

Cabinet

Agenda

MONDAY
2 SEPTEMBER 2013
6.00 pm

COURTYARD ROOM
HAMMERSMITH
TOWN HALL
KING STREET
LONDON W6 9JU

Membership

Councillor Nicholas Botterill, Leader (+ Regeneration, Asset Management and IT)

Councillor Greg Smith, Deputy Leader (+ Residents Services)

Councillor Helen Binmore, Cabinet Member for Children's Services

Councillor Mark Loveday, Cabinet Member for Communications (+ Chief Whip)

Councillor Marcus Ginn, Cabinet Member for Community Care

Councillor Andrew Johnson, Cabinet Member for Housing

Councillor Victoria Brocklebank-Fowler, Cabinet Member for Transport and Technical Services

Councillor Georgie Cooney, Cabinet Member for Education

Date Issued
19 August 2013

If you require further information relating to this agenda please contact:
David Viles, Committee Co-ordinator, Governance and Scrutiny, tel:
020 8753 2063 or email: 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

PUBLIC NOTICE

The Cabinet hereby gives notice of its intention to hold part of this meeting in private to consider items 15-18 which are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972, in that they relate to the financial or business affairs of any particular person, including the authority holding the information.

The Cabinet has received no representations as to why the relevant part of the meeting should not be held in private.

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

DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on non-exempt item numbers **4-12** 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: Wednesday 28 August 2013.**

COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 4 September 2013**. Items on the agenda may be called in to the relevant Scrutiny Committee.

The deadline for receipt of call-in requests is: **Monday 9 September 2013 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 **Monday 9 September 2013**.

Cabinet Agenda

2 September 2013

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1.	MINUTES OF THE CABINET MEETING HELD ON 22 JULY 2013	1 - 15
2.	APOLOGIES FOR ABSENCE	
3.	DECLARATION OF INTERESTS	
	<p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that 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 disclosable pecuniary interest or other significant 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.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.</p>	
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14.	EXCLUSION OF PRESS AND PUBLIC	

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.

15.	EXEMPT MINUTES OF THE CABINET MEETING HELD ON 22 JULY 2013 (E)	
16.	CAPITAL PROGRAMME OUTTURN 2012/13 - QUARTER 4 REPORT: EXEMPT ASPECTS (E)	
17.	PROPOSED PROPERTY CONTRACT - AWARD OF CONTRACTS TO SUCCESSFUL BIDDERS : EXEMPT ASPECTS (E)	
18.	AWARD OF A CONTRACT FOR THE PROVISION OF THE FRAMEWORKI, SOCIAL CARE CASE MANAGEMENT SYSTEM AND FINANCE IT SYSTEM FOR COMMUNITY CARE : EXEMPT ASPECTS (E)	



London Borough of Hammersmith & Fulham

Cabinet

Minutes

Monday 22 July 2013

PRESENT

Councillor Greg Smith, Deputy Leader (+ Residents Services)
Councillor Helen Binmore, Cabinet Member for Children's Services
Councillor Marcus Ginn, Cabinet Member for Community Care
Councillor Andrew Johnson, Cabinet Member for Housing
Councillor Georgie Cooney, Cabinet Member for Education

18. MINUTES OF THE CABINET MEETING HELD ON 24 JUNE 2013

RESOLVED:

That the minutes of the meeting of the Cabinet held on 24 June 2013 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

19. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Nicholas Botterill, Mark Loveday and Victoria Brocklebank-Fowler.

20. DECLARATION OF INTERESTS

RESOLVED:

There were no declarations of interest.

21. DATA CENTRE MIGRATION

RESOLVED:

That HFBP proceed with a project to migrate the current data centre services from ELDC and HTH to two new data centres, at a cost to H&F of £200,000 to be funded from the IT Enablers budget, 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.

22. PROPOSAL FOR THE NEXT PHASE OF TRI-BOROUGH CORPORATE SERVICES

RESOLVED:

That expenditure of £142,706 for Hammersmith and Fulham's contribution to the cost of the Tri-borough Corporate Services programme for one year (to July 2014), to be funded from the Efficiency Projects Reserve, 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.

23. TELEPHONY - OPENScape: RESILIENCE AND UPGRADE

RESOLVED:

That the proposed upgrade of the Siemens Openscape telecommunications system be commissioned at a cost of £117,435.

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.

24. MICROSOFT LICENSING

RESOLVED:

That HPBP be authorised to enter into a contract with Microsoft on behalf of the Council to migrate to the new Microsoft licence agreement from September 2013 for 3 years at a cost of £374,281 per annum for 2013 - 14.

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.

25. CITY BRIDGE TRUST - SUCCESSFUL GRANT APPLICATION

RESOLVED:

1. That approval be given for the Council to enter into contract worth £100,000 with The City of London, City Bridge Trust , to deliver support services to NEET young people and their employers with a focus on Westfield London.
2. That approval be given for a service level agreement and delivery plan to be established with the Resurgo Trust for the following key outputs:
 - 50 NEET H&F young people move into jobs,
 - In work coaching and mentoring of the above NEET young people
 - Management development coaching and mentoring training to 50 employers in Westfield over the coming 2 years.
3. That delegated authority be given to the Executive Director of Housing and Regeneration to contract with the Resurgo Trust on the above basis and oversee programme management and service delivery.

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.

26. SALARY SACRIFICE SCHEMES

RESOLVED:

That the Council enters into an Access Agreement with ESPO to enable it to call off services from ESPO's Framework Agreement for Employee Benefits (Agreement 319, Issue No. 4).

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.

27. TRI-BOROUGH REDUCING REOFFENDING SERVICE

RESOLVED:

That the decision to award the contract for the provision of the Adult Reducing Reoffending Service across the Tri-borough be delegated to the Deputy Leader (and Cabinet Member for Residents Services) in consultation with the Executive Director for Environment, Leisure and Residents Services to ensure a timely approach to procurement and appropriate timeframes to deliver on the outcomes agreed with MOPAC and Public Health.

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.

28. LEARNING DISABILITY ACCOMMODATION AND SUPPORT - FUTURE PLANS

On behalf of the Housing Partnership Sub Committee, Mrs Boothroyd welcomed the strategy and proposals.

RESOLVED:

1. That the principles of the strategy set out in Appendix A which outlines the vision for improving the quantity and quality of housing and support services for people with learning disabilities in the borough, be agreed.
2. That further public consultation takes place on the proposed vision for accommodation and support as outlined within the Strategy.
3. That officers investigate options for future housing developments in the borough for people with learning disabilities, as the broad modernisation programme needed to deliver accessible quality housing support services will involve both the remodelling of existing provision which is not fit for purpose and the development of new supported housing to replace costly residential care services.
4. That approval be given to review the existing borough accommodation and support provision for people with learning disabilities, including in house services, against agreed housing criteria and standards; and that any proposed changes as a result of this review will be the subject of a future detailed report which will outline the benefits for current and future residents.

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.

29. RELOCATION OF HAFAD TO EDWARD WOODS COMMUNITY CENTRE AND RELATED REFURBISHMENT REQUIREMENTS

RESOLVED:

1. That approval be given to the works, at an estimated cost of between £333,500 and £457,930, to be funded from Section 106 or should this not be available from capital receipts.

2. That any further approvals be delegated to the Cabinet Member for Community Care in conjunction with the Executive Director for Finance and Corporate Governance
3. That accommodation be let to HAFAD at Edward Woods Community Centre for the duration of their occupation, at a rent (currently estimated at £20,000 per annum) and other terms of such lease that the Assistant Director Building Property Management and the Director of Law consider appropriate.
4. That approval be given to allow HAFAD to remain at Greswell Street at nil rent on the proviso that they move out within three months of the space at Edward Woods and the Lyric becoming available.
5. That approval be given for works to be undertaken through the Measured Term Contract for Non-Housing Projects.
6. That, in the event that HAFAD relocate to the Edward Woods Community Centre but the Greswell Centre is not immediately disposed of, approval be given for the site to be secured via a short term tenancy or through Camelot vacant property management.

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.

30. PARTNERSHIP AGREEMENT FOR THE COMMISSIONING OF HEALTH, WELLBEING AND SOCIAL CARE SERVICES

RESOLVED:

1. That it be noted that the Chief Executive has signed the partnership agreement with NHS Hammersmith and Fulham Clinical Commissioning Group.
2. That the Annual Service Schedules be brought to the relevant Cabinet Member for approval each year.

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.

31. TRI-BOROUGH PASSENGER TRANSPORT SERVICE FOR CHILDREN AND ADULTS

Cabinet noted the advice of Legal Services that recommendation 2.14 should be amended as follows:

“To agree to delegate to the Tri-borough Executive Director of Children’s Services, in consultation with the Cabinet Member for Adult Social Care and/or Cabinet Member for Children’s Services (as appropriate), to access the Framework Call-Off contracts.”

A similar amendment was made by the Royal Borough of Kensington and Chelsea Cabinet at its meeting last week.

RESOLVED:

1. That the recommendation that Westminster City Council (WCC) will award the Framework Agreements as outlined in this report on behalf of itself, London Borough of Hammersmith (LBHF) and Fulham Council and Royal Borough of Kensington and Chelsea (RBKC), be noted.
2. That it be noted that an external audit has been completed on the Invitation to Tender (ITT) evaluation process and framework awards as detailed in Section 6.11.
3. That access to the framework by LBHF be approved.
4. That it be noted that WCC will award Framework Call-off contracts on a Tri-borough basis..
5. To agree to delegate to the Tri-borough Executive Director of Children’s Services, in consultation with the Cabinet Member for Adult Social Care and/or Cabinet Member for Children’s Services (as appropriate), to access the Framework Call-Off contracts.
6. That the Framework Call-Off process as detailed in Section 7.2 be noted.
7. That an Inter Authority Agreement (IAA) will cover specific legal terms pertaining to the operation of this Tri-borough passenger transport solution as described in Section 11.5.
8. That the potential implications for LBHF staff in terms of TUPE or redundancy as detailed in Section 9 be noted.

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.

32. DELIVERING THE SCHOOLS CAPITAL PROGRAMME

RESOLVED:

1. That approval be given to the capital allocations to develop the priority schemes as follows:
 - Sacred Heart High - subject to the outcome of targeted Basic Need Grant application to fund this project expand this outstanding school by 1FE, up to the sum of £8 million.
 - Wood Lane High School – proposals are being developed to expand provision at the school. Whilst no estimates are available at this stage it is recommended that a place-holder of £750,000 be identified at this stage.
 - Queensmill Autistic Spectrum Disorder pilot unit at Fulham Boys College £50,000.
 - London Oratory School - additional Council funding of £700,000 up to £3.1 million to address shortfall in school contribution to upgrade of teaching accommodation project
 - Holy Cross – additional Council funding of £390,000 as the overall project costs have been revised to reflect the complexity of project and stakeholder relationships.
 - Wormholt Primary School - additional Council funding of £50,000 to address budget shortfall of £250,000 from original bid costs. The school have committed to contribute £200,000 from internal budgets towards this shortfall.
2. That approval be given to a release to Phoenix High School of £400,000, in addition to the £175,000 previously approved, against the total condition need of £2,479,000 identified in the condition survey carried out by EC Harris in 2011 which will enable the school to address urgent health and safety works without any conflict with the school's future school vision as a longer term strategy.

3. That the establishment of a Planned Maintenance Programme in the value of £1,435,200 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.

33. REMOTE MONITORING, MONITORING/REPORTING AND COMMUNICATION FOR PASSENGER LIFTS WITHIN HOUSING PROPERTIES

RESOLVED:

1. Noted that the contract includes a five year comprehensive maintenance service, which includes attending to reactive breakdown repairs and providing ongoing technical support in the operation of the systems, at an annual cost of £66,043, be noted.
2. Noted that the works to install the equipment are anticipated to commence on 12 August 2013 and complete on 31 January 2014, be noted.
3. Noted that funding for this scheme is contained within the 2013/14 Housing Capital Programme which was approved by the Cabinet on 8 April 2013, be noted.

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.

34. HOUSING DEVELOPMENT PROGRAMME - SALE OF LAND ADJACENT TO 215 HAMMERSMITH GROVE (VERULAM HOUSE ESTATE)

RESOLVED:

1. That the disposal of land adjacent to 215 Hammersmith Grove (Verulam House Estate), shown edged on the plan attached as Appendix A via auction be approved.
2. Noted that this scheme falls within the scope of the Housing Development Programme Business Plan for the period 2013-2017.
3. That authorisation be given to the Executive Director of Housing & Regeneration to incur all necessary expenditure to divert the low voltage electricity cable that runs across the site, carry out additional site surveys, and to incur marketing and auction costs.

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.

35. PROVISION OF A BLUE BADGE INVESTIGATION AND ENFORCEMENT SERVICE

RESOLVED:

1. That a contract be awarded for the provision of blue badge investigation and enforcement services to BBFI Ltd for a term of up to three years with the option to terminate on giving 6 months notice at an annual notional value of the contract is £60,000 excluding VAT.
2. That Contract Standing Orders requiring officers to seek a minimum of 5 tenders be waived in this case.

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.

36. JANET ADEGOKE CENTRE - SECTION 106 WORKS

RESOLVED:

1. That implementation of the works as detailed in this report be approved.
2. That expenditure of section 106 funding be approved as follows:
£410,600 for works to be implemented in October 2013 and £136,900 to be spent on works in June 2013.

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.

37. SHEPHERD'S BUSH TOWN CENTRE (WEST) MAJOR SCHEME

RESOLVED:

1. That the highway works shown in Appendices 1 - 3 be approved in principle, and that authority be delegated to the Cabinet Member for Transport and Technical Service to authorise the implementation of the works subject to positive public consultation results and approval from the statutory bodies.
2. That approval be given to expenditure for this purpose of £3,500,000 received from the combined funding of TfL, the developers pursuant to the Section 106 agreement and the Council's flood risk management budget.
3. That authorisation be given to spend up to £3,500,000 to use existing framework term contractors to deliver the works.

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.

38. INTERIM ARRANGEMENTS FOR HIGHWAYS AND TRANSPORT-RELATED PROFESSIONAL SERVICES

RESOLVED:

1. That approval be given to Option Three in paragraph 6.3 of the report and that equivalent approvals are sought from the Royal Borough of Kensington and Chelsea.
2. That once the Service Reviews are complete a further report be submitted on a strategy for procuring long-term Bi-Borough Highways and Transport consultant and contractor support reflecting the outcome, 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.

39. FORWARD PLAN OF KEY DECISIONS

The Forward Plan was noted.

40. 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.]

41. **EXEMPT MINUTES OF THE CABINET MEETING HELD ON 24 JUNE 2013 (E)**

RESOLVED:

That the minutes of the meeting of the Cabinet held on 24 June 2013 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

42. **DATA CENTRE MIGRATION : EXEMPT ASPECTS (E)**

RESOLVED:

That the report be noted.

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.

43. **TELEPHONY - OPENScape : RESILIENCE AND UPGRADE - EXEMPT ASPECTS (E)**

RESOLVED:

That the report be noted.

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.

44. **TRI-BOROUGH PASSENGER TRANSPORT SERVICE FOR CHILDREN AND ADULTS : EXEMPT ASPECTS (E)**

RESOLVED:

That the report be noted.

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.

45. **RELOCATION OF HAFAD TO EDWARD WOODS COMMUNITY CENTRE AND RELATED REFURBISHMENT REQUIREMENTS : EXEMPT ASPECTS (E)**

RESOLVED:

That the report be noted.

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.

46. **REMOTE MONITORING, MONITORING/REPORTING AND COMMUNICATION FOR PASSENGER LIFTS WITHIN HOUSING PROPERTIES : EXEMPT ASPECTS (E)**

RESOLVED:

That the recommendations contained in the exempt 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.

47. **HOUSING DEVELOPMENT PROGRAMME - SALE OF LAND ADJACENT TO 215 HAMMERSMITH GROVE (VERULAM HOUSE ESTATE) : EXEMPT ASPECTS (E)**

RESOLVED:

That the recommendation contained in the exempt 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.

Meeting started: 6.00 pm
Meeting ended: 6.07 pm

Chairman

Agenda Item 4

	London Borough of Hammersmith & Fulham CABINET 2 SEPTEMBER 2013
REVENUE BUDGET 2013/14 : MONTH 2 AMENDMENTS	
Report of the Leader : Councillor Nicholas Botterill	
Open Report.	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Jane West – Executive Director of Finance and Corporate Governance	
Report Author: Gary Ironmonger	Contact Details: Gary Ironmonger Tel: 020 (8753 2109) E-mail: gary.ironmonger@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. This report sets out proposed amendments to the Revenue Budget as at Month 2.
- 1.2. General Fund virements of £4.3m are proposed:
 - £2.529m regarding additional grant received.
 - A realignment of £1.475m within Environment, Leisure and Residents Services (ELRS) to enhance reporting and forecasting.
 - £0.144m regarding increased lease costs at 145 King Street.
- 1.3. Uncollectable bad debts of £0.627m are put forward for write-off. These debts are fully provided for and there will be no adverse effect on the General Fund Revenue Budget. In addition retrospective approval is requested for the write off of £0.100m in relation to a Park Royal invoice.
- 1.4. There are no virement requests for the HRA in Month 2.

2. RECOMMENDATIONS

- 2.1. That approval be given to the budget virements of £4.3m as outlined in Appendix 1 of the report.
- 2.2. That bad debts of £0.627 be written off and that retrospective approval be given to writing off the £0.100m Park Royal debt already written off in 2012-3.

3. REASONS FOR DECISION

- 3.1. To comply with Financial Regulations.

4. 2012/13 REVENUE BUDGET AMENDMENTS MONTH 11

- 4.1. Budget virements of £4.3m are proposed. (details in Appendix 1).
- 4.2. It is proposed to write off bad debts of £0.542m within Transport and Technical Services (TTS), £0.085m in Housing Services (HRD) . These debts are in relation to Land Charges (TTS) and Works in Default (HRD) raised on the financial system that preceded Cedar (the current system). Agilisys have analysed these debts as part of the Enhanced Revenue Collection project and advised that they are uncollectable. In addition TTS, has already written off £0.100m in 2012/13 in relation to a Park Royal invoice. The Park Royal organisation has gone into administration and TTS is now seeking retrospective approval for the write off.

5. CONSULTATION

- 5.1. Not applicable.

6. EQUALITY IMPLICATIONS

- 6.1. It is not considered that the adjustments to budgets will have an impact on one or more protected group so an EIA is not required.

7. LEGAL IMPLICATIONS

- 7.1. Not applicable.

8. FINANCIAL AND RESOURCES IMPLICATIONS

- 8.1. Of the total virement of £4.3m proposed, a total of £2.529m relate to additional resources for the 2013/14 financial year.
- 8.2. The proposed debt write off of £0.627m and the £0.100m Park Royal debt already written off in 2012/13 have been fully provided for so there is no impact on the General Fund revenue budgets.
- 8.3. Implications verified/completed by: Gary Ironmonger/James Arthur.

9. RISK MANAGEMENT

- 9.1. Budget Risk will be managed and reported via Corporate Revenue Monitoring.

10. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 10.1. Not applicable..

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	CRM2	Gary Ironmonger	FCS

LIST OF APPENDICES


Appendix 1 Virement Request Form

APPENDIX 1 - VIREMENT REQUEST FORM

BUDGET REVENUE MONITORING REPORT – PERIOD 2

Details of Virement	Amount (£000)	Department
<i>For Cabinet Approval</i>		
Move waste disposal levy to new cost centre as advised by corporate finance (intra department)	(1,315) 1,315	ELRS ELRS
Realign budget to set waste disposal Levy in line with WRWA forecast	160 (160)	ELRS ELRS
<i>For Lead Cabinet Member Approval</i>		
2012/13 Tri-Borough Library overspend funded by ELRS. Temporary virement in 2013/14 to ELRS.	(85) 85	LIB ELRS
Realign domestic and trade waste disposal budget in line with WRWA forecast	(35) 35	ELRS ELRS
Tied accommodation compensation funded by FCS	25 (25)	ELRS FCS
Allocate ELRS share of corporate intern efficiency target	32 (32)	ELRS ELRS
Rent Review for the Council's lease on 145 King Street - A one off virement of £68,000 from inflation reserve to cover the backdated element of the increase to May 2012. (ref: Annexe A CRM 2)	68 (68)	CMB/TTS
Increase in Council's lease on 145 King Street for 2013/14	76 (76)	CMB/TTS
Increased funding from Local Government Settlement comprising an extra £0.485m that the government held back to fund the New Homes Bonus scheme and Central Education Services Grant of £1.85m. To be held in the unallocated contingency.	2,335 (2,335)	CMB CMB
Additional grant funding to meet costs of implementing welfare reform changes in 2013/14	97 97 (194)	HRD FCS CMB
Total of Requested Virements (Debits)	4,325	

Departmental Name Abbreviations	
CMB	Centrally Managed Budgets
ELRS	Environment, Leisure & Residents' Services
FCS	Finance & Corporate Services
HRD	Housing & Regeneration Department
LIB	Libraries (Tri Borough Service)
TTS	Transport & Technical Services

 <p>h&f the low tax borough</p>	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">2 SEPTEMBER 2013</p>
<p align="center">CAPITAL PROGRAMME OUTTURN 2012/13 – QUARTER 4 REPORT</p>	
<p>Report of the Leader, Councillor Nicholas Botterill</p>	
<p>Open Report</p> <p>A separate report on the exempt Cabinet agenda provides commercially sensitive information on capital receipts</p>	
<p>Classification: For Information</p> <p>Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Jane West, Director of Finance & Corporate Governance</p>	
<p>Report Author: Jade Cheung - Finance Manager - Capital Corporate Accountancy and Capital Team</p>	<p>Contact Details: Tel: 0208 753 3374 Email: jade.cheung@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The accounts for 2012/13 are substantially closed and are due to be submitted to the external auditors by the statutory deadline of 30 June. Following external audit the Accounts must be signed off by Audit Committee by 30 September. The closing debt position for the General Fund as measured by the Capital Financing Requirement (CFR) for 2012/13 at quarter 4 is £78.4m.
- 1.2. In 2012/13, the actual capital expenditure (outturn) totalled £57.4 million. This is detailed in section 4.
- 1.3. As at quarter 4, the annual General Fund usable capital receipts surplus for 2012/13 is £19.6m, inclusive of £16.8m (gross) generated in 2012/13 (in quarter 3 it was £6.1m), and will be set aside to repay debt. The Decent Neighbourhoods cumulative surplus in resources for quarter 4 is £20.5m, in accordance with the HRA financial strategy £9.6m of this is set aside to repay debt as it becomes due in 2013/14.

- 1.4. The 2012/13 General Fund capital programme expenditure was £28.7m (from £52.5m at quarter 3). The decrease in the General Fund capital programme of £23.8m primarily results from the re-profiling of capital budgets into 2013/14 and future years.

The Decent Neighbourhoods programme actual expenditure was £4m from £13.7m expenditure projected at quarter 3. The decrease in the Decent Neighbourhoods programme of £9.7m is primarily due to funds reserved for buying back of properties on the West Kensington and Gibbs Green Estates not being required in the period and from changes to the timing of payments on a number of other projects.

The expenditure on the Housing capital programme (HRA) was £24.7m (from £32.2m at quarter 3).

2. RECOMMENDATIONS

- 2.1. To note the contents of this report, which complies with financial standards.

3. REASONS FOR DECISION

- 3.1. This report is for information only.

4. INTRODUCTION AND BACKGROUND

- 4.1. This report sets out the final 2012/13 capital monitoring position for the Council's debt reduction programme, the General Fund, Decent Neighbourhoods and the Housing capital programmes. This programme has been fully funded as shown in Appendix 1.
- 4.2. In 2012/13, the actual capital expenditure (outturn) totalled £57.4 million. Table 1a below summarises capital expenditure by service area:

Table 1a - Capital Expenditure by Service Area

Department	2012/13
	£m
Children's Services	14.9
Adult Social Care	1.1
Transport and Technical Services	8.2
Environment, Leisure and Residents Services	4.4
Housing Services (Housing Revenue Account only)	24.7
Decent Neighbourhoods	4.0
Total	57.4

The financing of the capital expenditure incurred in 2012/13 is summarised in table 1b below:

Table 1b - Financing of Capital Expenditure 2012/13

Capital Financing	2012/13
	£m
Capital receipts	19.9
Capital grants from central government departments	13.9
Major Repairs Reserve (MRR) / Major Repairs Allowance (MRA)	10.0
Grants and contributions from developers and from leaseholders, etc.	8.7
Capital funding from GLA bodies	3.2
Council reserves	0.6
Housing Revenue Account	0.5
Grants and contributions from non-departmental public bodies	0.5
Capital grants from the National Lottery	0.1
General Fund Revenue Account	0.02
Total	57.4

5. GENERAL FUND DEBT REDUCTION

- 5.1. The closing General Fund debt as measured by the Capital Financing Requirement (CFR) for 2012/13 at quarter 4 is **£78.4m** (in quarter 3 £91.4m), as shown in table 2 below. There is a final capital receipts position of £16.8m for 2012/13, which has reduced from quarter 3's projection by £1.5m due to asset disposal slippage into future years (details in tables 4, 5 and appendix 4 in the exempt report).

Table 2 - Movement in the Capital Financing Requirement (CFR)

	Q3	Movement	Q4
	£m	£m	Outturn £m
Opening Capital Financing Requirement (CFR)	99.8		99.8
Revenue Repayment of Debt (MRP)	(2.3)		(2.3)
Net Impact of Appropriations between General Fund and HRA		0.5	0.5
Annual (Surplus) in Capital Programme	(6.1)	(13.5)	(19.6)
Closing CFR	91.4	(13)	78.4
<i>Net Movement from £99.8m</i>	(8.4)	(13)	(21.4)

- 5.2. In accordance with the debt reduction strategy, all year-end surplus general fund receipts have been directed towards debt reduction. This maximises the revenue savings associated with debt reduction in the subsequent year. This approach is in keeping with previous years, however, attached to it is the risk that, were a number of key capital receipts currently projected in 2013/14 be deferred, there may be an 'in-year' funding shortfall in subsequent years. Such a shortfall could necessitate a temporary increase in internal borrowing and consequently the CFR. External borrowing would be unaffected.
- 5.3. Overall however it should be stressed that the four-year capital programme remains in surplus and therefore the long-term projection debt remains downwards.

6. DECENT NEIGHBOURHOODS PROGRAMME

- 6.1. Table 3 summarises the 2012/13 Decent Neighbourhoods capital programme for quarter 4 with details shown in appendix 2. The programme objectives are the regeneration of housing estates and the creation of sustainable communities. Specific housing capital receipts such as those from sales under the Limited Asset Based Void Disposals policy and HRA shops are earmarked to fund this capital programme.
- 6.2. The Decent Neighbourhoods programme actual spend was £4m (from £13.7m projected at quarter 3). There is an overall cumulative surplus in resources of £20.5m at the end of 2012/13.

Table 3 - Decent Neighbourhoods Programme

Line	Decent Neighbourhoods Summary	2012/13 Quarter 3 Revised Budget	Movement	2012/13 Quarter 4 Revised Budget	Outturn Expenditure	Appx 2 Ref
		£m	£m	£m	£m	
1	Expenditure	13.7	1.6	15.2	4	A
2	Net total resources	(31.0)	7.8	(23.2)	(19.3)	I
3 (1+2)	Annual (surplus)/deficit (approved schemes only)	(17.4)	9.4	(8.0)	(15.3)	J
4	Schemes under consideration: Forecast expenditure	2.4	(2.4)			K
5 (3+4)	Annual (Surplus)/deficit	(14.9)	6.9	(8.0)	(15.3)	L
6	Balance brought forward	(5.2)		(5.2)	(5.2)	B
7 (5+6)	Cumulative Total (Surplus)/deficit	(20.1)	6.9	(13.1)	(20.5)	M

7. GENERAL FUND PROGRAMME

- 7.1. The annual surplus in capital receipts for 2012/13 is £19.6m. In accordance with the Council's debt reduction strategy, this surplus has been fully used to repay debt.
- 7.2. The quarter 4 expenditure and resources position is summarised in table 4, with details in appendices 1, 3 and 4 (exempt report). The total capital expenditure at quarter 4 for 2012/13 is **£28.7m** compared with £52.5m forecast in quarter 3. This reduction results from the re-profiling of capital budgets into 2013/14 and future years. The total resources budget at quarter 4 for 2012/13 is **£48.3m** compared with £58.6m forecast in the previous quarter. This primarily results from a revision to the capital receipts forecast for the year with a number of key receipts (including Pallingswick House (£5.8m) and Hurlingham Yard (£2.5m)) slipping into future years.

Table 4 - General Fund Capital Programme

Line	General Fund	2012/13	Movement	2012/13	Outturn	Appendix
		Quarter 3 Revised Budget		Quarter 4 Revised Budget	Expenditure	
		£m	£m	£m	£m	3
						Ref
1	Expenditure:					
	Children's Services	27.8	(12.9)	14.9	14.9	3a
	Adult Social Care	1.3	(0.2)	1.1	1.1	3b
	Transport & Technical Services	14.2	(6.0)	8.2	8.2	3c
	Finance and Corporate Services	2.1	(2.1)			3d
	Environment, Leisure & Residents Services	7.1	(2.7)	4.4	4.4	3e
	Total	52.5	(23.8)	28.7	28.7	
	Resources:					
	General Fund Receipts	18.3	(1.5)	16.8	16.8	4
	Deferred Cost of Disposal	(0.7)		(0.7)	(0.7)	
Transfer from Decent Neighbourhood receipts 25%*	10.2	(0.9)	9.3	9.3	2	
Transfer from Right to Buy receipts		0.6	0.6	0.6		
Reimbursement from GF to Decent Neighbourhood pot**	(10.8)	10.8			2	
2	Net capital receipts	17.1	9.0	26.0	26.0	
3	Specific or other funding	41.5	(19.2)	22.3	22.3	
4 (2+3)	Total	58.6	(10.2)	48.3	48.3	
5 (1-4)	Annual (surplus)/deficit	(6.1)	(13.5)	(19.6)	(19.6)	
	Cumulative (surplus)/deficit	(6.1)	(13.5)	(19.6)	(19.6)	

*This is per the standing decision to transfer 25% of expensive void receipts towards general fund debt reduction, however due to a change in regulation, 2012/13 is the final year in which such a transfer can be made.

**The historic reimbursement from the General Fund to the Decent Neighbourhoods Pot of £10.8m has been deferred, given the above change in regulation.

7.3. Table 5 shows the actual capital receipts received at quarter 4 with details shown in appendix 4 (exempt report).

Table 5 – General Fund Capital Receipts

Year	Quarter 3 £m	Quarter 4 Outturn £m***	Variance £m
2012/13	18.3	16.8	1.5

***£16.8m represents gross capital receipts (£16.1m + £0.7m costs of disposals)

8. HOUSING CAPITAL PROGRAMME

8.1. The Housing Revenue Account Capital Programme seeks to meet the ongoing investment needs of the Council's owned and managed housing stock. It does not include specific programmes such as Earls Court or the Local Housing Company, these are included in the Decent Neighbourhoods Fund. The final year position of the Housing capital programme is summarised in Table 6. Appendix 5 provides a more detailed breakdown of the expenditure programme and resources used.

Table 6 – Summary of the 2012/13 Housing Capital Programme

	Quarter 3 Revised Budget 2012/13 £m	Quarter 4 Revised Budget 2012/13 £m	Variance £m
Expenditure	32.2	24.7	7.5
Resources	(32.2)	(24.7)	(7.5)
Forecast (Surplus) / Deficit	0	0	0

8.2. Members have previously been notified that the realisation of leasehold income is not straight-forward and there continues to be a risk that income targets will not be met. Given this risk Finance and Corporate Services are liaising with Housing and Regeneration Department to regularly review and monitor the level of leasehold contributions generated.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Capital Budget Monitoring Documents	Jade Cheung ext. 3374	Finance Dept., 2 nd Floor, Town Hall Extension

LIST OF APPENDICES:

Appendix 1 - Capital Expenditure Programme 2012/13

Appendix 2 - Decent Neighbourhoods Programme (Housing & Regeneration)

Appendix 3a to 3e - General Fund: Children's Services, Adult Social Care, Transport & Technical Services, Finance and Corporate Services, Environment, Leisure and Residents Services

Appendix 4 - General Fund Capital Receipts (exempt report)

Appendix 5 - Housing Capital Programme (HRA)

Appendix 6 - The Capital Financing Requirement

Capital Budget Monitor Appendices – Quarter 4 at 31st March 2013

Capital Expenditure Programme

Appendix 1

Capital Expenditure	Month 12 Actual Expenditure 2012/13 £'000
Children's Services	14,948
Adult Social Care	1,117
Transport & Technical Services	8,205
Environment, Leisure & Residents Services	4,422
Sub-total	28,692
Housing Services (Housing Revenue Account only)	24,722
Decent Neighbourhoods	3,979
Total Capital Programme	57,393
Capital Financing	
Use of capital receipts to finance capital expenditure	19,899
Capital grants from central government departments (inc SCE(C))	13,861
Capital expenditure financed by the Major Repairs Reserve (MRR) /	9,958
Grants and contributions from private developers and from leaseholders,	8,743
Capital funding from GLA bodies	3,237
Use of LBHF reserves	553
Capital expenditure financed from the Housing Revenue Account	539
Grants and contributions from non-departmental public bodies	520
Capital grants from the National Lottery	65
Capital expenditure financed from the General Fund Revenue Account	19
Total Capital Financing	57,393

Decent Neighbourhoods Programme

Appendix 2

DECENT NEIGHBOURHOODS PROGRAMME					
Line	Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	Expenditure /(Income) to date - Q4
		£'000	£'000	£'000	£'000
	EXPENDITURE:				
	Watermeadow Court (Decanting Costs)	231		231	887
	Fulham Court (development including Childrens Centre)	1,714		1,714	112
	248 Hammersmith Grove	600		600	
	Edith Summerskill decant costs	1,690		1,690	550
	West Ken Estate/Gibbs Green				454
	HDC Hidden Homes Programme				112
	1 Mund Street				288
	HRA Debt repayments taken under pooling rules from receipts	82		82	
	Earls Court costs to signing CLSA	1,941		1,941	
	Earls Court Project Team Costs	627		627	
	Earls Court: Buying back leaseholder and freeholder properties including homeloss and disturbance	5,000		5,000	
	Earls Court: SDLT on leasehold properties (buybacks and new properties)	124		124	
	Additional costs post cabinet to signing of CLSA	99		99	
	Ongoing Earls Court project Costs	300		300	
	Earls Court OT assessments	20		20	
	Earls Court Legal Fees post CLSA (includes costs of defending challenges)	120		120	
	Earls Court Financial advice (due diligence)	25		25	
	Contributions to Local Housing Company	1,000		1,000	
	NHHT Capital Loan		1,575	1,575	1,575
	TIS contribution	94		94	
A	Total	13,667	1,575	15,242	3,978
	FORECAST RESOURCES:				
B	Brought Forward Resources	(5,161)		(5,161)	(5,161)
C	Expensive Dwellings Voids sales	(31,000)	(2,527)	(33,527)	(33,527)
	Stewarts Lodge	(2,221)		(2,221)	(2,221)
	Buy back by Notting Hill Housing Association	(600)		(600)	(969)
	Fulham Court - New Development Only	(200)		(200)	
	Costs of disposal		370	370	370
D	Other Sales	(3,021)	370	(2,651)	(2,820)
E	Earls Court	(4,230)		(4,230)	
	582 Kings Rd	(790)		(790)	(790)
	73 Moore Park Rd	(300)		(300)	(671)
	1a Seagrave Rd	(200)		(200)	
	5a Uxbridge Rd	(150)		(150)	
	53 Moore Park Rd	(50)		(50)	
	1 Moore Park Rd	(390)		(390)	(377)
F	HRA Shops	(1,880)	0	(1,880)	(1,838)
G	Total Resources (excl. b/fd & pre transfers)	(40,131)	(2,157)	(42,288)	(38,185)
(C+D+E+F)					

DECENT NEIGHBOURHOODS PROGRAMME					
Line	Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	Expenditure /(Income) to date - Q4
		£'000	£'000	£'000	£'000
	Resource Transfers				
	Reimbursement of HRA and Decent Neighbourhoods Receipts	(10,763)	10,763		
	Capital Investment for existing HRA stock	8,820		8,820	8,630
	Contributions to Jepson House	895		895	895
	25% of receipts to General Fund	10,033	(722)	9,311	9,311
	Grants to Social Landlords to improve hostels	128	(90)	38	38
H	Total Resource Transfers	9,113	9,951	19,064	18,874
I (G+H)	Net Total Resources	(31,019)	7,794	(23,225)	(19,312)
J (A+I)	Annual (surplus)/deficit (approved schemes only)	(17,352)	9,369	(7,983)	(15,334)
	SCHEMES UNDER CONSIDERATION				
	Right To Move Pilot (Float)	1,500	(1,500)		
	LHC Funding	250	(250)		
	Earls Court Contingency	699	(699)		
K	Total	2,449	(2,449)	0	0
L (J+K)	Annual (Surplus)/Deficit	(14,903)	6,920	(7,983)	(15,334)
M (B+L)	Cumulative Total (Surplus)/Deficit	(20,064)	6,920	(13,144)	(20,495)

Children's Services

Appendix 3a

CHILDREN'S SERVICES CAPITAL PROGRAMME				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£'000	£'000	£'000	£'000
Lyric Theatre Development	2,504	(1,442)	1,062	1,062
Devolved Capital to Schools	610	235	845	845
Other Capital Schemes	1,112	(1,008)	104	104
Schools Organisational Strategy	22,387	(10,183)	12,204	12,204
Free Schools	1,205	(472)	733	733
Total	27,818	(12,870)	14,948	14,948
FINANCING SUMMARY				
Capital receipts	1,431	(128)	1,303	1,303
Specific or other funding	26,387	(12,742)	13,645	13,645
Total	27,818	(12,870)	14,948	14,948

Adult Social Care Services

Appendix 3b

ADULT SOCIAL CARE SERVICES CAPITAL PROGRAMME				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£'000	£'000	£'000	£'000
Adult Social Care Grant	92	40	132	132
Hostel Improvement Grant	128	(90)	38	38
Wormwood Scrubs Prison	98	(64)	34	34
Disabled Facilities Scheme	989	(76)	913	913
Total	1,307	(190)	1,117	1,117
FINANCING SUMMARY				
Capital receipts	578	(166)	412	412
Specific or other funding	729	(24)	705	705
Total	1,307	(190)	1,117	1,117

Transport & Technical Services

Appendix 3c

TRANSPORT & TECHNICAL SERVICES CAPITAL PROGRAMME				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£'000	£'000	£'000	£'000
Footways and Carriageways	2,250	145	2,395	2,395
Planned Maintenance/DDA Programme	4,021	(2,239)	1,782	1,782
River Wall Repairs	40	(40)		
Transport For London	3,702	(862)	2,840	2,840
Parking Reserve/ Revenue Contributions	319	(287)	32	32
Developer Contribution Funded	3,192	(2,418)	774	774
West London Grant	341	(279)	62	62
Other Capital Schemes	286	34	320	320
Total	14,151	(5,946)	8,205	8,205
FINANCING SUMMARY				
Capital receipts	6,311	(2,117)	4,194	4,194
Specific or other funding	7,840	(3,829)	4,011	4,011
Total	14,151	(5,946)	8,205	8,205

Finance and Corporate Services

Appendix 3d

FINANCE & CORPORATE SERVICES CAPITAL PROGRAMME				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£'000	£'000	£'000	£'000
Contribution to Invest to Save Fund	2,133	(2,133)		
Total	2,133	0	0	0
FINANCING SUMMARY				
Capital receipts	2,133	(2,133)		
Total	2,133	0	0	0

ELRS CAPITAL PROGRAMME				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£'000	£'000	£'000	£'000
Parks Expenditure	1,460	(325)	1,135	1,135
Bishops Park	942	(156)	786	786
Shepherds Bush Common Improvements	2,778	(484)	2,294	2,294
Recycling	81	(40)	41	41
Hammersmith Library Refurbishment	925	(913)	12	12
CCTV	717	(562)	155	155
Linford Christie Stadium Refurbishment	156	(156)		
Total	7,059	(2,636)	4,423	4,423
FINANCING SUMMARY				
Capital receipts	529	(43)	486	486
Specific or other funding	6,530	(2,593)	3,937	3,937
Total	7,059	(2,636)	4,423	4,423

HOUSING CAPITAL PROGRAMME (HRA)				
Schemes	Quarter 3 Revised Budget 2012/13	Movement	Quarter 4 Revised Budget 2012/13	2012/13 Outturn Expenditure
	£ '000	£ '000	£ '000	£ '000
Supply Initiatives (Major	2,710	344	3,054	3,054
Energy Schemes	786	(63)	723	723
Lift Schemes	3,152	(1,989)	1,163	1,163
Major Refurbishments	8,814	(1,597)	7,217	7,217
Preventative Planned Maintenance	2,853	(878)	1,975	1,975
Minor Programmes	7,594	(3,374)	4,220	4,220
Decent Homes Partnering	5,534	(197)	5,337	5,337
CSD/RSD Managed (Adaptations, CCTV)	1,143	(110)	1,033	1,033
Rephasing and reprogramming	(373)	373		
Total	32,213	(7,491)	24,722	24,722
FINANCING SUMMARY				
Capital Receipts	9,715	(190)	9,525	9,525
Revenue Contributions from HRA (formerly MRA)	15,201	(5,243)	9,958	9,958
Leasehold & Other External Contributions	6,544	(1,425)	5,119	5,119
Grants	753	(633)	120	120
Total	32,213	(7,491)	24,722	24,722

The CFR measures an authority's underlying need to borrow for a capital purpose. It is considered by the Chartered Institute of Public Finance Accountancy (CIPFA) as the best measure of Council debt as it reflects both external and internal borrowing.

It was introduced by the Government in 2004 and replaced the 'credit ceiling' as the Council's measure of debt.


The CFR is the difference between capital expenditure incurred and the resources set aside to pay for this expenditure. Put simply it can be thought of as capital expenditure incurred but not yet paid for in-full and serves as a measure of an authority's indebtedness.

An important caveat is that the CFR does not necessarily equal the outstanding loans of the authority. A council may be 'cash rich' and pay for a new asset in full without entering into new loans. However unless the council simultaneously sets aside reserves (either through recognising a revenue cost or transferring existing reserves from 'usable' to 'unusable' in the bottom half of the balance sheet) the CFR will increase. In this example the authority has effectively borrowed internally. **The CFR should therefore be thought of as the total of internal and external borrowing.**

The government requires the authority to set-aside annually an amount equal to 4% of CFR. This is known as the Minimum Revenue Provision (MRP).

The Council's headline CFR excludes technical adjustments relating to finance leases, PFI, historic MRP commutation, and deferred costs given these items do not give rise to a financing or MRP cost.

Agenda Item 6

 <p>h&f the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 SEPTEMBER 2013</p>
<p>TREASURY REPORT 2012/13 OUTTURN</p>	
<p>Report of the Leader, Councillor Nicholas Botterill</p>	
<p>Open Report</p>	
<p>Classification - For Information</p>	
<p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Jane West Executive Director of Finance & Corporate Governance</p>	
<p>Report Author: Halfield Jackman Tri Borough, Treasury Manager</p>	<p>Contact Details: Tel: 020 7651 4354 E-mail: hjackman@westminster.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report presents the Council's Outturn Treasury Report for 2012/13 in accordance with the Council's treasury management practices (TMS). It is a regulatory requirement for this outturn report to be presented to the Committee by 30 September each year.
- 1.2. There are two aspects of Treasury performance – debt management and cash investments. Debt management relates to the Council's borrowing and cash investments to the investment of surplus cash balances. This report covers:
 - the treasury position as at 31 March 2013 which includes the investment and the borrowing strategy and outturn for 2012/13;
 - the UK economy and interest rates
 - compliance with treasury limits and prudential indicators

- 1.3. The borrowing amounts outstanding and cash investment for the relevant periods are as follows in the table below.

£ million	31/3/2013	31/3/2012	31/3/2011
Total borrowing	262.07	262.17	475.52
Total cash balances	206.17	109.30	70.00

2. RECOMMENDATIONS

- 2.1 To note that the Council has not undertaken any borrowing for the period 1st April 2012 to 31st March 2013.
- 2.2 To note the investment activity for the period 1st April 2012 to 31st March 2013.

3. INTRODUCTION AND BACKGROUND

- 3.1. This report presents the Council's Outturn Treasury Report for 2012/13 in accordance with the Council's treasury management practices. This report covers:
- the treasury position as at 31 March 2013 which includes the investment and the borrowing strategy and outturn for 2012/13;
 - the UK economy and interest rates
 - compliance with treasury limits and prudential indicators.

4. TREASURY POSITION AS AT 31 MARCH 2013

Investments

- 4.1. The table below provides a breakdown of the cash deposits, together with comparisons from the previous year.

Investment Type	Value 31 March 2013 (£million)	Value 31 March 2012 (£million)
Liquid Deposits	44.52	18.80
Term Deposits	121.65	69.50
Money Market Funds	40.00	21.00
Total	206.17	109.30

- 4.2. The total investments increased by £97 million in 2012/13, the increase was attributable to a rise in usable reserves and unapplied capital receipts.
- 4.3. Liquid deposits consisting of overnight deposits with the Debt Management Office (DMO) and a Call Bank A/c.

- 4.4. The Council had £40 million invested in four money market funds (£10 million in each) run by Goldman Sachs, Blackrock, Insight and Prime Rate. The funds return ranged from 0.29 per cent to 0.49 per cent (all are rated AAA by at least one, and in most cases two, rating agencies).
- 4.5. The term deposits comprise 15 fixed term deals with maturities ranging from April 2013 to August 2013. The investments were deposited with DMO, Lloyds Bank, Barclays Bank, London Borough of Islington and Woking Borough Council.
- 4.6. The weighted average interest rate of return on the investments over the year was 0.90 per cent, with a total interest received of £1.52 million (compared with a weighted average of 1.18 per cent and a total interest £1.19 million for 2011/12).
- 4.7. The investment strategy for 2012/13 was to place cash investments with certain institutions as set out in the Treasury Management Strategy, to focus on the security and liquidity of the investments rather than to seek yield. Where security and liquidity criteria could be satisfied, investments would then be placed taking yield into account.

Borrowing

- 4.8. All external borrowing is with the Public Work Loan Board (PWLB) at various fixed rates and split between the General Fund and Housing Revenue Account (HRA).
- 4.9. Total borrowings decreased by £0.1 million to £262.07 million due to maturing debt. No new borrowing was undertaken during the year.
- 4.10. The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, has not been fully funded by external loan debt, the balance being funded by cash reserves. This strategy is prudent as investment returns are low and counterparty risk is high.
- 4.11. The closing General Fund debt as measured by the Capital Financing Requirement (CFR)¹ for 2012/13 at quarter 4 is £78.4 million (in quarter 3 £91.4 million), as shown in table below.

In accordance with the debt reduction strategy, all year-end surplus general fund receipts have been directed towards debt reduction. This maximises the revenue savings associated with debt reduction in the subsequent year.

¹ The Capital Financing Requirement is a measure of the Council's underlying need to borrow for capital expenditure or to finance its other long term liabilities.

Movement in the Capital Financing Requirement (CFR)

	Q3	Movement	Q4
	£million	£million	Outturn £million
Opening Capital Financing Requirement (CFR)	99.8		99.8
Revenue Repayment of Debt (MRP)	(2.3)		(2.3)
Net Impact of Appropriations between General Fund and HRA		0.5	0.5
Annual (Surplus) in Capital Programme	(6.1)	(13.5)	(19.6)
Closing CFR	91.4	(13)	78.4
<i>Net Movement from £99.8m</i>	<i>(8.4)</i>	<i>(13)</i>	<i>(21.4)</i>

4.12. Following the implementation of Housing Finance Reform on the 28th March 2012 Central Government abolished the Housing Subsidy System and replaced it with the “self financing” regime. The Housing Revenue Account (HRA) debt was reduced by £197.4 million (repayment of debt by DCLG) from £414.7 million to £217.3 million. This resulted in a reduction in annual interest costs of £10.2million. In return, the Council agreed to give up the annual Housing Subsidy payment (this was worth £10.4million in 2011/12). The end result is the HRA is now responsible for servicing 82.9 per cent of the Council’s external debt, the General Fund holds the remaining 17.1 per cent.

4.13. The table below shows the details around the Council’s external borrowing (as at 31 March 2013), split between the General Fund and HRA.

	General Fund (£million)	Average Interest rate	HRA (£million)	Average Interest rate	Total external borrowing (£million)	Combined Average Interest Rate
Total / average	44.77	5.61%	217.30	5.61%	262.07	5.61%

5. THE ECONOMY AND INTEREST RATES

5.1. Given the rapidly moving state of the European debt crisis, the details below focus on the last financial year, and it should be recognised that events have moved on since.

5.2 **Sovereign debt crisis.** During 2012-13 financial markets remained apprehensive, fearful of the potential for another financial crisis prompted by a European Sovereign Government debt default. The European Authorities were keen to do whatever it took to stabilise the Euro and financial markets. The European Central Bank (ECB) cut rates and in September committed to unlimited purchases of peripheral sovereign debt.

- 5.3 This action was mirrored in the US where the Federal Reserve implemented further quantitative easing measures by increasing the amount of open-ended purchases from \$40 billion to \$85 billion per month. The Monetary Policy Committee (MPC) increased the quantitative easing program by a further £50 billion in July 2012 but has not acted further.
- 5.4 The UK coalition Government maintained its fiscal policy stance. Both Fitch and Moody's downgraded the UK long term debt rating due to the weaker economic and fiscal outlook. The downgrades had little market impact.
- 5.5 **UK growth** proved mixed over the year. In quarter 2, GDP growth was -0.4 per cent, but then quarter 3 showed a return to growth of 0.9 per cent quarter on quarter before moving back into decline (-0.3 per cent) in quarter 4. The UK grew by 0.3 per cent in the first three months of 2013 and avoided a triple dip recession. The Office for National Statistics said that strong growth in the services sector and a recovery in North Sea oil/gas output helped the economy grow in the first quarter of 2013. Falling real incomes, the deficit reduction plan and the poor state of the European economy are holding back economic growth. However, there was also a return of some optimism for growth outside the EU as the Federal Reserve in America continued to provide quantitative easing to boost growth.
- 5.6 **UK CPI inflation** peaked at the start of the year at 3 per cent before ending the year at 2.8 per cent. Inflation is forecast to exceed 3 per cent over the next year.
- 5.7 In the latest Budget, the MPC were given more flexibility to make tradeoffs to support the economy. The implication is that the MPC will be able to justify above target inflation over the medium term if the broader economic backdrop is deemed to require measures to boost growth.
- 5.8 **Gilt yields** fell for much of the year, as concerns continued over the EU debt crisis. This resulted in safe haven flows into UK gilts.
- 5.9 **Bank Rate** was unchanged at 0.5 per cent throughout the year while expectations of when the first increase would occur were steadily pushed back to the second half of 2015 at the earliest. Deposit rates fell throughout the year as the government implemented its Funding for Lending scheme
- 5.10 **Risk premiums** remained throughout the year. Widespread and multiple downgrades of the credit ratings of many banks and sovereigns, continued Euro zone concerns, and the significant funding issues still faced by many financial institutions, meant that investors remained cautious of longer-term commitment.

6. COMPLIANCE WITH TREASURY LIMITS AND PRUDENTIAL INDICATORS

- 6.1. During the financial year to March 2013, the Council operated within the treasury limits as set out in the TMS. The outturn for the Treasury Management Prudential Indicators are shown in Appendix A.

7. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE

7.1 These are contained within the report.

8. COMMENTS OF THE DIRECTOR OF LAW

8.1 There are no direct legal implications for the purpose of this report.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Loans and Investments ledger	Halfield Jackman. Tel: 020 7651 4354	Tri-borough Treasury Manager, Westminster City Council
2.	CIPFA Treasury Management Code of Practice (published)	Halfield Jackman. Tel: 020 7651 4354	Tri-borough Treasury Manager, Westminster City Council

APPENDIX A**LBHF – TREASURY MANAGEMENT PRUDENTIAL INDICATORS
2012-13**

Authorised Limit and Operational Boundary 12/13

Indicator	Approved Limit	Actual Debt	No. of days Limit Exceeded
Authorised Limit ²	£351m	£262.07m	None
Operational Boundary ³	£284m	£262.07m	None

Limits on Interest Rate Exposure


Interest Rate Exposure	Upper Limit	Lower Limit	Actual at 31 Mar 2013
Fixed Rate Debt	£330m	£0m	£262.07m
Variable Rate Debt	£66m	£0m	£0m

Maturity Structure of Borrowing

Maturity Structure of Borrowing	Upper Limit	Lower Limit	Actual at 31 Mar 2013
Under 1 year	15%	0%	4%
1 year to 2 years	15%	0%	1%
2 years to 5 years	60%	0%	12%
5 years to 10 years	75%	0%	10%
Over 10 years	100%	0%	73%

² The Authorised Limit is the maximum requirement for borrowing taking into account maturing debt, capital programme financing requirements and the ability to borrow in advance of need for up to two years ahead.

³ The Operational Boundary is the expected normal upper requirement for borrowing in the year.

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">2 SEPTEMBER 2013</p>
<p>PROPOSED PROPERTY CONTRACT – AWARD OF CONTRACTS TO SUCCESSFUL BIDDERS</p>	
<p>Report of the Leader, Councillor Nicholas Botterill</p>	
<p>Open report</p> <p>A separate report on the exempt Cabinet agenda provides exempt information regarding costs and affordability and the outcome of the tendering process.</p>	
<p>Classification – For Decision Key Decision: YES</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Nigel Palace, Bi-borough Executive Director for Transport & Technical Services</p>	
<p>Report Author: Marcus Perry, Estates and Property Procurement Officer</p>	<p>Contact Details: Tel: 020 8753 6697 E-mail: marcus.perry@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report recommends that contracts be awarded in respect of 7 out of 8 of the Lots on the proposed Framework Agreement for property services.

2. RECOMMENDATIONS

- 2.1 That the Framework Agreement for delivery of property services to the Council and the Participating Boroughs be awarded to the contractors listed below, commencing on 1 October 2013 for a period of 4 years:

For Lot 1: GVA Grimley

For Lot 2: Lambert Smith Hampton Group Ltd, BNP Paribas Real Estate Advisory & Property Management UK Limited, and Savills (UK) Ltd

For Lot 3: Wilks Head & Eve LLP

For Lot 4: Lambert Smith Hampton Group Ltd, Bruton Knowles, Carter Jonas LLP, GL Hearn Limited, GVA Grimley

For Lot 5: Savills (UK) Ltd, Andrew Scott Robertson, Allsop LLP

For Lot 6: Pellings LLP

For Lot 7: Wildstone Property Ltd

For Lot 8: Savills (UK) Ltd, Knight Frank LLP, Horton & Garton Ltd, Beambest Ltd (trading as Winkworth), Crownvent Ltd (trading as Winkworth), Chris Kerr Property Services

2.2 That the Council enters into call-off contracts for each of the Lots numbered 2 to 8.

2.3 To note that for Lot 1 – Property Management – the decision for the Council to call off a contract is deferred pending further clarification on the cost benefit of outsourcing this service to the external provider on the Framework Agreement.

2.4 To note that the deferment of a decision by the Council in respect of Lot 1 will not prevent one of the Participating Boroughs calling off a contract for itself from the Framework for Lot 1 services should it choose to do so.

3. REASONS FOR DECISIONS

3.1 Recommendations for contract awards are made on the basis of considered tendered bids submitted by the contractors being recommended for contract awards representing the most economically advantageous tendered bids to the Council and the Participating Boroughs.

3.2 For Lot 1, the most economically advantageous bid received for this Lot as part of the procurement exercise undertaken for all 8 Lots requires funding until such time as service improvements and increased income cover the costs of the contractor. Officers sought further clarification on the cost benefits of the outsourcing of this service and withheld including Lot 1 with the recommendations for all other Lots until such clarification has been received and is approved by JMT or H & F's Business Board at a future meeting.

4. INTRODUCTION AND BACKGROUND

4.1. The Council's existing contract for professional property services with the surveying practice of Lambert Smith Hampton has expired, and in order for the Council to continue to procure property services from external providers without spot tendering for every instruction the contract needs to be renewed. For added flexibility and to accommodate Tri-borough working, the new contract is being procured as a Framework Agreement split into a number of Lots to cover the main service requirements of the Council and the Participating Boroughs (The Tri-boroughs plus the London Borough of Ealing and the London Borough of Hounslow).

- 4.2. This procurement has followed the two stage Restricted Procedure in accordance with the Public Contract Regulations 2006. At the conclusion of the Invitation to Tender stage – Stage 2 (ITT) – the Tender Appraisal Panel (TAP) set up to consider tenderers' bids noted the scores of the evaluators (Appendix 2 of the exempt report). After due consideration of all the bids, the TAP drew up the list in Appendix 1 of the exempt report giving its recommendations for the award of contracts to those contractors who, in the opinion of the TAP, submitted the most economically advantageous tendered bids.
- 4.3. If the recommendations in this report are approved then the Council will enter into the Framework Agreement for its required services on or soon after 1 October 2013. The other Participating Boroughs (City of Westminster, RB Kensington & Chelsea, LB Ealing and LB Hounslow) will have the option of calling off contracts of their own at any time from 1 October 2013 and it is anticipated some will do so.

5. PROPOSAL AND ISSUES

- 5.1. The EU procurement rules and the Council's own Contract Standing Orders and Finance Regulations have been followed in this procurement exercise, and the evaluation of tendered bids has been conducted in accordance with the published criteria.
- 5.2. Representatives from the Participating Boroughs were invited to attend the meeting of the Tender Appraisal Panel (TAP) to consider the evaluators' scores and they took part in the deliberations over the tendered bids and scoring

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1 The option of doing nothing is not available as the Council's existing contract for property services has expired. To comply with its own Contract Standing Orders and Finance Regulations, the Council must either procure a replacement contract (as recommended in this report) or it must source property services via other means or not provide them at all.
- 6.2 The Council could spot procure services from the Government Procurement Service's (GPS) own new Framework for "Estates Professional Services" but the rates bid by contractors following the Council's own procurement exercise are generally lower than the rates on the GPS Framework. The option of not providing property services is not a viable option if the Council wishes to maintain its property estate and the rental income from its commercial portfolio and generate the capital receipts needed to meet the authority's financial targets.
- 6.3 The procurement option chosen to provide a contract Framework and separate the existing one-provider contract into separate service Lots will introduce a degree of flexibility and choice of provider to the Council and, with full Tri-borough access, the procurement embraces the Tri-borough service delivery and working initiative across the three London boroughs.

- 6.4 At the request of JMT further work will be undertaken on the option of outsourcing property management – Lot 1 – and the result of this will be the subject of a future report to the Cabinet.

7. CONSULTATION

- 7.1. Officers from the Council's Valuation & Property Services Section (V & PS) have lead this procurement exercise. During all stages of the procurement and tender procedures V & PS have consulted with officers in the Council's main departments, together with colleagues in the Participating Boroughs.
- 7.2. The EU contract procedures which have been followed do not lend themselves to the usual forms of public consultation due to the confidential and competitive nature of the bidding process.

8. EQUALITY IMPLICATIONS

- 8.1. All contractors awarded contracts with the Council and the Participating Boroughs will be required to adhere to the Council's Equal Opportunities Policy and its Equalities Agenda.
- 8.2. An Equalities Impact Assessment has been carried out on this procurement exercise, and the analysis against the three tenets of the Equality Duty concludes no-one has been disadvantaged by the exercise on the grounds of age, disability, gender, sexual orientation, marital status, religious belief or non-belief, race or ethnicity.

9. LEGAL IMPLICATIONS

- 9.1. Legal advice on this procurement has been provided by external legal advisors, TLT. Legal Services has been represented on the TAP. The procurement has been carried out in accordance with EU procurement rules and the Council's Contract Standing Orders.
- 9.2. Implications verified/completed by: Catherine Irvine, Senior Solicitor (Contracts), telephone 020 8753 2774.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. Lots 4 to 8 inclusive all represent on-going costs which are being met by existing budgets. The existing costs under Lot 2 are being met by existing budgets or from capital receipts and the anticipated increase in costs for disposal fees will be met from the additional capital receipts.
- 10.2 Part of Lot 3 – Rating services - is a new outsourced service and a new cost which will be met by reduced business rate charges.

10.3 Implications verified/completed by: Giles Batchelor, Finance Manager, (telephone 020 8753 2407)

11. RISK MANAGEMENT

11.1 A full Risk Assessment on the proposed award of contracts for property services has been carried out and the likely risks considered against proposed actions to safeguard the Council against any risk exposure.

11.2 Implications verified/completed by: Michael Sloniowski, Bi-Borough Risk Manager, (telephone 020 8753 2587)

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

12.1. The Director for Procurement & I T Strategy has been represented on the Project Team (Tender Appraisal Panel) in relation to this contract. The Director is satisfied that legislative requirements of the Public Contracts Regulations 2006 (as amended) and the Council’s Contracts Standing Orders have been met. Consequently the Director is in agreement with the recommendations contained in this Report.

12.2. Implications verified/completed by: Robert Hillman, Procurement Consultant (telephone 020 8753 1538)

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet Member Decision Report on the selection of tenderers for the ITT Stage of the contract procurement – dated 19 April 2013 (published)	Marcus Perry, tel: 020-7853-6697	Valuation & Property Services, 6 th floor, TH Extn.
2.	Full Risk Assessment on the procurement of the new Property Contract, dated 21 June 2013	Marcus Perry, tel: 020-7853-6697	as above.
3.	Equality Impact Analysis, dated 30 May 2013	Marcus Perry, tel: 020-7853-6697	as above
4.	Report to the Property Tender Appraisal Panel for its meeting on 08 July 2013 on the outturn of the ITT Stage of the contract procurement exercise (exempt)	Marcus Perry, tel: 020-7853-6697	as above

5..	Report to the Joint Management Team for its meeting on 10 July 2013 – reporting the recommendations of the Property Tender Appraisal Panel (exempt)	Marcus Perry, tel: 020-7853-6697	as above
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 <p>h&f the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 SEPTEMBER 2013</p>
<p>HAMMERSMITH LIBRARY REFURBISHMENT AND THE RELOCATION OF ARCHIVES PROCUREMENT</p>	
<p>Report of the Cabinet Member for Residents Services : Councillor Greg Smith</p>	
<p>Open Report</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Wards Affected: Hammersmith Broadway, Avonmore and Brook Green</p>	
<p>Accountable Executive Director: Lyn Carpenter, Environment Leisure & Residents Services</p>	
<p>Report Author: Tony Rice, Tri-borough Libraries Operations Manager</p>	<p>Contact Details: Tel: 020 641 8970 trice@westminster.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The refurbishment of Hammersmith Library is a key corporate priority for the coming year. The scope of the project is to extend the “More than a Library Brand” already implemented at other H&F libraries. It will improve the customer offer, repair and upgrade the fabric of the building as well as ensuring the refurbished facility is as cost effective as possible.
- 1.2. A second strand of the project is to relocate the Archives Service and Local Studies collection to Hammersmith Library. These collections are currently housed in the Lilla Huset, for which the lease expires in 2016. The relocation will prove a long term sustainable solution for the collections.
- 1.3. Funding of £2.69m was approved by Cabinet on 8 April 2013 in the report Hammersmith Library Refurbishment and Archives Option paper. Authorisation of the future spend and draw down of associated S106 monies was delegated to the Deputy Leader and Cabinet Member for Residents Services in consultation with the Executive Director for Environment, Leisure & Residents Services and the Executive Director for Finance.

2. RECOMMENDATIONS

- 2.1 That approval be given to the “Scape” framework as the procurement route for this project.
- 2.2 That the authorisation of the award of the future contracts resulting from the framework, to a value that falls within the overall approved budget for the scheme, be delegated to Cabinet Member for Residents Services in conjunction with the Executive Director for Environment, Leisure and Residents Services and the Executive Director of Finance and Corporate Governance.

3. REASONS FOR DECISION

- 3.1. To enable the completion of the refurbishment of Hammersmith Library, which is a key corporate priority for 2013/14, and the relocation of the Archives service in a cost effective and timely manner, and in line with the required completion date.

4. INTRODUCTION AND BACKGROUND

- 4.1. The refurbishment of Hammersmith Library is a key corporate priority for the coming year. The scope of the project is to extend the “More than a Library Brand” already implemented at other H&F libraries. It aims to incorporate all opportunities to improve the customer offer, to repair and upgrade the fabric of the building as well as ensuring the refurbished facility is as cost effective as possible.
- 4.2. A second strand of the project is to relocate the Archives Service and Local Studies collection to Hammersmith Library. These collections are currently housed in the Lilla Huset, for which the lease expires in 2016. The relocation will prove a long term sustainable solution for the collections.
- 4.3. Funding of £2.69m was approved by Cabinet on 8 April 2013 in the report Hammersmith Library Refurbishment and Archives Option Cabinet Report.
- 4.4. Authorisation of the future spend and draw down of associated S106 monies was delegated to the Deputy Leader and Cabinet Member for Residents Services in consultation with the Executive Director for Environment, Leisure & Residents Services and the Executive Director for Finance in the above report.
- 4.5. A cost effective and timely method of procurement has subsequently been considered and recommendations are contained in section 5. Due to the extent of the core works required, having an overall value in the region of

£2m, Cabinet approval to commit to the procurement of these works is required.

- 4.6. This report is seeking Cabinet to approve the preferred framework procurement route and to delegate the authorisation of the award of the future contracts resulting from the framework, to a value that falls within the overall approved budget for the scheme, to the Executive Director for Environment, Leisure & Residents Services and the Executive Director for Finance.

5. CONSIDERATIONS

- 5.1. The Cabinet Report of the 8 April included an indicative time line and required completion date of June 2014. EC Harris (ECH) have subsequently prepared a programme which allows for the works to be completed in three phases:
- Phase 1 - Works to the public areas and the external parts to be completed by 28 March 2014
 - Phase 2 – Works to the staff areas on the ground and first floors, the second floor and staff staircases to completed by 27 June 2014
 - Phase 3 - The works to the basement archive room which are required to be completed by 27 June 2014.
- 5.2. The above completion dates entail a start on site at the beginning of October 2013. ECH have advised that these timescales are very tight and that completion of the works within those timescales is unlikely to be achieved if they are procured under a “traditional” procurement route or a design and build procurement route.
- 5.3. A Tender Appraisal Panel (TAP) was held on 15 May 2013, this was held to discuss the most practical and cost effective procurement route for the works to ensure that all 3 phases of the Hammersmith Library Refurbishment scheme are completed within the above timescales. This was attended by representatives from the library service, including the finance business partner, H&F Procurement, H&F Legal Services contract lawyer, H&F Building Property Management (BPM) and EC Harris.
- 5.4. ECH Harris proposed that the most appropriate procurement route to be via a framework agreement. Consideration has been given to several procurement routes, including procuring the works as a “design and build” project and procuring via Constructionline. However the timescales required under these processes conflicts with the need to allow a contractor to commence works on site at the beginning of October 2014, while the Scape framework is considered to be the most practical for this scheme while also delivering Value For Money (VFM). A design and build route would, for example not save time, as any time saved in issuing the initial tender documents would be countered by the additional time required to evaluate competitive tenders and review contractor’s proposals. In addition ECH advised that the need for planning permission

and listed building consent requires a design to be agreed at a relatively early stage and a design and build procurement route would delay this considerably. The Constructline route involves writing to contractors in advance of the tender to enquire if they are interested and obtaining approval from H&F in respect of contractor selection.

The Scape Framework¹

- 5.5. Scape comprises two principal frameworks
- Minor works – Projects up to £2m (Kier are the framework contractor)
 - Major works – Projects in excess of £2m (Wilmot Dixon are the framework contractor)
- 5.6. All parties agreed that the works should be procured under the minor works framework (Keir). The contract value would represent a significant project for the provider and would therefore be prioritised.
- 5.7. The Scape framework is in effect, a management contract with all preliminaries and office overheads having been previously procured under a competitive process. Kier will then confirm the various works packages with H&F that the contract should be broken down to and will then obtain competitive tenders from three contractors for each of the works packages. On this basis H&F will obtain competitive prices for the works and value for money will be achieved.
- 5.8. Concern has previously been expressed that local authorities were not specifically mentioned in the Scape framework and that this may prevent H&F from appointing a contractor under the framework. However, H&F Legal Services have confirmed that local authorities are specifically noted in the agreement.

The Benefits of Scape

- 5.9. H&F have signed up to the Scape agreement and H&F are able to appoint a framework contractor in accordance with this process.
- 5.10. The framework contractor has already been subject to a competitive process and the works packages will also be subject to competitive mini-tenders which will be evaluated by H&F/ECH. This ensures that the works are let under a competitive basis and that value for money can be achieved.
- 5.11. Confirmation of the appointment of a contractor at the earliest possible stage is critical to enable negotiations to commence with highways to enable applications for traffic management to be submitted within a reasonable timeframe. If the project was to be procured via a competitive tender the appointment of a contractor would not be made until the end of

¹ **Scape System Build Limited.** Scape System Build Ltd is a Local Authority controlled company wholly owned by Derby City, Derbyshire County, Gateshead, Nottingham City, Nottinghamshire County and Warwickshire County Councils in equal shares. The company is defined as a Central Purchasing Body within the UK under the Public Contracts Regulations 2006 (as amended).

September 2013. Only then could applications for traffic management be submitted to the highways department.

- 5.12. Appointment of a contractor at the earliest possible stage will also facilitate the applications for planning permission and listed building consent. The contractor can advise on buildability issues which may influence design.
- 5.13. Early engagement with the contractor will ensure that the contractor can consider the logistics and organisation of the works at an early stage and will ensure that when works do commence they are fully prepared and will reduce the risk of delays to the progress of the works.
- 5.14. All parties to the TAP meeting agreed that procuring the works under the Scape agreement was the most practical and cost effective way of achieving delivery of the works within the required timeframe. H&F Legal Services have confirmed that procurement of the works under Scape would be acceptable provided H&F are satisfied that the costs are properly managed and controlled.

6. FINANCIAL IMPLICATIONS

- 6.1. There are no financial implications from using the Scape framework which is designed to provide the best possible value. All packages are let using three tenders and prices are open book and the NEC 3 Option C contract incentivises accuracy of pricing through a “pain/gain” share mechanism which favours clients.
- 6.2. If the Scape Minor Works procurement framework is not adopted, a lengthier procurement process will need to be pursued given the contract value and target completion of the works will not be possible by March 2014. Consequently, there would likely be significant additional costs incurred.
- 6.3. If the Scape procurement framework is not adopted, a lengthier procurement process will need to be pursued given the contract value and target completion of the works will not be possible by March 2014. Consequently, there would likely be significant additional costs incurred.
- 6.4. Financial Implications confirmed by : Annelie Drabu 11/06/2013
Telephone number 020 641 3449

7. TIMETABLE FOR IMPLEMENTATION

- 7.1. See paragraph 5.1.

8. EQUALITY IMPLICATIONS

- 8.1. This proposal has been subjected to an initial sweep for equalities and the greatly improved physical access and improved signage will have a particularly positive impact for the disabled and the less mobile elderly. EIA considerations will inform the thinking when developing detailed internal layout plans and future service delivery. As a result of this screening, it has been decided that a full equality impact assessment is not required.

9. LEGAL IMPLICATIONS

- 9.1. On the basis that the frameworks are a single supplier framework (i.e. direct call-offs), the legal implications are as follows:

"The direct award of any call-off contract will need to be made in compliance with Regulation 19(5)(a) of the Public Contracts Regulations 2006. This Regulation specifies that the call-off contract shall be awarded within the limits of the terms laid down in the framework agreement. Consequently the terms of the framework will have to be sufficiently clear and specific. The necessary contract documentation should be in place to govern the contractual arrangement between the contractor and the council.

- 9.2. Legal Services will be available to assist the client department with preparing and completing the necessary contract documentation.
- 9.3. Legal implications provided by; Kar-Yee Chan 11/06/2013, Telephone number 0020 8753 2772

10. RISK MANAGEMENT

- 10.1. Hammersmith Library is a listed building; as such there are Heritage constraints, and these will be managed and logged as part of the programme delivery. The appropriate heritage groups are being consulted as part of any planning application process. All mandatory regulatory requirements will be complied and with in consultation with the Council's Heritage Officer.
- 10.2. The project working group in conjunction with ECH are developing a risk register, which will be developed further jointly with Keir post appointment in order that risks can be managed throughout the duration of the project.

11. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 11.1. The Council is able to draw down from the national framework agreement drawn up by **Scape System Build Ltd** being a local authority controlled company and defined as a Central Purchasing Body within the UK under the Public Contracts Regulations 2006 (as amended).

11.2. The Director supports the recommendations contained in the report.

11.3. Procurement implications provided by: Alan Parry 11/06/2013
Telephone number 0020 8753 2581

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Hammersmith Library Refurbishment and Archives Option Cabinet Report 8th April 2013 (published).	Tony Rice	Tri-borough Libraries

Appendix Hammersmith Refurbishment - Indicative Costs

FABRIC WORKS	Priority	Original Cost Estimates	Full Project inc Archives	Notes
Repairs to the pitched roof	1	15,000	15,000	
Repairs to the flat roof	1	17,500	17,500	
Repairs to the rainwater goods and waste drainage	1	5,000	5,000	
Repairs to external masonry	1	75,000	75,000	
Internal plaster and repairs	1	27,500	27,500	
Remedial works in respect of dampness (provisional sum)	1	11,000	11,000	
Redecoration of interior library	1	55,000	55,000	
Renewal of floor coverings	1	112,500	112,500	
Renewal of doors	1	50,000	50,000	
Structural repairs	1	9,000	9,000	
Supply and installation of reception counter	1	20,000	10,000	Can get counter for less than 10K
Priority 1 Fabric works		£397,500	£387,500	
Repairs and redecoration to windows and external doors	2	17,000	17,000	
Supply and installation of secondary glazing	2	26,500	26,500	
Alterations to main entrance	2	5,000	5,000	
Re-instate brick arches and opening up the children's library	2	15,550	0	Omit - Mainly aesthetic
Creation of open plan office on the first floor	2	30,000	0	Omit - Open plan office not required staffing levels in building have dropped
Creation of new staff facilities on the second floor	2	12,500	12,500	
Refurbishment of WC facilities	2	25,000	25,000	
Repair hardstand area	2	5,000	5,000	
Priority 2 Fabric works		£136,550	£91,000	

MECHANICAL & ELECTRICAL WORKS	Priority	Original Cost Estimates	Full Project inc Archives	Notes
Renewal of boiler	1	100,000	100,000	
Upgrade heating system	1	20,000	20,000	
Installation of two passenger lifts	1	250,000	150,000	
Renewal of wireless fire alarm system	1	32,000	32,000	
RFID Self Service and WiFi ICT works	1	35,000	35,000	
Works to the electrical intake cupboard	1	2,000	2,000	
Priority 1 M & E works		<u>£439,000</u>	<u>£339,000</u>	
The upgrading of the lighting	2	80,000	80,000	
Priority 2 M & E works		<u>£80,000</u>	<u>£80,000</u>	
Total EC Harris works		<u>£1,053,050</u>	<u>£897,500</u>	
Scaffolding	1	150,000	150,000	
Fees Prelims @ 12.5%		150,381	130,938	
Statutory Fees		15,000	15,000	
Sub Total less Statutory Fees		<u>£1,353,431</u>	<u>£1,178,438</u>	
Professional Fees @ 15%		203,015	176,766	
Contingency @ 20%		314,289	274,041	
Total EC Harris works		<u>£1,885,735</u>	<u>£1,644,245</u>	
Library Works			Full Project inc	
	Priority	Original Cost Estimates	Archives	Notes
Stock	1	100,000	100,000	
Space Planning	1	10,000	10,000	
Shelving	1	185,000	185,000	
Self Service Kiosks/Pads/Tags	1	40,000	40,000	
Furniture/Display	1	95,000	95,000	
Temporary Library (Notional)	1	50,000	50,000	
Feasibility/Archive Report	1	15,500	15,500	
Library Total		<u>£495,500</u>	<u>£495,500</u>	

	Priority	Original Cost Estimates <u>£2,381,235</u>	Full Project inc Archives <u>£2,139,745</u>	Notes
Grand Total (without Archives)				
Target Cost				
Variance				
CREATION OF ARCHIVES			400,000	
Fees Prelims @ 12.5%			50,000	
Professional Fees @ 15%			60,000	
Archives move and other associated costs allowance (notional)			50,000	
Archives Total			<u>560,000</u>	
Grand Total (with Archives)			£2,699,745	
Target Cost			£2,700,000	
Variance			£255	

 <p>the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 SEPTEMBER 2013</p>
<p>PHOENIX LEISURE CENTRE</p>	
<p>Report of the Cabinet Member for Residents Services : Councillor Greg Smith</p>	
<p>Open Report</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Wards Affected: ALL</p>	
<p>Accountable Executive Director: Executive Director Environment, Leisure and Resident Services; Lyn Carpenter</p>	
<p>Report Author: Ullash Karia, Head of Service Parks and Leisure</p>	<p>Contact Details: Tel: 020 7938 8171 E-mail: Ullash.Karia@RBKC.Gov.UK</p>

1. EXECUTIVE SUMMARY

- 1.1. The Council's existing arrangement with Greenwich Leisure Limited (GLL) whereby GLL manages public use, including usage by other schools, of the swimming pool and gym facilities at Phoenix High School is due to expire 31st December 2013. Under Contracts Standing Orders (CSOs), the Council would normally run a competition to determine who should manage this arrangement on the Council's behalf after December 2013, should the school wish to continue making the facilities available for others to use.
- 1.2. Running an efficient competition at this moment in time, however, is not viable due to a forthcoming change in the school's leadership. The current Head Teacher, Sir William Atkinson, is retiring, and his successor will not be in post until the start of the new school year in September. At the same time, the school has become a foundation trust, which entitles it to acquire the Council's freehold, which may affect the structure of any future leisure management contract. The Council does not currently have sufficient clarity needed to underpin a good competition and secure an efficient outcome.
- 1.3. Approval is therefore sought for a number of interim measures. Namely, the waiving of Contracts Standings Orders to allow the negotiation of a new interim contract with GLL, at potentially reduced cost, for a period of no more than 19 months; and the placing of a Prior Information Notice to gauge potential market interest and support tripartite pre-procurement dialogue between interested

companies, Phoenix High School, and the Council on how to obtain Best Value from the tendering of a new contract in 2014/15.

- 1.4. The arrangement with GLL for managing public usage of the facilities at Phoenix High School is separate from the borough-wide Leisure Management contract between H&F and GLL, which does not expire until 2019. It is likely that any new contract for management of the Phoenix High facilities from 2015 will run until 2019 so that it is aligned with expiry of the borough-wide leisure management contract, also currently held by GLL.

2. RECOMMENDATIONS

- 2.1. That the requirement of the Council's Contract Standing Orders to seek competitive tenders be waived in accordance with CSO 3.1, and that approval be given to negotiate with Greenwich Leisure Limited a new interim contract for the management of public leisure facilities at Phoenix High School, in accordance with CSO 9.11.
- 2.2. That the duration of this interim contract with GLL be aligned with the ending of the school academic year in July 2015.
- 2.3. That the interim contract with GLL continues, and for no more than the existing contract price of £388,000 per annum.
- 2.4. That the award of the final form of contract, following negotiations with GLL, be delegated to the Cabinet Member for Residents Services in consultation with the Executive Director of Environment, Leisure and Residents Services.
- 2.5. That a Prior Information Notice be posted to gauge future market interest and aid pre-procurement dialogue between interested organisations, Phoenix High School and H&F on what shape a future (2015-2019) contract should take to optimise value for money.

3. REASONS FOR DECISION

- 3.1. The reasons for the above recommendations are described in the Executive Summary at the beginning of the report. The swimming pool (often referred to as the Janet Adegoke swimming pool) in particular, along with associated gym facilities, at Phoenix High School enables important public access to leisure and fitness facilities, especially for residents and other schools in the north of the borough. (Where other such opportunities are not easily accessed. It is important this access is continued, given the relative lack of nearby alternative provision and the importance of the pool to H&F's current Leisure strategy).
- 3.2. ELRS are currently conducting a Bi-Borough review of leisure services. Continuing the existing arrangement at Phoenix High school until July 2015 will allow the findings of the review to inform a new contract where appropriate.

- 3.3. The extension will enable ELRS to work and engage with the new Head of the School to explore opportunities to enhance community use and further develop initiatives around public health and in particular activities for young people.

4. INTRODUCTION AND BACKGROUND

Background

- 4.1. The swimming pool and fitness centre was previously located on Bloemfontein Road, on the White City estate. Unable to afford the cost of extensive repairs needed to safely keep the pool open, the Council decided to close the site in April 2003. It was subsequently agreed by the school and the Council that the swimming pool including other facilities should also be relocated to the school site; construction on the new pool started in July 2004 and completed in 2005.

The facilities

- 4.2. The total build cost for the new centre was £4,889,571, funded by Children's Services. Phoenix Leisure Centre consists of:
- 1 x learner pool
 - 25m (5 lane) swimming pool
 - 45 station gym
 - Studio (1 court) – limited height
 - Sports hall (1 court) – limited height.
- 4.3. On 13th September 2005, Cabinet agreed to accept the tender submitted by Greenwich Leisure Limited for the sum of £2,342,563 for the first 6 years of the contract, with an option to extend it for a further 2 years at an additional cost of £624,335 over the last two years. . The total sum payable to GLL so far has been £2,966,898 over 8 years. The arrangement commenced on 1 January 2006 and is due to expire 31st December 2013.

5. CURRENT USAGE

- 5.1. The swimming pool at Phoenix High School is heavily used by other local schools, who have access to the main facilities from 11.0am-4.30pm every day. 18 schools use the centre for a total of 22.5 hours per week, with good usage also made by local swimming and canoe clubs. Utilisation of the swimming pool is currently at 99%, within the current opening times.

Phoenix Usage 2011	Q1	Q2	Q3	Q4	Total
Pool	18356	19745	16526	17752	72379
Dry (Gym, Studio, Sports hall)	22189	22442	20807	21129	86567
Total	40545	42187	37333	38881	<u>158,946</u>

Phoenix Usage 2012	Q1	Q2	Q3	Q4	Total
Pool	26709	28198	19599	23681	98187
Dry (Gym, Studio, Sports hall)	26032	28263	28590	27342	110227
Total	52741	56461	48189	50959	<u>208350</u>

5.2. The majority of current usage comes from the Shepherds Bush Green and Askew wards and to a lesser extent from the Wormholt and White City ward. The site has a mixed and multicultural customer base, ranging from families on low income, unemployed, people with disabilities, through to people on to medium-to-high incomes. To accommodate catchment groups, GLL offer the following facilities and price reductions:

- For people on low incomes or are unemployed, GLL offer the H&F “Better Gym” product which allows users to train for only £19.95 per month (unlimited use) in the gym.
- For People with Disabilities, the site is registered as an IFI centre (Inclusive Fitness Initiative).

5.3. The 2012 annual user survey results suggest that customer satisfaction in the centre has increased from 70% in 2010 to 92% in 2012.

5.4. The gym, however, is under-utilised by the school and remains empty during large parts of the school’s current exclusive access. GLL believe there is an opportunity to open up community access to the gym at all times, and in return GLL would be in a position to run and operate an improved structured session for the school in regards to their curriculum. This is an option that could be further explored with GLL during the extension period, and with other potential providers expressing an interest following the publication of a Prior Information Notice.

6. SOLUTION

6.1. An interim solution is therefore needed that:

- ensures continuity of service provision in the short term;
- allows the new Head and School Governing Body time to consider and agree their future intentions regarding public and other schools use of the pool and other facilities;
- protects the Council from risk of possible challenge on the existing arrangement continuing without competition;
- facilitates pre-procurement dialogue with interested companies to help inform School and Council decisions on what the new contract should look like in order to optimise viability and value for all concerned

- supports longer-term (i.e. 2019) alignment with the borough-wide leisure management contract.
- As part of the longer-term retendering process, a range of options will be fully explored for the future provision of the service.

7. EQUALITY IMPLICATIONS

- 7.1. The site has a diverse customer base, ranging from families on low income, unemployed people, people with disabilities and low, mid to high earners. As given at 5.1 of this report, the disabled access pool is used by 2 schools (Jack Tizzard and Cambridge School) on a regular basis. The new 19 month contract will continue take into account of disabled people's needs, which helps to improve equality of opportunity for disabled adults and children, and to facilitate equality of opportunity between disabled and non-disabled people. However, as the service will not change, it can also be said that there is no discernible impact arising from the recommendations in this report.
- 7.2 Implications completed by: Carly Fry Opportunities Manager Telephone 020 8753 3430

8. LEGAL IMPLICATIONS

- 8.1. Although the Council accepted GLL's tender in 2005, no formal contract was ever entered into between the parties. There is however an implied contract in place, the terms of which are based upon those set out in the tender issued by the Council and GLL's tender response as may have been varied by the course of conduct of the parties and any correspondence between the parties over the last 7 years.
- 8.2. It is noted that it is proposed to enter into an interim contract with GLL to extend the current arrangements for a period of up to 19 months.
- 8.3. The provision of leisure management services are Part B services which are not subject to the full regime of the Public Contract Regulations 2006 (as amended). However, the Council should still comply with the general EU treaty principles of transparency, equality of treatment and non-discrimination. This would normally require a competitive procurement exercise to be carried. However, the reasons why it is not practical to carry out a competitive process for the interim arrangements are set out in this report.
- 8.4. It is advised that legal services work with the client department to ensure that a signed contract is put in place to cover the interim arrangements.
- 8.5. Implications completed by: Catherine Irvine, Senior Solicitor (Contracts), Telephone 020 8753 2774

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1. The contract costs since the start of the existing contract are set out in this report. The recommendations as highlighted in section 2 of this report are supported as this provides more certainty for the Council in terms of funding requirements over the next eighteen months. Any re-negotiation of the management fee for this period of time, whether with GLL or another contractor, should be contained within the existing annual revenue budget of £388,000.
- 9.2. The bi-borough Leisure review should look to secure improved value for money for the Council in terms of longer-term leisure provision. The findings and recommendations from this review will be considered and reported separately.
- 9.3. Implications completed by Kellie Gooch, Head of Finance (ELRS) 020 8753 2203

10. RISK MANAGEMENT

- 10.1. Contract risk management and maintenance of the contract register form part of the ongoing responsibility of the department under Contract Standing Orders. Where a contract has not been executed this may leave the council exposed to disputes over liability in the event of claims made by users of the facility and where issues arise in respect of contract performance. An internal audit of the contract register will be undertaken as part of the 2012 2013 audit programme. Risks identified in the options present a fair appraisal however the interim contract should be formerly executed and placed on the Council's contract to enable sufficient notice for a future planned re-procurement.
- 10.2. Risk Management comments approved/verified by the BiBorough Risk Manager Michael Sloniowski, ext.2587

11. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 11.1. The current arrangement with GLL for managing public and schools access to the Swimming Pool and Phoenix Leisure Centre expires 31st December 2013, with previous options to extend having been exhausted. However, for reasons made clear in the report, the level of certainty and clarity about future intentions and requirements needed to run an efficient procurement for a new contract does not currently exist; nor would it be in the Council's interests to run a competition at this present time, for reasons also explained in the report.
- 11.2. Section 3.1 of the Council's CSOs allow waivers to the normal competition requirements where there are exceptional circumstances and/or it is not in the Council's interests to run a competitive exercise at any given moment in time.
- 11.3. Paragraph 9.11 of the Council's CSOs specifically requires Member authority before officers enter into any negotiation of contractual terms with commercial or voluntary organisations.

- 11.4. As the services are defined as being “Part B” rather than “Part A” under the Public Contracts regulations 2006 (as amended), they are not regulated in terms of statutory competition requirements.
- 11.5. The report recommends a pragmatic interim solution that seeks to ensure continuity of a sensitive front-line service, whilst at the same time leveraging cost reductions and better value for money from the incumbent provider; it also proposes engagement with the incumbent and other interested companies on how to best optimise value in a future contract. The H&F Corporate Procurement team has advised ELRS on possible options, and the recommended approach as highlighted in section 2 of this report is supported by the Director for Procurement and IT Strategy in H&F.
- 11.6. Implications completed by: Joanna Angelides, Principal Procurement Consultant, H&F: 0208 753 2586 & John Francis, Principal Procurement Consultant, H&F: 020 8753 2582.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

Agenda Item 10

 the low tax borough	London Borough of Hammersmith & Fulham CABINET 2 SEPTEMBER 2013
TRI BOROUGH MULTI AGENCY SAFEGUARDING HUB (MASH)	
Report of the Cabinet Member for Children's Services : Councillor Helen Binmore	
Open Report	
Classification: For decision	
Key Decision: Yes	
Wards Affected: ALL	
Accountable Executive Director: Tri-borough Executive Director of Children's Services - Andrew Christie	
Report Author: Steve Miley, Director Family Services	Contact Details: Tel: 0208 753 2300 E-mail: Steve.miley@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. A tri borough multi agency information hub (MASH) is being developed to improve access to information for Social Care referrals by pooling information held by each agency involved with a family. This will increase the effectiveness of our child protection work and in the long run reduce amount of work undertaken to follow up referrals. Until the reduction in work comes through, an invest to save start up funding is needed. This report seek authorisation for that funding of £330k over two years.

2. RECOMMENDATION

- 2.1 That approval be given to an invest to save funding of £330k from the Efficiency Projects Reserve as set out in paragraphs 10.6 and 10.10 of the report.

3. REASONS FOR DECISION

- 3.1. Developing MASH will improve the quality of information and therefore decision making on child protection cases.
- 3.2. A Cabinet decision is required for funding over £100k.

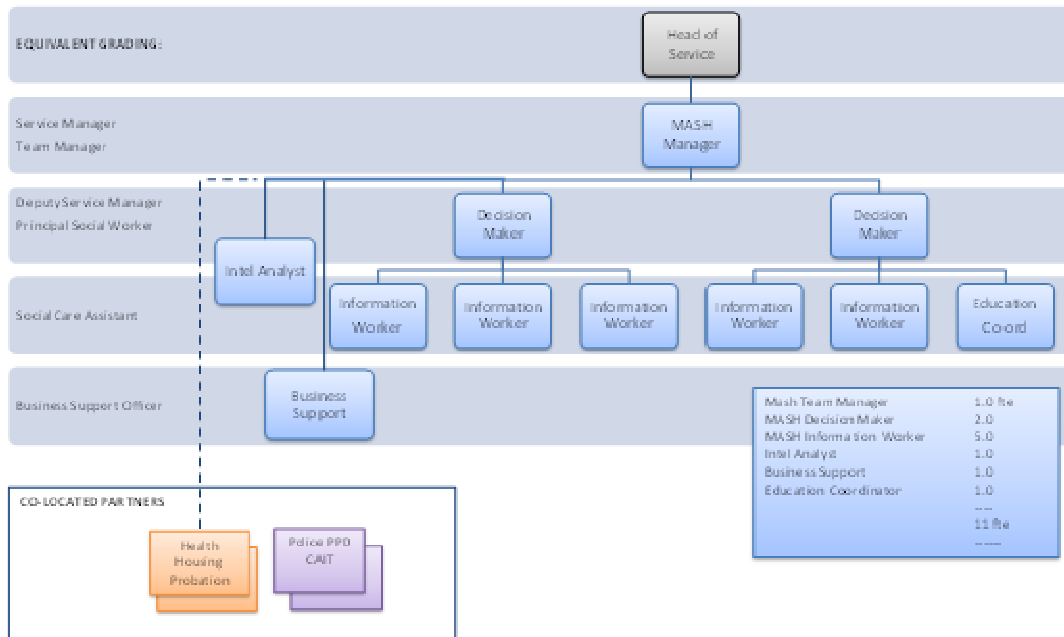
4. INTRODUCTION AND BACKGROUND

- 4.1 This report seeks a funding agreement to enable LBHF to implement and participate in the Tri-Borough Multi Agency Safeguarding Hub (MASH) due to start in mid July 2013. An invest to save initiative is needed to fund the initial MASH costs up front until the anticipated resulting reduction in demand allows for a reduction in staffing costs which will be used to fund the ongoing LBHF contribution.
- 4.2 MASH should lead to a long term reduction in demand by sifting out lower risk cases and directing resources onto the high risk cases. It should enable lower numbers of assessments to be completed by social workers and thereby a reduction in staffing in due course.
- 4.3 MASH will improve the quality of assessments and enable better protection of children. Effective child protection work depends on gaining the most accurate picture possible of the risks children face. When children are being abused, parents often seek to hide the truth from the agencies they are in touch with; each agency often only sees a small part of the whole picture of children's experiences and so piecing what is known together from each agency improves the likelihood of effective protection.
- 4.4 Despite professionals' best efforts, information sharing is always a theme within any serious case review or other multi agency review of cases where children have suffered serious harm or death. The MASH provides the opportunity for agencies to reduce risk to children by providing all professionals with more information on which to make better decisions.
- 4.5 More recently the high profile sexual exploitation cases in Rochdale and Oxford show that the protection of children exposed to these risks requires small pieces of information held by different agencies to be brought together if the serious risk from sexual exploitation are to be recognised and the appropriate action taken.
- 4.6 Information sharing between agencies is based on consent unless child protection concerns are clear. A recent judicial review ruling against Haringey reinforced the importance of consent unless clear child protection concerns are apparent. This results in concerns being missed when consent is not given and information cannot be obtained and pooled.
- 4.7 MASH solves this problem by allowing for the sharing of information by creating a sealed and confidential environment. This allows for the sharing of information without consent and ensures that as full a picture of the

family can be built. This unique environment provides professionals with far more information than has been revealed previously and is legally compliant.

5. PROPOSAL AND ISSUES

- 5.1 In the proposed Tri Borough model, all requests for a service, advice or information will continue to be made via each borough's existing front door arrangements. Staff at the front door will be responsible for deciding whether there is a potential safeguarding concern, by applying an agreed Tri-borough threshold, and if so it will be passed onto the Tri-borough MASH Team.
- 5.2 Where initial contact with the child or young person has been via the Police, the Public Protection Desk co-located with the MASH Team will apply the same threshold as the boroughs to screen for safeguarding concerns.
- 5.3 Every referral to the MASH will undergo an initial risk assessment where it is graded based on the known presenting issues:
- Red - immediate and serious safeguarding concerns
 - Amber - significant concerns, no immediate urgent action required
 - Green - concerns about a child's well-being, may be considered as a child in need
- 5.4 Where risk is assessed to be at the highest level (Red) the borough Child Protection team will be notified immediately and child protection enquiries initiated in parallel with the MASH process.
- 5.5 Partners in Police Health, Education, Probation, Housing and Youth Offending will then be requested to provide the information they hold about the child and their wider family circumstances, with an agreement to respond with defined timescales based on level of risk:
- Red – within 2 hours
 - Amber – with 24 hours
 - Green – within 3 days
- 5.6 The MASH Team and partner agencies will work collaboratively to analyse and interpret the information available. When all the information has been gathered a MASH 'Decision Maker' at management level will make a final assessment of the level of safeguarding risk. This decision along with a summary of the information on which the assessment is based is passed back to borough Social Workers where it will be used to inform the planning and provision of services.
- 5.7 Any referrals deemed not to present a safeguarding risk at initial screening remain in the borough where an early intervention/help services may be provided if appropriate or the referrer is informed that no further action will be taken.



6. ANALYSIS OF OPTIONS

6.1 For local authorities MASH has the potential to unblock long-standing issues with access to information and to improve the quality of the services they provide. It also has the potential to help refocus effort where it can be most effective by:

- Freeing up resource at the front door by significantly reducing the currently substantial number of Police generated referrals (aka 'Merlins') to social care that are unlikely to meet the threshold for service provision
- Reducing over time the number of inappropriate (and Social Worker resource intensive) statutory assessments carried out where the child and family may benefit more from a less formal early help service
- Managing the demand for higher cost interventions by identifying and responding to need earlier and preventing the escalation of risk
- Referring children to the right service the first time around based on a better understanding of their needs

6.2 For partners in other agencies and departments the hub model can provide a clear focal point for collaboration that helps them make the most efficient use of their resources. This is especially true where they themselves are already configured on a tri-borough basis (e.g. Community Health). There has been good involvement from partners in the work of the project to date and in-principle agreement to provide an appropriate level of input to a Tri-borough MASH.

6.3 For children and young people a MASH approach should mean that they are less likely to slip through the net due to an incomplete picture of their circumstances and the risks these may present. Conversely for families where it is judged that risk can be managed and mitigated through early help/intervention services it avoids drawing them unnecessarily into a statutory safeguarding process.

6.4 Summary of the benefits of MASH are:

- Vulnerable children get a better service and are better protected
- All agencies are in a better position to safeguard the vulnerable
- Allocating the right agency first time reduces demand for others
- Repeat incidents are identified and a problem solving approach is initiated
- Early identification leads to early help
- Preventing continued victimisation of the vulnerable
- Professionals have a central point for advice and are better protected by having access to a better picture

7. CONSULTATION

7.1. Consultation has taken place with the key agencies during the development of this project: they are the Police, Health, Education, Probation, Youth Offending, Housing and the LSCB.

8. EQUALITY IMPLICATIONS

8.1. The MASH information hub is an improved mechanism for undertaking tasks what we already perform: collecting information to form an assessment to guide the appropriate response; it will not have a differential effect on one or more protected group.

9. LEGAL IMPLICATIONS.

9.1. The law relating to information sharing consists of three key provisions:

- The Human Rights Act 1998 which recognises a right to respect private and family life. Therefore sharing confidential information may be a breach of an individual's Article 8 right.
- The common law duty of confidentiality which imposes a duty not to pass on confidential information to a third party.
- The Data Protection Act 1998 which restricts the processing of personal data.

- 9.2. The sharing of information without consent within MASH engages these provisions and so failure to comply with the law has the potential to result in a referral to the Information Commissioner who has the power to impose a Monetary Penalty Notice of up to £500,000
- 9.3. However qualifications exist within each provision which will allow information sharing to be lawfully justified and safeguarding children will normally fit within one of these qualifications. Under Section 11 of the Children Act 2004 key people and bodies have the duty to make arrangements which ensure their functions are discharged with regard to the need to safeguard and promote the welfare of children. This extends to the member agencies of the LSCB and the services they commission. Information sharing is fundamental for complying with this statutory regulation. There is also guidance given in Working Together to Safeguard Children (2013) which seeks to emphasise that effective safeguarding systems are those where all professionals share appropriate information in a timely way
- 9.4. Implications verified/completed by: Jade Monroe , Senior Solicitor, 0208 753 2695

10. FINANCIAL AND RESOURCES IMPLICATIONS


- 10.1 The estimated total cost of Tri-Borough MASH staffing is between £483k and £500k depending on the final proportion of qualified and non qualified staff. The contribution from each local authority will be based on usage. The estimated cost for LBHF is approximately £220k per year.
- 10.2 Funding of MASH from within existing Hammersmith and Fulham Children's Services resources has been fully explored with the conclusion that this is not feasible at this stage. Any redirection of funding to MASH would come on top of the existing MTFS savings which have already come out of staffing for 13/14. The MTFS staffing reductions are as follows:
- | | |
|-----------------------------------|------|
| Contact and assessment: | 100k |
| Family Support & Child Protection | 100k |
| Localities | 500k |
- 10.3 This MTFS reduction has led to the Contact and Assessment Service (CAS) implementing a reduction from four to three teams. This means that teams are on duty every three weeks rather than four and so have less time to follow up their assessment work.
- 10.4 In addition, in a separate development, a single front door that joins up CAS duty with Localities duty is being created. This gives universal services a single place for referrals for Early Help or Child protection. Although there is no change in total staffing resources or the level of demand, this change requires careful management to ensure that referrals

are managed safely.

- 10.5 So there are risks is stretching the CAS recourses too thinly having already moved from 4 teams to 3 and implementing the Single Front Door and MASH in a short period.
- 10.6 It is therefore proposed that we seek an invest to save input of £220k for year 1 and £110 in year 2. In addition, it is proposed that the local CAS staffing budget will pick up 50% of the MASH costs for year 2 and 100% in year 3.
- 10.7 Experience from other Local Authorities where MASH has been implemented shows that a 20% reduction in assessments should be generated; fewer assessments in the CAS service means that a proportionate reduction in staffing could be made.
- 10.8 Finance have reviewed the proposed structure and confirmed that the costs of £220k will cover the initial set up and year one running costs of the service
- 10.9 The costs show that it is reasonable to expect that the MASH service can be funded by year three from reductions in the Contact and Assessment Service assuming that the initiative is effective in reducing assessments by 20%. Should this not be the case the department will have to amend the MASH structure in order for it to funded from available resources.
- 10.10 The invest to save funding will be made available via the Efficiency Projects Reserve.
- 10.11 Implications verified by : Dave McNamara, Director of Finance and Resources. Tel 020 7361 2296

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None		

 <p>h&f the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 SEPTEMBER 2013</p>
<p>AWARD OF CONTRACT FOR THE PROVISION OF THE FRAMEWORK, SOCIAL CARE CASE MANAGEMENT SYSTEM AND FINANCE IT SYSTEM FOR COMMUNITY CARE</p>	
<p>Report of the Cabinet Member for Community Care : Councillor Marcus Ginn</p>	
<p>Open report</p> <p>A separate report on the exempt Cabinet agenda provides exempt information on estimated costs and savings resulting from the project and recommends placing the contract with the preferred supplier.</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Sue Redmond, Executive Director of Adult Social Care</p>	
<p>Report Author: Mark Hill, Business Project Analyst</p>	<p>Contact Details: 020 8753 5126</p>

1. EXECUTIVE SUMMARY

- 1.1. Frameworki is the primary social care records system used by Hammersmith & Fulham Council. The current contract between Hammersmith and Fulham Bridge Partnership (HFBP) and Corelogic for the provision of Frameworki to the Council is due to expire on 31st March 2014. Westminster (WCC) Children's and Adult Services and the Royal Borough of Kensington and Chelsea (RBKC) Adults Services have procured Frameworki from Corelogic's pan-London framework agreement and implemented a single shared version of the product. With the contract for H&F due to expire, this has given the opportunity for the Council to re-procure, through HFBP, the same service model as Westminster and RBKC directly from Corelogic, thereby supporting the Tri-borough service delivery.
- 1.2. This IT project will deliver Frameworki as an essential business application to enable Tri-borough working within Adult Social Care (ASC); it is a key enabler for cross borough working as part of the Social Care re-organisation.
- 1.3. ASC need to undertake this project now as the delivery of Frameworki will enable the convergence of Adult Social Care IT systems across Tri-borough. Frameworki convergence has already been achieved between ASC in RBKC and WCC with H&F now remaining. This will enable shared commissioning and provision, enhanced business intelligence for strategic planning and commissioning, enable efficiencies by facilitating standardised business practices across Tri-borough operations, and facilitate further integration capabilities with Health partners.
- 1.4. ASC need to upgrade to the same service model of Frameworki for the reasons given above. Children's Services have committed to moving to a hosted solution of their current version of Frameworki by April 2014, thereby creating further savings.

2. RECOMMENDATION

- 2.1. That a contribution of up to £71,696 from the Efficiency Projects reserve (Invest to Save), towards the year one, one-off project costs for the provision of Frameworki, Electronic Social Care Case Management and Finance System, be approved, with all other one off and on-going costs being met from within existing budgets.

3. REASONS FOR DECISION

- 3.1. As set out in the exempt report, the Council is recommended to renew provision of a social care case management and finance IT system under a framework agreement for Adult services. Renewed provision will enable Tri-borough working

and realise significant savings.

- 3.2. The savings will fund budgetary shortfalls in future years and generate significant benefits from Tri-borough working.
- 3.3. The renewed provision of frameworki in H&F enables the transition to a single IT system across Tri-borough for all Adult Case Management and Finance functions. It is an essential component to facilitate the implementation of common business processes across the boroughs, allowing for further efficiencies, including staff savings, and business transformation.
- 3.4. A single Tri-borough case management and finance IT system is essential for closer collaboration across Health and Social Care organisations to deliver joined-up services through shared commissioning and collaborative business intelligence.
- 3.5. A single system for ASC reduces on-going IT support costs through the sharing of common infrastructure and support resources. Future business requirements for the IT system will be simplified and more cost-effective through a single, unified IT implementation across the department.

4. BACKGROUND

- 4.1. Frameworki is the primary social care records system used within H&F Adult Social Care. Frameworki is provided by third-party supplier Corelogic. The business-critical system manages service user information and is the key system in recording statutory assessments, the recording and payment of service providers and service users, and a key information tool in the safeguarding of residents.
- 4.2. The department requires support, maintenance and management of infrastructure for Frameworki. This support includes essential day-to-day support and maintenance of the system that is critical to the business functions of the Adults Social Care department. Currently, support for Frameworki is contracted to the Council's IT partner HFBP. The current contract between HFBP and Corelogic is due to expire on 31 March 2014 with further extensions if required
- 4.3. Westminster (WCC) Children's and Adults Services & RBKC Adults Services have procured Corelogic's Frameworki system through Corelogic's pan-London framework agreement. With the exception of RBKC Children's services, the departments discontinued use of their current social care systems from April 2013.
- 4.4. Compared to the Westminster and Royal Borough of Kensington and Chelsea implementations of Frameworki, the implementation costs for this initiative are comparatively lower and more cost effective.

- 4.5. As Frameworki is used across all of the Adults (ASC) Service departments in Tri-borough, it is desirable for the Council to continue to use Frameworki, enabling savings through renewed contract terms and the sharing of support resources across Tri-borough. It also creates one single database for ASC enabling team consistency across the Tri-borough services.
- 4.6. H&F Adults Services have asked HFBP to provide an analysis of utilising Corelogic's pan-London framework agreement compared to continuing with the existing contract with Corelogic. A solution proposal provided by HFBP shows the Council will realise a small saving by re-procuring under the same terms as are offered by the pan-London framework agreement. This saving will then increase significantly over a five year period once children's services complete their migration.
- 4.7. The convergence of social care systems across the authorities is a key requirement to the delivery of significant savings in Adult Services. The contract award will realise significant overall benefits to the council in meeting corporate and departmental objectives.
- 4.8. The department has commissioned HFBP to provide a Solution Proposal design document, which details the project costs, timescales and approach.

5. PROPOSAL AND ISSUES

- 5.1. Without continued provision of Frameworki, critical business functions in Adult Social care will be unable to continue without emergency contingency plans implemented. This would lead to a higher risk to the completion of statutory assessments, the provision of services to vulnerable residents and potential for reputational damage to the council.

6. OPTIONS AND ANALYSIS

- 6.1. Alternative social care systems had been considered and evaluated by Adult Social Care across Tri-borough. However, the department concluded that a significant advantage could be gained by re-procurement of Frameworki, thereby aligning systems and support resources with RBKC and WCC.

7. CONSULTATION

- 7.1. The following have been consulted – H&F Contract Management Office, H&F Business Board, ASC Contracts & Commissioning Board, Children's Services, HFBP, ASC Finance, ASC Procurement, H&F Human Resources, H&F Risk Management, and Councillor Marcus Ginn, Cabinet Member for Community Care.

8. FINANCIAL AND RESOURCES IMPLICATIONS

- 8.1. An indicative costs paper provided by HFBP indicates savings over a five year period.
- 8.2. These savings will increase significantly over five years when Children's services complete their migration to a hosted solution.
- 8.3. Children's services have committed to completing their migration to a hosted solution by 1 April 2014 which will coincide with the Adult services IT staffing reorganisation. These activities are key to achieving the savings associated with this initiative.
- 8.4. Savings will be made by renewing the provision of Frameworki under the same terms as offered under Corelogic's pan-London framework agreement and utilising support resources across Tri-borough.
- 8.5. One off project costs are required in the first year of the project to initiate and complete transition. Efficiency Projects (Invest to Save) funds of £71,696 are required to meet one off project costs and contract transition.
- 8.6. Timescales

This table sets out the provisional timetable that the overall Frameworki Programme is working towards for migration across Tri-borough to the new Frameworki hosted system.

Business Area	Case management system	Migrated Functionality to Frameworki	Target Date for migration
WCC Adults Services	Swift	Case Management & Finance	Completed
RBKC Adults Services	ASCC	Case Management & Finance	Completed
H&F Adults Services	Frameworki	Case Management & Finance	December 2013

9. CORPORATE AND DEPARTMENTAL OBJECTIVES AND BUSINESS INTELLIGENCE

- 9.1. This project is aligned with the Council's corporate IT strategy objectives, including closer collaboration across organisations to deliver joined-up services. The deliverable of a uniform social care system meets the department's

objectives of shared service commissioning and provision.

- 9.2. The project will also achieve the department's objectives of improved and simplified business intelligence and consistent processes across Tri-borough services. This will assist the departments in further improved planning and delivery of services to residents.
- 9.3. This IT Project is aligned with the department's objective of procuring a Customer Portal for Adult Social Care, which will be used to provide residents choice and control in choosing care providers.
- 9.4. Further business intelligence products, such as Multivue using one client index will continue to be used by the Council.

10. OUTPUTS, SERVICE LEVELS AND PROVISION

- 10.1. The Tri-borough Adult Social Care IT support team will provide application and business support for Frameworki to their respective service areas. The team is resourced through Tri-borough staff and provides Frameworki and other ASC IT Application support across all three boroughs.
- 10.2. The new contract award will include contractually guaranteed levels of service with a service credit model in place for system faults. Service credits will be managed by HFBP. However, the details of this will be agreed when the restructured Frameworki Tri-borough support teams have been formally established in early 2014.
- 10.3. The Tri-borough Adult Social Care IT support team for Adult Social Care will remain in place during the project's post-implementation phases to ensure dedicated resources are available for further technical and business development of the system for each service area. As the major development phase of the system has ended and the project moves to a maintenance phase, an analysis of harmonising support resources across other service areas and directorates will be undertaken.

11. EQUALITY IMPLICATIONS

- 11.1. There are no service equalities implications as the approval does not impact the service provided to service users.

12. LEGAL IMPLICATIONS

- 12.1. The Council's IT requirements are provided by HFBP under a service contract dated 1 November 2006 (the "IT Service Contract"). Under the IT Service

Contract, HFBP contracts directly with software suppliers for the provision of IT software to the Council.

- 12.2 HFBP will enter into the new contract with Corelogic for the provision of Frameworki.
- 12.3 Further comments are provided in the exempt Cabinet report.
- 12.4 Implications completed by: Catherine Irvine, Senior Solicitor (Contracts), Telephone: 020 8753 2774.

13. RISKS

- 13.1. The re-procurement of Frameworki with Corelogic is beneficial to the council and contributes to the provision of more efficient working using one system across three boroughs. HFBP, as the agent for H&F council on IT matters together with the Adult Social Care Department, will be responsible for the effective project risk management and business continuity and disaster recovery arrangements that will be required for what is considered a critical council system.
- 13.2. Implications completed by: Michael Sloniowski, Bi-Borough Risk Manager Telephone: 020 8753 2587.

14. COMMENTS OF THE DIRECTOR FOR PROCUREMENT AND IT STRATEGY

- 14.1. There are no procurement related issues as the recommendations contained in this report relate to an order to be placed under the contract with the Council's strategic IT Partner.
- 14.2. Implications. Completed by: Joanna Angelides, Procurement Consultant, Telephone No: 0208 753 2586.

15. COMMENTS OF THE HEAD OF HUMAN RESOURCES

- 15.1 The Council will follow legislation and good practice, should TUPE apply. Completed by: Beverley Lavall, HR Relationship Manager, Adult Social Care, Recruitment and Agency Management. Telephone No: 020 8753 6389.

16. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE

- 16.1. The convergence of social care systems across the authorities is a key requirement to the delivery of significant staffing and senior management

savings in Adult Services.

- 16.2. The change in service design to support the contract will reduce the support provision provided directly by HFBP. Contractually there is an obligation to transfer the affected HFBP staff to the Council (see Para 10.2 for further details). The current HFBP "As Is" support staff costs and the HFBP "To Be" model has not yet been agreed, this will be dealt with under a separate re-organisation project which will be implemented in early 2014.
- 16.3. Formal reorganisation of the existing Frameworki Tri-borough support team and the transfer of affected HFBP staff will coincide with the end of this initiative.
- 16.4. The investment required to deliver this initiative will have a payback period of one year and four months.
- 16.5. The total cost of can be met from ASC Revenue budget and £71,696 from the Efficiency Projects Reserve
- 16.6. There will be an annual saving of £124,832 to the ASC budgets from year 2, which will contribute to the ASC services savings targets for 2014/15.
- 16.7 Further comments are provided in the exempt Cabinet report.
- 16.8 Implications completed by: Rachel Wigley, Tri-borough Director of Finance, Adult Social Care. Telephone No: 020 7361 2312.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	WPR 58446 – Frameworki Solution Proposal (exempt)	David Stoneman, Project Manager, HFBP	HFBP, 26-28 Hammersmith Grove, W6
CONTACT OFFICER: Mark Hill		NAME: Mark Hill EXT. 5126	

 <p>h&f the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>2 SEPTEMBER 2013</p>
<p>PAYMENT OPTIONS FOR LEASEHOLDER RECEIVING ESTIMATED MAJOR WORKS INVOICES</p>	
<p>Report of the Cabinet Member of Housing : Councillor Andrew Johnson</p>	
<p>Open Report</p>	
<p>Classification: For Decision Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Melbourne Barrett, Executive Director of Housing and Regeneration</p>	
<p>Report Author: Jana du Preez, Head of Leasehold Services</p>	<p>Contact Details: Tel: 020 8753 4242 E-mail: jana.dupreez@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report deals with payment arrangements for leaseholders in meeting their obligations to pay for major works under lease provisions, and in particular concessionary payment options offered by the Council to support home ownership. The report seeks to retain interest free options for resident leaseholders and to open these options to non-resident leaseholders who only own one leasehold property, whilst rationalising the number of options to streamline processes and improve cost efficiency. The report also seeks to introduce interest bearing payment options for non-resident leaseholders.
- 1.2. This report also builds on a previous Cabinet decision to introduce billing based on the estimated cost of works, with a subsequent reconciliation of the final account, rather than billing after final account which in some cases can be some years after the work has been completed. It is anticipated that moving to billing on estimate for forthcoming schemes will improve leaseholder engagement, as bills will be received whilst works are underway on site, and in the event of any required rectification, this will be able to be remedied whilst the contractor is still on site. The report also benchmarks current and proposed payment arrangements with a number of other London Boroughs.

2. RECOMMENDATIONS

- 2.1. That approval be given to offer the following menu of interest free payment options for resident leaseholders and non-resident leaseholders who own a single property:

Invoiced amount	Interest free period available
< £3,500	12 months
£3,500 - £5,500	18 months
£5,500 - £7,500	24 months
£7,500 - £10,000	30 months
> £10,000	36 months

- 2.2. That interest bearing instalment plans be offered to non-resident leaseholders who may own more than one leasehold property based on the same number of instalments as set out above.
- 2.3. That authority be delegated to the Executive Director of Housing and Regeneration, acting through the Head of Leasehold Services, to consider any applications on the grounds of hardship from leaseholders to allow additional instalments.

3. REASONS FOR DECISION

- 3.1. Cabinet agreed that major works may be billed on estimate in July 2011. Current payment options now need to be amended to ensure that the Council assists leaseholders with the payment of major works invoices whilst facilitating a steady cash flow.
- 3.2. Experience has shown that additional payment options result in improved collection rates, which in turn benefits the Council's Housing Revenue Account.
- 3.3. Rationalising repayment terms should reduce the number of transactions to be processed by the Council and will lead to a cost saving.
- 3.4. Maintaining interest free repayment options continues to support the corporate priority of supporting home ownership.

4. INTRODUCTION AND BACKGROUND

- 4.1. The London Borough of Hammersmith & Fulham (LBHF) has 4,686 leaseholders, of which 2,599 are resident and 2,087 are non-resident and are likely to be subletting, or may be absent for some other reason.

- 4.2. Leases granted obligate the Council, as landlord, to keep the buildings in which leasehold properties are located in a reasonable state of repair and decoration. The Council in turn is allowed to recover a contribution towards the expenditure in carrying out such work from the leaseholders, as service charges (which includes major works) in line with the terms of the lease.
- 4.3. Typical works may include, but are not limited to, roof repairs/replacement, window repairs/renewal, communal redecorations etc. These larger schemes of work, to blocks or estates, are known as major works, and the leaseholders in such blocks and/or estates receive major works invoices for their contributions towards the work.
- 4.4. Currently the Council invoices leaseholders for major works on receipt of the final account from the contractor. This account normally becomes available 12 months after completion of the work. However, in the case of a complex final account, perhaps involving protracted negotiation or dispute resolution as in the case of a number Decent Homes projects, this could take up to five years after completion of the works. Several problems can be caused by the delay between works being carried out and the leaseholder receiving the bill such as:
- Uncertainty around the amount due to the Council when a leaseholder sells their property which can result in inadequate retentions being held by the purchaser.
 - Leaseholders tend to dispute the works on receipt of the invoice by which time it is too late to call the contractor back to site. Any required rectification work may then have to be carried out by a Repairs contractor which has additional cost implications as the original contractor has already been paid. This adversely impacts on leaseholder satisfaction.
 - In some cases where disputes have been raised and cannot be resolved due to the lapse in time income is lost as reductions are negotiated and agreed to settle the dispute with the leaseholder in question.
 - The Council has to cash flow all payments to the contractor for an extended period of time as income from leaseholders can only be expected once the invoices are raised.
 - Payment options are triggered by the final invoice which means that full payment may not be received for 5 years after the final invoice.
- 4.5. The Cabinet agreed in July 2011 to invoice leaseholders for their estimated contributions as works start on site, with an adjustment invoice or credit note being raised on receipt of the final account. This change in practice is to be implemented for all schemes save for Decent Homes [H & F Homes Ltd previously gave an undertaking that Decent Homes contracts would only be invoiced following receipt of final account and therefore it is not proposed to move away from this commitment] and is expected to result in the following advantages:

- An improved streamlined process as the leaseholder receives a bill while work happens on site and not years after the completion of the work.
 - Leaseholders should engage more with the major works process as and when work is being carried out which should result in a higher satisfaction with the work at completion.
 - Disputes can be addressed whilst contractors are on site, again resulting in increased satisfaction.
 - Cash flow will be significantly improved, under the current method of invoicing on final account full payment may not be received for nine or more years after LBHF has made the first payment to the contractor.
 - Greater certainty on liability for prospective leaseholders.
- 4.6. Some discretion will need to remain with officers to invoice some schemes on final account. This will specifically apply to smaller value contracts where final accounts are expected to be available in less than 12 months. Final invoices will be raised soon after the completion of the works without the delay normally associated with larger schemes. It will also negate the need to calculate estimated contributions and again reconciliation within a short space of time.
- 4.7. As the Council is able to invoice major works on estimate it now needs to ensure that we facilitate payment of these invoices on mutually beneficial terms.
- 4.8. The lease is prescriptive regarding payment terms and in most cases payment in full is demanded within 21 days of issuing the bill.
- 4.9. Whilst leaseholders have the benefit of the Council acting as Managing Agent in the planning, scheduling and project management of the works, it is nevertheless recognised that major works invoices can be large. Although all leaseholders receive notices to warn them of the impending bill it is, in some cases, still extremely difficult or impossible to raise enough funds to settle the invoice within 21 days as the lease requires, and given the current economic climate more flexible terms will continue to be required to ensure full collection of the invoices.
- 4.10. A range of payment options for major works invoices are available to resident leaseholders. These were agreed by Cabinet in January 2008 and are:
- **Mandatory service charge loans (S450A Housing Act 1985):** an interest bearing loan with set criteria which are applied in accordance with the act, leaseholders are not compelled to apply for this where eligible. The loan is subject to interest at the local authority mortgage rate (fixed by the Secretary of State), which is currently 5.85%.
 - **Discretionary service charge loans (S450B Housing Act 1985):** this is available to all leaseholders and is interest bearing, currently 0.25% above the average Council lending rate for the previous year, it is reviewed each year, and may last up to 10 years.

- **Discretionary reductions:** this allows local authorities to reduce service charges to a minimum of £10,000 over 5 years subject to a number of factors. Eligibility for a reduction on hardship grounds is based on the receipt of Council Tax Benefit and/or other means tested benefits for example Income Support, Working Tax Credit etc.
- **24 month interest free repayment option:** this is for the payment of major works with proof of lack of means.
- **Voluntary charge on the property:** this is applied in cases of extreme hardship where the discretionary reduction and discretionary loan options are not suitable. It is a loan secured on the property as a charge and payment is made when the lease is assigned. Interest can either be left to accrue on the property or be a monthly payment.

4.11. Cabinet approved more lenient payment options in July 2011 for major works billed on receipt of the final account for resident leaseholders. These options include:

- a 2.5% reduction of a major works bill should payment in full be received within 30 days of the invoice date.
- an interest free repayment period for all major works charges paid within 36 months of the bill being issued subject to a signed payment agreement.
- a five year repayment period, the first three years being interest free and the remaining two years' instalments accruing compound interest at 5% above Bank of England base rate, subject to a signed payment agreement.

4.12. The above options are currently available regardless of the size of the major works invoice, allowing leaseholders access to extended payment options whether the bill is to the value of £300, £30,000 or above.

4.13. Interest-free payment options are effectively loans granted by the Council to allow payments over a longer time at the cost of lost interest charges. As such a fair balance needs to be struck between the leaseholders on the one hand and on other contributors to the Housing Revenue Account, Council tenants. It is proposed to refine the agreed interest-free payment options and it is expected that the cost of providing improved interest-free options will be offset by the increase in the collection rate. The proposed options will also bring the options more in line with those offered by other London Boroughs as detailed in Appendix 2.

4.14. The greater majority of payments received within the three or five year plans are received via Direct Debit. The cost of such a transaction to the Council is £0.03. By allowing a relatively small invoice to be paid over an extended period of time increase the cost to the Council in administering the payments. For example if an invoice to the value of £300 is paid over 36 months it will result in monthly payments of £8.33 a month at a total cost of £1.08 to the Council. This may

seem a relatively small figure but considering the number of leaseholders could quickly add up to a significant amount. Should the same invoice be limited to a repayment period of 24 months it will result in a total cost to the Council of £0.72. In order to achieve Value for Money it will be sensible to limit the number of transactions to reasonable levels.

- 4.15. Formal court proceedings are issued in instances where arrears remain unpaid. Non-payment on receipt of a judgement initiates forfeiture proceedings, which usually prompts a mortgagee to settle the outstanding balance to protect their interest. The court may also make an order to register a charge on the property. In these instances the Council will be remunerated as and when the property changes hands.
- 4.16. Leasehold Services refers an average of 116 accounts per year to Legal Services to initiate formal recovery proceedings.

5. PROPOSAL FOR FUTURE PAYMENT OPTIONS

5.1. The current process:

- 5.1.1 The payment options agreed by Cabinet in July 2011 are currently available when we invoice leaseholders for their contributions towards major works costs on receipt of the final account.
- 5.1.2 In July 2011, Cabinet also agreed that major works bills may be issued to leaseholders based on the estimated contract cost and that upon receipt of the final expenditure, a reconciling invoice or credit note be issued.

5.2. Proposed future process:

- 5.2.1 To introduce levels of interest-free payment options for estimated major works invoices dependent on the size of the invoiced amount as below:

Invoiced amount	Interest free period available
< £3,500	12 months
£3,500 - £5,500	18 months
£5,500 - £7,500	24 months
£7,500 - £10,000	30 months
> £10,000	36 months

- 5.2.2 Using the suggested parameters as set out in 5.2.1. above it will result in average monthly instalments of £242 (for invoices of less than £10,000). Please see below a table of expected instalments:

Months (up to)	Invoice Value	Monthly Instalment	Average Instalment	Overall Average Instalment
12	£250.00	£20.83		£242.16
12	£3,499.00	£291.58	£156.21	
18	£3,500.00	£194.44		
18	£5,499.00	£305.50	£249.97	
24	£5,500.00	£229.17		
24	£7,499.00	£312.46	£270.81	
30	£7,500.00	£250.00		
30	£9,999.00	£333.30	£291.65	
36	£10,000.00	£277.78		

5.2.3 Leaseholders who receive bills in excess of £10,000 will be able to make use of the 5 year payment plan. This option effectively means that in addition to the 36 month interest free payment period the remaining balance can be paid over an additional 2 years. Interest (variable) will be applied at the end of the 36 months to the residual balance. Interest is charged at 5% above the Bank Base Rate. This payment plan is subject to a signed payment agreement.

5.2.4 All the payment options, including the 2.5% discount upon prompt payment, to be revised to a period of within 21 days of the invoice so as to be co-terminus with the payment provision in the lease, will be available as soon as the invoice is released. The interest free period is available from the invoice date and will not be effected by any challenge. Importantly, no further payment options will be offered as and when the final account is released. Please refer to Appendix 1 for a summary of the current and proposed payment options.

5.2.5 Should the final account result in a credit note, and if there is already a payment plan in place, the monthly instalments will be adjusted. If all payments have already been made the credit may be refunded. If the final account results in an additional invoice this additional amount will need to be paid within the contractual timeframe prescribed by the lease, in most cases within 21 days of issue.

5.2.6 It is proposed to make these payment options available to non-resident leaseholders who only own one leasehold property to facilitate prompt payment. It will be for non-resident leaseholders to complete a declaration that they own only one property and in the event that this is discovered not to be the case they will be liable for interest charges, as per non-resident leaseholders who own more than one property.

5.2.7 It is also proposed to offer interest bearing instalment plans, charged at 5% above base rate to other non-resident leaseholders. The instalment period available will be dependent on the value of the invoice similar to that proposed in 5.2.1.

5.2.8 Despite being able to offer a number of options for leaseholders to spread the costs of major works there will in some who will still find it impossible to pay via

the proposed level of instalments. It is recommended that the Executive Director of Housing and Regeneration acting through the Head of Leasehold Services be granted delegated authority to consider cases of hardship with the view of spreading payments over a longer period.

6. IMPLEMENTATION

- 6.1. All remaining Decent Homes contracts will be billed on final account and it is proposed to offer the payment options with the amendments proposed in 5.2.1 above. As at end June 2013 final accounts were outstanding on 8 contracts affecting 448 leaseholders. A further 2 contracts have had final accounts settled but bills have not yet been sent to the 79 leaseholders.
- 6.2. Estimated invoices will be issued on schemes following Decent Homes where Final Accounts are not expected to be available within 18 months of the start on site. It is expected that the first estimated invoices for leaseholders will relate to the Planned Preventative Maintenance framework approved at Cabinet on 15 October 2012. Potentially 1,979 leaseholders will have works carried out to their property under the framework.
- 6.3. The first stage of statutory consultation on this framework, the issue of Notice of Intent, was completed in October 2011. The second stage, the issue of Notice of Proposal to appoint a contractor, was completed in February 2012. The third stage, the issue of a Notice of Estimate, will be issued for the first contracts during July and August 2013 with the actual work starting in September and October.
- 6.4. The estimated cost to leaseholders for the framework will be dependent on the details of each lease and the extent of work carried out to each property or block. Estimate bills are anticipated to be released in January 2014.
- 6.5. Early indication of the number of invoices falling within the different bands will be as follows:

Invoiced amount	Estimated % bills
< £3,500	10%
£3,500 - £5,500	30%
£5,500 - £7,500	30%
£7,500 - £10,000	20%
> £10,000	10%

- 6.6. We will be advising the leaseholders of the addition of the payment options for estimated invoices during the Area Forum meetings in October.
- 6.7. The procurement of the 2012/15 framework has been carried out in accordance with the Council's contract standing orders and EU procurement rules. Ensuring demonstrable value for money for residents has been a key priority in this process and the successful contractor, Mitie Property Services, has submitted a

very competitive tender. The contract includes financially incentivised key performance indicators whereby, under the terms of the contract, 10% of the amount payable to the contractor for each scheme is dependent upon the contractor achieving the necessary performance on resident satisfaction, defects, time and cost. A Clerk of Works will be used to carry out interim inspections while the works are ongoing. Interim valuation inspections will also be undertaken by an external Quantity Surveyor, prior to approval of any payments. Inspections will also be carried out upon completion of the works by H & F Officers and each property will be individually handed over. New technology will be embraced to improve workflow processes and create more efficient contract management.

- 6.8. A comprehensive resident communication strategy is in place to ensure that residents are kept properly informed of the timing and extent of works and are familiar with their respective project teams.
- 6.9. In blocks consisting of 100% leaseholders, the leaseholders will be encouraged to purchase the freehold of said block from the Council through its voluntary freehold reversion policy which is managed by the H&F Home Buy service. This will enable leaseholders to circumvent the charges as they will assume full responsibility for the maintenance, repairs and major works of the building which they will be able to carry out at their own convenience.

7. EQUALITY IMPLICATIONS

- 7.1. The Cabinet Decision on 18 July 2011 already confirmed that invoicing leaseholders for major works on an estimated basis is expected to have a positive impact and medium relevance to vulnerable leaseholders (in receipt of state pensions, disabled leaseholders receiving state benefits, those on maternity leave who may have fluctuating incomes and any low income households which are likely to include BME and single parent households).
- 7.2. The proposed payment options are expected to have a positive impact on the groups mentioned in 7.1 above, as extended payment terms will give more options to make payments towards the bill, and this will lower the risk of leaseholders facing legal recovery proceedings.

8. LEGAL IMPLICATIONS

- 8.1 The Council has a fiduciary duty to recover all debts owed to it. By making the proposed payments options available to leaseholders the Council is, in effect, giving loans to the leaseholders on concessionary terms. Sections 450A and 450B of the Housing Act 1985 give the Council power to make loans secured by a mortgage on the property but as there is no security these “loans” can be made further to the Localism Act 2011.

- 8.2 Section 1 of the Localism Act 2011 provides a general power of competence for local authorities and replaces the “wellbeing” powers from the Local Government Act 2000. It gives local authorities the same power to act that an individual generally has and provides that the power may be used in innovative ways. The only restriction is that there must be no statutory prohibition against the proposed action. There is no such prohibition on discounts for early payment.
- 8.3 Section 3 of the Local Government Act 1999 requires the Council as a best value authority to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.
- 8.4. Offering the payment options detailed in this report including the discount for early payment of sums due to the Council can be seen as an efficiency measure as the Council may not have to expend resources in chasing late payments.
- 8.5. Implications verified/completed by: Piero Ionta, Senior Lawyer –Litigation (x2724).

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1 It is anticipated that formally offering additional payment options to both resident and non-resident leaseholders will continue to improve the collection of major works income.
- 9.2 These options have been prepared after careful consideration of the Council’s fiduciary duty to recover debt and aim to strike a reasonable balance between the interests of leaseholders and those of council taxpayers and council housing tenants.
- 9.3 It is considered that, in common with other Councils as detailed in Appendix 2, the costs of offering payment options are more than offset by the increased collection rates which arise as a result. The estimated cost of interest foregone in offering interest free terms is £1.07m over the five years of the instalment plans. Currently 30% of leaseholders enter into instalment plans and each 5% increase in leaseholders signing up to instalment plans is expected to result in the generation of a further £163k cash over five years and additionally reduces the costs of collection.
- 9.4 Implications verified/completed by: Danny Rochford, Head of Finance, HRD, x4023

10. RISK MANAGEMENT

- 10.1 In instances where invoices remain unpaid or where payment arrangements are breached the arrears recovery process will be followed. Where judgements are

obtained and breached it may result in forfeiture proceedings or a charge registered on the property.

- 10.2 Billing on estimate is moving towards best practice. However, defending an estimated charge at a formal arena such as the Leasehold Valuation Tribunal can be difficult as the works may be complete but the final account may not yet have been agreed. A tribunal may decide to make decisions regarding the recharges based on the estimates which may result in a loss of income.
- 10.3 The majority of risk in para. 10.2 may be averted if leaseholders and officers agree to put a hold on the recovery process for the disputed element of the invoice until such a time as the final account becomes available.
- 10.4 Implications verified/completed by: Michael Sloniowski, BiBorough Risk Manager, x2587

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers (published)	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet Report dated 7 January 2008 (published)	Jana du Preez	Leasehold Services
2.	Cabinet Report agreed on 18 July 2011 (published)	Jana du Preez	Leasehold Services

LIST OF APPENDICES:

Appendix 1 – Comparison of current and proposed payment options

Appendix 2 – Comparison of payment options offered by different Boroughs

Comparison of Current and Proposed Payment Options

APPENDIX 1

Current payment options	Proposed payment options
Mandatory service charge loans (S450A Housing Act 1985)	No change
Discretionary service charge loans (S450B Housing Act 1985)	No change
Discretionary reductions	No change
24 month interest free repayment option	No change
Voluntary charge on the property	No change
A 2.5% reduction of a major works bill should payment in full be received within 30 days of the invoice date	2.5% reduction if paid within 21 days of the invoice date
Three year interest free instalment plan for all invoices	<p>To offer the following interest free instalment plans to resident leaseholders and to non-resident leaseholders who own one leasehold property.</p> <p>> £3,500 to be paid in monthly interest free instalments over a maximum period of 12 months from invoice date</p> <p>£3,500 - £5,500 to be paid in monthly interest free instalments over a maximum period of 18 months</p> <p>£5,500 - £7,500 to be paid in monthly interest free instalments over a maximum period of 24 months</p> <p>£7,500 - £10,000 to be paid in monthly interest free instalments over a maximum period of 30 months</p> <p>Invoices over £10,000 to be paid in monthly interest free instalments over a maximum period of 36 months.</p>
A five year repayment period, the first three years being interest free and the remaining two years' instalments accruing compound interest at 5% above Bank of England base rate, subject to a signed payment agreement	Invoices larger than £10,000 to be paid using the five year plan, the first three years being interest free. The remaining 2 years accruing interest at 5% above base rate, subject to a signed payment agreement
No instalment options are currently available to non-resident leaseholders	<p>To offer interest bearing instalment plans to non-resident leaseholders who may own more than one leasehold property based on the following:</p> <p>> £3,500 to be paid in monthly interest</p>

	<p>bearing instalments over a maximum period of 12 months from invoice date</p> <p>£3,500 - £5,500 to be paid in monthly interest bearing instalments over a maximum period of 18 months</p> <p>£5,500 - £7,500 to be paid in monthly interest bearing instalments over a maximum period of 24 months</p> <p>£7,500 - £10,000 to be paid in monthly interest bearing instalments over a maximum period of 30 months</p> <p>Invoices over £10,000 to be paid in monthly interest bearing instalments over a maximum period of 36 months.</p>
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Comparisons of Payment Options

APPENDIX 2

Terms offered by other Boroughs (at June 2013) in addition to Statutory Options

Terms	RBKC	Westminster	Ealing	Wandsworth	Barnet	Newham	LBHF - Current	LBHF - Proposed
Discount for prompt payment	None	None	2.5%	None	2.5% if paid within 28 days	5% if paid within 8 weeks of billing	2.5% if paid within 30 days	2.5% if paid within 21 days
Max interest free period	3 years	2 years	3 years	1 year	2 years	2 years only	3 years	3 years
Interest free payment terms	<£5,000 over 12 months >£5,000 over 36 months	£200 - £2,000 over 12 months >£2,000 over 24 months	£4,201 - £6,300 18 months £6,301 - £8,400 24 months £8,401 - £10,500 30 months >£10,500 36 months	10 months interest free	<£3,000 12 months £3,000 - £5,000 24 months	do not offer any other term except for 2 years and it is interest free	Three year interest free instalment plan for all invoices	3,500 - £5,500 over 12 months £5,500 - £7,500 over 18 months 7,500 - £10,000 over 24 months >£10,000 over 30 months

Interest rate when applied	5.13% variable and calculated twice yearly (Generally is 2% above NatWest base rate)	Base +1% (over £5,000 plus admin fee £352.50)	5.6% (over £12,601 plus admin fee £290)	6% over Barclays base but only charged on serious arrears (up to 5 years)	4.25%	Do not apply interest until case referred to court. The value will be determined by courts.	Base + 5% for years 4 & 5	Base + 5% for years 4 & 5 (in the case of estimated bills >£10,000)
Invoice major works on Estimate or Final Account	Estimate	Estimate	Final Account	Estimate	Estimate	Final Account	Final Account	Estimate
Interest free options available to non-resident leaseholders	Yes	No	No	No	No	No	No	Yes, to leaseholders with one non-resident property

NOTICE OF CONSIDERATION OF A KEY DECISION

In accordance with paragraph 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Cabinet hereby gives notice of Key Decisions which it intends to consider at its next meeting and at future meetings. The list may change between the date of publication of this list and the date of future Cabinet meetings.

NOTICE OF THE INTENTION TO CONDUCT BUSINESS IN PRIVATE

The Cabinet also hereby gives notice in accordance with paragraph 5 of the above Regulations that it intends to meet in private after its public meeting to consider Key Decisions which may contain confidential or exempt information. The private meeting of the Cabinet is open only to Members of the Cabinet, other Councillors and Council officers.

Reports relating to key decisions which the Cabinet will take at its private meeting are indicated in the list of Key Decisions below, with the reasons for the decision being made in private. Any person is able to make representations to the Cabinet if he/she believes the decision should instead be made in the public Cabinet meeting. If you want to make such representations, please e-mail Katia Richardson on katia.richardson@lbhf.gov.uk. You will then be sent a response in reply to your representations. Both your representations and the Executive's response will be published on the Council's website at least 5 working days before the Cabinet meeting.

KEY DECISIONS PROPOSED TO BE MADE BY CABINET ON 2 SETEMBER 2013 AND AT FUTURE CABINET MEETINGS UNTIL APRIL 2014

The following is a list of Key Decisions which the Authority proposes to take at the above Cabinet meeting and future meetings. The list may change over the next few weeks. A further notice will be published no less than 5 working days before the date of the Cabinet meeting showing the final list of Key Decisions to be considered at that meeting.

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

- Any expenditure or savings which are significant (ie. in excess of £100,000) in relation to the Council's budget for the service function to which the decision relates;
- Anything affecting communities living or working in an area comprising 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 Key Decisions List will be updated and published on the Council's website on a monthly basis.

NB: Key Decisions will generally be taken by the Executive at the Cabinet.

*If you have any queries on this Key Decisions List, please contact
Katia Richardson on 020 8753 2368 or by e-mail to katia.richardson@lbhf.gov.uk*

Access to Cabinet reports and other relevant documents

Reports and documents relevant to matters to be considered at the Cabinet's public meeting will be available on the Council's website (www.lbhf.org.uk) a minimum of 5 working days before the meeting. Further information, and other relevant documents as they become available, can be obtained from the contact officer shown in column 4 of the list below.

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 list by contacting the officer shown in column 4. 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) will be shown in the Cabinet agenda.

LONDON BOROUGH OF HAMMERSMITH & FULHAM: CABINET 2013/14

Leader (+ Regeneration, Asset Management and IT):	Councillor Nicholas Botterill
Deputy Leader (+ Residents Services):	Councillor Greg Smith
Cabinet Member for Children's Services:	Councillor Helen Binmore
Cabinet member for Communications:	Councillor Mark Loveday
Cabinet Member for Community Care:	Councillor Marcus Ginn
Cabinet Member for Housing:	Councillor Andrew Johnson
Cabinet Member for Transport and Technical Services:	Councillor Victoria Brocklebank-Fowler
Cabinet Member for Education:	Councillor Georgie Cooney

Key Decisions List No. 11 (published 2 August 2013)

KEY DECISIONS LIST - CABINET ON 2 SEPTEMBER 2013

The list also includes decisions proposed to be made by future Cabinet meetings

Where column 3 shows a report as EXEMPT, the report for this proposed decision will be considered at the private Cabinet meeting. Anybody may make representations to the Cabinet to the effect that the report should be considered at the open Cabinet meeting (see above).

* 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.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet <i>(other relevant documents may be submitted)</i>
September				
Cabinet	2 Sep 2013	<p>Proposed Property Contract - Award of Contracts to Successful Bidders</p> <p>A new Framework Agreement for Property Services with Tri-borough access</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	2 Sep 2013	<p>Frameworkki - Re-procurement - Contract Award</p> <p>To approve new contract award for provision of adult social care IT system (Frameworkki)</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the</p>	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	2 Sep 2013 Reason: Affects 2 or more wards	2013_14 Corporate Revenue Monitoring Month 2 Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013_14.	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	2 Sep 2013 Reason: Expenditure more than £100,000	Hammersmith Library Refurbishment and Relocation of Archives Procurement To seek approval for the Scape framework procurement route for the Hammersmith Library refurbishment and the relocation of the archives.	Deputy Leader (+ Residents Services) Ward(s): Avonmore and Brook Green; Hammersmith Broadway Contact officer: David Ruse Tel: 02087533876 David.Ruse@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	2 Sep 2013 Reason: Expenditure more than £100,000	Capital Programme 2012-13 - Quarter 4 Outturn To report outturn for the fourth quarter. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	2 Sep 2013 Reason: Affects 2 or more wards	Payment Options For Leaseholder Receiving Estimated Major Works Invoices Leaseholders are currently charged for major works after completion of the contract and are able to make use of a number of payment options to pay the invoices. Cabinet has already agreed for major works to be invoiced on an interim basis but before the process is initiated the payment options will need to be agreed.	Cabinet Member for Housing Ward(s): All Wards Contact officer: Kathleen Corbett Tel: 020 8753 3031 Kathleen.Corbett@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	2 Sep 2013 Reason: Expenditure more than £100,000	Tri-Borough Multi Agency Safeguarding Hub (MASH) An invest to save initiative to develop more effective safeguarding services	Cabinet Member for Children's Services Ward(s): All Wards Contact officer: Steve Miley Tel: 020 8753 2300 steve.miley@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	2 Sep 2013 Reason: Expenditure more than £100,000	Phoenix Leisure Centre The Council's existing arrangement with Greenwich Leisure Limited (GLL) whereby GLL manages public use, including usage by other schools, of the swimming pool and gym facilities at Phoenix High School is due to expire 31st December 2013. Under Contracts Standing Orders (CSOs), the Council would normally run a competition to determine who should manage this arrangement on the Council's behalf after December 2013, should the school wish to continue making the facilities available for	Deputy Leader (+ Residents Services) Ward(s): Wormholt and White City Contact officer: David Page Tel: 020 8753 2125 david.page@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		<p>others to use.</p> <p>Approval is therefore sought for a number of interim measures. Namely, the waiving of Contracts Standings Orders to allow the negotiation of a new interim contract with GLL, at potentially reduced cost, for a period of no more than 19 months.</p>		

October

Cabinet	14 Oct 2013	<p>Renewal of Serco waste contract</p> <p>Decision on whether to extend current waste collection and street cleansing contract with Serco beyond 2015, as allowed under current contract clause.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	14 Oct 2013	<p>Business Intelligence</p> <p>Business case setting out the recommended option to establish a Tri-borough business intelligence service.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the</p>	Deputy Leader (+ Residents Services), Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	jane.west@lbhf.gov.uk	
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	<p>IFA Framework for Children's Services</p> <p>Requesting permission to Call-off the West London Alliance IFA Framework for Children's Services.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Children's Services</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Terry Clark Tel: 020 8578 5642 terry.clark@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	14 Oct 2013 Reason: Affects 2 or more wards	<p>Property Asset Management Plan 2013-2016</p> <p>This is an updated plan which was approved by Cabinet in 2008. It is set out in the Council's Strategy for all properties held by the Council except the Council's Housing Stock.</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Miles Hooton Tel: 020 8753 2835 Miles.Hooton@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	TfL funded annual integrated transport investment programme 2014/15 This report refines and details the integrated transport programme which forms part of the council's approved transport plan (LIP2) to be undertaken in 2014/15 funded by Transport for London (TfL). This report contains a new three year delivery plan 2014/15 to 2016/17, interim LIP2 targets and a submission for the Mayors cycling vision fund.	Cabinet Member for Transport and Technical Services Ward(s): All Wards Contact officer: Nick Boyle Tel: 020 8753 3069 nick.boyle@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	14 Oct 2013 Reason: Affects 2 or more wards	2013-14 Corporate Revenue Monitoring Month 3 and 4 Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013-14.	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	Capital Budget Monitor 2013/14 - Quarter 1 To report the forecast outturn and projected CFR. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
Cabinet	14 Oct 2013	<p>Moving Older People's Day Services to Personal Budgets and Direct Payments</p> <p>This report updates the progress on the process of moving older people's day services, and in particular day centres from block contracts to a more personalised purchasing approach for individuals.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet	14 Oct 2013	<p>Disposal of 87, Lime Grove</p> <p>The report seeks permission for the disposal of a Council owned building at 87, Lime Grove and the bid for capital funding to enable the resettlement of the current tenants.</p>	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet	14 Oct 2013	<p>Extension of H&F Schools Meal Contract with Eden Foodservices Ltd</p> <p>Approval is sought to execute an option to extend the current schools meals contract with Eden Foodservices Ltd for a further year until 2nd November 2014. Eden's existing performance is good. The recommended contract extension</p>	Cabinet Member for Education	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background
	Reason: Expenditure more than £100,000		Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		is considered to represent good value for money to the Council and local schools, and will also enable contract alignment with RBKC and WCC and delivery of a Tri-borough procurement in 2014.		papers to be considered.
Cabinet	14 Oct 2013 Reason: Affects 2 or more wards	<p>Re-alignment of the Quadron Ground Maintenance Contract</p> <p>The Council's existing arrangement with Quadron Services LTD (QSL) whereby QSL manages the ground maintenance in parks runs until 30th April 2015. There is also the ability to extend the contract for a further seven years until 30th April 2022.</p> <p>Lead Cabinet Members have already signed off the recommendations of the Parks Service Review which included aligning the contract end date for LBHF with that of the RBKC end date 31st March 2021.</p> <p>Approval is therefore sought for realigning the end date for the ground maintenance contract in parks to 31st March 2021.</p>	<p>Deputy Leader (+ Residents Services)</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: David Page Tel: 020 8753 2125 david.page@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	<p>Tender for the Provision of a Vehicle Removal Service and the Operation of a Car Pound Service</p> <p>Tender to provide a car pound and vehicle removal service.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption</p>	<p>Cabinet Member for Transport and Technical Services</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Osa Ezekiel Osa.Ezekiel@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		outweighs the public interest in disclosing the information.		
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	<p>Future Options to enhance Revenue Collection</p> <p>To propose a new approach to revenue collection across H&F.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <p>Ward(s): All Wards</p> <p>Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	14 Oct 2013 Reason: Expenditure more than £100,000	<p>Moving the Uniform IT system to a managed services platform</p> <p>Proposal recommending H&F move the Idox Uniform IT system used by Environmental Health, Planning Services and Building Control to a more cost effective managed services platform.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Transport and Technical Services</p> <p>Ward(s): All Wards</p> <p>Contact officer: Nick Austin Tel: 020 8753 nick.austin@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Cabinet	14 Oct 2013	<p>Request to award a 3 year interim contract to Notting Hill Housing for Elm Grove House</p> <p>Request to waive the contract standing orders and award Notting Hill Housing a 3 year interim contract for the provision of Extra Care services at Elm Grove House.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): Hammersmith Broadway	
Cabinet	14 Oct 2013	<p>Western Riverside Waste Authority (WRWA) – Review Outcomes</p> <p>This report seeks Member views regarding the outcome of the WRWA reviews, including proposed Partnership Agreement that is being drawn up amongst the four Western Riverside Waste Authority (WRWA) constituent Councils and WRWA.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in</p>	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	

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		maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	14 Oct 2013	Yarrow Housing Request to award Yarrow Housing an interim two year contract for the provision of accommodation services to people with learning disabilities in Hammersmith & Fulham. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet	14 Oct 2013	Housing Estate Investment Plan (HEIP) Update This report provides and update on the Housing Estate Investment Plan proposals for Emlyn Gardens, Sullivan Court and Becklow Gardens.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): Askew; Sands End	
November				
Cabinet	11 Nov 2013	2013_14 Corporate Revenue Monitoring Month 5 Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013_14.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting
	Reason: Affects 2 or more wards		Ward(s): All Wards	

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			Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	documentation and / or background papers to be considered.
Cabinet	11 Nov 2013	Economic Development Priorities This report seeks members' approval for future economic development priorities which respond to the borough's longer term economic growth and regeneration vision and makes recommendations on use of Section 106 funds to achieve key outcomes.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
December				
Cabinet	9 Dec 2013	Housing and Regeneration Joint Venture - Selection of Preferred Partner Following an OJEU procurement, final selection of a private sector partner to form a Joint Venture with the Council. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	

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Cabinet	9 Dec 2013	2013_14 Corporate Revenue Monitoring Month 6 Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013_14.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
			Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	
Cabinet	9 Dec 2013	Housing Development Business Plan 2013-2017 Q2 2013/14 Update The Housing Development Business Plan 2013-17 was approved by Cabinet on 24 June 2013. This report updates the Cabinet on progress against the Business Plan, sets out CMDs approved and other delegated decisions approved since the Business Plan and recommends any Cabinet decisions required. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
			Contact officer: Mel Barrett, Daniel Jones Melbourne.Barrett@lbhf.gov.uk, Daniel.Jones@lbhf.gov.uk	

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January 2014				
Cabinet	6 Jan 2014	Economic Development Priorities This report seeks members' approval for future economic development priorities which respond to the borough's longer term economic growth and regeneration vision and makes recommendations on use of Section 106 funds to achieve key outcomes.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	6 Jan 2014	Letting of a concession to monetise the ducting within the council owned CCTV network Monetising LBHF CCTV network PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
Cabinet	6 Jan 2014	2013_14 Corporate Revenue Monitoring Month 7 Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013_14.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	

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Cabinet	6 Jan 2014	<p>Tri-borough ICT services contract award</p> <p>The call-off from a framework contract, let by WCC, for three ICT services, distributed computing, data centre and service desk and service management, in line with the Tri-borough ICT strategy.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
March 2014				
Cabinet	3 Mar 2014	<p>2013_14 Corporate Revenue Monitoring Month 8</p> <p>Report on the projected outturn for both the General Fund and the Housing Revenue Account for 2013_14.</p>	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects 2 or more wards		Ward(s): All Wards	
April 2014				
Cabinet	7 Apr 2014	<p>2013_14 Corporate Revenue Monitoring Month 10</p> <p>Report on the projected outturn for</p>	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of

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	Reason: Affects 2 or more wards	both the General Fund and the Housing Revenue Account for 2013_14.	Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	the meeting and will include details of any supporting documentation and / or background papers to be considered.

NOTICE OF CONSIDERATION OF A KEY DECISION (published 6 August 2013)

In accordance with paragraphs 9 and 10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Cabinet hereby gives notice of an additional Key Decision which it intends to consider at its next meeting.

ADDITIONAL KEY DECISION PROPOSED TO BE MADE BY CABINET ON 2 SEPTEMBER 2013

*If you have any queries on this Key Decisions List, please contact
Katia Richardson on 020 8753 2368 or by e-mail to katia.richardson@lbhf.gov.uk*

This decision 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.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
Cabinet	2 Sep 2013	Treasury Report 2012/13 Outturn This report provides information on the Council's debt, borrowing and investment activity for the financial year ending 31st March 2013.	Councillor Nicholas Botterill	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Full Council	23 Oct 2013		Ward(s): All Wards	
	Reason: Affects 2 or more wards		Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	