

Cabinet



Agenda

**MONDAY
10 SEPTEMBER
2018
7.00 pm**

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

Membership

Councillor Stephen Cowan, Leader of the Council
Councillor Sue Fennimore, Deputy Leader
Councillor Larry Culhane, Cabinet Member for Children and Education
Councillor Andrew Jones, Cabinet Member for the Economy and the Arts
Councillor Wesley Harcourt, Cabinet Member for the Environment
Councillor Max Schmid, Cabinet Member for Finance and Commercial Services
Councillor Ben Coleman, Cabinet Member for Health and Adult Social Care
Councillor Lisa Homan, Cabinet Member for Housing
Councillor Adam Connell, Cabinet Member for Public Services Reform
Councillor Sue Macmillan, Cabinet Member for Strategy

**Date Issued
30 August 2018**

If you require further information relating to this agenda please contact:
Katia Richardson, Committee Coordinator, tel: 020 8753 2368 or email:
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Reports on the open Cabinet agenda are available on the Council's website: www.lbhf.gov.uk/councillors-and-democracy

PUBLIC NOTICE

The Cabinet hereby gives notice of its intention to hold part of this meeting in private to consider items (12 to 14) 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 **4-9** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to Kayode Adewumi 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 5 September 2018.**

COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 12 September 2018**. Items on the agenda may be called in to the relevant Accountability Committee.

The deadline for receipt of call-in requests is: **Monday 17 September 2018 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 17 September 2018**.

Cabinet Agenda

10 September 2018

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1. MINUTES OF THE CABINET MEETING HELD ON 9 JULY 2018	5 - 14
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>	
4. INSURANCE TENDER STRATEGY FOR 2019-24	15 - 27
5. CORPORATE REVENUE MONITOR 2018/19 MONTH 2 - 31ST MAY 2018	28 - 59
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8.	OLIVE HOUSE EXTRA CARE HOUSING PROCUREMENT STRATEGY	70 - 76
9.	LOCAL ENFORCEMENT PLAN (PLANNING)	77 - 95
10.	FORWARD PLAN OF KEY DECISIONS	96 - 110
11.	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.

- | | | |
|------------|---|--|
| 12. | CORPORATE PLANNED MAINTENANCE PROGRAMME (CPMP) 2018/2019: EXEMPT ASPECTS (E) | |
| 13. | VARIATION TO THE DUCT ASSET CONCESSION CONTRACT: EXEMPT ASPECTS (E) | |
| 14. | OLIVE HOUSE EXTRA CARE HOUSING PROCUREMENT STRATEGY: EXEMPT ASPECTS (E) | |

London Borough of Hammersmith & Fulham

Cabinet

Minutes



Monday 9 July 2018

PRESENT

Councillor Stephen Cowan, Leader of the Council
Councillor Sue Fennimore
Councillor Ben Coleman
Councillor Larry Culhane
Councillor Wesley Harcourt
Councillor Andrew Jones
Councillor Lisa Homan
Councillor Sue Macmillan
Councillor Max Schmid

ALSO PRESENT

Councillor Victoria Brocklebank-Fowler
Councillor Andrew Brown

11. MINUTES OF THE CABINET MEETING HELD ON 4 JUNE 2018

RESOLVED:

That the minutes of the meeting of the Cabinet held on 4 June 2018 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

12. APOLOGIES FOR ABSENCE

Apologies for Absence were received from Councillor Adam Connell.

13. DECLARATION OF INTERESTS

RESOLVED:

Councillor Max Schmid declared a significant interest in respect of Ark Conway Primary Academy School - Section 278 Highway Works, as he was a Governor of Ark Conway until March 2008. He considered that this did not give rise to a perception of a conflict of interests and, in the circumstances it would be reasonable to participate in the discussion and vote thereon.

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.

14. HAMMERSMITH & FULHAM COUNCIL BUSINESS PLAN 2018-2022

RESOLVED:

That Cabinet approves the Hammersmith & Fulham Council Business Plan 2018 - 2022.

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.

15. TREASURY OUTTURN REPORT 2017/18

RESOLVED:

That this 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.

16. CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2017/18 (OUTTURN)

RESOLVED:

To note the capital out-turn for the 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.

17. 2017/18 CORPORATE REVENUE OUTTURN REPORT

RESOLVED:

1. To note, subject to audit, the General Fund overspend of £1.660m net of unused budgeted contingency. This has reduced to a consolidated net break even position through draw down of additional section 106 resources of £1.6m.
2. To note the provisional HRA variance is £0.052m (table 2). Overall HRA general balances have reduced by £10.183m to £9.946m. This is attributable to the budget variance of £0.052m, the budgeted use of balances of £1.382m and the transfer of £8.749m to specific reserves.
3. To note that general fund earmarked reserves are £94.99m and general balances are £19.0m as at 31st March 2018, subject to audit.
4. To note the capital outturn of £73.6m.

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.

18. **SELF-SERVICE & ASSOCIATED SOFTWARE PROCUREMENT**

RESOLVED:

1. To approve the divergence from the Integrated Management Systems Procurement Strategy and Business Case approved by it in January 2018 to permit separate tendering of Lot 1, use of the restricted procedure and adoption of the award criteria referred to in paragraph 5.2 below.
2. To delegate authority to award the contract to the Director of Residents' Services, in consultation with the Cabinet Member for Finance and Commercial Services.
3. To approve the implementation of the Self Service solution in respect of the planned phases to replace the current solution and provide an enhanced digital platform.
4. Following completion of the implementation phases to enable rollout of the Self Service digital platform to other service areas at the discretion of the Council. These "optional services" will be defined under the Contact Channel Improvements programme and will be subject to full business cases and further decision papers.
5. Additional areas of Authority Services that may use the self service solution during the Contract term include without limitation:
 - Revenues and Benefits (where not covered by Phase one or Phase 2)
 - Environmental Services
 - Parking
 - Housing
 - Adult Social Care
 - Children's
 - Human Resources

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.

19. APPROPRIATION OF WATERMEADOW COURT AND EDITH SUMMERSKILL HOUSE

RESOLVED:

This report has been withdrawn.

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.

20. HOUSING REVENUE ACCOUNT 2017/18 OUTTURN

RESOLVED:

1. To note the HRA provisional overspend of £0.052m, which is after the transfer of £6.229m of underspends to HRA reserves.
2. To note the overall increase in the HRA cashable reserves of £6.229m resulting in an overall balance of £51.875m as at 31st March 2018, subject to audit.
3. To note the Housing capital programme outturn in the HRA of £37.914m.

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.

21. WEST KING STREET RENEWAL

RESOLVED:

That Cabinet agrees:

- 1.1. To delegate authority to the Strategic Director, Growth and Place, in consultation with the Cabinet Member for the Economy and the Arts, the

Cabinet Member for Finance and Commercial Services, the Chief Executive and the Strategic Director, Finance and Governance, to complete negotiations with A2 Dominion Housing Association and their subsidiary companies A2 Dominion Homes Ltd and A2 Dominion Developments Ltd with regard to the West King Street Renewal in order to enter into a Conditional land sale agreement, the conditions for which are set out in the exempt part of the report, paragraphs 4.8 and 4.9 of the report. This is subject to:

- The approval of a satisfactory business case for the Project that demonstrates the value for money, affordability, and financial benefits of the project
- A review of the business case by external Financial Advisors on the project (Deloitte)
- Receipt of tax advice from Deloitte
- Satisfaction of Best Consideration, approved by the Borough Valuer

- 1.2. To note that the land to be included in the CLSA is set out in Appendix 1.
- 1.3. To note that satisfying the conditions in the conditional land sale agreement and set out in the body of the report will require a future approval of budgets and business case for those budgets in accordance with the Council's constitution and financial regulations.
- 1.4. To delegate authority to the Chief Executive and Strategic Director, Growth and Place, in consultation with the Cabinet Member for the Economy and the Arts, the Cabinet Member for Finance and Commercial Services, and the Strategic Director, Finance and Governance, to identify suitable decant accommodation and pursue negotiations for the lease or purchase of this accommodation following which recommendations will be made to Cabinet for approval.
- 1.5. To note completion of a lease or purchase is subject to a future Cabinet or Full Council approval as appropriate including approval of the necessary budgets, and satisfaction of the business case process set out in 1.1 above.
- 1.6. To approve a budget of £276,000 for the Decant Accommodation Team, to prepare for the decant of staff.
- 1.7. To approve a budget of £100,000 for financial advice on the development of the final business case and to delegate authority to the Strategic Director, Growth and Place, to extend the contract with Deloitte for Financial Advice as required.
- 1.8. To approve a budget of £100,000 for the completion of survey and technical work on the existing Town Hall.

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. ARK CONWAY PRIMARY ACADEMY SCHOOL - SECTION 278 HIGHWAY WORKS

Councillor Max Schmid declared a significant interest in respect of this item as he was a Governor of Ark Conway until March 2008. He considered that this did not give rise to a perception of a conflict of interests and, in the circumstances it would be reasonable to participate in the discussion and vote thereon.

RESOLVED:

To approve the implementation and estimated cost of the Section 278 highway works for the new Ark Conway Primary Academy School on Hemlock Road.

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. UPGRADE OF CARELINE SERVICE'S COMMUNITY ALARM MONITORING SYSTEM TO A DIGITAL PLATFORM

RESOLVED:

1. That in accordance with Hammersmith & Fulham Contract Standing Order 3.1 a waiver of the requirements of the Contract Standing Orders to competitively tender the proposed contract be approved by the Leader and appropriate Cabinet Member on the grounds that it is in the council's overall interest as detailed in the body of the report.
2. That in accordance with Hammersmith & Fulham Contract Standing Order 17.3.2 Cabinet awards the contract for the upgraded provision and ongoing maintenance to Legrand Electric Ltd. to regularise the current service provision through a sustainable contract while significantly enhancing the service and eliminating the risks inherent.

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. WEST KENSINGTON AND GIBBS GREEN NEIGHBOURHOOD PLAN AREA AND FORUM DESIGNATION

RESOLVED:

It was noted that Cabinet had taken account of the TfL late representation, the officer's response and the request for an additional sentence to be added to the report. This information was sent to Cabinet Members by email on Wednesday 4 July and is outlined below:

The Council received comments from Transport for London (TfL) on 3rd July 2018 requesting that a strip of land to the north-eastern boundary of the proposed neighbourhood area be removed. TfL advise that the strip of land is TfL operational land and in their view does not meet the requirements for defining the boundaries of a neighbourhood area as set out in national guidance. They go on to advise that should the boundary remain unchanged then any neighbourhood plan should treat this area consistent with its status as operational land and in accordance with London Plan and local plan policies.

LBHF Planning Officer's response: The strip of land referred to by TfL is relatively small in the context of the wider proposed neighbourhood area and its current operational use is not considered to justify a revision to the boundary for the proposal to sit comfortably with national guidance and other material considerations. Officers are also mindful that prior to adoption a proposed neighbourhood plan would be subject to public consultation, an independent examination and finally a referendum.

Officers requested to insert the words in bold below into the second sentence of paragraph 4.28 of the report, which the Cabinet agreed:

“The aims of the proposed forum are not considered to be in conflict with the policy context for the site and we cannot assume the current planning permission, **in relation to significant works to the housing estates**, will be implemented.”

RESOLVED:

1. That Cabinet agrees to:
 - designate the proposed area as applied for; and

- designate the proposed neighbourhood forum.
2. “To note that Cabinet has considered the report, the TfL late representation, the officer’s response and has agreed to their request to insert the words in bold below into the second sentence of paragraph 4.28 of the report:

“The aims of the proposed forum are not considered to be in conflict with the policy context for the site and we cannot assume the current planning permission, **in relation to significant works to the housing estates,** will be implemented.”

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. FORWARD PLAN OF KEY DECISIONS

The Key Decision List was noted.

26. 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.]

27. EXEMPT MINUTES OF THE CABINET MEETING HELD ON 4 JUNE 2018 (E)

RESOLVED:

That the minutes of the meeting of the Cabinet held on 4 June 2018 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

28. WEST KING STREET RENEWAL: 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.

29. UPGRADE OF CARELINE SERVICE'S COMMUNITY ALARM MONITORING SYSTEM TO A DIGITAL PLATFORM: 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.

Meeting started: 7.00 pm

Meeting ended: 7.05 pm

Chair

London Borough of Hammersmith & Fulham CABINET 10 SEPTEMBER 2018		
INSURANCE TENDER STRATEGY FOR 2019-24		
Cabinet Member for Finance and Commercial Services - Councillor Max Schmid		
Open Report		
Classification: For decision Key Decision: Yes		
Consultation: Policy & Strategy, Legal, Finance, Business, Commercial, IT, Risk Management		
Wards Affected: All		
Accountable Director: David Hughes, Director of Audit, Fraud, Risk and Insurance		
Report Author: Neil Walker, Assistant Head of Insurance	Contact Details: Tel: 07739 316319 E-mail: neil.walker@rbkc.gov.uk	

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the proposed strategy upon which sovereign insurance contracts for Leaseholder, Property, Combined Liability, Directors' & Officers' Liability and Engineering Inspection will be procured for contract commencement dates of 1st April 2019.
- 1.2 The strategy will entail a detailed tender process in conjunction with the Council's retained insurance advisors and with close engagement with the LBHF procurement function to ensure the Council's requirements are fully incorporated, ensuring that each of the councils is priced according to its own risk profile but benefits from bulk discounts sought from tenderers and efficiencies arising from sharing operational arrangements provided by the shared Insurance service.
- 1.3 The Council is committed to protecting the safety and wellbeing of its residents, in line with the Council's vision to ensure it obtains best value for residents by being ruthlessly financially efficient. The over-arching aims of this proposed tender are to put in place appropriate insurance cover for the Council and its residents, achieve financial efficiencies in the process of arranging the cover and to carry out appropriate section 20 consultation and liaison with the Council's leaseholders to ensure they are appropriately insured and recharged.

2 RECOMMENDATIONS

- 2.1 To approve a waiver to Contract Standing Orders 7 – 10 and 11 – 16 concerning the conduct of the tendering process, on the basis that the process will be conducted in accordance with the EU public procurement rules and otherwise the requirements of the Contract Standing Orders of the RB of Kensington & Chelsea as lead borough for the procurement will apply, on the basis that that this is in the overall interests of the Council (as provided for within Contract Standing Order 3) in relation to the following four contracts:
- Leaseholder buildings insurance.
 - Property insurance.
 - Combined Liability insurance.
 - Directors' & Officer's Liability insurance.
- 2.2 To approve the proposed procurement strategy for tendering the Council's insurance requirements and allied engineering inspection services set out in the report.
- 2.3 To approve the inviting of tenders on a collaborative basis for the following LBHF insurance requirements:
- Leaseholder buildings insurance.
 - Property insurance.
 - Combined Liability insurance.
 - Directors' & Officer's Liability insurance.
- 2.4 To approve a delegation to the Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance and Commercial Services to approve the award of the contracts listed in paragraph 2.3 above.
- 2.5 To approve a waiver of the requirements of Contract Standing Order 19 concerning the format of the contract documents and the requirement for the contract to be executed as a deed, on the basis that there are circumstances which are genuinely exceptional (as provided for within Contract Standing Order 3) as further explained in paragraph 4.11 of the report.
- 2.6 To approve a delegation to the Strategic Director of Finance and Governance to waive the Contract Standing Orders in order that a direct award of contract can be awarded for the Engineering Inspection contract for a further year with the existing supplier.
- 2.7 To approve a delegation to the Strategic Director of Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, to award a contract for the Engineering Inspection contract for a period of one year from 1 April 2019.

3 REASONS FOR DECISION

- 3.1 At last renewal the Leaseholder insurers, Ocaso, increased the premium by 49.92% (including Insurance Premium Tax) for 2018/19. This broke the terms of the Long-Term Agreement (LTA) in place for the current contract, which runs from 1st April 2016 to 31st March 2021, which means that the Council can only choose to either continue with the current arrangement with the prospect of further increases over the term of the contract or to re-tender the contract. This premium is funded by the Housing Revenue Account (HRA) and then passed on in full to the Council's leaseholders. The Council now needs to re-tender the policy: by continuing with this policy arrangement into 2019/20, while the LTA is broken, there is a risk that further increases in premiums will be imposed by the current provider which would then have to be passed on to leaseholders and the potential challenge as to why we have not retested the market to ensure best value.
- 3.2 At last renewal the Property and Combined Liability insurers, Protector, applied a 25% rate increase to the Liability policy for 2018/19. This broke the terms of the LTA in place for the current contract, which runs from 1st April 2017 to 31st March 2022, which means that the Council can only choose to either continue with the current arrangement with the prospect of further increases over the term of the contract or to re-tender the contract. The Council recently took the decision to restructure the Liability cover and now buys Liability excess layers with other insurers from £25m-£175m. The Council has also increased its housing "sums insured" figures, further increasing the premium. These premiums are funded by the General Fund and internally recharged. Bearing in mind these premium increases, the Council now has the opportunity to re-tender these policies to mitigate the risk of further premiums increases and to potentially restructure its cover to ensure best value and consider options such as including the Leasehold building cover in the general Property cover.
- 3.3 The Directors' & Officers' Liability premium has increased from £11,000 to £35,000 due to new entities such as LBHF Family Support Services Ltd being added to the policy and the external Directors' & Officers' market having hardened due to changing market conditions, particularly in the UK construction sector, with the Grenfell Tower fire and the Carillion collapse particular factors. Tendering this policy will ensure best value is being obtained.
- 3.4 The Engineering Inspection contract has been with the existing supplier, Bureau Veritas, for several years and is due to be re-tendered. This contract delivers statutory inspections to Council assets, including lifts, with continuity an important consideration. There is a financial and strategic case to approve the direct award of a one-year contract from 1 April 2019, subject to receipt of acceptable renewal terms through negotiation (likely to be less than a 5% increase and related only to salaries and inflation). Financially, a tender is unlikely to deliver cost savings because the nature of the contract is an inspection contract and the main cost is the inspecting employees. The cost of this contract has been stable for several years and increased by only 4.4% for 2018/19. Strategically, there is a considerable risk in moving contracts and successfully transferring the day-to-day inspection practices and location of assets for inspection across. Additionally, bidders may need to employ staff to resource a new contract after appointment (very few providers have spare capacity) meaning disruption in the first few months as the contract beds down. Previously, only two bids were received and the difference in costs was significant.

4 PROPOSAL AND ISSUES

- 4.1 The Council's insurance operation is discharged via a shared Insurance Service. The service delivery is fully integrated, with employees delivering service response to all three councils based on specialisation.
- 4.2 In view of the potential for catastrophic financial loss to Council budgets arising from damage to assets or the need to meet compensation awards for injury to the public or employees it is prudent to cap the financial exposure from any one event or occurrence by transferring some of this financial risk through the purchase of insurance from suitably regulated and qualifying providers.
- 4.3 The current providers of the insurances under consideration are:
- Leaseholder – Ocaso S. A.
 - Property – Protector Insurance.
 - Combined Liability – Protector Insurance & insurers on the Lloyd's Market.
 - Directors' & Officers' Liability – Chubb European Group Plc & insurers on the Lloyd's Market.
 - Engineering Inspection – Bureau Veritas.
- 4.4 Expenditure on the LBHF relevant insurance premiums for 2018/19, including 12% Insurance Premium Tax (with the exception of Engineering Inspection, which is subject to VAT as a service), is £2.057m, as follows:
- | | |
|------------------------------------|-------------|
| • Leaseholder | £1,286,724. |
| • Property | £333,635. |
| • Combined Liability | £327,860. |
| • Directors' & Officers' Liability | £35,000. |
| • Engineering Inspection | £73,982. |
- 4.5 The level of insurance premiums is driven by a number of factors, the most prominent being the sums insured and claims experience of the Council; the policy deductible (excess); global re-insurance rates and individual supplier experience and risk appetite or capacity.
- 4.6 Current levels of self-insurance (the amount below the policy excess where the Council covers the cost of the claim) were set based on claims analysis and sovereign risk appetite assessed during the last tender process and tender options will once again explore the cost versus benefit of higher deductibles: it follows that the higher the policy excess (self-insurance), the lower the premium but the higher the retained risk.
- 4.7 The shared Insurance service has reduced the Council's financial provision for self-funding claims from in excess of £3.5m to less than £2m over the past 5 years. The Council paid out circa £831,000 in self-insurance payments in 2017/18. Claims below the policy excess are paid directly from an Insurance fund controlled by the Council, rather than by the insurer.
- 4.8 The available market for placement of local authority insurances is traditionally limited; however, there have been recent entrants to the market and the expectation is to

receive four or more valid quotations for each contract tendered, with the exception of Engineering Inspection (this is a specialist market and it is possible as few as two quotations would be received).

- 4.9 The Public Contract Regulations 2015 (PCR), in accordance with the 2014 EU Procurement Directives, will apply to the tender process in view of the likely award value of the final contract(s). In respect of the stand-alone procurement process for leasehold buildings insurance, this will be undertaken in accordance with the Open Procedure although for the other insurances this will be via the Competitive Procedure with Negotiation both of which require a Contract Notice to be published in the Official Journal of the European Union. A notice will also be published on Contracts Finder. The procurement will be overseen by the shared Insurance service with appropriate engagement and support from each councils' procurement service. The procurement exercise will take place using the e-procurement portal, CapitalEsourcing, which will ensure that the procurement directive requirements are met.
- 4.10 The Invitation to Tender (ITT) technical specification will be drawn up by the Assistant Head of Insurance Service supported by the retained insurance advisors JLT Speciality Limited, with close engagement with the LBHF procurement function to ensure the Council's requirements are fully incorporated. The indicative, high-level, tender timetable is as follows:

Political Cabinet	9 th July 2018
1 st Leaseholder Consultation (30 days)	July/August 2018
Publish draft ITT and Supplier Questionnaire for expressions of interest	August 2018
Cabinet (approval of Procurement Strategy)	10 th September 2018
Invitation To Tender released to the market	October 2018
Initial bid deadline	November 2018
Evaluate Tenders	December 2018
2 nd Leaseholder Consultation (30 days)	January/ February 2019
Award Contract	March 2019
Cover Incepted / Contract Start	1 st April 2019

- 4.11 Insurance is classified as a special contract in Law and therefore insurance policy documentation is the basis of contract combined with the ITT specification and bidder response.
- 4.12 The proposed contract length is five years.
- 4.13 Many of the likely bidders have registered offices or operations based in the financial services sector of the City of London but bidding will be open to any qualifying supplier authorised to underwrite insurance in the UK and of suitable financial standing. To ensure that they meet the minimum standards, bidders will be required to evidence they are authorised to underwrite insurance business in the UK and must be at least "A"-rated by Standard and Poors or equivalent agency and prepared to produce: -

- A copy of their annual reports and accounts for the last 3 years;

- The name and address of their bankers;
- Details of last 3 years of underwriting experience for the classes of business under consideration.

Given the sensitive nature of the three councils' claims information only those bidders who have passed qualification will be supplied with full details of the claims.

- 4.14 The Quality Award Criteria will be based on the technical specification, the technical specification will include both policy coverage and claims handling requirements. Evaluation of bidders' responses to the award criteria will be carried out in accordance with the published marking scheme.

The evaluation and ITT bidding will be subject to the following structure:

- Leaseholder buildings as a separate tender
- Combined tender
 - Lot 1 – Property (with option to include Leaseholder cover).
 - Lot 2 – Combined Liability.
 - Lot 3 – Directors' & Officers' Liability.

- 4.15 Engineering Inspection cover, if re-tendered, would have to be administered as a separate tender. Due to the specialist nature of this contract, it would attract specialist bidders who are unlikely to quote for the above insurance covers.

- 4.16 For Leaseholder cover, bidders will be required to submit the price per lot individually scheduled for each of the three boroughs to ensure that the correct premium is charged to LBHF leaseholders and to demonstrate sovereign best value has been achieved for leaseholders. For Liability and Property, price evaluation will be based on the total price per lot to provide the cover for all three boroughs, with each borough being priced according to its own risk profile but benefitting from bulk discounts sought from tenderers and efficiencies arising from sharing operational arrangements provided by the shared Insurance service. There will be the important option to offer a multi-lot discount to secure multiple lots and options for different policy excesses for each policy and each council, hence the recommendation to use the Competitive Procedure with Negotiation.

- 4.17 The contracts will be awarded on the basis of the most economically advantageous terms to the Council (or in the case of Combined Liability and Property, across all three boroughs) in accordance with the evaluation basis specified in the ITT in detail, but in summary it is anticipated it will be evaluated as follows:

Leaseholder

- Price for Insurance cover – 60% - Maximum points will be awarded to the lowest priced bidder taking into account any Long Term Agreement discounts. A formula will be used to adjust the scores of all remaining bidders to reflect the percentage difference in prices.
- Assessment of Policy Cover – 10% - Marks will be awarded for insurers able to offer cover as per the specification. Reductions will be made for areas where the

insurer is unable to meet the full requirements of the specification and / or onerous policy conditions and exclusions are applicable.

- Claims Service – 10% - This will be evaluated against the criteria shown within the Tender Document. Scores will be adjusted to take into account the difference between the services offered and those requested together with the quality of claims and the claims management data available.
- Added Value – 20%. This will include items that improve the quality of the service/product requested. Additionally, the Council has responsibilities under the 2012 Public Services (Social Value) Act to ensure compliance with its provisions. Those commissioning services must comply with the Council's Social Value Policy outcomes that seek to deliver:
 - More opportunities for local micro-businesses, local small and medium sized enterprises and local third sector organisations; and/or
 - More employment and training opportunities for local residents.

Examples of social value sought might include the following:

- skills development to prepare school leavers for employment;
- entrepreneur development/encouragement sessions;

Property/Combined Liability/Directors' & Officers' Liability

- Price 50% – 5-point deduction for each 1% variance from lowest bidder price.
- Technical specification 35% - evaluated and documented deductions for minor non-compliance with specified requirements and bid rejection for major non-compliance. Examples of major non-compliance being failure to supply the fire insurance peril or to agree to the minimum requirement to allow self-handling of all claims up to the policy excess.
- Added value/Innovation 15% – evaluated and documented additional points for exceeding specification minimums, offering additional services or covers and providing social value (as per above). ITT documentation will provide guidance to bidders.

The above evaluation basis is the same as used at the last successful and compliant tender and contract award process.

5 ANALYSIS AND OPTIONS

- 5.1 Re-procurement of these contracts (with the exception of the Engineering Inspection contract) through a shared procurement run by the shared Insurance service is not the only option, as the existing contracts could be renewed for a further year. However, the significant premium increases recently incurred, the changes to the Council's individual risk financing requirements and the wider market changes all lead to the proposed re-tender being timely, fiduciary responsible and most likely to deliver the best financial outcomes for both the Council (and therefore the tax-payer) and its leaseholders, at the very least with the expectation of mitigating the risk of significant further premium increases.
- 5.2 The numerous and considerable benefits of taking a joint approach to insurance tendering and claims handling and having one insurance provider for all three authorities per policy have been clearly evidenced in the 2012-18 period and are summarised below:

- 5.2.1 As a result of previous tenders, LBHF have previously secured a 5-10% discount by procuring policies through exercises undertaken by the shared Insurance Service. The proposed tender exercise will involve sovereign policies being procured for LBHF, with tenderers able to bid for one or more lots. It is expected that tenderers will bid for all three councils involved in the tender as the economies of scale on offer are mutually beneficial to the insurer and the insured. It is possible the Council could secure discounts of up to 15% by way of a multi-authority discount under the shared tenders for 5 year contracts, while each council will be priced on its own risk profile, and that the procurement strategy undertaken by the shared Insurance Service would again deliver savings to the Council, with the last major tender having delivered a total saving of circa £453,000 on the Property, Liability, Terrorism, Fidelity Guarantee/Crime and Personal Accident & Travel policies.
- 5.2.2 The cost of administration and handling claims using the shared Insurance service would continue to be managed within existing budget provision. In addition, LBHF would continue to benefit from claims handling performance delivered by the shared Insurance service which has seen the value of self-insured claims reducing significantly year on year. Moving away from the current arrangements would have significant cost implications which are set out in 5.5 and 5.6.
- 5.2.3 Ad hoc insurance costs such as taking external legal advice and opinion can be shared by the three councils when the same policy conditions are in place for all three.
- 5.2.4 Insurance coverage positions can be agreed with one insurer, which then apply to all three authorities, whereas they would have to be negotiated separately with different insurance providers, improving the efficiency of the shared service arrangement and keeping costs within budget, as well as obtaining the best terms for each Council.
- 5.2.5 There is greater power in negotiating for three councils collectively, whether when negotiating premium terms, insurance coverage issues or otherwise. It is very important to note there is no question under the approach proposed of one authority subsidising either or both of the others. Each authority has and will continue to have its own policy and premium based on its individual risk exposures and claims experience.
- 5.2.6 Administration savings for insurers and the retained insurance advisors and a higher level of service received from both by virtue of them being able to take a shared approach placing policy cover, providing policy documentation and with all other aspects of the client and supplier relationship. This leads to benefits through premium charges and broker fees incurred by each council.
- 5.2.7 During the last main tender, the concern that the tender that was best collectively might not have been the best price individually (although the correct price for the risk from that insurer) was addressed. It is important to recognise all prices are quoted on the basis of a bidder winning all three authorities. The price which one authority obtains in this way is unlikely to be achieved through a sovereign tender process. In addition, our brokers do not consider that the number of interested bidders will be reduced by procuring policies for the three councils using the proposed approach.
- 5.2.8 When LBHF entered into the shared Insurance service arrangement in 2012/13 it was perceived by the insurance market as the poorest risk of the three councils and thus benefited from a joint policy procurement with the other two authorities. It is important to note the advice given to LBHF, and accepted, was to not re-tender during the last policy year because the £20m Fire Safety Plus package of housing measures was yet to be fully implemented and, by re-tendering in 2018, this housing improvement

programme can be taken into consideration by prospective insurers in a new procurement exercise.

- 5.3 Regarding the Leaseholder policy, it is possible up to three different bidders could win these contracts. However, a key driver for re-tendering both the Leaseholder and the Property policies is to explore the option of combining the two into one policy cover with a view to maximising discounts. This new method of insuring the leasehold properties has the potential to significantly reduce building insurance premium recharges to leaseholders. Furthermore, the Liability and Property policies will include delegated authority from the insurer to the shared Insurance service to continue to self-handle claims and will be awarded to the highest-scoring bidder for all three. It is important to note that separate prices are still received for the three councils, reflecting their own risk profile, and the evaluation criteria will reserve the right not to award the contract to the lowest bid (ensuring a bid is not accepted that was not in the Council's best interests) and the policies themselves remain sovereign to each council.
- 5.4 It would not be practical to run a tender process which resulted in more than one insurer per policy (Property and Liability) as the shared Insurance service does not have the resources (LBHF budget coverage) to do so. If LBHF does not wish to adopt the proposed procurement approach via the shared insurance service arrangement, it would need to consider the additional cost implications of running a sovereign insurance tender immediately (this would need to happen without delay to re-tender the Leaseholder cover, due to the two-stage consultation process required) for which there is no budget provision.
- 5.5 Prior to the establishment of the shared Insurance service, the previous LBHF Insurance service employed 3 FTE posts, without handling claims in-house. In 2014/15 (the last year before in-house claims handling commenced) claims handling fees paid to insurers were £40,695 plus VAT. As well as saving on the external claims handling cost, the implementation of the shared service enabled the sharing of management costs across the three Councils while ensuring there was sufficient budget to provide appropriate staff coverage to meet LBHF's needs. If a separate tender process were required, LBHF would need to recruit additional resources, including management and staff, with immediate effect to run a successful sovereign insurance service and retain claims handling in-house. In addition, there would be a long lead time required to put this resource in place and then run a separate tender exercise. There is no budget provision available for recruiting additional LBHF staff or for outsourcing claims handling activity.
- 5.6 In addition to the £453,000 premium savings (and excluding the staff, accommodation and ICT savings), the shared Insurance arrangement has delivered estimated claims savings in excess of £1.8m. This has been achieved by bringing claims in house, handling them more efficiently and effectively and thereby reducing the Council's self-funding claims figure from £3.680m (October 2013) to the current (May 2018) figure of £1.863m. Outsourcing the claims handling function would be likely to result in the value of self-funded claims increasing, based on LBHF's previous experience prior to the shared service being introduced.
- 5.7 Beyond not purchasing insurance at all, which would result in unacceptable and uncapped financial exposures to the Council, and would be illegal or unlawful in the case of Employer's Liability insurance, the only other alternative to the current procurement strategy would be for the Council to set up its own captive insurance company (a wholly-owned subsidiary company to the Council), retaining significant

financial exposure in-house, and to approach the re-insurance market direct rather than the current provider market. This strategy has been tested in the past by other Councils with limited success and is not recommended at this time due to the complex feasibility studies and timescales involved.

- 5.8 For the above reasons, our professional recommendation is a collaborative re-tender exercise led by the shared Insurance service to procure the Council's cover from 1st April 2019 for Leaseholder, Property, Combined Liability and Directors' & Officers' Liability and to work towards making a one-year direct award to the existing Engineering Inspection contract supplier.

6 CONSULTATION

- 6.1 Stage 1 and Stage 2 consultation and engagement is required with leaseholders in the normal manner, under section 20 of the Landlord & Tenant Act 1985, with this process occurring in July/August 2018 and then again in January/February 2019. Stage 1 outlines the basis of the proposed tender and the various options upon which tenders are being sought and invites engagement and input prior to finalisation of the tender documents. Stage 2 provides the tender results, evaluation and a draft recommendation for contract award and seeks further leaseholder engagement and input prior to finalising recommendations.
- 6.2 The Stage 1 leaseholder consultation gives notice of an intention to tender and requests leaseholder feedback. It is not a commitment to proceed on the basis described and it is therefore possible for the Council to either decide to proceed on an alternative basis and move on to Stage 2 or to not tender at all. However, if the Council decided to not proceed with a Leaseholder tender at all it would need to withdraw the Stage 1 consultation Notice with a letter sent to leaseholders explaining why the tender process was not proceeding.

7 EQUALITY IMPLICATIONS

- 7.1 In compliance with Section 149 of the Equalities Act 2010, the Council has given due regard to the requirements of the Public Sector Equality Duty. It is not anticipated that the re-procurement of these insurance contracts will have any negative impacts on any groups with protected characteristics, under the terms of the Equalities Act 2010.
- 7.2 Implications completed by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

8 LEGAL IMPLICATIONS

- 8.1 The various insurance contracts described in this report, when aggregated for the full 5-year term, exceed the threshold above which a full tendering exercise is required in accordance with the Public Contracts Regulations 2015 ("the 2015 Regulations"). A five-year contract for the engineering inspection would also exceed the EU threshold for services. As set out in the report, the 2015 Regulations are proposed to be followed using either the open or competitive procedure with negotiation.
- 8.2 Because this will be a collaborative procurement, various waivers of the provisions of Contract Standing Orders are proposed on the basis that the standing orders of the Royal Borough of Kensington & Chelsea will apply, though subject always to following the 2015 Regulations. Contract Standing Order 3 sets out when Cabinet can grant

such a waiver and the permitted grounds for doing so. Here the basis relied upon is that the waiver is in the overall interests of the Council.

8.3 Because of the unusual way in which insurance arrangements are formalised a waiver is also sought in relation to the requirement for the contract to be entered into as a deed, on the basis (again as permitted by Contract Standing Order 3) that the circumstances are genuinely exceptional.

8.4 Implications completed by: Deborah Down, Senior Associate with Sharpe Pritchard LLP on secondment to the Council dtdown@sharpepritchard.co.uk

9 FINANCIAL IMPLICATIONS

9.1 The Council funds general premiums, including Property, Combined Liability, Directors' and Officers' Liability and Engineering inspections. The budget and forecast cost of these premiums is £770,477 in 2018/19.

9.2 The Leaseholder building insurance premium is recharged to the Council's leaseholders and will not directly impact on the Council's budgets. The budget and forecast cost of these premiums is £1,286,724 in 2018/19.

9.3 Given the 50% increase in the Leaseholder premium between 17/18 and 18/19, the breaking of the Long Term Agreement in place for the current contract and the risk of further increases in premiums for the Council's leaseholders, it is planned to re-procure the Leaseholder insurance contract as not testing the market may result in a challenge from Leaseholders. This may ultimately result in the Council being unable to recover relevant buildings insurance costs from Leaseholders.

9.4 Under the previous long term agreement, there was not enough time between the Council becoming aware of the breach of the LTA and the date by which a new policy would have been required for the Council to be able to retender Leaseholder insurance. This is because there is a statutory consultation process with leaseholders that needs to be followed to ensure the insurance costs can be recovered. Therefore, the balance between the risk of a breach of a future LTA and the likely additional cost of locking down the premium costs for the three-year term will need to be considered as part of the tender process.

9.5 Implications completed by Danielle Wragg, Finance Business Partner & Corporate Projects, tel. 020 8753 4287 and Kathleen Corbett, Director for Finance and Resources, tel. 020 8753 3031.

10 IMPLICATIONS FOR BUSINESS

10.1 The proposals within this report will have no detrimental impact on local businesses in the Borough.

10.2 Implications verified by: Albena Karameros, Economic Development Team, tel. 07739 316 957.

11 COMMERCIAL IMPLICATIONS

11.1 This report seeks approval for the proposed strategy of procuring the new contracts for insurance services.

- 11.2 Under the Public Contracts Regulations (PCR) insurance provisions are classified as services. The estimated value of the contract is over the threshold for services, currently set at £181,302. Therefore, the procurement of insurance services is subject to the full rigour of the EU public procurement regime.
- 11.3 The Council's Contracts Standing Orders (CSOs) recommend for a contract of this value 'the use of an existing framework agreement; or Contract Notice to appear in the Official Journal of the European Union, an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in 'Contracts Finder'. The later approach was proposed by conducting an Open Procedure for the procurement of leasehold buildings insurance services and a Competitive Procedure with Negotiation for the procurement of Liability and Property insurance services.
- 11.4 The Council has a duty under the Social Value Act 2012 to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and how the procurement process can secure that improvement. Therefore, it is recommended that Social Value is considered as part of the awarding criteria in both proposed procurement processes.
- 11.5 Implications completed by Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.

12 IT IMPLICATIONS

- 12.1 There is no impact of the proposals in the report for ICT.
- 12.2 Implications verified by: Quentin Brooks, Service Director, tel. 0208 753 6214.

13 RISK MANAGEMENT


- 13.1 Insurance is a method of transferring risk from one party to another. This could be the risk of damage to an asset (e.g. property insurance) or the risk to others arising from an activity (e.g. liability insurance). External insurance is necessary to provide a higher degree of financial certainty for the Council, which enables it to operate in an environment where risk is always present. Ground up insurance cover, where there is no excess, is not however a financially efficient transaction and the Council has chosen not to follow this route. The terms of risk transfer for the Council are set by a contractual arrangement commonly called the insurance policy. This requires the insurer, in return of a payment from the insured (the premium), to agree to reimburse the insured for losses arising from the consequences of an insured event.
- 13.2 The Council's risk environment internally and externally has changed materially in recent years. It continues to change at an escalating pace with new and emerging Cyber threats, Terrorism and specifically, more demanding regulations, for example the introduction of the General Data Protection Regulations. There is no single solution for protecting the public purse, the Community, Management, and the Council from the liabilities it faces. The best approach is as outlined in the report a combination of strong corporate governance, broad corporate indemnification through insurances and risk control. Evolving risk challenges have informed this report and decision to approach the market.

13.3 Implications verified by: Michael Sloniowski, Risk Manager, tel. 020 8753 2587, mobile 07768 252703.

14 BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None

Agenda Item 5

<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>10 SEPTEMBER 2018</p>	 <p>h&f hammersmith & fulham</p>
<p>CORPORATE REVENUE MONITOR 2018/19 MONTH 2 – 31st MAY 2018</p>	
<p>Report of the Cabinet Member for Finance and Commercial Services – Councillor Max Schmid</p>	
<p>Open Report</p>	
<p>Classification - For decision and for information</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Hitesh Jolapara – Strategic Director of Finance & Governance</p>	
<p>Report Author: Emily Hill – Assistant Director, Corporate Finance</p>	<p>Contact Details:</p> <p>Tel: 020 8753 3145</p> <p>Emily Hill@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Section 151 of the 1972 Local Government Act requires the Chief Financial Officer (as the responsible officer) to ensure proper administration of the Council's financial affairs. This first monitoring report is part of the Council's 2018/19 budgetary control cycle. Budgetary control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on Cabinet Members, the Chief Executive, and Directors in discharging the statutory responsibility.
- 1.2. The first outturn forecast of 2018/19 shows a projected unfavourable General Fund outturn variance of £7.588m. Action plans amounting to £2.558m have been identified to mitigate this overspend which, if delivered, would reduce the variance to £5.030m. Additionally, officers continue to work to close the remaining overspend and mitigating actions have been identified that haven't yet identified potential cost reductions. These will be developed further in time for the month 3 monitor.
- 1.3. As further mitigation against the forecast overspend it is recommended that 50% of contingency budgets (£0.85m) and the sum held centrally to fund the 2018/19 pay award (£1.775m) are set against the forecast overspend. This means that departments will need to fund the 2018/19 pay award from within their existing budgets.

- 1.4. The administration has made clear that there should no overspends in any staffing budgets and where there are staffing overspends and Directors will need to take urgent action to reduce spend to within budget.
- 1.5. In addition, in line with many other local authorities, there is a projected overspend in 2018/19 of £6.0m on the High Needs Block of Dedicated Schools Grant and an overall forecast cumulative year-end deficit of £13m on the Dedicated Schools Grant (DSG).
- 1.6. The HRA forecast is for an unfavourable variance of £3.685m. The majority of this is due to additional costs expected to be incurred in relation to fire safety as part of the Fire Safety Plus programme.
- 1.7. A new Strategic Leadership Team and departmental structure was created on the 1 April 2018 and this report is produced based on this new structure. Further changes will take place and will be reported in the month 3 monitor, primarily in relation to the dis-aggregation of the Building, Property and Maintenance services.

2. RECOMMENDATIONS

- 2.1. To note the forecast General Fund outturn and note that officers are developing further plans to reduce the overspend for discussion with Directors and ratification by the Strategic Leadership Team.
- 2.2. To note, the in-year (£6m) and cumulative (£13m) forecast overspend on Dedicated Schools Grant and the actions being considered to reduce this. To note the high level potential options that are being explored and that a detailed briefing and options paper is being prepared for Cabinet to consider.
- 2.3. To note the HRA forecast overspend and note that officers are developing further plans to reduce the overspend for discussion with Directors and ratification by the Strategic Leadership Team.
- 2.4. To agree that the 2018/19 2% pay award contingency (£1.775m) is not allocated to departments but held corporately to mitigate overspends. Directors to ensure that staffing budgets are robustly managed to avoid staffing overspends.
- 2.5. To agree that 50% of the unallocated contingency budget (£0.85m) is used to mitigate the overall adverse budget variance.
- 2.6. To agree the budget virements detailed in Appendix 10.
- 2.7. To delegate to the Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance and Commercial Services the decision to agree the necessary budget virements processed to align budgets to the new 2018/19 departmental structures.

3. REASONS FOR DECISION

3.1. To report the revenue expenditure position and comply with Financial Regulations.

4. CORPORATE REVENUE MONITOR (CRM) 2018/19 MONTH 2 GENERAL FUND

4.1. Table 1 below sets out the position for month 2. The forecast overspend, produced using the new departmental structures, is £7.588m.

4.2. The Council's budget includes a £1.775m contingency to fund the 2018/19 pay award. This sum is held centrally and it is recommended, given the forecast overspend, that it is not allocated to departments. Instead the contingency will be used as mitigation against the forecast overspend. Departments will need to robustly manage their staffing budgets for this action to be effective. The Council also holds an unallocated contingency of £1.7m. It is recommended that 50% of the uncommitted sum (£0.85m) be set aside as mitigation against the forecast overspend. After allowance for these actions the forecast year-end overspend is £4.963m.

Table 1: 2018/19 General fund gross forecast outturn variance – month 2

Department ¹	Revised budget month 2 £m	Forecast outturn variance month 2 £m
Children's services	43.979	3.121
Corporate services	(0.291)	0.101
Finance & governance	0.083	0.120
Growth & place	8.290	0.876*
Public service reform	(1.047)	1.862**
Residents' services	63.063	0.752
Controlled parking account	(22.940)	(0.413)
Social care	55.831	1.169***
Centrally managed budgets	20.391	0.000
Total	167.359	7.588****
Not allocating the pay award contingency:		(1.775)
Setting aside 50% of the unallocated contingency		(0.850)
Revised overspend		4.963

¹ Figures in brackets represent underspends/ favourable movements

* The majority of the growth and place variance includes an adverse variance of £627k relating to building and property maintenance budgets to reflect the new departmental structures. Subsequently, it has been decided that these budgets will be disaggregated and the relevant functions held across a number of departments. These will reported under these new departments from month 3.

** The public service reform variance relates to commercial functions now held within the department relating to income targets for business intelligence and ethical debt. Budgeted income in this area is £2.482m; to be prudent this forecast assumes 25% delivery of this.

*** The social care forecast assumes that the virement request in paragraph 7.2 in relation to the drawdown of adult social care grant is approved by cabinet.

**** The like for like forecast overspend, at month 2 last year (2017/18) was £2.896m compared to this year's forecast of £7.588m, a variance of £4.692m.

- 4.3. Departments have identified action plans to mitigate the forecast overspends (table 2). All overspending departments will need to respond with further actions to reduce the net forecast overspend by year-end. Delivery of action plans has been assigned to relevant responsible officers.

Table 2: Summary of net forecast outturn variances after action plans

Department	Gross forecast outturn variance month 2 £m	Potential value of action plan mitigations month 2 £m	Forecast outturn variance net of planned mitigations £m
Children's services	3.121	1.025	2.096
Corporate services	0.101	0.000	0.101
Finance & governance	0.120	0.200	(0.080)
Growth & place	0.876	0.000	0.876
Public service reform	1.862	0.000	1.862
Residents' services	0.752	0.240	0.512
Controlled parking account	(0.413)	0.000	(0.413)
Social care	1.169	1.093	0.76
Centrally managed budgets	0.000	0.000	0.000
Total	7.588	2.558	4.963

5. CORPORATE REVENUE MONITOR 2018/19 MONTH 2 HOUSING REVENUE ACCOUNT

- 5.1. The Housing Revenue Account is currently forecasting a deficit outturn variance of £3.685m at Month 2 (Appendix 9).

Table 3: Housing Revenue Account forecast outturn - month 2

Housing Revenue Account	£m
Balance as at 31 March 2018	(9.946)
Less: budgeted (contribution) / appropriation from balances	1.835
Less: forecast adverse outturn variance	3.685
Projected balance as at 31 March 2019	(4.426)

6. DEDICATED SCHOOLS GRANT

- 6.1. The High Needs Block, funded through Dedicated Schools Grant (DSG), overspent by £5.5m in 2017/18. The cumulative total DSG deficit balance carried forward to 2018/19 is now £7m with an additional £6m deficit forecast in 2018/19.
- 6.2. The need to tackle this will potentially impact on future school and council resources. A dedicated project team is in place to develop a response.
- 6.3. All possible options to reduce the in-year forecast deficit and recover the cumulative deficit balance are being considered by officers and a detailed briefing will be prepared for Cabinet.

Table 4: Dedicated Schools Grant

	£m
DSG deficit brought forward from prior years	7.003
In-year forecast deficit	6.000
Forecast deficit at end of 2018/19 financial year	13.003

7. VIREMENTS & WRITE OFF REQUESTS

- 7.1. Cabinet is required to approve all budget virements that exceed £0.1m. Approval is sought for £0.99m of General Fund virements and £1.07m HRA virements (see Appendix 10).
- 7.2. The virement requests include a drawdown of additional Adult Social Care grant of £0.574m. The final Local Government Finance Settlement was released on 7 February 2018 and included a late announcement that the Council would receive this additional grant. Budget Council agreed that this should be allocated in the first Corporate Revenue Monitoring Report for 2018/19, subject to the necessary due diligence. The forecast overspend for social care already accounts for this virement.

7.3. Approval is sought to process multiple virements to move existing budgets to the cost centres for budget holders within the new departmental structure. Although this will require numerous high value budget movements between cost centres the budgets will still be used for the same purpose as agreed by Full Council in February 2018 and doesn't represent approval for additional funding. Further virements will be requested in the month 3 monitor to reflect further changes to the Building and Property Maintenance budget responsibility and any other changes.

7.4. There are no write-off requests for month 2.

8. CONSULTATION

8.1. The Strategic Leadership Team discussed this report.

9. EQUALITY IMPLICATIONS

9.1. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the adjustments to the budgets required as a result of this Corporate Revenue Monitor.

9.2. In the event that any such adjustments might lead to a major service change then an Equality Impact Assessment will need to be carried out.

9.3. Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

10. LEGAL IMPLICATIONS

10.1. There are no legal implications for this report.

10.2. Implications verified by: Rhian Davies, Borough Monitoring Officer, tel. 07827 663794

11. FINANCIAL IMPLICATIONS

11.1. This report is financial in nature and those implications are contained within.

11.2. Implications completed by: Gary Ironmonger, Finance Manager, 0208 753 2109.

12. IMPLICATIONS FOR BUSINESS

12.1. There are no implications for local businesses.

12.2. Implications verified/completed by: Albena Karameros, Economic Development Team, tel. 020 7938 8583.

13. COMMERCIAL IMPLICATIONS

- 13.1. The report seeks the approval of strategies developed to bring any staffing overspends in line with allocated budgets.
- 13.2. There are no procurement implications. Commercially, these strategies will have a positive impact on the Council's budgets and spending.
- 13.3. Implications completed by: Andra Ulianov, Procurement Consultant, tel. 0208 753 2284.

14. IT STRATEGY IMPLICATIONS

- 14.1. There are no IT implications for this report.
- 14.2. Implications verified/completed by Veronica Barella, interim Chief Information Officer, tel. 020 8753 2927.

15. RISK MANAGEMENT

- 15.1. Effective monitoring assists in the provision of accurate and timely information to Members and officers and in particular allows services to better manage their resources. Corporate Revenue Monitoring contributes to the delivery of all Council Priorities but chiefly Being Ruthlessly Financially efficient and sound risk management. Additional corporate risks have been identified including, 6.1. The High Needs Block, funded through Dedicated Schools Grant (DSG), overspent by £5.5m in 2017/18 and Looked After Children and Leaving Care Placements, overspend primarily due to the continued increase on service demand, higher unit costs and more complex needs, both now appear on our Corporate Risk Register as risks 21 & 22. The Risk Manager agrees that there may be as yet unknown additional cost pressures resulting from recommendations following the Grenfell Inquiry and associated reviews. The effective use of financial resources underpins the Council's activities in support of its strategic priorities. Plans to take remedial action to manage a number of the significant issues highlighted in this report where they approach or exceed our financial risk appetite and risk tolerance have been referenced in appendices 1-9.
- 15.2. Implications verified/completed by: Michael Sloniowski, Risk Manager, tel. 020 8753 2587, mobile 07768 252703.

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		

LIST OF APPENDICES

Appendix	Title
Appendix 1	Children's Services Revenue Monitor
Appendix 1a	Dedicated Schools Grant
Appendix 2	Corporate Services Revenue Monitor
Appendix 3	Finance & Governance Revenue Monitor
Appendix 4	Growth & Place Revenue Monitor
Appendix 5	Public Service Reform Revenue Monitor
Appendix 6	Residents' Services Revenue Monitor
Appendix 6a	Controlled Parking Account Revenue Monitor
Appendix 7	Social Care Revenue Monitor
Appendix 8	Centrally Managed Budgets Revenue Monitor
Appendix 9	Housing Revenue Account Revenue Monitor
Appendix 10	Virement Requests

APPENDIX 1: CHILDREN'S SERVICES
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Family Services	28,465	2,736
Special Educational Needs and Disabilities	7,338	385
Education	854	0
Assets, Operations & Planning	3,806	0
School Funding	(94)	0
Budget to be reallocated to other departments	3,609	0
TOTAL	43,979	3,121

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Family Services	
<p>Looked After Children and Leaving Care Placements - overspend primarily due to the continued increase on service demand, higher unit costs and more complex needs. Funding is not formulaic meaning that as demand is rising and the budget is reduced for savings, there is limited possibility to contain expenditure within budget.</p> <p>As with other London Boroughs, we are seeing a rise in demand from adolescents at risk due to knife crime, child sexual exploitation and children being used for drug trafficking (County lines). Work continues both to ensure that the forecast is robust and that young people are placed in the most appropriate placement type for their need.</p> <p>Over the last 4 years, the number of children looked after has risen by 45.</p> <p>The forecast currently assumes:</p> <ul style="list-style-type: none"> - contingency of £0.563m or circa 9 FTE based on 2017/18 new placements - The net overspend on DUBs is £0.153m (which is included in the £2.288m placements overspend above) after allowing for £0.239m growth in the 2018-19 budget and all grant income associated with these cases. - £0.125m assumed additional UASC Grant funding not identified in the model 	2,288

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Family Support and Child Protection (FSCP) staffing - there is continuing activity led pressure on FSCP staffing due to increased activity and Child Protection cases. Supernumerary posts were required to manage more than 30 unallocated Child Protection cases. In addition, agency cover at greater than post level budget is regularly required to ensure all cases are allocated.	298
Contact and Assessment staffing - difficulty in recruiting and retaining permanent staff in the service, including to the iCAT service, has resulted in higher than anticipated agency staff usage. The current forecast is based on the current level of agency staff premium (10 FTE at £15k agency cost premium per annum) The service is working to reduce agency numbers through permanent recruitment currently in process.	150
Total of Family Services	2,736
Special Educational Needs and Disabilities	
Children with Disability Placements - Placement pressure ongoing from prior years in relation to complex needs of the current cohort. Exploring further joint funding opportunities with Clinical Commissioning Groups following legal advice on statutory responsibility for Autumn implementation. Uncertainty over the value of the opportunity. Disabled children's £1m, one placement accounts for more than £0.6m of this.	345
Disabled Children's Team, Short Breaks and resources - there is a one off in year pressure on contract expenditure following the delayed opening of the Stephen Wiltshire Centre.	40
Total of Special Educational Needs and Disabilities	385
Education Service	
Nil Variance forecast	0
Total of Education	0
Assets, Operations & Planning	
Nil Variance Forecast	0
Total of Assets, Operations & Planning	0
TOTAL VARIANCE	3,121

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Tower Hamlets Judgement - the likely liability should all connected carers be paid carers fees for prior years back to 2011 is estimated to be £2.1m. Three families (6 children) have brought claims in previous financial years via the same solicitors totalling £141k. In 2018/19 one family has brought a claim in April with costs expected to be c£20k.	2,100
Placements - Placement savings through LAC and Family Assist need to continue to be monitored to ensure that delivery of savings is on track. The continuing high cost placements forecast puts pressure on this activity being delivered. The number of young people in residential care remains small, however, they are often complex highly expensive cases meaning that LAC Assist must work with the young person for some time before they can even be considered for step-down or non-residential placement.	TBC
New Burdens funding - The introduction of the Children and Social Work Act 2017 provides all care leavers up to the age of 25 with access to a personal advisor. We now have a duty to provide a service to young people who are 21 or over and not in education, when previously our involvement would have ended. The main impact and cost will be the additional social work resource required to support this new cohort. The 2018/19 New Burdens grant has allocated £15,000 for this additional support. Initial calculation based on the DfE's assumptions of level of support required have costed the social work resource required as £65k. As this is a new duty on local authorities, it is not yet clear what the impact will be.	45
Disabilities Short Breaks – There is a risk of increased placement costs where care needs increase for a small number of children with very complex needs. Health needs should be funded by health; however, conversations are needed with colleagues to ensure these cases area being funded at the correct level by partner organisations.	250
UASC - Risk of cases moving into Care Leavers with ongoing costs.	TBC
TOTAL RISKS MANAGED	2,395

Supplementary Monitoring Information
None to report.

**APPENDIX 1a: DEDICATED SCHOOLS GRANT
BUDGET REVENUE MONITORING REPORT MONTH 2**

Table 1 - Variance by Departmental Division		
Dedicated Schools Grant - Paid in support of the Local Authority's School Budget	Revised Budget	Forecast Variance Month 2
	£000	£000
High Needs Block Expenditure	17,950	6,000
Early Years Block Expenditure	19,520	0
Schools Block Expenditure	38,100	0
Central School Services Block Expenditure	4,400	0
DSG Income	(79,970)	0
TOTAL	0	6,000
DSG deficit brought forward from prior years		7,003
Forecasted deficit at end of 2018-19 financial year		13,003

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
High Needs Block (<i>High Needs funding supports provision for children and young people with special educational needs from their early years to age 25 and in addition the Alternative Provision</i>)	
A full system review is being undertaken to reconcile activity, funding and expenditure. A project team and governance has been put in place to identify opportunities and work streams to recover the financial position on the High Needs Block for the Local Authority and to support Special Schools with their financial planning and efficiency. The forecast overspend of £6m in 2018/19 is based on levels of expenditure coming into the new financial year and before mitigations and actions resulting from the High Needs Block Recovery Project.	6,000
Total of High Needs Block	6,000
Early Years Block (<i>Funding for Early Years including Two-Year-Old funding and Early Years Pupil Premium</i>)	
Nil Variance Forecast. The budget has been set for 2018/19 on available activity data.	0
Total of Early Years Block	0

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Schools Block <i>(This budget of the DSG forms the core funding for mainstream maintained schools)</i>	
Nil Variance Forecast. The budget has been set for 2018/19 on available activity data.	0
Total of Schools Block	0
Central School Services Block <i>(Funding for the Local Authorities ongoing responsibilities)</i>	
Nil Variance forecast	0
Total of Central School Services Block	0
TOTAL VARIANCE	6,000

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
A key risk to High Needs is demand led growth and increasing numbers of Education & Health Care Plans and caseloads.	TBC
There has been a request from the CCG for an increased contribution to the Speech and Language Contract in 2018/19, which, if agreed, could see a significant increase in the contract value per annum.	£329k-£500k per annum
TOTAL RISKS MANAGED	500

APPENDIX 2: CORPORATE SERVICES
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Human Resources	(412)	0
Executive Services	162	(79)
Communications	(41)	180
TOTAL	(291)	101

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
COMMUNICATIONS	
Forecast overspend mainly because of underachievement of income within the print service. At this early stage, it is expected that activity will be in line with that incurred in 2017/18.	180
TOTAL COMMUNICATIONS	180
EXECUTIVE SERVICES	
Underspends are forecast on salaries across the division	(79)
TOTAL EXECUTIVE SERVICES	(79)
HUMAN RESOURCES	
TOTAL HUMAN RESOURCES	0
TOTAL VARIANCE	101

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
None to report	
TOTAL RISKS MANAGED	0

Supplementary Monitoring Information
None to report.

APPENDIX 3: FINANCE AND GOVERNANCE
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Legal and Democratic Services	(484)	(2)
IT Services	539	122
Finance	61	0
Audit, Fraud and Insurance	(33)	0
TOTAL	83	120

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
IT SERVICES	
Additional external support costs for the Office 365 platform	122
TOTAL IT SERVICES	122
LEGAL AND DEMOCRATIC SERVICES	
Minor variances	(2)
TOTAL LEGAL AND DEMOCRATIC SERVICES	(2)
FINANCE	
	0
TOTAL FINANCE	0
AUDIT, FRAUD AND INSURANCE	
	0
TOTAL AUDIT, FRAUD AND INSURANCE	0
TOTAL VARIANCE	120

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
None to report	0
TOTAL RISKS MANAGED	0

Supplementary Monitoring Information
None to report

APPENDIX 4: GROWTH AND PLACE
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Housing Solutions	7,605	257
Housing Strategy & Growth	212	0
Economic Development, Skills Service	664	(8)
Planning	989	0
Finance & Resource	352	0
Programme Management	19	0
Housing Services	87	0
Development & Regeneration	5	0
Building and Property Management	(1,643)	627
TOTAL	8,290	876

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Housing Solutions	
There is a forecast increase in average client numbers (from a budget of 921 units to a forecast of 1,024) in Private Sector Leased (PSL) temporary accommodation schemes.	601
There is a forecast reduction in average client numbers (from a budget of 190 clients to a forecast of 173) in Bed and Breakfast (B&B) temporary accommodation.	(134)
Incentive payments to Private Sector Leasing and Direct Letting landlord to be funded from earmarked Temporary Accommodation reserves (subject to approval of reserves drawdown of £600k)	600
Flexible Homelessness Support Grant provided by central Government to cushion the impact of the removal of the management fee for Temporary Accommodation (after allocating £207,600 to B&B, £2,253,400 to PSL and deducting an assumed £110,000 which we expect Registered Providers to claim). Government have stated the aim is to 'empower LAs with the freedom to support the full range of homelessness services they deliver' and plan their provisions with more certainty. It should be noted that so far this is only promised for 2018/19 and 2019/20 so there is a risk of significant budget pressure thereafter.	(810)
TOTAL of Housing Solutions	257

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Housing Strategy & Growth	
	0
TOTAL of Housing Strategy & Growth	0
Economic Development and Skills Service	
	(8)
TOTAL of Economic Development & Skills Service	(8)
Planning	
	0
TOTAL of Planning	0
Finance & Resources	
	0
TOTAL of Finance & Resources	0
Programme Management	
	0
TOTAL of Programme Management	0
Housing Services	
	0
TOTAL of Housing Services	0
Development & Regeneration	
	0
TOTAL of Development & Regeneration	0
Building and Property Management (BPM)	
Advertising Hoardings: The adverse variances are mainly due to shortfall in income profit share sites and new sites that did not proceed.	583
Building Control income shortfall due to reduction in service demand. Remedial plans include improved marketing to potential customers.	121
Rental and civic properties: There is a forecast rental income shortfall on commercial properties of £40k primarily due to unachievable Medium Term Financial Savings. In Civic Accommodation, the forecast variance is (£19k) favourable from rental income.	22

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Facilities Management is forecast to break even. There is uncertainty in the Total Facilities Management (TFM) contract.	0
Valuation services: The underspend is mainly from staffing costs recharges.	(132)
Staffing overspend in Technical Support	19
Minor Variances	14
Total BPM	627
TOTAL VARIANCE	876

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Overall Benefit Cap	196
Direct Payments (Universal Credit)	202
There is a risk of a further increase in the number of households in Temporary Accommodation - based on an assumption of additional 100 households this year above the current forecast.	651
Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 1.5% rental inflation above the current forecast.	270
There is a risk of large families being accommodated in B&B.	258
Homelessness Reduction Bill - increase in households in temporary accommodation - extra 70 households this year above the current forecast.	506
A number of Economic Development schemes are awaiting formal approval to use Section 106 funds.	1,098
Earmarked reserves have been utilised in recent years to accommodate the accumulated effect of annual reductions in grant funding for the Adult Learning & Skills service. The current risks exceed the funding available in the earmarked reserve.	285
Affordable housing and regeneration projects - feasibility studies.	450
There is a risk that the costs of current and future work in producing Supplementary Planning Documents will exceed the budgets and funding available.	50
In recent years, the cost of judicial reviews and major planning appeals has been met from earmarked reserves but these funds are now exhausted and therefore, there is an ongoing risk of an overspend against the budget.	699

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Unplanned costs arising from the termination of the LINK shared service.	400
Expenditure incurred on disposed assets cannot be met by disposal receipts and on properties not being sold.	20
Potential costs of legal challenges.	2,145
Lyric Theatre - Unfunded repairs and maintenance costs above the agreed cap of £50k	100
Lila Huset building - If rent arrears dispute not resolved and a new tenant not found £450,000	450
TOTAL RISKS MANAGED	7,780

Supplementary Monitoring Information
<p>Existing revenue budgets of £50,000 provide for planning inspection costs which only occur once every five years. It is planned to transfer this budget annually to an earmarked reserve to build up a £0.25m fund every five years to cover the Local Plan review (which covers inspection costs plus legal and consultants' costs) and to protect the service from any other unexpected costs in future years.</p> <p>Approval is also requested to draw down £96,000 from the King Street West Regeneration Reserve (a budget of £250,000 was approved by the Leader in April 2017 and £96,000 remains for 2018/19) to fund project management costs</p>

APPENDIX 5: PUBLIC SERVICES REFORM
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Public Services Reform	(1,047)	1,862
TOTAL	(1,047)	1,862

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Public Services Reform	
External Business Intelligence sales. Forecast assumes 25% delivery of income target.	1,412
Sales of Ethical Debt solutions to other public bodies. Forecast assumes 25% delivery of income target.	450
TOTAL VARIANCE	1,862

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Contract management savings - reported as high risk against delivery in April. Therefore 50% of savings (£1,000k budget change 18/19) to be delivered reported as a risk.	500
TOTAL RISKS MANAGED	500

Supplementary Monitoring Information
None to report

APPENDIX 6: RESIDENTS' SERVICES
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Cleaner, Greener & Cultural Services	8,951	(206)
Transport and Highways	12,792	420
Leisure & Parks	4,395	32
Environmental Health, Community Safety & Emergency Planning	6,493	266
Other LBHF Commercial Services	(238)	240
Executive, Finance and Contingency	1,514	0
Building and Property Management (FCS)	0	0
Commercial Services (FCS)	11,838	0
Markets & Street Trading (HRD)	213	0
Customer Services	14,476	0
Libraries Shared Services	2,628	0
TOTAL	63,063	752

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Cleaner, Greener & Cultural Services	
Greener Living: £281k underspend on waste disposal due to continuation of the reduced recycle processing rate. £25k other smaller net underspends.	(306)
Culture: Commercial income target at risk.	100
Total of Cleaner, Greener & Cultural Services	(206)
Transport & Highways	
Metro Wireless WIFI income underachievement.	73
Transport Planning Consultancy income underachievement.	55
Network Management FPN income underachievement due to rule changes following developments in.	54
Network Management license income underachieved due to rule changes.	45
Advertising contract income underachievement.	20
Forecast shortfall in recharges to projects. Additional projects may be identified in year that will reduce this overspend.	202
IT costs are under budgeted as there has been a reliance on the IT reserve in prior years which has now been transferred to corporate reserves.	41
Land Survey underspend due to IT charges to TFL.	(40)

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Streetlighting: Ongoing reduction in energy use from LED replacement project.	(19)
Other underspends.	(11)
Total of Transport & Highways	420
Leisure and Parks	
Salaries net overspend.	7
Additional water charges due to installation of meters.	33
Higher forecast for Linford Christie energy costs.	10
Additional cemeteries income.	(13)
Additional parks income.	(7)
Other.	2
Total of Leisure and Parks	32
Environmental Health, Community Safety & Emergency Planning	
Licensing & Trading Standards: £70k forecast Licensing income shortfall, mostly due to £40k reduction in Olympia license fee, but other licensing income is also forecast to be £29k less than budget. Recovery plan being developed to address this ongoing pressure.	69
Community Safety: £120k income shortfall due to non-delivery of commercial income savings (£100k deployable CCTV and £20k Professional Witness).	120
Emergency Planning: Due to ongoing budget pressures in transport (£30k forecast shortfall in leasing income and £47k forecast income shortfall in fleet management). Possibility of securing admin fees for fleet management from WCC (£18k) and RBKC (£5k) but not yet agreed. Further £24k income risk if parking spaces and empty workshop space cannot be rented out.	77
Total of Environmental Health, Community Safety & Emergency Planning	266
Other LBHF Commercial Services	
Forecast shortfall on CCTV ducting. New contact being negotiated, so actual amounts not yet known but likely to be in the region of £50k.	240
Total of Other LBHF Commercial Services	240
Executive, Finance and Contingency	
	0
Total of Executive, Finance and Contingency	0
Commercial Services	
	0
Total of Commercial Services	0

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Libraries Shared Services	
	0
Total of Libraries Shared Services	0
TOTAL VARIANCE	752

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Loss of nationality checking income in the registrar's service.	60
Registrars forward bookings affected by HTH redevelopment.	150
Serco saving assumed by Ernst & Young may not be achieved.	159
Commercial opportunities - potential risk that income targets will not be achieved.	250
Smart Open - potential risk that savings will not be achieved due to delays in implementation.	50
If new savings cannot be found to fund the 2% cost of the 2018/19 staff pay award.	172
Coroner's service backlog of cases.	40
TOTAL RISKS MANAGED	841

**APPENDIX 6a: CONTROLLED PARKING ACCOUNT
BUDGET REVENUE MONITORING REPORT MONTH 2**

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Controlled Parking Account	(22,940)	(413)
TOTAL	(22,940)	(413)

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Parking Control	
Pay and display income overachievement	(1,030)
Permits income overachievement	(101)
Parking PCN Income overachievement	(71)
Towaways Income overachievement	(12)
Suspensions Income underachievement	744
Underspend of (£371k) on supplies and services primarily due to reductions in cost as result of the completion of the rollout of cashless parking, leading to reductions in cash collection and maintenance costs.	(395)
Salary overspend supporting increased income	452
TOTAL VARIANCE	(413)

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
If new savings cannot be found to meet the 2% cost of staff pay awards 2018/19	113
TOTAL RISKS MANAGED	113

Supplementary Monitoring Information
None to report.

APPENDIX 7: SOCIAL CARE
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Care and Assessment	22,389	741
Learning Disability	11,702	326
Mental Health	6,629	102
In-House Services	2,832	0
Community Independence & Hospital Service	1,603	0
Resources	6,343	0
Directorate & Support Service	674	0
Commissioning	3,659	0
TOTAL	55,831	1,169

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Care and Assessment	
Like the previous year, there are continued pressures as part of the out of hospital strategy including 7-day social care services to support customers at home and avoid hospital admissions or to enable early discharge. This has led to an increase in home care costs above that which is normally expected. The main reasons for the overspend are due to the full year effect of packages which started at the end of last year and the further increase in London Living wage rates.	741
TOTAL OF Care and Assessment	741
Learning Disability	
The overspend of £326,000 is due to a large on-going care package and the full year effect of Placements which started at the end of last year.	326
TOTAL OF Learning Disability	326
Mental Health	
Mental Health is projecting overspend of £102,000 due to increasing costs for Home Care service users.	102
TOTAL OF Mental Health	102
Funding from New Adult Social Care Support Grant	
In February, the Government announced additional one-off funding in 2018/19 for Adult Social Care of £574,000 to support sustainable local care markets. Given the early year monitoring position, the department is requesting Cabinet to allocate the funding towards the Home Care pressures mentioned above.	0

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Funding from Adult Social Care Support Grant	0
TOTAL VARIANCE	1,169

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Estimated costs relating to Learning Disability service users transitioning from Children Services to Adult Social Care.	450
Year on year savings from Transformation Commissioning Programme are increasingly difficult to deliver and the department is concerned given the overall budgetary position.	900
TOTAL RISKS MANAGED	1,350

Supplementary Monitoring Information
<p>The department is starting the year with a projected overspend of £1,169,000. This is after the use of new additional one-off funding from the Adult Social Care Grant of £574,000 to mitigate the full year implications of new service users coming through the service from 2017/18 especially within Home Care and Learning Disability and price increases due to market pressures.</p> <p>Historically, the department's budget has had underlying budget pressures, which were partly mitigated in year by using a combination of management actions to control the budget, one off reserves and from last year with the Improved Better Care Funding.</p> <p>At this early stage of the year, the department is highlighting a maximum risk of £1.3m due potential additional transitional service users and difficulty of some in year savings at risk of non-delivery.</p>

APPENDIX 8: CENTRALLY MANAGED BUDGETS
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Corporate & Democratic Core	3,708	120
Housing Benefits	(328)	0
Levies	1,571	(40)
Net Cost of Borrowing	282	0
Other Corp Items	6,268	0
Pensions & redundancy	8,890	(80)
TOTAL	20,391	0

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Corporate & Democratic Core	
Net Shared Accommodation costs after factoring in the accommodation profile post Moving On.	120
Corporate & Democratic Core Total	120
Housing Benefits	
	0
Housing Benefits Total	0
Levies	
Corporately funded Levies are forecast to be £40k under budget.	(40)
Levies Total	(40)
Net Cost of Borrowing	
	0
Net Cost of Borrowing Total	0
Other Corp Items	
	0
Other Corp Items Total	0
Pensions & redundancy	
Pension costs from historic redundancy decisions.	(80)
Pensions & redundancy Total	(80)
TOTAL VARIANCE	0

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
There is a risk that a reduction in cash balances will reduce the amount of investment income by up to £250k. There is a mitigating factor that interest rates may rise which could lead to a favourable variance of up to £250k.	250
TOTAL RISKS MANAGED	250

Supplementary Monitoring Information
<p>The uncommitted balance of the Unallocated Contingency currently stands at £1.7m.</p> <p>The savings budgets for council provided Public Health Services (£2m) is currently being held on Centrally Managed Budgets. The departmental services who will be receiving the Public Health income need to be identified so this budget can be allocated correctly.</p> <p>Approval is sought to process multiple virements to move existing budgets to the new budget holders within the new departmental structure. Although this will require numerous high value budget movements between cost centres the budgets will still be used for the same purpose as agreed by budget council in February 2018 and don't represent approval for additional spend.</p>

APPENDIX 9: HOUSING REVENUE ACCOUNT
BUDGET REVENUE MONITORING REPORT MONTH 2

Table 1 - Variance by Departmental Division		
Departmental Division	Revised Budget	Forecast Variance Month 2
	£000	£000
Housing Income	(76,847)	214
Finance and Resources	9,351	0
Housing Services	11,100	0
Property Services	2,932	3,471
Housing Repairs	14,820	0
Housing Solutions	250	0
Housing Strategy	264	0
Adult Social Care	48	0
Regeneration	362	0
Safer Neighbourhoods	622	0
Capital Charges	25,356	0
Business & Programme Management	2,630	0
SLA recharges	6,384	0
Revenue Contribution to Capital	4,563	0
(Contribution to) / Appropriation from HRA General Reserve	1,835	3,685

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Property Services	
Fire Safety Plus Expenditure - the use of Fire wardens at Hartopp, Lannoy and Edward Woods Estates is likely to continue for the foreseeable future. Information available during the budget process had previously suggested that the use of wardens would no longer be required from June 2018.	3,471
Property Services core costs - no variance is anticipated.	0
Total: Property Services	3,471
Housing Repairs	
	0
Total: Housing Repairs	0
Housing Income	
This relates mainly to a forecast shortfall in rental income from garages of £148k due to slippage in appointing a garages refurbishment	214

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
contractor. At the time the budget was produced the contractor was expected to be in place by mid-February 2018, however no competitive tenders were received. The work is being retendered and the forecast assumes a contractor is in place by July 18. In addition, there is an anticipated shortfall on income from advertising hoardings of £50k due to contractual issues and additional property management recharges from Corporate Property Services of £45k. Offsetting this is a favourable variance on dwelling rents and tenants service charge income (£31k). Other minor variances of £2k are predicted at this stage.	
Total: Housing Income	214
Housing Services	
	0
Total: Housing Services	0
Finance & Resources	
	0
Total: Finance and Resources	0
Safer Neighbourhood	
	0
Total: Safer Neighbourhood	0
Adult Social Care	
	0
Total: Adult Social Care	0
Housing Solutions	
	0
Total: Housing Solutions	0
Housing Strategy	
	0
Total: Housing Strategy	0
Regeneration	
	0
Total: Regeneration	0
Capital Charges	
	0

Table 2 - Variance Analysis	
Departmental Division	Month 2 £000
Total: Capital Charges	0
Revenue Contribution to Capital	
	0
Total: Revenue Contribution to Capital	0
SLA Recharges	
	0
Total: SLA Recharges	0
Business and Programme Management	
	0
Total: Business and Programme Management	0
TOTAL VARIANCE	3,685

Table 3 - Key Risks - Detail Items Over £250,000	
Risk Description	Risk At Month 2 £000
Additional Fire Safety Costs - following the fire at the Grenfell tower, the Council has put in place the Fire Safety Plus Programme to make fire safety improvements to the housing stock legal minimum standards. There remains a risk that more work may be needed following the Grenfell Public Enquiry.	unknown
The implementation of the Hampshire Integrated Business Centre systems - risks to income collection, arrears management and the bad debt risk, financial and management reporting, systems assurance and reconciliation reporting, the time taken to resolve payment issues, the cost of officer time in managing issues arising and other factors.	unknown
MITIE Out of Scope - a review of revenue repair costs and volumes on the out of scope element of the MITIE repairs and maintenance contract indicate that there remains a risk of a further overspend this year. Officers are reviewing the position monthly in detail.	TBC
Growth & Place restructure: The impact of the restructure most notably additional resource requirement in the property services team and the further roll out of the concierge service. Finance Officers are working closely with the project team costing the emerging proposals	unknown
TOTAL RISKS MANAGED	TBC

Supplementary Monitoring Information
None to report.


APPENDIX 10 - VIREMENT REQUEST FORM

BUDGET REVENUE MONITORING REPORT – MONTH 2

Details of virement	Amount (£000)	Department
GENERAL FUND:		
Adult social care support grant	(574) 574	CMB SC
Consolidation of centrally held NDR budgets onto one cost centre	(37.2) 37.2	CMB CMB
Drawdown from Invest to Save reserve to fund social lettings agency expenditure	(133) 133	CMB GP
Drawdown from King Street West reserve to cover expenditure on King Street West project	(96) 96	CMB GP
Drawdown from the property reserve to fund property related work for general fund properties	(150) 150	CMB CMB
Total general fund requests (debits)	990.2	
HRA		
Realign budget between the finance & resources, housing services, and business & programme management	(1,071) 1,071	HRA HRA
Total HRA Requested Virements (debits)	1,071	

Department	Abbreviation
Centrally Managed Budgets	CMB
Growth and Place	GP
Housing Revenue Account	HRA
Social Care	SC

Agenda Item 6

<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>10 SEPTEMBER 2018</p>	
CORPORATE PLANNED MAINTENANCE PROGRAMME (CPMP) 2018/2019	
Report of the Cabinet Member for Finance and Commercial Services: Councillor Max Schmid	
Open report A separate report on the exempt part of the Cabinet agenda provides financial information.	
Classification - For Decision Key Decision: Yes	
Consultation The CPMP has been developed in consultation with the service departments and from information provided by the Council's contractor Amey Community Ltd.	
Wards Affected: All	
Accountable Director: Hitesh Jolapara – Strategic Director for Finance and Governance	
Report Author: Sebastian Mazurczak Corporate Professional & Property Services Team Manager - Building & Property Management Division	Contact Details: Tel: 0208 753 1707 E-mail: Sebastian.mazurczak@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to provide proposals for the delivery and funding of the 2018/2019 Corporate Planned Maintenance Programme (CPMP) for the Council's corporate property portfolio.
- 1.2. Currently, the CPMP has been solely delivered as part of the Shared Services Total Facilities Management (TFM) contract awarded to Amey Community Ltd (referred to as ACL) with majority of works and professional services being delivered directly by ACL based on a single source delivery model (Works and Professional Services).
- 1.3. As part of the Council's decision to move away from a shared to a sovereign in-house service, the Council established its own client-side project management function. The client-side function, will be considering additionally

supplementing the works by self-delivering key work streams with the use of existing public frameworks that LBHF are members of where appropriate, alongside with the use of ACL for other projects.

- 1.4 All works will be the subject to close scrutiny by Corporate Property Services (CPS) in respect to obtaining best value and only works of an essential nature will be undertaken. It should also be noted that the final commitment of any individual capital project work over £25,000 is subject to a Cabinet Member Decision or Key Decision subject to the value of works over £100,000.
- 1.5 The head of service for the in-house client-side team will need to ensure the works will be monitored and tracked incorporating operational changes made, ensuring that the overall budget outlined in the CPMP is not exceeded.
- 1.6 The in-house client-side team will manage these projects through verification and scrutiny to yield best results with regards to value for money and expedited service delivery. Council's set Standing Orders protocols and Governance will still remain in place for final approval as described in 1.4 before any projects are undertaken.

2. RECOMMENDATIONS

- 2.1 To approve the 2018/2019 Corporate Planned Maintenance Programme (CPMP) as outlined in detail in Appendix 1 (attached to the exempt part of the report) subject to any amendments as agreed for operational reasons by the Strategic Director of Finance and Governance, with the final commitment of any individual project over £25,000 subject to a Cabinet Member Decision or Key Decision depending on the value of works over £100,000.
- 2.2 That the 2018/2019 CPMP be monitored and reported on for any operational changes. The Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance and Commercial Services to approve any minor variation to the 2018/2019 CPMP.
- 2.3 That the 2018/2019 CPMP monitoring report be prepared for the Cabinet Member every quarter to show any deviations over or under £5,000 compared to the original key decision report for the year. Projects with variations under £5,000 are to be reported in the summary as a financial adjustment within the report.

3. REASONS FOR DECISION

- 3.1 Key decision is required to provide proposals for the funding and delivery of the 2018/2019 CPMP programme and to obtain approval, which is a fundamental element of the Council's strategy for dealing with the backlog of maintenance to ensure its retained core assets are fit for purpose. Given that the estimates of the work were carried out in the autumn 2017 it is likely that the estimated values may have changed.

3.2 Over 2018/2019, the programme will be monitored and tracked, by the Corporate Finance team. The Council undertakes asset reviews and this also identifies planned maintenance investment. Consequently, there may be scope to make operational changes identified by the Strategic Director of Finance and Governance in advice to the Cabinet Member for Finance and Commercial Services. It is these changes that are envisaged in recommendation 2.2.

3.3 Subject to legal advice, there may be operational reasons to seeking different procurement routes for key projects which do not impact on the current contractual terms with Amey. In essence, the Council may need to access other public-sector frameworks and not only being limited to ACL to aid improving service delivery of works and verify value for money.

4. PROPOSAL AND ISSUES

4.1 These are contained within the exempt part of the report.

5. OPTIONS AND ANALYSIS OF OPTIONS

5.1 These are contained within the exempt part of the report.

6. CONSULTATION

6.1. The CPMP has been developed in consultation with the service departments with input from the Council's current technical advisers ACL using condition surveys and other building compliance intelligence.

7. EQUALITY IMPLICATIONS

7.1 There are no negative equality implications for protected groups arising from Cabinet approval of this programme. The works are, in most cases, ensuring the Council meets its statutory obligations.

7.2 Implications verified/completed by: Peter Smith, Head of Policy & Strategy - tel. 020 8753 2206.

8. LEGAL IMPLICATIONS

8.1 These are contained within the exempt part of the report.

9. FINANCIAL IMPLICATIONS

9.1 These are contained within the exempt part of the report.

10. IMPLICATIONS FOR BUSINESS

10.1 This is a substantial contract which can give rise to sustainable economic development benefits for the local community.

- 10.2 The commissioning manager and Amey will work closely with the Economic Development Team to identify and implement a package of economic development measures, including creating employment and skills opportunities and local supply opportunities for local SMEs.
- 10.2 Implications verified/completed by: Albena Karameros, Economic Development Team – Tel. 020 7938 8583.

11. COMMERCIAL IMPLICATIONS

- 11.1 There are no procurement related matters as works required under the CPMP will be placed as orders with Amey Community Ltd (ACL) who were awarded a Total Facilities Management Contract by the Council. Where ACL are required to sub-contract works as part of the Contract this will be undertaken in accordance with the instructions from the Director for Finance and Governance.
- 11.2 Implications verified/completed by: Alan Parry, Procurement Consultant – Tel. 020 8753 2581.

12. PROPERTY IMPLICATIONS

- 12.1. The CPMP 2018/2019 programme was compiled on a risk basis approach in order to mitigate any high probabilities of unwanted events. Key risks that were considered as priority were legislative obligations; health and safety to staff and public; business critical issues and risks that could cause operational impact to services using the buildings. If these works were not to be completed, the likelihood of breach in legislation, accidents or incidents, and services impacts would be plausible.
- 12.2. Implications verified/completed by: Nigel Brown, Head of Asset Strategy and Portfolio Management – Tel. 02087532835.

13. RISK MANAGEMENT

- 13.1 Risks associated with the delivery of the programme are to be managed within the services existing risk management framework. This means that the service will identify any principal risks to the achievement of objectives, record them and undertake that they are allocated, measured, reviewed, and mitigated. The programme contributes positively to the management of property, environmental risk and maintaining our statutory health and safety duty noted on the Council's Shared Services risk register, number 8. Where property related health and safety risks are identified they now inform a risk register shared with the Shared Services Corporate Safety Unit and Council's Safety Committee at which a representative of Amey attends.
- 13.2 Hammersmith & Fulham has terminated its S113 agreement with the Link, however the Link is still responsible for the management of Amey and health and safety compliance in H&F. Until this formally changes Corporate Property

must consult with the Link before, during and after any capital works to ensure health and safety compliance is maintained to protect staff and the public.

- 13.3 Corporate health and safety must be consulted before, during and after capital works to ensure health and safety compliance is maintained to protect staff and the public. Corporate Health and Safety, will report on health and safety compliance of capital works to Audit Pensions and Standards Committee to provide reassurance to Members.
- 13.4 Implications verified/completed by Michael Sloniowski, Shared Services Risk Manager - Tel. 0208 753 2587
- 13.5 Implications verified/completed by Richard Buckley, Bi-borough Head of Environmental Health & Corporate Safety – Tel. 020 8753 3971.

14. IT IMPLICATIONS


- 7.1 There are no IT implications associated with this programme as the works are associated with cyclical planned maintenance and in most cases, ensuring the Council meets its statutory obligations.
- 7.2 Implications verified/completed by: Veronica Barella, Chief Information Officer – Tel. 02087532927.

15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

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

LIST OF APPENDICES:

Appendix 1: CPMP 2018-2019 Proposed Programme - contained within the exempt part of the report.

<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">10 SEPTEMBER 2018</p>	
<p style="text-align: center;">VARIATION TO THE DUCT ASSET CONCESSION CONTRACT</p>	
<p>Cabinet Member for Finance and Commercial Services - Councillor Max Schmid</p>	
<p>Open report A separate report on the exempt part of the Cabinet agenda provides financial information.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Consultation Commercial services, transport and highways.</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Hitesh Jolapara, Strategic Director for Finance and Governance</p>	
<p>Report Author: Jem Kale, Head of Operations and PSR Commercial Ops</p>	<p>Contact Details: Tel: 020 8753 2370 E-mail: jane.kale@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Following a tender exercise in 2013, in April 2014 the Council let a contract to ITS Hammersmith & Fulham Ltd to allow it to install optical fibres in the Council's underground duct system. Since then the revenues being made by ITS are significantly short of the forecast made when they bid for the contract. The contract runs until 2025.
- 1.2. The contract permits ITS to terminate the arrangement at any time from February 2018, with no penalty. It is therefore in the Council's interests to agree variations to the contract in order to continue to receive some income, rather than none at all.

- 1.3. The contractor does not have exclusive use of the ducts so the Council could approach other operators in the future if it wished, whether the existing contract is varied now or not.
- 1.4. The Council has previously set an annual income budget of £290k for the duct asset concession, and the same is assumed in the 2018/19 budget. So far, the actual income has not met the target. From the activation of the contract in February 2015 to February 2018 a fixed fee is due for those three years together, and the contractor has been paying that to the Council on an instalment basis.
- 1.5. If the Council does not follow the course of action recommended then there will be no income at all in 2019/20 and beyond to be set against the £290k budget.

2. RECOMMENDATIONS

- 2.1. That the Council should vary the duct asset concession contract with ITS Hammersmith & Fulham Ltd from 1/4/18 under the terms set out in the exempt part of the report.
- 2.2. That the Council varies the duct asset concession contract with ITS Hammersmith & Fulham Ltd so that:
 - There is a fixed fee paid to the Council as set out in the exempt part of this report, and
 - There is a variable fee paid to the Council as set out in the exempt part of this report.
- 2.3. That the council manages the procurement risk by issuing a VEAT notice.
- 2.4. That the power to vary all other details of the contract relating to administrative aspects are delegated to the Strategic Director for Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services.

3. REASONS FOR DECISION

- 3.1. Under the terms of the existing contract the contractor can terminate the contract at any time from February 2018 with no penalty if the original income targets forecast in the contract are not being met. Those income forecasts are not being met and the Council expects that the contractor would terminate the contract if the terms of the contract were not varied now.

4. PROPOSAL AND ISSUES

- 4.1. The Council owns around 20km of underground ducting originally created to carry the optical fibres required to service the CCTV network. There is space within the ducts for further optical fibres.

- 4.2. The Council ran a competitive process to find an operator willing to pay to install their own fibres in the Council's ducts. A contract was let to ITS in April 2014 but it was not activated until February 2015 when the first equipment was installed.
- 4.3. However, the contract ran at a slow pace until 2017 when a combination of personnel changes in ITS and new investment from venture capitalists began to improve the business.
- 4.4. The ITS business model is to be a wholesaler of fibre internet access. Their customers are other businesses and organisations that want to buy fast internet access. Some of those businesses go on to sell broadband access to domestic customers.
- 4.5. ITS is now investing hundreds of thousands of pounds in their fibre network and are beginning to attract customers.
- 4.6. In July 2017 the Council successfully negotiated a repayment plan with ITS for the fixed fees owed for the period February 2015 to February 2018.
- 4.7. However, it is now apparent that the original duct asset concession contract very significantly over estimated the number of customers that would be secured. Having secured the fixed fee up to February 2018 the Council would expect ITS to terminate the contract (with no penalty) at any time after February 2018, unless the contract is varied to take into account more realistic assumptions.
- 4.8. A cabinet member decision was taken to vary the contract on the terms set out in this paper for one year from April 2018. The drafting of the variation has been delayed at the concession holder's request. This paper therefore now supersedes the cabinet member decision as it covers the whole period from April 2018 to the end of the contract.

5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1. The Council has two options, either to wait for the contractor to terminate the contract with immediate effect or to agree to vary the contract.
- 5.2. If the contract is terminated the Council will receive no income from the contractor for the use of the duct assets.
- 5.3. If the contract is varied then income will continue to flow to the Council, albeit at a lower amount than originally anticipated in the contract.
- 5.4. The contract with ITS does not provide exclusive use of the ducts. This means that under either option the Council can seek other operators who may wish to pay to use the Council's ducts.

6. CONSULTATION

- 6.1. Staff in commercial services and in transport and highways have provided their input into the deal.

7. EQUALITY IMPLICATIONS

- 7.1. There are no anticipated negative impacts on any groups with protected characteristics, under the terms of the Equality Act 2010, from this proposed variation of the duct asset concession contract.
- 7.2. *Implications completed by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

8. LEGAL IMPLICATIONS

- 8.1. These are contained within the exempt part of the report.

9. FINANCIAL IMPLICATIONS

- 9.1. These are contained within the exempt part of the report.

10. IMPLICATIONS FOR BUSINESS

- 10.1. The recommendations in this report will lead to businesses in the borough having the option of another supplier of fast fibre broadband.
- 10.2. *Implications verified/completed by: David Burns Albena Karameros, Economic Development Team, tel. 020 7938 8583 or David burns*

11. COMMERCIAL IMPLICATIONS

- 11.1 Commercial implications are contained within the body of the report.
- 11.1. *Implications verified/completed by: Simon Davis, Head of Commercial Management, Tel. 0208 753 7181, tel. 07920 503651.*


12. RISK MANAGEMENT

- 12.1. In a commercial arrangement like this there is a risk that the incomes on which the finances depend may be higher or lower as expected. The recommendation seeks to mitigate loss of opportunity risk in connection with Corporate Commercial Contract Management and Procurement risk number 3 on the Corporate Risk Register and Corporate risk 1 Financial Management in accordance with our Council Priority of Being Ruthlessly Financially Efficient.
- 12.2. The operation of the contract will be monitored regularly throughout the year.
- 12.3. *Implications verified by: Michael Sloniowski Risk Manager, tel 020 8753 2587, mobile 07768 252703.*

13. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

Agenda Item 8

<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>10 SEPTEMBER 2018</p>	
<p>OLIVE HOUSE EXTRA CARE HOUSING PROCUREMENT STRATEGY</p>	
<p>Report of the Cabinet Member for Health & Adult Social Care: Councillor Ben Coleman</p>	
<p>Open report A separate report on the exempt part of the Cabinet agenda provides financial information.</p>	
<p>Classification - For Decision</p> <p>Key Decision YES</p>	
<p>Wards Affected: Sands Ends</p>	
<p>Accountable Director: Lisa Redfern, Strategic Director of Social Care and PSR</p>	
<p>Report Author: Julia Copeland Strategic Commissioner</p>	<p>Contact Details: Tel: 020 8753 1203 E-mail: Julia.copeland@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval for the procurement strategy for the care and support provision at Olive House, an extra-care housing scheme for residents aged 55+.
- 1.2 Olive House is an Extra Care Housing (ECH) service providing accommodation, care, and support as well as 24-hour staffing to 40 vulnerable, mostly older people with a range of physical and mental health conditions. The current provider is Housing & Care 21; the existing contract expires on 30th November 2018.
- 1.3 It is proposed the Council utilises the Extra Care Dynamic Purchasing System (DPS) set up by the Council to select a provider to deliver a five plus 2-year contract for Olive House. In December 2016, Cabinet approved the development of the DPS and the implementation of a Core and Flexible Hours' model. The DPS was established in January 2018 and will be open to new providers for ten years.

- 1.4 As a compassionate council, the administration is committed to rewarding staff fairly by paying the London Living Wage (LLW) and to meeting the associated costs and so there will be a requirement to pay all staff at least LLW throughout the duration of the contract.
- 1.5 The outcome of the Tender will be known in early 2019 and the service will need a few months to mobilize. To ensure service continuity during the procurement and mobilization periods, a direct award of a short term limited contract to the incumbent provider, is recommended to continue services up until 30 June 2019. The direct award will be funded from the Adult Social Care (ASC) General Fund budget.
- 1.6 The new contract will deliver value for money and improved outcomes for residents and will contribute to the Council's Older People's Housing Strategy and the Disabled Persons Commissions' recommendations. The Council is currently developing our specialist housing strategy to ensure we maximise the end to end opportunities of extra care and other specialist housing for residents.

2. RECOMMENDATIONS

- 2.1 That Cabinet approves the procurement strategy for future care and support provision at Olive House, set out in the exempt part of the agenda.
- 2.2 That Cabinet delegates the authority to award a five-year contract, with an option to extend for a further two years, in the event the Council intends to exercise this option to the Strategic Director of Social Care and PSR in consultation with the Cabinet Member for Health & Adult Social Care and the Cabinet Member for Finance and Commercial Services.
- 2.3 That Cabinet approves a waiver in accordance with Contract Standing Order 3.1 to allow for the direct award of a seven-month contract to the incumbent provider, to ensure service continuity through the mobilisation of the new provider. The proposed contract would commence on 1st December 2018.

3. REASONS FOR DECISION

- 3.1 ECH services in LBHF play a vital role in supporting vulnerable people to maintain their independence, remain in the borough and reduce the need for emergency health and social care services. The existing contract expires on 30 November 2018; the procurement strategy set out in Appendix A, in the exempt part of the agenda, will ensure a new contract delivers improved outcomes for residents; represents value for money for the Council and is compliant with the Care Act 2014.
- 3.2 The procurement and mobilization period for the Olive House tender is likely to run beyond the end of the current contract. Sufficient time is required to resolve TUPE matters; involve residents in the transition to the new service and to ensure appropriate support is in place for vulnerable people. A direct

award of a contract to the incumbent provider is therefore recommended to ensure service continuity during the mobilization period.

4. PROPOSAL AND ISSUES

Background

- 4.1 Extra Care is housing designed to meet the needs of usually older people with physical and mental health needs. Extra Care provides varying levels of care and support available on site. People who live in Extra Care have their own self-contained homes with tenancies, their own front doors, and a legal right to occupy the property.
- 4.2 Olive House provides a mix of housing; 40 units of Extra Care Housing and 10 units of sheltered housing. The scheme is currently rated “Good” by CQC and recent resident engagement feedback was positive in all areas including social activities, safety, housing, quality of care and staffing.
- 4.3 In 2021 a new flagship 60-bed Extra Care facility will open in White City. In 2019-20 officers will be refreshing the borough’s extra care needs assessment and strategy. Any refreshed strategy will be developed with reference to the LBHF Older People’s Housing Strategy.
- 4.4 To date Extra Care has been predominantly used for older residents. Extending the eligibility criteria to include more people with learning disabilities; younger adults (45+) with physical disabilities and people with mental health issues will enable more residents to remain in the borough rather than having to move to other areas. There will be financial benefits too as the unit costs of extra care are comparatively cheaper than many residential placements for people with physical and learning disabilities and mental health issues.

Extra Care Housing Dynamic Purchasing System

- 4.5 An Extra Care Dynamic Purchasing System was established in January 2018 and will remain open for ten years so new providers can join. There are currently seven providers on the DPS who will be eligible to submit a bid for the future provision of services at Olive House; as set out in more detail in Appendix A, in the exempt part of the agenda.
- 4.6 A new Core and Flexible Hours’ service model and specification has been developed to maximise well-being; place the resident at the centre of service and improve financial transparency of the service costs to individual residents as set out in Appendix A, in the exempt part of the agenda.

Procurement Timetable

- 4.7 If the strategy is approved, the tender will begin in October 2018. The new service is expected to commence from the 1 July 2019 as set out in detail in Appendix A, in the exempt part of the agenda.

Value for Money and financial modelling

As set out in the exempt part of the agenda.

5 OPTIONS AND ANALYSIS OF OPTIONS

Option 1: Allow the current contract to expire on 1st December 2018

- 5.1 The current Olive House contract is expiring on 30 November 2018 and there is an option to not re-provide the service. However, the service is valued by residents and their families; alternative, potentially more expensive placements would need to be found for all 40 vulnerable residents, causing considerable disruption. Furthermore, there is insufficient capacity in the other Extra Care schemes to be able to easily move residents elsewhere. There will be a risk to vulnerable residents if the service is not extended. This option is not recommended.

Option 2:

As set out in the exempt part of the agenda – Not recommended.

Option 3: Procure a new service provider from the Extra Care Housing DPS

- 5.2 For the reasons set out in section 4 it is recommended the DPS is used to procure a new care provider for Olive House. The service specification will set out a Core and Flexible Hours model. This model will deliver value for money as well as providing choice and control for residents, making the scheme Care Act compliant. The specification will widen the eligibility criteria for Olive House to ensure more residents can benefit from the service and remain in the borough if they choose. Following the conclusion of the procurement, the recommendation to award the contract to the successful provider will be the subject of a Cabinet Member decision. For these reasons this option is recommended.

6. CONSULTATION

- 6.1 A thorough customer and market consultation on ECH was undertaken in 2016/17 to inform the ECH procurement strategy. The resident consultation underpins the outline service specification used in the DPS. Full details of the consultation are set out in Appendix A, in the exempt part of the agenda.
- 6.2 Regular resident engagement, as part of ongoing contract monitoring of services, indicates residents are happy with services at Olive House. Residents especially value the activities, feelings of safety, continuity of care workers and good quality care.
- 6.3 Olive House residents and key stakeholders will be consulted further once the procurement strategy has been approved.

7. EQUALITY IMPLICATIONS

- 7.1 It is not considered there will be any adverse equality implications for protected groups because of the proposals in this report. Overall the impact

on older people is likely to be neutral or positive as service continuity and improvements will be secured and more personalised services delivered.

- 7.2 Implications verified by: Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

8. LEGAL IMPLICATIONS

- 8.1 As set out in the exempt part of the agenda.

9. FINANCIAL IMPLICATIONS

- 9.1 As set out in the exempt part of the agenda.

10. IMPLICATIONS FOR BUSINESS-LOCAL ECONOMIC AND SOCIAL VALUE

- 10.1 Extra Care enables the Council to direct substantial funds into the local care and support market, rather than diverting this money to other parts of the country in residential care settings. The procurement strategy for Olive House will therefore have a positive impact on local businesses. This is true of both local businesses operating in the care market, social housing market, and general retail.

- 10.2 Procuring a care provider through the DPS using the Core and Flexible model will support SMEs and local businesses. This is because current large block contracts across ECH tend to be delivered by large organisations; this will be replaced by more personalised contractual arrangements that offer additional opportunities to smaller organisations. This will have a positive impact on both the local domiciliary care market and the local voluntary sector which plays a pivotal role in supporting residents to tackle isolation and support community independence

- 10.3 Business Implications verified by Albena Karameros, Economic Development Team, telephone 020 7938 8583.

11. PROCUREMENT IMPLICATIONS

- 11.1 As set out in the exempt part of the agenda.

12. RISK MANAGEMENT

- 12.1 Extra Care is housing designed to meet the needs of usually older people with physical and mental health needs and there contributes to meeting the Council Priority of Creating a Compassionate Council and meeting the needs and expectations of residents. Options recommended by this paper represent a reduction in procurement risk, by going out to the DPS instead of completing a direct award the risk of legal challenge is reduced, this is done to manage Commercial, Market and Legal risks. It is also noted the criteria in the proposed procurement strategy, Appendix A 8.8, includes consideration

of additional Social Value (in the exempt part of the agenda). By re-procuring through the DPS the Council is seeking to attain Best Value and therefore contributing to the management of finance risk and Council Priority to be Ruthlessly Financially Efficient.

- 12.2 The risk of continuity of the services, a corporate risk, is mitigated by requesting an extension to the existing provider's contract. This will ensure that any difficulties in procuring or mobilising the service will not negatively impact the service users, who will continue to receive their care services from the incumbent provider.
- 12.3 There remains some financial risk to the service due to the flexible element of the service. If an individual's care needs go up unexpectedly then budgets will need to cover this unanticipated increase. However, unlike the existing block contracts, the directorate will not need to fund all the care for void rooms. Therefore, if overall demand for ECH reduces then the service will not pay a flat care cost rate for residents.
- 12.4 Risk Management implications verified by Michael Sloniowski, Risk Manager, telephone 020 8753 2587.

13. HUMAN RESOURCES IMPLICATIONS

- 13.1 It is considered that TUPE (Transfer of Undertakings, Protection of Employment) is likely to apply but will not include LBHF staff. TUPE will be managed throughout the procurement process and sufficient time for the new provider to deal effectively with TUPE will be factored into the contract mobilization period.

14. PRIVACY IMPACT ASSESSMENT

- 14.1 An initial Privacy Impact Assessment has been undertaken. A full Privacy Impact Assessment will be undertaken prior to the award of the new contract and information will be only be shared with the resident's consent.

15 IT IMPLICATIONS

- 15.1 The proposal relates to the award of an Extra Care contract for the care of vulnerable adults. By its nature, personal information will be gathered about the residents. The contract needs to reference the requirements of the new Data Protection Act 2018 (GDPR). The relevant council clauses are available on the capitalEsourcing system.
- 15.2 It is assumed that the provider will process the data through an IT system or collection of documents and other similar mechanisms. Data handling should comply with the council's requirements as the council is still the responsible data controller.
- 15.3 The service must complete an Information Sharing Agreement and Privacy Impact Assessment to identify how the data will be shared, and this will be

reviewed by the Information Management Team.

15.4 Information on our data protection responsibilities are available from the Intranet, and if needed further help is available from the Information Management Team.

15.5 Implications completed by: Veronica Barella, Chief Information Officer, telephone 020 8753 2927.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT

	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	5.12.16 Cabinet – Extra Care Housing Procurement Strategy – PUBLISHED	Julia Copeland	Adult Social Care

Contact Officer: Julia Copeland Strategic Commissioner 020 8753 1203.

<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">10 SEPTEMBER 2018</p>	
<p>LOCAL ENFORCEMENT PLAN (PLANNING)</p>	
<p>Report of the Cabinet Member for the Economy and the Arts - Councillor Andrew Jones</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Consultation Legal Services Finance Equalities Environmental Protection Highways Licensing Environmental Housing Streetscene Enforcement</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Jo Rowlands, Strategic Director Growth and Place</p>	
<p>Report Author: Cathy Thornton Team Leader Planning Enforcement</p>	<p>Contact Details: Tel: 020 8753 3496 E-mail: cathy.thornton@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 The Local Planning Enforcement Plan was created in response to the nature of investigations of the enforcement team, mainly affecting residents, and to help explain the principles of the service, in response to residents' feedback.
- 1.2 As a public authority, the Council has a responsibility to deliver services with fairness, openness, and proportionality when considering interventions such as planning enforcement.

- 1.3 This document sets out the approach to be taken in relation to breaches of planning rules in the London Borough of Hammersmith and Fulham. In dealing with enforcement the council will take into account the principles of good enforcement.
- 1.4 The enforcement service seeks to record and investigate all legitimately made reports of breaches of planning control. This plan sets out how the enforcement service can be accessed by members of the public, and the structured process by which investigations will be carried out in a fair and proportionate way. This plan sets out when people reporting breaches can expect to be updated on the progress of an investigation, and when the service will aim to have delivered particular results on an investigation.
- 1.5 This plan also explains how decisions are made, and describes the tools available to the Council for carrying out planning enforcement.
- 1.6 The Plan has no financial implications on the existing budget for the Planning Enforcement Team.
- 1.7 Para 207 of the National Planning Policy Framework (NPPF) recommends that the Local Planning Authority prepares a “Local Enforcement Plan” which sets out how alleged cases of unauthorised development are investigated and how action may be taken, where appropriate.

2 RECOMMENDATIONS

- 2.1 That Cabinet agrees to adopt the Local Planning Enforcement Plan.

3. REASONS FOR DECISION

- 3.1 To provide residents, businesses, members of the public, Councillors and other stakeholders with a clear and transparent plan of what to expect from the Planning Enforcement Team, when investigating alleged breaches of planning control.

4. PROPOSAL AND ISSUES

- 4.1 The main purpose of the Council’s enforcement activities is to protect the environment for residents, businesses and the public. These enforcement functions should be carried out in an equitable, practical and consistent manner so as to help to promote a thriving local and national economy. The Council is committed to these aims and to maintain a safe and attractive environment.
- 4.2 Performance
The Planning Enforcement Team is made up of 5 Officers:
Team leader, Deputy Team Leader and the Planning Enforcement Officers

The most common type of breaches investigated:

- Roof Extensions

- Roof terraces
- Conversion of houses into flats or Houses in multiple occupation
- Changes of use (e.g. retail to restaurant, retail to residential)
- Satellite Dishes
- Estate Agents Boards and other adverts

Average performance in 2016 and 2017

- 1,600 alleged breaches of planning control investigated per year.
- 1,712 investigations completed
- 92 Enforcement Notices issued
- 254 Estate agent boards removal notices
- 304 notices complied with
- 96% Investigations concluded within 12 weeks

4.3 Standards

The Council will have clear standards setting out the level of service and performance the public and the business community can expect to receive. The Council will publish these standards and our annual performance against them on the council website.

4.4 Openness

The Council will provide information and advice in plain language. All correspondence and guidance will be in plain English. The Council will be open about how we set about our work, including any charges that are set, consulting business, voluntary organisations, charities, consumers and workforce representatives. The Council will discuss specific complaints, compliance failures or problems with anyone having difficulties with the process.

4.5 Helpfulness

The Council will work actively with residents and local businesses, to advise and assist with enforcement enquiries and investigations. The Council will provide a courteous and efficient service. Staff will identify themselves by name. The Council will provide a direct contact point, email address and telephone number to residents and other members of the public. Applications for approval of planning permission etc. will be dealt with efficiently and promptly. The Council will deal promptly with all enforcement related property searches and be open about its charges. The Council will ensure that the enforcement service is effectively coordinated to avoid unnecessary overlaps and time delays.

4.6 Proportionality

The Council will minimise the costs of compliance for residents and local business by ensuring that any action required is proportionate to the risks and any harm being caused.

As far as the law allows, all the circumstances of the case, and the impact on those involved will be taken into account when considering action.

Prosecution will be instigated only when proportionate, to bring serious offenders to account.

The Council will take particular care to work with residents, small businesses and voluntary and community organisations in order to meet any legal obligations without unnecessary expense.

4.7 Consistency

The Council will carry out its duties in a fair, even handed and consistent manner.

All decisions made will take account of legislation and National and Local Planning Policy documents.

4.8 Confidentiality

In line with GDPR, details of complainants will be kept strictly confidential.

5. CONSULTATION

5.1 As part of the Planning Enforcement process the Council will liaise, consult and coordinate with other relevant services. These services have been consulted on the preparation of the Planning Enforcement Plan.

Legal Services

Environmental Protection

Highways

Streetscene Enforcement

Licensing

Environmental Housing

6. EQUALITY IMPLICATIONS

6.1. The Council has given due regard to its responsibilities under Section 149 of the Equality Act 2010 and it is not anticipated that there will be any negative impact on any groups with protected characteristics from the adoption of this Local Planning Enforcement Plan.

6.2 Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

7. LEGAL IMPLICATIONS

7.1 The Local Enforcement plan is not a statutory requirement however paragraph 207 of the NPPF does encourage local planning authorities to consider publishing a local enforcement plan to manage enforcement proactively.

7.2 The NPPF refers to the need for the local enforcement plan to monitor the implementation of planning permissions, allegations of unauthorised development and the power to take action where appropriate

- 7.3 The procedures and processes contained within the report are in line with Section 172 of the Town and Country Planning Act 1990 the NPPF and Planning Best Practice Guidance.
- 7.4 Implications completed by Gerta.Kodhelaj, Senior Solicitor (Planning, Highways & Licensing), tel. 020 8753 6081.

8. FINANCIAL IMPLICATIONS

- 8.1 The costs associated with delivering the Local Enforcement Plan mainly relate to staffing and legal expenditure and will be funded from existing approved revenue budgets within the Development Management section of the Council's Planning service. It is expected that where enforcement action is required, the vast majority of investigation and court costs will be either reimbursed or provided for from existing legal budgets controlled by the Head of Development Management. The current budget held for this type of costs is £63k. Where there is a risk of any significant unfunded legal costs, these will be reported through the Council's revenue monitoring regime and appropriate mitigating action will be taken to minimise or offset any potential cost to the Council.
- 8.2 Implications completed by Kath Corbett Director for Finance and Resources tel. 020 8753 3031.

9. IMPLICATIONS FOR BUSINESS

- 9.1 The report provides clear and transparent guidance to local businesses of what to expect from Hammersmith and Fulham in response to a breach of planning which may affect their business. Implications awaiting verification.
- 9.2 Implications verified by Albena Karameros, Economic Development Team, tel. 07739 316 957.

10. COMMERCIAL IMPLICATIONS

- 10.1 There are not considered to be Commercial implications in the report.
- 10.2 Implications verified by Joanna Angelides, Procurement Consultant, tel. 0208 753 2586, on behalf of Simon Davis.

11. IT IMPLICATIONS

- 11.1 It is assumed that the process for managing complainants is being managed within existing IT systems. Data handling of personal data, such as name and address and correspondence, should comply with the requirements of the Data Protection Act 2018 (GDPR).
- 11.2 Implications completed by: Veronica Barella, Chief Information Officer, tel 020 8753 2927.

12. RISK MANAGEMENT

- 12.1 The report proposals contribute positively to the management of the built and natural environment risk in accordance with the management of corporate risk and our Council Priorities including Taking Pride in Hammersmith & Fulham and in doing so being environmentally conscious and positive. Standards will help ensure fairness and transparency, both cornerstones of good governance, in line with our Priority of Doing things with, not to residents, as summarised in Section 4 of this report and is consistent with management of our Public's needs and expectations of Openness and Transparency.
- 12.2 Implications verified by: Michael Sloniowski, Risk Manager, tel. 020 8753 2587.

13. BACKGROUND PAPERS USED IN PREPARING THIS REPORT **None**

LIST OF APPENDICES:

Appendix 1: Local Enforcement Plan

APPENDIX 1



London Borough of Hammersmith and Fulham

Local Enforcement Plan

Planning



June 2018

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Executive Summary

As a public authority, the Council has a responsibility to deliver services with fairness, openness, and proportionality when considering interventions such as planning enforcement.

This document sets out the approach the Council will take in relation to breaches of planning rules in the London Borough of Hammersmith and Fulham. The principles of good enforcement will be taken into account.

Nationally, the planning enforcement system is based on two important principles:

1. A breach of planning control is not a criminal offence, except for:

- Unauthorised works to listed buildings;
- Illegal advertisements (such as illuminated poster hoardings); and
- felling of protected trees.

2. A criminal offence only arises when an Enforcement Notice has been served and has not been complied with.

It is at the Councils' discretion whether action will be taken – and any action taken must be proportionate to the harm caused by the breach (NPPF Para 207).

The enforcement service seeks to record and investigate all legitimately made reports of breaches of planning control. This plan sets out how the enforcement service can be accessed by members of the public, and the structured process by which investigations will be carried out in a fair and proportionate way. This plan sets out when people reporting breaches can expect to be updated on the progress of an investigation, and when the service will aim to have delivered particular results on an investigation.

This plan also explains how decisions are made, and describes the tools available to the Council for carrying out planning enforcement.

LOCAL ENFORCEMENT PLAN

This *Local Enforcement Plan* has been prepared in line with the requirements of Para 207 of the National Planning Policy Framework (NPPF) which sets out how we will investigate alleged cases of unauthorised development and take action where it is appropriate to do so.

1. Introduction

Planning enforcement is a key element in the planning, and specifically, the development management process.

This document sets out what local residents, businesses and others' being regulated can expect from the London Borough of Hammersmith and Fulham's planning enforcement service.

This document forms part of the policy basis under which the Council will seek to protect against undesirable and unacceptable developments, and use the available planning powers to help keep the Borough clean and protect its character.

A strong enforcement system will help ensure that inappropriate development is discouraged and controlled. This supports the delivery of planned economic growth and new housing that is sustainable.

By having a plan about how planning enforcement will be delivered, and having measurable service delivery targets, the enforcement service is open and transparent about how planning enforcement will take place in the Borough. It also shows that the process has been considered, and is open to review to ensure that the service is accessible and provides value for money.

2. Principles of Good Enforcement: Policy

The main purpose of Hammersmith and Fulham's enforcement activities is to protect the environment for residents, businesses and the public. These enforcement functions should be carried out in an equitable, practical and consistent manner so as to help to promote a thriving local and national economy. The Council is committed to these aims and to maintain a safe and attractive environment.

Standards

- We will have clear standards setting out the level of service and performance the public and the business community can expect to receive. We will publish these standards and our annual performance against them on the council website.

Confidentiality

- Names and addresses of the complainants will be kept strictly confidential. All data relating to the enforcement investigation is held in accordance with the Council Policies in line with GDPR.

Openness

- All correspondence and guidance will be in plain English.
- We will be open about how we set about our work, including any charges that are set, consulting business, voluntary organisations, charities, consumers and workforce representatives.
- We will discuss specific complaints, compliance failures or problems with anyone having difficulties with our process.

Helpfulness

- We will work actively with our residents and local businesses, to advise and assist with enforcement enquiries and investigations.
- Our service will be courteous and efficient
- Our staff will identify themselves by name.
- We will provide a contact point, email address and telephone number to residents and other members of the public to contact us directly.
- Applications for approval of planning permission etc. will be dealt with efficiently and promptly.
- We will deal promptly with all enforcement related property searches and be open about our charges.
- We will ensure that our enforcement service is effectively coordinated to avoid unnecessary overlaps and time delays.

Proportionality

- We will minimise the costs of compliance for residents and local business by ensuring that any action we require is proportionate to the risks.
- As far as the law allows, we will take account of all the circumstances of the case, and the impact on those involved when considering action.
- We will take particular care to work with residents, small businesses and voluntary and community organisations so that they can meet their legal obligations without unnecessary expense.

Consistency

- We will carry out our duties in a fair, even handed and consistent manner.
- We will make all decisions, taking account of legislation and National and Local Planning Policy documents.

3. Principles of Good Enforcement: Procedures

- Advice from an officer will be in plain English;
- It will be confirmed in writing (on request) and give reasons why any remedial work is necessary and over what time-scale.
- Before any formal enforcement action is taken, officers will make every effort to provide an opportunity to discuss the case and, if possible, resolve points of difference informally
- Where immediate action is considered necessary, an explanation of why such action was required will be given at the time.
- Where there are rights of appeal against formal action, we will give advice on how to appeal

4. Contacting the Planning Enforcement Team

Where someone considers that harm is being caused by a possible breach of planning control they should contact the Planning Enforcement Team. A number of channels are available:

Councils Website: www.lbhf.gov.uk/planning
EnfComplaints@lbhf.gov.uk
Telephone 0208 753 1081

Post: Planning Enforcement, Hammersmith & Fulham Council, Town Hall, King Street, Hammersmith, London W6 9JU

- During an enforcement investigation, the identity of a complainant is kept confidential, so you may write to the Council with confidence.
- All enquiries will be acknowledged within 3 working days of receipt, and the acknowledgement will include a reference number, the name and contact details of the investigating officer.
- The case officer will commence the investigation within 5 days of having received the enquiry.
- We will tell you about the outcome of the investigation if you provide contact details (address, telephone number or email address).
- To avoid vexatious allegations anonymous enquiries or complaints will not normally be acted upon.

5: Duties of the Planning Enforcement Officer

The planning officer working in the Planning Enforcement Team will take “ownership” of an investigation, from its start to its resolution. This helps the timely progress of an investigation with practical advantages in terms of efficiency, continuity and customer care through one point of reference for information.

The core duties of the Planning Enforcement Officer include:

- Investigating allegations and enquiries
- Carrying out site visits
- Liaising and writing to complainants and offenders
- Negotiating remedial action
- Liaising with other Council departments to ensure consistency of approach
- Making recommendations as to the expediency of enforcement action
- Dealing with planning applications submitted as a result of the investigation
- Preparing enforcement reports for Enforcement Action
- Checking compliance with enforcement notices
- Dealing with related Planning and Enforcement Appeal

- Appearing as a Council witness in prosecutions in the Magistrates and/or Crown Court

The purpose of the enforcement investigation is to gather, and record sufficient information so that a reasoned judgement can be made, whether there is a breach of control and, if so, whether it is sufficiently harmful to justify taking enforcement action

It is desirable to avoid delays in taking any necessary enforcement action. For this reason, the Planning Enforcement Team aims to conclude investigations by agreed remedial action or formal action within a period of 12 weeks. However, some cases may result in formal action being taken much sooner than the above time periods, for example in higher priority cases. Some of the more complex investigations however, will take longer to process through the various stages.

6. Investigation Priorities

We will prioritise investigations as follows:

Priority 1. A first site visit is carried out within 3 days.

- Works to listed buildings;
- Works to TPO trees or trees in conservation areas;
- Demolition of buildings;
- Uses likely to result in the service of a stop notice.

Priority 2. A first site visit is carried out within 7 days.

- Building works which are being carried out, either without or not in accordance with planning permission.
- Changes of use, including residential conversions;
- Breaching planning conditions;
- Works to form roof terraces;
- Untidy sites.
- Building control applications where there is no planning permission.

Priority 3. A first site visit is carried out within 10 days.

- Fencing, boundary walls and other means of enclosure (unless causing immediate harm other than visual).
- Advertisements;
- Satellite dishes;
- Estate Agents boards;

Our aim is to be clear and helpful without prejudging the outcome of the investigation. After the first investigation when a breach has been found, we will:

- Tell the 'offender' what the breach is and how they should remedy it.
- Make every effort to negotiate with the 'offender' and advise them how to remedy the breach.
- Give a deadline for the remedial action. Failure to meet these deadlines could result in the Council taking enforcement action.
- Suggest a planning application is made when appropriate.

- Prepare and publish reasoned reports when recommending any form of action.
- Case Officers will liaise with other departments as necessary to ensure a thorough and consistent approach in dealing with enquiry.
- The offender will be advised if it is the intention of the Council to take enforcement action.
- On completion of the investigation, where unauthorised development has taken place, Officers will prepare a report with a recommendation for or against enforcement action being taken. This requires the Team Leader/Deputy Team leader authorisation under delegated authority.
- The complainant will be kept informed and will receive confirmation at the end of the investigation explaining what action was taken by the Council and the reasons why.

7. The Decision to Take Enforcement Action

Enforcement action is discretionary, and the Council will act proportionately in responding to breaches of planning control.

The Council will only take enforcement action when it is considered necessary to do so in order to remedy harm. Formal enforcement action cannot be taken just because planning permission has not been sought. When taking formal enforcement action, the Council will be prepared to use all the enforcement powers available commensurate with the seriousness of the breach.

- In deciding whether to take enforcement action we will have regard to the local development plan and to any other material considerations including national policies and procedures.
- In deciding whether to take enforcement action we will consider whether the breach of planning control unacceptably affects residents' or public amenity, existing land uses and buildings which merit protection in the public interest, or the natural environment.
- Planning enforcement operates to protect the public interest, not to protect the private interests of one person against the activities of another. Action must be based on sound planning grounds. Representations will be taken into account in far as they relate to relevant planning considerations. Examples of issues that cannot be taken into account include loss of value to property, competition with other businesses, land ownership disputes, breaches of covenant or party wall issues.

8. The forms of enforcement action that may be taken

There are a number of different notices and/or actions that are able to be taken by the Local Planning Authority. Some of these are summarised as follows:

- Enforcement Notice;
- Breach of Condition Notice;
- Stop Notice;
- Temporary Stop Notice;

- Section 215 Notice;
- Injunctive Action;
- Formal Cautions;
- Planning Enforcement Order;
- Direct Prosecution (for offences committed under advertisement or TPO regulations);
- Direct Prosecution (for non-compliance with other formal notices);
- 225A Removal Notices (advertisements);
- Tree Replacement Orders;
- Listed Building Enforcement Notice;
- Direct Prosecution for Listed Building offences;
- CIL Stop Notices; and
- CIL Surcharges.

The definition and purpose of some of these various options and a more complete outline of the enforcement tools available to the Council can be found on the Government's national planning guidance pages:

<http://planningguidance.planningportal.gov.uk/blog/guidance/ensuring-effective-enforcement/>

Right to Appeal

Those parties subject to any formal action will have their rights of appeal set out in any Enforcement Notice they receive, or they will have the right to defend themselves in any court action taken.

9. Record of Enforcement Action Taken

- There is a statutory duty (under Regs. 7 and 8 of the openness of Local Government Bodies Regulations 2014) to ensure that all decisions affecting the right of an individual (among other things) are recorded and publicised. All records of enforcement notices issued are recorded and publicised on the Statutory Enforcement Register a copy of which is available, upon Request, for inspection at the Council Offices.
- An Enforcement Notice, once issued, lies with the land, and is transferable to the new owners if the property is subsequently sold. All records of enforcement notices issued will be recorded against the property on the Land Charges Register and will be made available upon request (e.g. a property search by or on behalf of prospective buyers).
- Once the enforcement notice has been complied with the regulations permit the withdrawal of an enforcement notice upon request and at the discretion of the LPA. The authority to withdraw an enforcement notice (subject to payment of the appropriate administration fee) will only be considered where the council is satisfied that the breach is unlikely to re-occur (this would usually be where the costs involved would be prohibitive)

10. Prosecution

It is not a criminal offence to carry out development without first obtaining planning permission. Failure to comply with formal enforcement action, including following an appeal decision, can be a criminal offence.

It is, also, an offence to erect unauthorised advertisements, fell a protected tree without consent, carry out unauthorised works to a listed building, or, fail to comply with an enforcement, breach of condition, planning contravention or stop notice.

For a successful prosecution to take place it is essential that the provisions of Police and Criminal Evidence Act 1984 (PACE), Criminal Procedure and Investigations Act 1996 (CPIA) and the Code of Conduct for Crown Prosecutors are followed. A cost benefit assessment of pursuing a case to prosecution will take place.

- The Council will pursue prosecution in the Magistrates and/or Crown Court where it can be demonstrated that is in the Public interest to do so.
- The Council will comply with the provisions (PACE) when interviewing persons suspected of a criminal offence and with the CPIA and Section 222 of the Local Government Act 1972, when carrying out prosecutions.
- In the event of a successful prosecution, in certain circumstances the Council may seek compensation under the Proceeds of Crime Act (POCA) (this relates to any profit the offender has derived from the offence)
- The decision to pursue this will be taken considering the likelihood of successful outcome.

11. Meeting Our Targets

All complaint cases are monitored and the results published in the Council's "Annual Performance Plan" on the Council's website at www.lbhf.gov.uk

These targets are:

- **90% First Action within 5 days**
- **80% Investigations completed within 8 weeks**
- **90% Investigations completed within 12 weeks**

For these purposes, the investigation is deemed to be "complete" when one of the following outcomes has been reached:

- The investigation identifies that no breach in planning control has occurred.
- The breach of planning has been identified and resolved by negotiation.

- A planning application or other form of application has been submitted following the investigation.
- A breach in planning control has been identified and an application requested, but not submitted. An assessment has been made determining that it is not expedient to take formal enforcement action in this case at this time.
- A breach in planning control has been identified. An assessment has been made determining that it is expedient to take formal enforcement action in this case. Formal action may be in the form of notices issued or through the prosecution process.

12 Pro-Active Enforcement

Whilst most of the work undertaken by the Planning Enforcement team is in response to complaints about possible unauthorised development i.e. re-active, the team also undertakes pro-active work where a clear benefit to the local community has been identified.

The Planning Enforcement Team will review its pro-active service on an annual basis, prioritising existing and new projects where there is an identified benefit to the community.

Existing Pro-active programme:

i) Estate Agents Boards

The proliferation of estate agent's boards, and the resulting visual harm, has been a regular source of complaint from the general public. Under the Town and Country Planning (Control of Advertisements) Regulations 2007, estate agents are permitted to display their boards on properties for sale or rent without the need for express consent from the Council. This is known as 'deemed consent'.

In some areas of the Borough, significant visual harm has arisen from the high numbers of boards. To address this, we applied to the Secretary of State, under Regulation 7 of the Advertisement Regulations, for the removal of the deemed consent, which effectively prevents them being displayed within these areas. Six Regulation 7 "bans" have been approved and we monitor these areas to ensure compliance and where the breach is identified the estate agent is prosecuted and the advert removed.

The six designated areas are:

Barons Court Conservation Area

Lakeside/Sinclair/Blythe Road Conservation Area and Brook Green Conservation Area

Olympia & Avonmore Regulation 7 area

Gunter Estate

Harwood Road

Hammersmith Grove Conservation area

Outside of these Regulation 7 areas the Planning Enforcement Team will identify illegal board displays and seek their removal and or prosecution. In addition, members of the public are encouraged to report possible illegal board displays, and to facilitate this we have set up an email reporting address – EnfComplaints@lbhf.gov.uk

ii) Advertisement Hoardings

It is an offence for advertisers to display advertisement hoardings without consent unless they can show that the display has existed for a period of 10 years or more.

We have been targeting these illegal displays where they are considered to result in visual harm. We use powers to remove the advert within a set timescale. This has been extremely successful and to date very few illegal displays now exist.

We are also targeting those advert hoardings that have simply become lawful because of their long period of display. In order to do so the Council must demonstrate that the continued display would result in substantial harm to amenity. The advertiser has the right to appeal against the Notice; to date the Council have successfully defended 100% of these cases resulting in the removal of the adverts. This team will continue to monitor such adverts across the borough.

iii) Untidy Sites and Buildings

Neglected sites and buildings can be a source of visual harm to the amenity of the area. We are seeking to identify these problem sites and seek cooperation from the owner to carry out remedial works to bring them back into good order. Where the owner is reluctant to do these works, the Council can use legal powers under S215 of the Town and Country Planning Act to remedy the harm.

iv) Coordination with Building Control

Apart from responding to complaints that development is not being erected in accordance with the relevant planning permission, the Planning Enforcement Team also co-ordinates with other services of the Council so as to be alerted at an early stage when development is commencing which may be deviating from the planning permission. The Team work closely with the Council's Building Control Team so can be alerted when submitted building control plans differ from approved plans.

Liaison with Other Departments and Regulatory Bodies

Where there are breaches of wider regulations (e.g. highways, noise nuisance), enforcement activities will be co-ordinated with other departments to maximise the effectiveness of any enforcement.

13. Review of the Local Enforcement Plan

The Council will review this plan from time to time and at least every three years, in response to the nature of issues arising from residents, changes in legislation, relevant enforcement guidance and the Council's procedures. The Council will monitor performance against the plan targets, and the overall effectiveness of the Plan on an annual basis.

This document is not subject to formal public consultation. However, comments on this document will be welcomed and will be considered as part of the review process, (please email comments to planning@lbhf.gov.uk heading your e-mail Local Enforcement Plan).

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 10 SETEMBER 2018 AND AT FUTURE CABINET MEETINGS UNTIL APRIL 2019

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 2018/19

Leader:	Councillor Stephen Cowan
Deputy Leader:	Councillor Sue Fennimore
Cabinet Member for the Environment:	Councillor Wesley Harcourt
Cabinet Member for Housing:	Councillor Lisa Homan
Cabinet Member for the Economy and the Arts:	Councillor Andrew Jones
Cabinet Member for Health and Adult Social Care:	Councillor Ben Coleman
Cabinet Member for Children and Education:	Councillor Larry Culhane
Cabinet Member for Finance and Commercial Services:	Councillor Max Schmid
Cabinet Member for Public Services Reform:	Councillor Adam Connell
Cabinet Member for Strategy:	Councillor Sue Macmillan

Key Decisions List No. 68 (published 10 August 2018)

KEY DECISIONS LIST - CABINET ON 10 SETEMBER 2018

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>
10 September				
Cabinet	10 Sep 2018	<p>Insurance Tender Strategy For 2019-24</p> <p>This report sets out the proposed strategy upon which insurance contracts for Leaseholder, Property, Combined Liability, Directors' & Officers' Liability and potentially Engineering Inspection will be procured for contract commencement dates of 1st April 2019.</p>	Cabinet Member for Finance and Commercial 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	10 Sep 2018	<p>Corporate Revenue Monitor Month 2 - May 2018</p> <p>Forecast of Spend v Budget for 2018-19</p>	Cabinet Member for Finance and Commercial 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	10 Sep 2018	<p>Olive House Extra Care</p> <p>The current contract for 40 older people expires on 30.11.18; the report will include recommendations for the future commissioning and procurement strategy.</p> <p>PART OPEN PART PRIVATE</p>	Cabinet Member for Health and Adult Social 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
	Reason: Expenditure more than £100,000		Ward(s): Sands End	

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		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.		papers to be considered.
Cabinet	10 Sep 2018 Reason: Affects 2 or more wards	Planning Enforcement Plan To agree the Enforcement Plan, which sets out the purpose, parameters and process for undertaking investigations and actions under Planning enforcement powers.	Cabinet Member for the Economy and the Arts Ward(s): All Wards Contact officer: Ellen Whitchurch ellen.whitchurch@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	10 Sep 2018 Reason: Income more than £100,000	Variation to the duct asset concession contract In 2014 the Council let a contract to allow the installation of optical fibres in the Council's underground duct system. Since then circumstances have changed and the Council wishes to make a variation to the contract. 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	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Mark Jones Tel: 0208 753 5006 mark.jones@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>)
		disclosing the information.		
Cabinet	10 Sep 2018 Reason: Expenditure more than £100,000	<p>Corporate Planned Maintenance Programme (CPMP) 2018/2019</p> <p>To provide proposals for the delivery and funding of the 2018/2019 Corporate Planned Maintenance Programme (CPMP) for the Council's corporate property portfolio.</p> <p>PART OPEN</p> <p>PART PRIVATE</p> <p>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 Finance and Commercial Services</p> <p>Ward(s): All Wards</p> <p>Contact officer: Sebastian Mazurczak Tel: 020 8753 1707 Sebastian.Mazurczak@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.

8 October

Cabinet	8 Oct 2018 Reason: Expenditure more than £100,000	<p>West King Street Renewal</p> <p>This is for approvals related to contract for the West King Street Renewal</p> <p>PART OPEN</p> <p>PART PRIVATE</p> <p>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 the Economy and the Arts</p> <p>Ward(s): Hammersmith Broadway</p> <p>Contact officer: Archie Adu-Donkor Archie.Adu-Donkor@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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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	8 Oct 2018	Procurement Strategy for the Supply and Delivery of Office Stationery	Cabinet Member for Finance and Commercial 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	To seek approval of the procurement strategy for the supply of office stationery. It is proposed that the Council access a framework currently being tendered on behalf of London Boroughs and other public organisations by the London Borough of Havering.	Ward(s): All Wards Contact officer: Geoff Sorrell geoff.sorrell@lbhf.gov.uk	
Cabinet	8 Oct 2018	Corporate Property Services Framework	Cabinet Member for Finance and Commercial 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	The report outlines revised LOTS to ensure external advice can be secured on a wide range of property advice to ensure the administrations outcomes on assets are delivered	Ward(s): All Wards Contact officer: Nigel Brown, David Burns Tel: 020 8753 2835, Nigel.Brown@lbhf.gov.uk, David.Burns@lbhf.gov.uk	
Cabinet	8 Oct 2018	ALTERNATIVE ECOLOGICAL MITIGATION CONSULTANTS PROCUREMENT	Cabinet Member for the Environment	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	This report is seeking permission for the council to approach the market and procure contracts on behalf of the Wormwood Scrubs Charitable Trust for the design of Alternative Ecological Mitigation and conservation management plan proposals for Wormwood Scrubs Park.	Ward(s): All Wards Contact officer: Richard Gill Tel: 07833482119 richard.gill@lbhf.gov.uk	
Cabinet	5 Nov 2018	Property Acquisitions	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
	Reason: Expenditure more than £100,000	This report seeks to provide funding for affordable housing in the borough. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the	Ward(s): Shepherds Bush Green Contact officer: Labab Lubab Tel: 020 8753 4203 Labab.Lubab@lbhf.gov.uk	

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)
		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.		papers to be considered.
Cabinet	8 Oct 2018 Reason: Expenditure more than £100,000	CONTRACT FOR BLUE BADGE INVESTIGATION AND ENFORCEMENT Report seeking permission to tender	Cabinet Member for the Environment Ward(s): All Wards Contact officer: Osa Ezekiel Osa.Ezekiel@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	8 Oct 2018 Reason: Affects 2 or more wards	HRA Housing Capital Programme 2018/19 to 2021/22 This report provides specific details of the 2018/19 and 2019/20 housing capital programme, proposes budget envelopes for the following two financial years, and seeks authority to proceed with the various projects identified in Appendix 1	Cabinet Member for Housing Ward(s): All Wards Contact officer: Mark Brayford Tel: 020 8753 4159 Mark.Brayford@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	8 Oct 2018 Reason: Expenditure more than £100,000	EdCity Development This reports seeks Cabinet authority to support the principles of the development and contracting arrangements. Support for proposals to share in planning costs. Support for the YouthZone arrangements and funding. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it	Cabinet Member for the Economy and the Arts Ward(s): Wormholt and White City Contact officer: Jacquie Agyemang-Johnson Tel: 020 8753 6090 Jacquie.Agyemang-Johnson@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 (other relevant documents may be submitted)
		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	8 Oct 2018 Reason: Affects 2 or more wards	Corporate Revenue Monitor 2018-19 Month 3 - June 2018 Forecast of spend v budget for 2018-19	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Emily Hill emily.hill@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	8 Oct 2018 Reason: Expenditure more than £100,000	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2018/19 (FIRST QUARTER) This report provides a financial update on the Council's Capital Programme and seeks approval for budget variations, as at the end of the first quarter	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@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	8 Oct 2018 Reason: Expenditure more than £100,000	CONTRACT AWARD FOR RAPID ELECTRIC VEHICLE CHARGING CONTRACT – SCRUBS LANE CAR PARK Award contract for supply, operate and maintain rapid electric vehicle charge points in Scrubs Lane car park. This is a revenue generating only Call-Off Contract and LBHF will not incur any expenditure from this award.	Cabinet Member for the Environment Ward(s): College Park and Old Oak Contact officer: Richard Hearle Richard.Hearle@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.

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Cabinet	8 Oct 2018 Reason: Affects 2 or more wards	BUSINESS CASE AND PROCUREMENT STRATEGY FOR HOUSING LIFT MODERNISATION PROGRAMME This report seeks approval of a procurement strategy for the completion of the housing lift modernisation programme	Cabinet Member for Housing Ward(s): All Wards Contact officer: Chris Culleton Chris.Culleton@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	8 Oct 2018 Reason: Expenditure more than £100,000	Idox Managed Services ICT systems contract extension Recommendation to extend the current contract between the Council and the Idox Group for a further 2 years as per the terms of the contract until 31st March 2021. 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 Finance and Commercial Services Ward(s): All Wards Contact officer: Matt Caswell, Kevin Rainsbury Tel: 020 8753 2708, Matt.Caswell@lbhf.gov.uk, krainsbury@wcc.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	8 Oct 2018 Reason: Expenditure more than £100,000	Business case & procurement strategy for an upgrade to communal heating systems Report seeks approval for a procurement strategy and contract award for upgrade of district/communal heating systems	Cabinet Member for Housing Ward(s): All Wards Contact officer: David McNulty, Vince Conway Tel: 020 8753 1915 David.McNulty@lbhf.gov.uk, Vince.Conway@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	8 Oct 2018	Key Compliance Policies - Asbestos/Fire/Gas Seeking acceptance of Growth and Place compliance policies covering Asbestos, Fire and Gas Safety and Management.	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: David McNulty David.McNulty@lbhf.gov.uk			
5 November				
Cabinet	5 Nov 2018	West King Street Renewal This is for approvals related to contract for the West King Street Renewal. 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 the Economy and the Arts	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 Contact officer: Archie Adu-Donkor Archie.Adu-Donkor@lbhf.gov.uk	
Cabinet	5 Nov 2018	Main Contractor Procurement & Contract Award For TBAP Bridge AP Academy Site Following a procurement exercise over the summer 2016 this decision will be to award the contract to the successful contractor PART OPEN PART PRIVATE Part of this report is exempt from	Cabinet Member for Children and 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 papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): Palace Riverside Contact officer: Kevin Gordon Tel: 07970 150897 Kevin.Gordon@lbhf.gov.uk	

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		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	5 Nov 2018 Reason: Affects 2 or more wards	Designation of conservation area extensions and conservation area boundary amendments and adoption of conservation area character profiles Designation of conservation area extensions and boundary amendments affecting 11 existing conservation areas and adoption of conservation area character profiles for three existing conservation areas.	Cabinet Member for the Environment Ward(s): Avonmore and Brook Green; College Park and Old Oak; Fulham Broadway; Fulham Reach; Hammersmith Broadway; Munster; Parsons Green and Walham; Shepherds Bush Green; Town; Wormholt and White City Contact officer: Paul Goodacre, Adam O'Neill Tel: 020 8753 3314, paul.goodacre@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	5 Nov 2018 Reason: Affects 2 or more wards	Corporate Revenue Monitor 2018-19 Month 4 - July 2018 Forecast of spend v budget	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Emily Hill emily.hill@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.

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Cabinet	5 Nov 2018	<p>Local Implementation Plan for Transport (LIP3)</p> <p>Sets out transport policies and programmes for period up to 2041 to submit to TfL, in accordance with Mayor's Transport Strategy and requirements of GLA Act 1999, and to delegate authority to Cabinet Member for Environment to agree final version</p>	Cabinet Member for the Environment	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	5 Nov 2018	<p>Offsite Records Storage Service</p> <p>Offsite Records Storage Service, for the secure storage of documents and records in a physical format including paper, microfilms, microfiche and some objects. This will also include retrieval services with the capability of doing scan on demand as well as a bulk scanning service and secure destruction of records as requested.</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 Finance and Commercial 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	

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3 December				
Cabinet	3 Dec 2018	Corporate revenue Monitor Month 5 - August 2018	Cabinet Member for Finance and Commercial 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	forecast of spend v budget for 2018-19	Ward(s): All Wards	
			Contact officer: Emily Hill emily.hill@lbhf.gov.uk	
14 January 2019				
Cabinet	14 Jan 2019	Corporate Revenue Monitor 2018-19 Month 6 - Sept 2018	Cabinet Member for Finance and Commercial 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	forecast of 2018-19 spend v budget	Ward(s): All Wards Contact officer: Emily Hill emily.hill@lbhf.gov.uk	
Cabinet	14 Jan 2019	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2018/19 (SECOND QUARTER)	Cabinet Member for Finance and Commercial 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	This report provides a financial update on the Council's Capital Programme and seeks approval for budget variations, as at the end of the second quarter	Ward(s): All Wards Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@lbhf.gov.uk	

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4 February 2019				
Cabinet	4 Feb 2019 Reason: Affects 2 or more wards	Corporate Revenue Monitor 2018-19 Month 7 - Oct 2018 forecast of 2018-19 spend v budget	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Emily Hill emily.hill@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	4 Feb 2019 Reason: Expenditure more than £100,000	CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2018/19 (THIRD QUARTER) This report provides a financial update on the Council's Capital Programme and seeks approval for budget variations, as at the end of the third quarter	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@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	4 Feb 2019 Reason: Expenditure more than £100,000	FOUR YEAR CAPITAL PROGRAMME 2019/20 This report presents the Council's four-year Capital Programme for the period 2019-23	Cabinet Member for Finance and Commercial Services Ward(s): All Wards Contact officer: Andrew Lord Tel: 020 8753 2531 andrew.lord@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.
1 April 2019				
Cabinet	1 Apr 2019 Reason: Affects 2 or more wards	Corporate Revenue Monitor 2018-19 Month 9 - Dec 2018 forecast of spend v budget	Cabinet Member for Finance and Commercial Services Ward(s): All Wards	A detailed report for this item will be available at least five working days before the date of the meeting and

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			Contact officer: Emily Hill emily.hill@lbhf.gov.uk	will include details of any supporting documentation and / or background papers to be considered.