



London Borough of Hammersmith & Fulham

# Cabinet

## Agenda

**MONDAY**  
**26 APRIL 2010**  
**7.00 pm**

**COURTYARD ROOM**  
**HAMMERSMITH**  
**TOWN HALL**  
**KING STREET**  
**LONDON W6 9JU**

### Membership

Councillor Stephen Greenhalgh, Leader  
Councillor Nicholas Botterill, Deputy Leader (+Environment)  
Councillor Paul Bristow, Cabinet Member for Residents Services  
Councillor Lucy Ivimy, Cabinet Member for Housing  
Councillor Mark Loveday, Cabinet Member for Strategy  
Councillor Greg Smith, Cabinet Member for Crime and Street Scene  
Councillor Frances Stainton, Cabinet Member for Parks, Culture and Heritage  
Councillor Sarah Gore, Cabinet Member for Children's Services

**Date Issued**  
**26 April 2010**

If you require further information relating to this agenda please contact: David Viles, Committee Co-ordinator, Councillors Services, tel: 020 8753 2063 or email: [David.Viles@lbhf.gov.uk](mailto:David.Viles@lbhf.gov.uk)

Reports on the open Cabinet agenda are available on the Council's website: [http://www.lbhf.gov.uk/Directory/Council\\_and\\_Democracy](http://www.lbhf.gov.uk/Directory/Council_and_Democracy)

### DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on non-exempt item numbers **4-11** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to David Viles at the above address, must be signed by at least ten registered electors of the Borough and will be subject to the Council's procedures on the receipt of deputations. **Deadline for receipt of deputation requests: Monday 19 April 2010.**

### COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 28 April 2010**. Items on the agenda may be called in to the relevant Scrutiny Committee.

The deadline for receipt of call-in requests is: **Tuesday 4 May at 3.00pm**. Decisions not called in by this date will then be deemed approved and may be implemented.

A confirmed decision list will be published after 3:00pm on **Tuesday 4 May 2010**.

**Members of the Public are welcome to attend.**  
**A loop system for hearing impairment is provided, together with disabled access to the building**

# Cabinet Agenda

26 April 2010

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| <p>If a Councillor has any prejudicial or personal interest in a particular report he/she should declare the existence and nature of the interest at the commencement of the consideration of the item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a prejudicial interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken, unless a dispensation has been obtained from the Standards Committee.</p> <p>Where members of the public are not allowed to be in attendance, then the Councillor with a prejudicial interest should withdraw from the meeting whilst the matter is under consideration, unless the disability has been removed by the Standards Committee.</p> |              |
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The Cabinet is invited to resolve, under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

- |            |   |  |
|------------|---|--|
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# Agenda Item 1

London Borough of Hammersmith & Fulham



# Cabinet

## Minutes

Monday 29 March 2010

### **PRESENT**

Councillor Nicholas Botterill, Deputy Leader (+Environment)  
Councillor Paul Bristow, Cabinet Member for Residents Services  
Councillor Mark Loveday, Cabinet Member for Strategy  
Councillor Frances Stainton, Cabinet Member for Parks, Culture and Heritage  
Councillor Sarah Gore, Cabinet Member for Children's Services

### **1. MINUTES OF THE CABINET MEETING HELD ON 8 MARCH 2010**

#### **1.1 RESOLVED:**

That the minutes of the meeting of the Cabinet held on 8 March 2010 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

### **2. APOLOGIES FOR ABSENCE**

2.1 Apologies for Absence were received from Councillors Stephen Greenhalgh, Lucy Ivimy and Greg Smith.

### **3. DECLARATION OF INTERESTS**

3.1 There were no declarations of interest.

### **4. MONITORING OFFICER REPORT TO CABINET : LOCAL OMBUDSMAN FINDING- MALADMINISTRATION CAUSING INJUSTICE (CASE NO. 09001 262 )**

#### **RESOLVED:**

1. That the Local Government Ombudsman's report, findings and recommendations and endorses the actions already taken by officers as a result, in particular the Council's written apology, personal visit, compensation payment to the complainant and the changes in work practices be noted.
2. That, on the basis of these actions, no further action in relation to the matter for the reasons set out in the report be taken.

3. That the report be adopted as the Cabinet's formal response as required under s.5A of the Local Government and Housing Act 1989 and distributed to all members of the authority and the Monitoring Officer.
4. That the report be adopted as the Council's formal response under s.31 of the Local Government Act 1974 and the Ombudsman be notified of the action the Council has taken.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**5. THE GENERAL FUND CAPITAL PROGRAMME AND REVENUE PROGRAMME 2009/10 - MONTH 9 AMENDMENTS**

**RESOLVED:**

- a) That the changes to the capital programme as set out in Appendix 1 to the report be agreed;
- b) That a revenue virement totalling £2,672,000 as set out in Appendix 2 to the report be agreed;
- c) That the Director of Finance and Corporate Services be authorised to action other virements and to make appropriate adjustments to departmental revenue estimates in order to assist in closing the 2009/10 accounts.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

6. **ARRANGEMENTS FOR THE SUPPLY AND DELIVERY OF EDUCATIONAL STATIONERY, EQUIPMENT, ELECTRONIC OFFICE SUPPLIES, PRINT AND BULK PAPER (OFFICE STATIONERY)**

**RESOLVED:**

That approval be given to participate in the LCSG framework agreements for the supply and delivery of Office Stationery for a period of up to four years, commencing 1 April 2010 at an estimated cost of £380,000 per annum.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

7. **STRATEGIC REGENERATION PROGRAMME**

**RESOLVED:**

1. That the allocation of existing resources and anticipated savings to fund a reduced regeneration function for the Council to March 2011 be approved.
2. That, subject to individual approvals for expenditure, the ringfencing of regeneration and affordable housing section 106 funds, up to a maximum of £1.6m, to fund pump priming/feasibility activity related to technical and professional studies over the period to March 2013 be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**8. BUILDING SCHOOLS FOR THE FUTURE PROGRAMME PROCUREMENT PHASE AND NEXT STEPS - CAPITAL EXPENDITURE ON SCHOOLS**

**RESOLVED:**

1. That authority be delegated to the Chief Executive, in consultation with the Cabinet Member for Children's Services and the Director of Finance and Corporate Services, to take the necessary steps to progress the following recommendations contained within this report:
  - a) Delivery of the co-location of Cambridge School with Adult Education and Youth Services on the Bryony site;
  - b) Approval of the Long List (up to 3 bidders) following the evaluation of responses to the Pre-Qualification Questionnaire (PQQ) and approval to issue the Invitation to Participate in Dialogue documentation;
  - c) To take decisions to progress the BSF procurement programme to the next stage of the procurement process, Invitation to Participate in Dialogue Phase 1 (IPD1), including the approval of the Short List of no more than 2 bidders to take forward into the following stage of procurement, Invitation to Participate In Dialogue Phase 2 (IPD2), following the evaluation of the submitted initial solutions;
  - d) Approval to continue dialogue into Phase 2 (IPD2) of Competitive Dialogue with the short list of bidders, to further develop the submitted initial solutions with bidders through to the Close of Dialogue and the submission of Final Bids (the appointment of a Selected Bidder through to Financial Close will be subject to a Cabinet decision);
  - e) Procurement of additional Technical, Financial, Legal and Client Design Advisor support services to support the BSF programme, where required, within existing resources.
  
2. That authority be delegated to the Chief Executive, in consultation with the Cabinet Member for Children's Services and the Director of Finance and Corporate Services, to take the necessary steps to progress the following recommendations contained within this report:-
  - a) to amend the scope and priority of schemes within the Primary Capital Programme and identify substitute schemes as necessary, to address any operational circumstances during 2010/11 to deliver the Council's objective of providing a quality primary phase education;
  - b) to approve financial sums to develop PCP schemes through procurement within the financial parameters set out in this report.
  - c) for the Programme Director and the Cabinet Member for Children's Services to develop and take the necessary steps to implement the Children's Services Revenue Maintenance Programme for 2010/11.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

9. **DELEGATION OF AUTHORITY TO AWARD TERM CONTRACTS FOR SUPPLY OF STREET LIGHTING & SIGNAGE MATERIALS 2010 TO 2011 AND STREET LIGHTING SUPPORT 2010 TO 2013**

**RESOLVED:**

That authority be delegated to the Director of Environment and Direct of Finance and Corporate Services to award the Term Contracts for Street Lighting Support 2010 to 2013 and Supply of Street Lighting and Signage Materials 2010 to 2011, in consultation with the Deputy Leader (+ Environment).

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

10. **APPOINTMENT OF APPROVED CATERERS - FULHAM PALACE**

**RESOLVED:**

That contracts be entered into for the provision of catering services at Fulham Palace with the following catering companies:

- Create Ltd
- At Home
- Foodshow
- Bovingdons
- Mosimanns

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.



## 11. **BISHOP PARK TENNIS COURTS REFURBISHMENT**

### **RESOLVED:**

1. That the budget expenditure for delivery of the tennis improvement scheme at Bishops Park of £340,000 be approved.
2. That authority be delegated to officers (Director of Residents Services) to award contract(s) to deliver the project.

### **Reason for decision:**

As set out in the report.

### **Alternative options considered and rejected:**

As outlined in the report.

### **Record of any conflict of interest:**

None.

### **Note of dispensation in respect of any declared conflict of interest:**

None.

## 12. **UPDATED ENFORCEMENT POLICY**

### **RESOLVED:**

That the adoption of the updated Enforcement Policy, attached as Appendix 1 to the report, be approved.

### **Reason for decision:**

As set out in the report.

### **Alternative options considered and rejected:**

As outlined in the report.

### **Record of any conflict of interest:**

None.

### **Note of dispensation in respect of any declared conflict of interest:**

None.

## 13. **FORWARD PLAN OF KEY DECISIONS**

The Forward Plan was noted.

## 14. **SUMMARY OF OPEN DECISIONS TAKEN BY THE LEADER AND CABINET MEMBERS, AND REPORTED TO CABINET FOR INFORMATION**

The summary was noted.

**15. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:**

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the remaining items of business on the grounds that they contain information relating to the financial or business affairs of a person (including the authority)] as defined in paragraph 3 of Schedule 12A of the Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

[The following is a public summary of the exempt information under S.100C (2) of the Local Government Act 1972. Exempt minutes exist as a separate document.]

**16. EXEMPT MINUTES OF THE CABINET MEETING HELD ON 8 MARCH 2010 (E)**

**RESOLVED:**

That the minutes of the meeting of the Cabinet held on 8 March 2010 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

**17. APPOINTMENT OF CATERERS - FULHAM PALACE : EXEMPT ASPECTS (E)**

**RESOLVED:**

That the report be noted.

**18. ARRANGEMENTS FOR THE SUPPLY AND DELIVERY OF EDUCATIONAL STATIONERY, EQUIPMENT, ELECTRONIC OFFICE SUPPLIES, PRINT AND BULK PAPER ("OFFICE STATIONERY") : EXEMPT ASPECTS (E)**

**RESOLVED:**

That the report be noted.

**19. SUMMARY OF EXEMPT DECISIONS TAKEN BY THE LEADER AND CABINET MEMBERS, AND REPORTED TO CABINET FOR INFORMATION (E)**

The summary was noted.

Meeting started: 7.03 pm  
Meeting ended: 7.06 pm

Chairman .....



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2009

**LEADER**

*Councillor Stephen Greenhalgh*

**THE GENERAL FUND CAPITAL PROGRAMME  
AND HOUSING REVENUE CAPITAL  
PROGRAMME 2009/10 – MONTH 10  
AMENDMENTS**

**Wards**

All

The purpose of this report is to seek approval for changes to the Capital Programme and the Revenue Budget.

**CONTRIBUTORS**

All Departments

HAS A PEIA BEEN  
COMPLETED?  
YES

**Recommendations:**

1. To approve the changes to the capital programme as set out in appendix 1.
2. To approve a revenue virement totalling £501,000 as set out in Appendix 2.

## 1. SUMMARY

- 1.1 This report sets out proposed amendments to both Capital and Revenue Estimates as at month 10.

## 2. GENERAL FUND CAPITAL PROGRAMME

- 2.1 Table 1 summarises the proposed amendments to the 2009/10 General Fund capital programme.

**Table 1 – Summary of Proposed Amendments to the General Fund Capital Programme.**

|  | £'000<br>Mainstream | £'000<br>Scheme<br>Specific | £'000<br>Overall |
|--|---------------------|-----------------------------|------------------|
| <b>Last Reported Budget</b>                  | <b>11,840</b>       | <b>30,391</b>               | <b>42,231</b>    |
| Net Additions/(Reductions)                   | 0                   | 131                         | 131              |
| Expenditure slippage (to)/from future years. | (950)               | (601)                       | (1,551)          |
| <b>Updated Budget (Month 9)</b>              | <b>10,890</b>       | <b>29,921</b>               | <b>40,811</b>    |

- 2.2 The requested changes are listed in Appendix 1 and put forward to Cabinet for approval.

- 2.3 The net increase of £0.131m in new additions is made up of:-

**Community Services (Net increase of £0.051m)** – mainly due to increased NDC funding grant for sports and health initiatives (£0.080m). This is offset by a reduction of £0.024m grant from NDC in respect of Social Enterprise Legacy.

**Environment Services (Net increase of £0.080m)** – An increase of £0.080m grant from Transport for London for Bus Priority works.

- 2.4 The net expenditure slippage of £1.551m is made up of :-

**Community Services (Net slippage of £0.352m)** – mainly on Hostel Improvement grant from DCLG (£0.127m) and Adult Social Care grant from Department of Health (£0.210m).

**Environment Services (Net slippage of £1.199m)** –mainly in respect of mainstream funded programme on Planned maintenance (£0.700m) and DDA programme (£0.300m) and Section 106 contribution in respect of works to White City Highways Controlled Parking Zones.

## 3. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

- 3.1 There are no budget adjustments reported in this period.

#### **4. REVENUE BUDGET ADJUSTMENTS**

4.1 Cabinet is required to approve all budget virements that exceed £100,000. At month 10, approval is requested for two virements totalling £501,000. The virement requests are set out in Appendix 2 and summarised below:

##### Contingency Allocation

- Transfer from Use of Balances - to create LPFA Earmarked Reserves to fund possible future additional levy costs.

##### Project Funding

- Release of resources from Centrally Managed Budgets to Residents Services to fund Invest to save library project.

The above transfers are moving resources from one budgetary head to another without changing the purpose for which the budgetary allocations were made.

4.2 Virements below £50,000 are subject to approval by the Director of Finance whilst virements from £50,000 to £100,000 require.

#### **5. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

5.1 These are in the body of this report.

#### **6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

6.1 There are no direct legal implications arising from this report.

#### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS**

| <b>No.</b> | <b>Brief Description of Background Papers</b> | <b>Name/Ext. of holder of file/copy</b> | <b>Department</b>                       |
|------------|---|---|---|
| 1.         | Revenue Monitoring Documents                  | James Arthur<br>Ext. 2562               | Corporate Finance<br>Room 5 , Town Hall |
| 2.         | Capital Monitoring Documents                  | Isaac Egberedu<br>Ext. 2503             | Corporate Finance<br>Room 5, Town Hall  |

## GENERAL FUND CAPITAL MONITORING 2009/10: BUDGET TRANSFERS.

Appendix 1

| Ref  | Project Code | Schemes                                     | Last Reported Budget | Additions / Deductions | Reprofiling from future years | Transfer | 2009/10 Revised Budget |
|--|--------------|---|----------------------|------------------------|-------------------------------|----------|------------------------|
|  |              |   | £000's               | £000's                 | £000's                        | £000's   | at Month 10<br>£000's  |
| <b>Community Services Budget Adjustments</b> |              |   |                      |                        |                               |          |                        |
| CSD1   |              | Other Hostel Provisions                     | 234                  |                        | (127)                         | 0        | 107                    |
| CSD2   | CCSD01008    | Social Enterprise Legacy                    | 1,850                | (24)                   |                               |          | 1,826                  |
| CSD3   | CCSD02300    | Adult Social Care SCE                       | 210                  |                        | (210)                         |          | 0                      |
| CSD4   | CCSD02801    | Barons Court Tube                           | 5                    | (5)                    |                               |          | 0                      |
| CSD5   | TBC          | Sports and Health Initiative                | 100                  | 80                     |                               |          | 180                    |
| CSD6   | TBC          | Social Care IT Infrastructure Capital Grant | 125                  |                        | (15)                          |          | 110                    |
| <b>Total</b>                                 |              |   | <b>2,524</b>         | <b>51</b>              | <b>(352)</b>                  | <b>0</b> | <b>2,223</b>           |

| <b>Environment Services Budget Adjustments</b> |           |  |              |           |                |          |              |
|--|-----------|--|--------------|-----------|----------------|----------|--------------|
| ENV1   | CENV00100 | Walking (TFL)                                    | 237          |           | (34)           |          | 203          |
| ENV2   | CENV00104 | <b>London Cycling Network+</b>                   | 305          |           |                | (125)    | 180          |
| ENV3   | CENV00105 | Bus Priority (TFL)                               | 791          | 80        |                | 175      | 1,046        |
| ENV4   | CENV00111 | <b>Bridge strengthening</b>                      | 218          |           |                | (50)     | 168          |
| ENV5   | CENV00707 | Repairs to Thames River Wall (Mainstream)        | 120          |           | 50             |          | 170          |
| ENV6   | CENV01030 | White City Highways CPZ                          | 343          |           | (173)          |          | 170          |
| ENV7   | CENV01036 | Hammersmith Town Centre Improvement              | 17           |           | (12)           |          | 5            |
| ENV8   | CENV01038 | Ariel Way Traffic Management Measures            | 50           |           | (30)           |          | 20           |
| ENV9   |           | Planned Maintenance (Mainstream)                 | 3,710        |           | (700)          |          | 3,010        |
| ENV10  | CACE00402 | Disabled Access to Office Buildings (mainstream) | 598          |           | (300)          |          | 298          |
| <b>Total</b>                                   |           |  | <b>6,389</b> | <b>80</b> | <b>(1,199)</b> | <b>0</b> | <b>5,270</b> |

8,913 131 (1,551) 0 7,493

**APPENDIX 2 - VIREMENT REQUEST FORM**

**BUDGET REVENUE MONITORING REPORT – PERIOD 10**

| <b>Details of Virement</b>  | <b>Amount (£000)</b> | <b>Department</b>                          | <b>Virement Classification</b>  |
|---|----------------------|--|---------------------------------|
| LPFA Sub Fund Recovery Plan to fund possible future additional levy costs           | 379                  | Centrally Managed Budgets- Use of Balances | Contingency Allocation          |
| Transfer of budget to create LPFA Earmarked Reserve                                 | (379)                | Centrally Managed Budget- Central Items    | Contingency Allocation          |
| Budget to fund Invest To Save project: Libraries - Implementation of Single Desking | 122                  | Residents Services                         | Project Funding- Invest To Save |
| Release of resources to progress Invest To Save commitments                         | (122)                | Centrally Managed Budgets- Contingency     | Project Funding- Invest To Save |
| <b>TOTAL of Requested Virements (Debits)</b>  | <b>501</b>           |  |                                 |

# Agenda Item 5



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2009

**CABINET MEMBER  
FOR HOUSING**

*Councillor Lucy Ivimy*

**REGENERATION OF 248 HAMMERSMITH  
GROVE**

**Ward  
Hammersmith  
Broadway**

This report proposes the Council sells the head lease of 248 Hammersmith Grove to Notting Hill Housing Group (NHHG) to facilitate the regeneration of the site and that the Council agrees that officers may apply for the acquisition of Compulsory Purchase Order powers on investment leaseholders in order to facilitate the disposal if necessary.

**HAS A PEIA BEEN  
COMPLETED?  
YES**

A separate report on the exempt part of the Cabinet agenda provides exempt information about the proposed Heads of Terms and the amount of the consideration involved in the acquisition by NHHG.

**CONTRIBUTORS**

H&F Homes  
ADLDS  
DFCS

**Recommendations:**

- 1. To agree to Notting Hill Housing Group acquiring the head lease of 248 Hammersmith Grove (see site plan in Appendix 1) from the London Borough of Hammersmith and Fulham, subject to final terms being agreed between the Council and Notting Hill Housing Group (NHHG).**
- 2. For the Assistant Director (Legal and Democratic Services), in conjunction with the Director of Community Services, the Director of Finance and Corporate.**

**Services and the Head of Asset Management and Portfolio Management to agree the Heads of Terms for the sale of the head lease specified in the report.**

- 3. To agree to the Council assisting NHHG with their site assembly by purchasing any long non-resident investment sub-**



**leasehold interest not already acquired by them, and to the Council making and implementing one or more compulsory purchase orders where a negotiated sale by the non-resident investment sub-leaseholders would (in the opinion of officers) be unlikely to succeed or unlikely to complete within NHHG's timescale for commencement of its development. Such assistance to be subject to NHHG financing the purchase price and bearing all costs (including compensation, disturbance payments, loss payments, taxes, legal and surveyors' costs and any rehousing costs) and indemnifying the Council against them all, and following such acquisition to transfer or surrender to NHHG all interests so acquired for no further consideration (other than any costs associated with such transfer or surrender).**

## 1. INTRODUCTION

- 1.1 248 Hammersmith Grove is on the corner of Hammersmith Grove and Goldhawk Road. The block sits above a former petrol station with a large forecourt. LBHF owns a head lease to the block; Notting Hill Housing Group (NHHG) bought the freehold to the site including the former petrol station on 6 November 2005 and would like to redevelop the whole site. As NHHG owns the freehold, it would not be appropriate to sell the head lease to any other party. The head lease expires in December 2090, ie. 82 years to run.
- 1.2 The block comprises 15 units of which 9 are leasehold flats and 3 of these are now owned by Notting Hill Housing Trust. All of the six social rented flats are now vacant. Notting Hill has placed tenants in the 3 flats that NHHG has bought back from leaseholders.
- 1.3 There are six leasehold flats and 5 leaseholders remaining in the block. (One investment leaseholder owns two properties). Of the leaseholders, two are resident leaseholders and three are investment leaseholders.

## 2. PLANNING

- 2.1 The proposed scheme would be made up of the following tenure and bed mix:

| <b>Beds</b> | <b>Persons</b> | <b>Rent</b> | <b>Shared Ownership</b> | <b>Private Sale</b> | <b>TOTAL</b> |
|-------------|----------------|-------------|-------------------------|---------------------|--------------|
| 1           | 2              | 0           | 14                      | 16                  | <b>30</b>    |
| 2           | 4              | 3           | 6                       | 18                  | <b>27</b>    |
| 3           | 5              | 6           | 2                       | 0                   | <b>8</b>     |
|             |                | <b>9</b>    | <b>22</b>               | <b>34</b>           | <b>65</b>    |

- 2.2 This approach would replace the existing number of social rented units in a bed size mix far more suitable to meeting the Borough's housing requirements.
- 2.3 NHHG has submitted a pre planning application to planners. The response from planners has generally been favourable, although there are still issues to resolve with 248 Hammersmith Grove (ie. the ground floor relationship with Goldhawk Road, loss of employment, elevational treatments).
- 2.4 NHHG is expecting to submit a planning application in December 2010.

## 3. HEADS OF TERMS

- 3.1 Officers have been negotiating the sale of the head lease with NHHG and are now ready to agree the Heads of Terms (details are in the separate on the exempt part of the cabinet agenda).

#### **4. COMPULSORY PURCHASE ORDER**

- 4.1 Cabinet had previously agreed (7 January 2008) to an in-principle approval of the use of a Compulsory Purchase Order if necessary. Officers have judged that the ability to make use of a Compulsory Purchase Order (at least in the case of investment-leaseholders, as indicated below) is (for all practical purposes) necessary and are asking for authority to make the orders on investment leaseholders and apply to the Secretary of State to confirm them and thereafter implement them. NHHG and HF Homes officers will be making every effort to negotiate purchases with the remaining leaseholders in the block.
- 4.2 Officers have been advised that it would be beneficial for investment leaseholders (for capital gains tax purposes) to sell to the Council (as an authority possessing compulsory powers) rather than sell direct to NHHG. NHHG has been advised by tax consultants that for this to be applicable, it would require actual acquisition by the Council under its statutory powers, with the Council then selling on to NHHG. It is therefore proposed that LBHF should purchase the subleases on the flats and then that NHHG immediately purchase these sub leases from LBHF.

#### **5. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 5.1 These are in the separate report on the exempt part of the Cabinet agenda.

#### **6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

- 6.1 The Council holds its lease of 248 Hammersmith Grove under Part II of the Housing Act 1985. It has power under Section 32 of that Act to dispose of land so held, but disposal requires the consent of the Secretary of State at the Department for Communities and Local Government (DCLG).
- 6.2 In addition, any disposal at less than best consideration with a view to provision of residential accommodation for private letting requires a further consent from the same source under Section 25 Local Government Act 1988.
- 6.3 In 2005 the Secretary of State issued General Consents, but the relevant one (Consent A) is not capable of applying in this case (because the Council's lease has less than 99 years left to run and the flats would not necessarily all be vacant at the time of sale). Specific application for consent will therefore need to be made.
- 6.4 NHHG is aiming to buy out the remaining 6 long leaseholders in the block. If any leaseholder were to decline to sell, NHHG could not implement its redevelopment proposals (unless it sought the assistance of the Council in making, or at least threatening to make, a CPO). The Council has power to make a CPO, but any CPO must be confirmed by the Secretary of State. The

power under Section 17 of the Housing Act 1985 is likely to be used, though, (given that the development of the site arises from the closure of the petrol station) it may prove preferable that any CPO would better be made under planning, rather than housing, powers. If use of CPO powers were to be considered (or indeed if sale to the Council were made voluntarily after threat of a CPO), the costs involved would (one way or another) need to be borne by NHHG, which would include home loss payments to occupying leaseholders and subtenants of non-occupying leaseholders, or possibly even the cost of rehousing either, if suitable alternative accommodation on reasonable terms was not otherwise available to them. A similar "Basic Loss Payment" is now also payable to non-occupying leaseholders. All such payments would be in addition to the value of the interest acquired and any compensation for disturbance. If the Secretary of State were to order a public local inquiry, the costs of that would also need to be borne by NHHG.

- 6.5 A proportion of capital receipts from Part II housing land generally have to be accounted for to the Secretary of State at DCLG under pooling arrangements (75% in the case of houses and flats and 50% for other Part II property). However, the Council is first entitled to set off expenses incurred in realising the receipt. If NHHG were to sell-on the building without them redeveloping, any additional capital receipt receivable by the Council would also potentially be caught by the obligation to account for 75% to the DCLG. However, the obligation to pool may be avoided to the extent the Council has "available capital allowance" (in effect sums the Council has decided to spend on, or contribute towards, the provision or improvement of affordable housing or on regeneration).
- 6.6 One possible reason for continued reluctance of investment leaseholders to sell their flats direct to NHHG is the prospect of a substantial liability to capital gains tax. However, where sale is to an authority possessing compulsory purchase powers (such as the Council) it is possible (even if no CPO is in fact made) for the seller to defer capital gains tax by rolling over the gain into a replacement property (Section 247 Taxation of Chargeable Gains Act 1992). It is for this reason that NHHG consider it would be beneficial for the Council to purchase the investment leaseholders' interests (ideally without making a CPO) and then to sell on to NHHG.

## **7. COMMENTS OF THE HEAD OF ASSET MANAGEMENT AND PORTFOLIO MANAGEMENT**

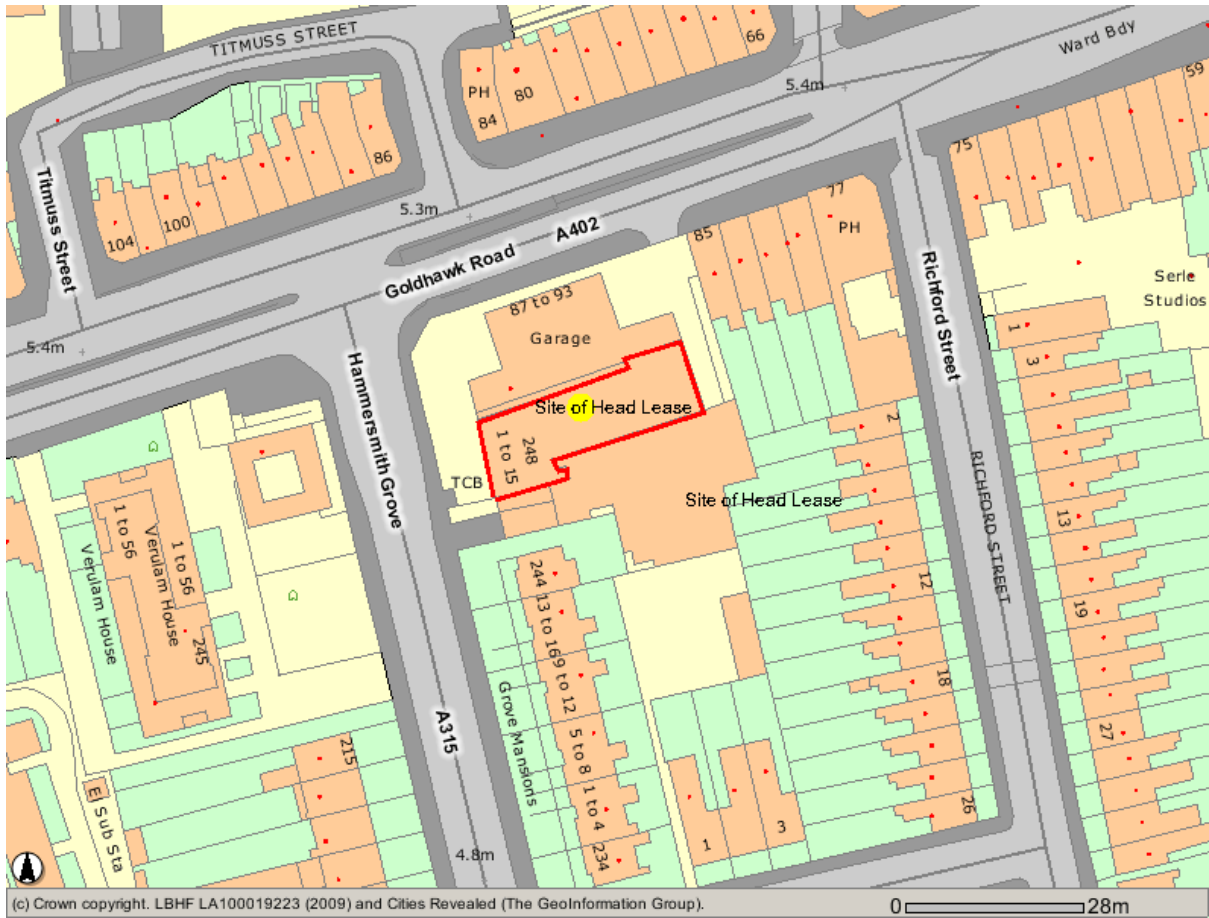
- 7.1 The property has not been placed on the open market as NHHG as freeholders of the site are special purchasers, which is reflected in the terms agreed. BNP Paribas Real Estate, the Council's property advisers, negotiated the Heads of Terms on the Council's behalf which represent the best consideration reasonably obtainable for the sale of the Council's leasehold interest in this building.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b> | <b>Description of Background Papers</b> | <b>Name/Ext of holder of file/copy</b> | <b>Department/ Location</b> |
|------------|---|--|-----------------------------|
| 1.         | 248 Hammersmith Grove                   | Liz Tuckwell                           | HF Homes                    |
|            |   |  |                             |
|            |   |  |                             |

|                         |                           |
|-------------------------|---------------------------|
| <b>CONTACT OFFICER:</b> | <b>NAME:</b> Liz Tuckwell |
|-------------------------|---------------------------|

# APPENDIX 1 – 248 HAMMERSMITH GROVE : SITE MAP





London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2009

### LEADER

*Councillor Stephen Greenhalgh*

### FULHAM PALACE – TRANSFER OF THE MANAGEMENT OF THE SITE TO THE FULHAM PALACE TRUST

Ward

Palace Riverside

### DEPUTY LEADER (+ENVIRONMENT)

*Councillor Nicholas Botterill*

This report proposes that the management of Fulham Palace is transferred to a single managing body.

### CABINET MEMBER FOR RESIDENTS SERVICES

*Councillor Paul Bristow*

A separate report on the exempt part of the Cabinet agenda provides exempt information about staff employment related issues.

### CABINET MEMBER PARKS, CULTURE & HERITAGE

*Councillor Frances Stainton*

### CONTRIBUTORS

DRSD  
DFCS  
ADLDS

### Recommendations:

1. To agree the transfer of the management of Fulham Palace to an arms-length charitable trust.
2. To agree the grant funding agreement between the Council and the Fulham Palace Trust as outlined in Section 6.
3. To agree that the Council makes a financial commitment to enable the Trust to be established on a secure financial footing.
4. To delegate approval of annual service and business plans to the Director of Resident Services.
5. To agree a rationalised lease structure and a rent of £1 per annum payable to the Council by the Fulham Palace Trust.

HAS A PEIA BEEN COMPLETED?  
YES

## **1. BACKGROUND**

- 1.1 The Council leases Fulham Palace from the site's freeholders – the Church Commissioners (CCs). The Head Lease, which lasts until 21 May 2075, places a number of restrictions on the use of the Palace. In particular it has prohibited the sale of alcohol, the hosting of civil weddings and the letting of office accommodation to commercial organisations. Following extensive negotiation between the Council and the CCs, deeds of variation (DoV) to the Head Lease were agreed on 19 January 2008.
- 1.2 The DoV permit the sale of alcohol, hosting of civil weddings and commercial office lettings therefore providing greater commercial opportunity but they also oblige the Council to take “all requisite steps to establish an arms-length independent charitable trust (the structure, composition and financial strength of which has been previously approved by the CCs, such approval not to be unreasonably withheld). The purpose of the new independent trust is to take over the running of all aspects of the Property including the Lessees’ responsibilities under the Lease and the sub-undertenant’s under the sub-underlease to Fulham Palace Trust for 60 years from 9 November 1990”.
- 1.3 Failure to meet this condition would result in the CCs serving notice on the DoV at either the first or any subsequent 5<sup>th</sup> anniversary of the date of the DoV. Termination of the DoV would result in the Council losing significant revenue from commercial offices rental, civil marriage ceremonies and the sale of alcohol which would negatively affect the financial viability of the facility

## **2. ESTABLISHING AN ARMS-LENGTH INDEPENDENT CHARITABLE TRUST**

### **Background**

- 2.1 To determine the best way of establishing an arms length independent charitable trust, the Council has:
  - a) Taken specialist advice from Burges Salmon Solicitors (BSS) – a legal practice with significant experience in transferring cultural assets from local authorities to independent charitable trusts.
  - b) Reviewed the Museums, Libraries and Archives Council's published advice to local authorities on transferring the management of cultural services to charitable trusts (MLA, *Moving to Museum Trusts: Learning from Experience*, 2006).
  - c) Reviewed a number of similar case studies.
  - d) Reviewed advice from BSS with the CCs.
- 2.2 In light of the above it is proposed to revise the role of the existing Fulham Palace Trust (FPT) by:
  - a) Rationalising the current lease structure and extending FPT's demise from its present extent (which comprises of around 1200 m<sup>2</sup> or around 40% of the interior of the Palace) to include the whole of the Palace,



outbuildings and grounds. This will greatly simplify what is currently an exceedingly complex lease structure and is an efficient way of transferring responsibility for and the management of the whole of the site to an existing tenant - FPT. In the event of FPT's bankruptcy, it will also ensure that responsibility for the management of the whole of the site would immediately revert back to the Council – under the current structure FPT's demise would revert back to the CCs who would be at liberty to relet the space as commercial offices on the open market.

- b) Providing an initial grant to FPT equal to the current annual revenue deficit so that it can pursue its charitable objectives and in so doing take over the running of all aspects of the Palace reducing the financial impact on the Council to £0 over a 5 year period. This will be achieved by continued business growth (especially of functions), new income streams (such as residential lettings, grants and donations) and reduced cost base (for example reduced national non-domestic rates and the removal of Council support service costs)

2.3 This would be subject to the following conditions:

- a) That the trust is incorporated so that FPT becomes a legal entity with limited liability to its trustees as opposed to its current unincorporated status in which all trustees share full financial liability. The principal benefits to the Council of FPT becoming incorporated are that it will greatly simplify administration between the two organisations (the trust as a single legal entity will form the contracting party rather than lots of individual and regularly changing trustees), and FPT will be better placed to recruit high quality trustees to manage its affairs (trustees are generally put off joining unincorporated trusts)
- b) That FPT's trustees have relevant experience and are active in the strategic management of and fund-raising for the Palace.
- c) That a robust grant funding agreement (GFA) is agreed between FPT and the Council to ensure that the Council receives full value for the funding it provides and that such funding is used to support Council priorities whenever possible (details of these requirements are summarised in 3.4)
- d) That a Community Interest Company (CIC) is created to manage the Palace's commercial activities

2.4 Amended memorandum of association and articles of association for FPT and the Fulham Palace Community Interest Company have been subject to discussion by all parties and will shortly be finalised.

### **Recruitment of the New Trust Board**

2.5 As a registered charity, FPT must be operated for the public benefit and requires a diverse board with a range of skills. The recruitment process for the new trustees must be transparent and, save in the case of the appointments by the Council and the CCs, by way of open advertisement in accordance with Charity Commission best practice guidance. By law, the recruitment of trustees (other than those directly nominated in accordance with a Trust's

memorandum and articles of association) can not be influenced in any way by outside parties: this includes council members and officers.

- 2.6 FPT has confirmed that recruitment of new trustees will begin with the appointment of the Chair of the new Trust and that the selection panel will comprise of a representative from the Council, the Bishop of London and one other to be agreed by all parties including the existing Trust. The Council and the Bishop will then nominate a trustee each to the board. The Chair, nominated trustees and the Chair of the current FPT (see section 2.10) will then select the remainder of the board from submitted CVs. The proposed timetable for recruiting trustees is as follows:

#### **Chair of the new Fulham Palace Trust**

- Confirmation of selection panel 7 May 2010
- Advertise for expressions of interest (EOIs) 11 May
- Deadline for EOIs 21 May
- Appoint new Chair via panel 28 May

#### **Trustee appointment**

- Council and the Bishop of London confirm nominated trustees 28 May 10
- Advertise for expressions of interest (EOIs) 1 June
- Deadline for EOIs 18 June
- New Chair, nominated trustees and ex Chair of old Trust select remainder of board in accordance with agreed selection criteria 25 June
- Final meeting of current Trust board (existing plus shadow board) 30 June
- First meeting of new Trust board Tbc by new Board

Council officers will offer administrative support to the process.

- 2.7 Whilst it will be for FPT to determine the make-up of the new trust, it is likely that the board will comprise of no more than eight members with skills such as: commercial; fundraising; financial; legal; heritage and archaeology; museum and education; marketing.
- 2.8 Once appointed, under charity law all the trustees have a duty to act only in the best interests of FPT and independently of whoever appointed them. Trustees appointed by a local authority have the same duties as all other trustees. It should be noted that if a conflict of interest arises between the interests of the Council and FPT then any trustee who is also a councillor will need to declare an interest, withdraw and not vote on the relevant matter.

#### **Responsibilities of the New Trust Board**

- 2.9 All trustees will operate on a 'give, get or get off' basis with candidates selected for their relevant skills and experience. In line with Charity Commission best practice, the amended articles of association will require, *inter alia*, that:

- a) Trustees will be no fewer than three and not more than 12. The aim will be for a board of around seven committed and active trustees with a broad skills base and particular expertise in commercial and fund-raising activities.
- b) Trustees, including the Chair, will serve a three year term and trustees who have served two consecutive three year terms will retire and not be capable of reappointment for a minimum period of one year after retirement. This will ensure that the FPT board is periodically refreshed. For this to happen effectively a number of trustees will initially need to be appointed for less than three years.
- c) Trustees will appoint subsequent Chairs from nominees who will be proposed and seconded by written notices to the secretary of FPT. All resolution relating to the appointment or removal of the Chair will be by secret ballot. This will more easily facilitate the removal of a Chair if and when necessary.
- d) The authorised officer for the Council will have a right of veto over the appointment of any trustee or Chair of the trustees.
- e) The Council will be able to appoint a minimum of one trustee up to a maximum of 20% of the total number of trustees. This is in line with local government legislation and Charity Commission best practice guidelines but is a reduction on the maximum of six council-appointed trustees provided for within the current FPT deed.
- f) The Bishop of London will retain his right within the current FPT deed to appoint one trustee.
- g) The Council will be able to appoint observers. Observers will have the right to attend FPT board meetings but will have no voting rights.

2.10 It has been agreed with the FPT board that all current trustees will step down once single governance has been approved by the Council. The only exceptions will be the Chair (who will step down as Chair) and the Deputy Leader of the Council, both of whom will be retained for one year only to provide continuity.

### **Implications for the Council**

2.11 The main advantages to the Council in devolving the running of Fulham Palace to an arms-length independent charitable trust are:

- a) *Reduced National Non-Domestic Rates* – a mandatory reduction of 80% will be applied to the cost of the Palace's NNDR.
- b) *Reduced staff costs* – in time this will reduce significantly as existing staff move on and new ones are employed directly under different terms.
- c) *Reduced support costs* – the Council will no longer be providing support to the Palace (such as financial monitoring and HR advice) – this will all be paid for by the Trust.
- d) *Greater access to grant giving individuals and organisations* – FPT will be eligible to apply for a far greater number of grants than the Council. This will be of particular benefit when raising funds to meet the cost of the final phase of restoration costs.

- e) *Increased opportunities for donations and legacies* – Individual and corporate donors will be more amenable to contributing funds to a charity than a local authority. Indeed, income tax relief on donations only applies to those made to charities.

2.12 The potential disadvantages to the Council are:

- a) *Operational control.* The Council will no longer manage the day-to-day operation of Fulham Palace. Staff will be employed by the Trust (see section 3.10) and will receive instruction from FPT rather than the Council. However, the agreement of the business and service delivery plans between the Council and the FPT will ensure that council priorities are met. A condition of the GFA (and KPIs contained within it) will ensure that high standards of customer service are maintained at all times.
- b) *Strategic control.* FPT will determine the long-term strategy of the Palace in partnership with the Council through the service and business planning process for the term of the GFA. It should be noted that the Council will appoint its own trustee to the FPT board (subject to responsibilities set out in section 2.8). Local accountability will be further ensured by the creation of a ‘community sub-committee’ that will advise the FPT board on matters relating to residents’ interests in general and those of the local amenity groups in particular.
- c) *Financial control* The Council will no longer provide day-to-day monitoring of the Palace’s finances. However, conditions of grant will ensure that FPT operates financial management systems and prepares accounts in accordance with the current Statement of Recommended Practice and the Charities Regulations 2008, and will need to submit annual accounts to the Council within six months of the end of each financial year. Financial accountability will be further ensured by the creation of a ‘finance sub-committee’ that will sit regularly throughout the year and comprise of key trustees. Conditions of the GFA give the Council the right to appoint finance officers to the finance sub-committee should it wish to increase its scrutiny of the Trust. The Council will also have the right to appoint a director to the Palace’s CIC for the same reason. The Council will retain robust and immediate step in rights in the event of FPT’s maladministration of funds.

### **3. DEFINING THE RELATIONSHIP BETWEEN THE COUNCIL AND FPT**

3.1 In establishing an arms-length independent charitable trust it is vital that the following key issues are addressed:

- a) In return for the Council’s financial support, FPT must assist in the delivery of priorities defined within the Community Strategy/council priorities.
- b) FPT must be fully accountable for the funding it receives with robust and immediate step-in rights available to the Council in the event of financial maladministration.
- c) All staff seconded to or employed by FPT must adhere to effective recruitment and performance management policies.

- d) Council's grant funding of FPT will be reduced year-on-year achieving £0 between 5 and 7 years.
- e) The complex lease arrangement is rationalised so that FPT occupies the whole of the Palace site.
- f) The new structure is VAT efficient.

3.2 It is proposed to address these issues as follows:

- a) Agree annual service and business plans
- b) Agree clear grant funding terms
- c) Adopt robust step-in rights.
- d) Ensure council staff performance management systems are reflected in those established by FPT.
- e) Rationalise leases by assigning to FPT.

### ***Service and Business Planning***

3.3 In line with Council practice, FPT will be obliged under the terms of the GFA to prepare an annual service plan and a rolling three year business plan. Both plans will set out how FPT will support the Council's Community Strategy priorities and any other relevant priorities the Council considers to be deliverable at Fulham Palace. The three year business plan will set out FPT's strategy for making the Palace financially self-sustaining in the medium term, as well as raising funds for capital repair works and revenue programmes. The service plan will set out, *inter alia*, the Palace's budget for the financial year and key performance indicator (KPI) targets.

### ***Grant Funding Agreement***

3.4 A draft GFA has been prepared by BSS based on heads of terms agreed with the current FPT. A copy of the draft is contained in appendix 1 (on the exempt part of the agenda). The GFA is for five years and is renewable every five years thereafter with the agreement of both parties. The main requirements of the draft GFA are for FPT to:

- a) Submit annually to the Council a service plan that supports the Council's key priorities and is informed by all other relevant documents, plans and strategies.
- b) Submit annually to the Council a business plan comprising a detailed action plan for delivering strategic objectives during the coming year, forecasts of expenditure, income, capital budgets and grant requirements for the financial year starting on the subsequent 1 April and for the two subsequent financial years.
- c) Deliver KPIs agreed annually with the Council.
- d) Maintain the Palace in accordance with the requirements of the sub-lease .
- e) Not associate with products, services, organisations or events that will bring the Council into disrepute.
- f) Market and promote the Palace.
- g) Produce a publicly available annual report.

- h) Confirm an annual grant with the Council.
- i) Operate financial management systems and prepare accounts in accordance with the current Statement of Recommended Practice and the Charities Regulations 2008.
- j) Maintain such accounts as necessary to demonstrate compliance with the terms of the GFA and provide such information to the Council at such times agreed with the Council.
- k) Submit audited accounts to the Council not later than six months after the end of FPT's financial year.
- l) Assist the Council in the restoration and management of Bishops Park in accordance with the strategic plans prepared as part of the Parks for People grant application for Fulham Palace and Bishops Park.
- m) Assist the Council in the management and operation of the Borough Archives as required.
- n) Maintain contents insurance for the property of FPT including that transferred to it by the Council.
- o) Maintain public liability insurance to cover the Palace and grounds (including cover for functions, events and volunteers).
- p) Offer the Council one free weekend venue hire and five free weekday hires per annum for the purposes of Council business or community benefit, dates to be agreed between both parties.
- q) Offer the Council a discounted rate for hire of venue at certain times (to be agreed).

3.5 The main requirements of the draft GFA are for the Council to:

- a) Sub-lease the Palace to FPT
- b) Transfer assets at the Palace required by FPT for its management
- c) Monitor FPT's compliance with conditions contained in the GFA
- d) Have the right to appoint observers at meetings of the FPT board and sub-committees
- e) Arrange for the transferral of staff to FPT under the terms of the GFA
- f) Maintain buildings insurance in accordance with the conditions of the Head Lease.
- g) Instruct goods and services on behalf of FPT – in particular major works associated with the Palace's phased restoration.

### ***Financial Monitoring Systems***

3.6 FPT will be obliged under the terms of the GFA to:

- a) Operate financial management systems and prepare accounts in accordance with the current Statement of Recommended Practice and the Charities Regulations 2008.
- b) Maintain such accounts as necessary to demonstrate compliance with the terms of the GFA .
- c) Submit audited accounts to the Council not later than six months after the end of FPT's financial year.
- d) Ensure that they comply with EU procurement requirements when appropriate.

- 3.7 Additional financial monitoring could be provided at the Council's discretion through the appointment of an observer to FPT's board and/or the appointment of a director to the board of the Palace's CIC should the Council wish. Robust financial planning will be ensured through the provision of annual service and business plans.

### ***Step-In Rights***

- 3.8 The Council will exercise step-in rights and assume responsibility for the operational management of the whole of the Palace to FPT's exclusion if:
- a) FPT has not used the Council grant to further its charitable purposes in accordance with the GFA.
  - b) The Council resolves that FPT has not met the objectives and KPIs contained within the Strategic Plan allowing FPT reasonable time to improve its compliance with the service levels.
  - c) FPT has not remedied in all material aspects a substantial breach, or persistent minor breaches, of its obligations under the GFA.
  - d) FPT breaches any of its covenants under the sub-lease and does not remedy these breaches in accordance with the terms of the sub-lease.
  - e) FPT is responsible for any event of default under any funding agreement.
  - f) FPT's financial position is such that it, its directors, members or creditors are entitled to take steps to institute formal insolvency proceedings.
  - g) FPT is removed from the Register of Charities held by the Charity Commissioners.

### ***Rationalisation of Leases***

- 3.9 Changes to the proposed lease structure are summarised in appendix 2. The Council is proposing to re-organise the leases as follows:
- a) The CCs will continue as the freeholder and superior landlord with the Council as intermediate landlord under the superior lease and FPT as the undertenant of the Council.
  - b) FPT will control all current lettings and will grant all lettings in the future. The current intermediate underleases between the Council, the CCs and FPT will be surrendered simultaneously with a grant of underlease to FPT by the Council for 65 years (the remainder of its superior lease) at a peppercorn rent (the under-lease to be by reference to the Council's superior lease and subject to all current sub-leases held at the Palace).
  - c) Under the terms of the underlease, FPT will continue to pay the present rent of £62,500 per annum (subject to rent review) directly to the CCs. The Council will be liable to pay this rent in the event of FPT's default in the same way that it currently acts as guarantor to FPT under the intermediate underlease between the Trust and the CCs. It is being agreed with the CCs that this rent will be voided for the duration of the headlease pending completion of the restoration of the Palace.
  - d) In the event of FPT's insolvency the provision of re-entry shall apply and determine the underlease and all interests back to the Council.

- e) The CCs' consent will be required to the grant of the under-lease to FPT and the variation to the superior-lease.
- f) The rent between FPT and the CCs will attract stamp duty, however, as FPT is a charity it is exempt from payment.
- g) The process will take up to three months and a budget allowance has been made to cover internal legal costs.

### **VAT Provision**

- 3.10. The Council has received advice from LAVat – specialist VAT consultants – on the most efficient way of establishing the Trust. A number of tax-efficient options have been suggested and each requires financial modelling. An allowance has been made within the budget for VAT.

## **4. FUNDING**

- 4.1 The current Council budget set for Fulham Palace for 2010/11 is as follows:

| <b>Fulham Palace Budget 2010/11</b> | <b>£'s</b>     |
|-------------------------------------|----------------|
| Gross expenditure                   | 905,300        |
| Gross income                        | 629,800        |
| <b>Net budget</b>                   | <b>275,500</b> |

In addition to the annual budget costs, Fulham Palace has experienced a budget variance deficit over the past three years. In 2009/10, although this has reduced from previous years budget variance, the year end projection is £190,000.

Taking this into account, the net contribution to support Fulham Palace under the existing governance arrangements for 2010/11 would be:

| <b>Total Council contribution for 2010/11 (under existing arrangements)</b> | <b>£'s</b>     |
|---|----------------|
| Net Budget  | 275,500        |
| Projected budget adverse variance   | 190,000        |
| <b>Total Council contribution</b>   | <b>465,500</b> |

The gross costs for the Palace are made up of gross expenditure and corporate service recharges (currently at £149,500pa). Typically these recharges represent finance ICT, HR and other support costs. Under the proposed new Trust arrangements, these corporate and departmental recharges will need to be reviewed across council budgets as the Trust will be acting independently and will incur its own support costs which have been included in proposed budgets.

- 4.2 Revised budgets for the proposed new single governance arrangements for Fulham Palace have been prepared for the next six years. In setting the budget it has been important to reflect the true costs and revenue-generating potential of the Palace so that FPT can operate on a sound financial footing



that will allow it to realise new fundraising opportunities. The budget has been informed by the following:

- Income**            Income has been reviewed for:
- *Café* – Income targets have been set that reflect the operator's business plan and the opportunities that will be presented by the Palace's recently completed café kitchen extension.
  - *Function Hire* – Income targets have been set that reflect income generated in 2009-10 and incorporate recent changes made to the Palace's pricing structure as well as conservative objectives for growing corporate business – both of which will take effect during 2010-11
  - *Office Rental* – Income targets have been set that assume no voids within the next 12 months
- Expenditure**      Allowances have been made for:
- Maintenance and repairs based on 2009/10 out-turn
  - Utilities
  - Reduced cost of National Non-Domestic Rates
  - Significantly reduced gallery operation with exhibitions now delivered biannually in partnership with others
  - Support costs such as ICT, finance etc.
- New Costs**        Allowances based on competitive quotations have been made for:
- IT provision
  - Insurance (contents, events and PLI)
  - Costs of governance (including auditor costs)
  - VAT
  - One-off legal costs associated with the transferral to single governance in year 1 (2010/11)

4.3 The Council would provide estimated grant support to the Fulham Palace Trust, based on an assessment of current and predicted future income streams as outlined in Section 6 below. These will be calculated at a reducing rate per annum. These reductions would be required each year as part of the business plan agreement and will form a schedule to the Grant Funding Agreement.

4.4 It should be noted that there are three areas of financial risk to FPT going forward:

- a) **Obligations under the Head Lease.** As the lessee, the Council will continue to be liable for the rent to the Church Commissioners of £4,750pa and for the buildings insurance. This insurance is currently through the Church Commissioners preferred insurers and the annual

premium is £103,000. Through negotiation with the CCs and with the Council's insurance department, this can be reduced to £40,000 pa (or less), a saving of at least £63,000 per annum. Therefore there will be an ongoing financial responsibility for the Palace in addition to the grant fund of £45,000 pa (depending on final negotiations). This could be mitigated by requiring the Trust to offset these costs with a positive outturn but this is not likely to be achievable before 2016/17.

- b) **Office Lettings** – Currently the council has an anchor tenant that generates an income of £167K p.a. or 70% of total office revenues. Should the tenant relocate, based on experience of letting the space following the first phase refurbishment works, it is likely that a rent void of a year to 18 months would ensue. It may be assumed that such a loss of income would render FPT insolvent. It is proposed that in the event of a rent void, the Council will provide FPT with the minimum amount of financial assistance required to keep the trust solvent.
- c) **Boiler Replacement** – The Palace boilers are now 20 years old. The boilers are obsolete and both are in need of replacement. Replacement of the boilers, at a cost of c. £150K, is scheduled on the Council's planned maintenance programme for 2011/12. It is proposed that the Council retain responsibility for the replacement of the boilers in 2011/12 and this sum could be counted as the Council's contribution to the final stage of restoration of the Palace.

## 5. NEXT STEPS

- 5.1 Subject to Member approval, the next steps in the transfer of the Palace from the Council to FPT are to:
- Final agreement with the current FPT
  - Start recruitment process of new trustees
  - First meeting of the new Trust board
  - Complete lease restructure
  - Initiate new governance and operational support (banking, IT, payroll, auditors)
- 5.2 The aim will be to complete this process by the autumn of 2010

## 6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

- 6.1 The revised budgets for the new Fulham Palace Trust, taking into account the opportunities to streamline costs and improve revenue, indicate a predicted deficit for 2010/11 of £240,000, decreasing in subsequent years. It is proposed that this overall net expenditure incurred by FPT will be covered by the Council by way of a grant (see table below). In addition, there will be continued costs for Fulham Palace which will remain the responsibility of the Council under the terms of the Head Lease. These are made up of a £5k pa payment for the Head Lease and an estimated £40kpa for buildings insurance. *(Under the current arrangements the Council pays £103k pa for*

insurance, however because of competitive pricing opportunities it is expected that this cost will reduce by at least £63k). It is proposed to negotiate the recovery of those costs from FPT from 2016/17.

- 6.2 Section 4.1 outlines the current projected council contribution to Fulham Palace for 2010/11 of **£465,500** (incorporating (£149,500 corporate recharges). The table below identifies the net costs to the council excluding these recharges (SLAs) which totals £316,000.

| Year    | Indicative Grant Fund by LBHF | On going costs incurred by the Council* | One-off costs 2010/11 (Legal fees) | Sub Total (assuming insurance costs at £40K) | 2010/11 Net costs to the Council (Excluding SLAs) | Net Saving to LBHF based on 2010/11 costs |
|---------|-------------------------------|---|------------------------------------|--|---|---|
| 2010/11 | <b>£240,000</b>               | £45,000*                                | £5,000                             | £290,000                                     | £316,000  | £26,000                                   |
| 2011/12 | <b>£180,000</b>               | £45,000*                                | n/a                                | £225,000                                     | £316,000  | £91,000                                   |
| 2012/13 | <b>£100,000<sup>a)</sup></b>  | £45,000*                                | n/a                                | £145,000                                     | £316,000  | £171,000                                  |
| 2013/14 | <b>£50,000<sup>b)</sup></b>   | £45,000*                                | n/a                                | £95,000                                      | £316,000  | £221,000                                  |
| 2014/15 | <b>£0</b>                     | £45,000*                                | n/a                                | £45,000                                      | £316,000  | £271,000                                  |
| 2015/16 | <b>£0</b>                     | £45,000*                                | n/a                                | £45,000                                      | £316,000  | £271,000                                  |

a) and b) include grant to cover potential income risk from proposed letting of Gate Lodges

\*Assumes buildings insurance at £40,000

- 6.3 FPT will be independent and the financial processes will not be part of the Council's accounting systems, however, as set out in the report, there are controls in place for the Council to inspect and review FPT's financial position on an ongoing basis. The reductions in the proposed grant contributions will count towards the MTFs targets.
- 6.4 The long term financial benefits to the Council, from the establishment of FPT, will only be realised if the Trust is operationally and financially successful. It is essential that the trustees have the necessary skill sets and experience to deliver the business plan and enable the Council's grant reductions to be met as scheduled in paragraph 6.1 above.
- 6.5 FPT can choose to register for VAT and once registered can treat the lettings of rooms and offices as exempt for VAT purposes. This will reduce the amount of VAT that can be claimed in relation to lettings and in recognition of this a VAT cost of £20k has been provided for in the budget projections.
- 6.6 Under the new arrangements, the exposure that the Council currently holds in the event that the Palace's financial targets are not met will be passed to the newly established trust and its trustees. Given that FPT will face some inherent financial risks, and that the Council is gaining a benefit in passing over this risk, it is appropriate that the Council makes some financial commitment to enable FPT to be established on a secure financial footing.

6.7 This commitment should take the form of a financial guarantee given by the Council on behalf of FPT up to a specified sum. Based on an analysis of historical financial outturns and the level of risks faced by FPT, a sum of £250,000 may be appropriate. It should be noted that the body of the report mentions a commitment to provide assistance in the event of a sustained void on the major office tenancy, and that this commitment would need to be considered alongside any other financial support proposed.

**7. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

7.1 The legal implications are largely set out in the body of the report. The Council's position is somewhat constrained by the terms of the existing leases and the existence of the current trust. The recommendations, if adopted, should both protect and improve the Council's position in so far as this can be achieved and will ensure that it meets all its legal obligations. In this regard the proposed arrangements have been drawn up in consultation with specialist charity lawyers and the in-house team in relation to procurement, employment and landlord and tenant matters. Advice will continue to be provided as the project progresses.

7.2 The Council does not consider FPT to be a contracting authority within the terms of the Public Contracts Regulations and therefore does not consider the proposed arrangement to constitute the procurement of services. Rather the Council is providing a grant to FPT to further its charitable objectives by supporting the Council in delivering its own priorities as defined within the Community Strategy. As such, public tendering is not required and it is appropriate for the Council to negotiate directly with FPT.

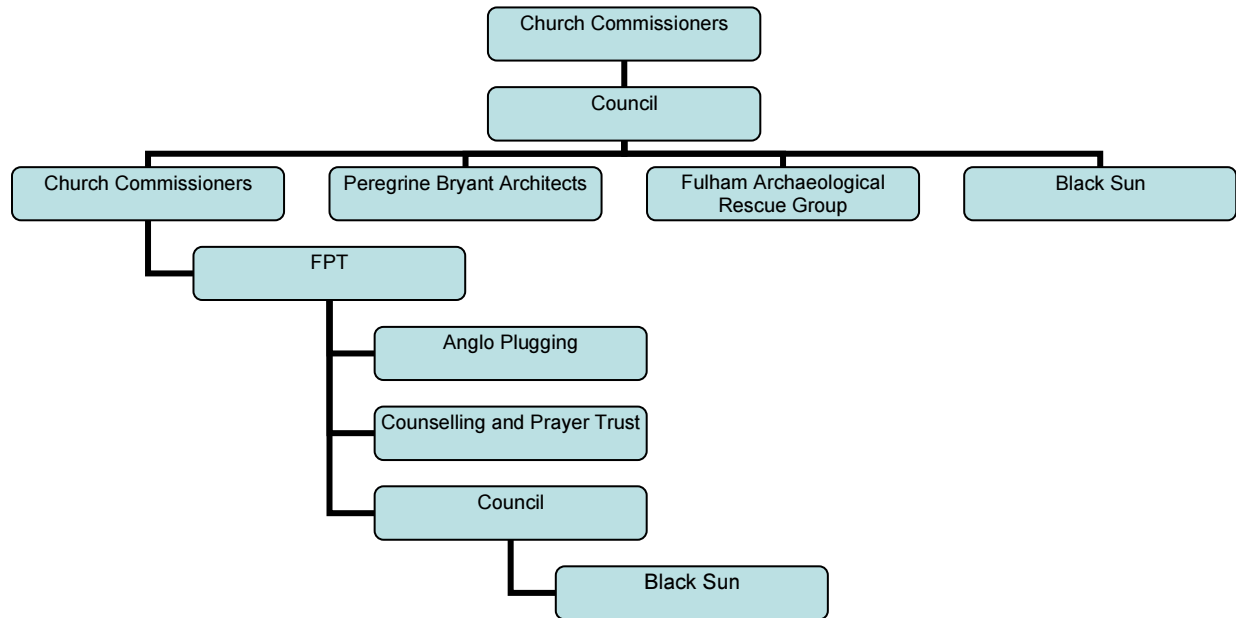
**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b> | <b>Description of Background Papers</b>   | <b>Name/Ext. of Holder of File/Copy</b> | <b>Department/ Location</b> |
|------------|---|---|-----------------------------|
| 1.         | Burges Salmon Solicitors: Draft Memorandum of Association of Fulham Palace Trust (2009)                                       | Scott Cooper<br>020 76107161            | RSD, Fulham Palace          |
| 2.         | Burges Salmon Solicitors: Draft Articles of Association of Fulham Palace Trust (2009)   | Scott Cooper<br>020 76107161            | RSD, Fulham Palace          |
| 3.         | Burges Salmon Solicitors: Draft Memorandum and Articles of Association of the Fulham Palace Community Interest Company (2009) | Scott Cooper<br>020 76107161            | RSD, Fulham Palace          |

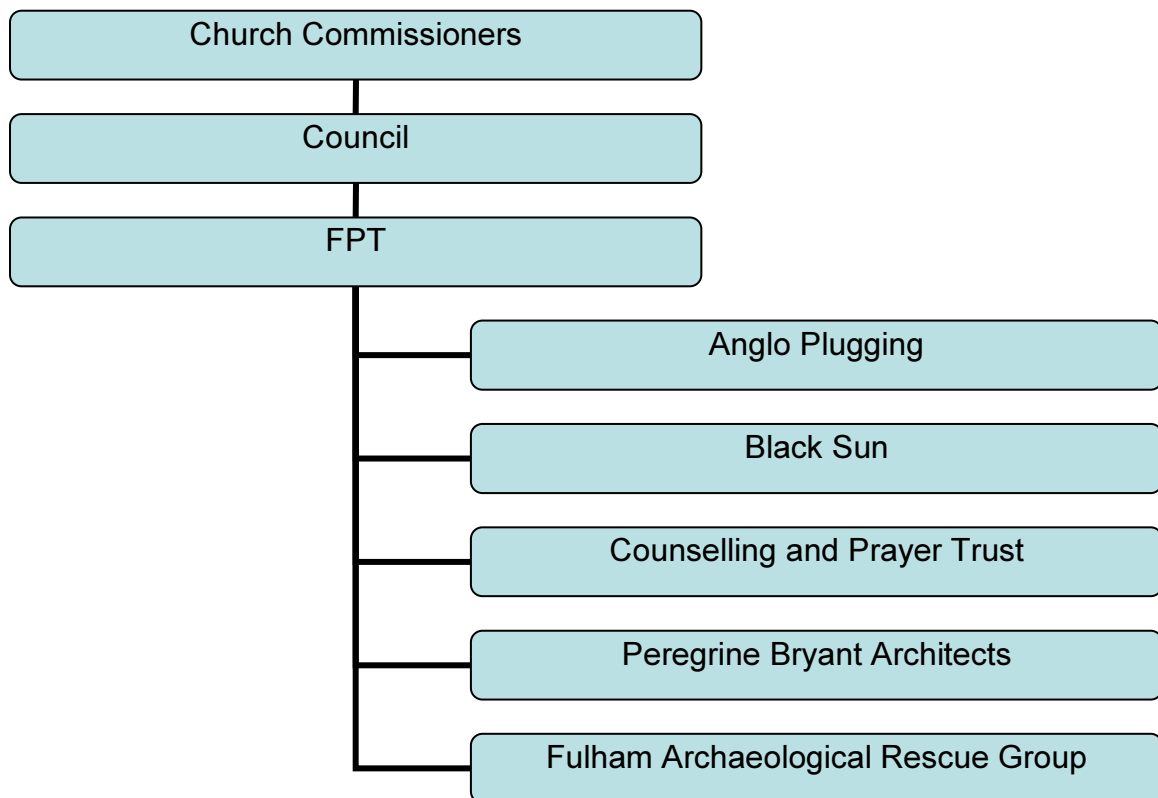
|    |   |                              |                    |
|----|---|------------------------------|--------------------|
| 4. | Burges Salmon Solicitors:<br>Draft Fulham Palace Service<br>Level Agreement (2009)                                  | Scott Cooper<br>020 76107161 | RSD, Fulham Palace |
| 5. | Burges Salmon Solicitors:<br>Fulham Palace Trust – Issues<br>Paper on Governance<br>(February 2006)                 | Scott Cooper<br>020 76107161 | RSD, Fulham Palace |
| 6. | Deeds of Variation to the<br>Fulham Palace Head Lease<br>(January 2008)   | Scott Cooper<br>020 76107161 | RSD, Fulham Palace |
| 7. | Museums, Libraries and<br>Archives Council, <i>Moving to<br/>Museum Trusts: Learning from<br/>Experience</i> (2007) | Scott Cooper<br>020 76107161 | RSD, Fulham Palace |

**APPENDIX 2 - LEASE STRUCTURE  
FULHAM PALACE – TRANSFER OF THE MANAGEMENT OF THE SITE TO FPT**

The current lease structure is:



It is proposed to simplify the lease structure as follows:



**APPENDIX 3  
5 YEAR BUDGET**

| <b>FPT BUDGET</b>                                       |             | <b>2010/11</b> | <b>2011/12</b> | <b>2012/13</b> | <b>2013/14</b> | <b>2014/15</b> |
|---|-------------|----------------|----------------|----------------|----------------|----------------|
| <b>Café</b>   | Income      | -23,000        | -28,000        | -30,000        | -30,000        | -30,000        |
|   | Expenditure | 1,500          | 1,500          | 1,500          | 1,500          | 1,500          |
|   | Sub Total   | -21,500        | -26,500        | -28,500        | -28,500        | -28,500        |
| <b>Events</b>   | Income      | -22,000        | -23,000        | -24,000        | -24,000        | -24,000        |
|   | Expenditure | 19,600         | 19,600         | 19,600         | 19,600         | 19,600         |
|   | Sub Total   | -2,400         | -3,400         | -4,400         | -4,400         | -4,400         |
| <b>Functions</b>  | Income      | -300,000       | -335,000       | -340,000       | -375,000       | -420,000       |
|   | Expenditure | 169,622        | 148,764        | 156,795        | 148,764        | 148,764        |
|   | Sub Total   | -130,378       | -186,236       | -183,205       | -226,236       | -271,236       |
| <b>Gallery</b>  | Income      | -500           | -500           | -500           | -500           | -500           |
|   | Expenditure | 8,400          | 8,400          | 8,400          | 8,400          | 8,400          |
|   | Sub Total   | 7,900          | 7,900          | 7,900          | 7,900          | 7,900          |
| <b>Offices</b>  | Income      | -250,949       | -250,949       | -250,949       | -250,949       | -250,949       |
|   | Expenditure | 0              | 0              | 0              | 0              | 0              |
|   | Sub Total   | -250,949       | -250,949       | -250,949       | -250,949       | -250,949       |
| <b>Museum</b>   | Income      | -26,300        | -28,400        | -30,500        | -32,600        | -34,700        |
|   | Expenditure | 79,089         | 79,089         | 79,089         | 79,089         | 79,089         |
|   | Sub Total   | 52,789         | 50,689         | 48,589         | 46,489         | 44,389         |
| <b>Operations</b>                                       | Income      | -35,250        | -35,250        | -35,250        | -35,250        | -35,250        |
|   | Expenditure | 532,928        | 534,006        | 534,006        | 538,806        | 544,006        |
|   | Sub Total   | 497,678        | 498,756        | 498,756        | 503,556        | 508,756        |
| <b>Gardens</b>  | Income      | 0              | 0              | 0              | 0              | 0              |
|   | Expenditure | 96,100         | 96,100         | 96,100         | 96,100         | 96,100         |
|   | Sub Total   | 96,100         | 96,100         | 96,100         | 96,100         | 96,100         |
| <b>Potential Residential Letting of Gate Lodges</b>     | Income      | 0              | -45,000        | -60,000        | -64,000        | -68,000        |
|   | Expenditure | 0              | 60,000         | 0              | 0              | 0              |
|   | Sub Total   | 0              | 15,000         | -60,000        | -64,000        | -68,000        |
| <b>Potential Additional Office Hire</b>                 | Income      | -10,000        | -10,000        | -10,000        | -10,000        | -10,000        |
|   | Expenditure | 0              | 0              | 0              | 0              | 0              |
|   | Sub Total   | -10,000        | -10,000        | -10,000        | -10,000        | -10,000        |
| <b>Potential Additional Grants and Donations</b>        | Income      | 0              | -10,000        | -15,000        | -20,000        | -25,000        |
|   | Expenditure | 0              | 0              | 0              | 0              | 0              |
|   | Sub Total   | 0              | -10,000        | -15,000        | -20,000        | -25,000        |
| <b>NET EXPENDITURE / FPT GRANT</b>                      |             | <b>239,240</b> | <b>181,360</b> | <b>99,291</b>  | <b>49,960</b>  | <b>-940</b>    |
| <b>COUNCIL BUDGET</b>                                   |             |                |                |                |                |                |
| <b>Buildings Insurance Cost Retained by Council</b>     |             | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         |
| <b>Rent to Church Commissioners Retained by Council</b> |             | 4,750          | 4,750          | 4,750          | 4,750          | 4,750          |
| <b>Legal Costs</b>                                      |             | 5,000          | 0              | 0              | 0              | 0              |
| <b>TOTAL COST TO COUNCIL</b>                            |             | <b>288,990</b> | <b>226,110</b> | <b>144,041</b> | <b>94,710</b>  | <b>43,810</b>  |

# Agenda Item 7



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2010

### LEADER

*Councillor Stephen Greenhalgh*

### BUSINESS CONTINUITY

Cabinet is recommended to approve the establishment of a new service to improve its business and service continuity.

**Wards  
All**

### CONTRIBUTORS

DFCS  
ADLDS

### Recommendations:

1. To approve the establishment of a new business continuity service which would permit the Council to bring up critical services in one or other of the two Council data centres in the event of an emergency, thereby increasing the Council's Information Technology service resilience in the event of a disaster; and to approve the upgrade of end of life IT equipment in Hammersmith Town Hall and the refurbishment of an ageing computer room at a cost of £998,970 over five years.
2. To agree funding of a total of £998,970 of which:
  - £52,000 is to be funded from corporate planned maintenance; and
  - £946,970 will come from the balance of £981,000 remaining from the £8m Strategic Programmes fund, which includes the overall annual maintenance for three years and an estimated £36,002 p.a. (years 4 and 5 only) maintenance.
3. To note that in addition, the annual testing and support costs of £120,000 p.a. will be funded from the current H&F Bridge Partnership contract price.

|   |
|---|
| <p><b>HAS A PEIA BEEN COMPLETED?</b><br/><b>YES</b></p> |
|---|





## 1. STATUTORY BACKGROUND

- 1.1 Local authorities are obliged by the Civil Contingencies Act 2004 to have “robust business continuity arrangements in place” which will permit them to continue to deliver service and communicate with other public bodies such as the emergency or armed services and the general public throughout a major incident.
- 1.2 This means all “Category One Responders” must have resilience embedded into all business processes and supporting technologies in order to minimise downtime in services.
- 1.3 In addition, since May 2006 a requirement of the Act is that all local authorities must promote Business Continuity Management to business and voluntary organisations in their communities.
- 1.4 Business Continuity Management is based on the principle that it is the key responsibility of directors to ensure the continuation of its operations at all times. (Appendix 1).
- 1.5 Service areas are now heavily dependant and growing increasingly more reliant on IT for their service provision. Outages of any kind are less tolerated now than in the past because of this dependence on the IT service.
- 1.6 The Council has a responsibility to identify those key services which, if interrupted for any reason, would have the greatest impact upon the

community and the organisation; to identify and reduce the risks and threats to the continuation of these key services; to develop plans which enable the council to recover and/or maintain core services in the shortest possible time.

- 1.7 It has now done this and this paper is to mitigate those risks considered the likeliest. (Appendix 9).

## **2. BUSINESS CONTINUITY ARRANGEMENTS IN PLACE TODAY**

- 2.1 The only IT-related business continuity in place now is that of the restoration of a basic telephone service (including the contact centre) to a suitably equipped location, e.g. FTH, within a day of a service failure.
- 2.2 There is local resilience in place in the ELDC where if individual services fail they can self-heal and continue to function. Earlier this year, the data centre was affected by a power outage in the East End which in fact took out other businesses in the area but not the H&F service as the standby power arrangement came into service.

## **3. MAJOR RISKS AND MITIGATION**

- 3.1 Two years ago, our financial IT service provider suffered a power surge at their data centre causing them to invoke their Business Continuity arrangements and H&F to lose one day's financial data.
- 3.2 In the last six months, two major outages affecting all council services, one caused by a network communications device and another caused by an ELDC data storage disk failure, meant that services were lost for a total of five and half hours. Examples of direct impact of this loss of service on residents include the contact centre being unable to work apart from fielding calls; Meals on Wheels (MOW) functioning with the previous day's data; in H&F Direct, appointments had to be made for residents to return on a different day for services like parking permits. (Appendix 11).
- 3.3 Last year, the introduction of a USB memory stick to a PC imported a virus into the network of LB Ealing. The resulting loss of service lasted up to three weeks and cost over £500,000 to remedy, from staff overtime, loss of revenue from failure to issue parking tickets and failure to take library fines and fees, costs of eliminating the virus and rebuilding computer systems. (Appendices 7 and 13).
- 3.4 A summary calculation estimates that the opportunity costs for Hammersmith would run to approximately £500,000 per day, a significant proportion of which would translate into real direct losses.
- 3.5 The core risk mitigated by this proposal is the loss of IT services dependent upon the servers housed in the East London Data Centre. The consequences for Council services include:

- Loss of telephone service into or out of the Council
- Loss of access to e-mail and unstructured data (Word documents in shared folders for example)
- Loss of access to key applications for both resident-facing and back office functions

3.6 Risks such as the loss of data caused by a power surge or a denial of access to the ELDC, resulting in some 80% of the Council's IT services being out of action, would be mitigated by this proposal.

#### **4. MAJOR RISKS NOT ADDRESSED IN THIS PROPOSAL**

4.1 In 2005, a burst water main outside 145 King St. pictured above meant that the area including the council office at 145 King St. had to be evacuated. Had this incident happened a few metres further up the road it would have been Hammersmith Town Hall and Hammersmith Town Hall Extension affected, with disastrous consequences, including:

- no way for the public to contact the Council by phone
- between 30 and 50% of the Council's IT services inaccessible
- around 1330 staff to be relocated.

4.2 This proposal cannot directly mitigate this risk of loss of a key building from which to provide services. Instead, mitigation of this risk is through a series of changes planned over the next 18 months:

- the corporate Accommodation programme building consolidation;
- the corporate Network Strategy;
- the new civic accommodation design;
- Service Resilience Group drawing up a corporate plan for relocation of Staff to other sites.

4.3 This proposal will however mitigate other major risks such as fire or flood in the HTH computer room, by offering replication of its key servers.

4.4 Finally, the proposal would not eliminate the risk of viruses being introduced, with the potential to escalate losses similar to Ealing. Currently at H&F USB memory sticks are unencrypted and unprotected against viruses. To make them and all other Council-owned mobile devices safe is estimated to cost over £150,000 one-off. Mitigation against the risk of virus infection will come through the SmartWorking programme which will see the introduction of Network Access Control for mobile devices. Once implemented, it will scan all mobile devices at the point of being attached to the network and if the anti virus software is not up to date it will prevent the device from connecting to the corporate network. In addition the Information Security policy requires usage of USB memory sticks to be tightly controlled.

## 5. EXCLUSIONS

- 5.1 This solution will not deal with any event that affected both data centres simultaneously as this is considered unlikely or so extreme as to not warrant council mitigation. Other exclusions are considered in the detailed paper (See Appendices).

## 6. NEXT STEPS TO SECURING BUSINESS CONTINUITY

- 6.1 One of the reasons for the creation of the H&F Bridge Partnership (HFBP) with the Council's strategic partner Agilisys was to utilise their expertise in dealing with the need to move H&F servers from a computer room within 275 King Street, a building earmarked for closure, to a more robust and resilient environment, to create a highly resilient virtualised data centre environment that protects against all but a major disaster, such as a fire destroying the building. This has now been done.
- 6.2 Another was their commitment during the HFBP procurement stage to providing a Business Continuity service to the Council at a figure (in 2006) of no more than £1m.
- 6.3 It is now time to turn our attention to business continuity to mitigate against major disaster which this proposal will do by establishing business continuity for the applications defined as critical to restore within two to eight hours in an emergency, referred to as first order applications.
- 6.4 These are not necessarily the same as the Critical Applications in the contract with H&F Bridge Partnership for which the council demands high availability in normal circumstances.
- 6.5 Seven options were considered:
1. A **hot site** using replication – each data centre site provides an equivalent service to that on the main live site, with data being copied over in real time as it is updated, which would cost £1,032,390 with the ongoing cost being £130,885 p.a.
  2. A **warm site** – no replication would take place between the primary and secondary sites. Instead, virtual tape drives would give this a failover time of 24 to 48 hours, which would cost £1,492,185 with the ongoing cost being £293,885 p.a.
  3. A **cold site** – requiring configuration of servers as well as restoring data from backups (based on a third party provider solution bought into play in a major event), which would cost £1,512,185 with the ongoing cost being £538,885 p.a. This would effectively take the same time as today to procure and install i.e. 4-6 months not least due to the need to connect to the H&F network.
  4. A **cold external site** – in this case supplied by an external third party, has again with no normal connection to the H&F network, this would cost

£1,512,185 with the ongoing cost being £538,885 p.a. This would cut the time to deliver the solution down from the 4-6 months today to between 1-5 months.

5. A **virtual data centre** – based on collaboration with other Agilisys customers. Currently, the timetable for implementation is not clear and the likely costs are around £1.25m over five years. H&F have approached the other Agilisys customers, but their decision timetable was a key barrier to collaboration at this point, as Rochdale and Cumbria are only at the early ideas stage in their thinking.
  6. **Collaboration with other local authorities in the London area.** Capital Ambition are out to tender for an LPSN shared Recovery Service. Again, the timetable for implementation is not clear and the likely costs are around £1.25m over five years. This also has a range of uncertainties about the level of provision and availability.
  7. A **hybrid hot site** solution which would restore the first order applications within two to eight hours (excluding Revenues and Benefits Academy system which is hosted externally and may take up to two days) of the declaration of an emergency to permit 50% of the user base to access them with the remaining applications being restored in priority order over the following 4-6 months. Costs are shown in the table in section 2.
- 6.6 The recommended solution is the hybrid hot site one as it meets most of the Council's main requirements. Good planning has put the council in the position of having two sites, one a data centre which already has serious resilience built in, making this an attractive, cost effective solution.
- 6.7 At the end of this project, the Council will benefit from having moved from the current service which deals with business continuity events affecting local resilience to a stronger business continuity service which deals with more major events than previously through delivering, in an emergency,
- The ability to restore round 30 first order applications (Appendix 3 of the exempt report, pages 12-13) and critical data quickly, within two to eight hours of the declaration of an emergency to permit 50% of the user base to access them. This excludes Revenues and Benefits Academy system which is hosted externally and may take up to two days to restore.
  - A plan for and the ability to restore the remaining second and third order applications to 100% of users, phased on the basis of the criticality of the particular disaster and the time of year and key event (e.g. financial year-end or an election), as normal service resumes. To get all the services and users 100% back would be done on a reasonable endeavours basis and depends on the prioritisation of the services in the Council's service resilience plans.
  - Optionally IT service monitoring out of hours to determine whether any serious service outages or potential disasters were occurring and prevent them if possible or take suitable action if not.
  - Also as a further option to procure a restore service that would mitigate the risk of data corruption being replicated across the two data storage area networks. (Appendix 2).

## **7. ADDED VALUE TO THE COUNCIL**

- 7.1 The proposed Business Continuity solution also improves the resilience (by self-recovering or self-healing systems) within extended hours of website transactional service provision to residents, allowing these new facilities to be used under normal circumstances (not in an emergency) in extended hours, i.e. from 06.00 to 24.00 daily, which moves the council significantly closer to being a 24/7 service provider. (Appendix 5).
- 7.2 HFBP have had the foresight to plan the infrastructure and some applications (Appendix 4) in such a way that it facilitates additional business continuity without extra spend; for example if staff had to move office in an emergency they could access the listed applications.
- 7.3 This solution also has the potential to be marketed by HFBP on the Council's behalf.

## **8. CONSTRAINTS**

- 8.1 In order to deploy the hot hybrid solution, it would be a better approach to upgrade end of life servers in HTH and refurbish an ageing computer room (increasingly at risk of failure) now running far more infrastructure than it was originally commissioned for. While not vital for this project there is some avoidance of cost (£45k) through combining it. The cost is £192,105 in total over five years.
- 8.2 If this proposal does not gain Cabinet approval, then the risk of a failure in the HTH computer room is increasing to the point that an urgent Key Decision will need to be made solely for the end of life IT equipment and facilities there at a cost of £237,105.

## **9. MEETING OUR OBLIGATIONS**

- 9.1 It will assist the Council in meeting its obligations under the Civil Contingencies Act and allow it to restore critical services within two hours and a proportion of the non critical ones within hours.
- 9.2 It will also crucially enable the council to meet Key Line of Enquiry targets within the CAA.

## **10. TIMETABLE**

- 10.1 The timetable for the project is as follows:

- Final solution and approval to proceed

April 2010

- Detailed planning March 2010
- Procurement of hardware and software April through May 2010
- Refurbish HTH data centre April through June 2010
- Set up hot site May 2010
- Build, test and migration of services August 2010
- Contingency end September 2010
- Complete project October 2010

## 11. COST BREAKDOWN

11.1 The cost of this proposal for business continuity and the end of life replacement proposal includes:

- Software licensing and replication services between ELDC and HTH computer room
- Costs for staff to carry out the two annual tests, maintenance and alignment of the servers in each location, plus additional ongoing licenses. (Appendix 6)
- HTH computer room refurbishment including upgraded power, air conditioning, target hardening
- The installation of equipment (servers and communications network) and software and other implementation services in HTH computer room

|                          | One off        | Year 1   | Year 2         | Year 3         | Year 4         | Year 5         | Grand total    |
|--------------------------|----------------|----------|----------------|----------------|----------------|----------------|----------------|
| Replication and licences | 511,946        |          | 103,755        | 103,755        | 103,755        | 103,755        | 926,966        |
| Maintenance*             |                |          |                |                | 36,002         | 36,002         | 72,004         |
| Testing see 2.2          |                |          |                |                |                |                |                |
| <b>Total</b>             | <b>511,946</b> | <b>0</b> | <b>103,755</b> | <b>103,755</b> | <b>139,757</b> | <b>139,757</b> | <b>998,970</b> |

\*Maintenance included for three years.

11.2 In addition, the £120,000 for annual testing and support - totalling £600,000 over five year - is to be funded from other H&F Bridge Partnership efficiencies (pre-bought days).

- 11.3 The Council will be responsible for deciding on the invocation of the DR service. HFBP will write and maintain the Business Continuity plan to be as flexible and responsive as possible.
- 11.4 For the preferred option, two tests would take place each year. These would be tests of the service which would seamlessly change over from one service to the other, focusing on one business area at a time. Led by the H&F service resilience group the council would set a scenario to test twice a year and test that scenario. Council staff involved would be the service resilience group, the IT strategy and operational group and the service area affected. It would be crucial to test a switch over from the data centre to the computer room. Network and telephony would be tested on every occasion.
- 11.5 The Academy Revenues and Benefits system test would be carried out less frequently with the 3<sup>rd</sup> party supplier as currently this test would take a long time to perform (up to two days) and longer (up to four days) to reinstate the service.

## **12. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

- 12.1 Given that many of the Council's functions are statutory duties it is necessary for the Council to have appropriate contingency plans in place to protect its data in the event of a disaster etc.

## **13. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 13.1 In order to determine the value for money of this proposal, the council consulted Deloittes who provide the Internal Audit service to H&F and their conclusions were that the council should again review its requirements and the key risks it wishes to mitigate and then decide if this represents value for money. This has now been done. (Appendix 8).
- 13.2 Other authorities were also consulted on the spend they have made on new data centres and business continuity including Wandsworth, K&C, Ealing, Havering, and Haringey (Appendix 10 of the exempt report).
- 13.3 The Council has, through the Strategic Programmes fund, a budget available in 2010/11 of £981,000 for business continuity.
- 13.4 It is proposed that £998,970 which includes the annual maintenance cost is funded as follows:
- £52,000 is to be funded from corporate planned maintenance;



- £946,970 will come from the balance of £981,000 remaining from the £8m Strategic Programmes fund which includes the overall annual maintenance for three years and an estimated £36,002 p.a. (years 4 and 5 only) maintenance

13.5 In addition, the annual testing and support costs of £120,000 p.a. will be funded from the current H&F Bridge Partnership contract price.

13.6 Although the Council should make savings on insurance, its insurance provider is not willing to make any concessions to the Council on the premiums paid.

**Appendices are listed below and available on request:**

Background paper

Appendix 1 defines potential business continuity events.

Appendix 2 defines potential business continuity options

Appendix 3 lists first order applications with a recovery priority of high **(with exempt report)**

Appendix 4 applications available in disaster recovery situation - additional benefits of recommended solution (value add to H&F)

Appendix 5 lists applications available in normal circumstances in extended hours

Appendix 6 annual support services

Appendix 7 news stories

Appendix 8 Internal audit (Deloitte) assessment findings

Appendix 9 IT impact assessment

Appendix 10 Wandsworth and K&C plans **(with exempt report)**

Appendix 11 Scenario - loss of IT service to Meals on Wheels service

Appendix 12 Network extra resilience

Appendix 13 Ealing virus 500k loss

Appendix 14 Network diagram **(with exempt report)**

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>Description of Background Papers</b>        | <b>Name / Ext. of Holder of File/Copy</b>     | <b>Department / Location</b>  |
|--|---|---|
| Data centre relocation and business continuity | Jackie Hudson,<br>Head of IT Strategy<br>2946 | Business<br>Technology office<br>Town Hall Extension<br>2 <sup>nd</sup> floor |

# Agenda Item 8



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2010

**DEPUTY LEADER  
(+ENVIRONMENT)**  
*Councillor Nicholas  
Botterill*

**HAMMERSMITH & FULHAM CARBON  
MANAGEMENT PLAN (REVISED)**

**Wards:  
All**

The report outlines the key elements of the Council's Carbon Management Plan and seeks Cabinet approval for the Plan

### CONTRIBUTORS

DENV  
DFSC  
ADLDS

|   |
|---|
| <b>HAS A PEIA BEEN<br/>COMPLETED?<br/>YES</b> |
|---|

### Recommendations:

1. That approval is given to the Council's Carbon Management Plan attached as the appendix to the report.
2. That approval is given to the establishment of a ring-fenced Carbon Management Fund on the basis that there is a successful application to Salix Finance for match funding and where there is a business case.
3. That Cabinet receives an annual carbon management report detailing progress against the carbon reduction target.

## 1. BACKGROUND

- 1.1 In 2008/, the Council spent over £5 million on energy for its buildings and services and these costs are predicted to increase. Local authorities are also coming under increasing government pressure to reduce their carbon emissions in order to meet national reduction targets. The Climate Change Act 2008 commits the government to reduce carbon emissions by 80% by 2050, from 1990 levels. The Government aims to achieve this through a number of initiatives. The one that will most affect local authorities is the Carbon Reduction Commitment Energy Efficiency Scheme (CRC EES).
- 1.2 The CRC EES is a compulsory emissions trading scheme set up to drive energy efficiency in both the private and public sectors, including local authorities. Organisations such as H&F will have to pay for carbon allowances in addition to paying for their energy. The key features of the scheme are:
- Carbon allowances will have to be purchased from April 2011. The Council will be responsible for purchasing carbon allowances for all its buildings including state funded local schools and street lighting.
  - For the first 2 years, allowances will be sold at a fixed price of probably £12 t/CO<sub>2</sub>. From April 2013, carbon allowances will be capped and auctioned and there will be a limit on the number of allowances that an organisation can purchase and it is anticipated that costs will rise;
  - CRC EES will be revenue neutral to the Treasury and funding will be returned to organisations based on their performance in relation to carbon savings;
  - For H&F, the initial annual cost of purchasing allowances is likely to be approximately £350,000. If the Council performs poorly in relation to other private and public sector organisations, then in the first year we could receive a recycling payment of £315,000 but by 2014/15 we might receive a recycled payment of only £175,000; whereas if we performed very well we would receive £525,000. The net difference between a high performance and a low performance could be about £1 million after three years.
- 1.3 To assist the Council in reducing its carbon emissions, it was agreed in December 2008 that we would apply to join the Carbon Trust's Local Authority Carbon Management Programme. The Programme started in May 2009 and a Carbon Management Plan has been prepared (Appendix).

## 2. H&F CARBON MANAGEMENT PLAN

- 2.1 The Climate Change Project Management Board chaired by the Director of Environment has managed the preparation of the Carbon Management Plan. A carbon management team with representatives from across the Council assessed the opportunities for reducing carbon emissions and energy use in their areas of responsibility.
- 2.2 In 2008/9 the Council spent an estimated £4.15 million on energy in Council buildings, schools and street lighting and £1.11 million on the energy for transport related services. As energy costs are predicted to rise by an average of 5% pa over the 7 years from 2009 to 2016 it is estimated that these energy costs could rise to over £8.3 million pa if we take no action to reduce our energy use. The energy data collected for 2008/9 and information from the Display Energy Certificates (DECs) for 52 of the Council's larger buildings showed that most buildings have below average energy performance.
- 2.3 At the start of the carbon management programme the Project Management Board agreed to set a challenging carbon reduction target of 40% reduction in CO<sub>2</sub> emissions between 2009 and 2014. In setting this target the effect on energy use of the programme of building closures and the construction of new civic accommodation was taken into account. Due to the possible delay in completing the new civic accommodation, the time period for meeting the 40% carbon reduction target was extended to 2016.
- 2.4 In preparing the Carbon Management Plan, it was decided in the early phases of the plan to concentrate action on those services and buildings that would directly benefit Council budgets. Therefore we have not involved contractors of outsourced services, such as waste collection, highways maintenance and leisure centres where energy costs are the responsibility of the contractor.
- 2.5 The Carbon Management Plan groups energy saving projects (Appendix 1 Section 4) into:
- **Existing projects - 11% carbon saving:** These are projects that are currently programmed. Some of these projects started in 2008/9 but the carbon savings will be realised in 2009/10. Other projects such as building closures and street lighting projects will be implemented over several years and will not be completed until 2013 or later. This has been taken into account in assessing the carbon reduction and financial savings. It is estimated that these projects will reduce our CO<sub>2</sub> emissions by nearly 11%.
  - **Planned/funded projects - 17% carbon saving:** These are projects that have been identified and funding allocated but will not commence until 2010/11 or later. These projects will save a

further 16% of our carbon emissions. Much of this energy reduction will be from the proposed closure and rationalisation of Council buildings, including the replacement of Hammersmith Town Hall Extension with a new civic building. Although it is estimated that the Building Schools for the Future Programme will improve the energy efficiency of our secondary schools by almost 7%, it is recognised that the greater use of these schools and their facilities by the wider community may result in an absolute increase in energy use, but this will be balanced by better services to the community and/or a more efficient use of the remainder of the Council's building stock.

- **Near term projects - 5% carbon saving:** These projects have mainly been identified through the carbon management programme and include a pilot project in four primary schools. Although the carbon savings of the proposed primary school projects are relatively small in relation to the Council's total CO<sub>2</sub> emissions, the reduction in carbon emissions for individual schools are significant, ranging from 21% to 40% pa. Also if the initial programme is successful energy reduction projects will be extended to more schools and could save an estimated 4% of Council emissions.

2.6 The total costs and savings of these projects are summarised in the following table

|  | 2009/10 | 2010/11  | 2011/12  | 2012/13  | 2013/14  | 2014/15    | 2015/16    |
|--|---------|----------|----------|----------|----------|------------|------------|
| <b>Annual cost saving</b>                  | £0      | £534,145 | £685,032 | £727,427 | £727,427 | £1,209,561 | £1,617,457 |
| <b>Annual tCO<sub>2</sub> saving</b>       | 113     | 2,506    | 3,307    | 4,047    | 4,122    | 5,879      | 7,935      |
| <b>% of baseline CO<sub>2</sub> saving</b> | 0.4     | 10.2     | 13.5     | 16.5     | 16.8     | 24.1       | 32.4       |

2.7 In addition to the projects listed above, other projects will come forward and be developed as part of the implementation of the Carbon Management Plan. EC Harris has been commissioned to carry out surveys of 50 Council buildings, including additional primary schools to identify potential energy saving projects. It is not possible to assess their feasibility or quantify the carbon savings at this stage but all or some of these medium to long term projects will contribute to meeting our carbon reduction target and can potentially be funded through the Corporate Planned Maintenance Programme and the Primary Capital Programme.

- 2.8 These longer term projects could include improvements to Hammersmith Town Hall, particularly window improvements. The feasibility/viability of improvements will be assessed as part of the Carbon Management Plan.

### 3. RESOURCES

- 3.1 It is estimated that most of the investments identified in the Carbon Management Plan for the period 2009 – 2016 will be recouped on average in around 5 years from savings in reduced energy consumption. This will enable savings to be re-invested into more schemes for a continued reduction of carbon emissions. In better managing its carbon emissions, the Council will mitigate some of the anticipated increases in energy costs.. Although some projects can be funded from existing budgets, such as the Corporate Planned Maintenance budget and schools projects from the Primary Capital Programme, there will still be a need for additional sources of funding.

|                                 | 2008/09    | 2009/10  | 2010/11  | 2011/12  | 2012/13  | 2013/14 | 2014/15 | 2015/16 | TOTAL             |
|---------------------------------|------------|----------|----------|----------|----------|---------|---------|---------|-------------------|
| <b>Annual costs:</b>            | £1,114,032 | £219,880 | £666,604 | £807,532 | £126,666 | £0      | £0      | £0      | <b>£2,934,714</b> |
| <b>Committed funding:</b>       | £1,114,032 | £219,880 | £618,604 | £731,666 | £126,666 | £0      | £0      | £0      | <b>£2,810,848</b> |
| <b>Projects without funding</b> | £0         | £0       | £48,000  | £75,866  | £0       | £0      | £0      | £0      | <b>£123,866</b>   |

- 3.2 The table above indicates that there is approximately £124k of projects without funding. Additional medium to longer term projects will be identified and funding will need to be identified if the carbon reduction target is to be achieved
- 3.3 Salix Finance, a Government funded scheme, can make interest free loans or a capital contribution to a ring-fenced fund to finance carbon reduction schemes with payback periods of less than 5-7 years. Consideration is being given to applying for the ring fenced fund. Any successful application would be used to reduce the Council's contribution on the basis that future benefits would be used to fund other energy saving projects.

### 4. RISK MANAGEMENT

- 4.1. The Carbon Management Plan is not included on a corporate or departmental risk register. However there are financial risks for the Council of not reducing carbon emissions, both from increasing energy costs and poor performance and financial costs of poor performance in

relation to the Carbon Reduction Commitment Energy Efficiency Scheme.

## **5. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 5.1. The report sets out the scope of the Council's Carbon Management Plan and indicates the financial implications of the Government's Carbon Reduction Commitment Energy Efficiency Scheme. The report also summarises the notional cost saving from a number of projects that the Council could commission to reduce its energy consumption, subject to available funding.
- 5.2. The financial arrangements around the Government's Carbon Reduction Commitment Energy Efficiency Scheme are still evolving but the principles around the need for local authorities to procure and then trade carbon allowances is well established and is intended to apply from 2011-12. The current expectation is that the procurement of sufficient allowances will cost the Council £350,000. Whilst the authority will receive a recycling payment relative to its performance it is not possible to accurately predict the impact of this. Currently it is suggested that the Council could receive a payment of £315,000 i.e. a net cost of £35,000. This will vary over time and the Council's liability will reflect its relative position with regard to the reduction of carbon emissions. Further work on this will continue and will be reported to members through the Environment Department's MTFS submission.
- 5.3. In terms of progressing current initiatives, funding has been identified from the Corporate Planned Maintenance Programme, Primary Capital Plan and the Streetlighting Replacement Programme and consideration is being given to submitting applications to Salix, Section 5 of the Carbon management Plan will then be refined to reflect the actual funding of the programme.
- 5.4. The Government has provided conditional grant to match fund local authority expenditure on energy efficiency schemes. The conditions of the grant mean that it is not suitable for use to finance school initiatives as it requires the estimated savings from energy initiatives to be used to fund other internal project which will need to be administered
- 5.5. Should the Council be successful in its application for Salix funding then eligible future schemes can be funded from the recycled savings of the original schemes. Otherwise all such schemes will be required to apply for funding from Council resources subject to the successful presentation of a supporting business case.

**6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

6.1. Legal and Democratic Services have read the report and are satisfied with its content.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b>              | <b>Description of Background Papers</b> | <b>Name/Ext of holder of file/copy</b>   | <b>Department/ Location</b> |
|-------------------------|---|--|-----------------------------|
| 1.                      | Carbon Management Plan                  | Pat Cox/5773                             | EnvD/HTH Ext                |
| 2.                      | Carbon Management Project Board Papers  | Pat Cox/5773                             | EnvD/HTH Ext                |
| <b>CONTACT OFFICER:</b> |   | <b>NAME: Pat Cox</b><br><b>EXT. 5773</b> |                             |





# Hammersmith & Fulham's Carbon Management Programme

CREATING A CLEANER GREENER BOROUGH

## **Carbon Management Plan 2009-2016**



*Date: April 2010*

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### **Foreword from Chief Executive and Deputy Leader (Cabinet Member for the Environment)**

Climate change is, perhaps, the most significant issue for the 21st century affecting all our futures. We are committed to doing everything we possibly can to help improve our energy efficiency and the environment generally. Protecting the environment is one of the major issues of this age. Hammersmith and Fulham is playing its part in Britain moving to a low carbon economy by reducing the energy that we use as a council and by helping our residents and businesses to do the same. We have signed up to the Nottingham Declaration on Climate Change which commits us to actively tackling climate change in our area and working with others to reduce emissions country-wide. This Carbon Management Plan will help the council lead by example and to reduce carbon emissions, this plan is the first step in the council's journey to be a low carbon example, as well as avoiding future increases in the cost of energy.

### **Foreword from the Carbon Trust**

Cutting carbon emissions as part of the fight against climate change should be a key priority for local authorities - it's all about getting your own house in order and leading by example. The UK government has identified the local authority sector as key to delivering carbon reduction across the UK inline with its Kyoto commitments and the Local Authority Carbon Management programme is designed in response to this. It assists councils in saving money on energy and putting it to good use in other areas, whilst making a positive contribution to the environment by lowering their carbon emissions.

Hammersmith & Fulham Council was selected in 2009, amidst strong competition, to take part in this ambitious programme. Hammersmith & Fulham Council partnered with the Carbon Trust on this programme in order to realise vast carbon and cost savings. This Carbon Management Plan commits the council to a target of reducing CO<sub>2</sub> by 40% by 2016 and underpins potential financial savings to the council of around £4.4 million.

There are those that can and those that do. Local authorities can contribute significantly to reducing CO<sub>2</sub> emissions. The Carbon Trust is very proud to support Hammersmith & Fulham Council in their ongoing implementation of carbon management.



Richard Rugg  
Head of Public Sector, Carbon Trust

## Executive Summary

In 2008/9 the council spent over £5 million on energy for its buildings and services and these costs are predicted to increase. Local authorities are also coming under increasing government pressure to reduce their carbon emissions in order to meet national targets, including the target to reduce carbon emissions by 80% by 2050, from 1990 levels. In order to meet these reduction targets the government is introducing initiatives such as the Carbon Reduction Commitment Energy Efficiency Scheme (CRC EES). This a compulsory emissions trading scheme set up to drive energy efficiency in both the private and public sectors, including local authorities. Organisations such as H&F will have to pay for carbon allowances in addition to paying for their energy; they may also have additional costs if they do not perform well in relation to other organisations and if they do not comply with the regulations.

The council and its partners recognise in their Community Strategy the importance of delivering high quality, value for money services and creating a cleaner, greener borough. To achieve these priorities we need to reduce our energy use by promoting energy conservation and efficiency in our buildings and services and to encourage and promote this in the wider community.

We demonstrated our commitment to tackling climate change by signing the Nottingham Declaration in February 2007 which requires the council to contribute, at a local level, to addressing the causes and impacts of climate change. In the last five years we have also reduced energy use by 10% in our ten largest buildings and in 2007 we achieved the Energy Efficiency Scheme accreditation. But we recognise that we now need to do much more and therefore we joined the Carbon Trust Local Authority Carbon Management Programme in May 2009 to assist us in developing a plan to reduce our energy use.

## The scale of the task

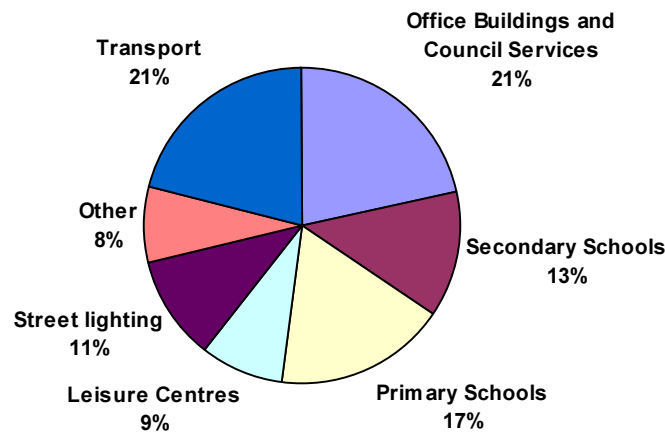
**In 2008/09 Hammersmith & Fulham Council's carbon emissions were 24,443 tonnes of CO<sub>2</sub> and cost £5.26 million.**

**This is projected to increase to 25,666 tonnes of CO<sub>2</sub> and to cost £8.3 million per annum by 2015/16 if no action is taken to reduce emissions**

**Table 1. Council's energy use in 2008/9**

| Category                     | % of total carbon use | CO <sub>2</sub> emission (Tonnes) | % Cost      | Cost (£)         |
|------------------------------|-----------------------|-----------------------------------|-------------|------------------|
| Offices and council services | 26%                   | 6,243                             | 21 %        | 1,147,296        |
| Leisure                      | 10%                   | 2,443                             | 9 %         | 455,740          |
| Primary Schools              | 19%                   | 4,567                             | 17 %        | 916,308          |
| Secondary Schools            | 14%                   | 3,375                             | 13 %        | 667,555          |
| Other                        | 8%                    | 2,081                             | 8 %         | 409,055          |
| Street lighting              | 13%                   | 3,242                             | 11 %        | 557,960          |
| Transport                    | 10%                   | 2,492                             | 21 %        | 1,108,843        |
| <b>TOTAL</b>                 | <b>100%</b>           | <b>24,443</b>                     | <b>100%</b> | <b>5,262,757</b> |

**Figure 1: Hammersmith & Fulham % Cost of emissions 2008/9**



The carbon emissions and energy costs are based on actual data for larger council buildings, street lighting and transport, but some of the data for smaller buildings and some schools is estimated from floor space figures. The data does not include buildings or services where we do not have control of energy use – such as social housing. Council office buildings, schools, depots and street lighting make up approximately 70% of carbon emissions. It has therefore been decided to concentrate initially on carbon reduction projects within this area, then to expand the programme at a later stage to cover emissions from our outsourced services. Transport emissions relate primarily to essential car users and business miles, such as the refuse collection service, where reductions are likely to be harder to achieve.

### The Solution

We have assessed the opportunities for reducing our carbon emissions and set a target to reduce Hammersmith and Fulham's carbon emissions by 40% by March 2016.

**Hammersmith and Fulham Council will reduce the CO<sub>2</sub> from its activities by 40% by March 2016 from its 2008/09 baseline level.**

### Value at Stake

Energy costs are predicted to rise over the next 7 years, by just over 5% pa for buildings and street lighting and over 8.4% pa for transport. We have estimated the difference in the amount we might spend in 2016 if we do not take action to reduce our energy use and the amount that we might spend if we reach the 40% target by implementing energy efficiency schemes and by the better use of our buildings (Figure 2).

Carbon emissions will also rise but at a slower rate than costs (Figure 3), but if the council takes no action to reduce emissions this will have adverse impacts on the council in relation to carbon trading. The Carbon Reduction Commitment Energy Efficiency Scheme will penalise organisations that do not reduce emissions.

Figure 2. Financial Value at Stake

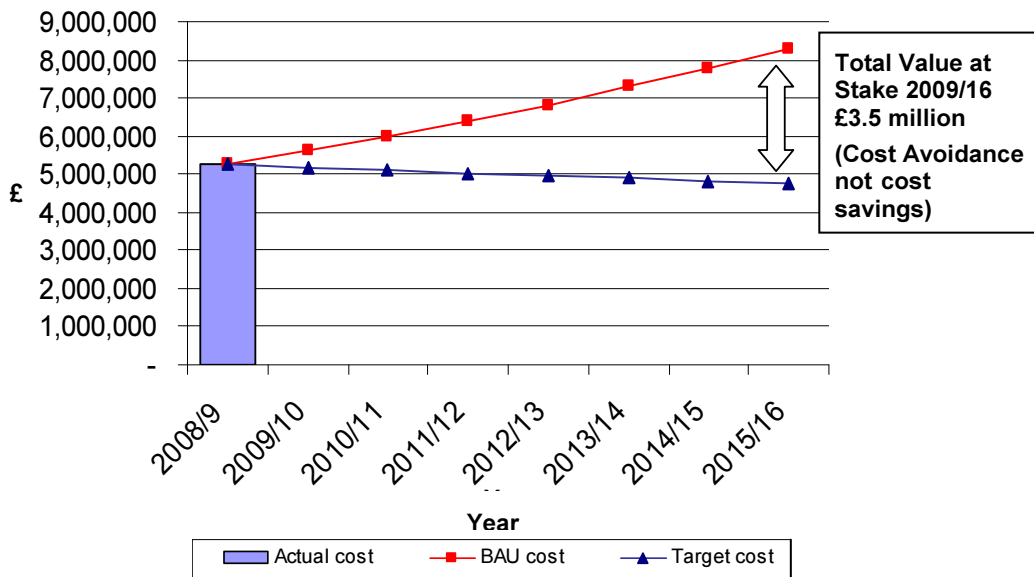
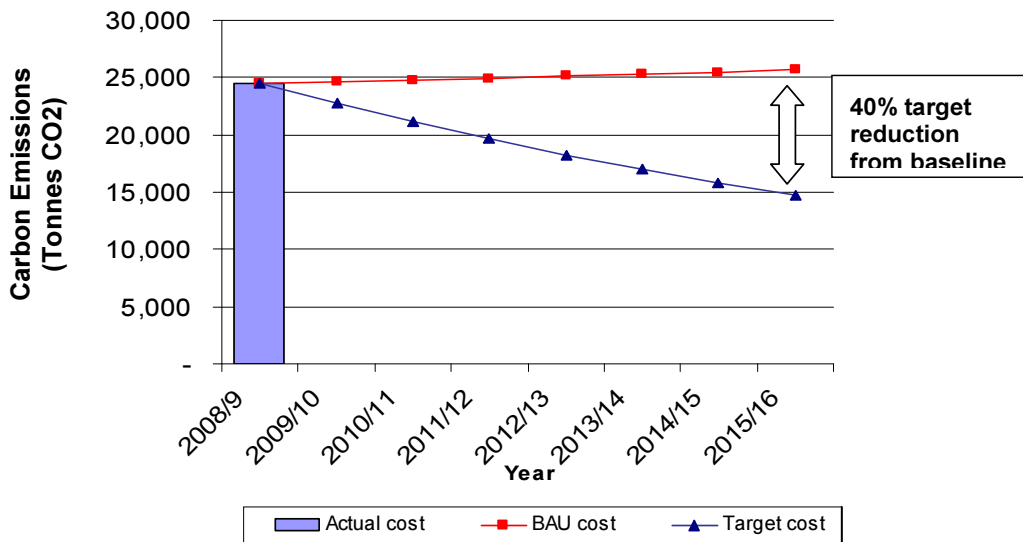


Figure 3. Carbon Value at Stake



**The benefits**

**This Carbon Management Plan is projected to deliver an annual carbon saving of around 1,500 tonnes of CO<sub>2</sub>, with a cumulative CO<sub>2</sub> saving of 10,000 tonnes by March 2016.**

**The Plan is projected to create a cost avoidance of over £3.5 million which would occur if business continued as usual.**

This Carbon Management Plan sets out key initiatives for the council to reduce its carbon emissions and has set a carbon reduction target of 40%, to be achieved by March 2016. Based on the possible

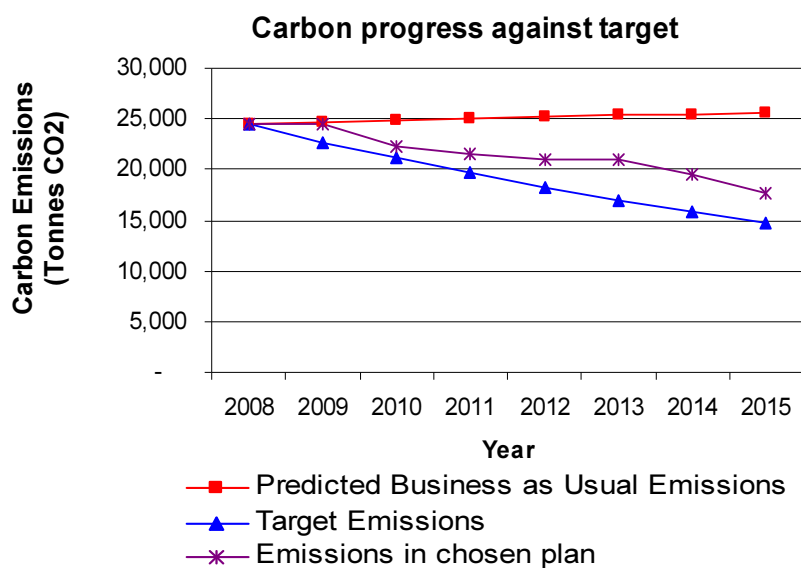
increase in energy costs from 2008/9 to 2015/16, the Carbon Trust estimate that our total energy costs could increase to nearly £8.3 million by 2015/16, if we take no action to reduce energy use. However if we achieve our target of 40% carbon reduction, we could avoid the increase in energy costs which could amount to around £3.5 million by 2015/16.

We think that we can do this by:

- Rationalising the space that the council occupies and where buildings are retained reducing their energy use;
- Improving the energy efficiency and carbon footprint of secondary schools through the Building Schools for the Future (BSF) programme and implementing energy efficiency projects in primary schools;
- Replacing and improving street lighting;
- Raising energy awareness with all council employees and schools to reduce the use of energy;

Projects have been identified and it is estimated that they will result in a 32.4% reduction from our existing energy use in 2008/09 (Fig 4). Most of these projects already have allocated budgets. Other short term projects require an investment of just over quarter million pounds. A full list of projects can be found in Section 4 of this Plan. In order to reach our aspirational target of 40% carbon reduction by 2016 we will identify additional projects as part of the implementation of this Carbon Management Plan.

**Figure 4. Projection of impact of projects on meeting carbon target**



Other benefits of reducing our carbon emissions include:

- Meeting government targets and Community Strategy priorities;
- Complying with the Carbon Reduction Commitment Energy Efficiency Scheme and the Display Energy Certificate requirements
- Improved reputation with our local community, partners and staff.

#### **Implementation of the Carbon Management Plan**

The Climate Change Project Management Board will be responsible for the implementation and review of this Plan and for identifying additional projects to meet the aspirational target of 40% reduction in carbon emissions by March 2016.



## 1. Introduction

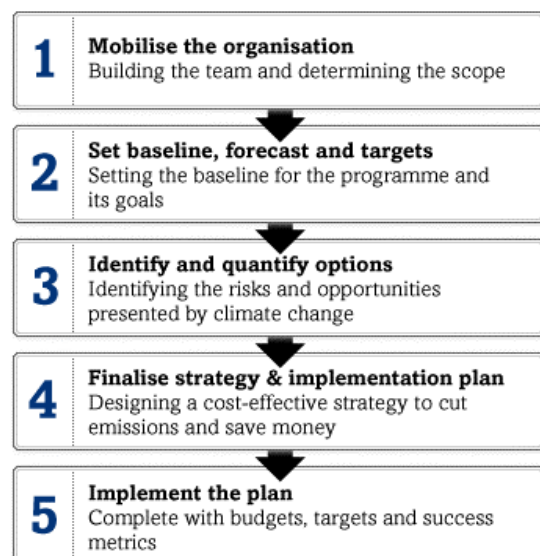
H&F recognises that as a local Authority we are a major consumer of natural resources and we have a responsibility to reduce the use of these to minimise our impact on the environment. The borough's Community Strategy priorities include delivering high quality, value for money services and creating a cleaner, greener borough. It recognises that the council must continue to promote energy conservation and efficiency in its own estate in order to effectively encourage and promote this in the wider community.

We have been increasing the energy efficiency of our buildings for many years. In 2005 we set a target to save 10% of the energy use for our top ten buildings over a five year period. We are nearly at the end of this programme and are on track to meet the 10% reduction target. In 2007 we achieved accreditation under the Carbon Trust's Energy Efficiency Accreditation Scheme, the forerunner to the Carbon Trust Standard. We also signed the Nottingham Declaration in February 2007 and have undertaken a Local Climate Impact profile. However we recognise that we now have to take more co-ordinated action to significantly reduce our carbon emissions.

In order to do this we joined the Carbon Trust's Local Authority Carbon Management Programme in 2009 to assist us in preparing a Carbon Management Plan (CMP) for the borough. The Local Authority Carbon Management Programme (LACMP) provides councils with technical and change management support and guidance to help them realise carbon emissions savings. The primary focus of the work is to reduce emissions under the control of the local authority such as buildings, vehicle fleets, street lighting. This process guides authorities through a systematic analysis of their carbon footprint, establishes a baseline against which the effects of actions can be measured. It estimates the value at stake and the opportunities available to help them manage carbon emissions in a strategic manner.

Our carbon reduction plan covers a seven year timeframe (2009-2016) which will be managed by the Climate Change Project Management Board. The Board will be responsible for the regular monitoring and annual review of the Plan to assess and report on our progress in achieving the target.

**Figure 5. Stages of the Carbon management Programme**



## 2. Carbon Management Strategy

The Carbon Management Programme provides a key opportunity for us to lead by example. Not only will it help us achieve 'Value for Money', but also will allow us to contribute to the government's target to reduce carbon emissions. Measures to increase energy efficiency are particularly important for the future given the predicted increases in energy prices. Hammersmith & Fulham Council spent over £4.15 million on energy (gas and electricity) and £1.11 million fuel for transport in 2008/9. Energy and fuel costs have risen in recent years, with energy prices increasing by well over 50% since 2004. This trend is not expected to change and energy costs will continue to increase in the coming years. This programme will mainstream carbon management as a financial efficiency issue within the council.

### 2.1. Context and drivers for Carbon Management

The Climate Change Act 2008 sets a statutory carbon reduction target of at least 80% by 2050 for the UK. Action by Local Authorities (LAs) will be important in the achievement of this target. This has led to the EU and Government to introduce legislative drivers for LAs. The most important of these for H&F are:

**i) Carbon Reduction Commitment Energy Efficiency Scheme (CRC EES):** This is a mandatory "cap & trade" emissions trading scheme which applies to council buildings, amongst others, whose total electricity consumption is greater than 6,000MWh or approximately £500k. From 2011 poorly performing local authorities will be penalised depending on their position in a CRC EES league table<sup>1</sup>.

A reduction in our carbon emissions will help to optimise the council's trading position in the Carbon Reduction Commitment Energy Efficiency Scheme, saving money and improving our position in the league table. The CRC EES will involve financial payments which are recycled back plus or minus a bonus/penalty in relation to those participants who improve their carbon performance the most/least. Cost of purchasing carbon allowances, based on 2008/09 baseline CO<sub>2</sub> emissions, is likely to be about £300,000<sup>2</sup>. It is estimated that for Hammersmith & Fulham the net difference between being a good and a poor performer could be about £1 million over the first 3 year period and that does not include the risk of any fines. There is therefore a budget growth risk which effective carbon management can help mitigate. Our Carbon Management Plan will help us to reduce carbon emissions and to lead by example.

**ii) Display Energy Certificates:** There is now a legal requirement for all public sector buildings with a floor area of over 1,000m<sup>2</sup>, to show a Display Energy Certificate (DEC) in a prominent place, clearly visible to the public.<sup>3</sup> Nearly 90% of our larger buildings are rated below average when compared to buildings of a similar use and size. Energy Rating A is the most efficient and G the least efficient. Ratings A to D indicate buildings that are above average for that type of building and E to G are below the average. The poor performance of our buildings reflects the age of much of our building stock but also indicates that there is the potential to improve their energy efficiency.

**Table 2. Display energy efficiency Log**

| Rating | Number of DEC's |
|--------|-----------------|
| A      | 0               |
| B      | 0               |
| C      | 2               |
| D      | 6               |
| E      | 3               |
| F      | 10              |
| G      | 31              |

<sup>1</sup> more info on the CRC can be found at: <http://www.defra.gov.uk/Environment/climatechange/uk/business/crc/index.htm>

<sup>2</sup> Cost to purchase carbon allowances costs £12 per tonne.

<sup>3</sup> more information on DEC can be found at [www.communities.gov.uk/planningandbuilding/theenvironment/energyperformance/certificates/displayenergycertificates](http://www.communities.gov.uk/planningandbuilding/theenvironment/energyperformance/certificates/displayenergycertificates)

iii) **Hammersmith and Fulham's Community Strategy and Local Area Agreement.** Our Community Strategy identifies the key priorities for the borough, included in these are delivering high quality value for money services and a cleaner greener borough.<sup>4</sup> The Local Area Agreement contains designated indicators and targets based on the Community Strategy priorities. The borough's performance in relation to the Local Area Agreement forms the basis of the Audit Commission's assessment of local authorities. In the most recent assessment H&F was rated as a local authority that performs 'excellently'. Some of the key indicators in this assessment relate to our use of natural resources, including:

- **NI185: Percentage CO2 reduction from local authority operations** this national indicator is included in H&F's Local Area Agreement and performance against this indicator is assessed by our reduction in CO2 emissions from the delivery of council services, including where these services have been outsourced.<sup>5</sup>
- **NI186: Per capita CO2 emissions in the LA area** this indicator measures the annual reduction in CO2 emissions per capita in each local authority. This will be produced by central government based on CO2 emissions in the local area from businesses, the public sector, domestic housing, and road transport.

## 2.2. Our Low Carbon Vision

Our Vision is to build on the action that we have already taken to make greater financial and carbon savings that will enable the council to perform well in relation to the Carbon Reduction Commitment Energy Efficiency Scheme and enable us to lead our community by example.

### Targets and objectives

**Hammersmith & Fulham Council aims to reduce CO2 emissions from council operations by 40% by 2016 from 2008/09 levels.**

We will achieve our target by:

- Improving the management and use of the council's building stock;
- Establishing financial support for carbon reduction initiatives across the Council
- Motivating all council staff to reduce their carbon emissions by their actions and practices

## 2.3. Key Areas of Activity

The council have already implemented a number of energy saving projects including:

- Improved energy monitoring through an Energy Management System;
- Improved asset and facilities management which combined with Smart Working will rationalise and reduce the number of buildings used to deliver council services and improve energy management;
- Corporate Planned Maintenance Programme, which provides funds for energy initiatives;
- 84 solar photovoltaic panels on Hammersmith Town Hall;
- Carbon reduction initiatives in the council's IT strategy;
- The Building Schools for the Future programme is well underway and will incorporate carbon reduction measures in the new and refurbished schools.
- The Staff Travel Plan which will reduce the amount and impact of single vehicle occupancy use generated by the organisation, including staff travel to and from work and council business related travel;
- Assisting schools to prepare school travel plans - 74 (97.5%) of schools have school travel plans;

<sup>4</sup> H&F Community Strategy 2007-2014

<sup>5</sup> More information on NI185 and NI186 can be found at: [www.defra.gov.uk/environment/localgovindicators/indicators.htm](http://www.defra.gov.uk/environment/localgovindicators/indicators.htm)

### 3. Emissions Baseline and Projections

#### 3.1. Scope

Our baseline includes all the data submitted for the LAA NI 185 indicator. It includes all CO<sub>2</sub> emissions from the delivery of local authority functions, including our own operations and outsourced services. It includes the following:

- Council owned buildings energy use (including schools and communal areas of council owned housing);
- The energy use of buildings used for outsourced council functions;
- Street lighting;
- Council owned fleet fuel use;
- Fleet and business fuel use for outsourced council functions;
- Council essential and casual car user travel;

We have excluded other business travel as we only have limited records of this due to the high use of travel and Oyster cards which mean employees often do not make claims for travel within London in the baseline data and there is very little business travel outside of the London area.

#### 3.2. Baseline

Our overall emissions baseline for 2008/09 is estimated to be around 24,443 tonnes of CO<sub>2</sub>. Costs associated with this were £5.26 million. For a number of the smaller buildings, including some primary schools there was not accurate monitoring data and therefore some data is estimated based on the building's use and floor area. Table 3 shows the carbon emissions and energy costs of different types of council buildings and services.

**Table 3. Summary table of energy used, emissions and costs for baseline year 2008/09.**

| Category                              | Sub Category          | % carbon Emissions | Carbon emissions (Tonnes CO <sub>2</sub> ) | Cost (£)          | Cost %      |
|---------------------------------------|-----------------------|--------------------|--|-------------------|-------------|
| Office Buildings and Council Services | Libraries             | 3                  | 616  | 121,305           | 2           |
|                                       | Fulham Palace         | 1                  | 204  | 37,859            | 1           |
|                                       | Depots                | 3                  | 718  | 138,588           | 3           |
|                                       | Town halls            | 6                  | 1,402                                      | 248,834           | 5           |
|                                       | Offices               | 14                 | 3,303                                      | 600,710           | 11          |
|                                       | <b>Total</b>          | <b>26%</b>         | <b>6,243</b>                               | <b>1,147,296</b>  | <b>22%</b>  |
| Schools                               | Primary schools       | 19                 | 4,567                                      | 916,308           | 17          |
|                                       | Secondary schools     | 14                 | 3,375                                      | 667,555           | 13          |
|                                       | <b>Total</b>          | <b>32%</b>         | <b>7,942</b>                               | <b>1,583,863</b>  | <b>30%</b>  |
| Leisure Centres                       | Leisure Centres (Dry) | 4                  | 1,006                                      | 182,312           | 3           |
|                                       | Swimming pool hall    | 6                  | 1,437                                      | 455,740           | 9           |
|                                       | <b>Total</b>          | <b>10%</b>         | <b>2,443</b>                               | <b>455,740</b>    | <b>9 %</b>  |
| Street lighting                       | Street lighting       | 13                 | 3,242                                      | 557,960           | 11          |
|                                       | <b>Total</b>          | <b>13%</b>         | <b>3,242</b>                               | <b>557,960</b>    | <b>11%</b>  |
| Other                                 | Community Centres     | 6                  | 1,476                                      | 302,357           | 6           |
|                                       | Other                 | 2                  | 605  | 106,698           | 2           |
|                                       | <b>Total</b>          | <b>8 %</b>         | <b>2,081</b>                               | <b>409,055</b>    | <b>8%</b>   |
| Transport                             | Transport             | 10                 | 2,492                                      | 1,108,843         | 21          |
|                                       | <b>Total</b>          | <b>10%</b>         | <b>2,492</b>                               | <b>1,108,843</b>  | <b>21%</b>  |
| <b>Total for All</b>                  |                       | <b>100%</b>        | <b>24,443</b>                              | <b>£5,262,757</b> | <b>100%</b> |

Figure 6. % Emissions baseline for categories

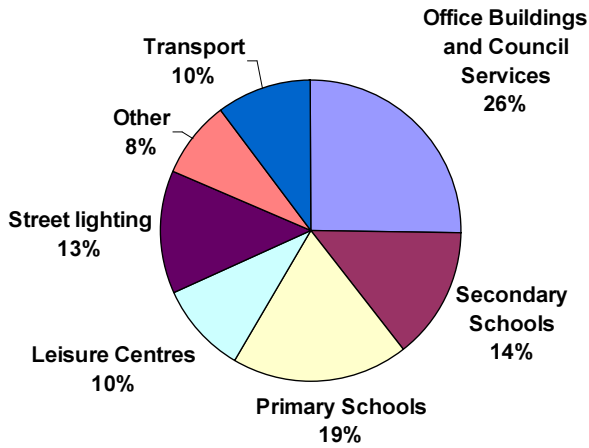
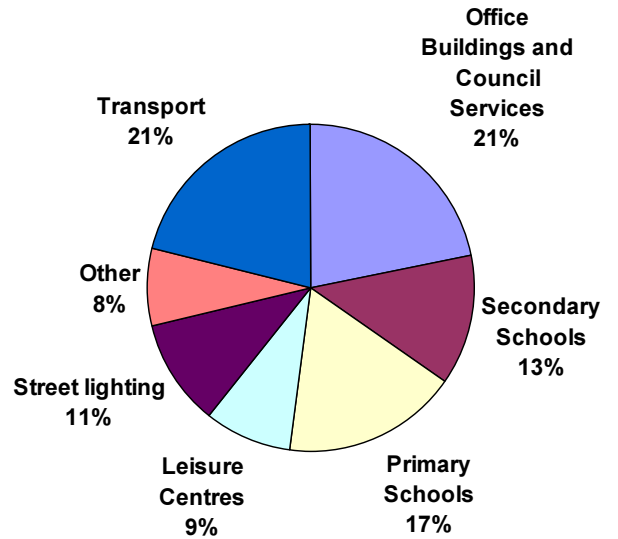


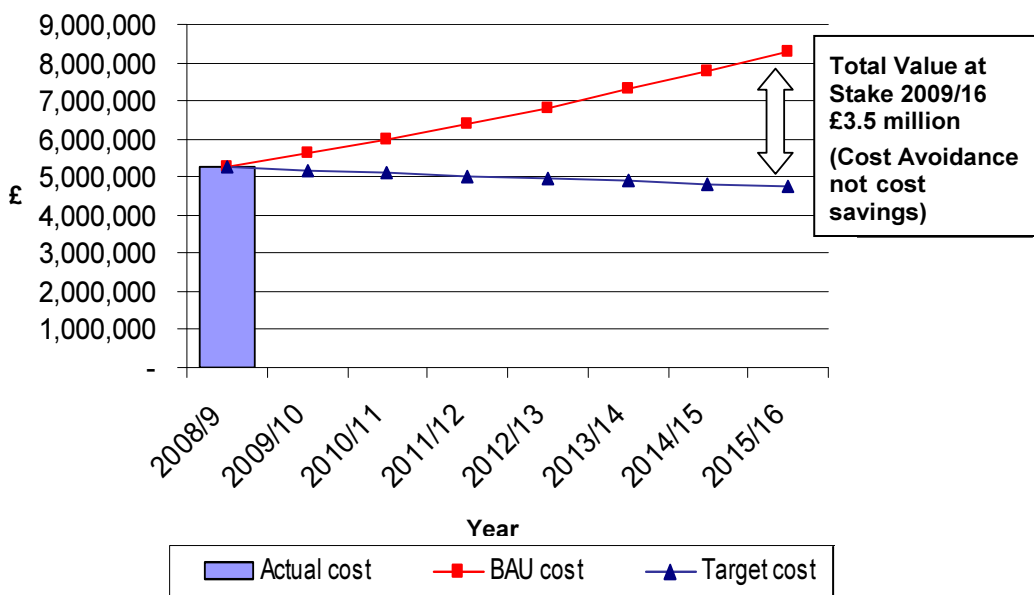
Figure 7. % Cost baseline for categories



### 3.3. 40% Carbon Reduction Target and Value at Stake

Business as Usual (BaU) scenario assumes that we do nothing to reduce the existing trend in energy use within the council. The cost predictions are based on the Carbon Trust's estimated cost increase of 5.3% per annum for buildings and street lighting and an 8.4% increase for transport related costs pa, which includes inflation and price changes. Reducing carbon emissions by 40%, the council would avoid paying an estimated £3.5 million which is the value at stake in Figure 8. It is important to note here that the Value at Stake (VAS) does not take into account costs required to implement carbon management initiatives nor does it take account of the possible financial penalties that we might incur as a result of the implementation of the Carbon Reduction Commitment Energy Efficiency Scheme.

Figure 8. Financial value at Stake



In Figure 9, Business as Usual (BaU) carbon emissions are calculated for all stationary sources (buildings and street lighting), and for the transport fleet assuming a 0.7% increase in emissions pa. This

has been calculated by DTI/DBERR EP68<sup>6</sup>. The blue line indicates our carbon emissions over the same 7 year period if we achieved our carbon reduction target 40%.

Figure 9. Carbon Value at Stake

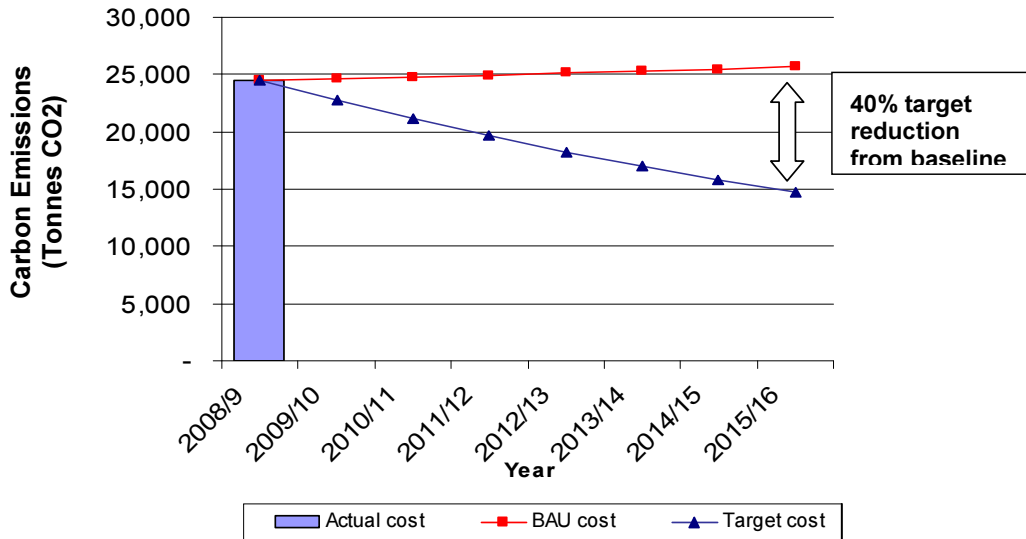


Table 4 below summarises the figures used for the diagrams above. The Value at Stake columns show the difference between a Business as Usual approach and a carbon reduction programme that will achieve our proposed target of 40% emissions reduction by 2016.

Table 4. Summary table of Value at Stake, including figures for target emissions and cost.

| Target years          | Carbon (Tonnes/co <sub>2</sub> )                              |   |   | Financial (£)                        |                               |                    |
|-----------------------|---|---|---|--------------------------------------|-------------------------------|--------------------|
|                       | Predicted Business as usual Carbon (Tonnes/ co <sub>2</sub> ) | Target emissions Carbon (Tonnes/co <sub>2</sub> ) | Value at Stake Carbon (Tonnes/co <sub>2</sub> ) | Predicted Business as usual Cost (£) | Target Emissions Scenario (£) | Value at Stake (£) |
| 08/09 (Baseline year) | 24,443  | 24,443  | -   | 5,262,756                            | 5,262,756                     | -                  |
| 09/10                 | 24,614  | 22,723  | 1,891   | 5,615,089                            | 5,183,636                     | 431,453            |
| 10/11                 | 24,786  | 21,124  | 3,663   | 5,991,863                            | 5,106,432                     | 885,431            |
| 11/12                 | 24,960  | 19,637  | 5,323   | 6,394,842                            | 5,031,106                     | 1,363,737          |
| 12/13                 | 25,135  | 18,255  | 6,880   | 6,825,929                            | 4,957,620                     | 1,868,310          |
| 13/14                 | 25,311  | 16,970  | 8,340   | 7,287,165                            | 4,885,937                     | 2,401,228          |
| 14/15                 | 25,488  | 15,776  | 9,712   | 7,780,746                            | 4,816,021                     | 2,964,725          |
| 15/16                 | 25,666  | 14,666  | 11,000  | 8,309,039                            | 4,747,837                     | 3,561,203          |

<sup>6</sup> [http://www.dti.gov.uk/energy/inform/energy\\_projections](http://www.dti.gov.uk/energy/inform/energy_projections)

#### 4. Carbon Management Projects

The council has had a programme of energy efficiency initiatives (Section 2.3) which has reduced our carbon emissions over the years. We now aim to further reduce our carbon emissions and reduce our energy costs by implementing projects to achieve a 40% carbon reduction on our baseline year of 2008/9. The projects listed below have been grouped into:

- Existing projects that are currently programmed. Some of these projects started in 2008/9 but the carbon savings will be realised in 2009/10. Other projects such as building closures and street lighting projects will be implemented over several years and will not be completed until 2016. This has been taken into account in assessing the carbon reduction and financial savings. It is estimated that these projects will reduce our CO<sub>2</sub> emissions by nearly 11%
- Planned/funded projects have been identified and funding allocated but will not commence until 2010/11 or later. These projects will save a further 16.5% of our carbon emissions. Much of this energy reduction will be from the proposed closure and rationalisation of council buildings, including the replacement of Hammersmith Town Hall Extension with a new civic building. It is estimated that the Building Schools for the Future Programme will improve the energy efficiency of our secondary schools and it is estimated that they will reduce CO<sub>2</sub> emissions by almost 7%. However it is recognised that the greater use of these schools and their facilities by the wider community may result in an absolute increase in energy use, but this will be balanced by better services to the community and/or a more efficient use of the council's building stock.
- Near term projects have mainly been identified through the carbon management programme. It is estimated that these projects will reduce carbon emissions by about 5%. Although the carbon savings of the proposed primary school projects are relatively small in relation to the council's total CO<sub>2</sub> emissions, the reduction in carbon emissions for individual schools are significant ranging from 21% to 40% pa. Also if the initial programme is successful energy reduction projects will be extended to more schools.
- Medium to long term projects are those that will come forward and will be developed as part of the implementation of the carbon management plan. It is not possible to assess their feasibility or quantify the carbon savings at this stage but all or some of these medium to long term projects will contribute to meeting our carbon reduction target.



#### 4.1 Existing projects

**Table 5. Existing Projects 08/09**

| Ref          | Year    | Project   | Project Owner                     | Cap'l Cost (£)    | Annual Saving   |                          | Pay back | % CO2 saving on baseline total | Funding Source |
|--------------|---------|---|-----------------------------------|-------------------|-----------------|--------------------------|----------|--------------------------------|----------------|
|              |         |   |                                   |                   | Fin (£)         | CO <sub>2</sub> (Tonnes) |          |                                |                |
| 01-Aug       | 2008/10 | Council Buildings - Boiler Replacements   | Building Technical Services (BTS) | £207,412          | -               | 55.6                     | -        | 0.23                           | Funded         |
| 09-Dec       | 2008/10 | Heating upgrades  | BTS                               | £80,575           | -               | 5.6                      | -        | 0.02                           | Funded         |
| 13-21        | 2008/10 | Efficient lighting systems installed  | BTS                               | £118,800          | -               | 39                       | -        | 0.16                           | Funded         |
| 22-26        | 2008/10 | Window Replacement  | BTS                               | £52,552           | -               | 1.9                      | -        | 0.01                           | Funded         |
| 27-29        | 2008/10 | Roof Replacement - Including insulation to Building Regulation standards              | BTS                               | £17,000           | -               | 1.1                      | -        | 0.00                           | Funded         |
| 30-31        | 2008/10 | Air Conditioning upgrades   | BTS                               | £87,693           | -               | 2.4                      | -        | 0.01                           | Funded         |
| 32-33        | 2008/10 | Schools - window replacement Projects   | BTS                               | £150,000          | -               | 2.2                      | -        | 0.01                           | Funded         |
| 34-37        | 2008/10 | School - Roofing projects- Including insulation to the Building Regulations standards | BTS                               | £400,000          | -               | 6                        | -        | 0.02                           | Funded         |
| 38           | 2009/10 | IT - reduction of printers/scanners   | Matt Dodds                        | -                 | £12,395         | 83.2                     | -        | 0.34                           | Funded         |
| 39           | 2009/10 | IT - Automatic switch off   | Matt Dodds                        | -                 | £11,129         | 66.3                     | -        | 0.27                           | Funded         |
| 40           | 2009/10 | Building Closures 51 Glenthorne Road  | BTS                               | -                 | £36,509         | 203.5                    | -        | 0.83                           | Funded         |
| 41           | 2009/10 | Riverview Hose  | BTS                               | -                 | £96,992         | 509.3                    | -        | 2.08                           | Funded         |
| 42           | 2009/10 | Community centre - The Hut  | BTS                               | -                 | £12,393         | 59.8                     | -        | 0.24                           | Funded         |
| 43           | 2009/10 | Community centre - Dawes road   | BTS                               | -                 | £11,973         | 57                       | -        | 0.23                           | Funded         |
| 44           | 2009/10 | Depots - Stowe Road Depot   | BTS                               | -                 | £20,536         | 123.2                    | -        | 0.50                           | Funded         |
| 45           | 2009/10 | 132 Wandsworth Bridge Road  | BTS                               | -                 | £6,241          | 32.1                     | -        | 0.13                           | Funded         |
| 46           | 2009/10 | Energy Management System  | BTS                               | £14,160           | £319,292        | 1222                     | -        | 5.00                           | Funded         |
| 47           | 2009/10 | Street lighting LED Flashing Beacons  | David Kiteley                     | £1,720            | £449            | 2.4                      | 3.8      | 0.01                           | Funded         |
| 48           | 2009/16 | Trimming Street lights  | David Kiteley                     | £34,000           | £12,476         | 66.9                     | 3        | 0.27                           | Funded         |
| 49           | 2009/16 | Electronic Control boxes  | David Kiteley                     | £170,000          | £24,953         | 133.9                    | 7        | 0.55                           | Funded         |
| <b>TOTAL</b> |         |   |                                   | <b>£1,333,912</b> | <b>£565,338</b> | <b>2,673</b>             |          | <b>10.91</b>                   |                |



## 4.2. Planned Projects

**Table 6. Planned Projects**

| Ref   | Year    | Projects                                    | Project Owner | Cap'l cost (£)    | Annual Saving   |                          | Pay back | % CO2 saving on baseline total | Funding Source |
|-------|---------|---|---------------|-------------------|-----------------|--------------------------|----------|--------------------------------|----------------|
|       |         |   |               |                   | Fin (£)         | CO <sub>2</sub> (Tonnes) |          |                                |                |
| 50-51 | 2010/12 | Council Buildings - Boiler upgrades         | BTS           | £175,000          | -               | 33.9                     | -        | 0.14                           | Funded         |
| 52-57 | 2010/12 | Lighting Upgrades                           | BTS           | £595,000          | -               | 33.7                     | -        | 0.14                           | Funded         |
| 58-62 | 2010/13 | Heating Upgrades                            | BTS           | £325,000          | -               | 23.6                     | -        | 0.1                            | Funded         |
| 63    | 2010/13 | Installation of Automatic Meter Readers     | BTS           | £80,000           | -               | -                        | -        | -                              | Funded         |
| 64    | 2010/13 | Boiler Replacement                          | BTS           | £150,000          | -               | 33.9                     | -        | 0.14                           | Funded         |
| 65    | 2010/11 | Building Closures - Bradmore centre         | BTS           | -                 | £4,223          | 21.23                    | -        | 0.09                           | Funded         |
| 66    | 2010/11 | 145 Hammersmith Road                        | BTS           | -                 | £5,087          | 27.08                    | -        | 0.10                           | Funded         |
| 67    | 2011/12 | 1 Brackenbury Road                          | BTS           | -                 | £2,241          | 11.3                     | -        | 0.05                           | Funded         |
| 68    | 2011/12 | Barclay House                               | BTS           | -                 | £18,240         | 104.4                    | -        | 0.43                           | Funded         |
| 69    | 2013/14 | 40a Cromwell Avenue                         | BTS           | -                 | £6,383          | 31.33                    | -        | 0.13                           | Funded         |
| 70    | 2013/14 | Building Schools for the Future             | Andy Rennison | -                 | -               | 1691.5                   | -        | 6.92                           | Funded         |
| 71    | 2014/15 | Cambridge House                             | BTS           | -                 | £24,489         | 129.5                    | -        | 0.53                           | Funded         |
| 72    | 2014/15 | 77 Glenthorne road                          | BTS           | -                 | £57,431         | 305.8                    | -        | 1.25                           | Funded         |
| 73    | 2015/16 | Rationalisation of council office buildings | BTS           | -                 | £325,976        | 1589.6                   | -        | 6.5                            | Funded         |
|       |         | <b>TOTAL</b>                                |               | <b>£1,325,000</b> | <b>£444,070</b> | <b>4,037</b>             |          | <b>16.52</b>                   |                |

## 4.3. Near Term Projects

**Table 7. Near Term Projects (Proposed Projects)**

| Ref | Year | Project | Project Owner | Cap'l Cost (£) | Annual Saving |                          | Pay back | % CO2 saving on baseline total | Funding Source |
|-----|------|---------|---------------|----------------|---------------|--------------------------|----------|--------------------------------|----------------|
|     |      |         |               |                | Fin (£)       | CO <sub>2</sub> (Tonnes) |          |                                |                |

|              |         |  |                             |                 |                 |                |     |            |                                 |
|--------------|---------|--|-----------------------------|-----------------|-----------------|----------------|-----|------------|---------------------------------|
| 74           | 2010/11 | Dynamic Half Hourly Billing                  | David Kiteley               | -               | £13,949         | 50.3           | -   | 0.2        | Funded                          |
| 75           | 2010/11 | Awareness raising campaign                   | Policy and Spatial Planning | £20,000         | £87,707         | 441.9          | 3.2 | 1.81       | EnvD                            |
| 76-80        | 2010/11 | Fulham Primary School                        | Andy Rennison               | £39,400         | £7,068          | 47.2           | -   | 0.19       | Primary Capital Programme (PCP) |
| 81-84        | 2010/11 | Melcombe Primary School                      | Andy Rennison               | £60,457         | £17,745         | 70.01          | -   | 0.29       | PCP                             |
| 85-88        | 2010/11 | New Kings Primary School                     | Andy Rennison               | £40,769         | £9,345          | 37.3           | -   | 0.15       | PCP                             |
| 89-93        | 2010/11 | All Saints Primary School                    | Andy Rennison               | £39,312         | £5,763          | 30.2           | -   | 0.12       | PCP                             |
| 94           | 2011/12 | 77 Glenthorne road – Replace boilers         | BTS                         | £21,000         | £7,921          | 16.2           | 2.7 | 0.07       | Projects without funding        |
| 95           | 2011/12 | 145 King Street – Voltage Optimisation       | BTS                         | £14,931         | £6,790          | 35             | 5   | 0.14       | Projects without funding        |
| 96           | 2011/12 | Linford Christie Stadium – Condensing Boiler | BTS                         | £39,935         | £7,203          | 497.3          | 5.5 | 2.03       | Projects without funding        |
| 97           | 2010/11 | Staff Travel Plan                            | Highways and Engineering    | N/A             | N/A             | N/A            | N/A | N/A        | Highways & Engineering          |
| <b>TOTAL</b> |         |  |                             | <b>£275,804</b> | <b>£163,491</b> | <b>1,225.4</b> |     | <b>5.0</b> |                                 |

#### 4.4. Medium to Long Term Projects

In addition to the projects listed above other projects will come forward during the life of the Plan.

We have commissioned energy surveys of 50 council buildings, including schools to identify potential energy saving projects. When these surveys are complete they will provide the basis for further CO2 reduction projects.

Two voltage optimisation projects have been included in the near term projects, if these achieve the energy savings predicted then additional buildings where will be identified where the technology can be installed..

Four primary schools have been selected as pilot schools for a more extensive programme of primary school improvements. The pilot schools have been selected on the basis of

- their above average energy consumption for the size of school;
- and as examples of different types of school buildings.

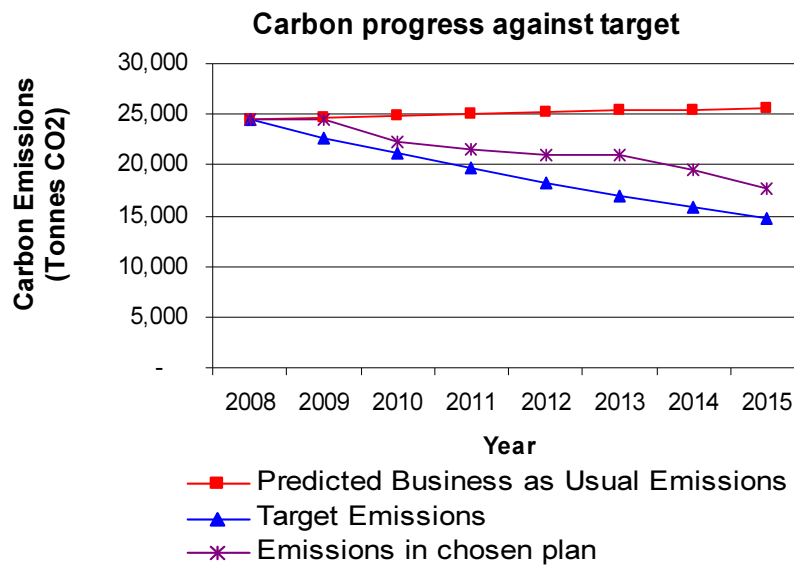
If these pilots achieve the projected energy savings and pay back periods, the programme could be rolled out to more primary and nursery schools. If an average of 0.1% carbon reduction is assumed per school, all the primary schools could contribute to a 4% reduction to the council's total carbon emissions.

Hammersmith Town Hall is a Grade 2 listed building which significantly increases the costs of implementing CO2 reduction projects. A number of projects have been implemented but to further reduce the energy use of the building will require major investment. The feasibility/viability of window repairs and draught stripping and/or window replacements should be assessed as part of the medium to long term projects, as well as the feasibility of replacing the electric heating system, particularly in relation to the wider project of rebuilding and rationalising council buildings.

**4.5. Projected achievement towards target**

The graph below shows that the existing, planned/funded and near term projects will achieve a saving of 32.4% on our 2008/09 carbon emissions compared to our target of 40% reduction. The implementation of the Carbon Management Plan will need to continue to bring forward viable medium to long term projects to meet the 40% emissions reduction target

**Figure 10. Projection of impact of projects on meeting carbon target**



**5. Carbon Management Plan Financing**

The financial benefits accruing to the council from implementing the Carbon Management Plan are significant. Energy costs are predicted to rise over the next few years. This has been effectively demonstrated by cost increases experienced by the council for gas and electricity during recent years. This rise, coupled with industry predictions of possible shortfalls in both gas and electricity supplies provides a significant incentive to reduce energy use. Increases in fossil fuel costs will also have a major effect on transport costs.

The investments identified in the Carbon Management Plan for the period 2009 – 2016 will mostly be recouped in less than 5 years from savings in reduced energy consumption. This will enable savings to be re-invested into more schemes for accelerated reduction of carbon emissions. In effectively managing carbon emissions, the council will mitigate some of the anticipated increases in energy costs. It also enables the council to consider borrowing to fund many of the initiatives. Projects identified within the Corporate Planned Maintenance Programme which are energy saving initiatives have been included in this Carbon Management Programme. These projects have had carbon and financial savings attributed, and so far consist of a cost of £2,439,032 (more may be added if future proposed schemes result in carbon savings).

Carbon reduction projects within the schools will be funded from the Primary Capital Programme. A further source of funding could be a dedicated Carbon Management fund which has yet to be approved for the use for projects identified. The remainder will be sought from a mixture of SALIX funding and council internal budgets. Salix Finance is a government-backed organisation that provides loans or

recycling funds to the public sector for energy efficiency projects. Recycling funds are funds that must be match funded by the recipient to create a ring-fenced. The combined fund must be spent on proven energy efficiency projects with a specified project payback period or a carbon cost of less than £100 per tonne covering the lifetime of the carbon reduction project. Financial savings made from Salix-funded projects are returned to the ring-fenced fund until the original project investment is repaid. Repayment of the original Salix funding is normally not required as long as the ring-fenced fund is still operational and financing new energy efficiency projects meeting the payback and lifetime carbon cost funding thresholds.

### 5.1. Benefits / savings – quantified and un-quantified

**Table 8. Cost and Carbon Savings**

|  | 2009/10 | 2010/11  | 2011/12  | 2012/13  | 2013/14  | 2014/15    | 2015/16    |
|--|---------|----------|----------|----------|----------|------------|------------|
| <b>Annual cost saving</b>                  | £0      | £534,145 | £685,032 | £727,427 | £727,427 | £1,209,561 | £1,617,457 |
| <b>Annual tCO<sub>2</sub> saving</b>       | 113     | 2,506    | 3,307    | 4,047    | 4,122    | 5,879      | 7,935      |
| <b>% of baseline CO<sub>2</sub> saving</b> | 0.4     | 10.2     | 13.5     | 16.5     | 16.8     | 24.1       | 32.4       |

### 5.2. Unquantified benefits:

- Meeting the priorities of the Community Strategy, particularly value for money services and creating a cleaner greener borough;
- Preparing for and ensuring compliance with CRC EES requirements by monitoring and reducing CO<sub>2</sub> emissions and reducing the council's expenditure in relation to purchasing carbon allowances and better performance and therefore a higher bonus or lower penalty payment
- Better performance in relation to our designated Local Area Agreement target NI 185 (reduction in Local Authority Authority CO<sub>2</sub> emissions) contributing to maintaining the council's excellent performance rating and the efficient use of resources,

### 5.3. Financial costs and sources of funding

**Table 9. Costs and Sources of funding**

|                                 | 2008/09    | 2009/10  | 2010/11  | 2011/12  | 2012/13  | 2013/14 | 2014/15 | 2015/16 | TOTAL      |
|---------------------------------|------------|----------|----------|----------|----------|---------|---------|---------|------------|
| <b>Annual costs:</b>            | £1,114,032 | £219,880 | £666,604 | £807,532 | £126,666 | £0      | £0      | £0      | £2,934,714 |
| <b>Committed funding:</b>       | £1,114,032 | £219,880 | £618,604 | £731,666 | £126,666 | £0      | £0      | £0      | £2,810,848 |
| <b>Projects without funding</b> | £0         | £0       | £48,000  | £75,866  | £0       | £0      | £0      | £0      | £123,866   |

## 6. Actions to Embed Carbon Management in H&F

We recognise that to meet our 40% carbon reduction target will involve changes to the way that we manage energy and carbon emissions across the council. As part of the Carbon Trust programme, the importance of change management was stressed to ensure that carbon management is embedded across the council. At the start of the programme the Project Board and the Carbon Management Team ranked H&F's current performance at the beginning of the programme and where they expected the council to be at the end of the programme (Carbon Management Embedding Matrix Appendix A).

The key management actions to embed carbon management across the council are listed in the table below, together with year in which they should be implemented as part of this carbon management plan.

### 6.1. Corporate Strategy – embedding CO<sub>2</sub> saving across the council

To ensure that carbon reduction is a corporate priority and is embedded across the organisation the Climate Change Project Management Board will be responsible for managing the implementation of the following actions.

**Table 10. Corporate Strategy**

|   | <b>Corporate Actions</b>   | <b>Potential Start Date</b>                         |
|---|--|---|
| <b>Corporate Strategy</b>                                     | Carbon Management Plan adopted and CO <sub>2</sub> reduction target adopted<br>All departments responsible for meeting the carbon reduction target;<br>CO <sub>2</sub> targets included in departmental business plans;<br>Action plans in place which are regularly reviewed;                                       | 2009/10<br>2011/12<br>2011/12<br>2011/12            |
| <b>Programme Management</b>                                   | EMT to review progress against targets quarterly and Cabinet on an annual basis;<br>Regular diagnostic reports to departments;<br>Progress against targets published externally  | 2011/12<br>2102/13<br>2011/12                       |
| <b>Responsibility</b>   | Carbon management integrated in responsibilities of senior managers;<br>CO <sub>2</sub> reduction advice available to all departments and employees  | 2011/12<br>2010/11                                  |
| <b>Data Management</b>  | Regular monitoring and analysis of CO <sub>2</sub> emissions/energy use for all council buildings and services;  | 2010/11   |
| <b>Communications and Training</b>                            | All staff given CO <sub>2</sub> /energy awareness training and included in new starter packs;<br>Staff awareness monitored through surveys;  | 2011/12<br>2010/11                                  |
| <b>Finance and Investment</b>                                 | Co-ordinated financing for CO <sub>2</sub> reduction projects via Climate Change Project Management Board;<br>Funding principles and processes agreed;<br>Appropriate external funding sought to progress CO <sub>2</sub> reduction projects;  | 2011/12<br>2011/12<br>2010/11                       |
| <b>Policy Alignment e.g. Procurement, OD, business travel</b> | Comprehensive review of policies completed;<br>Central team provide advice and review, when requested;<br>Barriers to CO <sub>2</sub> reduction routinely considered and removed;  | 2010/11<br>2011/12<br>2011/12                       |
| <b>Engagement of Schools</b>                                  | A person with responsibility for CO <sub>2</sub> reduction in schools;<br>Schools CO <sub>2</sub> reduction projects co-ordinated;<br>A clear emphasis on energy/CO <sub>2</sub> reduction in schools;<br>A 'whole school' approach including curriculum and CO <sub>2</sub> saving having a wider community impact; | 2009/10<br>2010/11<br>2010/11<br>2011/12<br>2011/12 |

## **6.2. Programme Management – bringing it all together effectively**

Programme management will continue to be the responsibility of the Climate Change Project Management Board. The re-organisation of the council's asset and facilities management teams and the appointment of EC Harris to implement projects, together with the proposed appointment of a carbon reduction manager will improve energy management in the council.

## **6.3. Responsibility – being clear that saving CO<sub>2</sub> is everyone's job**

This is an important area to progress particularly with the Carbon Reduction Commitment Energy Efficiency Scheme starting in April 2010. It will be important to develop management systems that will make senior managers and individual schools responsible for contributing to meeting the CO<sub>2</sub> reduction target. The new energy management system and the installation of Automatic Meter Readers in all larger council buildings will enable more effective monitoring against targets but the feasibility of including carbon reduction targets in senior managers performance targets will need to be investigated.

We will initiate an internal awareness raising campaign when the CMP is signed off by Cabinet. Staff will be informed about the CMP and the carbon reduction target. The communication campaign will raise awareness and educate employees about the importance of carbon management.

## **6.4. Data Management – measuring the difference, measuring the benefit**

The council has commissioned an energy management system which should be fully operational by the start of 2010/11. This energy management system provided by TEAM Bureau provides the council with a tool to report on energy use within its building portfolio. Centralising energy monitoring, consumption, bill validation and bill paying will allow reporting on all elements of utilities expenditure and usage. There is a programme of planned installation of automated meter reading (AMR) meters within council owned stock and larger schools which will significantly improve energy monitoring. In Phase 1 of the programme 53 electricity AMR's and 40 gas AMR's will be installed. Energy monitoring will in particular help facilitate behavioural changes concerning the use of energy. This will be communicated to staff every 6 months through a rolling internal communications campaign described below.

## **6.5. Communication and Training – ensuring everyone is aware**

As there has been little awareness raising training it is important to assess employees understanding of the issues and their present behaviour so we can set a baseline against which improvements can be measured. Staff attitudes to carbon saving will be monitored via online surveys conducted on the intranet. These surveys will be specifically tailored to brief employees about the Carbon Management Plan and the council's carbon reduction targets. The survey will also test knowledge regarding energy saving, as well as highlighting the amount of savings each person could make by taking part in different tasks, competition will be encouraged between departments. The results will be evaluated and fed into a reporting programme which will be communicated to staff every 6 months.

We will also ensure that new starters with the council are also made aware of the importance of saving energy and of their individual responsibility.

The council will produce a Green Guide for local residents which will outline what actions the council is taking to reduce carbon emissions and will include information and actions that local residents can take to reduce their carbon emissions and energy bills.

## **6.6. Finance and Investment – the money to match the commitment**

This element of embedding carbon management is covered in section five of this Plan.

## 6.7. Policy Alignment – saving CO<sub>2</sub> across your operations

The council already has carbon reduction policies in some areas such as planning and transport policies, staff travel policies, in the council's Green Procurement Code, but in other areas there is no policy alignment. We will therefore work with the Carbon Management Team to review other key policy areas to determine where strategies and policies should be better aligned with the Carbon reduction strategy.

## 6.8. Engagement of Schools – influencing Schools to reduce their carbon footprint

The Childrens Services Directorate is represented on both the Climate Change Project Management Board and the Carbon Management Team. Eight primary schools have taken part in a pilot study which involved an energy survey and the identification and quantification of carbon reduction projects. On the basis of these surveys and the need for schools that represent the variety of school buildings, four schools have been selected to implement carbon reduction projects. Providing this pilot is successful additional primary schools will be identified for the implementation of carbon reduction projects.

All secondary schools are participating in the Building Schools for the Future programme and as part of this programme schools are being demolished and/ or refurbished which will improve the energy performance of the buildings.

Groundwork West London has worked with three primary schools in the borough on "One World Schools" programme and this will be extended to more schools in 2010/11. This programme engages schools on a range of sustainability issues including energy and resource efficiency. The Urban Studies Centre also works with local schools on environmental education.

## 6.9. Engagement of your Suppliers – working with suppliers to reduce your carbon footprint

The Council is a signatory of the Mayor of London's Green Procurement Code. Through this code the council is committed to reducing environmental impacts through procurement. The council is aiming to engage our suppliers in year 2 of the Carbon Management Plan. We will be contacting them to collate and report energy costs and emissions to us within the next year. We have not included them this year within the programme as we wanted to get our own house in order first and then approach suppliers when we will have more resources as the preparation of this Plan will have been completed,

## 7. Programme Management of the CM Programme

### 7.1. The Programme Board – strategic ownership and oversight

Good programme management is fundamental to the success of the Carbon Management Plan to ensure that the Plan is implemented and that the necessary management changes take place and resources are made available to implement the Plan

The Project Lead for the Carbon Management Plan is in the Policy and Spatial Planning Group in the Environment. It is the responsibility of the Programme Lead to work with project owners to help develop and support Carbon Reduction projects as well as drive forward the Programme as a whole.

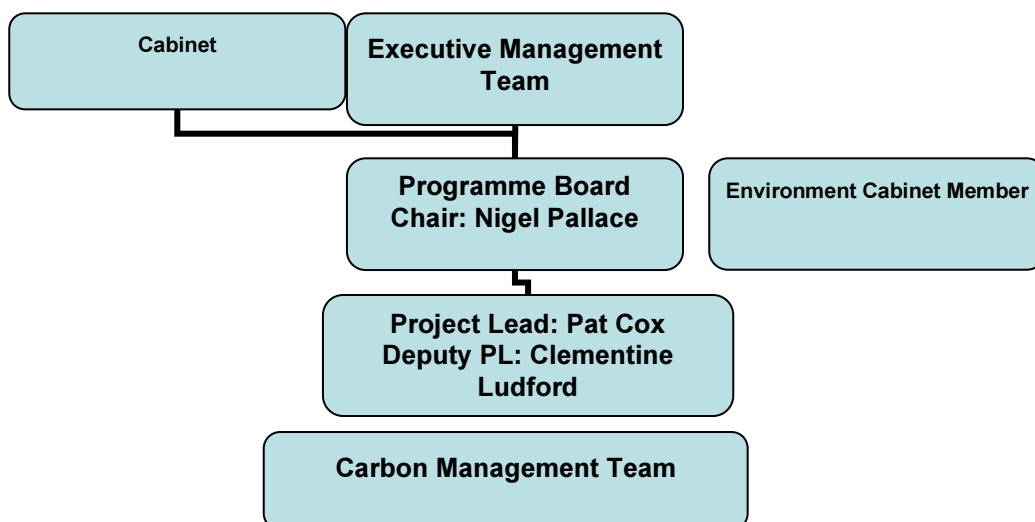
The Programme Board for the Carbon Management Plan is Climate Change Project Management Board which was set up by the Executive Management Team to prepare a carbon management strategy and implementation plan and to take responsibility for the council's response to the wider issues of climate change.

The Climate Change Project Management Board meets at least once every two months and comprises;

- Chair: *Nigel Pallace, Director Environment Services*
- Finance Champion: *Jane West, Director Finance and Corporate Services*
- **Co-sponsors** to cover the main areas of the organisation carrying out CM work: Assistant Director Building and Property Management; *Andy Rennison, Assistant Director, Children's*



Services Department; Camilla Guage NHS H&F representative, Ben Coles Groundwork West



London

## 7.2. The Carbon Management Team – delivering the projects

The Carbon Management team is a group of key officers from across the council whose role it is to deliver the projects and improvements identified within this Carbon Management Plan.

**Table 11. Carbon management Team**

| Role                           | Name and position in the LA  |
|--------------------------------|--|
| Project Leader                 | Pat Cox<br>Head of Policy and Spatial Planning, Planning Division                      |
| Deputy Project Leader          | Clementine Ludford<br>Carbon Reduction Officer, Planning Division                      |
| Carbon Management Team members | Gary Ironmonger<br>Principal Revenue Accountant<br>Environment Finance                 |
|                                | Mike Cosgrave<br>Practice Manager, Building Technical Services                         |
|                                | Chris Simpkins<br>Works Manager mechanical and Electrical, Building Technical Services |
|                                | Mike Fatyga<br>Building Engineering Services Manager,<br>Building Technical Services   |
|                                | Ed Parry<br>Assistant Energy Manager, Building Technical Services                      |
|                                | Chris Bainbridge<br>Head of Transport Planning   |



|  |   |
|--|---|
|  | Chris Bunting<br>Community Sports Manager, Residents Services                                     |
|  | Susan Rossam<br>Hammersmith & Fulham Bridge Partnership Service Director                          |
|  | Becky Roberts<br>Business Transformation -Communications  |
|  | Dave Newman<br>Head of Waste Management Resident Services, Waste Recycling and Transport          |
|  | Roy Finan<br>Transport Manager, Fleet Management  |
|  | David Kiteley<br>Principle Street Lighting Engineer   |
|  | Howell Huws<br>Head of Corporate Programmes   |
|  | Matt Dodds<br>Business Delivery partner   |
|  | Jacqui Hudson,<br>Head of IT Strategy   |
|  | Paul Hopkinson<br>Director of Property Services, HMS Technical & Support Services Unit, H&F Homes |
|  | Mick Stone<br>Asset Management Officer, Children's Services                                       |
|  | Tracey Coventry<br>Building Schools for the Future, Estates Strategy Lead                         |
|  | Steve Foster, Principal Consultant<br>Procurement and Contracts, Finance and Corporate Services   |
|  | HR representatives to be brought in as and when required  |

### 7.3. Succession planning for key roles

No formal succession planning has been undertaken but the programme will continue to be managed by the Climate Change Project Management Board working to their Terms of Reference.

### 7.4. Ongoing stakeholder management

Ongoing stakeholder management will be through the Project Management Board and the Executive Management Team of the council. The Carbon Management Team and Project Management Board will meet regularly to monitor implementation of the Plan.

### 7.5. Annual progress review

The progress of achieving the targets and the Carbon Management Plan will be reviewed by the Climate Change Project Management Board and EMT on an annual basis. This review will normally take place in July after the submission of NI 185 data and will aim to include:

- The progress towards meeting the target;
- The cost and benefits from the Plan;

- Financial savings;
- Update and roll forward the plan to include additional carbon reduction projects.

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# Agenda Item 9



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2009

**DEPUTY LEADER  
(+ ENVIRONMENT)**  
*Councillor Nicholas  
Botterill*

**LOCAL IMPLEMENTATION PLAN;  
HIGHWAYS CAPITAL PROGRAMME 2010/11**

**Wards  
All**

**HAS THE REPORT  
CONTENT BEEN  
RISK ASSESSED?  
N/A**

This report summarises the Transport for London funded schemes proposed for 2010/11 under the new 'corridors' and 'neighbourhoods' programmes. Twelve schemes are funded (with two reserves) in 2010/11, totalling approximately £2 million capital investment into our road network.

### **CONTRIBUTORS**

DENV  
ADLDS  
DFCS

**HAS A PEIA BEEN  
COMPLETED?  
YES**

### **Recommendations:**

- 1. That feasibility design and consultation on the corridors and neighbourhoods programme at a total cost of £200,000 (approx 10% of programme total), as set out in paragraphs 3.3 and 4.3 of the report, be approved.**
- 2. That authority be delegated to the Director of Environment, in consultation with the Deputy Leader (+ Environment), to approve implementation of the twelve individual corridors and neighbourhoods schemes, subject to a positive response to the consultations.**

## 1. STRATEGIC OBJECTIVE

1.1 Preparation of the Mayor's second Transport Strategy (MTS2) is underway and consultation closed on 12 January 2010. The date for publication of MTS2 has been given as Spring 2010; however this is more than likely to be delayed. The Mayor's emerging transport policies are as follows:

- Implementation of more shared space and simplified streetscape projects including de-cluttering, removing unnecessary guard railing and lines and improved streetscape design;
- Increased provision for cyclists including providing more cycle parking and supporting the provision of cycle highways and the development of cycle hubs;
- Support for electric vehicles, including new charging points;
- Provision of more car club bays;
- Reducing unnecessary traffic signals;
- Avoiding the use of road humps

1.2 Upon publication of MTS2, boroughs will be required to write, consult on and publish Local Implementation Plans (LIP2) which will show how they intend to implement MTS2.

1.3 The annual LIP funding submission is the means by which boroughs are allocated funding by the Mayor (TfL) to deliver their LIPs.

## 2. CHANGES TO 2010/11 LIP FUNDING

2.1 For the last few year, the annual funding submissions have been made on a speculative basis under 23 different programmes. Following discussions with various stakeholders, TfL have adopted a new method of funding boroughs' transport programmes aimed at giving more freedom and flexibility to boroughs.

2.2 The main changes to the LIP funding for 2010/11 are as follows;

- Reduction in the number of programmes from 23 to 5 (**maintenance, corridors, neighbourhoods, smarter travel and major schemes**);

- Retention of £100k funding for local transport projects;
  - Needs based formula for three programmes in 2010/11;
  - Longer term funding commitment;
  - Reduced requirement on details to be submitted by boroughs
- 2.3 This needs based system is based on a complex and agreed formula and forms the basis of the 2010/11 transition funding year. On 8 May 2009 TfL announced the borough funding allocation under three of the new programmes:
- **Corridors - £1,246,000**
  - **Neighbourhoods - £798,000**
  - **Smarter Travel - £297,000**
- 2.4 On 5 June 2009, a Cabinet Members Decision paper was agreed by the Deputy Leader (+ Environment) detailing the schemes to be developed and delivered. This included a speculative submission for maintenance funding. The geographical extent of the funding submission for the corridor and neighbourhood programmes can be seen in Appendix 1.
- 2.5 The schemes were agreed by TfL in November 2009.

### 3. CORRIDORS

- 3.1 The Corridors programme is an amalgamation of the following six previous programmes;
- Bus priority
  - Bus stop accessibility
  - London Cycle Network+
  - Cycling
  - Walking
  - Local safety schemes
- 3.2 The high level objective for corridors is to develop holistic schemes for key corridors that address issues relating to the smoothing of traffic flow, bus reliability, safety, cycling (including parking), public realm and removal of street clutter.
- 3.3 The borough's allocation of £1,246,000 has been sub divided into six schemes to develop and deliver in 2010/11;

- **Goldhawk Road (C1) - £400,000**

Completion of the upgrade to the existing staggered pelican crossing at Conningham Road to a straight across toucan crossing and associated footway widening, (£280,000). This scheme was approved by Cabinet on 9 November 2009 and appendix 2 shows the new layout.

The remaining £120,000 shall be used to commission an extensive, independent, multi modal transport study through our framework transport consultants. Goldhawk Road is an important corridor and the study shall advise how the extensive road space can be best used to stimulate regeneration and inclusivity. We anticipate the study identifying a multi million pound improvement scheme that can be delivered over the following three years subject to securing funding through the new TfL programmes.

- **North End Road (C2) - £50,000**

Completion of the parallel initiatives approach carried out over the last two years to this busy north-south route to address the streetscene, conflicting road uses, lack of a southbound bus stop and freight matters associated with loading for the shops and markets.

Cabinet approval was given for phase two of this scheme on 9 November 2009 and appendix 5 shows the associated drawings. This work will compromise the third and final phase of work.

- **Riverwalk (C3) - £200,000**

Four schemes are to be funded along the riverwalk under this allocation, prioritised through the riverwalk enhancement which will be considered by Cabinet in February 2010.

1. Completion of the riverwalk enhancements along Upper Mall (£70,000).
2. Extensive repaving and signage of the section of riverwalk at Putney Bridge (£70,000)
3. Contribution towards the cycle paths through Bishops Park as part of the lottery project (£50,000)
4. Re-signage and decluttering of the entire riverwalk to include suitable sections identified for shared use (£10,000)

The Upper Mall enhancements have met with some objection with regards to the nature of designating sections of the riverwalk as shared use. The success or otherwise of this test section shall influence how other sections are taken forward.

- **Askew Road (C4) - £200,000**  
Completion of the minor projects carried out in 2009/10 (raised entry treatments, loading bays and stop and shop parking bays). To include extensive de-cluttering and reallocation of road space, footway upgrading and improving the layout, operation and efficiency of the signalised junction at the junction of Askew Road and Uxbridge Road. The latter of these was given Cabinet approval on 7 December 2009 and Appendix 3 shows the layout.

The consultations carried out in 2009/10 for the local safety scheme local businesses and residents. Askew Road is a key north-south route as well as a busy bus corridor. There is a need to balance road space with the competing needs of a thriving local shopping centre.

- **Du Cane Road (C5) - £150,000**  
Funding to rationalise the extensive traffic calming features constructed over the last ten years to improve bus and cyclist movement as well as support the increase in pedestrian activity on this road due to the increased development of the hospital site.

Traffic management is moving towards simplicity as can be seen in successful streets at Kensington High Street and King Street. The brief for this scheme is to remove a lot of the old fashioned features that inhibit traffic flow and encourage a smoother progression for all road users.

- **Wayfinding (C6) - £150,000**  
Funding to deliver the legible London direction system to Hammersmith and Fulham town centres.

Cabinet approval was given on 12 October 2009 to install legible London signage in Shepherds Bush. Appendix 4 shows a mock up of one of the signs.

Legible London is an innovative and interactive way of providing a high quality pedestrian environment and can allow us to remove traditional pedestrian signage.

- **Fulham Palace Road (C7r) - £249,000 (reserve)**  
Contribution towards the Route 220 3G package of measures along this important north-south corridor. Package includes a range of measures to smooth all traffic through this busy congested route, including upgrading pelican crossings to puffins, raised entry



treatments, waiting and loading improvements and kerb realignments.

Should the reserve funding be released officers shall work with TfL, residents and Ward councillors in prioritising those elements of the scheme that can be funded to assist the sliproad project.

3.4 The remaining £96,000 is allocated to:

- **Accident investigation - £36,000**  
To a dedicated officer resource to review annual casualty data to identify priority areas and produce annual monitoring reports towards the Mayoral casualty targets.
  
- **Cycle training - £60,000**  
Funding to provide *bikeability* training (the new name for cycling proficiency) to 500 children and adults a year through a framework contract with an approved training provider. It is our intention to re-tender this contract in April 2010.

3.5 The corridor schemes can be seen on the borough map attached to this report as appendix 1. The corridor schemes are identified in blue referenced C1 to C6 along with C7r.

#### 4. NEIGHBOURHOODS

4.1 The Neighbourhoods programme is an amalgamation of the following six previous programmes;

- 20 mph zones
- Freight
- Regeneration
- Environment
- Accessibility
- Controlled parking zones

4.2 The high level objective for neighbourhoods is to carry out local area improvements and also work on Legible London, shared space, reduction of street clutter, and an expansion of electric charging points.

4.3 The borough's allocation of £798,000 has been sub divided into four schemes to develop and deliver in 2010/11:

- **Wendell Park (N1) - £270,000**

This is an area which has had much representation from the local community on traffic and safety issues. Investigation and initial consultation is being carried out in 2009/10 with implementation in 2010/11. There is an opportunity for holistic improvements to safety, accessibility, walking and the environment.

As part of the Controlled Parking Zone I consultation which runs until 19 February 2010, residents have been asked to identify and road or public realm issues they have which will inform the design process. Results of this initial consultation shall be made available for the Cabinet meeting.

- **Brook Green (N2) - £200,000**

Although this area was traffic calmed a few years ago, there remains a significant number of casualties. Examination of safety issues will be combined with de-cluttering and environmental improvements. Investigation and initial consultation is being carried out in 2009/10.

The original Brook Green 20mph zone is very traditional in its signage and use of traffic management and calming features. The brief for this scheme shall be to rationalise the features that have been installed and concentrate on innovative solutions to the areas that are still exhibiting high levels of personal injury accidents.

- **South Park (N3) - £130,000**

This is an area which has had much representation from the local community on traffic issues, particularly concerns about the perceived level of through traffic using local roads. A neighbourhood approach will allow this issue to be considered alongside environmental and accessibility improvements, including routes to and through South Park.

There are a number of schools in the area which all have approved school travel plans that identify numerous barriers to increasing the number of students cycling and walking to school. The area takes in Peterborough Road, Broomhouse Road, Carnwath Road and Hurlingham Road.

A meeting with residents and stakeholders of the South Park area has been arranged for 17 March 2010.

- **Ravenscourt Park (N4/5) - £200,000**

The associated controlled parking zones are due to be reviewed as part of the 2010/11 parking programme. The extra funding will allow wider transportation issues to be considered including safety, accessibility and environmental improvements. As with Wendell Park, we shall initially ask residents where they perceive issues to be in their area and develop schemes accordingly.

The area covered by this funding takes in most of the Grove 20mph zone and the busier routes of King Street, Paddenswick Road and Dalling Road as well as the network of minor roads down to the river. The scheme will complement the Ravenscourt Part station access scheme which TfL are funding through their area based schemes programme in 2009/10 and 2010/11.

We have identified this area as one that would benefit from the introduction of on street car club bays, subject to local support.

- **Wormholt Park (N6r) - £160,000 (reserve)**

This area has been identified as a priority for works previously funded from TfL's "Local Area Accessibility" funding stream. A neighbourhood approach will allow accessibility issues to be examined alongside safety, environmental and other improvements.

The extent of the area covers the Wormholt 20mph zone which has had a modest success with regards to casualty reduction since its implementation in 2005.

Should the reserve funding be released a similar approach to consultation and scheme development shall ensue.

- 4.4 The neighbourhood schemes can be seen on the borough map attached to this report as appendix 1. The neighbourhood schemes are identified in green referenced N1 to N5 along with N6r.

## **5. SMARTER TRAVEL, MAINTENANCE AND MAJOR SCHEMES**

- 5.1 This report does not seek approval for the remaining three programme areas as above. Key Decision reports will be prepared, as appropriate, for each programme separately.
- 5.2 The smarter travel programme does not consist of any capital investment in the road network. This programme concentrates on education, training and publicity projects covering road safety, travel planning and travel demand management. Cabinet approval for this programme will be sought in due course.
- 5.3 The maintenance programme gained Cabinet approval on 14 January 2010.
- 5.4 The process for major schemes funding has not changed and officers have recently submitted the first in a series of applications to provide

£2.5m match funding for the extensive improvements to the Goldhawk Road that the transport study identified in 3.3 shall influence. Cabinet approval for this scheme will be sought in due course.

## **6. LOCAL TRANSPORT FUND**

- 6.1 As with 2009/10, £100,000 has been made available to boroughs under the local transport fund. 'This funding is allocated for each borough to spend on transport priorities of their choice. This is on a trial basis and may be used, for example, to expand an existing scheme or initiate some new transport projects'
- 6.2 On 30 July 2009, six schemes were approved by the Cabinet member for Environment utilising the 2009/10 allocation following a round of consultation at both officer and member level. A similar approach will be followed to develop schemes for 2010/11 under this programme.

## **7. FEASIBILITY AND CONSULTATION**

- 7.1 The change in emphasis on funding for these schemes requires a change in approach to feasibility and consultation. A multi disciplinary officer working party has been set up to capture the changes to the processes as part of our quality management system.
- 7.2 For every scheme, officers will consider a range of highways and transport inputs, such as: casualty statistics, accessibility, bus and cycle movement, smoothing traffic, streetscene etc.
- 7.3 Schemes will be developed using our highways design manual, streetsmart, alongside the latest in innovative traffic management techniques.
- 7.4 We have had a mixture of response rates to traditional consultation techniques we have used in the past and have set a target of 20% response rate for every scheme in 2010/11. We believe this is a challenging yet achievable target utilising innovative techniques and the application of IT solutions, web based consultation and door to door canvassing.

**8. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

8.1 Transport for London (TfL) have approved funding for 2010-11 as follows:

|                |         |
|----------------|---------|
| Corridors      | £1.246m |
| Neighbourhoods | £0.798m |
| Smarter Travel | £0.297m |
| Total          | £2.341m |

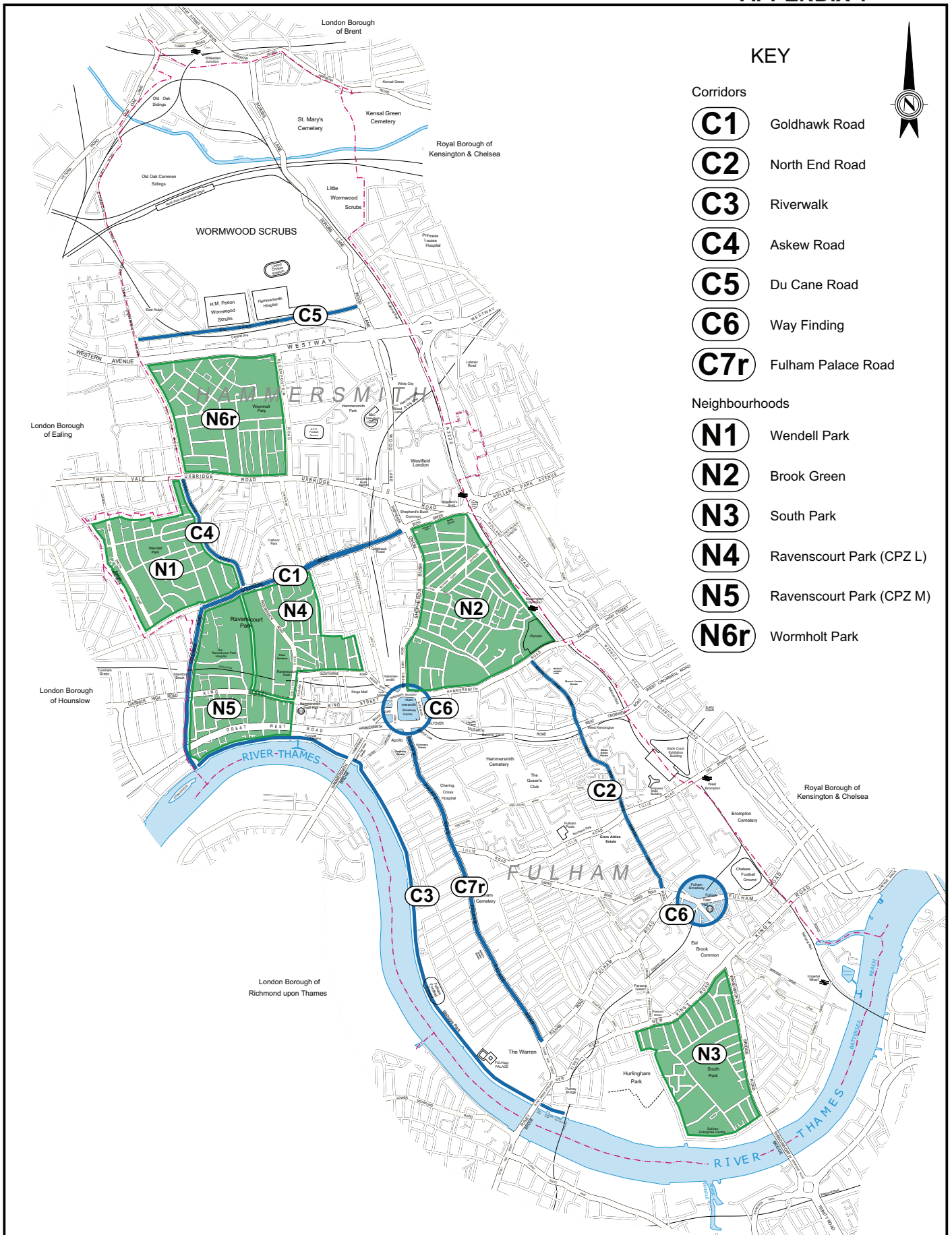
8.2 At present, the costs of each scheme are based on an estimate. These are subject to change once the detail of each scheme has been costed. The funding however is limited to the amount approved by the TfL board plus a contingency. Any variation in costs in excess of the contingency cannot be assumed to be funded by TfL unless this is approved in advance. Alternatively, officers may need to manage the workload to ensure that expenditure is contained within the approved provision.

**9. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

9.1 The Assistant Director has read this report and is satisfied with its content.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b>              | <b>Description of Background Papers</b> | <b>Name/Ext of hold of file/copy</b>        | <b>Department/ Location</b>         |
|-------------------------|---|---|-------------------------------------|
| 1.                      | Local implementation plan 2005-2009     | Nick Boyle<br>X 3069                        | EnvD<br>4 <sup>th</sup> floor, HTHX |
| 2.                      | 2010/11 LIP bid forms                   | Nick Boyle<br>X 3069                        | EnvD<br>4 <sup>th</sup> floor, HTHX |
| <b>CONTACT OFFICER:</b> |   | <b>NAME: NICK BOYLE</b><br><b>EXT. 3069</b> |                                     |



KEY

Corridors

- C1** Goldhawk Road
- C2** North End Road
- C3** Riverwalk
- C4** Askew Road
- C5** Du Cane Road
- C6** Way Finding
- C7r** Fulham Palace Road

Neighbourhoods

- N1** Wendell Park
- N2** Brook Green
- N3** South Park
- N4** Ravenscourt Park (CPZ L)
- N5** Ravenscourt Park (CPZ M)
- N6r** Wormholt Park



|   |                     |          |  |
|---|---------------------|----------|--|
| <b>HAMMERSMITH &amp; FULHAM COUNCIL</b>   |                     |          |  |
| Environment Services<br>Town Hall Extension, King Street<br>London W6 9JU<br>Tel. 020 8748 3020 |                     |          |  |
| Drawn   | Checked             | Approved |  |
| BJN   | HOR                 | CB       |  |
| Scale   | Original Sheet Size |          |  |
| NTS   | A4                  |          |  |
| DWG No.   | Revision            | Date     |  |
| 18341/2010/1/1  | A                   | AUG.'09  |  |

PROJECT

**LIP 2010/11**

**FUNDING SUBMISSION**

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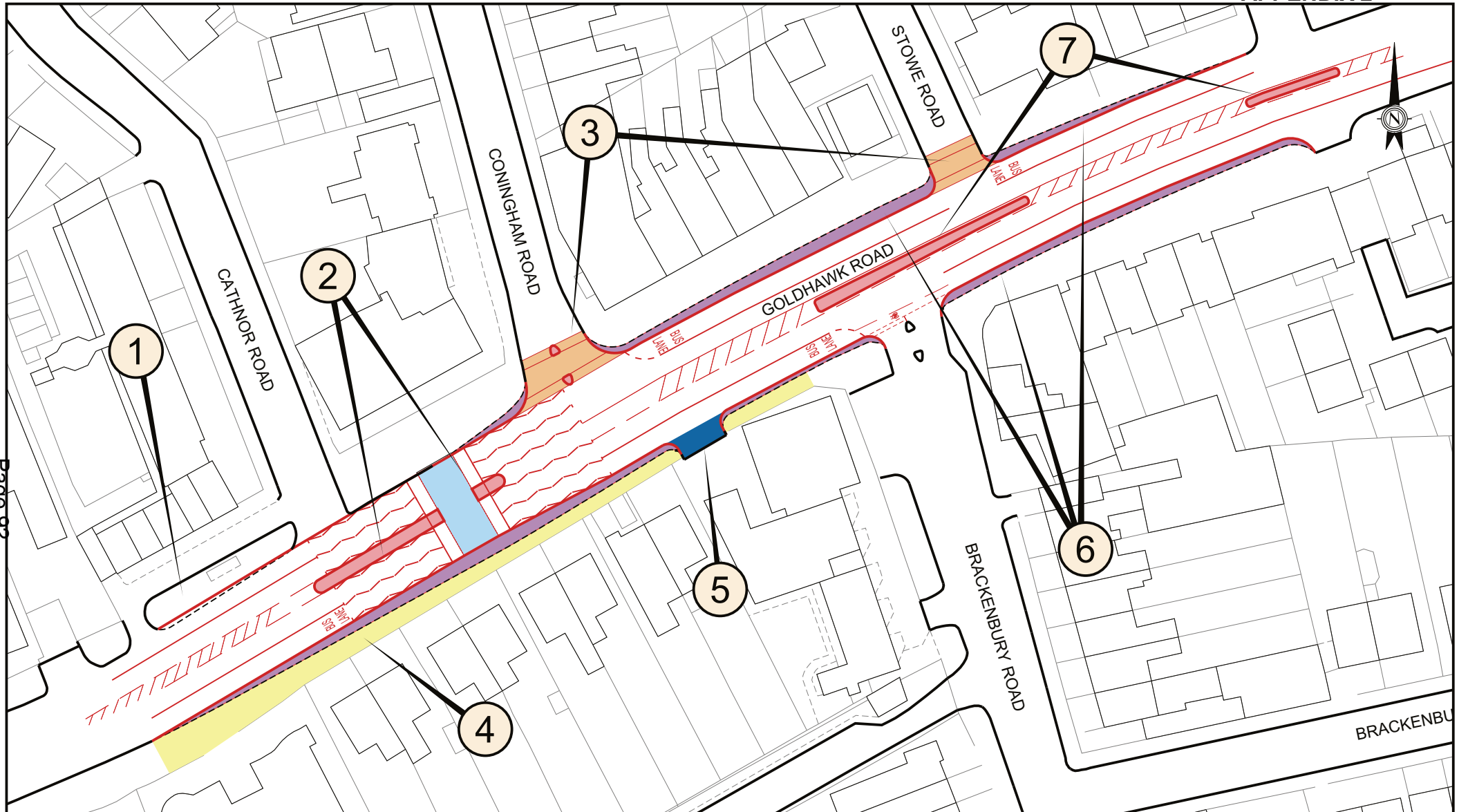
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NOTES

C3 Riverwalk has been extended

|       |     |      |
|-------|-----|------|
| Date  | Rev | Init |
| Aug09 | A   | BJN  |





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 Environment Services  
 Town Hall Extension, King Street  
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 Tel. 020 8748 3020

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DWG No. 80508/85/1  
 Date JAN.'10

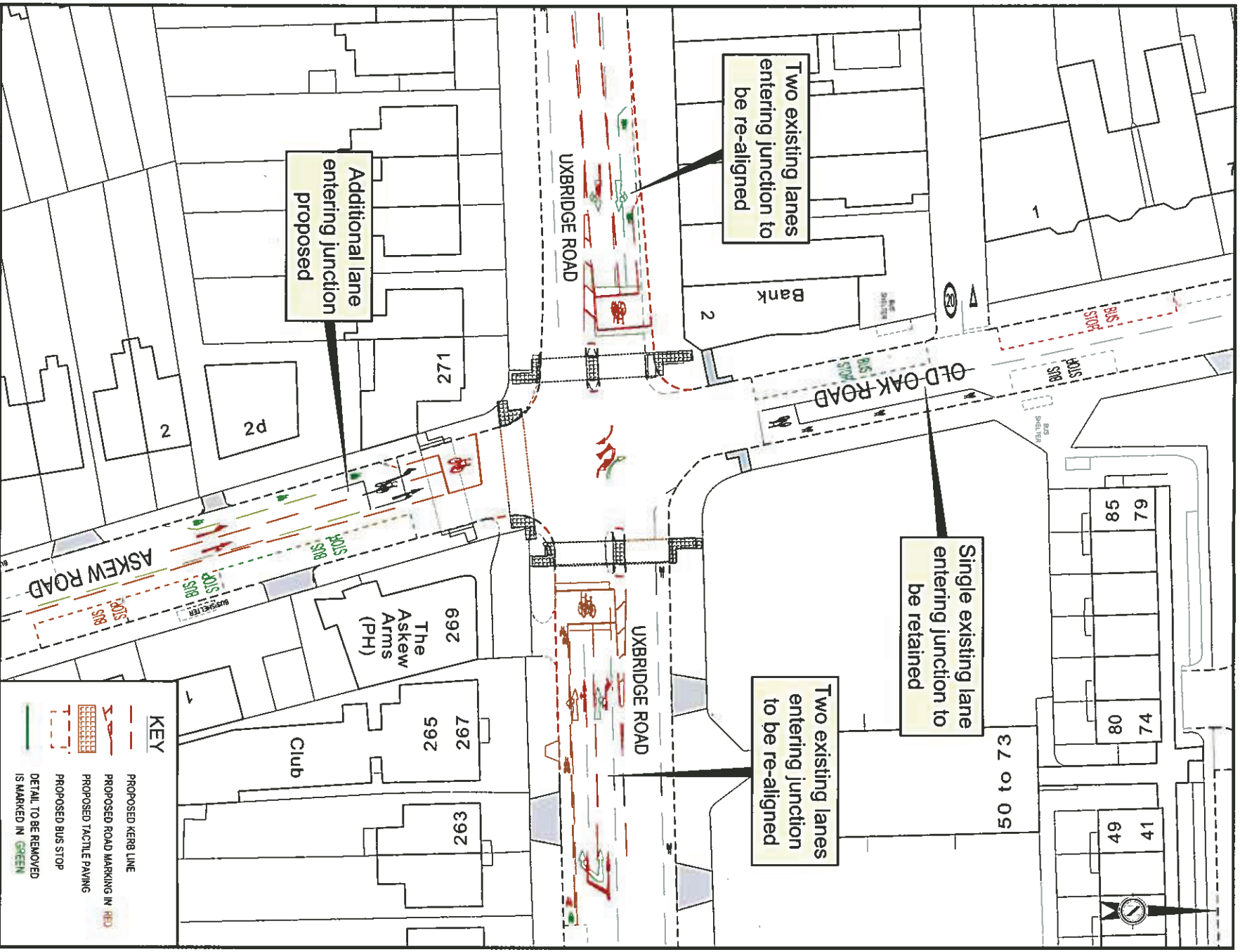


**GOLDHAWK ROAD  
 TOUCAN CROSSING  
 IMPROVEMENTS**

**KEY**

- |   |                          |   |                     |   |                                 |
|---|--------------------------|---|---------------------|---|---------------------------------|
|  | Footway Widening         |  | New Toucan Crossing |  | Upgraded Raised Entry Treatment |
|  | Adjusted Traffic Islands |  | Footway Repaving    |  | Resurface Crossover             |
|  | Proposed Line Marking    |   |                     |   |                                 |





Two existing lanes entering junction to be re-aligned

Additional lane entering junction proposed

Single existing lane entering junction to be retained

Two existing lanes entering junction to be re-aligned

**KEY**

|   |   |
|---|---|
|  | PROPOSED KERB LINE                      |
|  | PROPOSED ROAD MARKING IN RED            |
|  | PROPOSED TACTILE PAVING                 |
|  | PROPOSED BUS STOP                       |
|  | DETAIL TO BE REMOVED IS MARKED IN GREEN |

**NOTES**

|      |     |      |
|------|-----|------|
| Date | Rev | Init |
|------|-----|------|

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 London W6 9JU  
 Tel: 020 8748 3020

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Scale: NTS  
 DWG No: 81040/86/1  
 Revision: OCT '09

**PROJECT**  
 UXBRIDGE RD JUNCTION WITH ASKEW RD JUNCTION IMPROVEMENTS

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FS 32265



**SHEPHERD'S BUSH MARKET**

↑ **SHEPHERD BUSH MARKET**  
Shepherd's Bush Common  
W12 8J

← **WOOD LANE**  
WOOD CITY  
Woodfield  
W12

**WOLYPTON** →

**SHEPHERD'S BUSH**

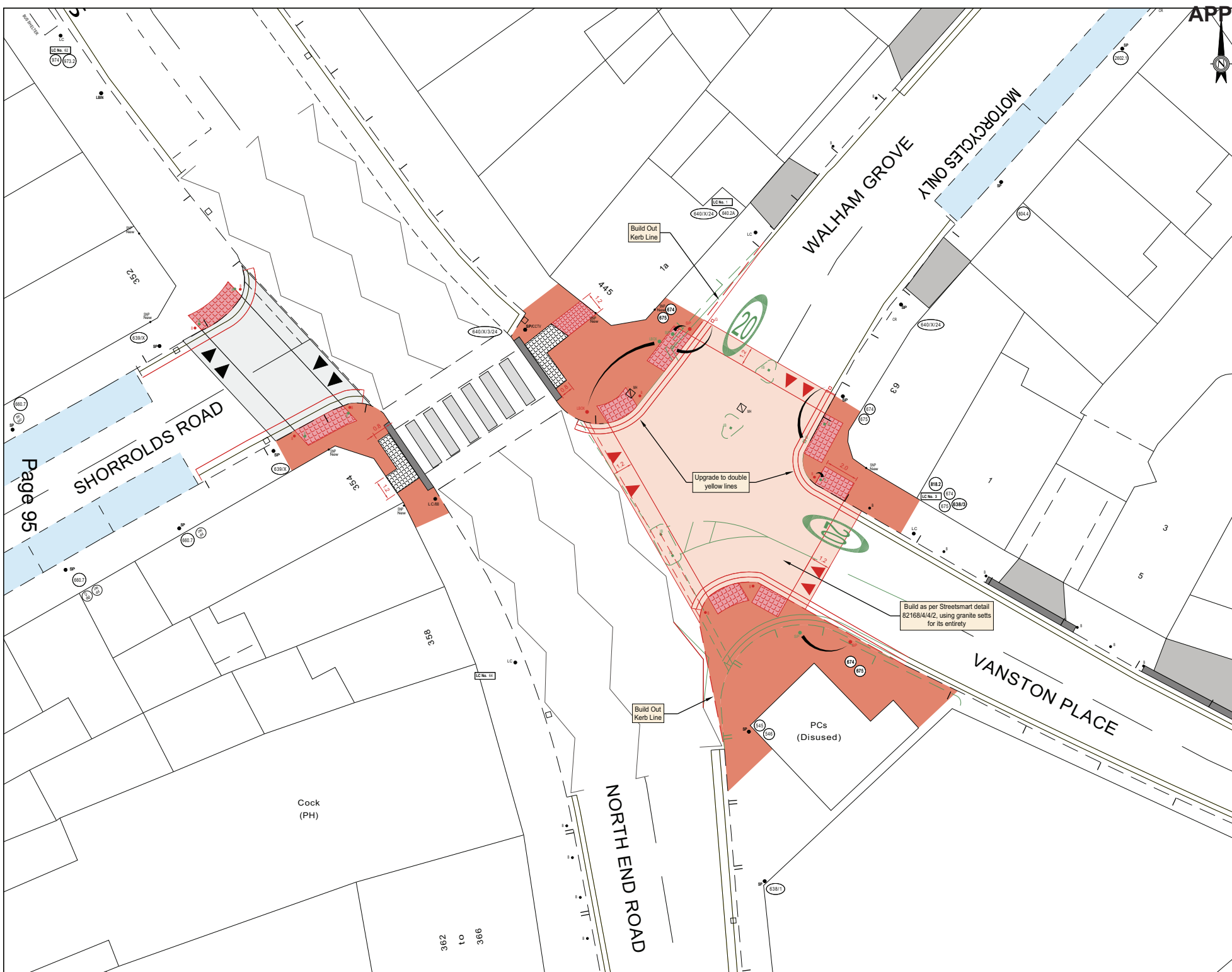
↑ **SHEPHERD BUSH MARKET**  
Shepherd's Bush Common  
W12 8J

**WOLYPTON** ←

**WOOD LANE** →  
WOOD CITY  
Woodfield  
W12

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Page 95

- KEY**
- PARKING BAY
  - 1 HOUR PARKING BAY
  - LOADING BAY
  - SINGLE YELLOW LINE & TERMINAL
  - DOUBLE YELLOW LINE & TERMINAL
  - FLANGE SIGN FOR FOOTFALL MATCHES
  - TRAFFIC SIGN
  - ILLUMINATED SIGN
  - PARKING PLACE SIGN "LEFT" & "RIGHT"
  - PARKING PLACE SIGN "ONEWAY"
  - LOADING RESTRICTION SIGN
  - CROSSWALK
  - DROPPED KERB
  - BOLLARD
  - FIRE HYDRANT
  - GAS MAIN
  - ILLUMINATED BOLLARD
  - LAMP COLUMN
  - LETTER BOX
  - LITTER BIN
  - MANHOLE
  - SIGN POST
  - STREET NAME PLATE
  - TREE
  - BUS SHELTER
  - BUS STOP BUS LANE
  - TACTILE PAVING
  - PROPOSED DROPPED KERB
  - PROPOSED TACTILE PAVING
  - PROPOSED ROAD MARKING
  - PROPOSED NEW KERB
  - PROPOSED WORK STONE PAVING
  - PROPOSED RAISED CURB TREATMENT
  - PROPOSED GRANITE SETTS
  - PROPOSED SIGN POST
  - PROPOSED BOLLARD
  - PROPOSED GULLY
  - REMOVE DROPPED KERB
  - REMOVE TACTILE PAVING
  - REMOVE ROAD MARKING
  - REMOVE EXISTING KERB
  - REMOVE SIGN POST
  - REMOVE BOLLARD
  - REMOVE GULLY

Revisions

| Notes | Date | Rev. | Init. |
|-------|------|------|-------|
|       |      |      |       |

|                | init. | date    |
|----------------|-------|---------|
| surveyed       |       |         |
| levelled       |       |         |
| designed       | NA    | DEC '09 |
| drawn / traced | BJN   | DEC '09 |
| checked        | WAS   | DEC '09 |
| approved       | GB    | DEC '09 |

scale 1 : 100      Original Sheet Size A1

**HAMMERSMITH & FULHAM COUNCIL**  
 ENVIRONMENT SERVICES  
 TOWN HALL, KING STREET  
 LONDON, W6 9JU  
 Telephone 020 8748 3020

PROJECT  
**NORTH END ROAD  
 PARALLEL INITIATIVES  
 SCHEME**  
 WALHAM GROVE, VANSTON  
 PLACE & NORTH END ROAD  
 FOR IMPLEMENTATION

Drawing Status: **IMPLEMENTATION**  
 DWG No. 81049/10/1      REV.



London Borough of Hammersmith & Fulham

# Cabinet

26 APRIL 2009

**CABINET MEMBER  
FOR CRIME AND  
STREET SCENE**  
*Councillor Greg Smith*

## REVIEW OF TRADE WASTE COLLECTION

**Wards  
All**

This report considers options for the trade waste portfolio going forward.

A separate report and appendix on the exempt part of the agenda provides confidential information about the sales plan.

## CONTRIBUTORS

ADCGN  
ADCCS  
ADLDS  
DFCS

## Recommendations:

1. The report and business case attached as Appendix A, on the exempt part of the report, be noted and option 3a outlined in section 3.4 be agreed as the way forward for the next 12 months.
2. To note the projected growth in customers required, timescales and subsequent impact on budgets for 2010/11 and 2011/12 as outlined in section 5.
3. To agree in principle to expenditure of up to £100k for an enhancement to the IT system- Waste Manager - on an invest to save basis, in order to implement the preferred option 3a.

HAS A PEIA BEEN  
COMPLETED?  
YES

SCRUTINY  
COMMITTEE:  
CLEANER,  
GREENER

## 1. BACKGROUND

A trade waste collection service provided by the Council has operated in Hammersmith and Fulham for over 25 years. The contract for Waste Collection, Recycling and Street Cleansing Services was let to Serco Ltd on 16 June 2008. Within the contract arrangements, Serco provides the trade waste and recycling collections, although management of the service, including customer support, invoicing and face-to-face contact, continues to be provided directly by the Council. Performance of the trade waste service declined during contract handover, with over 300 customers cancelling their agreements. The main reasons were due to initial unsettlement of the operational staff as part of this transfer, changes in major collection routes as part of the introduction of single pass in February 2009, and latterly the introduction of new IT Confirm communication and reporting systems that led to invoicing errors for over 1,000 customers.

A trade waste audit was undertaken in November 2008, providing a snapshot of performance at that time, with suggestions on how improvements could be made. This led to a reconciliation process between the information held on Serco 'beat sheets' and Council held data. Following transfer to Residents' Services Department in April of this year, a more fundamental review of the service commenced. The objective was to ascertain whether it is financially beneficial to invest and grow the portfolio, or to consider alternative mechanisms to service provision where a customer request is made, operating within the current legislative framework.

## 2. REVIEW FINDINGS

### 2.1 Benchmarking

Visits were undertaken to other local authorities over the past 5 months and the findings are detailed below:

| LOCAL AUTHORITY        | TYPE OF SERVICE  | No of customers | INCOME * | Income per customer |
|------------------------|--|-----------------|----------|---------------------|
| Kensington and Chelsea | Service offered for waste and recycling bin and bag collections. Collections contracted to Sita.   | 3,500           | 4.5m     | £1285               |
| Wandsworth             | Service was incorporated into a tendering process in the late 1990's consequently no direct service provision is available, and the council's duty is discharged via its contractor. | 0               | £0       | 0                   |
| Richmond               | Service offered for waste bin and bag collections and a pilot scheme for recycling. Collections contracted to Veolia.  | 1,600           | 1.5m     | £937                |
| Westminster            | Extensive service offered for waste and recycling bin and bag collections, and hire of compactors. Collections contracted to Veolia.   | 10,000          | 10.5m    | £1050               |
| Hammersmith and Fulham | Service offered for waste and recycling bin and bag collections. Collections contracted to Serco.  | 1,975           | 2.0m     | £1012               |

\* current projections for 2009/10, excluding operating costs of the service

Four of the five boroughs contacted provide a service with differing levels of income, depending on number of customers. Although LB Westminster generate the greatest income overall, Kensington and Chelsea, who reviewed and improved their service in 2004, generate the greatest income per customer. They employ a sales team of 3 and a dedicated finance team of 4 and also operate a bonus scheme aimed at incentivising staff to grow the business and provide an excellent service to customers. Hammersmith and Fulham employ one commercial waste officer, two administrative staff and the financial function is undertaken by three staff employed within the Finance and Resources Division, who also undertake other duties and only devote 20% of their time to the trade waste portfolio.

## 2.2 Enforcement and “Clear all” policy

**Monitoring Night Time Collections** - As part of this review, night time monitoring of the trade waste service was undertaken in September 2009 and covered the main routes between 9pm and 4am. Serco’s night crews were followed along their normal collection routes and the monitoring highlighted the following issues;

- Over production of trade waste; customers revising down contracts but still putting out the same, or increased amounts of waste in white (paid for) and black (non paid for) sacks
- The clear-all policy, originally introduced to improve the appearance of streets, has led to unreported fly tipping of black bags (containing both trade and domestic waste and cardboard) that is being collected by the night-time crew free of charge to trade customers
- Trade Recycling is not always presented in the correct (trade specific) orange bags; and flattened or un-flattened loose cardboard has been collected all together in one vehicle, as waste for landfill and so on occasions is not being recycled
- Serco green bags were found to be present out on the streets overnight on several routes. These should not have been there at those specific times as they are scheduled, under the terms of the contract, for collection by 5.30pm each day
- Domestic waste from households and flats above shops (both refuse and recycling) were collected under the ‘clear all’ policy rather than the following day under domestic collections, potentially leading to valuable recycling being lost to landfill
- Recycling left out by residents on “clear all” streets, on the night before collection has the potential to be collected as part of the general waste.
- Where fly tip trade and domestic household waste is cleared under clear all there is a general poor litter grading on some streets, below B. This was worse on heavier days than light nights.
- Crews were quiet and there was no noise pollution to residents.

**Night Time Enforcement Operation** - Following the night time monitoring exercise, a night time enforcement project commenced, specifically aimed at tackling the problem of trade waste over-production and fly tipping by traders. Early indications are that on particularly problematic roads, up to 50% of

businesses receiving night time collections were found to have placed waste out for the “clear all” crews to remove without having correct trade waste agreements in place. This could account for up to 20% of our existing customers and potentially results in the cost of clearance falling incorrectly on the domestic waste operation. On several occasions, premises were found to have placed waste out after they had already been issued with a fixed penalty notice for waste related offences during the day. Generally, once evidence had been presented, most business owners accepted notices issued for further action to be taken. The cost and time taken to secure a prosecution and fine is lengthy, with more cost effective short term successes being found in issuing FPN’s for fly tip occurrences. Whilst enforcement does provide some form of deterrent, fines imposed from prosecutions are usually smaller than the cost of paying for the collection service and so public awareness of prosecutions is also key to encouraging behavioural change by trade waste producers. This approach has recently been achieved working with colleagues in Communications.

**Background to “Clear all” policy** - The “Clear All” policy has clearly defined aims and objectives based on ensuring that streets are not blighted with sacks of waste dumped illegally either by traders or local residents, especially in the mornings when residents are on their way to work. This policy has led to reduced fly tipping and associated antisocial behaviour and due to its success, will remain as a key service for the future. In order to ensure individual accountability for waste, a strict enforcement regime is therefore planned, in collaboration with waste contractors, Serco.

### **2.3 IT system**

As part of the new waste contract implementation, an integrated IT system was planned for launch in 2008, utilising the existing Confirm contract management software historically used within Highways operations. The intention was that the system would be extended for waste contract management and interface with the OLAS financing system for invoicing trade waste customers. After a number of significant delays due to suppliers, Pitney Bowes, not providing a “fit for purpose” system, a new version of the trade waste module was finally released in September (over one year late). Whilst Confirm does provide a method of contract management (albeit not ideal), major problems were encountered when utilising the system to interface with OLAS and provide trade waste invoices. Nearly 50% of the third quarter invoices for 2009/10 had to be cancelled owing to inaccuracies, and a time-consuming manual process has been implemented to ensure accurate billing. The impact on lost business is currently being quantified. An additional £38K of costs were incurred relating to additional officer time and agency costs required in order to rebuild the data sets and send out correct invoices. Discussions have commenced with The Bridge and their sub contractors, Pitney Bowes, regarding these costs. If a decision is taken to grow the business, an urgent upgrade to the current 15 year old Waste Manager IT system is essential. The most cost effective option is to procure an upgraded package. The current system is obsolete and the licence expires on 31 May 2010 with no further opportunities to extend this without confirming purchase

of an upgrade. Work is currently being undertaken with The Bridge to confirm the final costs for a basic system to ensure the service can operate for a further 12 months, with the option to upgrade if after that time a decision is taken to grow the service further.

## **2.4 Waste disposal – cost implications**

In 2009/10 the Western Riverside Waste Authority (WRWA) agreed unanimously to switch to a tonnage based levy for payments related to waste disposal. This ensures that each tonne of waste created by a particular authority is paid for by that authority. As previously agreed by WRWA, civic amenity waste and WRWA overheads continue to be apportioned amongst the boroughs based on council tax base. At the WRWA meeting held on 2 February 2010, future waste disposal costs per tonne rates for were reported, highlighting an increase by £17.26 per tonne for 2010/11 and a projected further increase of £21.00 the following year (an uplift of approximately 17% for two consecutive years). The rates for processing co-mingled recyclables are also due to increase but by a far lesser degree, at £2 per tonne. These rates represent an increase in disposal costs of £1.1m for 2010/11 and a further £1.3m for 2011/12. This will have a significant impact on the financial viability of the trade waste service from 2011/12 onwards, as outlined within table 2 of this report.

A further potential impact was announced by the Department for Environment, Food and Rural Affairs (DEFRA) on 3 December 2009. Changes are being considered to the way waste going to landfill in the UK is classified and calculated. The existing approach focuses on “Municipal” waste collected by local authorities from households and businesses holding council operated trade waste agreements. The new classification would include more commercial waste collected exclusively by the private sector outside of the local authority regime, to help “bring greater convergence between the management of household and commercial waste”. The change is expected to bring the UK approach into line with that of a number of other European member states. As a consultation on these proposals will not commence until the New Year, the potential implications are unclear at this stage, but could affect how the Landfill Allowance Trading Scheme operates in the future.

## **2.5 Feedback from customer**

There are approximately 1,975 trade recycling and waste customers in the Council’s portfolio. A customer satisfaction survey was launched on the website in October 2009 and a cross section of our customers were directly mailed in November. Individual feedback has helped to highlight instances where customers have been dissatisfied with particular elements of the service. In general and from the results based on 113 customer responses, the majority are satisfied with the service offered by the Council and believe that it does offer good value for money.

- We have a high number of long standing customers; approximately half have existed for longer than 5 years with our service

- Just under half of our business customers would describe themselves as small, less than a third medium and only 11% as large This compares with the borough statistics where 78% of companies describe themselves as SME's
- 83 % were happy with the service and their agreements; however 11 % were not happy with the service, due in the main to inconsistent collections, with 6 % wanting to change their agreements in some way (usually a change to collection time).
- Over half the respondees had been contacted by the trade team in the last 6 months and over 80% in the last year about the service.
- There is a broadly equal division in numbers between those preferring morning, afternoon or evening collections and slightly less than 20% preferring night –time collections.
- Approximately 70% are aware of the telephone service for the Cleaner Greener Hotline and may have used this service.
- Most customers agree with the 25% price discount for recycling, although 20% were unaware of the service.
- It appears that generally there is some fluctuation in the normal weekly collection times and in some cases days as well.
- More than half the customers responding report their collections are on time and on schedule.
- Over 20% of respondees are not aware of the Cleaner, Greener Neighbourhoods Division.
- Customers that have the minimum service i.e. small businesses, would like to recycle but the current pricing tariff does not allow them to combine their waste and recycling collections within the same 5 sack minimum agreement. They therefore either have to enter into 2 separate 5 sacks agreements (one for waste and one for recycling) which is expensive, or decide not recycle at all.

Individual issues highlighted showed that:

- customers paying for their service support the Councils enforcement efforts,
- alterations to collection days are unpopular,
- an economical/cost-effective service is important,
- good customer service is appreciated,
- information provided by the Council on request must be accurate and up to date.

Feedback from trade administration staff who speak to customers on a daily basis indicates that the recession has had a significant impact on local business, resulting in late payments and many small businesses revising down or cancelling their contract agreement during the last 3 quarters.

Recent conversations with one of our large commercial customers (who has since left) is that they would like an end-to-end product offering (eg, waste, security, planning, licensing), with one point of contact (eg, a key account management model.) which is the service they can currently acquire from other providers in the marketplace.



### **3. OPTIONS FOR THE FUTURE**

- 3.1** Table 1 within section two of this report illustrates that the H&F trade waste service is not as efficient as those operated by some other boroughs and therefore should not continue in its current format.

#### **Changes to staffing**

A restructure of the Cleaner and Greener Neighbourhoods Division includes the introduction of a Head of Business Development and development of a sales team to introduce a more entrepreneurial/commercial approach to both the trade waste and street trading services in line with the approach taken by Kensington and Chelsea. This new structure commenced on 1 February 2010. In addition, RSD has appointed a new AD for Customer and Commercial Services who is providing support to the newly formed sales team, with a target to increase income as outlined in Appendix A. This will ensure that whatever decision is taken on how the service is developed, it will have the potential to provide an improved income stream in future years.

A decision is required on the optimal way forward in the short to medium term. As demonstrated by table 2 in section 4, it is suggested that a further review of the service will be required once there is more certainty around the long term waste disposal costs based on any Defra decision and any potential income generation that may offset the higher gates fees currently being projected from 2011/12.

#### **3.2 Option 1 - Grow the business and keep it in-house short term**

Visits to LB Kensington and Chelsea Trade Waste Team have provided some useful best practice advice. A focus on debt recovery and incentivising staff to grow the business should lead to increased income and reduced debts, although some investment in an adequate IT system and additional staff resources would be essential if we want to increase income by £1 – 2 million over the next few years.

Advantages to this approach

- All income stays with H&F

Disadvantages

- Taking in to account current customer “churn” levels and the fact that H&F now provide the service indirectly via Serco, this “go it alone” approach is unlikely to achieve the acceleration that is required in the first 12 months to make the service a more attractive business proposition. It is the front line deliverers, Serco, who experience customer interface and collect intelligence on a daily basis that can have the greatest impact on the service .

#### **3.3 Option 2 – Cease direct provision**

An alternative approach would be to follow the route LB Wandsworth took in the late 1990’s, where they ceased provision of the service whilst retaining the statutory duty to offer a service if requested to do so. Having costed this approach for H&F, whilst savings in staffing, waste disposal and contractor costs of over £2 million would be realised, the loss of income would equate to

a deficit of £178,000 per annum. It is also likely that there would be a negative impact on the street scene, which whilst difficult to quantify, would take a number of months to bring under control, as traders got used to a new contractor and any fly tipped waste that would have previously been picked up as part of the “clear all” service would be left on street side. It is also possible that any such attempt to “sell off” the trade waste portfolio, might be met with a legal challenge by DEFRA, who in Guidance issued since the Wandsworth “sell-off” have reaffirmed that Councils cannot divest themselves of their responsibilities for “Municipal Waste” simply by selling off their trade waste portfolios to the private sector. According to DEFRA, the waste concerned would still be defined as Municipal Waste even though the contracts to collect it were no longer held by the local authorities concerned and so any ongoing LATS liabilities would remain (as long as this particular framework is in place).

Advantages to this approach

- Removes a service that could be provided equally well by the commercial sector and passes risks in achievement of income to a third party

Disadvantages

- A £178k loss which would need to be covered from other efficiencies in the council
- Does not provide an opportunity to grow the business and share in additional income
- Could be open to legal challenge

### **3.4 Option 3 - Develop a commercial approach with others to grow the business and share income**

A further option would be to utilise expertise from either current contractors, Serco, or neighbouring borough RB Kensington and Chelsea, incentivising either organisation by sharing any additional income over and above the amounts already projected within the Medium Term Financial Strategy.

#### **Option 3a – Collaborative arrangement with Serco**

This approach would incentivise current contractors, Serco, to increase the customer base and improve the service, by offering a financial incentive once income reaches a certain level, as outlined in table 2. It should be noted that the acquisition of additional resources would be necessary to facilitate continued growth and the cost of a new vehicle, when required, would fall to Serco.

Advantages to this approach

- plays to the strengths of both organisations; H&F’s customer database and marketing approach with Serco’s service capability.
- provides a stake to the service deliverers to jointly enforce trade waste policies and grow the business, providing on-the-ground intelligence to the Council, both from an enforcement perspective and to provide up to date intelligence on the activities of our competitors.
- no other organisation has this depth of knowledge on the ground about customers and with suitable incentives, could be harnessed more beneficially

- Serco has offered additional support with sales staff for the initial drive to increase customers
- long-term contract with LBHF allows more constructive and collaborative approaches to build the business
- multi local authority and London borough client relationships provides Serco with broader knowledge around the country than LBHF could achieve with an internal approach only or singular partnership with another London Borough

#### Disadvantages

- Once the £2.7 m target is reached, further income generation would be shared with a third party with a suggested profit share of 10% for any income over and above 2.7m

### **Option 3b – Shared Service arrangement with Royal Borough of Kensington and Chelsea**

Similar to option 3a, this approach would incentivise Kensington and Chelsea, although exact terms would need to be further explored.

#### Advantages to this approach

- Utilises expertise from another LA that has been successful in the increasing income in this area

#### Disadvantages

- Lack of detailed knowledge of the borough
- Officer support would be similar to that already available within H&F
- Difficult to quantify the financial benefits

### **Recommended option - Collaborative arrangement with Serco**

Taking account all of the above, the preferred approach that provides the highest opportunity to reach income targets in the shortest space of time is setting up a collaborative arrangement with Serco for a period of one year. Once aligned with the knowledge of the customer base this places Serco in a unique position to provide excellent service to the benefit of both parties. This would play to the strengths of each organisation; H&F's customer database and marketing approach with Serco's service capability. It would also have the benefit of providing a stake to the service deliverers to jointly enforce trade waste policies, providing on-the-ground intelligence to the Council.

## **4. BUILDING OUR SALES PLAN: ASSUMPTIONS AND METHODOLOGY**

- 4.1** The method of acquiring, retaining and winning back business is outlined in the exempt part of this report.

## **5. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 5.1** Table 2, below, demonstrates the financial impact of the preferred option 3a above, and includes increasing fees and charges, as well as market share. As can be seen within the data, the significant uplift of disposal costs during 2010/11 and 11/12 will lead to a less profitable business, although in future years

profitability may increase, depending on landfill availability and costs (Defra decision). Due to the uncertainties surrounding the business it is suggested that a further review should be undertaken in 12 months time, once WRWA and the council are clearer on the long term costs of waste disposal, for both local authorities and commercial businesses. The table also demonstrates that if we stopped the business altogether, Corporate recharges and fixed management costs of £178,888 would still be incurred. The majority of these costs represent elements such as IT systems, the cost of the contact centre handling calls on behalf of trade waste and income processing and debt management costs carried out by corporate finance. These costs would return to the centre where they could be reduced or re-apportioned across other service areas. If the Corporate recharges could not be reduced they would still represent a cost to the Council.

|  | <b>2009/10</b>        | <b>2010/11</b>  | <b>2010/11</b>               | <b>2011/12</b>  |
|--|-----------------------|---|------------------------------|---|
| <b>Trade waste modelling scenario options 2 and 3a</b> | Forecast for the year | Assume increase in Business- 18% - in line with the sales plan projection | Stop the Business altogether | Assume no growth in 2011 /12 profit share with Serco and 5% increase in charges |
| <b>Trade waste income</b>                              | (2,012,800)           | (2,365,800)   | 0                            | (3,273,616)   |
| <b>Trade waste service expenditure</b>                 | 1,763,105             | 2,237,923   | 28,111                       | 3,183,003   |
| <b>Gross Operating (surplus) deficit</b>               | <b>(249,695)</b>      | <b>(127,877)</b>  | <b>28,111</b>                | <b>(90,613)</b>   |
| <b>SLA's and Corporate recharges</b>                   | 150,777               | 150,777   | 150,777                      | 150,777   |
| <b>Net (surplus) Deficit</b>                           | <b>(98,918)</b>       | <b>22,900</b>   | <b>178,888</b>               | <b>60,164</b>   |

The figures above exclude the costs of the upgrade to the IT system (estimated to be in the region of £70-100K). Specifications are being finalised and once the full costs are known, these will form the basis of an invest to save bid to secure IT funding. Agreement to the preferred option in this report will however require this investment in order to be implemented. It is intended that this will be self financing and repayable over a three year period from 2011/12.

The projections above are based on increased sales of 18%. This is supported by the detailed business and sales plan for 2010/11 a summary of which is attached as **Appendix A** on the exempt part of

the report. The proposed growth of 18% has been tested through a comprehensive sales and marketing plan. There is a risk that the actual income growth will not materialise, for example should there be no income growth, the position for 2010/11 would change to a gross operating deficit of approximately £125k. The income projections will be carefully monitored with a full year review in 12 months time.

### **Trade waste income targets for 2010/11**

The budgeted target for external trade waste for 2010/11 is £3.4m per annum, made up of £2.7m for external customers and £0.7m for internal customers such as schools and housing estates. This includes an additional target for external trade waste of 200k for this year, a figure that was unfortunately agreed at a time of falling sales and without a detailed marketing sales plan explaining how the increased sales would be achieved. The impact on this shortfall against budget will be reviewed as part of the 2010/11 corporate performance monitoring process.

## **6. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

Regarding following option 3a, it is permissible to agree variations to the Serco contract though these must be viewed on a case by case basis.

Variations should not make substantial changes to the original contract (unless this was contemplated in the original tender documents), which may be viewed as anti-competitive, unfair or discriminate against interested parties. Variations which appear to be the introduction of a new service, result in a different type of arrangement from that originally tendered etc may be questioned or legally challenged by interested parties.

On the issue of whether it is legally permissible to enter into a profit sharing arrangement with Serco under the Public Contract Regulations 2006 (the "Regulations") the legal view is Regulation 14(1) (iii) of the Regulations states that a Contracting Authority may use the negotiated procedure without prior publication of a contract notice in a number of limited grounds. The relevant ground in the circumstances may be as follows: "where for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, the public contract may be awarded only to a particular economic operator".

Domestic and trade waste is currently being collected within the same vehicle by Serco under the Waste Contract and the desire is to increase revenue from the trade waste with the assistance of Serco. The benefit to the parties is a proposed profit sharing arrangement, the mechanics of which have not been developed fully. From a technical and operational perspective it would be a source of economic and environmental inconvenience to separate the domestic and trade waste collections by allowing another company to deal with trade waste. Assuming that these matters can be evidenced, as the collection of trade waste formed part of the original Specification so it may be reasonable to make variations to the trade waste element of the service.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b> | <b>Description of Background Papers</b>  | <b>Name/Ext of holder of file/copy</b> | <b>Department/ Location</b>        |
|------------|--|--|------------------------------------|
| 1.         | Contract documentation for Waste Collection, Recycling And Street Cleansing Services | Dave Newman                            | Cleaner and Greener Neighbourhoods |
| 2.         | Commercial Waste Audit, Dec 2008<br>White, Young Green report                        | Dave Newman                            | Cleaner and Greener Neighbourhoods |

|                         |   |
|-------------------------|---|
| <b>CONTACT OFFICER:</b> | <b>NAME: Sue Harris</b><br><b>EXT: 4295</b> |
|-------------------------|---|



London Borough of Hammersmith & Fulham

## Cabinet

26 APRIL 2009

**LEADER**

*Councillor Stephen Greenhalgh*

**PROPOSED COMMITMENTS AGAINST THE IT INFRASTRUCTURE GRANT AND THE ADULT SOCIAL CARE SUPPORTED CAPITAL EXPENDITURE GRANT (SCE)**

**Wards  
All**

|  |
|--|
| <p><b>HAS A PEIA BEEN COMPLETED?<br/>YES</b></p> |
|--|

The following paper outlines how two capital grants relating to information technology and infrastructure will be committed and used in adult social care and Community Services. The two grants included in this report are the IT infrastructure grant and the Adult Social Care Supported Capital Expenditure grant (SCE). The grants will be used to fund the necessary development and support posts, routine upgrades of the existing systems and for specific projects relating to “Supporting Your Choice” and NHS number matching.

**CONTRIBUTORS**

CSD  
ADLDS  
DFCS

**Recommendation:**

**That approval is given to commit the two available grants for the purposes highlighted in the report and in the summary above. The grants total £514k, and the proposed commitments are detailed in section 5.**

## **1 INTRODUCTION**

- 1.1 The following paper outlines how two capital grants relating to information technology and infrastructure will be committed and used in adult social care and Community Services. The two grants included in this report are the IT infrastructure grant and the Adult Social Care Supported Capital Expenditure grant (SCE).

## **2 BACKGROUND**

- 2.1 In May 2007, Community Services and Children's Services Department jointly commissioned, procured and implemented a new Information system called "Frameworki" to replace the existing system ("Oassis").
- 2.2 The requirements to modernise information systems within adult social care stemmed from a national drive towards an electronic social care record and an integrated approach to capturing and using data in relation to children's social care. The existing system was little more than a tool to collect key data for statistical returns and did not assist practitioners to effectively and efficiently manage their workloads.
- 2.3 Frameworki was introduced as a casework system with a focus on how it can assist officers in their day to day work as well as capture key data for statistical returns. Hammersmith and Fulham also chose to implement the finance module of the Frameworki system.

## **3 NEW REQUIREMENTS**

- 3.1 Since the implementation of Frameworki, national policy developments in adult social care have gathered pace, and further, significant developments for "Frameworki" are required.
- 3.2 First and foremost among these is the move towards personalisation and individual budgets. The "Supporting Your Choice" programme within the Community Services is the vehicle by which the whole process will be delivered. The programme covers a wholesale, but phased change in the way people are assessed for services, how their care is determined, how it is delivered, and who delivers it.
- 3.3 With this fundamental change in approach to assessing and providing care, the Department's systems will need to have a commensurate level of change to ensure that they remain "fit for purpose".
- 3.4 Nationally, there is also a requirement from the Care Quality Commission to demonstrate the effectiveness and impact of social care interventions. This is a move to demonstrating outcomes rather than counting "outputs". This is a fundamental shift in the performance culture both locally and nationally and the system needs to routinely capture outcome related data which is currently not recorded or captured anywhere.



- 3.5 Secondly, since Frameworki was originally implemented, the requirements in relation to Safeguarding Vulnerable Adults have been developed and consolidated, both at a local level but also at a national level with new reporting requirements. As with personalisation, the system needs to remain “fit for purpose” and needs to be updated to ensure that the workflow is as effective and efficient for operational staff and avoids putting vulnerable people at risk, as well as meets the reporting needs of the Department of Health.
- 3.6 With the integration of the Council and Hammersmith and Fulham NHS, we have the chance to rethink the way services are offered and delivered. As services are more closely integrated, systems will need to be moved closer or integrated to support them. Health colleagues the Learning Disability service have already requested the use of Frameworki and the system needs to be built and configured to ensure they have the best possible use of the system. As integration gathers pace, further developmental work will need to be carried out with Frameworki to ensure that it matches the need and purpose of integrated services.

#### **4 IT INFRASTRUCTURE AND ADULT SOCIAL CARE SUPPORTED CAPITAL EXPENDITURE GRANT**

- 4.1 The two grants are available for three years from 2008-09 to 2010-2011. The values of the grants are outlined in Table 1 below.

| Year    | IT infrastructure (£000s) | Adult Social Care SCE (£000s) | Total available |
|---------|---------------------------|-------------------------------|-----------------|
| 2008-09 | 61                        | 107                           | 168             |
| 2009-10 | 64                        | 107                           | 171             |
| 2010-11 | 68                        | 107                           | 175             |
| Total   | 193                       | 321                           | 514             |

In total, the grants value £514k over a three year period.

#### **5 PROPOSED COMMITMENTS**

- 5.1 Frameworki requires significant development if it is to remain “fit for purpose” in a fast moving national and local adult social care and health setting.
- 5.2 There are three main commitments against the Grants outlined above, which will be committed for a term of three years. These are : routine and ongoing upgrades of the Frameworki base system, use of internal, technical and development resources, and specific exercises in relation to the Common Assessment Framework and linking systems with health databases and the development of necessary IT systems and services to complement the development of the universal offer and signposting services under “Supporting Your Choice”.

### **5.3 Routine upgrades of the Frameworki system**

5.3.1 Corelogic, the company that developed Frameworki, routinely upgrades its base system to update processes, improve efficiency, introduce new functionality and solve known bugs and issues. Annually, there are 4 upgrades per year. Whilst the upgrades are provided free by Corelogic, the Department is required to pay the Bridge Partnership to implement, test and support the upgrades.

### **5.4 Internal Development resources**

5.4.1. The Department does not currently have sufficient skills and expertise to configure and design the system and required workflow to ensure that Frameworki is appropriate, effective and can meet the demands of fast paced changes in the adult social care arena.

5.4.2 With this in mind, the Department recruited two Developer and Support posts to provide this level of expertise and work based support for the new requirements. The period of change is particularly challenging for adult social care with a phased change in the way care is assessed and delivered. This essentially means that the Department will operate a twin track approach for the medium term, and Frameworki will need to be flexible enough to incorporate the existing processes as well as new process simultaneously.

5.4.3 These posts consult key operational staff; design the technical specification of workflow requirements and build the new system elements ready for the wider roll-out of the key developments outlined in section 3 above. The posts liaise closely with colleagues in Corelogic and the Bridge Partnership, but are the main Departmental source of technical skill and developmental capacity in relation to the Frameworki system.

5.4.4 These posts are graded at a PO5 level to ensure appropriately skilled people are recruited to these key posts (c£45k pa) to ensure that we have the appropriate systems to support the major developments within the Department.

5.4.5 The Department is seeking retrospective agreement in relation to the funding of these core posts.

### **5.5 Scoping Exercise in relation to the Development of the Common Assessment Framework and NHS number matching; and development of services and systems for the implementation of “Supporting Your Choice”.**

5.5.1 As the Council has integrated with Hammersmith and Fulham NHS, we have the opportunity to creatively rethink the way services are commissioned and provided to local vulnerable people.

- 5.5.2 Much of this work will focus on the integration of adult social care services and those provided in the health service. At present, there is no routine linking of data between the adult social care (or the Council as a whole) and health services which makes an integrated co-ordinated approach to care very difficult.
- 5.5.3 The Department of Health has issued a consultation on the development of a Common Assessment Framework (CAF) to ensure effective information sharing between health and social care agencies. This is necessary to facilitate the most effective delivery of health and wellbeing services to a local population. Whilst detailed requirements from the Department of Health are yet to be published, the Common Assessment Framework is expected to be in place from 2011 onwards.
- 5.5.4 It is expected that it will shortly be a statutory requirement for adult social care services to hold and use the NHS number on its major systems to ensure information sharing.
- 5.5.5 It is proposed we will scope out the requirements for data matching existing data to gather the NHS numbers for existing clients, and secondly to determine the most effective way of then routinely using and capturing the NHS numbers for all new clients entering and using social care services. Secondly, we will scope out the best way forward in relation to the Common Assessment Framework requirements, and ensure that relevant information is effectively shared between the key agencies involved in a person's health and wellbeing.
- 5.5.6 One of the key components of the "Supporting Your Choice" programme and the "Putting People First" agenda from the Department of Health is the development and promotion of a "universal offer".
- 5.5.7 The "Universal Offer" is a means of ensuring that every vulnerable person, whether they fund their own care or not, has the same opportunity to access information and advice. All citizens should be able to access universal services such as transport, leisure and education facilities, housing, health services and opportunities for meaningful occupation.
- 5.5.8 People need to be effectively signposted to services in the voluntary sector and in other statutory agencies with the intention of reducing demand on the more expensive social care services and improving the general health and wellbeing of the local population. The final element of the "Universal offer" is to encourage people requiring support to "do more for themselves"; that is arrange care and support for themselves or the person they are caring for.
- 5.5.9 The Department is determining how to implement the "Universal Offer" as part of the "Supporting Your Choice" programme. Whilst plans are at an early stage, it is accepted that there will be investment required to

ensure that online signposting services are developed and Frameworki further developed to accommodate a wider scope for vulnerable people's health and wellbeing covering information and advice services, services in the voluntary sector and services provided by other council departments and the health services.

### **Commitments over a three year period.**

| Year   | Development Posts | System upgrades | CAF / NHS systems and "Supporting Your Choice" | Total |
|--------|-------------------|-----------------|--|-------|
| Year 1 | 90                | 50              | 30   | 170   |
| Year 2 | 92                | 50              | 30   | 172   |
| Year 3 | 94                | 50              | 28   | 172   |
| Total  | 276               | 150             | 88   | 514   |

## **6 RISK MANAGEMENT**

- 6.1 The "Supporting Your Choice" programme appears on the Departmental Risk Register. The programme is overseen by a Departmental Programme Board. The Board oversees the progress to date and manages the risks highlighted in the work plans.
- 6.2 Whilst there is not a specific risk highlighted in terms of Frameworki, the development and strategic direction of the system is overseen by a robust governance framework. The Strategy Group, chaired by the Assistant Director for adult social care oversees the overall direction of the system, the Reference Group is the forum for technical issues, and the Operational Group is where front-line staff highlight issues with the system and propose new amendments or developments.

## **7 COMMENTS FROM THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 7.1 These IT capital projects will be fully grant funded from the two capital grants detailed in section 4.1 of the report.
- 7.2 The expenditure profile will be as detailed in section 5.5.9.
- 7.3 The two development posts detailed in section 5.42 were created as permanent posts and are to be reviewed after the "life" of the funding. It is anticipated we will be in a position where we do not need further development posts and the posts will be deleted. If we do have a further need then funding will need to be identified. Review of the job roles confirms that it is reasonable for these costs to be capitalised.

**8 COMMENTS FROM THE ASSISTANT DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES**

8.1 There are no legal implications from this report.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b>              | <b>Description of Background Papers</b>                                      | <b>Name/Ext of holder of file/copy</b>         | <b>Department/ Location</b>                    |
|-------------------------|--|--|--|
| 1.                      | Grant Allocations  | Lee Fitzjohn x5799                             | QCP, 4 <sup>th</sup> floor, 77 Glenthorne Road |
| 2.                      | Putting People First – Transforming Adult Social Care (Department of Health) | Lee Fitzjohn x5799                             | QCP, 4 <sup>th</sup> floor, 77 Glenthorne Road |
| <b>CONTACT OFFICER:</b> |  | <b>NAME: Lee Fitzjohn</b><br><b>EXT. x5799</b> |  |

# Agenda Item 12



## **FORWARD PLAN OF KEY DECISIONS**

*Proposed to be made in the period 26 April to August 2010*

The following is a list of Key Decisions, as far as is known at this stage, which the Authority proposes to take in the period from 26 April to August 2010.

**KEY DECISIONS** are those which are likely to result in one or more of the following:

- Any expenditure or savings which are significant, regarding the Council's budget for the service function to which the decision relates in excess of £100,000;
- Anything affecting communities living or working in an area comprising of two or more wards in the borough;
- Anything significantly affecting communities within one ward (where practicable);
- Anything affecting the budget and policy framework set by the Council.

The Forward Plan will be updated and published on the Council's website on a monthly basis. (New entries are highlighted in yellow).

**NB:** Key Decisions will generally be taken by the Executive at the Cabinet. The items on this Forward Plan are listed according to the date of the relevant decision-making meeting.

*If you have any queries on this Forward Plan, please contact  
Katia Richardson on 020 8753 2368 or by e-mail to [katia.richardson@lbhf.gov.uk](mailto:katia.richardson@lbhf.gov.uk)*

## **Consultation**

Each report carries a brief summary explaining its purpose, shows when the decision is expected to be made, background documents used to prepare the report, and the member of the executive responsible. Every effort has been made to identify target groups for consultation in each case. Any person/organisation not listed who would like to be consulted, or who would like more information on the proposed decision, is encouraged to get in touch with the relevant Councillor and contact details are provided at the end of this document.

## **Reports**

Reports will be available on the Council's website ([www.lbhf.org.uk](http://www.lbhf.org.uk)) a minimum of 5 working days before the relevant meeting.

## **Decisions**

All decisions taken by Cabinet may be implemented 5 working days after the relevant Cabinet meeting, unless called in by Councillors.

## **Making your Views Heard**

You can comment on any of the items in this Forward Plan by contacting the officer shown in column 6. You can also submit a deputation to the Cabinet. Full details of how to do this (and the date by which a deputation must be submitted) are on the front sheet of each Cabinet agenda.

### **LONDON BOROUGH OF HAMMERSMITH & FULHAM: CABINET 2009/10**

|  |                                      |
|--|--------------------------------------|
| <b>Leader:</b>   | <b>Councillor Stephen Greenhalgh</b> |
| <b>Deputy Leader (+ Member for Environment):</b>       | <b>Councillor Nicholas Botterill</b> |
| <b>Cabinet Member for Residents' Services:</b>         | <b>Councillor Paul Bristow</b>       |
| <b>Cabinet Member for Housing:</b>                     | <b>Councillor Lucy Ivimy</b>         |
| <b>Cabinet Member for Children's Services:</b>         | <b>Councillor Sarah Gore</b>         |
| <b>Cabinet Member for Strategy:</b>                    | <b>Councillor Mark Loveday</b>       |
| <b>Cabinet Member for Crime and Street Scene:</b>      | <b>Councillor Greg Smith</b>         |
| <b>Cabinet Member for Parks, Culture and Heritage:</b> | <b>Councillor Frances Stainton</b>   |

*Forward Plan No 96 (published 9 April)*

## LIST OF KEY DECISIONS PROPOSED 26 APRIL TO AUGUST 2010

*Where the title bears the suffix (Exempt), the report for this proposed decision is likely to be exempt and full details cannot be published.*

**New entries are highlighted in yellow.**

\* All these decisions may be called in by Councillors; If a decision is called in, it will not be capable of implementation until a final decision is made.

| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>   | <b>Lead Executive Councillor(s) and Wards Affected</b>   |
|---|---|--|--|
| Cabinet   | 26 Apr 2010                                       | <b>Capital Programme and Revenue Budget 2009/10 month 10 amendments</b>  | Leader of the Council  |
|   | Reason:<br>Expenditure more than £100,000         | The purpose of this report is to seek approval for changes to the capital programme and the revenue budget.  | Ward(s):<br>All Wards;   |
| Cabinet   | 26 Apr 2010                                       | <b>Regeneration of 248 Hammersmith Grove - disposal of head lease</b>  | Cabinet Member for Housing   |
|   | Reason:<br>Expenditure more than £100,000         | This report proposes disposal of the head lease to Notting Hill Housing Group (NHHG) for demolition and redevelopment.   | Ward(s):<br>Addison;   |
| Cabinet   | 26 Apr 2010                                       | <b>Fulham Palace - transfer of the management of the site to the Fulham Palace Trust</b>   | Leader of the Council, Cabinet Member for Parks, Culture and Heritage, Cabinet Member for Residents Services |
|   | Reason:<br>Expenditure more than £100,000         | The management of Fulham Palace is being transferred to a single managing body. This report seeks approval for:<br>(1) The transfer of the site to the Fulham Palace Trust.<br>(2) The draft strategic plan which sets out, inter alia, the strategic objectives for the Trust for 2009-12<br>(3) The draft Service Level Agreement which specifies the terms under which a grant will be offered to the Trust by the Council. | Ward(s):<br>Palace Riverside;  |
| Cabinet   | 26 Apr 2010                                       | <b>Business Continuity</b>   | Leader of the Council  |
|   | Reason:<br>Expenditure more than £100,000         | Approval is sought to the establishment of a major improvement to the Council's business and service continuity.   | Ward(s):<br>All Wards;   |



| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>  | <b>Lead Executive Councillor(s) and Wards Affected</b> |
|---|---|---|--|
| Cabinet   | 26 Apr 2010                                       | <b>Hammersmith and Fulham Carbon Management Plan</b><br><br>This report seeks approval for the Council's Carbon Management Plan. The Plan outlines the actions required to reduce carbon emissions and expenditure on energy in the delivery of council services.   | Deputy Leader<br>(+Environment)                        |
|   | Reason:<br>Expenditure more than £100,000         |   | Ward(s):<br>All Wards;                                 |
| Cabinet   | 26 Apr 2010                                       | <b>Local Implementation Plan Highways Capital Programme 2010/11</b><br><br>This report summarises the Transport for London funded schemes proposed for 2010/11 under the new 'corridors' and 'neighbourhoods' programmes. Ten schemes are funded in 2010/11 totalling approximately £2 million capital investment into our road network.  | Deputy Leader<br>(+Environment)                        |
|   | Reason:<br>Expenditure more than £100,000         |   | Ward(s):   |
| Cabinet   | 26 Apr 2010                                       | <b>Review of trade waste collection</b><br><br>The trade waste service is currently provided in-house. A review has been undertaken to consider how the service should develop to maximise income, improve debt recovery and ensure enhanced customer satisfaction in this area of the business. Options include expanding the business as and when appropriate to do so, reducing our offer, or working in partnership with another agency to deliver this service.  | Cabinet Member<br>for Crime and<br>Street Scene        |
|   | Reason:<br>Expenditure more than £100,000         |   | Ward(s):<br>All Wards;                                 |
| Cabinet   | 26 Apr 2010                                       | <b>Proposed Commitments Against the IT Infrastructure Grant and the Adult Social Care Supported Capital Expenditure Grant (SCE)</b><br><br>This paper outlines how two capital grants relating to information technology and infrastructure will be committed and used in adult social care and Community Services. The two grants included in this report are the IT infrastructure grant and the Adult Social Care Supported Capital Expenditure grant (SCE). The grants will be used to fund the necessary development and support posts, routine upgrades of the existing systems and for specific projects relating to "Supporting Your Choice" and NHS number matching. | Leader of the<br>Council                               |
|   | Reason:<br>Expenditure more than £100,000         |   | Ward(s):<br>All Wards;                                 |
| Cabinet   | 14 Jun 2010                                       | <b>Expansion of requirement to recycle borough-wide</b><br><br>Following the report that was submitted to the Cleaner and Greener Scrutiny Committee on 17 June 2008, further work has been undertaken to   | Cabinet Member<br>for Crime and<br>Street Scene        |
|   | Reason:<br>Affects                                |   | Ward(s):<br>All Wards;                                 |

| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>   | <b>Lead Executive Councillor(s) and Wards Affected</b> |
|---|---|--|--|
|   | more than 1 ward                                  | gauge the appropriateness of introducing a requirement to recycle across the borough, now that the single pass waste collections are embedded and a promotional programme has been agreed, to maximise the ongoing and sustainable rise in participation.  |  |
| Cabinet   | 14 Jun 2010                                       | <b>IT Strategy</b><br><br>Seeking approval to the Council's IT Strategy 2010, covering 2010 to 2013, ensuring that the IT provision is aligned with the Council's key priorities and assists the achievement of the Council's value for money objectives   | Leader of the Council                                  |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Council's Corporate Plan 2010/13 &amp; Executive Summary</b><br><br>The corporate plan and its executive summary encapsulates the council's key priorities for improvement over the next 3 years. It is linked to the Local Area Agreement (LAA) and the national indicators. The plan has been developed from departmental plans following consultation with the Leader. Other Cabinet Members have been consulted by Directors concerning the departmental plans relevant to their portfolios. The plan will enable the council to monitor progress against key priorities.<br><br>The Corporate plan and executive summary are available under separate cover. | Leader of the Council                                  |
|   | Reason: Affects more than 1 ward                  |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Hostel Improvement Report</b><br><br>Request to use a portion of the capital receipts from the sale of hostel stock to improve remaining stock  | Cabinet Member for Housing                             |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Procurement of larger family sized accommodation</b><br><br>Proposing that the Council, working in partnership with a registered social landlord, purchases up to 18 four bed properties both in and out of the borough to assist the Council's strategies in relation to relieving overcrowding and assisting in meeting urgent housing need.  | Leader of the Council, Cabinet Member for Housing      |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |

| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>   | <b>Lead Executive Councillor(s) and Wards Affected</b> |
|---|---|--|--|
| Cabinet   | 14 Jun 2010                                       | <b>Single Equality Scheme (2009-11)</b><br><br>To seek Cabinet approval to the Single Equality Scheme (2009-11) and action plan. Preparing and publishing an equality scheme is a legal requirement for race, gender and disability. The Single Equality Scheme sets out the council's aims and the key actions it will take to create a borough of opportunity with life chances for all. | Leader of the Council                                  |
|   | Reason: Affects more than 1 ward                  |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>SmartWorking programme - Stage C</b><br><br>To seek approval for the corporate rollout of SmartWorking following completion of Stage A and B. The report will summarise the outcomes achieved during Stages A and B, present an updated plan and business case and request detailed funding for the remainder of the programme.   | Deputy Leader (+Environment)                           |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Procurement of Energy 2010-2013</b><br><br>This report details the energy contracts currently held by the Council and details the arrangements for their renewal in 2010-13 via a Central Purchasing Body (currently LASER operated by Kent County Council).  | Deputy Leader (+Environment)                           |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Corporate Out of Service Review</b><br><br>Delivery of efficiency savings and service improvements in relation to the Council's out of hours initial point(s) of contact - Duty officers.   | Cabinet Member for Crime and Street Scene              |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>WLA Home Support Framework Agreement</b><br><br>H&F are leading a procurement process on behalf of the 6 boroughs that make up the WLA. Using a tender and negotiation process we are creating a framework agreement which will allow the buying of personal homecare, housing related support and a new service which merges the other two services.                                   | Leader of the Council                                  |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>WLA Residential Care - Framework Agreement</b><br><br>The WLA with involvement from 6 West London Boroughs, (Hillingdon, Hounslow, Brent, Ealing, Hammersmith and Fulham and Hounslow) have tendered for a framework agreement for residential care. Permission is sought to enter  | Leader of the Council                                  |
|   | Reason: Affects more than 1 ward                  |  | Ward(s): All Wards;                                    |

| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>   | <b>Lead Executive Councillor(s) and Wards Affected</b> |
|---|---|--|--|
|   |   | into an access agreement with the London Borough of Hillingdon (lead borough) in order to spot purchase placements in care homes.  |  |
| Cabinet   | 14 Jun 2010                                       | <b>Extended services</b><br><br>Recommendation to devolve the extended services DCFS grant 2008-2011 to schools. Final year of funding steam to commission services to meet DCFS outcomes.   | Cabinet Member for Children's Services                 |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 14 Jun 2010                                       | <b>Motor Insurance Tender Acceptance</b><br><br>The Council's motor insurance policy has come up for renewal. This report sets out the arrangements for the tender and award of the new contract.  | Leader of the Council                                  |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 19 Jul 2010                                       | <b>Parks Capital Improvement Programme</b><br><br>This report seeks Cabinet approval for the parks capital programme for 2010/11.  | Cabinet Member for Residents Services                  |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 19 Jul 2010                                       | <b>Playbuilder - Year 2</b><br><br>To seek Member approval to deliver year 2 of the playbuilder programme delivering 12 new or refurbished play areas for 8-13 year olds. Outlines the sites and locations, consultation strategy and procurement process with the details of the costs and expected benefits.   | Cabinet Member for Residents Services                  |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): All Wards;                                    |
| Cabinet   | 19 Jul 2010                                       | <b>Miles Coverdal Primary School - Modernisation of school kitchen facilities</b><br><br>This report seeks approval to the appointment of Philiam Construction & Development Limited under the terms and conditions of the non-housing measured term contract 2007-2010 to carry out kitchen facility modernisation at Miles Coverdale Primary School, Coverdale Road, London W12 8JJ. | Cabinet Member for Children's Services                 |
|   | Reason: Expenditure more than £100,000            |  | Ward(s): Shepherds Bush Green;                         |
| Cabinet   | 19 Jul 2010                                       | <b>Normand Croft Primary School - Modernisation of school kitchen facilities</b><br><br>This report seeks to appoint Philiam Construction and Development Limited.   | Cabinet Member for Children's Services                 |
|   | Reason: Expenditure more than                     |  | Ward(s): North End;                                    |

| <b>Decision to be Made by:</b><br>(ie Council or Cabinet) | <b>Date of Decision-Making Meeting and Reason</b> | <b>Proposed Key Decision</b>  | <b>Lead Executive Councillor(s) and Wards Affected</b>  |
|---|---|---|---|
|   | £100,000  |   |   |
| Cabinet   | 19 Jul 2010                                       | <b>Market testing of street advertising</b><br><br>To market test a contract for street-based advertising opportunities   | Councillor Greg Smith   |
|   | Reason:<br>Affects more than 1 ward               |   | Ward(s):<br>All Wards;  |
| Cabinet   | 19 Jul 2010                                       | <b>Hostels improvement works</b><br><br>Seeking to reinvest capital receipts from the hostel disposal programme to invest in the hostel stock in order to bring them up to a decent standard and to provide an additional 3 disabled units.   | Councillor Lucy Ivimy   |
|   | Reason:<br>Expenditure more than £100,000         |   | Ward(s):<br>Askew; College Park and Old Oak; Fulham Broadway; North End; Wormholt and White City; |
| Cabinet   | 19 Jul 2010                                       | <b>World Class Financial Management Transformation Programme - Business Case</b><br><br>This is the business case for the World Class Financial Management programme, which is part of the Council's Slicker Business transformation programme. This report is being presented to Cabinet for their consideration and approval. | Leader of the Council   |
|   | Reason:<br>Affects more than 1 ward               |   | Ward(s):<br>All Wards;  |

## Cabinet

26 APRIL 2010

### SUMMARY OF OPEN DECISIONS TAKEN BY THE LEADER AND CABINET MEMBERS REPORTED TO CABINET FOR INFORMATION

#### CABINET MEMBER

**DEPUTY LEADER  
(+ENVIRONMENT)**  
*Councillor Nicholas  
Botterill*

#### **13.1 CONTROLLED PARKING ZONE I REVIEW– CONSULTATION RESULTS**

This report details the results of the public consultation on the current parking situation in Controlled Parking Zone I. It explains the views of the residents and businesses on aspects of controlled parking such as hours of control, days of control, maximum stay for pay and display parking.

It also details the implementation of the SMART Visitor Permit in Zone I.

#### **Decision taken by Cabinet Member on: 29 March 2010**

- 1. That there are no changes made to the current parking controls in Zone I.**
- 2. That the SMART Visitor Permit is introduced in Zone I.**
- 3. That all single yellow line where vehicles may potentially obstruct pedestrians crossings at drop kerbs be upgraded to double yellow lines and that a review of all parking related signage be carried out, and where necessary signage be replaced or installed.**
- 4. When sending out application packs for the Smart Visitor Permit, provide an option for residents with off-street parking to request double yellow lines across their driveways.**

**Wards: Askew, Ravenscourt Park**

**CABINET MEMBER  
FOR CRIME AND  
STREET SCENE**  
*Councillor Greg  
Smith*

#### **13.2 FUNDING FOR 24/7 SAFER NEIGHBOURHOOD POLICING PILOT SCHEME IN FULHAM BROADWAY (“THE SCHEME”) FOR THE FINANCIAL YEAR 2009/2010**

Member approval is sought for partial funding of the cost of the Scheme from the financial contribution paid under a Section 106 Agreement and Deed of Variation dated 15 November 2006 (“the Agreement”) relating to the premises known as Empress State Building, Empress Approach, Lillie Road London SW6 1TR.

### **Decision taken by Cabinet Member on: 29 March 2010**

To approve the partial funding of the Scheme outlined at paragraphs 3 to 4 of this report by the transfer of funds from the financial contribution paid under the Agreement those funds being £60,000 to partially cover the cost of the Scheme in the financial year 2009/2010.

**Wards: Fulham Broadway**

**DEPUTY LEADER  
(+ENVIRONMENT)**  
*Councillor Nicholas  
Botterill*

### **13.3 REVIEW OF CONTROLLED PARKING ZONES L & M**

This report details the results of the public consultation on the current parking situation in Controlled Parking Zones L and M. It explains the views of the residents and businesses on aspects of controlled parking such as hours of control, days of control, maximum stay for pay and display parking and a possible increase in the pay and display tariff.

### **Decision taken by Cabinet Member on: 29 March 2010**

- 1. That no changes are made to the parking controls in Zones L and M.**
- 2. That the SMART Visitor Permit is introduced in Zones L and M**
- 3. That the previously agreed rollout of double yellow lines on all corners to improve access and safety be carried out, including replenishing all parking related signage and street furniture, where appropriate, to meet regulations.**
- 4. That parking is maximised where feasible and that single yellow lines are upgraded to double yellow lines at informal crossings around dropped kerbs in order to enable pedestrian crossing.**
- 5. That pilot car club bays are installed in areas of the zones where there is high demand from residents and where low parking stress exists.**

**Wards: Ravenscourt Park, Hammersmith Broadway**

**DEPUTY LEADER  
(+ENVIRONMENT)**  
*Councillor Nicholas  
Botterill*

### **13.4 APPOINTMENT OF COUNCIL REPRESENTATIVES TO THE MORTLAKE CREMATORIUM BOARD**

This report records the Deputy Leader's decision to appoint Council representatives to the Board of Mortlake Crematorium, which falls within the scope of his executive portfolio.

### **Decision taken by the Cabinet Member: 27 January 2010**

To appoint Councillor Oliver Craig to the Board of Mortlake Crematorium for a period of three year expiring on 17 December 2012.

**Wards: All**

**CABINET MEMBER  
FOR CHILDREN'S  
SERVICES**

*Councillor Sarah  
Gore*

**13.5 APPOINTMENT OF LEA GOVERNOR – KENMONT  
PRIMARY SCHOOL**

This report records the Cabinet Member's decision to appoint an LEA Governor which falls within the scope of her executive portfolio.

**Decision taken by Cabinet Member on: 29 March 2010**

**To appoint Niniola Adetuberu as an LEA Governor to Kenmont Primary School for a period of four years commencing from 29 March 2010**

**Wards: College Park and Old Oak**

**LEADER**

*Councillor Stephen  
Greenhalgh*

**13.6 CONTRACT EXTENSION TO OFFSITE STORAGE  
CONTRACT**

Request to extend the contract to the H&F offsite archiving and storage service, due to unforeseen circumstances.

**Decision taken by Cabinet Member on: 22 March 2010**

**That approval be given to negotiate a contract extension with Restore Ltd for an additional 6 month period from 01 October 2010 to 31 March 2011. This will have a total expenditure of £54,000 as set out in paragraph 2.3 of the report.**

**Wards: All**

**DEPUTY LEADER  
(+ENVIRONMENT)**

*Councillor Nicholas  
Botterill*

**13.7 SHEPHERDS BUSH ROAD – TRAFFIC SIGNAL  
MODERNISATION PROGRAMME**

This report details the proposed traffic management measures on Shepherds Bush Road in order to address road traffic casualties and improve traffic flow by reducing delays and congestion along this route.

The scheme is funded by Transport for London (TFL) as part of their traffic signal modernisation programme for 2010/11.

**Decision taken by Cabinet Member: 17 March 2010**

**That approval is given for officers to carry out consultation with residents and businesses in the area on the proposal to remove one of the two closely associated pelican crossings, as detailed in paragraph 5 of this report.**

**Ward: Addison**



**CABINET MEMBER  
FOR CRIME &  
STREET SCENE**

*Councillor Greg  
Smith*

**CABINET MEMBER  
FOR HOUSING**

*Councillor Lucy  
Ivimy*

**13.8 EDWARD WOODS HOUSING ESTATE -  
UPGRADING OF THE EXISTING CCTV SYSTEM**

This report seeks the approval to place an order under the Council's Measured Term Contract for Maintenance of existing Controlled Access and CCTV Systems on Housing Estates 2003/2011, to carry out the upgrading of the existing CCTV system at Edward Woods Housing Estate, Queensdale Crescent, London W11, in order to bring it up to current standards and to provide evidential quality images recordings and integration into the Councils wider London Borough of Hammersmith & Fulham (LBHF) CCTV network.

**Decision taken by Cabinet Member on: 25 January 2010**

**That approval is given to place an order with OCS Limited to carry out the work described in this report under the Council's Measured Term Contract for Maintenance of existing Controlled Access and CCTV Systems on Housing Estates 2003/2011 at a total cost of £73,169 (plus fees) as set out in para. 4.3 of the report.**

**Ward: Shepherds Bush Green**

**CABINET MEMBER  
FOR CHILDREN'S  
SERVICES**

*Councillor Sarah  
Gore*

**13.9 PHASE THREE CHILDREN'S CENTRE DESIGNATION**

New Kings Primary School has applied to deliver and manage a Phase 3 children's centre and already delivers a significant level of children's centre activity on the school site. A site on the schools grounds has been identified.

Approval is sought for the designation of the centre.

**Decision taken by Cabinet Member on: 15 December 2009**

**That approval is given to designate New Kings Primary School to operate a children's centre on its school footprint at a total cost of £99,990 as set out in para. 3.1 of the report.**

**Wards: Parsons Green & Walham; Palace Riverside**

**DEPUTY LEADER  
(+ENVIRONMENT)**

*Councillor Nicholas  
Botterill*

**13.10 HAMMERSMITH TOWN HALL – REPLACEMENT OF THE  
PAPER INSULATED LEAD CABLING**

This report seeks the approval to place an order under the Councils Measured Term Contract for Non-Housing Projects 2007/2010 for the replacement of the original electricity sub main Paper Insulated Lead Cabling (PILC), to meet the current requirements of the British Standard (BS7671) wiring regulations.

**Decision taken by Cabinet Member on: 25 January 2010**

**That approval is given for an order to be placed in the sum of £55,000 (plus fees) as set out in para. 4.3 of the report. The**

works to be awarded under the Measured Term Contract for Non-Housing Projects 2007/2010 held with Philiam Construction and Development Limited.

Cabinet approved expenditure on this scheme, being part of the 2009/2010 Corporate Planned Maintenance programme on 2 February 2009. Approval being in accordance with the protocol as set out in paragraph 3.6 of the report.

Ward: Hammersmith Broadway

**LEADER**  
*Councillor Stephen Greenhalgh*

### **13.11 ACCOMMODATION ADAPTATIONS TO SUPPORT THE IMPLEMENTATION OF THE NEW WORK STYLE INITIATIVE AND ESTABLISHMENT OF THE EXECUTIVE MANAGEMENT CENTRE**

This report seeks the approval to place an order under the Councils Measured Term Contract for Non-Housing Projects 2007/2010 to carry out the necessary enabling works to support the establishment of the Executive Management Centre.

#### **Decision taken by Cabinet Member on: 8 March 2010**

That approval is given for an order to be placed in the sum of £99,700 (inc fees) as set out in para. 4.3 of the report. The works to be awarded under the Measured Term Contract for Non-Housing Projects 2007/2010 held with Philiam Construction and Development Limited.

Wards: All

**CABINET MEMBER FOR CHILDREN'S SERVICES**  
*Councillor Sarah Gore*

### **13.12 APPOINTMENT OF LEA GOVERNORS**

This report records the Cabinet Member's decision to appoint LEA Governors, which falls within the scope of her executive portfolio.

#### **Decision taken by Cabinet Member: 14 April 2010**

- (i) To reappoint Ms Rosemary Farrar as an LEA Governor at Greenside Primary School for a four-year period from date of signature;
- (ii) To reappoint Ms Hilda McCafferty as an LEA Governor at Kenmont Primary School for a four-year period from date of signature, and;
- (iii) To reappoint Mrs Muriel Lawrence as an LEA Governor at Sir John Lillie Primary school for a four-year period from date of signature.

Wards: Askew; College Park And Old Oak; Fulham Broadway