consideration of the long term strategy for the management of the properties.

### **6.3 Property Implications**

#### **Value of Portfolio**

6.3.1. Current estimated values indicate that the value of the portfolio of 39 properties were they all to be held with the benefit of full vacant possession to be circa £8 – 9m. The vacant units account for approximately £5m taking into account development value. The above figures assume that the properties have been maintained and are inherently in a reasonable condition.

6.3.2 The above figures give a broad guide rather than more accurate figures because for each of the houses there are various options to consider which would affect any accurate value, i.e. whether the tenant is secure, can legally exercise a right to buy or is financially able so to do and the condition of the property.

#### **Income from Portfolio**

Please refer to PART 2 of this report.

#### **Property Condition**

6.3.7 The condition of the properties varies considerably; to date the Council has been undertaking a programme of works to ensure that mechanical and electrical installations are compliant with current requirements. These works are forming part of the corporate repairs and maintenance programme; with essential works being carried out as a priority.

6.3.8 The status of the programme is necessarily fluid due to the condition of the properties. However essential works need to be completed as soon as possible.

6.3.9 There are a few properties where more works are required due to the poor condition of the buildings. These have been prioritised with the safety of all tenants being of paramount importance.



## **7. KEY RISKS**

- 7.1 The Council in its capacity as landlord must comply with the landlord and tenant as well as housing legislation, inter alia, to maintain the properties and carry out regular and sufficient maintenance of the properties. Good corporate management implies that all possible risks are identified and the properties are managed in a professional and fair manner. All the properties have been visually inspected using the Decant Homes Checklist to ascertain the level of risks. However further condition surveys are being undertaken to inform the full extent of the works which will require costing.
- 7.2 Properties need to be renovated to ensure that the Council complies with its duties as landlord. This requires a funded programme of maintenance and repair based on the condition surveys.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1.1 Fairness for All**

The Council as property owner has a responsibility to maintain and manage its properties in accordance with the relevant legislation and within the principles of good property management. Some of these properties require works to be carried out to ensure that they are brought up to Decent Homes Standards and thus bring them in line with the standards of other housing that Enfield owns.

8.1.2 Bringing these homes up to Decent Homes Standard has ensured that the occupiers feel that they are being treated fairly..

8.1.3 Some of the capital receipts from those properties sold could be used for carrying out the repairs on all the other properties and thus reduce the liability of the Council to find the money required for the repairs elsewhere.

8.1.4 As some of the properties are occupied by Parks employees, research is being undertaken to ensure that those parks employees that have accommodation are treated equally with those employees who do not have parks properties. A further report may be necessary once these investigations have been completed and the position clarified.

8.1.5 Regularising rents will also ensure that residents are all made to pay fair rent for their dwellings and are not subsidised over and above those on social market rents.

**8.2 Growth and Sustainability**

8.2.1 To put these properties into good repair means that the assets will be more valuable to the Council and easier to manage in the future.

**8.3 Strong Communities**

8.3.1 There is already a strong community feel amongst the parks houses occupiers. Occupiers have expressed a view that they have been unsure as to who is responsible within the Council for their properties and who they can speak to resolve any issues. Management clarity will help to resolve this, as would budgeting for the future to ensure that problems can be dealt with in a timely manner.

**9. EQUALITIES IMPACT IMPLICATIONS**

9.1 By regularising rents, tenancy agreements and securing an appropriate budget for these parks properties tenants will have access to service improvements and regular estate management.

9.2 The circumstances of each occupier will need to be taken into account and reasonable adjustments/support will be made available.

**10. PERFORMANCE MANAGEMENT IMPLICATIONS**

10.1 Clarifying the position on each of these properties once and for all will lead to clearer and more successful management of the properties, clarify responsibilities, lead to better tenant relationships and increase the value of the portfolio for the Council in the long-term.

**11. HEALTH AND SAFETY IMPLICATIONS**

11.1 The Council is legally required to comply with the requirements of current health and safety and legislation. Resolving outstanding issues with these houses will help ensure the Council complies with Health and Safety and or other relevant legislation.

11.2 Effective management together with informed budget forecasting will enable issues to be identified together with informed and resolved at an earlier stage in the future and thus minimise future risks.

11.3 All the properties have had gas and electrical safety checks undertaken and remedial works have or are being carried out where access has been provided.

**12. HUMAN RESOURCES IMPLICATIONS**

Please refer to PART 2.

**13. PUBLIC HEALTH IMPLICATIONS**

Improving the standard of these properties may enhance the health of residents in these properties.

**Background Papers**

None.



## THE CABINET

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

<b>MUNICIPAL YEAR 2015/2016</b>
---------------------------------

<b>JANUARY 2016</b>
---------------------

- 1. 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)**
- 2. Approval of the Enfield Enforcement Policy** Ian Davis

This will seek approval to the Enfield Enforcement Policy. **(Key decision – reference number 4040)**
- 3. Upper Secondary Autism Provision** Jenny Tosh

This will seek approval to the refurbishment of Minchenden to become the Upper Secondary Autism Provision. **(Key decision – reference number 4209)**
- 4. Flexible Housing** Ray James/James Rolfe

This will seek Cabinet approval on the principles of Flexible Housing. **(Key decision – reference number 4238)**
- 5. 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)**
- 6. Neighbourhood Regeneration Programme** Ian Davis

This will recommend an increase to the Neighbourhood Regeneration Capital Programme to fund the next stages of development for a number of regeneration programmes within the Borough. **(Key decision – reference number 4229)**

7. **Unecol House Project** James Rolfe

This will seek approval to progress the Unecol House project. **(Key decision – reference number 4237)**

<b>FEBRUARY 2016</b>
----------------------

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)**

3. **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)**

4. **Bank Tender** James Rolfe

Enfield Council is putting the provision of its traditional Banking Services and Care Acquiring Services out to tender. **(Key decision – reference number 4213)**

5. **North East Enfield Area Action Plan** Ian Davis

This will see approval of the North East Enfield Area Action Plan, adoption stage area based development plan document, which will form part of the Enfield Local Plan. **(Key decision – reference number 4218)**

6. **Contracting with Lee Valley Heat Network for the Provision of Heat on Enfield's Housing Estates** Ian Davis

This will seek authority to contract with the Lee Valley Heat Network energy services company for the provision of heat on Enfield Council's new redeveloped housing estates. (Parts 1 and 2) **(Key decision – reference number 3988)**

7. **Appointment of the Meridian Water Developers** Ian Davis

This will seek authority to the appointment of the Meridian Water developers who will be working with the Council for the next 20 years. (Parts 1 and 2) **(Key decision – reference number 4241)**

8. **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)**
9. **Adult Social Care Transport Policy** Ray James
- This will outline the proposed changes to the way in which Enfield Council assesses for and provides transport services within Adult Social Care. **(Key decision – reference number 4086)**
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. **Capital Programme of Works 2016-18 Parks Fencing, Footway and Play Equipment** Ian Davis
- This will present for approval the capital programme of works 2016-19 Parks fencing, footway and play equipment replacement. **(Key decision – reference number 4212)**
12. **Custom and Self-Build Programme on Small Sites** Ian Davis
- This will seek approval of a strategy and process to enable self and custom build projects on small sites in Enfield. **(Key decision – reference number 4200)**

<b>MARCH 2016</b>
-------------------

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)**

4. **Review of Conservation Area Appraisals and Management Proposals: Phase 3** Ian Davis

This will seek approval of revised and updated Conservation Area Appraisal and Management Proposals. **(Key decision – reference number 4222)**

5. **Public Realm Redesign** Ian Davis

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

6. **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)**

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

This will outline progress made towards delivering the identified key priority indicators for Enfield. **(Key decision – reference number 4242)**

8. **Development of Edmonton Cemetery** Ian Davis

This will seek to extend Edmonton Cemetery to provide new provisions for burials within the borough given the limited capacity in existing cemeteries for future years. **(Key decision – reference number 4234)**

**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)**



CABINET - 18.11.2015

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON WEDNESDAY, 18 NOVEMBER 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), Ahmet Oykener (Cabinet Member for Housing and Housing Regeneration) and Alan Sitkin (Cabinet Member for Economic Regeneration and Business Development)

**Associate Cabinet Members (Non-Executive and Non-Voting):** Bambos Charalambous (Enfield West), Vicki Pite (Enfield North) and George Savva MBE (Enfield South East)

**ABSENT**

Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection) and Andrew Stafford (Cabinet Member for Finance and Efficiency)

**OFFICERS:**

Ian Davis (Director of Regeneration & Environment), James Rolfe (Director of Finance, Resources and Customer Services), Tony Theodoulou (Interim Director of Children's Services), Asmat Hussain (Assistant Director Legal & Governance Services), Bindi Nagra (Assistant Director Health, Housing and Adult Social Care), Mark Stone (Assistant Director for Transformation and IT), Jayne Middleton-Albooye (Head of Legal Services), Paul Davey (Assistant Director, Council Homes), Rupert Brandon (Development & Estate Renewal) and Suzanne Linsey (Press Officer) Jacqui Hurst (Secretary)

**1****APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection), Councillor Andrew Stafford (Cabinet Member for Finance and Efficiency) and, Rob Leak (Chief Executive).

**2****DECLARATION OF INTERESTS**

There were no declarations of interest declared in respect of any items listed on the agenda.

**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**

NOTED, that there were no reports to be referred to full Council.

**6**

**REVENUE MONITORING REPORT 2015/16: SEPTEMBER 2015 AND 2016/17 BUDGET UPDATE**

Councillor Doug Taylor (Leader of the Council) introduced the report of the Director of Finance, Resources and Customer Services (No.111) setting out the Council's revenue budget monitoring position based on information to the end of September 2015.

NOTED

1. James Rolfe (Director of Finance, Resources and Customer Services) highlighted issues within the report for Members' consideration. The report forecast an outturn position of £2.7m overspend for 2015/16, this figure had reduced from previous forecasts and action was in hand to continue to reduce this further. Appendix D to the report set out the new savings proposals for 2016/17, as detailed in decision 4 below.
2. A report would be provided to the next Cabinet meeting setting out the analysis of the Spending Review and as much detail as possible as to the implications for Enfield, paragraph 9.9 of the report referred. This would be dependent on the publication of the Provisional Local Government Finance Settlement. If necessary a supplementary "to follow" paper would be circulated for the December Cabinet meeting, as detailed in decision 5 below.
3. A major review of the HRA Business Plan had been undertaken, as detailed in Appendix E of the report and decision 7 below.

**CABINET - 18.11.2015**

4. In response to a question raised by Councillor Brett, James Rolfe explained the funding in relation to the Empty Property Strategy as set out in Appendix A4 of the report. It was noted that the Council had received external grant funding in respect of this work.
5. Councillor Cazimoglu expressed her concern regarding the projected overspend for Children's Services, as detailed in the report, and the impact that this could have on the levels of savings required by other Council departments. It was noted that the demographic changes in the Borough had an impact across a wide range of Council services. James Rolfe outlined the work that was being undertaken to address such budget pressures and noted how Enfield compared to other London Boroughs. Members would be asked to take decisions regarding the next year's Council budget in due course.
6. In response to a question raised by Councillor Sitkin, James Rolfe explained the Council's strategy and actions in relation to short and long-term borrowing and how this impacted on the Council's budget forecasts, as set out in Appendix B of the report.

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

**DECISION:** The Cabinet

1. Noted the £2.7m departmental overspend revenue outturn projection.
2. Agreed that departments reporting pressures should formulate and implement action plans to ensure that all possible actions were undertaken to remain within budget in 2015/16. An exercise to reduce agency staff across the Borough was currently being finalised in order to achieve an in-year saving of £1.5m. This would be part of the mitigation actions in order to manage the departmental overspend. This was reflected in the September projection.
3. Noted the progress made to date in the preparation of the 2016/17 budget.
4. Agreed the new savings proposals for 2016-17 set out in Appendix D of the report.
5. Agreed that, if necessary, a supplementary paper regarding the Spending Review and Local Government Finance Settlement be submitted to the next Cabinet after the publication of the main monitoring report.
6. Noted the work that had been undertaken to bring the Council's 30-Year HRA Business Plan back into balance as described in Appendix E of the report.

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7. Agreed that the updated, balanced, 30-Year HRA Business Plan be adopted as the Council's new "base" Business Plan.

**Reason:** To ensure that Members were aware of the projected budgetary position for the Authority, including all major budget pressures and underspends which had contributed to the present monthly position and that were likely to affect the final outturn. To agree the early implementation, where possible of the new "Amber" savings for 2016/17 in the current financial year. To agree the HRA 30 Year Business Plan.

**(Key decision – reference number 4150)**

**7**

**ASSOCIATE CABINET MEMBERS UPDATE REPORT**

Councillor Doug Taylor (Leader of the Council) introduced the report of the Director of Finance, Resources and Customer Services (No.112) providing updates on the activities undertaken by the three Associate Cabinet Members up to September 2015.

**NOTED**

1. Councillor Taylor invited the three Associate Cabinet Members to comment on their recent activities as outlined in the update reports presented to the Cabinet with this report.
2. Councillor Charalambous outlined the range of activities which he had undertaken over the last six months. He continued to support his Cabinet colleagues and represented the Council on a range of cross ward boundary projects including Broomfield House, Cycle Enfield, the Enfield Partnership Board and Crossrail 2. He had attended a number of ward forum meetings. Councillor Charalambous highlighted the strategic role undertaken by Associate Cabinet Members and the way in which this supported the Cabinet in its responsibilities and decision-making.
3. Councillor Pite supported the comments listed in 2 above and in addition highlighted the work that she had been involved with in developing a strategic approach to the continuing pressures on parking near schools. As an Associate Cabinet Member a wider view could be taken of issues of concern rather than focusing on issues within one ward only. This was valuable in moving issues forward for the benefit of the Borough. With regard to the proposed planning meeting for parents to discuss plans for secondary school provision, as set out in her update, Members were advised that this meeting would take place in January 2016.
4. Councillor Savva enjoyed his role as an Associate Cabinet Member and the support that they offered to their Cabinet Member colleagues. The Associate Cabinet Members provided an important focus for the public. Councillor Savva highlighted the work that he was undertaking

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to enhance the support available to children in poverty, for example, in the provision of adequate clothing for school. He would continue to work with the Interim Director of Schools and Children's Services to develop strategies with the Borough's schools and governing bodies.

5. In response to the comments above, Councillor Brett highlighted the discussions that she had had with Council officers to support families in need of additional food provision and outlined a scheme called "Fairshare" which was currently conducting a pilot scheme in Lambeth.
6. Councillor Taylor, supported by Cabinet Members, expressed thanks and appreciation to the Associate Cabinet Members for the valuable work that they undertook on behalf of the Council; their role was supportive and helpful to the Cabinet. It was noted that a formal review of the role of the Associate Cabinet Members would be undertaken in 2016, as detailed in the report.

**Alternative Options Considered:** The option to continue with the present arrangements had been considered but discounted on the grounds that they would not meet the new democratic imperative being sought by the administration and would fail to prepare the Council for future challenges arising from significant future budgetary pressures and changes to wider Government Policy.

**DECISION:** The Cabinet

1. Noted the progress made in exercising the new roles of the Associate Cabinet Members and the updates provided through the work programme outcomes summaries of activities up to September 2015.
2. Agreed that further outcomes updates be presented to Cabinet in May 2016 and November 2016.
3. Agreed that a formal evaluation of the impact of the Associate Cabinet Member role was to be commenced in early 2016 and a report with recommendations would come to Cabinet in May 2016.

**Reason:** To note the first work programme updates as presented. To agree that further updates would come forward in May 2016 and November 2016 with a formal evaluation to be commenced in January 2016 that would report back into Cabinet by May 2016.

(Non key)

**8**

**SETTING UP A REGISTERED PROVIDER AND PROCURING AN INVESTMENT PARTNER FOR THE REGISTERED PROVIDER**

Councillor Ahmet Oykenar (Cabinet Member for Housing and Housing Regeneration) introduced the report of the Director of Regeneration and Environment and Director of Finance, Resources and Customer Services

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(No.113) outlining proposals for setting up a registered provider and procuring an investment partner for the registered provider.

NOTED

1. Councillor Oykenor explained in detail to Members the innovative proposals and the reasons for them, as set out in full in the report. The initial aim of the For Profit Registered Provider would be to purchase completed properties on Council led housing development schemes that it would then retain ownership of and manage with the use of contracted managing agents. In order to meet the condition for spending the retained right to buy receipts, the Council could not have a controlling interest in the new company. The opportunities that would be provided by moving forward with these proposals were outlined to Members.
2. In addition to the proposals set out in the report, officers would continue to investigate alternative delivery models for future consideration by Members.
3. In response to questions raised by Cabinet Members, Councillor Oykenor explained in detail all of the Council's housing elements and the roles and responsibilities undertaken through the following: Housing Gateway; Enfield Innovations; Registered Provider: and, the Housing Revenue Account. The functions of all of these elements were outlined and the way forward explained in full. In conclusion, Members expressed their support for the proposals, as set out in the report.
4. Councillor Taylor highlighted the need to use existing examples from elsewhere to inform the way forward. It was noted that a new company name would be required.
5. Councillor Oykenor concluded that it was the Council's intention to build more homes. He outlined the potential financial implications for the Council.

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

- The Council could decide not to spend the retained right to buy receipts already received.
- The Council could choose to withdraw from the right to buy one for one scheme now and return all receipts retained with effect from quarter 3 (December) this year.
- The Council could attempt to spend all the money on the provision of new Council homes within the HRA
- The Council could enter a joint venture registered provider with one or more other Councils. This option was being further considered.

**DECISION:** The Cabinet

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1. Noted that a budget of a maximum of £120k, was required to engage consultants to assist with the setting up of a new registered provider company, seek registration of the new registered provider company as a registered provider, and to procure an investment partner. This cost would be recouped against future corporation tax liability once the company was set up.
2. Agreed to authorise, in principle, the setting up of a new Limited Liability Company with the intention that this new company once formed seeks to become a registered provider.
3. Agreed that subject to the consultant's recommendation, to authorise the Council's Housing Development and Renewal Team to undertake a procurement exercise working with the Council's Finance, Resources and Customer Services directorate to procure an investment partner(s), as set out in section 7 of the report, for the new registered provider company with the intention that the Council would become a non-controlling shareholder in the new registered provider company once the investment partner(s) was in place. Once the registered provider company had been formed the Council would undertake its main liaison role via the Regeneration and Environment Department.
4. Agree to authorise, in principle, the allocation of the Right to Buy One for One receipts as the Council's equity share in the new registered provider company once that new registered provider company had achieved registered provider status, and had an investment partner(s) in place.
5. Agreed to delegate the selection of the investment partner, and potential other local authority partners (who might bring financial economies of scale or other advantages of joint working) to the Cabinet Members for Housing and Housing Regeneration and Finance and Efficiency, in conjunction with the Directors of Regeneration and Environment and Finance, Resources and Customer Services.

**Reason:** The Council had signed up to participate in the scheme and was committed to retaining the right to buy receipts in order to address the growing demand for affordable rented homes in the borough. It was clear that the Council would not be able to comply with the scheme and retain the receipts unless it could identify a solution to raise a significant proportion of the 70% match funding required outside of the HRA. Key advantages to the Council of this proposal:

- Expenditure of right to buy receipts
- Development of affordable homes thereby meeting housing needs and meeting housing targets
- Attraction of new external funding that would not otherwise be available to invest in Enfield
- Income to the Council via: potential capital receipts and/or ground rent

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- Dividend payments from the rental payments made to the registered provider.

**(Key decision – reference number 4205)**

**9**

**ENFIELD 2017 TRANSFORMATION PROGRAMME - A YEAR ON**

Councillor Doug Taylor (Leader of the Council) introduced the report of the Chief Executive and Director of Finance, Resources and Customer Services (No.114) outlining the progress made on the Enfield 2017 Transformation Programme.

NOTED

1. That there was an additional recommendation to the report as follows and set out in decision 10 below: “The Assistant Director Legal and Governance would clarify responsibility of the Cabinet Member portfolios in light of the implementation of the Enfield 2017 transformation programme and would provide a briefing to a future informal Cabinet meeting”.
2. James Rolfe (Director of Finance, Resources and Customer Services) highlighted a number of issues within the report for Members’ consideration and outlined in detail the proposals set out in recommendations 2.7 and 2.8 of the report (decisions 7 and 8 below refer). Significant progress had been made and the programme was on track to deliver. Positive feedback had been received from customers and staff to date. It was recognised that there was still a lot more work to be done but significant achievements had already been reached, as set out in full in the report.
3. James Rolfe outlined both the short term and long term proposals for the creation of the Procurement and Commissioning Hub as set out in recommendations 2.7 and 2.8 and section 3 of the report. Members were advised of the future benefits that this would provide to the Council.
4. Councillor Taylor invited questions from the Cabinet Members and the following points were raised during discussion.
5. Councillor Oykenor advised Members that he had asked officers to commission a report into the risk surrounding the unique nature of the HRA rental income. This was to ensure that there was no reduction in HRA rental income performance. The review was on-going and because of the nature of the HRA, the outcome of the review would be reported to him as the Cabinet Member for Housing and Housing Regeneration. Councillor Oykenor undertook to report back to Cabinet on the findings of this report.



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6. Councillor Cazimoglu noted that the spend this year on the programme and associated staffing was projected to be £13.4m, as set out in recommendation 2.6 of the report. Councillor Cazimoglu questioned the release of such a significant proportion of the budget at this stage in the project. In response, James Rolfe explained that the release of monies was linked to delivery and a lot of investment was required early on in the project for example in the necessary digital developments and design work. This was in line with agreed payment structures and was as expected. The total project was on track to deliver the identified savings.
7. Councillor Sitkin highlighted paragraph 3.3.2 of the report detailing that the hubs would be supported by a revised IT platform that would enhance self-service. This would also reduce the duplication of data provision.
8. In response to a question raised by Councillor Sitkin, the previously agreed People Principle of: "We will institute an initial recruitment freeze in the affected areas" was clarified for Members. This was applied when a restructure was taking place, once affected staff had been dealt with and redeployment processes completed, then recruitment to any remaining vacant posts could take place in order to meet the identified needs of the service in question.
9. Members noted the role and responsibilities of the Business Support Hub as detailed in section 3.7 of the report.
10. In response to questions raised, Mark Stone (Assistant Director for Transformation and IT) explained that a separate update would be provided to a future meeting on the development of the business portal. It was noted that the proposed development was ahead of schedule.
11. Councillor Brett highlighted the needs of vulnerable and hard to reach groups in the voluntary sector who would benefit from specific briefings on the new systems and how they would work in practice. It would be helpful for appropriate customer testing to take place with them to provide guidance and reassurance where required. Mark Stone outlined the work that had already been undertaken with a range of customers which he could repeat with a variety of voluntary sector groups. Councillor Brett stated that there were a number of vulnerable groups that could require additional support from the Council.
12. Mark Stone was pleased to advise Members that to date activity levels on the Council's new website was three times higher than on the old website. Activity levels would continue to be monitored.
13. Councillor Georgiou reported that Mark Stone would be presenting to the Labour Group meeting in January how the new website works in detail and to provide any necessary IT support to Members arising from

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the changes that were taking place. The new website was likely to be fully operational by February/March 2016.

14. Councillor Brett also highlighted the benefit of presenting to 16-18 year olds in schools. The pupils could then in turn support their parents in the use of the new IT systems.
15. In response to a question raised by Councillor Sitkin, Mark Stone explained in detail the proposals for the creation of Procurement and Commissioning Hub and provided assurance that the proposals would not have any negative effect on current performance and overall targets. The current principles would remain in place. The benefits of the proposals were outlined for Members.

**Alternative Options Considered:** The programme had been delivered as per its Cabinet approvals and was on track to achieve its planned savings over the life time of the programme. This will be within the overall financial cost envelope approved by Cabinet. The decision to proceed to a co-sourced model of procurement and commissioning was a logical extension of the savings work already undertaken within Enfield 2017. Officers had considered developing a service without the leadership of a delivery partner, but this would not address the need for additional innovation and breadth of experience that was now required in this area to drive out further savings and opportunities for multi-partner working.

**DECISION:** The Cabinet noted

1. The continued use of the SIAM based contract between the Council and Serco to deliver relevant elements of the E2017 programme, to the extent that these elements fall within the scope of SIAM based IT contract with Serco or a permitted modification of its terms.
2. The content of this update regarding the Enfield 2017 Transformation Programme.
3. The in year cashable savings predicted of £9.6m for 2015/16 and that the full year effect of these savings was predicted to be £15.4m from 2016/17.
4. That the programme was on track to achieve its long term full year effect savings of £29m per annum by the end of the programme, with some re-profiling of these to better reflect part year and full year impacts in 2016/17, 2017/18 and 2018/19.
5. The need to ensure that payments to delivery partners involved in release three were proportionate to the effort they expend in its delivery and reflect the SIAM contracting model and the requirement to ensure all digital products perform as expected.

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6. That the spend this year on the programme and associated staffing was projected to be £13.4m and officers were confident that the programme would be delivered in full within the identified budget of £16m and would deliver its required savings over the lifetime of the programme.
7. The proposal to award a contract for the interim leadership of a council wide procurement and commissioning function until 31 March 2016 following a mini-tendering exercise across Consultancy One, and delegate this award to the Cabinet Member for Finance and Efficiency and the Director of Finance, Resources and Customer Services. This contract would be funded via reserves on a “spend to save” basis and would therefore be awarded only if the tender process identifies net savings for the council.
8. That the creation of the Procurement and Commissioning Hub, which was in progress, would be best sustained via a co-sourced partner model and delegate authority to commence the tender process and approve the award of final contract from 1 April 2016 (or as soon as possible thereafter) to the Cabinet Member for Finance and Efficiency and the Director of Finance, Resources and Customer Services, with any award being subject to a review of delivered savings at 31 March 2017, 31 March 2018 and 31 March 2019.
9. That the Director of Finance, Resources and Customer Services would ensure that any procurement for co-source partner for Procurement and Commissioning be undertaken in such a way that should the London Borough of Waltham Forest wish to join a co-sourced joint procurement arrangement with Enfield they were able to do so, recognising that the London Borough of Waltham Forest would need to follow their own governance processes to gain authority to do so.
10. The Assistant Director Legal and Governance would clarify responsibility of the Cabinet Member portfolios in light of the implementation of the Enfield 2017 transformation programme and would provide a briefing to a future informal Cabinet meeting.

**Reason:** The recommendations update Cabinet on the progress of E2017, confirm that it would be delivered within its approved cost envelope and that over the life time of the programme, its planned savings would be delivered or exceeded. Additionally the recommendations reflect the work being done to create a co-sourced model for the delivery of Procurement and Commissioning to maximise the knowledge and skills available to the council to drive further savings from this area and seek Cabinet approval to delegate award of a contract for this to the relevant member and officer.

**(Key decision – reference number 4228)**

**10**

**CABINET AGENDA PLANNING - FUTURE ITEMS**

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

**11**

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

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

**12**

**MINUTES**

**AGREED** that the minutes of the previous meeting of the Cabinet held on 21 October 2015 be confirmed and signed by the Chair as a correct record.

**13**

**ENFIELD STRATEGIC PARTNERSHIP UPDATE**

NOTED, that there were no written updates to be received at this meeting.

**14**

**INFORMATION ITEMS**

1. Councillor Doug Taylor took this opportunity to advise Members that he, together with the Mayor and Opposition Leader, had written to the Mayor of Courbevoie on behalf of all the people of the London Borough of Enfield, to show our support and solidarity with the people of Courbevoie, Paris and France, following the terrible events that had taken place on Friday 13 November 2015. Cabinet endorsed the sentiments of the letter and extended their collective support of the actions which had been taken following the terrible events.
2. Councillor Ahmet Oykenner was pleased to report that he had today attended an event at London Olympia, "Homes 2015", where he had been invited to speak on Enfield's housing developments and future proposals in the Borough. The event had been well-attended and had raised Enfield's profile.

**15**

**DATE OF NEXT MEETING**

NOTED, that the next meeting of the Cabinet was scheduled to take place on Wednesday 16 December 2015 at 8.15pm.

Councillors Georgiou and Cazimoglu extended their apologies for absence for this meeting

## LOCAL PLAN CABINET SUB-COMMITTEE - 22.10.2015

**MINUTES OF THE MEETING OF THE LOCAL PLAN CABINET SUB-COMMITTEE  
HELD ON THURSDAY, 22 OCTOBER 2015****COUNCILLORS**

<b>PRESENT</b>	Ayfer Orhan, Ahmet Oykenner, Alan Sitkin and Daniel Anderson
<b>ABSENT</b>	Cllr Bambos Charalambous, Cllr Vicki Pite, Cllr George Savva
<b>OFFICERS:</b>	Joanne Woodward, Ian Davies, Natalie Broughton, Gerry Ansell, Koulla Panaretou (Panel Secretary)

**1****WELCOME AND APOLOGIES FOR ABSENCE**

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Councillor Vicki Pite, Councillor Bambos Charalambous and Councillor George Savva.

**2****DECLARATIONS OF INTEREST**

There were no declarations of interest registered in respect of any items on the agenda.

**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 five clear days in advance of meetings.

**4****ENFIELD'S LOCAL PLAN: GROWTH SCENARIOS AND CALL FOR SITES**

RECEIVED the report of the Director of Regeneration and Environment (Report No. 103) seeking approval of the "Growth Scenarios and Call for Sites" document at Appendix 1 for the purposes of public consultation under Regulation 18 of the Town and Country Planning Local Plan Regulations 2012.

NOTED that

The Council's Local Plan (i.e. Core Strategy 2010) needs to be fully updated to take account of matters such as changes to national and strategic policy,

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new infrastructure proposals, updated population figures and changes to economic trends. The consultation document proposes alternative growth scenarios and seeks input into land availability analysis through a “call for sites”.

**Alternative Options Considered:**

An alternative option would be to commence consultation at a later stage following completion of a programme of research. There are numerous major studies that need to be finalised in order to provide evidence for the formulation of local plan policies. It was, however, considered important to set out broad scenarios at this early stage to seek early views and to test opinions on those opportunities.

**DECISION:** The Cabinet Sub-Committee agreed: To make amendments to the document following discussions with Members and defer the item for agreement to the next meeting of the Local Plan Cabinet Sub Committee, due to take place on the 5<sup>th</sup> November 2015.

**Reason:**

The recommendation is made to ensure that Enfield puts in place an up to date local plan to provide a framework for development, guide investment, support regeneration and compulsory purchase. The document is a key policy instrument for development management, in particular, the determination of planning applications.

(Key Decision – Reference Number KD4106)

**5**

**MINUTES OF THE MEETING HELD ON 7TH JULY 2015**

AGREED that the minutes of the Local Plan Cabinet Sub-Committee held on 7<sup>th</sup> July 2015 be approved.

**6**

**MINUTES OF THE MEETING HELD ON 15TH JULY 2015**

AGREED that the minutes of the Local Plan Cabinet Sub-Committee held on 15th July 2015 be approved.

**7**

**DATE OF FUTURE MEETINGS**

NOTED the following future meetings:

Thursday 5<sup>th</sup> November 2015

Thursday 26<sup>th</sup> November 2015

Tuesday 9<sup>th</sup> February 2016

Wednesday 20<sup>th</sup> April 2016

LOCAL PLAN CABINET SUB-COMMITTEE - 5.11.2015

**MINUTES OF THE MEETING OF THE LOCAL PLAN CABINET SUB-COMMITTEE  
HELD ON THURSDAY, 5 NOVEMBER 2015**

**COUNCILLORS**

**PRESENT** Alan Sitkin (Cabinet Member for Economic Regeneration & Business Development) and Daniel Anderson (Cabinet Member for Environment)

**ABSENT** Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection) and Ahmet Oykenner (Cabinet Member for Housing and Housing Regeneration)

**OFFICERS:** Joanne Woodward (Head of Strategic Planning and Design), Natalie Broughton (Planning Policy Team Leader), Gerry Ansell (Principal Planning Officer), Katherine Pelton (Planning Officer), Koulla Panaretou (Committee Secretary)

**ALSO ATTENDING:** Councillor George Savva (Associate Cabinet Member)

**1**

**WELCOME AND APOLOGIES FOR ABSENCE**

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Councillor Vicki Pite (Associate Cabinet Member), Councillor Ayfer Orhan (Cabinet Member for Education, Children's Services and Protection), Councillor Ahmet Oykenner (Cabinet Member for Education, Children's Services and Protection), Cllr Bambos Charalambous (Associate Cabinet Member)

**2**

**DECLARATIONS OF INTEREST**

There were no declarations of interest registered in respect of any items on the agenda.

**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 five clear days in advance of meetings.

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4

**ENFIELD'S LOCAL PLAN: CONSULTATION ON A NEW PLAN FOR ENFIELD 2017-2032**

RECEIVED the report of the Director of Regeneration and Environment (Report No. 110) seeking approval of the "Consultation on a New Plan for Enfield 2017 – 2032" document at Appendix 1 for the purposes of public consultation.

NOTED that

1. The report was considered at the Local Plan Cabinet Sub Committee meeting held on the 22<sup>nd</sup> October 2015 and following discussions was deferred to enable a revised document to be prepared. The revised document is named as Appendix 1.

2. The Council's Local Plan (Core Strategy( 2010) needs to be fully updated to take account of matters such as changes to national and strategic policy, new infrastructure proposals, updated population figures and changes to economic trends. The consultation document proposes alternative growth scenarios and seeks input into land availability analysis through a "call for sites".

3. Further to discussions, the following amendments were made to the document:

a. Section 2.4.1 on page 16 of the document to be amended as follows:

Delete ...**"There are 68 primary schools and 19 secondary schools"** and insert **"there are 66 primary schools and 18 secondary schools and 3 all through schools"**

First paragraph, add the following text to the second sentence **"Additionally there are six special schools supporting the borough's most vulnerable pupils"**.

b. Section 2.4.2 (p 16) of the document to be amended as follows: **"Beyond that demand will be heavily dependent on the size and location of development that comes forward but the current projections, for the longer term, show the following for primary and secondary schools"**.

**Alternative Options Considered:**

An alternative option would be to commence consultation at a later stage following completion of a programme of research. There are numerous major studies that need to be finalised in order to provide evidence for the formulation of local plan policies. It was, however, considered important to set



**LOCAL PLAN CABINET SUB-COMMITTEE - 5.11.2015**

out broad scenarios at this early stage to seek early views and to test opinions on those opportunities.

**DECISION:** The Cabinet Sub-Committee agreed: To make the amendments to the Appendix 1 document detailed above and thereafter approved the document for the purposes of public consultation.

**Reason:**

The recommendation is made to ensure that Enfield puts in place an up to date local plan to provide a framework for development, guide investment, support regeneration and compulsory purchase. The document is a key policy instruction for development management, in particular, the determination of planning applications.

(Key Decision – Reference Number KD4106)

**5**

**STATEMENT OF COMMUNITY INVOLVEMENT (SCI) IN PLANNING - ADOPTION - KD4220**

RECEIVED the report of the Director of Regeneration and Environment (Report No. 109) seeking adoption of the Statement of Community Involvement (SCI), set out in Annex 1, page 15 of the agenda.

NOTED that

1. The Council published its first SCI in 2006. Since then there have been a series of important changes to planning law and regulations regarding the approach to Local Plan production, and consultation process for dealing with planning applications and appeals. As a result, the SCI has been updated to reflect these changes.
2. The new SCI has been expanded to include the engagement processes related to neighbourhood planning and the Council's approach to Duty to Co-Operate, introduced by the Localism Act 2011, and the Community Infrastructure Levy (CIL). The draft SCI was published for a six week consultation period in February 2015 and the consultation responses have informed the final version of the SCI set out in Annex 1.
3. The SCI seeks to ensure the active, meaningful and continued involvement of local communities and stakeholders in planning. It sets out a consultation strategy for the Council's planning functions.
4. The revised SCI was published for a six week consultation through February/March 2015 and seven representations were received. Following this, further focused consultation was carried out with stakeholders. The representations received through consultation, how they were informed and the adoption version of the SCI is detailed in the Schedule of Representations set out in Annex 2 of the agenda pack (page 65).

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**Alternative Options Considered:**

None. The SCI has been updated to reflect legislative changes.

**DECISION:** The Local Plan Cabinet Sub Committee agreed: to adopt the Statement of Community Involvement (SCI), set out in Annex 1 of the report.

**Reason:**

The SCI has been updated to reflect legislative changes required.  
(Key Decision – Reference Number KD4220).

**6**

**MINUTES OF THE MEETING HELD ON 22 OCTOBER 2015**

**AGREED** that the minutes of the Local Plan Cabinet Sub-Committee held on the 22<sup>nd</sup> October 2015 be approved.

**7**

**DATES OF FUTURE MEETINGS**

**NOTED** the following future meeting dates:

Thursday 26<sup>th</sup> November 2015 – Room 6, 7pm

Monday 14<sup>th</sup> December 2015 – Room 3, 7pm (additional meeting)

Tuesday 9<sup>th</sup> February 2016 – Room 3, 7pm

Wednesday 20<sup>th</sup> April 2016 – Room 3, 7pm

Please note: Briefing Sessions for all the above meetings will be held at 6:30pm in the Democratic Services Meeting Room, A Block, 1<sup>st</sup> Floor, Cellular Office.