

## MUNICIPAL YEAR 2015/2016 REPORT NO.

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF  
Director of Finance, Resources and  
Customer Services

Agenda – Part: 1	Item:
Subject: Approval of the London Boroughs Grants Scheme for 2016/17	
Cabinet Member consulted: Cllr Andrew Stafford	

### Contact officer and telephone number:

Stan Barker Tel: 0208 379 4213  
E mail: Stan.Barker@enfield.gov.uk

### 1. EXECUTIVE SUMMARY

This delegated action report seeks approval for the change in the Enfield contribution to the 2016/17 London Boroughs Grant Scheme.

### 2. RECOMMENDATIONS

The following recommendations are made:

- 2.1 That the Council agrees to formally accept the recommendations contained in the report to London Council's Leaders Committee London Council's Grants Scheme Budget Proposals 2016/17- Item 10 Leaders Committee 8<sup>th</sup> December 2015.
- 2.2 That the Council agrees to the proposed revision to the scheme that reduces Enfield's commitment from £342,699 in 2015/16 to £323,630 in 2016/17, a reduction of £19,069.
- 2.4 If approved, the Council will notify London Councils of this decision not later than 16<sup>th</sup> January 2016.

### 3. BACKGROUND

- 3.1 The London Council's Leaders Committee approved the overall budget for the London Boroughs Grants Scheme 2016-17 at its meeting on 8<sup>th</sup> December 2015.
- 3.2 The Enfield Contribution to the scheme is summarised below:

	2015/16	Proposed 2016/17	Reduction 2016/17
	£	£	£
Enfield Contribution to LBGS	342,699	323,630	19,069

- 3.3 In order to comply with the Grants to Voluntary Organisations Order 1992, the budget must be agreed by 2/3rds of constituent councils. If it is not, the overall level of expenditure (and so Enfield's contribution) will be deemed to be the same as 2015/16 i.e. £342,699. Therefore a decision needs to be agreed and notified to London Councils by 16<sup>th</sup> January 2016.

3.4 Allocation of the contribution is based on the ONS mid-year population estimates in line with statutory legislation. The variation £19,069 variation in the 2016/17 grant scheme contribution is mainly as a result of a one-off contribution of £486k (Enfield-£18,474) from Committee reserves.

3.5 Leaders' Committee 8<sup>th</sup> December 2015- London Councils Grant Scheme- Item 10 is attached at Appendix 1.

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

The alternative option would be not to approve the recommendation from the Leaders Committee. This would mean that the proposed reduction in the 2016/17 contribution would not be realised.

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

To confirm approval of the revised scheme agreed at London Councils Leaders Committee on 8<sup>th</sup> December 2015 of the reduced contribution in 2016/17 of £19,069.

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

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

If this report is approved, the Council will benefit from the reduction of £19,069 in the contribution to the scheme cost in 2016/17.

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

6.2.1 The statutory basis for the London Councils Grants Scheme is section 48 of the Local Government Act 1985. Under section 48(3) of the Local Government Act 1985, constituent councils are required to contribute to any expenditure of the designated council (being the City of London Corporation) which has been incurred with the approval of at least two-thirds of the constituent councils. Contributions per local authority are calculated according to the ONS mid-year population estimates for June 2013 pursuant to the requirements of s.48 (4) of the Local Government Act 1985. As detailed in the appended London Councils Report, apportionment between the local authorities is calculated according to The Levying Bodies (General) Regulations 1992. This also applies to the one-off repayment.

6.2.2 In the event that constituent councils are unable to reach agreement by the two-thirds majority required on an overall level of expenditure before the specified deadline, the Secretary of State has the power under section 48(4A) of the Local Government Act 1985 to make an order deeming that the constituent councils shall have approved the budget at the same level as the preceding year.

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

None implicit in this report

#### **7. KEY RISKS**

7.1 If this revised scheme is not approved the Council will not benefit from the reduction in its LBGS contribution in 2015/16.

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

### **8.1 Fairness for All**

London Councils proposals accord with the principles and priorities of the Grants Scheme, as agreed, following extensive consultation in 2012.

### **8.2 Growth and Sustainability**

Not implicit in this report

### **8.3 Strong Communities**

Participation in the London Boroughs Grants Scheme works to promote the strong communities theme across the Borough.

## **9. 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 neither relevant nor proportionate for the approval of this report. However London Councils should be responsible for completing an Equalities impact assessment as part of the budget preparation process, as the administering body for the fund.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

Not implicit in this report.

## **11. PUBLIC HEALTH IMPLICATIONS**

The operation of the Grants Scheme provides services to Enfield residents that would not otherwise be available.

## Leaders' Committee

### London Councils Grants Scheme - Item no: 10 Budget Proposals 2016/17

**Report by:** Frank Smith      **Job title:** Director of Corporate Resources  
**Date:** 8 December 2015  
**Contact Officer:** Frank Smith  
**Telephone:** 020 7934 9700      **Email:** Frank.smith@londoncouncils.gov.uk

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**Summary**      This report considers the proposed budget for the Grants Scheme for 2016/17 and makes a recommendation to the Committee on the appropriate level to recommend to constituent councils for approval. These proposals were considered by the Grants Committee at its meeting on 18 November. The Grants Committee agreed to recommend that the Leaders' Committee approve these proposals.

**Recommendations**      The Leaders' Committee is asked to agree:

- an overall level of expenditure of £10 million for the Grants Scheme in 2016/17 (inclusive of £2 million gross ESF programme), a reduction of £500,000 on the current year;
- that taking into account the application of £1 million ESF grant, borough contributions for 2016/17 should be £9 million;
- that, in addition and for 2016/17 only, a proposed transfer from Grants Committee reserves of £486,000 be made and returned to boroughs in the form of a one-off repayment;
- that further to the recommendations above, constituent councils be informed of the Committee's recommendation and be reminded that further to the Order issued by the Secretary of State for the Environment under Section 48 (4A) of the Local Government Act 1985, if the constituent councils have not reached agreement by the two-thirds majority specified before 1 February 2016 they shall be deemed to have approved expenditure of an amount equal to the amount approved for the preceding financial year (i.e. £10.5million);
- that constituent councils be advised that the apportionment of contributions for 2016/17 will be based on the ONS mid-year population estimates for June 2014 and that this methodology will

also apply to the proposed one-off repayment of £486,000 for 2016/17; and

- that subject to the approval of an overall level of expenditure, the Committee agrees to set aside a provision of £555,000 for costs incurred by London Councils in providing staff and other support services to ensure delivery of the Committee's "making of grants" responsibilities, including ESF administration of £120,000.
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## **Introduction**

1. This report details the indicative overall budget requirement for the London Boroughs Grants Scheme for 2016/17 of £10 million, compared to £10.5 million for 2015/16, comprising:

- The cost of the borough scheme of priority, pan-London commissioned services of £8 million, which includes the cost of administering the borough scheme, equating to £435,000 or 5.44% (3.9% excluding central recharges) of the proposed grants programme of £8 million plus the membership subscriptions for boroughs for London Funders of £60,000; and

- The gross cost of the ESF programme of £2 million, including £120,000 administration costs, offset by ESF grant of £1 million, leaving a net cost of £1 million to be funded by boroughs.

2. The proposed total expenditure budget of £10 million will be funded by borough contribution of £9 million and ESF grant income of £1 million.

3. In addition, for 2016/17 only, a proposed transfer from Grants Committee reserves of £486,000 be made and returned to boroughs in the form of a one-off repayment;

4. These proposals were considered by the Grants Committee at its meeting on 18 November. The Grants Committee agreed to recommend that the Leaders' Committee approve these proposals. The Leaders' Committee will need to reach a view on both the appropriate overall level of expenditure and to recommend the budget to constituent Councils.

5. The financial year 2016/17 represents to final year of the existing four-year programme of commissions provided by the Grants Committee under S.48 of the Local Government Act 1985. The Grants Committee and the Leaders' Committee will be considering recommendations over the winter on the scope and scale of the future commissioning programme from 1 April 2017 and this will influence the level of the budgetary provision from 2017/18 onwards.

## **Approval of Expenditure**

6. The statutory basis of the Grants Scheme is Section 48, Local Government Act 1985. Constituent councils agreed to some changes to the operation of the Scheme as part of the establishment of the new ALG on 1 April 2000: these changes mean that the budget for the London Councils Grants Scheme must be approved by the London Councils Leaders' Committee. This will need to happen before any budget that is recommended to constituent councils by the Grants Committee can be formally referred to them as a basis for consideration in their respective council chambers.
7. The budget proposals contained in this report were considered by the Grants Committee at its meeting on 18 November and the recommendations of the Grants Committee are reflected in this report. If Leaders do not accept the recommendations of the Grants Committee, and instead agree to recommend a different budget figure to Boroughs, the Grants Committee will need to meet urgently to consider the implications for the Grants programme.
8. Section 48(3) of the Local Government Act 1985 requires that at least two-thirds of the constituent councils in Greater London must approve the proposed overall level of expenditure on grants to voluntary organisations and other costs incurred in "the making of grants". This is not a decision that can be delegated to the Grants Committee although that Committee is able to make decisions with regard to allocation of that expenditure once overall expenditure has been approved. This means that when the Committee decides on an overall level of expenditure, subject to the agreement of the London Councils Leaders' Committee, it will recommend it to the London Boroughs and the Cities of London and Westminster and at least 22 of them must agree through their respective decision-making arrangements to ratify and give effect to that overall level of expenditure. Once 22 councils have given their approval, the overall level of expenditure and contributions to it are binding on all constituent councils.

## Timing of Decisions

9. The Committee needs to make its recommendation in good time so that constituent councils are able to consider the budget proposal within their own decision-making arrangements and make a response within the timescales laid down for the Scheme. The Scheme approved by the boroughs provides that constituent councils shall be asked to agree to the Committee's recommended level of overall expenditure not later than the third Friday in January, in this case 15 January 2016. All constituent councils will have received copies of this report and will be informed of the Committee's recommendation as to overall expenditure for next year, once the decision has been taken.

10. The City of London Corporation has been the Designated Council for the Scheme since 1 February 2004. Bearing in mind the issues raised above, it is essential for the Committee make a recommendation today, to provide sufficient time for constituent councils to consider the matter before the 1 February deadline, and enable the City of London Corporation to approve the levy on constituent councils by the deadline of 15 February 2016.

11. In the event that constituent councils are unable to reach agreement by the two-thirds majority required on an overall level of expenditure before 1 February 2016 the Secretary of State for Communities and Local Government has powers to intervene and set the budget at the same level as the preceding year. Section 105 of the Local Government Finance Act 1992 inserted a new sub-section (4A) into section 48 of the Local Government Act 1985 which states that:

*"4A. The Secretary of State may by order provide that if -*

- a scheme requires the total expenditure to be incurred under the scheme in any financial year*
- in the making of grants; and*
- in the discharging by the designated council of its functions under the scheme, to be approved in accordance with the scheme by some or all of the constituent councils; and*



*•the total expenditure to be incurred in any financial year is not approved as required by the scheme before such date as may be specified in relation to that financial year in the order, the constituent councils shall be deemed, subject to any order which has been or may be made under subsection (5) below, all to have given their approval for that financial year to total expenditure of an amount equal to the amount that was approved or, as the case may be, deemed to have been approved for the preceding financial year".*

### **Contributions by constituent councils**

12. Section 48(3) of the 1985 Act provides that the amount of contributions to the London Councils Grants Scheme shall be determined so that expenditure is borne by constituent councils in proportion to the population of their respective areas. Section 48(4) of the 1985 Act states that the population of any area shall be the number estimated by the Registrar-General and certified by him to the Secretary of State.

13. Under The Levying Bodies (General) Regulations 1992, arrangements made under section 48 of the 1985 Act (and also section 88) use total resident population as the means of apportionment and it is no longer necessary for the Registrar General to certify the estimates. The Regulations came into force on 11 December 1992. Regulation 6(8) is of particular importance, stating that:

*"A levying body shall secure that the expenses to be met by levies issued by it under these Regulations by reference to the relevant precepting power conferred by section 48 or 88 of the Local Government Act 1985 are borne by the relevant authorities in a proportion calculated by reference to the total resident population of the area of each relevant authority on 30th June in the financial year beginning two years before the beginning of the financial year in respect of which the levy is issued, as estimated by the Registrar General."*

14. The Designated Council is defined as a levying body further to Sections 74 and 117 of the Local Government Finance Act 1988, which means that the levy will have to be approved formally at a meeting of the Court of Common Council of the Designated Council before the payment requests are sent to constituent councils. The Court of Common Council will consider this matter before the deadline of 15 February 2016. The Levying Bodies (General) Regulations 1992 then require the approved levy to be sent out to constituent councils by 15 February in any year. The term levy refers both to the total contributions from constituent councils and to the apportionment of that total between them.

### Summary Timetable

15. To summarise, the timetable for the approval of the budget for the Grants Committee for 2016/17 is as follows:

Date	Action
17 November 2015	London Councils Executive considered the overall budget and subscription proposals for London Councils for 2016/17.
18 November 2015	Grants Committee considered proposed budget and borough contributions for 2016/17 and made recommendations to Constituent Councils, subject to approval of Leaders' Committee on 8 December.
8 December 2015	Leaders' Committee is asked to approve the level of budget and borough contributions for 2016/17 at this meeting, as recommended by the Grants Committee on 18 November
9-11 December 2015	Constituent Councils formally notified of the approved level of budget and borough contributions for 2016/17
14 December 2015 – 31 January 2016	Constituent Councils to individually ratify the overall level of expenditure for 2016/17 through their respective decision-making arrangements
1-15 February 2016	The City of London Corporation, as the Designated Councils for the Grants Scheme, approves the levy for 2016/17 on Constituent Councils
15 February 2016	Constituent Councils informed of level of approved expenditure and borough contributions for 2016/17

### Budget Proposal for 2016/17

16. Appendix A to this report sets out detailed information relating to the proposed budget for 2016/17. The budget assumes:

- A core, pan-London scheme of services to meet agreed service priorities of £7.565 million, which includes the membership subscriptions for boroughs for London Funders of £60,000;

- An additional gross sum of £1.88 million relating to the new 2016+ ESF grants programme;
- An indicative gross commissioning budget of £9.445 million, the same as for the current year.
- In addition to the indicative gross grant payments budget of £9.445 million, the proposal includes a provision for grants administration of £555,000. This comprises of 5.44% (3.9% excluding central recharges) of the boroughs grants budget of £8 million, amounting to £435,000, plus 5.99% of the £2 million gross ESF programme, amounting to £120,000.
- Finally, for 2016/17 only, a proposed transfer from Grants Committee reserves of £486,000 be made and returned to boroughs in the form of a one-off repayment.

### **Administration of Commissions**

17. The staffing costs figures within the proposed 2016/17 budget options reflects all of these posts, together with the apportionment of time spent on Grants Committee activities by other London Councils staff, such as Grants Committee servicing and Public Affairs. The staffing budget also includes a £10,000 provision for maternity cover and the vacancy level of 2%.

18. In terms of dedicated staff, the overall number of staff is 6.105 fte posts (5.06 fte 2015/16) split between the S.48 programme of 4.83 fte posts (4.2) and 1.275 fte posts (0.86) dealing with the ESF programme.

19. In addition, an apportionment of time spent by Corporate Resources, Corporate Governance other than Committee Servicing, the Chief Executive's office, and London Councils Political Advisors are included in the central recharges figure for supporting the Committee's functions, as well as a notional rental figure for office space occupied at Southwark Street.

20. All estimates of administration expenditure levels have previously been based upon a threshold of 5% of the budget for payments to commissions in respect of the borough funded S.48 scheme, as agreed by Grants Committee in the review of non-grants expenditure levels conducted in early 2009. However, trends emerging over the past three financial years suggest that it is becoming increasingly difficult to contain all administrative costs within the 5% envelope, especially after the introduction of the new monitoring arrangements in April 2013 and the increase in central costs following the review of the recharge model during 2013/14. Administrative expenditure for the S.48 commissions, therefore now equate to 5.44% (or 3.9% excluding central recharges) of the boroughs S.48 budget of £8 million, amounting to £435,000 in total for 2016/17.

21. For the ESF programme, the claimable amount is limited to 5.99% of the total budget as stated in the funding guidelines, equating to £120,000. Total administration costs for 2016/17 are, therefore, estimated to be £555,000, the same amount as for 2015/16.

### ESF Grant Income

22. The proposed budget includes gross expenditure of £2m million on activities commissioned under London Councils approved priorities, including administration costs of £120,000, which attracts grant income at 50%, thus reducing the net cost of this activity to £1 million. Both the gross expenditure and the ESF income it attracts are reflected in Appendix A.

### Use of Reserves

23. Audited reserves at the end of March 2015 were £1.324 million, inclusive of £869,000 relating to ESF programme slippage. The current position on Committee reserves is shown in the table below, which takes on board projected underspends from the current year (refer paragraph 20):

	<b>Borough</b>	<b>ESF</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Audited reserves as at 1 April 2015	455	869	1,324
Projected surplus/(deficit) for the year	30	735	765
Transfer from reserves in respect of 2015/16	-	(499)	(499)
<b>Projected reserves as at 31 March 2016</b>	<b>485</b>	<b>1,105</b>	<b>1,590</b>
<b>Indicative total expenditure 2015/16</b>	<b>8,000</b>	<b>2,000</b>	<b>10,000</b>
<b>Forecast reserves as a % of indicative expenditure</b>	<b>6.1</b>	<b>55.3</b>	<b>15.9</b>

24. Following discussions at the Grants Executive meeting in September 2013, it was agreed that it would be appropriate to retain a minimum level of reserves £300,000 to support the future S.48 borough programme of approximately £8 million. This equates to 3.75% of the programme value. The projected residual level of reserves as at 31 March 2016 of £485,000, or 6.1%, of the borough programme, therefore, clearly exceeds this benchmark. It is proposed, therefore, to seek the Committee's approval for the return of a sum of £185,000 to boroughs in the form of a one-off payment in 2016/17 to reduce the projected level of S.48 reserves to the agreed £300,000 level.

25. For the ESF programme, reserves attributable to this area of the programme have historically accumulated due to slippage in respect of the expiring DwP programme. A sum of £301,000 in respect of residual reserves for this programme is, therefore, proposed to be returned to boroughs in the form of a one-off payment in 2016/17, with a small contingency of £97,000 being held to cover any final liabilities that might become payable, or to cover any potential reduction in the final grant claims by DwP. The remaining £707,000 projected to be held in Committee reserves as at 31 March 2016 relates to the new 2016+ ESF funding arrangements that have been devolved to the GLA/LEP. The start of the new programme has slipped until January 2016, so this sum relates to this particular slippage, which, all things being equal, will be used to fund the final payments under the new arrangements at the scheme end.

26. There is a recommendation to return a total sum of £486,000 from reserves to boroughs in a form of a one-off payment in 2016/17. If approved this would level estimated reserves of £1.104 million in total - £300,000 relating to the S.48 borough programme, £97,000 in relation to the expiring DwP ESF programme and £707,000 relating to the new 2016+ ESF joint funded programme.

### **Borough Contributions**

27. Paragraphs 12 to 14 of this report set out the legal position relating to contributions payable by constituent councils to the London Councils Grants Scheme. Contributions for 2016/17 have been calculated using the ONS mid-year population estimates for June 2014 and are set out in Appendix B, together with the effect of the proposed one-off repayment of £486,000.

## Summary

28. This report considers the proposed budget for the Grants Scheme for 2016/17 and makes a recommendation to the Committee on the appropriate level to recommend to constituent councils for approval, subject to the agreement of the overall budget by Leaders' Committee. Specifically, the report proposes to continue with an overall level of expenditure in 2016/17 of £10 million, which requires borough contributions of £9 million (refer to Appendix B). A one-off repayment to boroughs of £486,000 from Committee reserves is also recommended. These proposals were considered by the Grants Committee at its meeting on 18 November. The Grants Committee agreed to recommend that the Leaders' Committee approve these proposals.

29. The financial year 2016/17 represents to final year of the existing four-year programme of commissions provided by the Grants Committee under S.48 of the Local Government Act 1985. The Grants Committee and the Leaders' Committee will be considering recommendations over the winter on the scope and scale of the future commissioning programme from 1 April 2017 and this will influence the level of the budgetary provision from 2017/18 onwards.

## Recommendations

30. The Leaders' Committee is asked to agree:

- an overall level of expenditure of £10 million for the Grants Scheme in 2016/17 (inclusive of £2 million gross ESF programme), compared to £10.5 million for the current year;
- that taking into account the application of £1 million ESF grant, borough contributions for 2014/15 should be £9 million;
- that, in addition and for 2016/17 only, a proposed transfer from Grants Committee reserves of £486,000 be made and returned to boroughs in the form of a one-off repayment;
- that further to the recommendations above, constituent councils be informed of the Committee's recommendation and be reminded that further to the Order issued by the Secretary of State for the Environment under Section 48 (4A) of the Local Government Act 1985, if the constituent councils have not reached agreement by the two-thirds majority specified before 1 February 2016 they shall be deemed to have approved

expenditure of an amount equal to the amount approved for the preceding financial year (i.e. £10.5 million);

- that constituent councils be advised that the apportionment of contributions for 2016/17 will be based on the ONS mid-year population estimates for June 2014 and that this methodology will also apply to the proposed one-off repayment of £486,000 for 2016/17; and
- that subject to the approval of an overall level of expenditure, the Committee agrees to set aside a provision of £555,000 for costs incurred by London Councils in providing staff and other support services to ensure delivery of the Committee's "making of grants" responsibilities, including ESF administration of £120,000.

### **Appendices**

Appendix A – Proposed revenue income and expenditure budget 2016/17;

Appendix B – Proposed borough subscriptions 2016/17;

### **Background Papers**

Grants Committee Budget Working Papers 2015/16 and 2016/17;

Grants Committee Final Accounts Working Papers 2014/15;

Grants Committee Revenue Budget Forecast Working Papers 2015/16; and

London Councils Consolidated Budget Working Papers 2015/16 and 2016/17.

**Grants Committee Income and Expenditure Budget 2016/17**

**Appendix A**

Expenditure	Revised Budget 2015/16 £000	Developments £000	Inflation £000	Original Budget 2016/17 £000
<b>Payments in respect of Grants</b>				
London Councils Grants Programme	7,505	0	0	7,505
Membership Fees to London Funders (for all boroughs)	60	0	0	60
European Social Fund Co-Financing	2,380	-500	0	1,880
<b>Sub-Total</b>	<b>9,945</b>	<b>-500</b>	<b>0</b>	<b>9,445</b>
<b>Operating (Non-Grants) Expenditure</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>
<b>Contractual Commitments</b>				
Maintenance of GIFTS Grants IT system	349	1	3	353
<b>Salary Commitments</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>
Officers	378	1	3	382
Members				
Maternity provision	6	0	0	6
<b>Discretionary Expenditure</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>
Staff training/recruitment advertising				
Staff travel	0	486	0	486
One-off payment to boroughs				
<b>Total Operating Expenditure</b>	<b>396</b>	<b>487</b>	<b>3</b>	<b>886</b>
<b>Central Recharges</b>	<b>159</b>	<b>-4</b>	<b>0</b>	<b>155</b>
<b>Total Expenditure</b>	<b>10,500</b>	<b>-17</b>	<b>3</b>	<b>10,486</b>
<b>Income</b>	<b>8,600</b>	<b>0</b>	<b>0</b>	<b>8,600</b>
Core borough subscriptions Contribution to grant payments	400	0	0	400
Contribution to non-grants expenditure	9,000	0	0	9,000
Other income				
ESF Income	1,250	-250	0	1,000
	1,250	-250	0	1,000
<b>Transfer from Reserves</b>	<b>250</b>	<b>236</b>	<b>0</b>	<b>486</b>
<b>Central Recharges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income</b>	<b>10,500</b>	<b>-14</b>	<b>0</b>	<b>10,486</b>
<b>Net Expenditure</b>	<b>0</b>	<b>3</b>	<b>-3</b>	<b>0</b>



## 2016/17 Proposed Borough Contributions

ONS Mid-2013 Estimate of Population ('000)	%	2015/16 Base Borough Contribution (£)		ONS Mid-2014 Estimate of Population ('000)	%	2016/17 Base Borough Contribution (£)	Base Difference from 2015/16 (£)	Share of one-off payment 2016/17 (£)	Net Payment 2016/17 (£)
229.70			<b>Inner London</b>						
7.60	2.73%	245,610	Camden	234.85	2.75%	247,537	1,927	-13,367	234,170
264.00	0.09%	8,126	City of London	8.07	0.09%	8,506	380	-459	8,047
257.40	3.14%	282,286	Greenwich	268.68	3.15%	283,195	909	-15,293	267,902
178.70	3.06%	275,229	Hackney	263.15	3.08%	277,366	2,137	-14,978	262,388
215.70	2.12%	191,078	Hammersmith and Fulham	178.37	2.09%	188,006	-3,072	-10,152	177,854
155.60	2.56%	230,640	Islington	221.03	2.59%	232,971	2,330	-12,580	220,390
314.20	1.85%	166,378	Kensington and Chelsea	156.19	1.83%	164,628	-1,750	-8,890	155,738
286.20	3.73%	335,963	Lambeth	318.22	3.73%	335,411	-552	-18,112	317,299
298.50	3.40%	306,024	Lewisham	291.93	3.42%	307,701	1,677	-16,616	291,085
272.90	3.55%	319,175	Southwark	302.54	3.54%	318,884	-292	-17,220	301,664
310.80	3.24%	291,802	Tower Hamlets	284.02	3.33%	299,363	7,561	-16,166	283,198
226.80	3.69%	332,327	Wandsworth	312.15	3.66%	329,013	-3,314	-17,767	311,248
	2.69%	242,509	Westminster	233.29	2.73%	245,893	3,384	-13,278	232,615
<b>3,018.10</b>	<b>35.86%</b>	<b>3,227,147</b>		<b>3,072.49</b>	<b>35.98%</b>	<b>3,238,473</b>	<b>11,326</b>	<b>-174,878</b>	<b>3,063,595</b>
			<b>Outer London</b>						
194.40	2.31%	207,865	Barking and Dagenham	198.29	2.32%	209,002	1,137	-11,286	197,716
369.10	4.39%	394,666	Barnet	374.92	4.39%	395,174	508	-21,339	373,835
236.70	2.81%	253,095	Bexley	239.87	2.81%	252,828	-267	-13,653	239,176
317.30	3.77%	339,278	Brent	320.76	3.76%	338,088	-1,190	-18,257	319,831
317.90	3.78%	339,919	Bromley	321.28	3.76%	338,636	-1,283	-18,286	320,350
372.80	4.43%	398,622	Croydon	376.04	4.40%	396,354	-2,267	-21,403	374,951
342.50	4.07%	366,223	Ealing	342.12	4.01%	360,602	-5,621	-19,473	341,130
320.50	3.81%	342,699	Enfield	324.57	3.80%	342,104	-595	-18,474	323,630
263.40	3.13%	281,644	Haringey	267.54	3.13%	281,993	349	-15,228	266,765
243.40	2.89%	260,259	Harrow	246.01	2.88%	259,300	-959	-14,002	245,298
242.10	2.88%	258,869	Havering	245.97	2.88%	259,258	389	-14,000	245,258
286.80	3.41%	306,665	Hillingdon	292.69	3.43%	308,502	1,837	-16,659	291,843
262.40	3.12%	280,575	Hounslow	265.57	3.11%	279,917	-658	-15,115	264,801
166.80	1.98%	178,353	Kingston upon Thames	169.96	1.99%	179,142	788	-9,674	169,468
203.20	2.41%	217,275	Merton	203.52	2.38%	214,515	-2,760	-11,584	202,931
318.20	3.78%	340,240	Newham	324.32	3.80%	341,840	1,600	-18,459	323,381
288.30	3.43%	308,269	Redbridge	293.06	3.43%	308,892	623	-16,680	292,212
191.40	2.27%	204,657	Richmond upon Thames	193.59	2.27%	204,048	-609	-11,019	193,030
195.90	2.33%	209,469	Sutton	198.13	2.32%	208,833	-636	-11,277	197,556
265.80	3.16%	284,211	Waltham Forest	268.02	3.14%	282,499	-1,712	-15,255	267,244
<b>5,398.90</b>	<b>64.14%</b>	<b>5,772,853</b>		<b>5,466.23</b>	<b>64.02%</b>	<b>5,761,527</b>	<b>-11,326</b>	<b>-311,122</b>	<b>5,450,405</b>
<b>8,417.00</b>	<b>100.00%</b>	<b>9,000,000</b>	<b>Totals</b>	<b>8,538.72</b>	<b>100.00%</b>	<b>9,000,000</b>	<b>0</b>	<b>-486,000</b>	<b>8,514,000</b>



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

**PORTFOLIO DECISION OF:**  
Cabinet Member for Environment

**REPORT OF:**  
Director – Regeneration &  
Environment

<b>Agenda – Part: 1</b>	<b>KD: 4243</b>
<b>Subject:</b> The revision of The London Borough of Enfield Cemetery Regulations	
<b>Wards: ALL Wards</b>	

**Contact officer and telephone number:**

Jonathan Stephenson, Head of Commercial Services, Public Realm

E mail: [jonathan.stephenson@enfield.gov.uk](mailto:jonathan.stephenson@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 This report provides a brief background to the current Cemetery Regulations that apply to the Council's 5 cemeteries.
- 1.2 The existing Cemetery Regulations (2003) no longer reflect the contemporary use of language and require revision to assist and support the development of the Councils cemeteries service.
- 1.3 The revised regulations seek to permit non-residents to purchase exclusive rights of burial in graves and plots within the Council's cemeteries to support the demand going forward. The revision requires an appropriate fee structure, which will be reflected in the Councils fees and charges annual budget report and a revision of the Cemetery Regulations (Appendix 1).

**2. RECOMMENDATIONS**

- 2.1 This report recommends the approval of new Cemetery Regulations for the Councils cemeteries (Appendix 1).
- 2.2 The report also recommends that any future minor changes or variations to the regulations can be made by the Assistant Director for Public Realm in consultation with the Cabinet Member for Environment.

### **3. BACKGROUND**

3.1 The Council owns and operates 5 cemeteries within the borough. The primary function of the cemeteries is to meet the needs of the bereaved for the burial of the dead. However, they also provide open green spaces for the whole community to enjoy.

3.2 Cemetery Regulations make explicit:

- The types of services that the Council offers, including different types of graves and plots;
- Requirements to enable a burial to take place;
- Requirements to enable a memorial to be erected;
- Terms and conditions under which the Council sells the exclusive rights in a grave or plot;
- Minimum standards of behaviour of visitors to the cemeteries.

### **4. PROPOSALS**

4.1 The Council would like to make revisions to the regulations relating to use of the cemeteries by people living outside of Enfield. This is already common practice across most other local authorities within London and the rest of the country. The revision will make the service more accessible to friends and family with a local connection, and to assist in generating additional income to sustain the service in the future.

4.2 This requires a change to the regulations to enable non-residents to purchase exclusive rights in a grave, just as residents are currently able to. There are consequential changes required in both the fees charged by the Council and the Cemetery Regulations.

4.3 This is also an opportunity to review the content, language and presentation of the Cemetery Regulations to make them fit for purpose for the current generation.

4.4 The main changes to the regulations that are proposed are:

4.4.1 Allowing non-residents to buy the exclusive right of burial at a higher fee to residents (fees published within the Councils annual Fees and Charges statement).

4.4.2 Memorial masons must be BRAMM (British Register of Accredited Memorial Masons) and NAMM (National Association of Memorial Masons) to conform to best practice and have public liability insurance.

4.4.3 New Services and regulations for Mausolea, Vaults (or Burial Chambers including premium chambers), Kerbside Memorial Plots, Niches.

#### 4.4.4 Transfer of ownership process for Graves and Plots.

### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The alternative option to a revision of the current Cemetery Regulations is to keep the existing regulations as they are. This option would not support a sustainable cemeteries service, with regards to being more inclusive to all, and to enable best practice standards within the industry to be reflected in the new regulations.

### **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The existing Cemetery Regulations are over-prescriptive and no longer reflect the contemporary use of language.
- 6.2 The change in guidelines to permit non-residents to purchase exclusive rights of burial in graves and plots within the Council's cemeteries requires a revision of the Cemetery Regulations and will support a sustainable cemeteries service.

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

#### **7.1 Financial Implications**

- 7.1.1 This report is mainly seeking the approval of:
- a) Revision of the Enfield Council Cemetery Regulations (Appendix 1).
  - b) Permitting non-residents to purchase exclusive rights of burial in graves and plots within the Council's cemeteries.
  - c) The revision requires an appropriate fee structure, which will be reflected in the Council's fees and charges annual budget report.
- 7.1.2 Permitting non-residents to purchase exclusive rights in graves and plots is expected to lead to an increase in the total number of graves and plots sold. But any additional income cannot be quantified fully at the moment, due to the lack of data to support any estimates.

Any possible additional income that might arise from the change in the Cemetery Regulations (i.e. sale of rights in graves and plots to non-residents) will be assessed once the changes are implemented and reported accordingly.

- 7.1.3 The fees and charges for all cemetery services are determined by the Council on an annual basis as part of the Council's Annual Budget Report, which takes effect on the 1st of April each year. The Council reserves the right to revise the fees and charges at any time (Further details can found in Appendix 1).

## **7.2 Legal Implications**

7.2.1 The Local Authorities' Cemetery Order 1977 as amended (the Order) governs the management of Local Authority Cemeteries. By virtue of paragraph 3 of the Order the Council, as the Burial Authority, has the power to do all such things as they consider necessary or desirable for the proper management, regulation or control of a cemetery. By virtue of paragraph 5 the Council may set apart parts of a cemetery for use by a particular denomination which has not been consecrated. Under paragraph 15 of the Order the Council may charge such fees as they think proper:

- i) for or in connection with the burial
- ii) for any grant of a right to place and maintain a tombstone or other memorial in a cemetery or
- iii) for any grant of a right to put an additional inscription on such a tombstone or other memorial.

In setting the charges for the service the Council has had regard to its charging powers.

## **7.2 Property Implications**

None.

## **8. KEY RISKS**

8.1 It is possible that non-residents may find the enhanced fees a disincentive to purchase exclusive rights of burial in graves and plots within Enfield Council cemeteries. However, if realised this would have no financial impact as non-residents may not currently purchase exclusive rights.

8.2 The experience of other London Boroughs and local authorities throughout England and Wales suggests that non-residents are prepared to pay enhanced fees for burial in cemeteries of their choice.

## **9. IMPACT ON COUNCIL PRIORITIES**

### **9.1 Fairness for All**

9.1.1 Current restrictions applied to non-residents for the purchase of exclusive rights of burial are unfair. Enhanced fees for non-residents are more logical and justifiable than exclusion. Change of policy, fee structure and Cemetery regulations promote fairness.

### **9.2 Growth and Sustainability**

9.2.1 The new regulations will assist in the growth and development of Enfield's cemeteries service. These essential changes will enable the Council to deliver and sustain this important service provision.

### **9.3 Strong Communities**

9.3.1 The proposed regulations will assist in supporting the Councils cemeteries adapt to provide a range of options for burials, rather than the more traditional methods. These new modern and diverse options will enable the Council to meet the needs of changing communities within London.

### **10. EQUALITIES IMPACT IMPLICATIONS**

10.1 A Predictive Equalities Impact Assessment (EQIA) has been completed and has identified that the proposals set out in this report are unlikely to have a negative impact on the service itself or the way individuals access information about the service.

### **11. PERFORMANCE MANAGEMENT IMPLICATIONS**

11.1 The implementation of the proposed regulations will be measured through the service area on monthly bases. Performance measures and monitoring will include the type and number of resident and non-resident burials.

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

None.

### **13. PUBLIC HEALTH IMPLICATIONS**

None.

### **Background Papers**

None.





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

**ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cabinet Member for Environment

**REPORT OF:**  
Director – Regeneration & Environment

<b>Agenda – Part: 1</b>	<b>KD Num: N/A</b>
<b>Subject: BluePoint London Electric Vehicle Charging Points Novation Agreement</b>	
<b>Wards: All</b>	

Contact officer and telephone number: Katie Pudney 020 8379 3563

E mail: [katie.pudney@enfield.gov.uk](mailto:katie.pudney@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 The London Borough of Enfield (the Council) has 7 locations where Electric Vehicle Charge Points (EVCPs) have been installed. They currently form part of the pan-London 'Source London' network.
- 1.2 These points were installed and previously maintained by Transport for London but these arrangements have now ceased. This means responsibility and liability for these charge points currently rests with the Council.
- 1.3. Currently the Council has no maintenance arrangements in place or funding allocated for such purposes although, given there is a public expectation that the charging points should remain in service, interim solutions are being sought.
- 1.4 BluePoint London Limited, which won the tender to manage the 'Source London' network, are now seeking to take on responsibility for the charging points in Enfield.
- 1.5 This report seeks authority for the Council to sign a novation recognising the new 'Source London' provider (BluePoint London Limited) and then, for officers to, undertake further negotiations with a view to transferring responsibility and liability for the Council's electric vehicle charging network to this provider.

**2. RECOMMENDATIONS**

- 2.1 That the Council sign a Novation Agreement to recognise the de facto new Pan Source London Scheme provider BluePoint London Limited.
- 2.2 That authority is delegated to officers to undertake further negotiations with a view to the Council signing an agreement for BPL to take over the responsibility for electric vehicle charge points in Enfield.

### **3. BACKGROUND**

- 3.1 In May 2011 the Mayor of London launched "Source London", a London-wide membership scheme providing access to charge points for owners of electric vehicles.
- 3.2 Enfield joined the Source London network, entering into a Partnership Agreement with Transport for London (TfL) in 2011, which allowed the Council to source and install charging infrastructure on-street and in its car parks. The infrastructure itself was maintained by the Source London Scheme provider, with Transport for London (TfL) providing support and guidance to the boroughs. As a result of this initiative, charge points were installed in the following locations:
- Westpole Avenue, Cockfosters;
  - Lion Road Car Park, Edmonton;
  - Angel Corner, Edmonton;
  - Leigh Hunt Drive, Southgate;
  - Genotin Road car park (two charging points);
  - Palace Gardens multi-storey car park, Enfield Town (two charging points).
- 3.3 A further charge point was installed in Aldermans Hill, but was subsequently damaged and removed. However, this is due to be replaced in the near future as an outstanding action under the contract with the borough's previous supplier and maintenance provider, Elektromotive.
- 3.4 The contract with Elektromotive, which was funded by TfL, has expired which means the Council is now liable and responsible for all of the above charge points.
- 3.5 TfL tendered the Source London Scheme in 2013 and Bluepoint London Limited (BPL) was selected to take over the scheme in September 2014.
- 3.6 This paper is asking for approval to sign the novation agreement which recognises that TfL has transferred the ownership of the Source London scheme to BluePoint London Ltd and they are now responsible for its operation and ongoing development.
- 3.7 The Council will then have the opportunity, but not the obligation, to agree to a London Wide Variation Agreement that BPL has drafted as part of the contract, which will set out the terms and conditions of any partnership between the Council and themselves. This is subject to further discussions and variations between BPL and the Council after the Novation Agreement has been signed.
- 3.8 Following discussions with BPL it has been confirmed that they are offering, at no cost to the Council, to take over responsibility for managing and maintaining the existing charging points as well as any associated insurance liability. In exchange they are looking for an 8 year commitment from the Council as well as the opportunity to expand the electric vehicle charging point network in the

borough, although this is subject to prior written agreement on behalf of the Council.

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

4.1 There are two alternative options which have been considered but are not recommended for reasons outlined below:

- i. Do not sign the BPL Novation Agreement and no longer be a part of the Source London Network which would require the Council to maintain the existing network and if demand requires, establish new Electric Vehicle Charging Points in the future. Currently the Council does not have the resources or expertise to undertake this whereas BPL will implement, maintain and be liable for new charging points at nil cost to the Council and old charging points, subject to LBE agreeing BPLs requests in due course to replace specified EVCPs with new technology and equipment.
- ii. A second alternative would be not only to exit the Source London Network altogether but to remove all existing EVCPs in the borough as well. This would have resource, reputational and political implications; in particular it would appear that the Council is making policy decisions which do not accord with national or regional thinking.

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

- 5.1 Following a process of tender, TfL transferred its management and operation of the Scheme (and its associated Scheme assets excluding charge points) to the New Scheme Operator pursuant to an asset purchase agreement between the New Scheme Operator and the Authority on 11 December 2013. The ownership of the Source London contract in its entirety went to the successful bidder; BluePoint London Ltd. As part of this process, boroughs were asked to sign a Novation Agreement to accept that the scheme had now been bought and secured by BPL and would be under their operation from September 2014. This didn't affect the contract with Elektromotive as funding was still available to secure this through TfL until it expired in September of this year. However, the Council has yet to sign the Novation Agreement, and, in order to ensure that Enfield has the option of remaining in the Source London scheme; the Council must sign the Novation Agreement, ideally by the end of December this year.
- 5.2 To highlight, there is currently no arrangement in place to run or maintain the Council's existing electric vehicle charge points, leaving the Council liable for all costs, including any accidental or other damage. The Council also currently pays for the cost of electricity used by these points. Signing the Novation Agreement would provide an opportunity to remove liability from the Council for all operating costs and enable the network to expand in the future, under BPL.
- 5.3 By continuing to be an active partner in the Source London network, the Council is helping to deliver aspects of both the Mayor's Transport Strategy and its own Air Quality Action Plan. The UK Government is currently having infraction procedures brought against it for being in breach of EU air quality targets with

London being the biggest perpetrator. The uptake of electric vehicles features heavily in the plans of central government, the Greater London Authority and TfL, in order to help improve air quality, achieve targets and avoid fines. Should this not happen, the Government is able to hand the fines down to local authorities under the Localism Act. Although this is some time away, it would look favourable if the Council places themselves in a position that shows efforts are being made to reduce emissions from transport in the borough. By supporting the uptake of electric vehicles, there is a real opportunity to reduce emissions from transport and improve air quality in the borough.

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

### **6.1 Financial Implications**

6.1.1 This report is mainly seeking that the Council sign a Novation Agreement to recognise the de facto new Pan Source London Scheme provider is BluePoint London Limited.

6.1.2 The 9 Electric Vehicle Charge Points (paragraph 3.2 & 3.3) were installed and previously maintained by Transport for London, but these arrangements have now ceased. This means responsibility and liability for these charge points currently rests with the Council.

6.1.3 There is currently no arrangement and budget in place to run or maintain the Council's existing electric vehicle charge points (previously funded by TfL), leaving the Council with any possible liabilities that might arise; including any accidental or other damages. There are no estimates/historical trends available to assess the possible liability that might arise.

6.1.4 The Council currently pays for the cost of electricity, which is met from the Council's utility budgets.

6.1.5 There are no financial implications in signing the Novation Agreement at this stage and any future Variation Agreement – its financial implications will be subject to a further report.

### **6.2 Legal Implications**

6.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. In addition, the general power of competence in s.1 (1) of the Localism Act 2011 states that a local authority has the power to do anything those individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The recommendations within this report are in accordance with these powers.

- 6.2.2 All contracts including A Deed of Novation shall be in a form approved by the Assistant Director Legal and Governance.
- 6.2.3 Throughout the engagement of the service provider, the Council must comply with its obligations with regards to obtaining best value under the Local Government (Best Value Principles) Act 1999.

### **6.3 Property Implications**

- 6.3.1 The use of Council owned assets must comply with the requirements of Property Procedure Rules which not only identifies the approval process but specifically that any occupation or use is correctly documented with agreed terms and conditions.
- 6.3.2 Subject to the terms of the agreement it would be expected that either a lease or licence will be required for the charge point with any supply cabling documented as a Wayleave. By undertaking these measures the Council will have the charge points and use correctly documented and included as part of the agreement.

## **7. KEY RISKS**

There are no risk implications of signing the Novation Agreement as it is an acknowledgement that BluePoint London has taken over the Source London Scheme. The Council will not be committed to the new terms of the scheme under which BPL are Scheme Operator, unless the Council agrees to and signs a Variation Agreement (subject to amendments) at a later date.

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

### **8.1 Fairness for All**

Signing the Novation Agreement is the first step to supporting people, through additional infrastructure at no cost to the Council, in adopting more sustainable forms of travel, helping to improve air quality and the health of all residents.

### **8.2 Growth and Sustainability**

Electric vehicles will contribute to the objectives of the Council's Air Quality Action plan, helping to make transport in the borough more sustainable. By signing the Novation, the Council is allowing the opportunity to make this happen.

### **8.3 Strong Communities**

Supporting BPL to implement a charging network in London will help to support residents to buy/use electric vehicles, which will indirectly encourage people to take responsibility for the environment around them and help to create a cleaner environment. This enables people to take responsibility for their lives, as it could have various positive health implications.

## **9. EQUALITY IMPACT IMPLICATIONS**

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

10.1 The provision of electric vehicle charge points (EVCPs) supports outcome 2.5 of the Council's Business Plan, namely:

- Improved sustainability of transport and reduce its impact on the borough

## **11. HEALTH AND SAFETY IMPLICATIONS**

There are no direct health and safety implications of this report. However, entering into the Novation Agreement is a necessary step if the Council wishes to continue talks with BPL to ensure that electric vehicle charge points will be fit for purpose and properly maintained (subject to negotiating and signing the Variation Agreement).

## **12. PUBLIC HEALTH IMPLICATION**

Seventeen percent of deaths in Enfield are related to air pollution and transport emissions form a major part of this. Climate change has been described as the greatest threat of the 21<sup>st</sup> century to the health of the public. An increase in the use of electric vehicles forms part of the Council's strategy to improve air quality by reducing harmful emissions from both conventional petrol and diesel engines. Charging points will not only encourage the use of cleaner sources of energy but move combustion of fossil fuels away from urban centres

### **Background Papers**

None

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

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**

Ian Davis – Director,  
Environment & Regeneration

Cllr Daniel Anderson -  
Cabinet Member for  
Environment

<b>Agenda – Part: 1</b>	<b>KD Num: 4233</b>
<b>Subject: SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services</b>	
<b>Wards: East and West Wards</b>	

**Date:** 27 November 2015

Contact officer and telephone number:

Jacqui Smith, Head of People Transport Service

0208 379 2012

e-mail: [Jacqui.smith@enfield.gov.uk](mailto:Jacqui.smith@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 This report makes a recommendation on the award of the contract for the provision of SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services to the eastern and western postal codes of the Authority.

**2. RECOMMENDATION**

- 2.1 For the reasons stated in this report, the Council now seeks the following:
- 2.1.1 Approve the award of the contract to "**Contractor A**" who is the successful tenderer, as detailed in the part 2 report.
- 2.1.2 To approve the commencement of the contract from 22 January 2016 to the 21 January 2017 with the option to extend for a further period of up to 2 x 1 year periods (22 January 2017 to 21 January 2019).
- 2.1.3 To approve Contractor A's tendered price detailed in the Part 2 report.

### **3. BACKGROUND**

- 3.1 The tender exercise is required to replace the current contract which was ceased due to the failure of the winning bidder to provide the service.
- 3.2 To meet the Council's Contract Procedure Rules (CPR's) this Contract had to be re-tendered.
- 3.3 This procurement was conducted under the Public Contract Regulations 2015 and a compliant OJEU Open Tender procurement process was undertaken.
- 3.4 The details of the tender evaluation can be found in the Part 2 report.
- 3.5 The award of this Contract to **Contractor A** will allow the London Borough of Enfield to continue to provide SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services to in-scope residents from the eastern and western postal codes of the Borough as required by its statutory obligations.

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

- 4.1 Do nothing. This is not an option as the Contract is over the EU procurement threshold. The current interim arrangements end in February 2016 and then service continuity would be at risk.
- 4.2 Bring the service in-house. This would involve investing in vehicles through purchase or hire - with associated maintenance costs, as well as employing drivers, escorts and managers – with on costs. This approach would be costly and not provide the results required from this exercise as the Council is re-tendering for one element only of the transport service requirements.
- 4.3 Pursue sub-regional collaborative opportunities. This might potentially deliver economies of scale, although few of the Council's neighbouring boroughs currently have an outsourced transport service. The project group considered this option but concluded that due to the urgency of putting a contractual arrangement in place for this element of the Council's transport service, the option to collaborate with other authorities was not considered due to the risk of extending the timescale of the re-procurement exercise. In addition the collaborative approach could also have a negative impact on small local providers bidding for the work.
- 4.4 Conducting a mini competition between the listed providers on the YPO Matrix SPS – DPS for Transport Services agreement was considered but dismissed for the following reasons:
  - The DPS agreement was considered not appropriate for this re-procurement exercise as it does not cover the entire service



requirement, only the two elements the preferred provider Airport 2 Doors failed to provide will be tendered for.

- As the entire service is not being tendered for, the reduced spend could possibly diminish interest from the listed providers.
- The hidden management fees involved would not provide VFM to the Council i.e.:
  - £20k management fee p/a
  - 50/50 sharing of any savings for the first year
  - £75 training costs per officer after the first year
  - SRM management fee of £10k p/a after the first year

4.5 Due to the time restraints the recommended option was to undertake a single stage competitive Open Tender procurement process. This would ensure the new service is re-commissioned in line with CPRs, deliver value for money and budget savings and open the opportunity to small local providers.

## **5. REASONS FOR RECOMMENDATIONS**

5.1 The successful provider returned a compliant bid and scored highly on the price/quality assessment process.

5.2 The successful provider's submission was evaluated by the project team and considered to cover all the requirements of the Contract and have the required expertise and capacity to fulfil their contractual obligations.

5.3 The successful provider's submission represents Value for Money to the Council.

5.4 The recommended provider has provided the Most Economically Advantageous Tender as detailed in the Part 2 report.

## **6. KEY RISKS**

The following key risks have been identified below:

6.1 If this Contract was not approved, there could be an impact on the Council's obligation to safely transport in-scope SEN and Social Care clients to and from pre-arranged destinations and could jeopardise the Council's community safety priorities.

6.2 Any further risks identified throughout the project delivery will be managed by the project manager and escalated and managed via the governance structure.

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

### **7.1 Financial Implications**

- 7.1.1 This report makes a recommendation on the award of the contract for the provision of SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services to the eastern and western postal codes of the Authority. It should be noted that this contract is a result of a re-tendering process due to the inability of the successful provider from the previous tender exercise conducted in 2013 to supply the service to the Authority and the current interim arrangements ends in February 2016.
- 7.1.2 The estimated annual cost of the contract is £328,206, which will be funded from within the existing resources.

The services are currently run through an interim arrangement and their relevant costs are paid from the existing resources. This will end in Feb 2016.

There are no savings as a result of this procurement exercise.

- 7.1.3 The award of the contract will allow the Council to continue to provide SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services to in-scope residents from the eastern and western postal codes of the Borough as required by its statutory obligations.
- 7.1.4 The price and the key performance indicators mechanisms within the contract will need to be strictly applied in order to ensure value for money.

## **7.2 Legal Implications**

- 7.2.1 Section 508 of the Education Act 1996 deals with the duty on local authorities to make such travel arrangements as they consider necessary to facilitate attendance at school for eligible children. Schedule 35B of the Act defines eligible children – those categories of children of compulsory school age (5-16) in an authority's area for who free travel arrangements will be required. This includes children unable to walk to school, including where the distance is less than the statutory walking distances, by reason of their SEN, disability, or mobility problem.
- 7.2.2 The Education Act 2002 amended section 509 of the Education Act 1996 to clarify the responsibilities of LAs and their partners in assessing and providing transport service for students aged 16-19 years in FE. It required LAs and their partners to publish transport policies to outline transport services available to students who are over compulsory school age but under 19, or who are on a course which started before they reached 19. Provision should also be made for students with learning difficulties and disabilities up to at least 21, and ideally to 25, who need additional transport support.
- 7.2.3 In addition to the above, the Council has the power under section 1 of the Localism Act 2011 to do anything that individuals generally may do

provided it is not prohibited by legislation and subject to Public Law principles.

- 7.2.4 The value of the contract is above the EU procurement threshold and was therefore tendered in accordance with the Public Contract Regulations 2015 ("PCR 2006"), the EU Treaty principles of transparency, equal treatment, proportionality and non-discrimination, and the Council's Contract Procedure Rules,
- 7.2.5 The Council must comply with its obligations with regards to obtaining best value under the Local Government Act 1999.
- 7.2.6 As the value of the contract exceeds £250k the Council must comply with Key Decision procedure.
- 7.2.7 The resultant contract must be in a form approved by the Assistant Director of Legal and Governance.

### **7.3 Property Implications**

There are no property implications as the Contract is restricted to the transportation of in-scope SEN and Social Care clients to and from pre-arranged destinations only.

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

### **8.1 Fairness for All**

- 8.1.1 The provision of SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services will enable the Council to comply with its obligation to safely transport venerable clients to and from pre-arranged destinations within and outside the Borough.

### **8.2 Growth and Sustainability**

- 8.2.1 The preferred procurement option will be open to small local providers and therefore supports the Council's priority of maintaining wealth within the local community and promoting job opportunities to local residents.
- 8.2.2 This Contract is designed to sustain services and community safety when it is in operation.
- 8.2.3 Providers have been encouraged to procure environmentally friendly vehicles and adopt environmentally friendly practices, take practical steps to reduce carbon emissions, improve air quality, including the use of clean fuel and meeting Euro emission standards.

8.2.4 Providers will be required at all times to maintain their vehicles in good, serviceable and roadworthy condition to ensure that they run efficiently and minimise mileage travelled. Rigorous contract monitoring including spot checks by the council's transport manager will ensure contractors' environmental policies and practices are sound.

### **8.3 Strong Communities**

8.3.1 The provision of the services under this Contract will support the Council's priority in providing protection and reassurance to vulnerable members of the public.

8.3.2 The award of this Contract will enhance the reputation of the Council by exhibiting positive action in order to ensure the safety and well-being of its vulnerable residents.

## **9. EQUALITIES AND DIVERSITY IMPLICATIONS**

9.1 There is a contractual obligation for the provider to comply with the Council's relevant policies and codes of practice in relation to equal opportunities legislation and regular contract monitoring will ensure that a high quality of service is provided. However, it is neither relevant nor proportionate to undertake an equality impact assessment/analysis purely for the award of the contract.

9.2 This decision will have a positive impact on the quality of life of children with SEN and disabilities and the Authorities Social Care clients. The transport service ensures that some of the most vulnerable children, young people and adult residents in the borough are safely transported from their homes to their place of study/leisure/appointments and back, which for many of their families relieves the difficulty and stress of having to organise transport themselves.

9.3 This service also ensures that children, most of who have complex disabilities are able to consistently arrive at school on time, usually in a relaxed state and attend classes where their education is specifically geared to their needs. Without this service the education, health and life chances of these children with SEN and disabilities will be severely restricted.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

10.1 Incorporated into the Contract Specification is a comprehensive set of Performance Management and Key Performance Indicator (KPI) criteria to ensure not only compliance with requirements but also designed to warrant continuous improvement throughout the life of the Contract.

10.2 The Contract also specifies that the contractor shall ensure the SEN and Social Care Smaller Vehicle (Taxi and Driver) Transport Services provided to in-scope residents from the eastern and western postal codes

of the Borough will be delivered in accordance with all British and other Industry Standards of operation in all areas of service and that all statutory licences and certifications required will be obtained and maintained throughout the life time of the Contract.

## **11. HEALTH AND SAFETY IMPLICATIONS**

11.1 Health and safety policies of all providers were considered during the tender process and ensured they hold and maintain third party accredited health and safety registration.

11.2 The Contract has a positive impact on the health and safety of children and young people with SEN and disabilities and vulnerable adults. By transporting them safely and facilitating their participation in education and/or associated activities with their peers, this service helps to improve overall well-being and the life chances of these residents.

## **12. PUBLIC HEALTH IMPLICATIONS**

12.1 This contract enables the Council to provide services which will improve the health and safety of its vulnerable residents.

## **13. HR IMPLICATIONS**

13.1 None

## **BACKGROUND PAPERS**

None.



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

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cabinet Member for Environment

**REPORT OF:**  
Director – Regeneration &  
Environment

<b>Agenda – Part: 1</b>	<b>KD Num: N/A</b>
<b>Subject:</b> <b>A Statutory Consultation to amend tariffs to resident and business permits in Controlled Parking Zones.</b>	
<b>Wards: All</b>	

Contact officer and telephone number: David Morris x796556

E mail: [david.morris@enfield.gov.uk](mailto:david.morris@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the proposals for a statutory consultation to change parking permit tariffs and charges within Controlled parking zones (CPZ).
- 1.2 The changes are being made to simplify the current permits and to address the current permit deficit. Currently the cost of administration and enforcement of the Controlled Parking Zones (CPZs) are not covered by the permit charges.

**2. RECOMMENDATIONS**

- 2.1 To undertake a statutory consultation to change tariffs for a Controlled Parking Zone to implement changes to:
  - (i) Remove the current CO2 permit charge tariffs and replace with a scheme based on a vehicles engine size.
  - (ii) remove the current over 65 permit discount of 50%
  - (iii) and make the service cost neutral (cover the current permit deficit)
- 2.2 To ensure cost recovery when enforcing CPZs

### 3. BACKGROUND

- 3.1 The London Borough of Enfield's current emissions based parking permit charges were implemented in March 2011.
- 3.2 The cost of permits should cover the administration and enforcement of any schemes to make the service cost neutral. Penalty Charge Notice (PCN) revenue received from enforcing CPZs is not taken into account when reviewing permit charges. This revenue is a by-product of carrying out necessary enforcement and ideally we would not issue any PCNs.
- 3.3 Legislation does not express what may be considered an appropriate level of permit charge. However, there is an express recognition in the Road Traffic Regulation Act 1984 (RTRA) that the generation of surplus is a possibility and that any such surplus made as a result of parking fees can be applied in accordance with the s.55(4) of the RTRA. Our current tariff does not generate a surplus.
- 3.4 Since the last permit review in 2011 the gap between revenue and expenditure has increased (the table below includes over 65 permits).

Financial Year	Number of permits	Number of Scratch cards	Enforcement Administration and Stationery (Expenditure) 000's	Resident permits and scratch cards (Income) 000's	Variance Exp v Income 000's	Variance in %age
2011/2012	3218	3070	£326	£272	-£54	-20%
2012/2013	3040	3270	£390	£302	-£88	-29%
2013/2014	3231	3330	£438	£323	-£115	-36%
2014/2015	3381	3319	£464	£326	-£138	-42%
Increase From 2011/12 to 14/15	163	249	£138	£54		
%age Increase From 2011/12 to 14/15	5%	8%	42%	20%		

- 3.5 From 2011/12 to 2014/15 there has been a 5% increase in permits and an 8% increase in the number of scratchcards sold in the borough. However, with the introduction of new CPZs at North Middlesex, Chase Farm, Queens Avenue and Wilson Street; the enforcement and



administration costs have increased by 42%, while the income has only increased by 20% in those years.

This increase in costs can be attributed to the increase in stationary and administration of the zones plus the additional enforcement needed for the new CPZs and ongoing costs. The details of the additional costs can be found on section 8 of this report.

- 3.7 The aim of the emission based scheme was to encourage the use of vehicles with low CO<sub>2</sub> emissions by way of financially rewarding them with reduced permit prices.
- 3.8 As the Government placed an increased responsibility on local authorities to meet the challenge of reducing carbon emissions and encouraging sustainable travel, many other boroughs implemented and continue to model their parking policies and charges that encourage sustainable modes of transportation.
- 3.9 The system is seen by many as overly complicated as well as unfair in the way it imposed a tax on some residents while leaving others free to continue to drive the highest polluting cars. For example, permits are normally bought by residents in smaller streets without off street parking, while owners of large homes with off-street parking do not have to pay, whatever car they drive.
- 3.10 Since the introduction of the current tariff, there has also been a significant amount of information produced on the use of diesel engines.
- 3.11 Diesel engines had often been presented as being more environmentally friendly than petrol engines. Being more fuel-efficient than their petrol equivalents they tend to produce less CO<sub>2</sub> per mile.
- 3.12 However, diesel vehicles, especially older vehicles, produce higher emissions of nitrous oxides and harmful particulates than petrol engines – contributing to poor local air quality.
- 3.13 Pollutants including nitrogen dioxide and PM<sub>10</sub> have known or suspected harmful effects on human health and the environment and are emitted from motor vehicles (vehicles emit oxides of nitrogen which are then converted into nitrogen dioxide in the presence of ozone and sunlight). Exposure to moderate air pollution levels is unlikely to have any serious short-term effects.
- 3.14 However, elevated levels and/or long term exposure to air pollution can lead to more serious symptoms and conditions affecting human health. This mainly affects the respiratory and inflammatory systems; nitrogen dioxide and PM<sub>10</sub> are both known respiratory irritants and PM<sub>10</sub> has also been linked to heart disease and cancer. People with lung or heart conditions may be more susceptible to the effects of air pollution.

- 3.15 Engine size vehicle emissions are affected by weight as well as engine size. How much a car weighs is linked to how much fuel it uses. A heavy car needs a lot of fuel to get it going from a stop but a big engine in a small car can be economical. The vehicle excise duty rates are linked to CO2 emissions and generally the larger the car's engine, the higher the emissions. This is due to the need to draw in more oxygen and burn more fuel in order to develop more power, especially when dealing with heavier vehicles.
- 3.16 Whilst the number of permits issued for the lowest emitting vehicles has increased (from 53 in 2012/13 to 122 in 2014/15; the increased figure only represents 3.5% of all residents permits issued).
- 3.17 We have therefore reviewed the way we operate our permit schemes taking into account the following objectives:
- making the service more efficient
  - making permits fair and proportionate to motorists
  - ensuring that there is a consistency in the permits across the borough
  - simplify the number of types of permits available to motorists
  - to ensure that the cost of permits covers the enforcement and administration of the scheme

#### **4.0 Proposed Option**

- 4.1 The proposed option for which views are sought and is the subject of the consultation is the introduction of a permit scheme that is based on engine size (cc).
- 4.2 The proposed charges have been set at a level to take into account the current vehicles using the permit scheme.
- 4.3 The proposed tariff will mean that those who drive smaller less polluting vehicles will be able to purchase a cheaper permit than those who drive vehicles with larger engines (see paragraph 6.1).
- 4.4 Existing permit holders will need to run their full term unless a new permit is taken out at the same time as one is surrendered, and then only if there is a change to either the address or vehicle details.
- 4.5 The current charges allow residents the ability to buy additional permits for additional cars. Spaces within our CPZs is limited and the Council wishes to encourage people to use sustainable modes of transport; it is proposed that additional vehicles will be charged at the same price as the first permit. It is further proposed that the Council limit the amount of permits at a rate of three per person as a method of restricting demand and encouraging sustainability.

<b>Total Number of Permits Issued In 2014/15 (including over 65s)</b>			
<b>1<sup>st</sup> Permits</b>	<b>2<sup>nd</sup> Permits</b>	<b>3<sup>rd</sup> Permits</b>	<b>Total</b>
3,234	139	8	3,381

- 4.6 Subject to consultation, the current reduction in permit price for over 65s introduced in 2011 (which is 50% discount) will also be withdrawn.
- 4.7 The permit reduction was a pledge from the Administration's 2010 manifesto. It has now become unaffordable due to the Council's current funding constraints and the Council want to introduce a standard fee based on vehicle engine size and not the owners of the vehicles.

#### **5.0 Implementing New Permit Charges**

- 5.1 To carry out a statutory consultation, which proposes a scheme based on the size of a vehicles engine (cc); it should be noted that any proposed changes will need to be published in a local newspaper as part of the legal Traffic Order making process which be statute must allow a 3 week objection period. Any written objections that are received by the Council during this period will need to be considered by the Cabinet Member for Environment before the Orders can be made and changes implemented.
- 5.2 In addition, it is proposed to also consult the Enfield Business Retail Association, relevant Resident Associations and stakeholders.

#### **6. ALTERNATIVE OPTIONS CONSIDERED**

- 6.1 Continue with current CO2 tariff permit scheme – this currently operates with a significant financial deficit. However, diesel vehicles, especially older vehicles, produce higher emissions of nitrous oxides and harmful particulates than petrol engines – contributing to poor local air quality.

Engine sizes vehicle emissions are affected by weight as well as engine size. How much a car weighs is linked to how much fuel it uses. A heavy car needs a lot of fuel to get it going from a stop but a big engine in a small car can be economical. The vehicle excise duty rates are linked to CO2 emissions and generally the larger the car's engine, the higher the emissions. This is due to the need to draw in more oxygen and burn more fuel in order to develop more power, especially when dealing with heavier vehicles.

The proposed tariff will mean that those who drive smaller less polluting vehicles will be able to purchase a cheaper permit than those who drive vehicles with larger engines.

- 6.2 Continue with the current permit tariff but increase the charges. This has been discounted for the same reasons as listed in 6.1.
- 6.2 Continue with current permit scheme with removal of the over 65 discount – during the current financial constraints that the Council has, it is not cost effective to continue to offer this discount
- 6.3 A two tier scheme (i) continued reduction for low CO2 emitting vehicles (ii) all other vehicles – this option has been discounted because we want to introduce as simple scheme for motorists as possible. Currently 244 permits (111 first and 11 second permits are sold or 3.6%)
- 6.4 Introduction of a diesel surcharge - Again this was discounted as we want to make the scheme as simple as possible for motorists.

## **7 REASONS FOR RECOMMENDATIONS**

- 7.1 To make the permit scheme fair for all motorists.
- 7.2 To make the administration and enforcement of the permit scheme cost neutral and the charge chosen has been calculated by reference to the cost of operating the schemes.
- 7.3 If after covering the cost of administration and enforcement any such surplus made as a result of parking fees can be applied in accordance with the s.55(4) of the RTRA.

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

### **8.1 Financial Implications**

- 8.1.1 In 2014/15 the cost of enforcement and administration of the boroughs CPZs was £464k, while the income generated from residents permit and scratch cards was only £326k; resulting in a budget deficit of £138k (42%).

Note: We were not able to use the 2015/16 figures; due to lack of sufficient data.

<b>Financial Year</b>	<b>Number of permits</b>	<b>Number of Scratch cards</b>	<b>Enforcement Administration and Stationery (Expenditure)</b> <b>000's</b>	<b>Resident permits and scratch cards (Income)</b> <b>000's</b>	<b>Variance Exp. v Income</b> <b>000's</b>	<b>Variance in %age</b>
2014/2015	3381	3319	£464	£326	-£138	-42%

8.1.2 The enforcement and administration cost has increased by £138k (from 2011/12 to 2014/15) – an increase of 42% (see paragraph 3.4 and 3.5), while the income has only increased by 20%. The increase in costs are mainly due to:

- a) The introduction of 4 new CPZs (North Middlesex, Chase Farm, Queens Avenue and Wilson Street), which requires additional Civil Enforcement Officers in areas where there were previously no restrictions.
- b) Changes to an existing CPZ (Enfield College).
- c) Annual RPI increase to the Civil Enforcement Officers salaries with the rate changing from £15.56 in 2011 to the current rate of £17.87 in 2014/15 and additional stationery requirements.

8.1.3 The proposed permit tariffs have been based on making the scheme cost neutral, which is estimated to generate a total income of £464k to cover the cost of the scheme – i.e. an additional income of £138k (See Appendix B).

8.1.4 The 2014/15 over 65 permit scheme (50% discount) total value was £20.4k and if the cabinet members final position is to continue with this discount; the financial implication is estimated to be £29k per year (based on the proposed tariffs).

8.1.5 One-off costs of implementing proposed changes including the publication of Traffic Management Orders will be met from the existing Parking budget.

## **8.2 Legal Implications**

By virtue of the Road Traffic Regulation Act 1984 Section 122 the Council has a duty to secure the provision of suitable and adequate parking facilities on and off the highway. By Section 45(1) and (2) (b) a local authority may by order make and prescribe charges for vehicles left in designated parking places and in connection with the issue of a permit. Section 46 prescribes that charges shall be made by an order of the Council and that such charges may be varied by notice.

The making of charging tariffs must be concerned with the expeditious, convenient and safe movement of traffic and the provision of suitable and adequate parking facilities on and off the highway. The permit charges will generate revenue, but the charging level must be set by reference to the cost of operating the permit scheme and not with a view to making a surplus. The Council has a wide discretion to differentiate between users of parking facilities, vehicles and periods of charging when setting a permit policy.

Regard must be had to the Equality Duty in respect of the proposals. The consultation may assist the Council to better understand any impacts the proposals may have on those people with protected characteristics.

## **9. Property Implications**

None

## **10. KEY RISKS**

- 10.1 Due diligence would therefore need to be exercised with possibly a pilot exercise undertaken in the first instance should Members agree the various recommendations
- 10.2 Care still needs to be taken to ensure that the enforcement costs and administration do not exceed the income taken. This may mean a significant rise for some permit holders, especially those over 65 and owning low emitting vehicles who currently pay £10. However, this will form part of the consultation.
- 10.3 The 50% discount was a manifesto pledge in 2010. However, this is no longer affordable in the current economic climate.
- 10.4 There may be a significant increase to permits held by owners of low CO2 emitting vehicles. However, this makes up a small number of the total permit holders at 3.6% of those issued.

## **11. IMPACT ON COUNCIL PRIORITIES**

### **11.1 Fairness for All**

- 11.1.1 Blue badge holders will continue to receive a free resident's permit so that the theft of the blue badge from vehicles is reduced.
- 11.1.2 Vehicle permits will be based on a fair, weighted system based on engine size.

## **12.1 Growth and Sustainability**

12.1.1 The new permit scheme will be fairer for all motorists whilst making the service cost neutral

## **13.2 Strong Communities**

13.2.1 A robust permit system allows efficient enforcement whilst responding to the needs of the motorist

13.2.2 The report continues to address the concerns of blue badge holders.

## **14. EQUALITY IMPACT IMPLICATIONS**

14.1 An EQIA has been undertaken and it has identified that the changes set out in this report may have a potential impact on those aged 65 years and over. Whilst charges are to be brought into line to address the current parking permit deficit, the removal of the discount for those in this age group may impact on the affordability of a parking permit.

## **15. PERFORMANCE MANAGEMENT IMPLICATIONS**

15.1 Extending the permit scheme encourages legal use of the designated permit parking bays

15.2 The administrative and enforcement costs will be covered by the changes in the permit scheme thus making the scheme self-financing.

## **16. HEALTH AND SAFETY IMPLICATIONS**

None

## **17. PUBLIC HEALTH IMPLICATIONS**

17.1 Even if parking charges are increased to cover the costs of administering parking schemes as alluded, cost neutral will not mean that all the external costs of motorised transport in the borough are being met. These include the healthcare costs of pollution (air pollution is linked to 17% of deaths in Enfield), the costs of congestion (estimated by the Cabinet Office nationally at some £9 billion / year, the costs of segregation (in Enfield particularly East – West across the A10) and the costs of missed opportunities for building physical activity into everyday life e.g. many parents will send their children to school by bus rather than cycling as traffic makes cycling 'too dangerous'.

17.2 From a Public Health perspective cost neutral in terms of administration does not mean that all costs of motorised transport are

met and it may be useful to consider how further charges may be used to improve health for all across the borough.

## **Background Papers**



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

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cllr Ahmet Oykener, Cabinet  
Member for Housing and Housing  
Regeneration

**REPORT OF:**  
Director of Regeneration  
and Environment

**Agenda – Part: 1**

**KD Num: 3942**

**Subject: Additional Funding,  
Freezywater External Enveloping and  
Communal Area Upgrades Scheme.**

**Wards: Turkey Street and Enfield Lock**

Contact officer and telephone number: Andrew Batty, 020 8375 8269.

E-mail: [andrew.batty@enfield.gov.uk](mailto:andrew.batty@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1. This report seeks approval for additional funding for the settlement of the final account for the Freezywater External Enveloping Scheme, which carried out the renewal of roof coverings, replacement of windows & doors, electrical and mechanical upgrade to landlord supplies and extensive upgrade and redecoration to communal areas to 13 blocks in the Freezywater area of the borough. The work was undertaken as part of the Council's Decent Home Programme under Key Decision 3662.
- 1.2. The additional cost is due to both unforeseen variations and cost increases necessary to complete works to the blocks.
- 1.3. The additional costs incurred are contained within the block allocation and therefore this recommendation falls within the remit of Part 4, Chapter 4.8 of the Financial Regulations as a Portfolio Decision of the Cabinet Member for Housing and Housing Regeneration.

## **2. RECOMMENDATIONS**

- 2.1. To approve additional funding of £638,443.20 in respect of additional works, over the approved contract sum of £2,491,836.50. The anticipated maximum final account paid to the contractor will be £3,130,279.70.
- 2.2. To approve additional professional fees at 2.8% over £69,771.42 based on the contract sum. The anticipated maximum fees payable to the consultants will be £87,647.83, an increase of £17,876.41.
- 2.3. To note the reasons for the overspend as described in the Part Two report, of the same title and date.

## **3. BACKGROUND**

- 3.1. The scheme was part of Enfield's Decent Homes Programme, a Government led initiative to ensure that all social housing meets set standards of decency by 2014.
- 3.2. Design consultants for the project were appointed, following a competitive selection process to procure and manage the works from feasibility to completion
- 3.3. The blocks covered by the scheme were selected using the Council's Stock Condition Survey information, and selected on the basis of chronological priority, type of work and scheme size.

### **3.4. The works were carried out on the following blocks**

46-68 Princes Avenue  
1-15 and 16-38 Holmwood Road  
42-64, 43-65 and 67-89 Ashton Road  
1-9, 2 Holly Road  
720a-722c, 724a-726c and 868-926 Hertford Road (3 blocks)  
67a-73c, 75a-85c, and 87a-83c Park Road

All of these blocks were built in the 1950s and early 1960s

- 3.5. The scheme was tendered to six tenderers selected from EXOR. Five of the six tenderers responded and the contractor offering the lowest priced compliant tender was appointed.
- 3.6. The works contract started on site on 14<sup>th</sup> October 2013 and achieved Practical Completion on 1<sup>st</sup> August 2014.
- 3.7. During the course of the project, several significant variations to the contract scope were necessary as a result of both previously

unforeseen variations and instructions required in order to complete the work and satisfy the Decent Homes standard.

3.8. The variations to which the significant majority of the over expenditure can be attributed to are detailed in the Part Two report of the same title and date.

3.9. The overspend was reported to then Director of Technical and Property Services, Enfield Homes, who agreed the overspend to enable the scheme to proceed to its conclusion.

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

4.1 The deferral or omission of the remaining additional identified works was not feasible, due to the additional work being discovered only when roof coverings were removed or degraded concrete was exposed. At such an advanced stage it was impossible to reinstate the removed materials.

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

5.1 The additional expenditure was incurred during delivery of the contract on site, and approval given by the then Director of Technical and Property Services, Enfield Homes to ensure continuation of the works and payments to the contractor. This report seeks formal approval of the final account figure.

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

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

6.1.1 The increased cost of works and fees are outlined and detailed in Part Two of this report.

6.1.2 The additional costs incurred are contained within the block allocation and therefore this recommendation falls within the remit of Part 4, Chapter 4.8 of the financial Regulations as a Portfolio Decision of the Cabinet Member for Housing and Housing Regeneration.

6.1.3 The increase in cost is contained within the resource allocation for the Housing Capital Programme in 2014/15 of £36.9m.

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

6.2.1 The Council has a general housing power to alter, repair or improve its housing accommodation as set out at section 9 of the Housing Act 1985. The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

6.2.2 The value of the works contract (including the additional maximum payments recommended in this report) falls below the threshold applicable to the Public Contracts Regulations 2006, which governed the procurement process. However, the Council needed to be mindful of the EU general principles with regards equality, transparency, proportionality and non-discrimination. The client has confirmed that the tender exercise was carried out in accordance with the Council's Constitution, in particular, the Contract Procedure Rules.

The contractors invited to tender for the works were selected to bid and the successful contractor awarded all as documented in a previous report (KD3662).

6.2.3 Under the CPRs, variations to contracts must be authorised in accordance with the financial scheme of delegation. The client has confirmed that, as so required, prior to the relevant variations of the scope and costs of the works contract:

- a budget was allocated for the expenditure,
- value for money was demonstrated;
- the relevant Project Manager agreed the variation to costs and received the relevant Director's approval; and
- the additional works/ supplies do not exceed 50% of the total value of the original contract and also represent best value.

6.2.4 Any additional contractual documents, e.g. change notices or variation agreements, where required, to implement and record variations to works or costs or the contract period must be in the form required by the JCT contract or (where appropriate) in a form specifically approved by the Assistant Director of Legal Services. All required variations by Architect's Instruction must be signed off and recorded in writing using, where applicable, the conditions and documentation agreed within the JCT contract.

6.2.5 Justification and decision making for variations from original specifications and tender prices need to be robustly evidenced to reduce the risk of non-recovery, if challenged.

The relevant Project Manager confirmed the works contract was varied in accordance with the provisions of the contract.

6.2.6 The Council must also comply with the Best Value principles under the Local Government Act 1999; and therefore should be certain that this offers better value for money than seeking further competitive tenders for the additional works.

6.2.7 The engagement of the consultant for the multi-disciplinary consultancy service was in accordance with the Council's Contract Procedure Rules, as documented in a previous report. Any variation to the total costs of the consultancy agreement is to be in accordance with the terms and conditions of the existing consultancy agreement and in accordance with both the Council's Contract Procedure Rules and the Public Contract Regulations 2006.

6.2.8 When carrying out major works of this nature the Council is only allowed to recover the costs from the leaseholders if it has carried out a consultation exercise, served notice on leaseholders in accordance with section 20 of the Landlord and Tenant Act 1985 (as amended) ("the Act") and regulations issued pursuant to section 20. The Client confirms that the Council duly carried out the consultation in accordance and complied with the regulations issued pursuant to the Act.

6.2.9 The Council must also comply with the Best Value principles under the Local Government Act 1999. The client has confirmed that the proposed variation in the total contract sum offers value for money.

### **6.3 Property Implications**

6.3.1 There are no Property comments relevant to this report.

### **6.4 Leaseholder Implications**

6.4.1 An interim notification of cost has been sent to the leaseholders via a section 20b notice. Cost recovery through service charges is restricted to the notified cost.

## **7. Key Risks**

7.1 The main risks associated with the scheme are shown below with the corresponding mitigating actions.

- Key: H = High, M = Medium, L = Low

Item	Risk	Impact	Probability	Mitigation	Owner
1	Non Delivery of Project	H	M	Develop project delivery plan, commission consultants and contractor ASAP.	Major Works Team
2	Quality Issues	H	M	Set benchmark, monitor site meetings through Contract Administrator (CA) & Clerk of Works (COW) reports, measure continuous improvements using KPIs.	Major Works Team/Project Manager
3	Cost Overrun	M	L	Rigorous Cost Planning, early reporting, comprehensive specification, inclusion of contingencies, tender analysis.	Major Works Team/Project Manager
4	Time Overrun	H	M	Manage approvals stage – instil sense of urgency by senior staff. Monitor programme, monthly progress reports & LADs.	Major Works Team/Project Manager
5	Extended Consultation	M	M	Establish key milestones and communication strategy at the outset.	Major Works Team
6	Additional Works Identified	M	M	Detail and agree scope of works, prioritise core DHS works and use contingency	Major Works Team

## 8 IMPACT ON COUNCIL PRIORITIES

### 8.1 Fairness for All

The Decent Homes Programme is about providing structurally sound, thermally efficient homes with modern facilities to all of Enfield's tenants. The properties requiring works are selected on the basis of need so that resources can be targeted to ensure all Enfield housing stock meet the requirements of the Government's Decent Homes standard.

### 8.2 Growth and Sustainability

Properties in the scheme become more attractive to potential tenants, instil a sense of pride in existing tenants and foster community co-operation through resident involvement in the various schemes. Improving the standard of housing stock enhances the sustainability of the area and promotes social cohesion.

### 8.3 Strong Communities

Improvements to housing stock increases satisfaction among tenants with their current housing situation. This increases a sense of rootedness which can foster a community spirit. The process includes a degree of resident involvement which again fosters a community spirit.

## **9 Equalities Impact Assessment**

- 9.1 It was not deemed relevant or proportionate to carry out an equality impact assessment/analysis for the approval of the tender that represented best value to the council for these types of works as part of the Council's Decent Homes Programme.

## **10 Performance Management Implications**

- 10.1 The works included in this contract repaired and improved the external envelope of 13 blocks of flats and maisonettes. As a result of these works 300 properties were made decent. The installation of new roof coverings/roof insulation and double glazing will also improve energy efficiency within the dwellings, by raising Energy Performance Scores.

## **11 Health and Safety**

- 11.1 All construction work falls under the Construction (Design & Management) Regulations 2007. A project of this size also qualifies for notification to the Health and Safety Executive and this has been sent to the HSE by Enfield Homes appointed CDM Coordinator.
- 11.2 Health and Safety considerations for this type of project include temporary accommodation including welfare facilities, generally co-located, until the end of the project, various audits, inspections and reviews by both in house and third party professionals.
- 11.3 The passage of accurate and specific information is also critical and this will include Asbestos Survey Reports in the form of an Asbestos register leading to specific refurbishment surveys, Fire Risk Assessments and any significant design changes.
- 11.4 The additional works were carried out under the original contract and complied with the procedure outlined in above.

## **12. HR IMPLICATIONS**

There are no HR implications contained within this report.

## **13. Public Health Implications**

- 13.1 Decent Homes schemes seek to modernise council stock, providing structurally sound, thermally efficient and modern facilities. The completed works provides a warmer more fuel efficient home through installing modern fuel efficient boilers and the installation of double glazed windows. The Energy Saving Trust

estimate new windows can save between £95-£223 a year on fuel costs.

- 13.2 Condensation is reduced through the installation of mechanical extraction fans and modern kitchen facilities provide an environment better suited to food storage and preparation and the promotion of healthy lifestyles.
- 13.3 A study by Nottingham City council on the impact of it's Decent Homes programme includes some of the benefits, which include:
- An improvement in children's respiratory health
  - An improvement in mental health by relieving excess cold and fuel poverty
  - Prevent accidents in the home
  - Reduce hospital admissions due to falls
  - Reduction in burglaries



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

**MEETING TITLE AND DATE:**

**PORTFOLIO REPORT OF:**

Director of Schools and Children's Services

**Agenda – Part:**

**Item:**

**Subject:** To establish a Temporary Governing Body for Hazelbury Infants School, Hazelbury Road  
Edmonton N9 9TT

**Silver Street Ward**

**Cabinet Member consulted: Cllr Ayfer Orhan**

Contact officer and telephone number:

Theresa Palmer: 0208 379 3321

E mail: Theresa.palmer@enfield.gov.uk

**1. EXECUTIVE SUMMARY**

This report makes the proposal to establish a temporary Governing Body for Hazelbury Infant School. The size of the temporary Governing Body shall be 12.

**2. RECOMMENDATIONS**

It is recommended that:

- 2.1 arrangements for the governance of the School be adopted for the Temporary Governing Body in line with the proposed Instrument of Government for Hazelbury Infant School;
- 2.2 Matthew Miller is appointed to the Temporary Governing Body as Temporary LA Governors;
- 2.3 Matthew Newstead and Nathan Howard are appointed to the Temporary Governing Body as Temporary Parent Governors;
- 2.4 Laura Taylor is appointed to the Temporary Governing Body as Temporary Staff Governor;
- 2.6 the substantive Headteacher of the Infant school becomes the Headteacher governor on the Temporary Governing Body;
- 2.7 Ann Ball, Clayre Bennett, Susie Owen, Masood Hussain, Karen Mautner; John West, plus one other, be nominated for appointment to the Temporary Governing Body as Temporary co-opted Governors;
- 2.8 On the date of dissolution, the Temporary Governing body of the de-federated school shall be incorporated as the governing body of the Hazelbury Primary School as given in a new Instrument of government which the LA shall issue effective from 1 April 2016;

### **3. BACKGROUND**

- 3.1 The Governing Body of the Hazelbury Learning Community at its meeting on 8 December 2015 endorsed proposals to close one school and expand the other to become an all through primary school. The proposal followed a series of discussions which began early in the Autumn term of 2015;
- 3.2 The proposal would see the Junior school close and the Infant school change its age range and expand to provide places for junior pupils in Years 3 to 6 in addition to places for infant pupils in Nursery to Year 2;
- 3.3 The Infant school would become an all through primary school with a single point of admission at Nursery/Reception. The age range of the school would therefore be from 2 to 11;
- 3.4 The primary school would continue to operate from the existing buildings and sites currently occupied by the Infant and Junior schools.

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

The process for establishing a temporary governing body is dictated by legislation, therefore there are no alternative options available.

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

- 5.1 The School Governance (Federations)(England) Regulations 2012 makes provision for the dissolution of federation on discontinuance of federated Schools (regulation 41 and 42);
- 5.2 In line with the regulations where one (or more) federated schools are to be discontinued and only one federated school in the federation is not to be discontinued the Local Authority must before the discontinuance date
  - (i) Establish a temporary governing body in respect of the school that is not to be discontinued (“ the de-federated school”) in accordance with Par 3 and 4 of the New Schools Regulation *and*
  - (ii) Issue a new instrument of government for the school in accordance with part 5 of the Constitution Regulations;
- 5.3 On the date of dissolution, the temporary governing body of the de-federated school is incorporated as the governing body of the expanded Hazelbury Infant School under a new instrument of government and shall be named the Hazelbury Primary School;

- 5.4 The School Governance Miscellaneous Amendments) (England)(Regulations) 2015 require that the LA must determine the size of the Temporary Governing Body and that this must include at least 7 temporary Governors;
- 5.5 The LA therefore, on notification from the Governing Body of the Hazelbury Learning Community of its decision to de-federate following its meeting on 8 December 2015, seeks to establish a Temporary Governing Body, the size of which shall be 12 to include:
- two (2) temporary parent Governors to be appointed by the LA who have the skills required to contribute to the effective governance and success of the school
  - Headteacher
  - one (1) temporary Staff governors to be appointed by the LA
  - one (1) temporary LA Governor to be appointed by the LA
  - Seven (7) temporary co-opted governors appointed by the other temporary governors who have the skills required to contribute to the effective governance and success of the school. The total number of temporary co-opted governors, when counted with the head teacher and the temporary staff governor, must not exceed one third of the total membership of the temporary governing body

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

### **6.1 Financial Implications**

- 6.1.1 Merger of the two schools would result in the loss of the lump sum element of the formula funding for one school which is currently worth £162,000, to be phased in over a three year period.
- 6.1.2 Each school currently receives its own lump sum of £162,000 and this would be replaced over time by a single grant.
- 6.1.3 The removal of the second lump sum would be phased in over 3 years as follows: Full protection in year 1, 85% protection in year 2 (loss of £49k) and reduction to one lump sum in year 3 (loss of £162k)

### **6.2 Legal Implications**

- 6.2.1 The procedure when one or more federated schools are to be discontinued and one school in the federation is to be continued is set out in Regulation 41 of the School Governance (Federations) (England) Regulations 2012. The procedure is as set out above.

6.2.2 Regulation 15 of the Governance (New Schools) (England) Regulations 2007 as amended by The School Governance (miscellaneous Amendments) (England)(Regulations) 2015 sets out the principles to be followed by the local authority when determining the size of the temporary governing body which must include at least 7 temporary governors.

The above proposals comply with the above legislation.

### **6.3 Property Implications**

6.3.1 The primary school would continue to operate from the existing building and sites currently occupied by the Infant and Junior school.

6.3.2 Any leases or licences the school has entered into with regards school lettings and pitch lettings, the responsibility of performance and liability under these agreements will be passed onto the new Governors.

## **7. KEY RISKS**

The high profile of governance placed upon schools by Ofsted and the DFE means that governing bodies are held accountable for the rigor and performance of the school. Failure to put in place a temporary governing body of the de-federated school will leave the school without effective strategic oversight and in breach of the legislation mentioned above.

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

### **8.1 Fairness for All**

The temporary governing body would oversee provision to provide children with a seamless journey through the school from age 4 – 11 (See consultation proposal attached)

### **8.2 Growth and Sustainability**

The temporary governing body would seek to promote high educational standards and ensure high quality good teaching providing consistency of approach and opportunities for improvements which include single point entry for admissions and ensuring smooth transition between the KS1 and KS2.

### **8.3 Strong Communities**

The temporary governing body would oversee provision to secure continued community links in the Edmonton area as established by the Hazelbury Learning Community.

## **9. EQUALITIES IMPACT IMPLICATIONS**

- 9.1 A six week process of consultation with parents/Carers and the school community (i.e. pupil and staff) on the proposals for the closure of the Junior school and the expansion of the Infant school shall commence on the 14 December 2015 ending on 25 January 2016;
- 9.2 Formal notice of the amalgamation / merger will be published by the LA. The school's ethos will be one of a caring, inclusive school, where all children are encouraged to take responsibility for their own actions and are helped to build on their successes to further their academic progression and personal development;
- 9.3 The newly amalgamated school will cater for pupils between the ages of 2 and 11 and provide places for 1050 boys and girls. In addition, a further full time equivalent places will be provided for nursery pupils;
- 9.4 The admission number for the school on the opening date will be 150;
- 9.5 Admissions to the amalgamated school will be as for the existing Hazelbury Infant and Junior Schools. Parents will be invited to express three preferences for schools maintained by the Local Authority and will be offered no more than one school place.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

- 10.1 The Infant and Junior schools were federated in September 2013 and led by an Executive Headteacher and a single Governing Body. In the process of closure of the junior school a temporary governing body would be formed to oversee continuation of leadership and management responsibilities;
- 10.2 On the date of dissolution, the temporary governing body of the de –federated school is incorporated as the governing body of the Primary school as under the name given in the schools new instrument of government.

## **11. PUBLIC HEALTH IMPLICATIONS**

Each school needs a Governing Body for effective and efficient running. Without such a body the health of attending pupils would be adversely affected.

### **Background Papers**