



HILLINGDON  
LONDON



# Cabinet

## Councillors in the Cabinet

**Date:** THURSDAY, 26 JANUARY  
2017

Ray Puddifoot MBE (Chairman)  
*Leader of the Council*

**Time:** 7.00 PM

David Simmonds CBE (Vice-Chairman)  
*Deputy Leader / Education & Children's Services*

**Venue:** COMMITTEE ROOM 6 -  
CIVIC CENTRE, HIGH  
STREET, UXBRIDGE UB8  
1UW

Jonathan Bianco  
*Finance, Property & Business Services*

Keith Burrows  
*Planning, Transportation & Recycling*

Philip Corthorne  
*Social Services, Housing, Health & Wellbeing*

**Meeting  
Details:** Members of the Public and  
Press are welcome to attend  
this meeting.

Douglas Mills  
*Community, Commerce & Regeneration*

Richard Lewis  
*Central Services, Culture & Heritage*

**Published:** Wednesday, 18 January 2017

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# Notice

## **Notice of meeting and any private business**

The London Borough of Hillingdon is a modern, transparent Council and through effective Cabinet governance, it seeks to ensure the decisions it takes are done so in public as far as possible. Much of the business on the agenda for this Cabinet meeting will be open to residents, the wider public and media to attend. However, there will be some business to be considered that contains, for example, confidential, commercially sensitive or personal information. Such business is shown in Part 2 of the agenda and is considered in private. Further information on why this is the case can be sought from Democratic Services.

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to confirm that the Cabinet meeting to be held on:

*26 January 2017 at 7pm in Committee Room 6, Civic Centre, Uxbridge*

will be held partly in private and that 28 clear days public notice of this meeting has been given. The reason for this is because the private (Part 2) reports listed on the agenda for the meeting will contain either confidential information or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. An online and a hard copy notice at the Civic Centre in Uxbridge indicates a number associated with each report with the reason why a particular decision will be taken in private under the categories set out below:

- (1) information relating to any individual
- (2) information which is likely to reveal the identity of an individual
- (3) information relating to the financial or business affairs of any particular person (including the authority holding that information)
- (4) information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (6) Information which reveals that the authority proposes (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.
- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

## **Notice of any urgent business**

To ensure greater transparency in decision-making, 28 clear days public notice of the decisions to be made both in public and private has been given for these agenda items. Any exceptions to this rule are the urgent business items on the agenda marked \*. For such items it was impracticable to give sufficient notice for a variety of business and service reasons. The Chairman of the Executive Scrutiny Committee has been notified in writing about such urgent business.

## **Notice of any representations received**

No representations from the public have been received regarding this meeting.

## **Date notice issued and of agenda publication**

18 January 2017  
London Borough of Hillingdon

# Agenda

- 1 Apologies for Absence
- 2 Declarations of Interest in matters before this meeting
- 3 To approve the minutes of the last Cabinet meeting 1 - 12
- 4 To confirm that the items of business marked Part 1 will be considered in public and that the items of business marked Part 2 in private

## **Cabinet Reports - Part 1 (Public)**

- 5 Standards and Quality in Education 2015/16 (Cllr David Simmonds CBE) 13 - 42
- 6 Monthly Council Budget Monitoring Report - Month 8 (Cllr Jonathan Bianco) 43 - 86
- 7 Childrens' Centre Leases - Yiewsley Cornerstone and Oak Farm (Cllr Jonathan Bianco) \* 87 - 94
- 8 School Capital Programme Update (Cllr David Simmonds CBE & Cllr Jonathan Bianco) 95 - 102

## **Cabinet Reports - Part 2 (Private and Not for Publication)**

<b>9</b>	Award of Contract for 0-19 Healthy Child Services (Cllr David Simmonds CBE)	103 - 112
<b>10</b>	Procurement of the Council's Broadband and Internet Services (Cllr Jonathan Bianco)	113 - 118
<b>11</b>	Housing Repairs: Mears Contract extension (Cllr Jonathan Bianco)	119 - 124
<b>12</b>	Pantomime Contract (Cllr Richard Lewis ) *	125 - 134
<b>13</b>	Sale of Flats at Queens Lodge, Margate (Cllr Jonathan Bianco) *	135 - 138
<b>14</b>	Voluntary Sector Leases (Cllr Jonathan Bianco)	139 - 146

*The reports listed above in Part 2 are not made public because they contains exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.*

**15** Any other items the Chairman agrees are relevant or urgent

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## Minutes

### Cabinet

Thursday, 15 December 2016

Meeting held at Committee Room 6 - Civic Centre,  
High Street, Uxbridge UB8 1UW



Published on: 16 December 2016

Come into effect on: From 23 December 2016

#### **Cabinet Members Present:**

Ray Puddifoot MBE (Chairman)  
David Simmonds CBE (Vice-Chairman)  
Douglas Mills  
Jonathan Bianco  
Richard Lewis  
Keith Burrows  
Philip Corthorne

#### **Members also Present:**

Susan O'Brien  
John Riley  
Nick Denys  
Henry Higgins  
Neil Fyfe  
Jane Palmer  
Wayne Bridges  
Mo Khursheed  
Jan Sweeting  
John Oswell

#### **1. APOLOGIES FOR ABSENCE**

All Members were present.

#### **2. DECLARATIONS OF INTEREST IN MATTERS BEFORE THIS MEETING**

No interests were declared.

#### **3. TO APPROVE THE MINUTES OF THE LAST CABINET MEETING**

The decisions and minutes of the Cabinet meeting held on 17 November 2016 were agreed as a correct record.

#### **4. TO CONFIRM THAT THE ITEMS OF BUSINESS MARKED PART 1 WILL BE CONSIDERED IN PUBLIC AND THAT THE ITEMS OF BUSINESS MARKED PART 2 IN PRIVATE**

This was confirmed.

## **5. MONTHLY COUNCIL BUDGET - MONITORING REPORT**

### **RESOLVED:**

#### **That Cabinet:**

- 1. Note the forecast budget position as at October 2016 (Month 7).**
- 2. Note the Treasury Management update as at October 2016 at Appendix E.**
- 3. Continue the delegated authority up until the January 2017 Cabinet meeting to the Chief Executive to approve any consultancy and agency assignments over £50k, with final sign-off of any assignments made by the Leader of the Council. Cabinet are also asked to note those consultancy and agency assignments over £50k approved under delegated authority between the 17th November 2016 and 15th December 2016 Cabinet meetings, detailed at Appendix F.**
- 4. Approve the release of £103k from Priority Growth to Residents Services budgets to meet costs of managing traveller incursions in the Borough during 2016/17.**
- 5. Approve release £40k of Priority Growth to Residents Services budgets to fund a Members Enquiries Monitoring Officer from 2016/17 onwards.**
- 6. Approve the grant award of £10,000 to Uxbridge Forward to promote and co-ordinate activity in Uxbridge Town Centre.**
- 7. Approve the acceptance of £110k of grant funding from the Environment Agency Thames Regional Flood and Coastal Committee to support investigatory work within the borough.**
- 8. Delegate authority to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with the Leader of the Council and Cabinet Member for Finance, Property and Business Services, to appoint flood risk consultants from the £110k Environment Agency grant monies accepted above.**
- 9. Approve re-phasing of £20,975k General Fund capital expenditure and associated financing budgets into later years of the capital programme.**
- 10. Approve the re-phasing of £9,507k HRA New Build Supported Housing budgets into later years of the capital programme.**
- 11. Approve the virement of £35k funding from the Environmental Assets capital budget to the CCTV Programme budget.**
- 12. Ratify the following two special urgency decisions taken by the Leader of the Council and Cabinet Member for Finance, Property and Business Services in the absence of a Cabinet meeting:**
  - A) On 25 November 2016, The Leader of the Council and the Cabinet Member for Finance, Property and Business Services approved:**
    - I. The appointment of the lowest tenderer, United Living (South) Limited, to deliver works for Kitchen and Bathroom replacement to dwellings identified by the Council's asset management database (Keystone) following a stock condition survey for a period of 2 years with the option to extend for 1 further year.**
    - II. Agreed that the Deputy Chief Executive and Corporate Director of Resident Services, in conjunction with the Leader of the Council and Cabinet Member**



for Finance Business and Property Services could make any further necessary decisions required in respect of the contract Kitchen and Bathroom related services.

- B) On 25 November 2016, The Leader of the Council and the Cabinet Member for Finance, Property and Business Services approved:**
- I. The purchase of Berkeley Apartments, Marlborough Crescent, Harlington, UB3 5FG on a subject to Planning basis.**
  - II. The capital release request of £951k from the Housing Revenue Account New General Needs Housing Stock 2016/17 budget towards the acquisition of Berkeley Apartments, Marlborough Crescent, Harlington.**
  - III. The allocation and release of £9,026k from the Housing Revenue Account Capital Contingency 2016/17 budget towards the acquisition of Berkeley Apartments, Marlborough Crescent, Harlington.**
  - IV. That all subsequent decisions required to implement the above be granted to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with the Leader of the Council and the Cabinet Member for Finance, Property and Business Services.**
- C) On 13 December 2016, The Leader of the Council and the Cabinet Member for Finance, Property and Business Services authorised the Council entering into a deed of variation with Lidl UK GmbH to vary the plans attached to two leases of land at the former Hayes Swimming pool site, dated 30<sup>th</sup> July 2013.**
- D) On 14 December 2016, The Leader of the Council and the Cabinet Member for Finance, Property and Business Services:**
- I. Confirmed the appropriation of the land parcels identified at Minet Country Park from open space to planning purposes, having first considered the information set out in the report.**
  - II. Declared the remaining plots of Council owned land identified within the Greater London Authority (Regeneration of Southall Gasworks) Compulsory Order 2014 (the CPO) and shown on the plan shaded pink as being surplus to requirement.**
  - III. Authorised the Borough Solicitor, in consultation with the Leader of the Council, to agree the terms of a Lands Tribunal contract with St James West London Ltd to enable the disposal of the land to take place outside the Compulsory Purchase Order regime.**
  - IV. Authorised the grant of rights of access across the remaining plots of Council**

#### **Reasons for decisions**

Cabinet was informed of the latest forecast revenue, capital and treasury position (Month 7) for the current year 2016/17 to ensure the Council achieved its budgetary and service objectives.

Cabinet made a range of decisions including funding for the traveller incursions during the year, a grant to support Uxbridge Forward, resources for undertaking flood risk assessments of parts of the Borough and ratified four special urgency decisions taken in recent days for priority matters affecting the Borough.

**Alternative options considered and rejected**

None.

**Officer to action:**

Paul Whaymand, Finance Directorate

**Classification: Public**

*The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

**6. THE COUNCIL'S BUDGET - MEDIUM TERM FINANCIAL FORECAST 2017/18 - 2021/22 BUDGET & POLICY FRAMEWORK**

**RESOLVED:**

**That Cabinet:**

- 1) Approve the draft revenue General Fund and Housing Revenue Account budgets and capital programme proposals for 2017/18 and beyond as the basis for consultation with Policy Overview Committees and other stakeholders.**
- 2) Request the comments of individual Policy Overview Committees on the draft budget proposals relating to their areas of responsibility, to be collated into a single report back to Cabinet from the Corporate Services and Partnerships Policy Overview Committee.**
- 3) Approve the proposed amendments to Fees and Charges, included at Appendix 8, as the basis for consultation with Policy Overview Committees and other stakeholders.**
- 4) Authorise the Corporate Director of Finance, in consultation with the Leader of the Council, to respond on behalf of the Council to the consultation on the provisional Local Government Finance Settlement and to the Mayor of London's budget consultation.**

**Reasons for decision**

Cabinet put forward for consultation its budget proposals. This included the Council's Medium Term Financial Forecast, the draft General Fund revenue budget for 2017/18 along

with indicative projections for future years, the Housing Revenue Account, fees and charges proposals and the draft capital programme for 2017/18 and beyond.

Through strong management of the Council's finances and an established efficiency programme called Business Improvement Delivery, Cabinet welcomed that the budget proposals would deliver a zero increase in Council Tax for all residents in 2017/18 for the ninth successive year, and for the over 65s for the eleventh successive year, without reducing service provision or levying the Social Care precept.

Cabinet Members were updated on Government proposals to significantly change to education funding for local authorities and amendments were proposed to a small number of fees and charges. Members welcomed the continued capital investment, and flexibility within the overall programme, to deliver new educational facilities, housing and cultural initiatives that matter to local residents.

In recommending the budget proposals, which had been carefully developed to put residents first, Cabinet agreed for them to go out for the required public consultation, including the Policy Overview Committees before being re-considered in February 2017.

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

The Cabinet could have chosen to vary the proposals in its budget before consultation. However, to comply with the Budget and Policy Framework, the Cabinet was required to publish a draft budget for consultation at the meeting.

#### **Officers to action:**

Paul Whaymand, Finance

#### **Classification: Public**

*The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

#### **Urgency Provisions**

*This report had been circulated less than 5 working days before the Cabinet meeting and was agreed by the Chairman to be considered as urgent.*

## **7. GRANTS TO VOLUNTARY ORGANISATIONS - 2017/18**

### **RESOLVED:**

**That the Cabinet agrees:**

- 1. The overall allocation of grants to Voluntary Sector of £1,681,200 for the provision of core grant funding for the 2017/18 financial year and specific awards as set out in the schedule - Appendix A.**
- 2. Grants totalling £50,513 to organisations to enable the provision of transport as set out in Appendix B.**
- 3. The Council's 2016/17 contribution of £263,222 to the London Councils Grants scheme.**

### **Reasons for decision**

Cabinet welcomed the important role of the local voluntary sector that supports a wide variety of activities for residents in Hillingdon. Cabinet agreed to continue its significant financial commitment to this sector during 2017/18.

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

Cabinet could have made changes to the proposed level of grants.

### **Officers to action:**

Nigel Cramb – Administration Directorate

### **Classification: Public**

*The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

## **8. CHILDREN, YOUNG PEOPLE AND LEARNING POLICY OVERVIEW & SCRUTINY COMMITTEE - REVIEW INTO SUPPORTING EDUCATIONAL ASPIRATION FOR DISADVANTAGED CHILDREN**

**The Chairman of the Children, Young People and Learning Policy Overview Committee, Councillor Jane Palmer, presented the Committee's report to Cabinet, which was warmly endorsed.**

### **RESOLVED:**

**That Cabinet welcomes the report from the Children, Young People and Learning Policy Overview Committee on its review into Supporting Educational Aspiration for**

**Disadvantaged Children and agrees the recommendations of the review, along with their implementation, as set out below:**

- 1. That Cabinet endorses the existing work undertaken by the Council in relation to school improvement and the support provided to schools and families, while acknowledging the potential for this to be enhanced through greater school to school support.**
- 2. That the Cabinet Member for Education and Children's Services considers requesting officers to identify opportunities to further enhance partnership and collaborative working in order to:**
  - a. Consider how schools could be further assisted by school to school support to boost attendance of disadvantaged pupils.**
  - b. Consider how schools could support one another in relation to the recruitment and retention of staff.**
  - c. Identify whether schools can be further supported in their use of pupil premium funding and in the monitoring of the performance of pupils receiving pupil premium.**
  - d. Determine whether information can be provided to schools in order to ensure that schools are fully aware of which pupils are eligible for pupil premium.**
  - e. Explore the provision to schools of a directory of relevant services provided by the Council.**
  - f. Consider the strengthening of linkages between schools and Children's Centres in the Borough.**
- 3. That the Cabinet Member for Education and Children's Services considers requesting officers to analyse data to identify areas of the Borough where there are the largest number of disadvantaged children and for this and other relevant data to be reported back to the Committee for future consideration.**
- 4. That the Cabinet Member for Education and Children's Services recommends that the following areas be investigated further in light of the Committee's review:**
  - a. That the review of Child and Adolescent Mental Health Services (CAMHS) requested by the Committee as part of its previous review of Early Intervention Services be undertaken as soon as possible. It is further proposed that this be a joint review to involve the Children, Young People and Learning Policy Overview Committee, the External Services Scrutiny Committee and other bodies, if appropriate.**
  - b. That concerns raised in relation to the frequency with which some children and families are moved from one place of temporary accommodation be reviewed by officers and reported to the Cabinet Member as appropriate.**
  - c. That concerns with regard to the frequency of health checks for pupils and the availability of information relating to these be passed to officers in**

**Public Health with a view to them raising these issues with the relevant bodies.**

- d. Officers provide the Committee with an overview of the established links between schools and the business community, with a view to this being developed into a more comprehensive report or the subject of a future review. This would identify how the Council and its partners can help to support and strengthen existing joint working between schools and the business community and seek to identify new opportunities.**

#### **Reasons for decisions**

Cabinet considered the report of the Children, Young People and Learning Policy Overview Committee which proposed ways in which the Council, working with its partners, could support disadvantaged children in order to improve educational attainment. Cabinet agreed the Committee's recommendations to strengthen the work undertaken by schools working with the Council in this area, additionally to take forward a priority review of Child and Adolescent Mental Health Services in the Borough.

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

The Cabinet could have decided to reject some or all of the Committee's recommendations, or pursued alternative routes in which to progress the objectives of the review.

#### **Officer to action:**

Nikki O'Halloran, Administration Directorate

#### **Classification: Public**

*The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

## **9. ICKENHAM NEIGHBOURHOOD AREA AND NEIGHBOURHOOD FORUM APPLICATIONS**

#### **RESOLVED:**

#### **That Cabinet:-**

- 1. Approves the application submitted by Ickenham residents for the establishment of a neighbourhood forum and the designation of a neighbourhood area.**
- 2. Instructs officers to bid for funds from the Government's Neighbourhood Planning Grant in December 2016, to offset costs associated with the production of the Ickenham Neighbourhood Plan.**

## **Reasons for decision**

Cabinet noted that an application to establish a neighbourhood forum and neighbourhood area for Ickenham had been received earlier in the year and had been consulted upon, which then would form the basis of the production of the neighbourhood plan for the Ickenham area. As the proposals met the requirements set out in the Government's neighbourhood planning regulations, Cabinet agreed that the application should be approved. Cabinet received additional comments on the report from a representative of the proposed forum, which were taken forward.

## **Alternative options considered and rejected**

Cabinet could have decided to not approve the application, but this would have been likely to result in the resubmission of the proposals.

## **Officer to action:**

James Gleave: Residents Services

## **Classification: Public**

*The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

## **10. SOCIAL HOUSING ALLOCATION POLICY**

### **RESOLVED:**

#### **That Cabinet:**

- 1. Notes both the outcome of the consultation exercise undertaken in relation to the Council's Social Housing Allocation Policy and the completed Equalities and Human Rights Impact Assessment and has full regard to them in deciding whether to make changes to the Policy.**
- 2. Approves a revised Social Housing Allocation Policy as appended to the Report.**

## **Reasons for recommendation**

Following the completion of a full consultation exercise authorised by Cabinet at its July 2016 meeting, Cabinet carefully considered the responses from the consultation, along with an updated Equality and Human Rights Impact Assessment.

In light of the broadly supportive responses and the Assessment, Cabinet agreed changes to the Council's Social Housing Allocation Policy, which set out both the criteria and procedure for the allocation of social housing and nominations for housing to housing associations in

the Borough. Cabinet noted the changes to the Policy approved were a result of developments in recent case-law and re-affirmed its housing commitment to longer-term residents.

**Alternative options considered and rejected**

Cabinet could have decided not to approve a revised Social Housing Allocation Policy, but noted this would expose the Council to the risk of legal challenge.

**Officers to action:**

Raj Alagh, Administration Directorate  
Dan Kennedy, Residents Services Directorate

**11. QUARTERLY PLANNING OBLIGATIONS MONITORING REPORT**

**RESOLVED:**

**That the Cabinet notes the updated financial information.**

**Reasons for decision**

Cabinet noted the report which detailed the financial planning obligations held by the Council and what progress had, and was, being made.

**Alternative options considered and rejected**

To not report to Cabinet. However, Cabinet believed it was an example of good practice to monitor income and expenditure against specific planning agreements.

**Officer to action:**

Nicola Wyatt, Residents Services

**Classification: Public**

*The report relating to this decision by the Cabinet is available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

**12. SCHOOL CAPITAL PROGRAMME UPDATE**

**RESOLVED:**

**That Cabinet note the progress made with primary and secondary school expansions, the school condition programme and other school capital projects.**



### **Reasons for decision**

Cabinet noted progress on the major school building programme which would invest significant sums in expanded or new education facilities by 2020. This would ensure that every child in the London Borough of Hillingdon would have a quality place at a local school.

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

None.

### **Officer to action:**

Bobby Finch, Residents Services

### **Classification: Public**

*The report relating to this decision by the Cabinet is available to view on the Council's website or by visiting the Civic Centre, Uxbridge.*

## **13. VOID PROPERTY REPAIR SERVICE CONTRACT**

### **RESOLVED:**

**That the Cabinet approves the award of a two year contract (with the option to extend for a further year) to provide the Void Property Repair Service Contract to Axis Europe Plc.**

### **Reasons for decision**

Following a competitive tender for a new contract to repair and refurbish empty homes in the Borough for social housing, Cabinet agreed the tender for the Void Property Repair Service Contract.

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

Cabinet could have tendered on an ad hoc basis, but this would not have delivered value for money or an efficient service.

### **Officers to action:**

Gary Penticost / Michael Breen - Residents Services / Finance

### **Classification: Private**

*Whilst the Cabinet's decisions above are always made public, the officer report relating to this matter is not because it was considered in the private part of the meeting and contained information relating to the financial or business affairs of any particular person (including the Authority holding that information) and the public interest in withholding the information outweighed the public interest in disclosing it (exempt information under paragraph 3 of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 as amended).*

**14. ANY OTHER ITEMS THE CHAIRMAN AGREES ARE RELEVANT OR URGENT**

No additional items were considered by the Cabinet.

The meeting closed at 7.31pm.

**\* IMPLEMENTATION OF CABINET'S DECISIONS**

**For Members and Officers only**

**Decisions that take immediate effect:** Cabinet's decisions relating to Items 6 & 7 (MTFF and Financial support to the Voluntary Sector) are integral to the Council's budget proposals, which includes upcoming Policy Overview Committee consultation, and therefore could not be called-in and take immediate effect.

**All other decisions:** Meeting after Cabinet, the Executive Scrutiny Committee did not call-in any of the Cabinet's decisions. These can therefore be implemented from 5pm, Friday 23 December 2016 upon the expiry of the scrutiny call-in period, unless notified otherwise by Democratic Services.

The officers to implement the decisions are indicated in the minutes.

**The public part of this Cabinet meeting was filmed live on the Council's YouTube Channel to increase transparency in decision-making. These minutes remain the official definitive record of proceedings.**

## STANDARDS AND QUALITY IN EDUCATION IN HILLINGDON 2015/2016

<b>Cabinet Member(s)</b>	Councillor David Simmonds CBE
<b>Cabinet Portfolio(s)</b>	Deputy Leader of the Council Education and Children's Services
<b>Officer Contact(s)</b>	Dan Kennedy, Residents Services
<b>Papers with report</b>	Appendix 1 - Children Looked After Data

### 1. HEADLINE INFORMATION

<b>Summary</b>	This report provides Cabinet with an overview of the standard and quality of education across Hillingdon schools for local residents. The report focuses on attainment and achievement for the academic year 2015/16. To ensure standards continue to rise, the report identifies further areas for action with schools.
<b>Putting our Residents First</b>	This report supports the following Council objectives of: <i>Our People; Our Built Environment</i>  Ensuring every child in Hillingdon has access to a high quality school place, is central to putting residents first, and is supported by the principles of the Hillingdon School Improvement Plan.
<b>Financial Cost</b>	There are no direct financial implications arising from this report.
<b>Relevant Policy Overview Committee</b>	Children, Young People and Learning Policy Overview Committee
<b>Ward(s) affected</b>	All

## **2. RECOMMENDATION**

**That Cabinet note the key findings set out in the report.**

### **Reasons for recommendation**

To provide Cabinet with an overview of school performance in the Borough which underpins the role of the Local Authority to challenge performance where required.

### **Alternative options considered / risk management**

None.

### **Policy Overview Committee comments**

None at this stage. This report will be presented to the Children, Young People and Learning Policy Overview Committee (POC) in February 2017.

## **3. INFORMATION**

### **Supporting Information**

#### **Summary**

The main findings from the review of schools performance for the academic year 2015/16 are that:

- Within the early years and primary phases, overall attainment using both the new and the maintained performance measures has risen with all of the key indicators demonstrating outcomes and progress that are at least as good as and, in many cases, significantly better than national averages. It should be noted that results in some key areas are now in line with or better than London averages which demonstrates improvement when compared to previous years.
- Particular improvement is noted in the early years' sector which has improved from a historically lower starting point and is now performing above the national average.
- Within the secondary phase, overall attainment using the new performance and progress measures has improved for most of the key indicators and is above the national comparators although it remains below the London averages. Key Stage 5 outcomes remain a concern in the secondary phase.
- Hillingdon's Ofsted inspection data demonstrate an overall improvement in 2015/16 when compared with previous years with 87% of schools now judged good or better.
- It is of concern that two schools in the Borough are judged by Ofsted as 'inadequate'. The Council is undertaking the necessary challenge to expedite improvement in these two schools and to challenge other schools which need to continue to improve.

The remainder of the report provides further information about the outcomes achieved at the different education stages and contains additional appendices and data.

## **Putting Our Residents First - Raising Standards in Education**

- Putting residents first is central to the work of Hillingdon Council. This includes fulfilling its duty to ensure that its education functions are discharged with a view to promoting high standards; ensuring fair access to opportunity for education and learning, and promoting the fulfilment of learning potential.
- Within a landscape of significant national change in education the Council continues to recognise that access to the very best education opportunities in high-quality schools and settings will ensure that Hillingdon remains a popular and desirable place of choice for families.
- Hillingdon Council has delivered a significant primary school places expansion programme to meet the rising demand for school places and more recently has commenced a programme to expand the provision of secondary school places, including a new building for Northwood School. This investment by the Local Authority in new and modern education buildings and facilities is providing the high quality learning environment that children need in Hillingdon for the best start in life.
- The mixed economy of council maintained and academy/free schools in the Borough mean that the Council acknowledges its increasingly dynamic role in securing the best outcomes for children and young people educated in the Borough. Working in partnership with autonomous school leaders, multi-academy trusts and other relevant responsible authorities ensures that the Council promotes high standards for all learners, no matter where they are educated.
- The Council accepts that it has an important role to play in promoting high standards for all learners and, in particular, those children, young people and adults vulnerable to underachievement, including those with special educational needs and/or disabilities and those from disadvantaged backgrounds. In order to undertake this role effectively, the Council uses its resources to monitor, support, challenge, and intervene in schools where concerns arise.

It does this by:

- Collating and analysing the performance of all publicly funded schools in Hillingdon to identify those at risk and those in need of additional support or intervention.
- Monitoring and challenging the performance of individual schools for all pupils, specific groups of pupils and individual pupils. This includes reviewing and challenging school improvement plans, personal educational plans for children looked after and monitoring the progress of these plans.
- Working effectively with services both within the Council and beyond to access support swiftly where concerns are noted or where opportunities for learners are not good enough.

- Undertaking a strategic brokerage role to allow schools in need to access appropriate support from other schools and national organisations.
- Where necessary, exercising formal powers of intervention against maintained schools and / or notifying the Regional Schools Commissioner of concerns in Academy schools in order to drive up standards.
- Building capacity within the schools-led improvement community in Hillingdon.

For Academies and Free Schools the Local Authority has limited powers to intervene but will, if necessary, refer concerns to the new Regional Schools Commissioner and/or the Secretary of State for Education.

### Ofsted Inspections of Schools

- During the academic year 2015/16 Ofsted launched the new inspection framework and rolled out the use of the 'short' (lighter touch) inspection for schools judged to be 'good'. During this period sixteen schools were inspected in Hillingdon. Of the sixteen, seven of these schools demonstrated an improvement in final inspection judgement, moving from 'Requiring Improvement' to 'Good' whilst six of the sixteen retained their previous inspection judgements. Three schools received a downgraded judgement and are subject to intensive intervention.
- Inspection data for 2014/15 showed that Hillingdon had a greater proportion of schools requiring improvement than the national average. Inspection data for 2015/16 shows that 87% of schools are now judged good or better. This represents a notable improvement when compared to 2014/15 and 2013/14 when 80% or less of schools in Hillingdon were judged good or better.
- The positive conversion of six maintained primary schools from Requiring Improvement to Good in 2015/16 is largely responsible for the improvement in standards and ensured that Hillingdon's Ofsted percentages ended the academic year with the overall percentages of schools in each category more closely in line with the England average inspection outcomes than in previous years.

### Summary of Schools in Hillingdon by Ofsted Judgement

Phase	Outstanding		Good		Requiring Improvement		Inadequate	
	National	LBH	National	LBH	National	LBH	National	LBH
<b>Primary</b>	19%	18%	71%	71%	9%	9%	1%	1%
<b>Secondary</b>	22%	26%	56%	53%	17%	16%	5%	5%
<b>TOTAL (all schools)</b>	21%	21%	68%	66%	10%	11%	2%	2%

Source: National data from Ofsted statistics September 2015 - August 2016 \*please note that the 'all school' national statistics have been rounded up by Ofsted and total to 101%.

## **Monitoring and Challenging the Performance of Individual Schools**

2015/16 was the second academic year of implementation of the Hillingdon Schools' Improvement Plan. The strategic plan, which was developed in partnership with the key education executive groups across the Borough, underwent formal consultation with all schools and was endorsed by Cabinet in December 2015. The plan includes six central elements of monitoring, intervention and challenge within a broader framework of school-led improvement activity. This highly collaborative and school-driven approach ensures that school improvement activity in Hillingdon continues to mirror the national direction for school support and intervention, with a clear emphasis on the brokerage of support for underperforming schools from good and outstanding settings.

The strategic plan includes specific guidance for schools around the responsibilities of the Local Authority with regard to monitoring and intervening where schools are, or may be, at risk of underperformance. This includes processes for the risk assessment of schools who are not securely good or where standards are declining and associated intervention by officers is required to accelerate the use of the Council's formal powers and liaison with the authorities now responsible for academies, free schools and maintained schools in an Ofsted category.

As a consequence of the overall improved performance of schools in the Borough during 2015/16, the Council identified a smaller group of schools in the Borough whose data indicated that they could be at risk of underperformance and a decline in inspection outcomes against the new inspection schedule. Following the processes laid out in the Hillingdon School Improvement Plan, the School Improvement Team identified 20 schools at risk of underperformance in Hillingdon. Of this number, 10 of the schools were maintained by the Council and, accordingly, received intensive monitoring, challenge and support by officers including the brokerage of support from within the local school improvement community to facilitate improvement. In addition and where the schools identified as being at risk were academies/free schools for whom the Local Authority is not the legally responsible body, the Council acted swiftly to highlight concerns to the Regional Schools Commissioner and other relevant authorities.

During 2015/16 it was necessary for the Council to maintain or commence formal intervention action in five maintained schools where education standards were not considered to be improving rapidly enough. This approach resulted in challenge meetings between senior officers and school leaders, intensive brokering of support where required and the use of pre-warning and formal Warning Notices where required. During 2015/16, the positive conversion of seven schools to a 'good' judgement has resulted in the overall improvement of the quality of education received by children and young people in Hillingdon.

Having redefined the roles and responsibilities of the Local Authority during 2014/15, the priority for 2015/16 was for officers to work closely with the school-led Schools' Strategic Partnership Board to implement the new Hillingdon School Improvement Plan. This work led to the joint-delivery of a number of school improvement conferences throughout the year and the launch of a range of school-led improvement initiatives which have been made available to all schools in the Borough. This approach has ensured that the Council fulfils its duties with regard to acting as a champion of high standards of education for all young people in Hillingdon, whilst continuing to build capacity within the local school-led system and supporting the mixed community of maintained and academy/free schools that constitute the education landscape in Hillingdon.

## Overview of School Performance in Hillingdon 2015/16

Please note that information about rankings refers to Hillingdon's performance against 10 DfE identified statistical neighbours and, wherever possible, indicates either an upward or downward trend compared with the previous academic year. These neighbours are Coventry, Milton Keynes, Merton, Slough, Hounslow, Redbridge, Ealing, Barnet, Sutton and Reading.

### Foundation Stage

#### Private, Voluntary and Independent (PVI) Childcare Providers - Ofsted Outcomes

- Private, voluntary and independent childcare settings in Hillingdon have continued to improve in 2015/16 and are now better than the national averages. This means that Hillingdon now provides significantly higher standards in care and learning than those provided nationally, with 96% of Hillingdon's providers rated as good or better.

	Summary (Good or better)		Outstanding		Good		Requires Improvement		Inadequate	
	National	LBH	National	LBH	National	LBH	National	LBH	National	LBH
<b>2014/15</b>	83%	88%	15%	12%	68%	76%	15%	12%	2%	0%
<b>2015/16</b>	86%	96%	17%	18%	69%	78%	12%	3%	1%	0%

#### Ofsted Childminder Outcomes

- During 2015/16, 30 newly registered Childminders have been supported to enable them to meet the Local Authority criteria to offer funded educational places for two, three and four year old children. Further development is required to bring Hillingdon in line with national data and has informed the delivery of services from the Early Years Team for 2016/17
- It should be noted that Ofsted figures do not recognise that any registered childminders who do not have Early Years children on roll at the time of inspection receive a grade which falls into the requires improvement numbers.

	Summary (Good or better)		Outstanding		Good		Requires Improvement		Inadequate	
	National	LBH	National	LBH	National	LBH	National	LBH	National	LBH
<b>2014/15</b>	78%	79%	10%	8%	68%	71%	20%	18%	2%	3%
<b>2015/16</b>	84%	83%	13%	12%	71%	71%	15%	10%	1%	2%



## Early Years Foundation Stage Profile Outcomes

### Early Years Good Level of Development (GLD) 2015/16

- 2015/16 data demonstrates that the percentage of Children achieving the Good Level of Development (GLD) in Hillingdon has improved at a greater rate than the national, all London and outer London averages. Hillingdon is now above the national percentage and less than one percent below the all London benchmark.
- In 2015/16 Hillingdon's GLD percentage is ranked 6<sup>th</sup> of 11, indicating an improving trend.

Table 4	LBH	National	London all	London Outer
2015	65.2%	66.3%	68.1%	68.3%
2016	70.3%	69.3%	71.2%	71.5%
Difference	+5.1	+3	+3.1	+3.2

Table 5	70.3%
LBH Good Level of Development (GLD) 2016	
2016 National GLD	69.3 % (LBH + 0.6)
2016 London GLD	71.2% (LBH - 0.9)
2016 Outer London GLD	71.5% (LBH - 1.2)

### Early Years Key Subjects Outcomes 2015/16

- Overall, Hillingdon's performance for the seven key subjects shows an improvement across all areas. The Borough is now broadly in line with national outcomes in all of the Early Years areas of learning and development and is closing the gap with the all London outcomes. In 2015/16 the exception is Mathematics where outcomes are significantly below the all London average.
- In response to 2014/15 data, targeted support resources from the council's Early Years Team was directed at improving children's attainment within the Communication and Language and Personal, Social and Emotional Development areas. It is positive to note the significant improvement in these key areas in 2015/16.
- Analysis of specific Early Learning Goals (ELGs) in 2015/16 show that Hillingdon has seen an increase in attainment in each ELG and that they are now in line with that found nationally with overall levels of development demonstrating significant gains when compared to the previous academic year. Notably strong performance was seen in Reading and Writing, where outcomes are now above national and London averages by 2.5 and 2% respectively. Using Media and Materials remains at 2.5% above national levels. Performance in the areas of Speaking and in Managing Feelings and Behaviour

were targeted areas for improvement this year. In 2016 both of these ELGs saw a 3% increase in Hillingdon, bringing them in line with national outcomes for these ELGs.

- With regard to the ELG for Numbers (within Mathematics), Hillingdon is broadly in line with national outcomes but there is a gap of 2.1% and 2.7% compared with all London and Outer London and this will be a focus area for 2016/17.
- With regard to gender, boys in Hillingdon are broadly in line with boys nationally in the prime areas of learning, but are below the all London outcomes in Personal, Social and Emotional Development and in Communication and Language. Girls in Hillingdon are in line with girls nationally and within London.
- Hillingdon boys are above national outcomes in Literacy by 0.8% but are 1.6% below national outcomes in Maths. The gap between Hillingdon boys and London boys in Maths widens to 3.3%. This has impacted upon Hillingdon boys' attainment of the GLD with Hillingdon boys achieving 2.8% less than London boys. Hillingdon girls are 1.6% above girls nationally in Literacy and broadly in line with London outcomes. Similarly in the GLD, Hillingdon girls are above national and in line with London outcomes. In Maths, girls in Hillingdon are marginally below national outcomes by 0.7% and the difference increases to 1.4% with London outcomes.
- In 2016 for the GLD, girls in Hillingdon have significantly improved and are now performing above national averages, an increase of 7% attainment of the GLD. By comparison, Hillingdon's boys have only seen a 2% increase in attainment of the GLD and this has widened the gender gap in Hillingdon by 5% to 15.7%. This will be an area of focus for 2016/17.
- When considering children with English as an Additional Language (EAL) the attainment gap has closed by 3% from 2015, and there is now only a 2% attainment difference between Non-EAL and EAL children. This attainment difference compares positively with the 8% national gap and 6% across all London.
- For children who are in receipt of the Early Years Pupil Premium the attainment gap between them and children with no payment has narrowed in Literacy and Maths by 1.7% and 1% respectively and there is a 2% narrowing of the gap overall in the GLD. There has, however, been a widening of the attainment gap in Physical Development.

The following table summarises the performance across the seven key Early Years subjects. The figures in brackets denote the progress made from the year 2015 to 2016.

Table 6 Subject	Hillingdon			National			London		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Communication & Language	69	79	<b>82 (+3)</b>	77	80	<b>81.5 (+1.5)</b>	78	81	<b>82 (+1)</b>
Physical Development	83	87	<b>87 (-)</b>	86	87	<b>87.5 (+0.5)</b>	86	88	<b>88(-)</b>

Table 6 Subject	Hillingdon			National			London		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Personal Social & Emotional Development	78	82	<b>85 (+3)</b>	81	84	<b>85 (+1)</b>	82	85	<b>85 (-)</b>
Literacy	65	72	<b>73.5 (+1.5)</b>	66	70	<b>72 (+2)</b>	68	73	<b>74.5 (+1.5)</b>
Mathematics	69	76	<b>76.5 (+0.5)</b>	72	76	<b>77.5 (+1.5)</b>	74	78	<b>79 (+1)</b>
Understanding the World	77	81	<b>82.5 (+1.5)</b>	80	82	<b>83 (+1)</b>	80	83	<b>83.5 (+0.5)</b>
Arts/Design & Making	82	87	<b>87.5 (+0.5)</b>	83	85	<b>86.5 (+1.5)</b>	83	87	<b>87.5 (+0.5)</b>

#### Priorities for Development:

- To continue to support teachers in making secure and consistent judgments against national standards through rigorous moderation, targeted support, and centralised training. For 2016/17 a focus on Mathematics will be a priority in order to match London outcomes and to support the continued rise in attainment of the Good Level of Development.
- To continue to support all Early Years settings in providing effective and appropriate interventions based on learning needs for children eligible for the Early Years Pupil Premium.
- To support teachers in being responsive to the learning needs of boys and girls to ensure that all children are making progress and that the gender attainment gap narrows.
- To support the Childminding sector to raise standards and quality in care and education, particularly in light of the introduction of the 30 hours of free entitlement to working parents and their role in supporting parents' flexible access to this.
- To support school nursery staff to prepare for the introduction of the 30 hour offer.
- To continue to support effective self-evaluation of the EYFS within all sectors.

## Key Stage 1

### Phonics Outcomes in Hillingdon - Percentage of pupils achieving expected standard

- In Phonics in 2015/16, a greater proportion of Hillingdon's children achieved the expected standard than their peers nationally, indicating that more children in Hillingdon have the key phonetic skills to support growing literacy than their peers across the country by the end of Year 1.
- In 2015/16, Hillingdon's Phonics percentage is ranked 2<sup>nd</sup> of 11, indicating an improving trend.

Table 7 Phonics	Region	2014	2015	2016
Year 1	Hillingdon	77	80	<b>83 (+3)</b>
	National	74	77	<b>81 (+4)</b>
	London	77	80	<b>83 (+3)</b>
Cumulative by the end of Year 2	Hillingdon	90	91	<b>91 (-)</b>
	National	89	90	<b>91 (+1)</b>
	London	89	91	<b>92 (+1)</b>

Source: Statistical First Release - SFR42\_2016\_Phonics\_tables

Note - the difference in annual performance is shown in brackets

### Key Stage 1 Outcomes in Hillingdon: Percentages of children achieving the expected standard and the higher standard.

- In 2015/16, by the end of Key Stage 1 pupils are expected to reach the new expected standard in Reading, Writing and Maths and to achieve the expected standard in Phonics.
- Overall outcomes at Key Stage 1 show that more children in Hillingdon achieved the new expected standard for each key area and for the combined result than the national average. However, these percentages do not yet match the all London averages.
- Outcomes at the higher standard for the combined result (Reading, Writing and Maths) are slightly below the national average for this standard which is largely attributable to a lower than average number of children attaining the higher standard in the Reading assessment.
- For 2015/16, Hillingdon's KS1 Reading at the Expected Standard is ranked 7<sup>th</sup> of 11. No previous ranking information is available for this standard.
- For 2015/16, Hillingdon's KS1 Writing at the Expected Standard is ranked 6<sup>th</sup> of 11. No previous ranking information is available for this standard.

- For 2015/16, Hillingdon's KS1 Maths at the Expected Standard is ranked 5<sup>th</sup> of 11. No previous ranking information is available for this standard.
- Please note that, as a result of the introduction of the new Key Stage 1 performance measures, it is not possible to compare 2015/16 results with previous years. For this reason, the data below uses comparators with current national and all London averages only.

Table 8		Hillingdon	National	London
Subject*	Level	2016	2016	2016
Reading	Expected	75	74	77
	Higher	23	24	26
Writing	Expected	66	65	70
	Higher	13	13	17
Maths	Expected	75	73	77
	Higher	19	18	22
RWM**	Expected	61.8	60.3	N/A
	Higher	8.4	8.9	N/A

Source: SFR42\_2016\_KS1\_LA\_tables

\*Reading, Writing and Maths. Pupils must pass all three subjects to attain this pass

## **Key Stage 2**

### **Key Stage 2 Outcomes in Hillingdon: Percentages and Average Scaled Scores of children achieving the expected standard and the higher standard**

- Overall results for Hillingdon's children at Key Stage 2 in 2015/16 were positive with the Borough performing strongly against both the national averages, and some of the London averages, for the vast majority of the new performance measures.
- Particularly pleasing outcomes are noted in Reading, Maths and Grammar, Punctuation and Spelling at the Expected Standard where Hillingdon pupils are above national and London-wide averages.
- It should be noted that national concerns regarding the accuracy of teacher assessment and moderation of Writing may have impacted in the achievement of Writing at the Expected Standard. This is being followed up by the national Standards and Testing Agency.

- The achievement of children at the Higher Standard is highlighted as a strength in Hillingdon in 2015/16 with outcomes at this level comparing favourably with national averages and sitting either broadly in line with or above the London averages.
- In addition to attainment data, new progress measures were introduced for schools in 2015/16. Data shows that Hillingdon's overall progress measures from Key Stage 1 to Key Stage 2 were above the national average for all three elements (Reading, Writing and Maths).
- For 2015/16, Hillingdon's combined Reading, Writing and Maths at the Expected Standard is ranked 5<sup>th</sup> of 11. No previous information is available for this standard.
- Please note that, as a result of the introduction of the new Key Stage 2 performance measures, it is not possible to compare 2015/16 results with previous years. For this reason, the data below uses comparators with national and all London averages only.

<b>Table 9</b>		<b>Hillingdon</b>	<b>National</b>	<b>London</b>
<b>Subject</b>	<b>Level</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
<b>Reading</b>	<b>Expected Standard</b>	70	66	69
<b>Reading</b>	<b>Higher Standard</b>	19	19	21
<b>Reading</b>	<b>Average Scaled Score</b>	103	103	103
<b>Writing (TA*)</b>	<b>Expected Standard</b>	72	74	76
<b>Writing (TA*)</b>	<b>Greater Depth</b>	16	15	17
<b>Maths</b>	<b>Expected Standard</b>	76	70	77
<b>Maths</b>	<b>Higher Standard</b>	24	17	23
<b>Maths</b>	<b>Average Scaled Score</b>	105	103	104
<b>GPS**</b>	<b>Expected Standard</b>	80	73	79
<b>GPS**</b>	<b>Higher Standard</b>	31	23	29
<b>GPS**</b>	<b>Average Scaled Score</b>	106	104	105
<b>RWM (Combined result)</b>	<b>Expected Standard</b>	55	53	57
<b>RWM (Combined result)</b>	<b>Higher Standard</b>	7	5	7

Source: Statistical First Release SFR62\_2016\_LATables\_Dec2016

### **Priorities for Key Stages 1 & 2**

- Focus on accelerating outcomes for more able children in Key Stage 1 and particularly for those at risk of underachievement, including those disadvantaged and / or with special educational needs and/or disabilities.
- Work with schools to ensure that the percentages of children attaining the higher standard is consistent across the key areas in Hillingdon and continues to match the all London averages.
- Use the newly published primary progress measures alongside attainment data to target school improvement resources, challenging the performance of schools whose progress scores are not yet in line with national averages for each key area.

## Key Stage 4

### **Key Stage 4 Outcomes in Hillingdon: Percentage of overall results including 2015 comparators where available and new performance measures**

- Since 2013/14, significant national reforms to Key Stage 4 curricula, entry policy and assessment criteria have been underway. This means that year-on-year data comparison is a less accurate method of measuring relative improvement or decline. For 2015/16, secondary schools are subject to the additional national Progress 8 measure for all schools which is calculated using the Attainment 8 scores of individual pupils. In addition, national data for 2015/16 includes the old benchmark of 5 A\* - C including English and Maths which will not be reported on in future years. The English Baccalaureate (Ebacc) measure remains in use for 2015/16.
- With regard to the 5 A\* – C including English and Maths measure, outcomes in Hillingdon show improvement in 2015/16 with results significantly outperforming the national average for this measure. This is a positive improvement when compared to this measure in 2014/15 where a slight decline was evident. Over the last year, the gap between Hillingdon and the higher-performing London average has reduced sharply.
- English Baccalaureate (Ebacc) outcomes in Hillingdon's secondary schools continue to compare positively with the national average for this measure although it is noted that the percentage of young people in Hillingdon achieving this measure fell in 2015/16 when compared to previous years and remains significantly below the all London average.
- The overall 'Progress 8' score for the secondary sector in Hillingdon is pleasing and compares well to the national score. Detailed analysis of these schools highlights the variation between individual schools in the Borough with the special school sector performing particularly strongly in terms of adding value to young people's learning from Key Stage 2 to the end of Key Stage 4.
- 'Attainment 8' scores show that young people in Hillingdon attain results that are, on average, better than their peers nationally at Key Stage 4.
- In relation to our statistical neighbours, Hillingdon's 5 A\*-C inc English and Maths percentage ranks 10<sup>th</sup> of 11, indicating a downward trend for this measure.
- In relation to our statistical neighbours, Hillingdon's Ebacc percentage ranks 9<sup>th</sup> of 11, indicating an downward trend for this measure.
- In relation to our statistical neighbours, Hillingdon's new Average Attainment 8 score per pupil ranks 7<sup>th</sup> of 11. No previous information is available for this measure.
- For young people vulnerable to underachievement including those with special educational needs and/or disabilities, detailed analysis of provisional data suggests that the gaps between these groups and their non-vulnerable peers across the performance measures widen into Key Stage 4 in Hillingdon and are, on average, larger than the gaps between these groups nationally.

Table 10	Hillingdon			National			London		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Percentage of pupils attaining A* - C Grades in Eng. and Maths	N/A	59.5	<b>64.7 (+5.2)</b>	N/A	59.5	<b>58.7 (-0.8)</b>	N/A	62.5	<b>65.9 (+3.4)</b>
% Ebacc*	24.1	26.2	<b>25.9</b>	22.9	24.4	<b>24.6</b>	30.1	30.5	<b>31.6</b>
Average Progress 8 Score (new measure)	N/A	N/A	<b>0.07</b>	N/A	N/A	<b>- 0.03</b>	N/A	N/A	<b>0.16</b>
Average Attainment 8 Score per pupil (new measure)	N/A	N/A	<b>51.1</b>	N/A	N/A	<b>49.9</b>	N/A	N/A	<b>51.7</b>

Source: SSFR01/2016 GCSE and Equivalent Results in England 2014/15 Revised

SSFR48/2016 GCSE and Equivalent Results in England 2015/16 Provisional

\* English Baccalaureate - the percentage of pupils attaining a C grade or above in core academic subjects  
Difference in annual performance shown in brackets

#### Priorities for Key Stage 4

- Supporting the two remaining LA Secondary Schools for which the LA retains responsibility with a particular focus on progress scores (i.e. non-academies).
- Supporting the wider secondary school sector to address variations in progress scores, for all young people and, particularly, for those most at risk of underachievement including young people with SEND and their disadvantaged peers through the Local Authority's links with the Schools' Strategic Partnership Board and Hillingdon Association of Secondary Heads. This will include utilising appropriate challenge and support mechanisms and escalating concerns of unacceptable underperformance, where necessary, to the relevant responsible bodies. This includes the Regional Schools Commissioner and / or the Secretary of State for Education where improvements are not being expedited.



## Key Stage 5

### Key Stage 5 Outcomes in Hillingdon - Average point scores

- A new points' scoring system has been introduced for 2015/16, which means that the figures for 2015 and 2016 cannot be compared easily. However, based on the above, outcomes in Hillingdon were 94.9% of the London average in 2016 and 97.5% of the London average in 2015 which suggests a further decline in APS overall per entry.
- In relation to our statistical neighbours, Hillingdon's AAB or better at A level percentage ranks 9<sup>th</sup> of 11, indicating an improving trend for this measure.
- In relation to our statistical neighbours, Hillingdon's Average Point Score per Entry ranks 11 of 11. No previous information is available for this measure.

Table 11 Subject	Hillingdon		National		London	
	2015	2016	2015	2016	2015	2016
Average point score per entry	206.7 (-1)	<b>29.45</b>	211.9 (+0.4)	<b>31.25</b>	211.9 (+0.6)	<b>31.03</b>

Source: DfE SF49 Local Authority tables (figures are provisional)  
Difference in annual performance shown in brackets

### Priorities for Key Stage 5

- To build on the links made with post-16 providers, including Sixth Forms and Colleges, in order to analyse performance and challenge underperformance to improve outcomes at Key Stage 5.
- It should be noted that, from 2015/16 the new headline measures set by the DfE post-16 will be Progress, Attainment, English & Maths progress (for students who did not attain Grade C equivalents or above at the end of Key Stage 4), Retention and Destinations. Final data is expected to be released from March 2017 and will be shared with the providers responsible for Key Stage 5 outcomes to inform priority actions for improvement.

## Looked After Children

### Looked After Children Key Stage 4 Summary

- Progress continues to be made in all key areas, however, attainment outcomes are highly dependent on the makeup of the cohort and consequently results will fluctuate year on year, as evident by the Key Stage 2 outcomes. Data for Hillingdon's Looked After Children (LAC) continues to show an upward trend (improvement) in attendance, exclusions and attainment at Key Stage 4. Results are considered nationally using eligible children who have been looked after for 12 months or more.

- The eligible Year 6 cohort that contributes to the national indicators for attainment at the end of Key Stage 2 consisted of 6 looked after children. The attainment of the cohort in relation to those who obtained age related expected results or above in reading, spelling punctuation and grammar and maths at the end of Key Stage 2 was 33%, 33%, 17% respectively. Children with Special Educational Needs (SEN) was noted to be a significant factor which impacted on outcomes at Key Stage 2 with 2 young people not entered for SATs as a result. Presently, national children looked after comparisons for the last academic year are not available and due to the changes to the assessment criteria it is not possible to make comparisons with previous years. In relation to progress, it must be noted that the 3 young people who failed to reach age related expectations were all within 5 points of achieving this, compared with their end of Key Stage 1 results which were at least one whole level below the expected standard of 2B. Thus, on closer analysis significant progress is evident albeit not obvious through presented statistics.
- Attainment at the end of Key Stage 4 showed Hillingdon's eligible LAC exceeding Hillingdon's target of 9.1% and 2 percentage points above Hillingdon's LAC in 2015. These results are a considerable achievement and success when you also consider the needs of the cohort. The cohort size was 22, with 8 children (36%) entering care since September 2014 (hence during Key Stage 4). 6 children of the 22 were not sitting GCSE's and hence, although part of the cohort, would not contribute positively to our statistics. 7 (32%) are Unaccompanied Asylum Seeking Children (UASC) and have English as an additional language. 12 (55%) have SEN including 6 (27%) who have a statement or Education and Health Care Plan (EHCP) and 10 (46%) have received input from an Education Psychologist (EP) since entering care. 73% of the cohort are with foster carers with the remainder in residential placements or semi-independent living placements. 59% attend mainstream schools, with the remaining 41% in Pupil Referral Units (PRU's), alternative provisions, non independent and independent special schools. (Further information about the attainment of LAC can be found in Appendix 1 and will also be reported separately to Hillingdon's Corporate Parenting Board).

<b>Table 12</b>	<b>Key Stage 4 Attainment</b>	<b>2015/16</b>
	A* - C in English and Mathematics	22.7%
	5 + GCSEs A* - C including English and Mathematics GCSEs	18.2%
	5 + GCSE's A* - C or equivalent – all subjects	18.2%

### **Priorities for Looked After Children in Hillingdon**

- Ensure every child looked after from Nursery to age 18 has a high quality Personal Education Plan which is reviewed each term setting out the targeted support needed for the young person to improve their education outcomes.
- In light of assessment without National Curriculum Levels, ensure each child has meaningful data recorded at least three times per year so that their attainment and progress can be tracked and monitored.
- Develop a robust Pupil Premium Plus protocol and commissioning plan, holding schools to greater account for its usage to support the educational progress of our children

looked after in line with their Personal Education Plan (PEP) targets. To ensure that centrally held Pupil Premium Plus grant funding is utilised where most needed for the provision of focused 1:1 or group tuition to prepare young people for SATs and GCSE tests, and commissioned enrichment and development opportunities.

- Continue to deliver training and offer guidance and challenge to all professionals who support the education of children looked after including designated teachers in schools, social care colleagues, foster carers and independent reviewing officers so that the educational needs are better understood, education is given the weight demanded by statutory guidance and care planning supports the education of Hillingdon's LAC.
- To continue to improve reading and maths in both Key Stage 1 and 2 through targeted literacy and numeracy interventions, in order to provide a solid basis upon which to build.
- To improve outcomes for Post 16 LAC and increase the number transitioning to Higher Education (HE) by working with local universities and careers services to raise aspirations. To develop a Post 16 Virtual School offer to ensure that the progression and pathways into Further Education (FE) is appropriate, planned for all LAC and that LAC have access to adequate information, advice and guidance.
- Ensure Hillingdon LAC continue to be adequately safeguarded in school and schools act to mitigate the impact of personal, social and emotional difficulties on their learning through ongoing training on resilience and attachment.

### **Special Education Needs and/or Disabilities (SEND)**

- Since 2013/14, Hillingdon, along with all Local Authorities across the country, has been working with schools to manage the transition to the new SEN Code of Practice. A key element of this work has been focused on the replacement of the SEN Statement with the Education, Health and Care Plan (EHCP) and the categorisation of all other children and young people with SEND as SEN Support. When interpreting data for children and young people with SEND it should be noted that progress from year to year will always depend on the specific needs of individual children and the marked variations in cohort profile.
- The introduction of the Council's All Age Disability Service (which includes the Early Support Team, the Inclusion Team, the Sensory Intervention Team, the SEND information and Support Service, the SEND Team, the Transport Team, the Educational Psychology Team and additional Social Care Teams) is designed to have an impact on outcomes and opportunities for children and young people with SEND. Within this service area, the Early Support, Inclusion Team, Sensory Intervention Team, Educational Psychology Team and SEND Team are the Council teams that will work most closely with schools and the Council's School Improvement Team to address concerns regarding the progress and outcomes of children and young people with SEND in Hillingdon's schools.
- Closing the gaps in outcomes and progress for vulnerable children and young people is key to ensuring high standards of education in Hillingdon's schools and the Council recognises that outcomes for children and young people with SEND are not yet consistently strong in all schools or across all phases. 2015/16 data highlighted the widening of gaps between outcomes for learners with SEND as they progress to secondary education and indicated that the risk of underachievement was particularly

high for young people with SEND who were considered middle ability attainers at primary school. In 2015/16 and in response to the national and local focus on groups of learners most vulnerable to underachievement the Council prioritised the improvement of opportunities for this cohort through the promotion of an 'aspiration for all' approach to school improvement. Alongside this Borough-wide focus, the All Age Disability Service rebuilt an inclusion network across the Borough and has broadened its support resource for schools. This has included the re-establishment of the Hillingdon SENCO forums and the introduction of both targeted and optional support and training for schools through the Inclusion Commitment. In addition, 2015/16 saw the introduction of the Innovation & Improvement Networks, focusing on cross-phase school collaboration to address the underperformance of key groups of learners including those with SEND.

- Analysis of SEND needs in Hillingdon in 2015/16 shows that Communication and Interaction needs including autism and speech and language difficulties are the most prevalent areas of need across the Borough with a higher proportion of young people with SEND displaying needs within the Social, Emotional and Mental Health area of need as they move into secondary education. The significant number of able children and young people with autism in the Borough may explain why outcomes for previously high attaining young people with SEND are generally positive in the Borough.
- Children and young people who are Looked After and have SEND are recognised as a particularly vulnerable group nationally. In 2015/16 Hillingdon had 45 Looked After Children with SEN but without EHC Plans/Statements and 40 Looked After Children with EHC Plans/Statements, equating to 38.1% and 32.2% of the LAC population in Hillingdon respectively and being significantly higher than the national and all London averages for this group. For this reason, partnership working between SEND teams, Social Care, the Virtual School for Looked After Children and partners responsible for school improvement remains an important area of focus.
- At Key Stage 1 the gap between the attainment of children at SEN support in Hillingdon and their non SEND peers, is smaller than the national gap for the same groups of children. Similarly, for those children EHCP / Statemented, the gap is smaller in Hillingdon than the national gap for the same groups of children.
- At Key Stage 2 the gap between the attainment of children at SEN support and children with EHCP / Statemented and their non SEND peers is slightly wider than the gap for the same groups nationally.
- At Key Stage 4 it is not yet possible to compare Hillingdon's gaps with national gaps for 2015-16. However, when compared to 2014-15 it appears that the gap between those children at SEN support and those with EHCP / Statement and their non SEND peers has widened in the Borough. Further information including national comparators will be available by February 2017.

## Percentages of attainment for children with SEND 2015/16

<b>Table 13</b>			
<b>SEN Key Stage 1 2016</b>			
<b>Individual Scores for Reading, Writing and Maths</b>			
	<b>Actual results for Expected Standard</b>		
Hillingdon Pupils	<b>READING</b>	<b>WRITING</b>	<b>MATHS</b>
Non SEN (3541)	82%	74%	82%
SEN SUPPORT (500)	35%	25%	41%
LBH Gap between Non SEN and SEN Support	47%	49%	41%
National gap between SEN Support and Non SEN	50%	52%	47%
EHCP / Statemented (105)	18%	12%	18%
LBH Gap between Non SEN and EHCP / Statemented	64%	62%	64%
National gap between Non SEN and EHCP / Statemented	68%	65%	66%

Source: FfT Aspire 2016

Notes - The national curriculum and school performance indicators have changed with scaled scores replacing levels. Expected standard for pupils in 2016 is higher than expected standard in previous years (e.g. Level 2 or 4).

<b>Table 14</b>	
<b>SEN Key Stage 2 2016</b>	
<b>Combined Scores for Reading, Writing and Maths</b>	
Hillingdon Pupils	<b>Actual results for Expected Standard</b>
Non SEN (2876)	66%
SEN SUPPORT (468)	19%
LBH Gap between Non SEN and SEN Support	47%
National gap between SEN Support and Non SEN	46%
EHCP / Statemented (120)	10%
LBH Gap between Non SEN and EHCP / Statemented	56%
National gap between Non SEN and EHCP / Statemented	55%

<b>Table 15</b>			
<b>SEN Key Stage 4 2016</b>			
<b>Hillingdon Pupils</b>	<b>% A* - C Eng and Maths</b>	<b>Average Point Score (APS) * Best 8</b>	<b>% Ebacc**</b>
No SEN (2720)	71%	44 points	29%
SEN SUPPORT (332)	28%	31 points	4%
LBH Gap between No SEN and SEN Support	43%	13 points	25%
National gap between SEN Support and No SEN	Not available	Not available	Not available
EHCP/Statemented (96)	10%	14 points	0%
LBH Gap between No SEN and EHCP/Statemented	61%	30 points	29%
National gap between No SEN and EHCP/Statemented	Not available	Not available	Not available

Source = FfT Aspire 2016 - SFR does not yet have pupil characteristics

\*Average Point Scores are the total points achieved by pupils in their best 8 GCSEs (or equivalents).

\*\*English Baccalaureate

### **Closing the Gap between Disadvantaged Pupils and their Peers**

- In 2015/16, all schools continued to receive additional funding from the Department of Education (DfE) to raise the attainment and improve the progress of children and young people from disadvantaged backgrounds. This funding, known as the Pupil Premium grant, can be used by schools in any way that they choose but must show an impact on outcomes for children from the poorest backgrounds. Schools are held to account for the use of Pupil Premium grant funding by Ofsted through the new inspection framework and also through strong governance at individual school and Local Authority level.
- At Key Stages 1 and 2 the gap between children eligible for pupil premium funding and their non disadvantaged peers is smaller in Hillingdon than the gap between the same groups of children nationally.
- At Key Stage 4 it is not yet possible to compare Hillingdon's gaps with national gaps for 2015-16. However, when compared to 2014-15 it appears that the gap between those children eligible for pupil premium funding and their non disadvantaged peers widened slightly in the Borough in 2015-16. Further information including national comparators will be available by February 2017.
- The Hillingdon Innovation and Improvement Networks, launched in March 2016 and supported by the Schools' Strategic Partnership Board, including the Primary Forum Executive and Hillingdon Association of Secondary Head Teachers, focus on the improvement of standards for disadvantaged children and young people.

Please note - Due to the introduction of the new performance measures it is not possible to compare 2015-16 data with previous years.

## Key stage 1 Attainment for children eligible for Pupil Premium funding 2015/16

FSM = Free School Meals

<b>Table 16</b>			
<b>Pupil Premium Key Stage 1 2016</b>			
<b>Individual Scores for Reading, Writing and Maths</b>			
	<b>Actual results for Expected Standard</b>		
Hillingdon Pupils	<b>READING</b>	<b>WRITING</b>	<b>MATHS</b>
Not FSM in last 6 years (3510)	77%	68%	78%
FSM in last 6 years (668)	63%	54%	62%
LBH Gap between No FSM and FSM	14%	14%	16%
National gap between No FSM and FSM	17%	18%	17%

Source SFR42\_KS1\_Dec2016

Note - national data for RWM combined scores is not available

## Key Stage 2 Attainment for children eligible for Pupil Premium funding 2015/16

<b>Table 17</b>	
<b>Pupil Premium Key Stage 2 2016</b>	
<b>Individual Scores for Reading, Writing and Maths</b>	
Hillingdon Pupils	<b>Actual results for Expected Standard</b>
Not FSM in last 6 years (2955)	60%
FSM in last 6 years (616)	41%
LBH Gap between No FSM and FSM	19%
National gap between No FSM and FSM	21%

Source: SFR62\_KS2\_2016

## Key Stage 4 Attainment for children eligible for Pupil Premium funding 2015/16

<b>Table 18</b>			
<b>Pupil Premium Key Stage 4 2016</b>			
<b>Hillingdon Pupils</b>	<b>% A* - C Eng and Maths</b>	<b>Average Point Score* (APS) *Best 8</b>	<b>% Ebacc**</b>
Not FSM in last 6 years (2233)	73%	44 points	31%
FSM in last 6 years (915)	45%	35 points	14%
LBH Gap between No FSM and FSM	28%	9 points	17%
National gap between No FSM and FSM	Not available	Not available	Not available

Source: FFT Aspire 2016 - SFR does not yet have pupil characteristics

\*Average Point Scores are the total points achieved by pupils in their best 8 GCSEs (or equivalents).

\*\*English Baccalaureate

All are based on "New First Entry"

### Not in Education, Employment or Training (NEET)

- Data published by the DfE in February 2016 shows that 78.7% of 16-18 year olds in Hillingdon are in learning and 3.2% are NEET which brings the Borough in line with national averages. However, the Council does not know about the status of 17.1% of this cohort, making the percentage of 'not known' in Hillingdon significantly higher than other areas when compared with the overall national average of 'Not Known.'
- It is acknowledged that the 'Not Known' figure in Hillingdon is disproportionately high and Council is deploying resources to tackle this concern. Work undertaken to date indicates that this figure currently (December 2016) stands at 11.4%, representing an improvement from February 2016.
- Work is being progressed between the Participation Key-work team who have responsibility for tracking the status of young people post-16, the School Improvement Team and secondary and Further Education (FE) sector partners to understand the reasons behind the reduction in the number of 16-18 year olds in learning so that necessary improvement actions can be identified and undertaken. Early Intervention and Prevention Services are currently progressing associated work to tackle 'not known' levels in collaboration with a range of education support providers.

<b>Table 19</b>			
<b>NEET 16-18 year olds - February 2016 (all young people)</b>			
	<b>In Learning (education &amp; training)</b>	<b>NEET</b>	<b>Not known</b>
England	86.5%	3.2%	7.4%
Hillingdon	78.7%	3.2%	17.1%



## Hillingdon Adult Learning Service

- The Hillingdon Adult and Community Learning service provides opportunities for adults to learn new skills which align to Hillingdon's priorities and those of the London Local Enterprise Partnership. The programmes of learning are designed to lead to work, enhance life chances, improve wellbeing or encourage greater social cohesion. The service was inspected by Ofsted in January 2016 and was graded as 'good'.
- The adult learning service continues to deliver positive outcomes for Hillingdon residents with a high proportion of learners achieving their expected learning aims. In 2015-16 the service recruited 2,720 residents into learning, creating 4,907 enrolments by adults in Hillingdon. 84% of learners were aged from 25-54, 6.6% were under 25 and 9.4% were aged 65 and over. The following table summarises the key outcomes.

### Hillingdon Adult Learning Outcomes - Percentage of overall results

<b>Table 20</b>			
<b>Key Performance Indicator</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>Achievement Rate %</b>	90.0%	86.4%	89.4%
<b>Retention Rate %</b>	94.3%	95.9%	95.8%

- Achievement rates: the proportion of enrolled learners who successfully achieve their aims.
- Retention rates: the proportion of enrolled learners who continue until the course ends.

### Exclusions Data for Schools in Hillingdon

- The latest comparable data available for school exclusions is for the period 2014-15.
- In Hillingdon, the available exclusion data shows an overall improvement (drop) in rates of exclusion year-on-year, bringing the Borough broadly in line with, or better than, the national and London-wide picture. Notable improvement around exclusion management and practice is evident in the fall of exclusions from the Special School sector.

### Permanent exclusions - Percentage of overall results

<b>Table 21</b>						
<b>Permanent exclusions 2014-15</b>						
<b>Phase</b>	<b>State funded primary</b>		<b>State funded secondary</b>		<b>Specials</b>	
<b>Region</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Hillingdon</b>	0	0	0.11	0.16	0	0
<b>England</b>	0.02	0.02	0.13	0.15	0.07	0.09
<b>London</b>	0.01	0.01	0.15	0.17	0.05	0.11

## Fixed term exclusions - Percentage of overall results

<b>Fixed term exclusions 2014-15</b>						
<b>Phase</b>	<b>State funded primary</b>		<b>State funded secondary</b>		<b>Specials</b>	
<b>Region</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Hillingdon</b>	0.42	0.42	6.07	7.0	11.76	3.3
<b>England</b>	1.02	1.1	6.62	7.5	13.86	13.54
<b>London</b>	0.68	0.81	5.94	6.71	15.02	13.49

Source: SFR26\_2016\_LocalAuthorityTables\_Exclusions

## Schools Placements and Admissions

### Secondary School Places

- For the school year starting September 2016, Hillingdon received a record high of 3,323 applications and offered the highest percentage of first choice and top three preferences for a school place across West London Boroughs.
- 71% of children applying for secondary school places in Hillingdon were offered their first choice of school, outstripping neighbouring local Boroughs: In Hounslow, Ealing and Harrow families were offered their first preference in 64, 65 and 70 per cent of cases.
- For the secondary schools admissions round in 2016, Hillingdon experienced an 8% increase in applications which is more than double the London wide increase of 3.3%. Hillingdon has continued to remain above the London average by offering 91% of pupils a place at one of their top three schools compared with 89% across London.

### Primary School Places

- For Primary School Places, Hillingdon was above average in London for offering 1<sup>st</sup> preferences places with 86% (9<sup>th</sup> highest in London) compared to the average of 84%.
- Hillingdon was able to offer 96% of applicants one of their top three schools, the highest result in West London and surpassing the London average of 94%.
- Hillingdon was joint first in London (with Bexley) for children receiving one of their 1<sup>st</sup> to 6<sup>th</sup> preferences.

### Fair Access

- The purpose of Fair Access Protocols is to ensure that outside the normal admissions round unplaced children, especially the most vulnerable, are found and offered a place quickly, so that the amount of time any child is out of school is kept to the minimum. Every local authority is required to have in place a Fair Access Protocol, developed in partnership with local schools. Hillingdon has an 'In Year Fair Access Panel' (IYFAP) to consider these type of school admissions.
- Due to new ways of working and improved communication between the Local Authority and admissions officers based in schools there has been a considerable decrease in the

number of referrals to the IYFAP. Below is a summary of the referrals made via the IYFAP.

- 17 Year 11 aged children successfully placed in mainstream schools.
- 50% decrease in the total number of placements by the Panel in comparison to the academic year 2014-2015.
- 77% decrease in the total number of placements by the Panel in comparison to academic year 2013-2014.

**Table 23**

Month/Year Group	Primary referrals							Secondary referrals					Total
	Reception	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
September	1	0	0	8	3	0	1	0	1	1	1	0	16
October	0	1	0	1	0	1	0	0	1	0	1	0	5
November	0	0	0	1	0	0	0	1	0	1	1	2	6
December	0	0	0	0	0	0	0	0	0	0	0	7	7
January	2	0	0	0	0	0	0	0	0	0	1	4	7
February	1	0	0	0	0	0	0	0	0	0	0	3	4
March	0	0	0	0	0	0	0	0	0	0	0	1	1
April	0	0	0	1	1	0	0	0	0	0	0	0	2
June	0	0	0	0	0	0	0	0	0	0	0	0	0
July	2	0	0	1	0	0	0	0	0	0	0	0	3
<b>Total per year</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>12</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>17</b>	<b>51</b>
<b>Total Pri/Sec</b>	<b>25</b>							<b>26</b>					
<b>Total</b>	<b>51</b>												

### Financial Implications

There are no financial implications arising from this report.

### 4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

#### What will be the effect of the recommendation?

The report presents a summary of education attainment and standards in Hillingdon schools and sets out priorities to continue to improve education for Hillingdon's residents.

#### Consultation Carried Out or Required

None required as the report is a summary of attainment and inspection evidence.

## **5. CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report and notes that there are no direct financial implications arising from the recommendation in the report. It is noted that any future priorities will need to be managed within existing approved financial resources.

### **Legal**

Under the Education Act 1996 (Sections 13,13A and 14) the Council has statutory obligations; to ensure that efficient primary, secondary and further education is available to meet the needs of the local population; ensure that its education functions are discharged with a view to promoting high standards; ensure fair access to opportunity for education and learning, and promote the fulfilment of learning potential; and secure that sufficient schools, for providing primary and secondary education, are available for its area.

Whilst there are no specific legal implications arising from the report, Cabinet is advised that the Council's school improvement function is subject to inspection from Ofsted under powers set out in Section 136(1)(b) of the Education and Inspections Act 2006. Specifically, Her Majesty's Chief Inspector may use these powers under the Education and Inspections Act 2006 to inspect compliance of the duties of a local authority as set out the Education Act 1996. Reports of the findings of inspections under S136 of the Education and Inspections Act 2006 may be of assistance to the Council and/or the Secretary of State in the use of powers under Part 4 of the Education and Inspections Act 2006.

### **Relevant Service Groups**

The following services have contributed to this report: School Improvement; Business Performance; Early Years Advisory Teacher Team; Hillingdon Virtual School for Looked After Children; Disability Services; School Placement and Admissions Team; Key Working Service; and the Adult and Community Learning Service.

## **6. BACKGROUND PAPERS**

Nil.

## Appendix 1 - Additional Data for Looked After Children (LAC)

Based on data as of 21<sup>st</sup> November 2016 - please note this is snapshot as data changes from day to day because of level of movement in and out of care).

About the Looked After Children (LAC) Population	As of Nov 2016
Current statutory school age LAC population	152
Number of LAC supported by Virtual School	293
Number of new cases during academic year 2015-16	83
Current average attendance	92%

Place of Education	Nov 14	Nov 15	Nov 16
Number of statutory school age LAC educated within Hillingdon	121	99	82
Number of statutory school age LAC educated outside Hillingdon	84	70	70
Number of 17 and 18 year old LAC	91	148	128
In Ofsted rated Good or Outstanding schools	N/A	128	128

LAC with SEN	Hillingdon LAC	LAC Nationally (2015)	All Children Nationally
Percentage of LAC with a Special Educational Need	32%	61%	15%
Percentage of LAC with a Statement of SEN or Education, Health and Care Plan	20%	28%	3%

## Education data for LAC - Key Stage 2 attainment

There were 6 Hillingdon Looked After Children who were in care for at least 12 months

Region	Maths %	Writing %	Spelling, punctuation and grammar %	Writing, Maths and spelling, punctuation and grammar Combined %
Hillingdon 2016	17	33	33	17

### Of this cohort

- 33% were not entered for SATs due to be working significantly below age related expectations.
- 100% of those entered for SATs made expected or accelerated progress across the Key Stage.
- 67% had Special Educational Needs
- 50% had a Statement of Special Educational Need/Education, Health and Care Plan (EHCP).
- 50% were in specialist provision because of such needs.
- 98% average attendance.

### Key Stage 4 Attainment

There were 22 Hillingdon Looked After Children who were in care for at least 12 months.

KS4 Attainment	2013-14	2014-15	2015-16
A* - C in English and Mathematics	7.1%	18%	23%
5 + GCSEs A* - C including English and Mathematics GCSEs	7.1%	16%	18%
5 + GCSE's A* - C or equivalent – all subjects	14.3%	26%	18%
5 GCSE's at A* - G or equivalent	50%	63%	55%
1 GCSE or equivalent	95%	95%	73%
Sat 1 GCSE or equivalent	95%	95%	73%
Did not take any GCSE or equivalent exams.	5%	5%	27%

<b>Of the KS4 Cohort:</b>	<b>2013-14 (28 LAC)</b>	<b>2014-15 (19 LAC)</b>	<b>2015-16 (22 LAC)</b>
Indigenous children	75%	58%	68%
Unaccompanied Asylum Seeking Children with ESOL needs	25%	42%	32%
With a Special Educational Need		75%	59%
With a Statement of SEN or EHC Plan	39%	26%	32%
Male	57%	58%	64%
Female	43%	42%	36%
Educated outside the Borough	25%	58%	68%
Educated inside the Borough	75%	42%	32%

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## COUNCIL BUDGET - 2016/17 MONTH 8 REVENUE AND CAPITAL BUDGET MONITORING

<b>Cabinet Member</b>	Councillor Jonathan Bianco
<b>Cabinet Portfolio</b>	Finance, Property and Business Services
<b>Report Author</b>	Paul Whaymand, Corporate Director of Finance
<b>Papers with report</b>	Appendices A - F

### HEADLINE INFORMATION

<b>Purpose of report</b>	<p>This report provides the Council's forecast financial position and performance against the 2016/17 revenue budget and Capital Programme. A net in-year underspend of £1,465k is projected against 2016/17 General Fund revenue budgets as of November 2016 (Month 8), representing an improvement of £238k from the position previously reported to Cabinet.</p> <p>The latest positions on other funds and the Capital Programme are detailed within the body of this report.</p>
<b>Putting our Residents First:</b>	<p>This report supports the following Council objectives of: <i>Financial Management; Our People; Our Built Environment; Our Natural Environment; Our Heritage and Civic Pride.</i></p> <p>Achieving Value for Money is an important element of the Council's Medium Term Financial Plan.</p>
<b>Financial Cost</b>	N/A
<b>Policy Overview Committee</b>	Corporate Services and Partnerships
<b>Ward(s) affected</b>	All

### RECOMMENDATIONS

That Cabinet:

1. Note the forecast budget position as at November 2016 (Month 8).
2. Note the Treasury Management update as at November 2016 at Appendix E.
3. Continue the delegated authority up until the February 2017 Cabinet meeting to the Chief Executive to approve any consultancy and agency assignments over £50k, with final sign-off of any assignments made by the Leader of the Council. Cabinet are also asked to note those consultancy and agency assignments over £50k approved under delegated authority between the 15th December 2016 and 17th January 2017 Cabinet meetings, detailed at Appendix F.
4. Accepts Contaminated Land grant funding of £39k from the Environment Agency in respect of monitoring assessment actions at the former New Years Green landfill in Harefield.

5. **Approve acceptance of gift funding in relation to Planning Performance Agreements on major developments within the Borough in accordance with the provisions of Section 93 of the Local Government Act 2003, in respect of the following applications:**
- a) **Proposed Western Rail Link to Heathrow (WRLtH) - Authority requested to accept upto £50k gift funding (precise sum subject to re-charging scheme).**
  - b) **Brunel University (up to £120,000) - Resources to assist with pre-application planning work.**
  - c) **Axis House, Bath Road, 172 Bedroom hotel proposal (up to £20,000) - Resources to assist with planning advice and planning application determination.**

## **INFORMATION**

### **Reasons for Recommendations**

1. The reason for the monitoring recommendation is to ensure that the Council achieves its budgetary objectives, providing Cabinet with an update on performance at outturn against budgets approved by Council on 25 February 2016.
2. Appendix E provides an update to Cabinet on Treasury Management performance during this financial year.
3. Recommendation 4 - The Environment Agency have awarded a grant of £39k under their Contaminated Land Capital Projects programme for the remediation of contaminated land at the former New Years Green landfill in Harefield. The grant is for assessing the quality of the ground water and the status of the natural attenuation of contaminants. The assessment actions are required to be completed by 31 March 2017 to meet the conditions for funding as set out by the Environment Agency.
4. Recommendation 5 - **Proposed Western Rail Link to Heathrow (WRLtH)** - Hillingdon Council is the Local Planning Authority and one of four local authorities directly affected by this project. The proposed Western Rail Link to Heathrow (WRLtH) is considered to be a Nationally Significant Infrastructure Project (NSIP) under the Planning Act 2008. Network Rail intends to submit an application to the Planning Inspectorate (PINs) in respect of the WRLtH for a Development Consent Order (DCO) to be determined by the Secretary of State. Hillingdon Council will be required to undertake specific functions in relation to the Development Proposal for the WRLtH pre-application, during the hearing and post-determination of the DCO application. Network Rail recognises that to properly discharge the statutory requirements and provide meaningful pre-application input to the statutory process it will require significant resources that are beyond the Hillingdon Council's current capacity and are not covered by the DCO Application fee payable to PINs. Network Rail have agreed they will reimburse the Council its reasonable costs for the services within this agreement in-line with a schedule of agreed fees.

**Brunel University** - Gift funding has been offered by developers which if accepted by Cabinet will be utilised to fund dedicated staff to support this pre-application and application work.

**Axis House, Bath Road** - Gift funding has been offered by developers which if accepted by Cabinet will be utilised to fund dedicated staff to support this application.

### **Alternative options considered**

5. There are no other options proposed for consideration

## FURTHER INFORMATION

### General Fund Revenue Budget

6. An underspend of £1,465k is reported on normal operating activities at Month 8. This position incorporates a £2,466k net underspend across Directorate Operating Budgets and an underspend of £800k across Corporate Operating Budgets, offset by contingency pressures of £1,801k, primarily relating to Looked After Children placement expenditure and Deprivation of Liberty Safeguards (DoLS) assessments. There are no exceptional items reported at this stage in the financial year.
7. The headline underspend of £1,465k represents an improvement of £238k on the position reported at Month 7, consisting of a £488k improvement across Directorate budgets primarily linked to increased Health contributions towards the cost of Social Care and a £250k adverse movement on contingency, principally driven by an increase in the numbers of Unaccompanied Asylum Seeking Children where Home Office funding is insufficient to meet associated costs.
8. The Council's General Fund revenue budget contains £13,309k savings, with £10,196k already banked and £1,971k on track for delivery. Those savings classed as amber due to being at an earlier stage of implementation total £1,142k at Month 8, representing an improvement of £15k from Month 7. The reported position on operating budgets reflects the status of these savings.

**Table 1: General Fund Overview**

Original Budget	Budget Changes	Service	Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
			Revised Budget	Forecast Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
178,502	(122)	Directorate Operating Budgets	178,380	175,914	(2,466)	(1,978)	(488)
2,420	2,146	Corporate Operating Budgets	4,566	3,766	(800)	(800)	0
18,453	(1,881)	Development & Risk Contingency	16,572	18,373	1,801	1,551	250
1,134	(143)	Priority Growth	991	991	0	0	0
<b>200,509</b>	<b>0</b>	<b>Sub-total Normal Activities</b>	<b>200,509</b>	<b>199,044</b>	<b>(1,465)</b>	<b>(1,227)</b>	<b>(238)</b>
<b>200,509</b>	<b>0</b>	<b>Total Net Expenditure</b>	<b>200,509</b>	<b>199,044</b>	<b>(1,465)</b>	<b>(1,227)</b>	<b>(238)</b>
(196,293)	0	Budget Requirement	(196,293)	(196,293)	0	0	0
<b>4,216</b>	<b>0</b>	<b>Net Total</b>	<b>4,216</b>	<b>2,751</b>	<b>(1,465)</b>	<b>(1,227)</b>	<b>(238)</b>
(39,005)	0	Balances b/fwd	(39,005)	(39,005)			
<b>(34,789)</b>	<b>0</b>	<b>Balances c/fwd 31 March 2017</b>	<b>(34,789)</b>	<b>(36,254)</b>			

9. At 31 March 2016 General Fund Balances totalled £39,005k. With the budgeted drawdown of £4,216k and the projected £1,465k surplus, the forecast closing balance at 31 March 2017 is £36,254k. The Council's current MTFF assumes that balances will remain between £15,000k and £31,000k to manage emergent risks, with sums above that level earmarked for use to smooth the impact of government funding cuts.

### Directorate Operating Budgets (£2,466k underspend, £488k improvement)

10. An overview of the forecast outturn on Directorate Operating Budgets is contained in Table 2, with further detail for each directorate contained within Appendix A. Variances relating to

those more volatile areas of activity being managed through Development and Risk Contingency are expanded upon below.

11. From 1 April 2016 the Council is able to utilise Capital Receipts, rather than revenue resources, to finance the costs of service reform, both one-off implementation costs (including redundancy costs) and transformation staffing costs. The month 8 forecast assumes that £2,304k of these projected costs will be funded from capital receipts and a further £838k will be funded from earmarked reserves.

**Table 2: Directorate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
10,762	(282)	Admin.	Expenditure	10,480	10,362	(118)	(88)	(30)
(1,288)	5		Income	(1,283)	(1,235)	48	34	14
<b>9,474</b>	<b>(277)</b>		<b>Sub-Total</b>	<b>9,197</b>	<b>9,127</b>	<b>(70)</b>	<b>(54)</b>	<b>(16)</b>
15,189	812	Finance	Expenditure	16,001	15,787	(214)	(195)	(19)
(2,475)	(60)		Income	(2,535)	(2,627)	(92)	(94)	2
<b>12,714</b>	<b>752</b>		<b>Sub-Total</b>	<b>13,466</b>	<b>13,160</b>	<b>(306)</b>	<b>(289)</b>	<b>(17)</b>
109,096	440	Residents Services	Expenditure	109,536	107,915	(1,621)	(1,409)	(212)
(56,005)	(448)		Income	(56,453)	(56,164)	289	177	112
<b>53,091</b>	<b>(8)</b>		<b>Sub-Total</b>	<b>53,083</b>	<b>51,751</b>	<b>(1,332)</b>	<b>(1,232)</b>	<b>(100)</b>
141,576	(47)	Social Care	Expenditure	141,529	143,042	1,513	1,749	(236)
(38,353)	(542)		Income	(38,895)	(41,166)	(2,271)	(2,152)	(119)
<b>103,223</b>	<b>(589)</b>		<b>Sub-Total</b>	<b>102,634</b>	<b>101,876</b>	<b>(758)</b>	<b>(403)</b>	<b>(355)</b>
<b>178,502</b>	<b>(122)</b>	<b>Total Directorate Operating Budgets</b>		<b>178,380</b>	<b>175,914</b>	<b>(2,466)</b>	<b>(1,978)</b>	<b>(488)</b>

12. Within the Administration Directorate an underspend of £70k is reported at Month 8, a minor improvement of £16k on prior month projections.
13. An underspend of £306k is reported on Finance operating budgets at Month 8, an improvement of £17k from Month 7. The favourable movement in the month is attributable to delayed recruitment in Housing Benefits and reduced agency projections in Strategic Finance.
14. An underspend of £1,332k is reported within Residents Services at Month 8, with £2,119k staffing underspends from vacant posts and the capitalisation of transformation resource, and pressures of £787k across non-staffing and income budgets. The favourable movement from Month 7 relates primarily to an improved outlook on income, off-set a number of compensatory movements across the Group. Reported pressures include a shortfall in income from the Cedars & Grainges car parks, estates income and Imported Food sampling, with non-staffing pressures from increased recycling volumes, fleet hire & maintenance and the adaptations budget within Development & Assets.
15. An improvement of £355k is reported on Social Care group budgets, reflecting increased income in Health funded packages in both Adults Social Care and All Age Disabilities. In addition, reduced expenditure on client packages since Month 7 has been sufficient to off-set an increase in projected staffing costs. Overall the group is reporting a £758k underspend, inclusive of net staffing underspends of £935k from posts being held vacant and capitalisation of transformation workforce costs. Within this reported position, there is remains a risk

around supplier inflation on care placements which will remain under review over the coming months.

### Progress on Savings

16. The Council's 2016/17 General Fund revenue budget contains £13,309k savings, with all prior year savings delivered in full during 2015/16. An improved outlook for savings delivery is reported at Month 8, with banked savings increasing by £539k to £10,196k and a £15k reduction in those items continuing to be reported as at risk. £12,167k savings are now reported as being banked or on track for delivery in full during 2016/17, with the remaining £1,142k or 8.6% remaining at an earlier stage of delivery and no savings being identified as having a serious risk of non-delivery.

**Table 3: Savings Tracker**

2016/17 General Fund Savings Programme	Admin	Finance	Residents Services	Social Care	Total 2016/17 Savings	
	£'000	£'000	£'000	£'000	£'000	%
B Banked	(765)	(767)	(4,507)	(4,157)	<b>(10,196)</b>	<b>76.6%</b>
G On track for delivery	0	(300)	(1,275)	(396)	<b>(1,971)</b>	<b>14.8%</b>
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	(142)	(60)	0	(940)	<b>(1,142)</b>	<b>8.6%</b>
R Serious problems in the delivery of the saving	0	0	0	0	<b>0</b>	<b>0.0%</b>
<b>Total 2016/17 Savings</b>	<b>(907)</b>	<b>(1,127)</b>	<b>(5,782)</b>	<b>(5,493)</b>	<b>(13,309)</b>	<b>100.0%</b>

## Corporate Operating Budgets (£800k underspend, nil movement)

17. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, externally set levies and income arising from the provision of support services to other funds and ring-fenced budgets. An £800k underspend has been identified against Interest and Investment Income as a result of continuing work in reviewing financing options, representing early delivery of a potential 2017/18 saving. Forecasts for all other corporately managed budgets are consistent with budget assumptions.

**Table 4: Corporate Operating Budgets**

Original Budget	Budget Changes	Service	Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7	
			Revised Budget	Forecast Outturn				
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
0	0	Interest and Investment Income	Salaries	0	0	0	0	0
5,386	873		Non-Sal Exp	6,259	5,459	(800)	(800)	0
(405)	0		Income	(405)	(405)	0	0	0
<b>4,981</b>	<b>873</b>		<b>Sub-Total</b>	<b>5,854</b>	<b>5,054</b>	<b>(800)</b>	<b>(800)</b>	<b>0</b>
431	0	Levies and Other Corporate Budgets	Salaries	431	431	0	0	0
9,958	1,563		Non-Sal Exp	11,521	11,521	0	0	0
(12,390)	(290)		Income	(12,680)	(12,680)	0	0	0
<b>(2,001)</b>	<b>1,273</b>		<b>Sub-Total</b>	<b>(728)</b>	<b>(728)</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	Housing Benefit Subsidy	Salaries	0	0	0	0	0
142,055	0		Non-Sal Exp	142,055	142,055	0	0	0
(142,615)	0		Income	(142,615)	(142,615)	0	0	0
<b>(560)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(560)</b>	<b>(560)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2,420</b>	<b>2,146</b>	<b>Total Corporate Operating Budgets</b>		<b>4,566</b>	<b>3,766</b>	<b>(800)</b>	<b>(800)</b>	<b>0</b>

## Development & Risk Contingency (£1,801k pressure, £250k adverse movement)

18. The Council set aside £18,453k to manage volatile and uncertain elements of budgets within the Development & Risk Contingency, which included £17,453k in relation to specific risk items and £1,000k as General Contingency to manage unforeseen issues. As expected with such volatile areas, a number of variances are reported, including significant growth in the cost of supporting Looked After Children.

**Table 5: Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
341	0	Fin.	Uninsured Claims	341	291	(50)	(50)	0
2,025	0	Residents Services	Impact of welfare reform on homelessness	2,025	2,025	0	0	0
2,728	0		Waste Disposal Levy	2,728	2,428	(300)	(245)	(55)
200	0		High Speed 2 Challenge Fund	200	200	0	0	0
200	0		Heathrow Expansion Challenge Fund	200	200	0	0	0
2,212	0	Social Care	Asylum Service	2,212	1,928	(284)	(470)	186
3,734	0		Demographic Growth - Looked After Children	3,734	6,332	2,598	2,542	56
277	0		Social Worker Agency	277	277	0	0	0
1,699	0		Demographic Growth - Transitional Children	1,699	1,619	(80)	(170)	90
432	0		Demographic Growth - Adults	432	432	0	0	0
393	0		Winterbourne View	393	78	(315)	(315)	0
0	0		Deprivation of Liberty Safeguards	0	732	732	759	(27)
1,331	0	Care Act New Burdens Funding	1,331	1,331	0	0	0	
1,881	(1,881)	Corp. Items	Increased National Insurance Contributions	0	0	0	0	0
1,000	0		General Contingency	1,000	500	(500)	(500)	0
<b>18,453</b>	<b>(1,881)</b>	<b>Total Development &amp; Risk Contingency</b>		<b>16,572</b>	<b>18,373</b>	<b>1,801</b>	<b>1,551</b>	<b>250</b>

19. Movement from Month 7 on reported positions is limited to the Waste Disposal Levy, Asylum Service and Looked After Children, Transitional Children with projections across all other areas having been reviewed. The reduction on Waste Disposal relates to further reductions in tonnage volumes since Month 7, continuing the trend identified in previous months.
20. This Asylum service is projecting a drawdown of £1,928k from the contingency, £284k below the budget, an adverse movement of £186k on the month 7 projections, due to an increase in the number of Unaccompanied Asylum Seeking Children (UASC), requiring support, which the Council have been unable to move on as part of the National Transfer Agreement. One of these UASC requires a secure high cost residential placement, which accounts for £82k of the adverse movement. There is very likelihood that the numbers of UASC will continue to grow over the coming months and as result this position will be very closely monitored.
21. An adverse outlook is reported on Looked After Children, where additional high cost placements has increased reported pressure by £56k to £2,598k above the £3,734k

contingency. The remaining pressure being reported in this area relates to the high levels of complexity in the current caseload of Looked After Children.

22. The draw down from the Transition contingency is forecast at £1,619k, resulting in a forecast outturn of £80k underspend and an adverse movement of £90k from Month 7. To date 26 new children have transferred, four have had an increase in their package costs as they are no longer supported by Education and a further five are expected to transfer by the end of the year.
23. The number of DoLS referrals received to the end of November is 972 (851 in October). This is an average of twenty seven per week. The forecast pressure for Month 8 has improved by £27k since the Month 7 forecast to reflect this level of activity.
24. To date there have been no calls on General Contingency, with the reported position assuming that £500k will be required later in the financial year.

### Priority Growth

25. The 2016/17 General Fund revenue budget approved by Council in February 2016 set aside £734k of unallocated Priority Growth, in addition to £400k of specific growth monies to support HIP Initiatives. The 2016/17 HIP budget is supplemented by £820k brought forward balances.
26. To date £143k has been released from Priority Growth to meet costs associated with traveller incursions within the Borough and finance a new Members Enquiries Support Officer. The corporate monitoring position assumes all remaining budgeted growth will be spent or committed during the current financial year. Release of £125k from HIP monies has been approved to support new initiatives from the £1,220k available resources, leaving £1,095k available for further allocations in year.

**Table 6: Priority Growth**

Original Budget	Budget Changes	Priority Growth	Month 8		
			Available Growth	Approved Allocations	Unallocated Balance
£'000	£'000		£'000	£'000	£'000
400	0	HIP Initiatives Budgets	400	0	(400)
0	820	B/fwd Funds	820	125	(695)
734	(143)	Unallocated Priority Growth	591	N/A	(591)
<b>1,134</b>	<b>677</b>	<b>Total Priority Growth</b>	<b>1,811</b>	<b>125</b>	<b>(1,686)</b>

### Schools Budget, Parking Revenue Account and Collection Fund

27. The latest forecasts on the Schools Budget shows an pressure of £209k to be recouped from 2017/18 Dedicated Schools Grant, with other funds indicating favourable positions at year end and therefore will not adversely impact upon the General Fund in 2016/17.
28. The projected drawdown from Dedicated Schools Grant balances for the Schools Budget has risen to by £209k to £1,075k from the position reported at Month 7, exceeding available reserves by £209k. This drawdown from reserves reflects the continuing increase in the number and cost of post-16 high needs placements as a consequence of the of the changes in the Children's and Families Act 2014, alongside planned use of balances in support of the two year old childcare offer. As this will result into the fund going into deficit during 2016/17, the 2017/18 Dedicated Schools Grant will be topsliced to return the Schools Budget to a breakeven position.



29. A £24k surplus is reported on the Parking Revenue Account at Month 8, representing an £8k improvement from Month 7, reflecting vacant post savings partially offset by projected growth in use of agency staff to cover vacant posts and improve the efficiency of the appeals process.
30. A surplus of £2,000k is projected on the Council's share of Business Rates revenues at Month 8, in line with the position reported at Month 7. This favourable position is principally driven by the 2015/16 outturn surplus, which included significant backdated increases in Rateable Value at Heathrow Airport. A surplus of £500k is reported on Council Tax in line with the position reported at Month 7, including lower than previously estimated levels of demand within the Council Tax Reduction Scheme and continuing strong collection performance.

### **Housing Revenue Account**

31. The Housing Revenue Account (HRA) is currently forecasting an in-year overall surplus of £12,801k, £3,539k more than the budgeted surplus of £9,262k. This represents a £700k improvement on the position reported at Month 7. This variance includes underspends against Planned Maintenance (£320k improvement), Tenant Services (£32k) and Overall repairs (£410k Improvement), partially offset by an adverse movement on non staffing costs in the Housing Management Service. In addition, rental income remains strong, with lower than anticipated numbers of void properties contributing towards a £367k overachievement of income. As a result, HRA General Balances are projected to increase to £46,745k by 31 March 2017, with a significant element of this sum earmarked to support investment in new housing stock.
32. 67 properties have been sold under Right to Buy arrangements as at Month 8, with a total of 115 sales forecast for 2016/17. Sufficient expenditure was incurred on the acquisition of new properties during Quarter 1&2 to avoid repayment of Right to Buy Receipts to DCLG, with projects underway to avoid repayment during Quarter 3.

### **Future Revenue Implications of Capital Programme**

33. Appendix D outlines the forecast outturn on the 2016/17 to 2020/21 Capital Programme, with a £5,006k underspend projected over the five year programme, representing a £395k improvement from Month 7. Prudential Borrowing required to support the Council's Capital Programme is projected to be £7,027k lower than the £164,469k revised budget, as a result of the projected underspend of £5,006k and £7,027k additional assumed grant income for school expansions and Disabled Facilities Grants being sufficient to offset a £5,159k fall in projected Capital Receipts.
34. This favourable variance on borrowing would result in a marginal reduction in future revenue costs of approximately £360k per annum, however, given that £14,990k of projected grant income is yet to be confirmed by awarding bodies and asset sales remain a volatile income stream this position will remain under review.
35. Slippage in project expenditure now shows an underspend of £13,448k in the current financial year. This is an underspend against the £75,976k budget, which had already been amended downwards to rebase the 2017/18 capital programme, indicating that the Council will be able to defer new borrowing into later years and therefore deliver savings against capital financing budgets in 2017/18. Slippage in delivery of Capital Receipts will reduce any such saving, with current forecasts showing that £4,862k of the revised budget of £6,918k will be secured during 2016/17, an adverse movement of £2,056k from Month 7.

## Appendix A – Detailed Group Forecasts (General Fund)

### ADMINISTRATION (£70k underspend, £16k improvement)

36. The Administration group is showing a projected outturn underspend of £70k at Month 8, due in the main to part year staffing vacancies across all Services. A minor improvement of £16k is reported from Month 7 across the directorate, arising from minor movements of forecasts.

**Table 7: Administration Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
1,490	(12)	Democr. Services	Salaries	1,478	1,463	(15)	(8)	(7)
1,645	111		Non-Sal Exp	1,756	1,733	(23)	(21)	(2)
(629)	(97)		Income	(726)	(699)	27	12	15
<b>2,506</b>	<b>2</b>		<b>Sub-Total</b>	<b>2,508</b>	<b>2,497</b>	<b>(11)</b>	<b>(17)</b>	<b>6</b>
2,307	(326)	Human Resources	Salaries	1,981	1,952	(29)	(30)	1
534	71		Non-Sal Exp	605	613	8	25	(17)
(248)	61		Income	(187)	(194)	(7)	(6)	(1)
<b>2,593</b>	<b>(194)</b>		<b>Sub-Total</b>	<b>2,399</b>	<b>2,371</b>	<b>(28)</b>	<b>(11)</b>	<b>(17)</b>
1,979	(124)	Legal Services	Salaries	1,855	1,837	(18)	(18)	0
87	(1)		Non-Sal Exp	86	78	(8)	(8)	0
(341)	41		Income	(300)	(261)	39	39	0
<b>1,725</b>	<b>(84)</b>		<b>Sub-Total</b>	<b>1,641</b>	<b>1,654</b>	<b>13</b>	<b>13</b>	<b>0</b>
579	0	Policy & Partnership s	Salaries	579	544	(35)	(31)	(4)
2,141	(1)		Non-Sal Exp	2,140	2,142	2	3	(1)
(70)	0		Income	(70)	(81)	(11)	(11)	0
<b>2,650</b>	<b>(1)</b>		<b>Sub-Total</b>	<b>2,649</b>	<b>2,605</b>	<b>(44)</b>	<b>(39)</b>	<b>(5)</b>
6,355	(462)	Admin. Directorate	Salaries	5,893	5,796	(97)	(87)	(10)
4,407	180		Non-Sal Exp	4,587	4,566	(21)	(1)	(20)
(1,288)	5		Income	(1,283)	(1,235)	48	34	14
<b>9,474</b>	<b>(277)</b>		<b>Total</b>	<b>9,197</b>	<b>9,127</b>	<b>(70)</b>	<b>(54)</b>	<b>(16)</b>

## FINANCE (£306k underspend, £17k improvement)

37. The Finance directorate is currently projecting an outturn underspend of £306k at Month 8, representing a £17k improvement on the month. The group is reporting an underspend of £248k in staffing budgets relating to a number of vacant posts within Operational Finance and maternity leave within the service. The favourable movement in the month is attributable to delayed recruitment in Housing Benefits and reduced agency projections in Strategic Finance.

**Table 8: Finance Operating Budgets**

Original Budget	Budget Changes	Service		Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
				Revised Budget	Forecast Outturn			
£'000	£'000			£'000	£'000	£'000	£'000	£'000
519	393	Business Assurance	Salaries	912	882	(30)	(29)	(1)
30	592		Non-Sal Exp	622	666	44	32	12
(10)	(91)		Income	(101)	(101)	0	0	0
<b>539</b>	<b>894</b>		<b>Sub-Total</b>	<b>1,433</b>	<b>1,447</b>	<b>14</b>	<b>3</b>	<b>11</b>
1,555	0	Procurement	Salaries	1,555	1,619	64	68	(4)
92	(1)		Non-Sal Exp	91	92	1	0	1
0	0		Income	0	(9)	(9)	0	(9)
<b>1,647</b>	<b>(1)</b>		<b>Sub-Total</b>	<b>1,646</b>	<b>1,702</b>	<b>56</b>	<b>68</b>	<b>(12)</b>
3,321	144	Operational Finance	Salaries	3,465	3,256	(209)	(216)	7
611	(589)		Non-Sal Exp	22	22	0	1	(1)
(158)	31		Income	(127)	(180)	(53)	(45)	(8)
<b>3,774</b>	<b>(414)</b>		<b>Sub-Total</b>	<b>3,360</b>	<b>3,098</b>	<b>(262)</b>	<b>(260)</b>	<b>(2)</b>
4,101	(113)	Revenues & Benefits	Salaries	3,988	4,006	18	38	(20)
1,634	(68)		Non-Sal Exp	1,566	1,575	9	8	1
(2,023)	0		Income	(2,023)	(2,050)	(27)	(46)	19
<b>3,712</b>	<b>(181)</b>		<b>Sub-Total</b>	<b>3,531</b>	<b>3,531</b>	<b>0</b>	<b>0</b>	<b>0</b>
1,348	0	Strategic Finance	Salaries	1,348	1,257	(91)	(77)	(14)
1,978	454		Non-Sal Exp	2,432	2,412	(20)	(20)	0
(284)	0		Income	(284)	(287)	(3)	(3)	0
<b>3,042</b>	<b>454</b>		<b>Sub-Total</b>	<b>3,496</b>	<b>3,382</b>	<b>(114)</b>	<b>(100)</b>	<b>(14)</b>
10,844	424	Finance Directorate	Salaries	11,268	11,020	(248)	(216)	(32)
4,345	388		Non-Sal Exp	4,733	4,767	34	21	13
(2,475)	(60)		Income	(2,535)	(2,627)	(92)	(94)	2
<b>12,714</b>	<b>752</b>		<b>Total</b>	<b>13,466</b>	<b>13,160</b>	<b>(306)</b>	<b>(289)</b>	<b>(17)</b>

38. A £50k underspend is reported on the projected drawdown from the Insurance Contingency, reflecting lower levels of outstanding claims than previously experienced.

**Table 9: Development and Risk Contingency**

Original Budget	Budget Changes	Development & Risk Contingency	Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
			Revised Budget	Forecast Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
341	0	Uninsured Claims	341	291	(50)	(50)	0
<b>341</b>	<b>0</b>	<b>Current Commitments</b>	<b>341</b>	<b>291</b>	<b>(50)</b>	<b>(50)</b>	<b>0</b>

## RESIDENTS SERVICES (£1,332k underspend, £100k improvement)

39. Residents Services directorate is showing a projected outturn underspend of £1,332k at Month 8, excluding identified contingency provisions.

Table 10: Residents Services Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
15,008	(1,314)	Deputy Director Residents Services	Salaries	13,694	13,239	(455)	(455)	0
15,752	1,205		Non-Sal Exp	16,957	17,324	367	342	25
(7,981)	292		Income	(7,689)	(7,466)	223	87	136
<b>22,779</b>	<b>183</b>		<b>Sub-Total</b>	<b>22,962</b>	<b>23,097</b>	<b>135</b>	<b>(26)</b>	<b>161</b>
4,951	223	Development and Assets	Salaries	5,174	5,142	(32)	(32)	0
11,174	(5)		Non-Sal Exp	11,169	11,348	179	179	0
(5,072)	(449)		Income	(5,521)	(5,423)	98	98	0
<b>11,053</b>	<b>(231)</b>		<b>Sub-Total</b>	<b>10,822</b>	<b>11,067</b>	<b>245</b>	<b>245</b>	<b>0</b>
487	(53)	Estates and Tenancy Management	Salaries	434	362	(72)	(72)	0
1,154	(10)		Non-Sal Exp	1,144	1,088	(56)	(57)	1
(3,279)	0		Income	(3,279)	(3,206)	73	63	10
<b>(1,638)</b>	<b>(63)</b>		<b>Sub-Total</b>	<b>(1,701)</b>	<b>(1,756)</b>	<b>(55)</b>	<b>(66)</b>	<b>11</b>
1,730	(47)	Planning, Transportation and Community Projects	Salaries	1,683	1,435	(248)	(248)	0
1,534	(480)		Non-Sal Exp	1,054	1,050	(4)	0	(4)
(10,706)	0		Income	(10,706)	(10,801)	(95)	(95)	0
<b>(7,442)</b>	<b>(527)</b>		<b>Sub-Total</b>	<b>(7,969)</b>	<b>(8,316)</b>	<b>(347)</b>	<b>(343)</b>	<b>(4)</b>
1,774	0	Planning and Enforcement	Salaries	1,774	1,619	(155)	(155)	0
854	(50)		Non-Sal Exp	804	804	0	0	0
(2,782)	0		Income	(2,782)	(3,138)	(356)	(356)	0
<b>(154)</b>	<b>(50)</b>		<b>Sub-Total</b>	<b>(204)</b>	<b>(715)</b>	<b>(511)</b>	<b>(511)</b>	<b>0</b>
11,739	(65)	Green Spaces, Sport & Culture	Salaries	11,674	11,743	69	69	0
7,567	(920)		Non-Sal Exp	6,647	6,626	(21)	(13)	(8)
(9,916)	17		Income	(9,899)	(10,177)	(278)	(180)	(98)
<b>9,390</b>	<b>(968)</b>		<b>Sub-Total</b>	<b>8,422</b>	<b>8,192</b>	<b>(230)</b>	<b>(124)</b>	<b>(106)</b>
7,994	(2,496)	Digital Strategy & Communications	Salaries	5,498	5,454	(44)	15	(59)
5,714	92		Non-Sal Exp	5,806	5,721	(85)	(110)	25
(3,058)	768		Income	(2,290)	(2,147)	143	143	0
<b>10,650</b>	<b>(1,636)</b>		<b>Sub-Total</b>	<b>9,014</b>	<b>9,028</b>	<b>14</b>	<b>48</b>	<b>(34)</b>
6,027	3,161	Business and Technical Support	Salaries	9,188	8,360	(828)	(727)	(101)
1,051	(8)		Non-Sal Exp	1,043	1,206	163	163	0
(4,197)	(700)		Income	(4,897)	(4,360)	537	473	64
<b>2,881</b>	<b>2,453</b>		<b>Sub-Total</b>	<b>5,334</b>	<b>5,206</b>	<b>(128)</b>	<b>(91)</b>	<b>(37)</b>
4,131	588	Policy and Standards - Education, Housing and Public Health	Salaries	4,719	4,365	(354)	(263)	(91)
10,455	619		Non-Sal Exp	11,074	11,029	(45)	(45)	0
(9,014)	(376)		Income	(9,390)	(9,446)	(56)	(56)	0
<b>5,572</b>	<b>831</b>		<b>Sub-Total</b>	<b>6,403</b>	<b>5,948</b>	<b>(455)</b>	<b>(364)</b>	<b>(91)</b>
53,841	(3)	Residents Services	Salaries	53,838	51,719	(2,119)	(1,868)	(251)
55,255	443		Non-Sal Exp	55,698	56,196	498	459	39
(56,005)	(448)		Income	(56,453)	(56,164)	289	177	112
<b>53,091</b>	<b>(8)</b>		<b>Total</b>	<b>53,083</b>	<b>51,751</b>	<b>(1,332)</b>	<b>(1,232)</b>	<b>(100)</b>

40. The overall variance is a result of staffing underspends across the group and favourable income projections in planning, offset mainly by pressure on the adaptations backlog in development & assets and in fleet management. In addition, there are sustained income shortfalls at Cedars and Grainges car parks and increasing pressure against imported food sampling income targets.
41. The Council's 2016/17 contingency budget contains provision for areas of expenditure or income within Residents Services for which there is a greater degree of uncertainty. The position against these contingency items is shown in Table 11 below. At Month 8 projected calls on contingency are £300k below the budgeted provision (£55k favourable), following detailed modelling of the projected levy rebate from WLWA as part of MTFE development work. The table below shows the breakdown for each contingency item.

**Table 11: Development and Risk Contingency**

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
2,025	0	Impact of welfare reform on homelessness	2,025	2,025	0	0	0
2,728	0	Waste Disposal Levy	2,728	2,428	(300)	(245)	(55)
200	0	High Speed 2 Challenge Fund	200	200	0	0	0
200	0	Heathrow Expansion Challenge Fund	200	200	0	0	0
<b>5,153</b>	<b>0</b>	<b>Current Commitments</b>	<b>5,153</b>	<b>4,853</b>	<b>(300)</b>	<b>(245)</b>	<b>(55)</b>

42. The financial year 2016/17 continues to see the numbers of temporary accommodation requirements consistently above the original MTFE forecast.

**Table 12: Housing Needs performance data**

	2016		
	September	October	November
<b>Homeless Threat, Priority Need &amp; Eligible</b>	126	105	104
<b>Presenting As Homeless</b>	36	42	50
<b>Duty Accepted</b>	23	14	24
<b>Households in Temporary Accommodation</b>	596	599	607
<b>Households in B&amp;B</b>	202	214	218

43. As in previous years, a contingency has been set aside in 2016/17 to resource the need for Temporary Accommodation in the borough. The call on contingency relating to homelessness remains at £2,025k, which is as per the budgeted provision. Given the continuing high levels of households in high cost B&B, and challenges in procuring affordable private rental sector accommodation, this risk will continue to be closely monitored during the remainder of the financial year. There is the option to utilise earmarked reserves should the position deteriorate.
44. A contingency of £2,728k has been set aside to fund estimated increases in waste tonnages via the levy. Work is concluding between WLWA and the six Boroughs to develop the estimates for 2017/18 and future years, with the first draft already discussed at the end of

November at the last partnership meeting of the authority. WLWA have now written to each of the six Boroughs to formally request written feedback on their budget proposals for 2017/18. This feedback will be considered at the next Borough partnership meeting early in the New Year.

45. The confirmed commencement date of full services at Severnside Energy Recovery Facility (SERC) was 14th December 2016. The financial impact of the delay to WLWA from the original summer commencement is expected to be £5.7m.
46. WLWA have indicated that there is the potential of a one-off disbursement of reserves in 2017/18, following the end of this financial year. WLWA's forecast end of year (16/17) reserves balances are £2.6m higher than their revised reserves recommendation for 17/18 (set at £5.6m) in their draft budget.

#### **Deputy Director Residents Services (£135k overspend, £161k adverse)**

47. There is a risk of additional costs in relation to contaminated recycling loads, subsequent to an increase in sampling rates as per new legislation recently introduced by DEFRA. The service is working closely with procurement to actively manage down this risk.
48. Current projections show the fleet management budget position forecasting a pressure of £198k (£25k adverse), with increases in contract hire and maintenance costs the main drivers of this increase. Work is continuing in order to alleviate this one-off pressure.
49. The income pressure within the Imported Food service is currently forecast at £459k, (£136k adverse) with net income currently 8.5% below the run rate experienced last year. The forecast pressures result from regular legislative changes and seasonal variations. Part of the pressure experienced this year results from a reduction in Kenyan imports and the removal of Kenyan beans from high risk list, such that no inspections are required.

#### **Development and Assets (£245k overspend, no change)**

50. At month 8 the service continues to report an overspend of £195k on additional resources being deployed to cover the backlog of work for home adaptations. The pressure relates to additional interim arrangements including a financial assessment officer and a consultant. The remaining balance of the reported pressure relates to compliance works for a number of sites across the borough.

#### **Estates and Tenancy Management (£55k underspend, £11k adverse)**

51. The service is reporting an underspend of £72k (no change) at month 8 in relation to the current staffing projection, after factoring in agency costs against the vacant posts currently held within the service. The non-staffing forecast is reporting a net underspend of £56k (£1k adverse) following the handback of Warnford Industrial estate. The adverse movement relates to a review of legal disbursements. The service is forecasting a £10k adverse movement in respect of rental income on the corporate estate.

#### **Planning, Transportation and Community Projects (£347k underspend, £4k improvement)**

52. At month 8, the service is reporting a favourable salary projection of £248k (no change), relating to various vacant posts across the service. There is a minor favourable movement of £4k for non-staffing budgets following a review of training and publicity costs.

53. There is a forecast overachievement on income of £95k relating to a favourable position on grants, with the main movement relating to notification of the final New Homes Bonus refund from CLG.

### **Planning and Development (£511k underspend, no change)**

54. Income streams across the planning service remain robust, with income targets expected to be exceeded by £356k (no change). A number of posts continue to be funded from gift funding income, with additional resources in an Earmarked reserve to be utilised dependent on the final value of gift funding received.
55. At month 8, the service is reporting an underspend of £155k in staffing budgets (no change). This relates to extended agency cover arrangements until the new planning structure is implemented.

### **Green Spaces & Culture (£230k underspend, £106k favourable)**

56. The service is forecasting an £8k favourable movement in non-staffing costs, owing to a reduction in training expenses for the current financial year. The latest income forecasts are projecting an improvement of £98k for Month 8 across a range of areas within the service.
57. There is a risk that income streams in Bereavement services could fall below that achieved in prior years, based on current straight-line projections. Income from both the Crematorium and from Cemeteries will be closely monitored over the winter months, given potential future fluctuations in income depending on weather conditions.

### **ICT & Communications (£14k overspend, £34k favourable)**

58. At month 8 there is £5k favourable movement in the Communications team staffing forecast, relating to delays in recruitment to posts as the service completes its transition to the new structure and a revised forecast on agency spend. ICT is reporting a favourable variance of £59k in relation to interim resources working on service transformation and can therefore be funded from capital receipts. Further to a review of committed spend, there is a £25k adverse movement in relation to contracts expenditure.
59. The ICT service is currently forecasting a net pressure resulting from the current transition from the phase 1 restructure and the net residual pressure from the winding down of the HGfL service.

### **Business and Technical Support (£128k underspend, £37k favourable)**

60. The off-street parking income at the Cedars and Grainges multi-storey car parks continues to experience pressure relating to the loss of season ticket income at both car parks and a reduction in daily parking income. The most recent income projection forecasts a pressure of £537k (£64k adverse).
61. There is a revised projected underspend of £828k (£101k favourable) on staffing budgets relating to delays in recruitment following the restructure in Technical Admin and Business Support.

### **Policy and Standards - Education, Housing and Public Health (£455k underspend, £91k favourable)**

62. The implementation of the new Homelessness and Lettings structure has resulted in a higher turnover of staff than previously forecast resulting in higher transition costs until the structure beds down. Interim resources deployed to smooth the transition to the new structure can be funded via capital receipts, giving a £91k favourable movement in staffing costs for Month 8.



## SOCIAL CARE (£758k underspend, £355k improvement)

63. Social Care is projecting an underspend of £758k as at Month 8, an improvement of £355k from Month 7. It should be noted that there are some significant movements between the periods, which include an increase in the cost of staffing, where the service are still having to employ agency staff to cover essential posts. The service is continuing to manage a number of ongoing challenges including staff recruitment, especially Social Workers; providing housing accommodation and support for Section 17 designated families; pressures relating to the cost of transport; and requests from providers for above inflation price uplifts, with some exceeding 14%, and backdated to 1 April 2016. The service is working with Category Management to address these and assess the extent of mitigation that can be achieved given the underlying pressures in the Social Care market.

**Table 13: Social Care Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
1,826	(250)	Safeguarding Children	Salaries	1,576	1,670	94	112	(18)
1,612	12		Non-Sal Exp	1,624	1,668	44	31	13
(165)	0		Income	(165)	(222)	(57)	(64)	7
<b>3,273</b>	<b>(238)</b>		<b>Sub-Total</b>	<b>3,035</b>	<b>3,116</b>	<b>81</b>	<b>79</b>	<b>2</b>
4,678	(341)	Early Intervention Services	Salaries	4,337	4,009	(328)	(303)	(25)
3,406	(258)		Non-Sal Exp	3,148	3,219	71	121	(50)
(1,712)	310		Income	(1,402)	(1,428)	(26)	(100)	74
<b>6,372</b>	<b>(289)</b>		<b>Sub-Total</b>	<b>6,083</b>	<b>5,800</b>	<b>(283)</b>	<b>(282)</b>	<b>(1)</b>
11,888	(47)	Children's Social Care	Salaries	11,841	13,137	1,296	1,032	264
9,996	754		Non-Sal Exp	10,750	11,638	888	997	(109)
(6,899)	(391)		Income	(7,290)	(8,213)	(923)	(815)	(108)
<b>14,985</b>	<b>316</b>		<b>Sub-Total</b>	<b>15,301</b>	<b>16,562</b>	<b>1,261</b>	<b>1,214</b>	<b>47</b>
8,669	299	All-Age Disabilities	Salaries	8,968	8,010	(958)	(862)	(96)
44,634	294		Non-Sal Exp	44,928	45,319	391	352	39
(9,536)	(206)		Income	(9,742)	(9,891)	(149)	213	(362)
<b>43,767</b>	<b>387</b>		<b>Sub-Total</b>	<b>44,154</b>	<b>43,438</b>	<b>(716)</b>	<b>(297)</b>	<b>(419)</b>
4,460	331	Social Work	Salaries	4,791	4,430	(361)	(410)	49
28,082	286		Non-Sal Exp	28,368	29,409	1,041	1,149	(108)
(8,570)	(607)		Income	(9,177)	(10,132)	(955)	(1,096)	141
<b>23,972</b>	<b>10</b>		<b>Sub-Total</b>	<b>23,982</b>	<b>23,707</b>	<b>(275)</b>	<b>(357)</b>	<b>82</b>
8,873	(471)	Early Intervention & Prevention	Salaries	8,402	7,953	(449)	(439)	(10)
3,067	84		Non-Sal Exp	3,151	3,218	67	81	(14)
(10,897)	320		Income	(10,577)	(10,558)	19	23	(4)
<b>1,043</b>	<b>(67)</b>		<b>Sub-Total</b>	<b>976</b>	<b>613</b>	<b>(363)</b>	<b>(335)</b>	<b>(28)</b>
2,574	(182)	Safeguarding, Quality & Partnerships	Salaries	2,392	2,394	2	57	(55)
6,531	(96)		Non-Sal Exp	6,435	6,567	132	231	(99)
(541)	82		Income	(459)	(639)	(180)	(313)	133
<b>8,564</b>	<b>(196)</b>		<b>Sub-Total</b>	<b>8,368</b>	<b>8,322</b>	<b>(46)</b>	<b>(25)</b>	<b>(21)</b>
631	0	Directorate & Support Services	Salaries	631	400	(231)	(231)	0
649	(462)		Non-Sal Exp	187	1	(186)	(169)	(17)
(33)	(50)		Income	(83)	(83)	0	0	0
<b>1,247</b>	<b>(512)</b>		<b>Sub-Total</b>	<b>735</b>	<b>318</b>	<b>(417)</b>	<b>(400)</b>	<b>(17)</b>
43,599	(661)	<b>Social Care Directorate Total</b>	Salaries	42,938	42,003	(935)	(1,044)	109
97,977	614		Non-Sal Exp	98,591	101,039	2,448	2,793	(345)
(38,353)	(542)		Income	(38,895)	(41,166)	(2,271)	(2,152)	(119)
<b>103,223</b>	<b>(589)</b>		<b>Total</b>	<b>102,634</b>	<b>101,876</b>	<b>(758)</b>	<b>(403)</b>	<b>(355)</b>

**SOCIAL CARE DEVELOPMENT AND RISK CONTINGENCY (£2,651k overspend, £305k adverse)**

64. The Council's 2016/17 Development and Risk Contingency includes a provision for areas of expenditure within Social Care for which there is a greater degree of uncertainty. In part, this is caused by in year demographic, including Asylum seekers and SEN Transport. Table 14 sets out the forecast spend against the Development and Risk Contingency, which is projecting an overspend of £2,651k, an adverse movement of £305k on the Month 7 projections, due to an increase in the projected cost of supporting Unaccompanied Asylum Seeking Children, where the Council is experiencing an increase in the number of children, and Looked After Children placements, following the requirement to place a number of children in high cost residential placements.

**Table 14: Social Care Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
2,212	0	Asylum Service	2,212	1,928	(284)	(470)	186
3,734	0	Demographic Growth - Looked After Children	3,734	6,332	2,598	2,542	56
277	0	Social Worker Agency	277	277	0	0	0
1,699	0	Demographic Growth - Transitional Children	1,699	1,619	(80)	(170)	90
432	0	Demographic Growth - Adults	432	432	0	0	0
393	0	Winterbourne View	393	78	(315)	(315)	0
0	0	Deprivation of Liberty Safeguards	0	732	732	759	(27)
1,331	0	Care Act New Burdens Funding	1,331	1,331	0	0	0
<b>10,078</b>	<b>0</b>	<b>Current Commitments</b>	<b>10,078</b>	<b>12,729</b>	<b>2,651</b>	<b>2,346</b>	<b>305</b>

**Asylum Service (£284k underspend, £186k improvement)**

65. This service is projecting a drawdown of £1,928k from the contingency, £284k below the budget, and an adverse movement of £186k on the month 7 projections, due to an increase in the number of Unaccompanied Asylum Seeking Children (UASC), requiring support, which the Council have been unable to move on as part of the National Transfer Agreement. One of these UASC requires a secure high cost residential placement, which accounts for £82k of the adverse movement. There is very high likelihood that the numbers of UASC will continue to grow over the coming months and as a result this position will be very closely monitored.
66. The £284k underspend reflects the benefits that the service is delivering through a major review of the support provided to UASC to ensure that individual UASC are accessing all available funding sources from a range of Central Government departments, rather than relying solely on Council funding. It also reflects the impact of the review of all financial policies relating to the provision of allowances, which will ensure that there is a consistent approach to the financial support provided.
67. The National Transfer arrangements for UASC have now been in operation for 5 months. Hillingdon continues to receive new applications and it is now apparent that a number of UASC are being successfully transferred to other local authorities. However, it should be noted that this is a voluntary scheme, effective from 1 July 2016, applicable only to new entrants. This agreement proposes a cap on the number of UASC that any authority should

be looking after at any given time, which has been set at 0.07% of the child population. For Hillingdon, this equates to 48 children, however, Hillingdon currently provides support for 95 UASC, which is 47 above the cap. This would imply that Hillingdon would not have to take on any new UASC with effect from 1 July 2016, although the reality for Hillingdon is that we are unable to move all UASC onwards.

#### **Demographic Growth - Looked After Children (£2,598k overspend, £56k adverse)**

68. The service is projecting a drawdown of £6,332k from the Contingency, £2,598k above budget, an adverse movement of £56k on the Month 7 projections, due to a further requirement to place a number of children in high cost residential placements. Additionally, the service has implemented a number of changes to the approval and review process, which provide a much stronger challenge in the decision making process and is now being reflected in the projected cost of placements.
69. The service is currently managing a 9% growth (equating to 157 additional cases per month) in the number of contacts and referrals. Despite this, the number of Looked After Children, children with a Child Protection Plan and those identified as Children in Need remain within the average monthly range for each care need from May 2015 to October 2016.
70. The main saving built into the base budget relates to the change in the number of children placed through an Independent Fostering Agency (IFA), linked to the October 2015 Foster Care recruitment initiative. The service is continuing to manage the pressure on this saving within the wider placements budget the actual recruitment has slipped from the profile included in the saving. Additionally, the number of IFA placements are expected to increase, as they represent a key element of the strategy for stepping down high cost placements, although the age profile and needs of the cases forecasts these to be at a higher average cost than other IFA placements. However, the current split for foster care placements has slightly dipped from a constant rate in this financial year of 46% IFA and 54% In-House, to 47% IFA and 53% In-House, which is a slight improvement on last month's figures.
71. The projected outturn position also assumes that a proportion of the cost of placements will be met from Health contributions and to a lesser extent from the Dedicated School Grant (DSG), where additional education costs are incurred. Based on the current placement profile, there is a gross projected shortfall in income of £324k. However, it should be noted that the position with the CCG has improved significantly, where they are now discussing individual cases at the tripartite funding panel, which has been set up to reach funding agreements for children requiring an Education, Health and Care Plan. To date, the CCG have agreed to provide funding for a number of children resulting in a contribution of £115k for this financial year. A number of other cases have been presented to the panel, where it is expected that further funding will be provided by the CCG, totalling £159k.

#### **Social Worker Agency (Children's) (Nil variance, nil movement)**

72. The contingency to provide funding to cover the additional cost of using agency staff whilst the service undertakes recruitment activity, assumed that the service will operate at a level of 90% of posts filled by permanent staff and 10% filled by agency staff. Currently, the service is projecting to be at 80% permanency (currently it stands at approximately 77.5%) and so it is anticipated that the full drawdown of this contingency will be required.

#### **Demographic Growth - Transitional Children (£80k underspend, £90k adverse)**

73. The draw down from the Transitional Children contingency is forecast at £1,619k, resulting in an £80k underspend and an adverse movement of £90k from Month 7. To date 26 new children have transferred, 4 have had an increase in their package costs as they are no

longer supported by Education and a further 5 are expected to transfer by the end of the year. This position will be kept under close review.

#### **Demographic Growth - Adults Placements (Nil variance, nil movement)**

74. At Month 8 it is forecast that the full drawdown of the £432k contingency for Adult Demographic changes will be required, no change from the Month 7 projections. The demographic forecasting tool is regularly refreshed and expenditure areas are kept under close review.

#### **Winterbourne View (£315k underspend, nil movement)**

75. Only £78k of the contingency is forecast to be drawn down in respect of the Winterbourne View transfer cases, resulting in an underspend of £315k, no change from Month 7. No further step downs are anticipated this financial year.

#### **Deprivation of Liberty Safeguards (DoLS) (£732k overspend, £27k improvement)**

76. The number of DoLS referrals received to the end of November is 972 (851 in October), an average of 27 per week. The forecast pressure for Month 8 has improved by £27k since the Month 7 forecast. It should be noted that central government has provided no new specific grant funding to cover this pressure, which was anticipated when the budget was set.

### **DIRECTORATE OPERATING BUDGETS**

#### **CHILDREN'S SERVICES (£1,061k overspend, £49k adverse)**

##### **Safeguarding Children (£81k overspend, £2k adverse)**

77. The service is reporting an overspend of £81k, an adverse movement of £2k on the Month 7 projections. The overspend predominantly relates to staffing costs, where the service has a number of vacant posts, which are being covered by agency staff.

##### **Children's Early Intervention & Prevention Services (£283k underspend, £1k improvement)**

78. The service is reporting an underspend of £283k, an improvement of £1k on the Month 7 projections. The underspend reported relates to staffing costs, which are projecting an underspend of £328k across the whole service and in particular within the local authority run Children Centre budgets and the Targeted Support Programme, where these services have a number of vacant posts. This reflects the management action that has been taken over the last few months, to ensure that the Social Care Directorate budget operates within its allocated base budget.
79. This is netted down by a projected overspend of £71k on non staffing costs, predominantly relating to the Children Centre review savings proposal of £215k, which has been slightly delayed, but through management action will be covered by delivering underspends across the rest of the service and in particular the Targeted Support Programme budgets.

##### **Children's Social Care (£1,261k overspend, £47k adverse movement)**

80. An overspend of £1,261k is projected, an adverse movement of £47k from Month 7, due to a further increase in the projected cost of staffing, where it has been assumed that there will be no new permanent appointments for the remainder of the year and a reduction in the amount of funds required from the Earmarked Reserves to fund Section 17 Accommodation costs

and ad-hoc support, where the service has implemented a more robust system to manage this demand.

81. There is an overspend of £1,296k on staffing costs, reflecting the latest projections on timing of permanent recruitment and resulting use of agency staff, where the latest forecast assumes that there will be no new permanent appointments in this financial year, reflecting the very competitive Social Worker recruitment market. The service continues to work very closely with the HR Service, to review recruitment progress and identify further opportunities to engage with the recruitment market that will attract the right calibre of staff. The use of agency staff is also being limited to the cover for essential posts. However, it is proposed that £132k of staffing costs will be capitalised to reflect the work that staff are undertaking on transformation projects.
82. The overspend also reflects the impact of the continuation of the Skylakes managed service for longer than originally expected, which ended at the beginning of June 2016 and the time taken to recruit permanent staff to the newly established duty team that replaced the Skylakes managed service. It is now evident that the current arrangement will continue until the end of the financial year, whilst the service undertakes a targeted recruitment campaign, which was launched at the end of October 2016.
83. The one-off cost of the Skylakes managed service will be met by drawing down £216k from earmarked reserves, which has been reflected in the monitoring report by grossing up the salary and income budgets.
84. Additionally, the service has an overspend of £889k on non-staffing costs, which relates primarily to the cost of staff recruitment (an additional cost of £342k), where the service is using a range of services to access the market place, including temp-to-perm arrangements, a major recruitment campaign through Penna and overseas recruitment through HCL; the cost of providing support for families under Section 17 regulations or who have No Recourse to Public Funds (NRPF) relating to temporary Bed and Breakfast accommodation (an additional cost of £266k) and ad-hoc crisis support (an additional cost of £36k). These costs will be met from a drawdown of £852k from the earmarked reserves.

#### **ADULT SOCIAL CARE (£1,817k underspend, £401k favourable)**

##### **All Age Disabilities (AAD) (£716k underspend, £419k improvement)**

85. The service is reporting an underspend of £716k, an improvement of £419k on the Month 7 projections, in the main due to additional income from CCG for Health funding clients.
86. The salaries budget for AAD is currently forecast to underspend by £958k, an increase in underspend of £96k. The underspend is due to vacancies being held during the year and management action being taken to manage the overall budget of the directorate.
87. The service is currently managing down a pressure within the transport service across both Special Educational Needs children and adult care users through a range of management actions including an in-depth review of contracts, routes and use of vehicles. The Month 8 forecast assumes that this action will bring the service costs close to budget by the year end. It is evident that there was a significant demographic increase in September, which resulted in an increase in the pressure, however this is still being contained by one off savings across the department.
88. The non-staffing budget is forecasting a pressure of £391k, an adverse movement of £39k from the Month 7 projection. The movement is from increased pressure from Transport which has in part been offset by placements forecast. Despite the improvement in the placements

budget, this remains under pressure due to a number of Independent Living Fund (ILF) cases that transferred in July 2015 (approximately £100k) which was not fully funded by Government Grant. Additionally, pressures are continuing from an increase in unit costs for new placements.

89. The income budget is forecasting an underspend of £149k, an improvement of £362k from the Month 7 projections. The improvement this month is primarily from additional clients meeting Continuing Health Care criteria with back dating of the assessments, which has resulted in an additional £372k income forecast.

#### **Social Work (£275k underspend, £82k adverse)**

90. The service is reporting an underspend of £275k, an adverse movement of 82k from the Month 7 projections.
91. The staffing budget is forecast to underspend by £361k, an adverse movement of £49k from the Month 7 forecast due to additional costs for Occupational Therapy staff being forecasted due to pressure on the OT service.
92. The non-staffing budgets and income are forecast to underspend by a net £86k, an adverse movement of £33k from Month 7. The forecast for Homecare costs has reduced by approximately £100k, although this improvement has been offset by a reduced income forecast as the average rate of income has reduced.
93. It should be noted that the service is continuing to see an increase in unit costs as the demand for residential and nursing care across the sector is high which is leading to price increases.

#### **Adults Early Intervention & Prevention (£363k underspend, £28k improvement)**

94. The service is reporting an underspend of £363k, an improvement of £28k on the Month 7 projections. The overall underspend is as a direct result of management action being taken across Social Care to manage the identified pressures in the service.
95. An underspend of £449k is forecast against salaries budgets, an improvement of £10k on the Month 7 projections. There is a pressure of £67k forecast on non staffing costs, an improvement of £14k from Month 7. The pressure remains in delivering the preventative savings target, where there is an ongoing review. It is anticipated that savings can be delivered but it is currently uncertain how much of this can be delivered in the current year.

#### **Safeguarding Quality & Partnerships (£46k underspend, £21k improvement)**

96. The service is reporting an underspend of £46k at Month 8, an improvement of £21k on the Month 7 projections. Staffing costs are forecast close to budget, reflecting a minor £2k overspend, this has reduced by £55k due to leavers and a revision of agency staff used.
97. The non staffing budget has a pressure of £132k, which relates to the cost of Placements, which are forecast to overspend by £177k, although these costs are offset by the receipt of £230k on Health contributions to S117 Mental Health Act joint placements. In addition there is a £100k pressure relating to the savings target in respect of the review of the Complex Care Service. This service is being reviewed by the BID Team and at present the saving that can be delivered from changing the delivery model of this service in the current year is uncertain. These pressures are offset by a reduced recharge of £159k against the combined adults and children's safeguarding structure.

98. Additional income of £180k is forecast, £230k of this additional income is from Health for joint S117 placements as referred to above, which is netted down by a pressure from reduced client contributions.

**Directorate & Support (£417k underspend, £17k improvement)**

99. The Directorate budget is forecast to underspend by £417k, an improvement of £17k from the Month 7 position, which is due to a reduction in the forecast for equipment spend. £345k of this underspend relates to expenditure on transformational work, which it is anticipated will be capitalised. The balance of the underspend is from a reduced forecast for equipment purchase.

**Better Care Fund (£204k underspend, £159k improvement)**

100. The latest forecast for the Pooled Better Care Fund is an underspend of £204k. The CCG are forecasting an underspend of £100k against Scheme 5: Integrated Community based Care and Support. Social Care is forecasting an underspend of £104k. The underspend is against Scheme 3: Rapid response and joined up intermediate care, - £68k, and Scheme 8: People Living with Dementia - £38k.

## Appendix B – Other Funds

### Schools Budget

#### Dedicated Schools Grant (£624k overspend, £209k adverse)

101. The Dedicated Schools Grant (DSG) is projecting an in-year overspend of £624k, an adverse movement of £209k from the month 7 position, due to an increase in the projected cost in High Needs, particularly those pupils being educated in alternative provision facilities, where the pupils are unable to be placed in a mainstream school (relating predominantly to year 10 and year 11 pupils).
102. The overall position on the DSG, is projecting that the surplus balance brought forward, will be required in full this year, with the DSG now projecting to end the year with a £209k deficit. This deficit will be the first call on the DSG for 2017/18. Schools Forum have been made aware of this and are taking steps to manage this as part of the 2017/18 budget setting process.

**Table 15: Schools Budget**

Original Budget	Budget Changes	Funding Block	Month 8		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Change from Month 7
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(140,664)	0	<b>Dedicated Schools Grant Income</b>	(140,664)	(140,697)	(33)	(33)	0
105,361	451	<b>Delegated to Schools</b>	105,812	105,812	0	0	0
4,805	0	<b>Early Years</b>	4,805	4,752	(53)	184	(237)
3,740	0	<b>Centrally Retained</b>	3,740	3,743	3	7	(4)
26,758	0	<b>Special Needs</b>	26,758	27,465	707	257	450
<b>0</b>	<b>451</b>	<b>Total Schools Budget</b>	<b>451</b>	<b>1,075</b>	<b>624</b>	<b>415</b>	<b>209</b>
0	0	Balance Brought Forward 1 April 2016	(866)	(866)			
	(451)	Use of Balances	(451)	(1,075)			
<b>0</b>	<b>0</b>	<b>Balance Carried Forward 31 March 2017</b>	<b>415</b>	<b>(209)</b>			

#### Dedicated Schools Grant Income: £33k underspend, no change

103. The projected £33k surplus relates to the Early Years Pupil Premium where Early Years settings have so far identified less children eligible for payment of early years pupil premium than we have been funded for. The funding allocation for 2016/17 has now been adjusted by the DfE, however we still expect a small underspend unless additional eligible children are identified throughout the year. It is expected that the Early Years Pupil Premium funding allocation will be reduced further in 2017/18 to reflect the actual take-up of funding.

#### Delegated to Schools, nil variance, no change

104. The projection for Early Years funding delegated to schools has been amended to reflect the actual numbers of three and four year olds accessing the free entitlement. There has been a decrease in the forecasted spend compared to the estimated position at the start of the year due to a slight reduction in actual numbers in the summer term.



### **Early Years: £53k underspend, £237k improvement**

105. The favourable movement in the Early Years block is due to a reduction in the projected expenditure on the free entitlement for vulnerable two year olds following the autumn term adjustments to reflect the actual number of children taking up the offer.
106. The three Early Years Centres continue to forecast a shortfall in income with the centres focusing on increasing occupancy levels in order to address the current shortfall, but will end the year with a significant overspend of £397k.
107. There are a number of budgets within the Early Years which are forecasting to be under budget. The Early Years Psychology team is currently projecting a £146k underspend as the delivery method has still not been finalised and expenditure is limited to a part-time educational psychologist who is working with Early Years providers. The vulnerable children funding is currently projecting to be £283k under spent as the relevant teams work towards identifying sufficient children to utilise the full resource. The Early Years Advisory team still has a vacant post leading to a projected £24k underspend. It is assumed that this post will be filled during the year, though potentially this will only be a fixed term appointment given the uncertainty around future centrally retained funding.
108. There continues to be a planned use of balances on the two year old capacity grant budget where funding was agreed for a number of projects last financial year, but works did not actually begin till the current year. £610k of the DSG underspend from 2015/16 was allocated for these projects and it is expected that no additional large projects will be agreed this financial year.

### **Centrally Retained: £3k overspend, £4k improvement**

109. There is still a £28k projected underspend relating to a vacant Procurement Officer post, where funding has been agreed for two posts but for part of the year only one has been filled, a second procurement officer has recently been appointed on a fixed term contract. There are also underspends projected in the Admissions budget due to a vacant Domestic Violence officer post.
110. These underspends are offset by a projected £14k overspend on the cost of the Courier Service to schools along with a £61k overspend on the Growth Contingency fund following the expansion of Hillside Infants school from September 2016.

### **High Needs: £707k overspend, £450k adverse**

111. The adverse movement of £450k since month 7 is due to a significant increase in the number of pupils receiving education in the Pupil Referral Unit. A proportion of this spend relates to the previous financial year as the unit has been over their planned place numbers since January 2016.
112. There is still a level of uncertainty on the total projected spend on post-19 High Needs pupils. Several colleges have requested a significant increase in the number of students that they consider have special educational needs and the additional resource required to support these young people. The Authority is in negotiations with providers in order to determine resource requirements.
113. There is a continuing budget pressure linked to the number of Looked After Children being placed out of Borough. This is off-set by a number of joint-funded placements where contributions are expected from social care and health towards the costs being charged to the DSG.

114. A £118k underspend is projected on the SEN contingency budget as less expenditure is expected on additional therapies for SEN pupils now that the new banded funding model has been adopted and top-up funding should be sufficient to meet all the needs of these pupils.
115. There is a projected overspend of £97k on the SEN support teams due to the recruitment of additional visual impairment specialist teachers and increased funding of the Inclusion team as previously agreed by Schools Forum.
116. The Academies Act 2010, allows schools to convert to academy status and by doing so will receive funding directly from the Education Funding Agency (EFA). Schools can convert at any point in the year, once they have converted, a number of adjustments are required to realign the DSG income budget and the amount delegated to maintained schools. The Council has been made aware of one maintained school, which is converting as a sponsored academy, where the conversion process is currently in progress, but there are no definitive timeframes yet on when the actual conversion will take place.

### Maintained School Balances & Budgets

117. A review of balances at the end of the 2015/16 financial year identified an increase in the number of maintained schools in deficit. In Hillingdon only one school had a licensed deficit in 2015/16. However a further three primary schools ended the year in deficit. Any schools that fall into deficit are subject to more focused monthly monitoring by LA officers to ensure that everything possible is being done to address the situation.
118. The table below provides an update on the financial position of schools maintained by the Council (this excludes academy schools), based on school outturns and three year budget plans. Two schools have requested a licensed deficit in 2016/17, but there are a further eleven schools with balances below £50k who have been classified as at risk of falling into deficit and are subject to closer monitoring and support from the Schools Finance team.

**Table 16: Schools Balances**

School Type	Total Number of Schools	Number of Schools In Deficit 2015/16	Value of Deficit £000	Number of Schools In Deficit 2016/17
Nursery	1	0	0	0
Primary	51	3	62	1
Secondary	2	1	761	1
Special	2	0	0	0
<b>Total</b>	<b>56</b>	<b>4</b>	<b>823</b>	<b>2</b>

119. Maintained schools started the 2016/17 year with an opening surplus balance of £12.8m (revenue & capital). This was a slight increase of £0.3m from the previous year. Despite this increase in balances a number of schools are beginning to experience financial difficulties due to funding being cash-limited and significant increases in staffing costs, due to changes in National Insurance and Pension rate contributions.

**Parking Revenue Account: £24k in year surplus (£8k favourable movement)**

120. The Parking Revenue Account is established to govern the use of income from Penalty Charges Notices (PCNs), together with other on-street parking income streams, in accordance with Section 55 of the Road Traffic Regulation Act 1984.

**Table 17: Parking Revenue Account**

Original Budget	Budget Changes	Service	Month 8		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Month 8	Month 7	Movement
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(4,079)	0	Income	(4,079)	(4,119)	(40)	(25)	(15)
4,079	0	Expenditure	4,079	4,095	16	9	7
<b>0</b>	<b>0</b>	<b>In-year (Surplus) / Deficit</b>	<b>0</b>	<b>(24)</b>	<b>(24)</b>	<b>(16)</b>	<b>(8)</b>

121. An in-year surplus of £24k is forecast for the 2016/17 financial year, of which there is a projected income surplus of £40k (£15k favourable).

122. The £40k overachievement forecast for PRA income is attributable to favourable variances of £47k and £32k re residents parking permits and parking bay suspensions, offset by a £39k projected shortfall in pay and display income (based on actual receipts to week 32 and prior year equivalent revenue for weeks 33-52). An increase in the forecast for parking suspension income to reflect the 2016/17 element of a full year suspension of ten bays in West Drayton accounts for the favourable movement of £17k this month.

123. There is a net £176k projected underspend in relation to PRA staff costs, attributable to vacant post savings across the Traffic Management, Parking Management and Parking Admin areas, partly offset by a £37k forecast for agency staff employed on a project to reduce the current PCN backlog and now assisting with issues arising from the recently implemented School Keep Clears cameras. The £3k favourable movement this month reflects an assumed later start date for a replacement of the long-vacant parking technician post.

124. The key components of the £193k adverse non-staff variance are (a) the parking enforcement contract with APCOA, £99k over-budget (b) additional costs of £13k and £11k respectively relating to the renewal of ParkMap and the Videalert unattended CCTV system at Sidmouth Drive (c) a £26k pressure re parking signs and road-marking and (d) £16k for OAP brown badges and other areas, including public notices, stationery (re residents parking permits), printing and equipment hire (£6k relating to the rental of a letter folding machine). The £12k adverse movement this month is largely attributable to increased spend on public notices and parking signs/road-markings.

## COLLECTION FUND (£2,500k surplus, no movement from Month 7)

### Collection Fund

125. The collection of local taxes is managed through the Council's Collection Fund in order to avoid short-term volatility in income impacting on provision of services. Sums quoted relate to the Council's own share of income and disregard monies collected on behalf of the Greater London Authority and Central Government. The projected surplus will be available to support the Council's General Fund revenue budget in 2017/18.

**Table 18: Collection Fund**

Original Budget	Budget Changes	Service	Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7	
			Revised Budget	Forecast Outturn				
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
(118,703)	0	Council Tax	Gross Income	(118,703)	(119,043)	(340)	(340)	0
12,118	0		Council Tax Support	12,118	11,718	(400)	(400)	0
(2,625)	0		B/fwd Surplus	(2,625)	(2,385)	240	240	0
<b>(109,210)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(109,210)</b>	<b>(109,710)</b>	<b>(500)</b>	<b>(500)</b>	<b>0</b>
(112,408)	0	Business Rates	Gross Income	(112,408)	(113,535)	(1,127)	(1,127)	0
(2,278)	0		Section 31 Grants	(2,278)	(2,138)	140	140	0
60,790	0		Less: Tariff	60,790	60,790	0	0	0
5,340	0		Less: Levy	5,340	5,834	494	494	0
1,125	0		B/fwds Deficit	1,125	(382)	(1,507)	(1,507)	0
<b>(47,431)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(47,431)</b>	<b>(49,431)</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>0</b>
<b>(156,641)</b>	<b>0</b>	<b>Total Collection Fund</b>	<b>(156,641)</b>	<b>(159,141)</b>	<b>(2,500)</b>	<b>(2,500)</b>	<b>0</b>	

126. There has been no movement in the reported position across the Collection Fund at Month 8, with surpluses of £500k on Council Tax and £2,000k on Business Rates reported.

127. At Month 8, a surplus of £500k is projected on 2016/17 Council Tax income in contrast to larger surpluses recorded in recent years. Strong taxbase growth, declining demand for the Council Tax Reduction Scheme and high collection rates reducing the level of bad debt provision are being off-set by an exceptional one-off pressure on discounts. This relates the continuation of historic empty property reliefs discounts awarded before these were reduced from 1 April 2016.

128. A surplus of approximately £2,000k is projected on Business Rates Revenues for 2016/17, including £1,507k brought forward from 2015/16 in respect of the significant backdated increases in rateable value at Heathrow Airport. It is expected that new properties coming on stream alongside a review of the approach to providing for appeal losses will secure additional income over the remainder of the year and deliver an overall £2,000k surplus for release in 2017/18.

## Appendix C – Housing Revenue Account

129. The Housing Revenue Account (HRA) is currently forecasting an in-year overall surplus of £12,801k which is £3,539k more favourable than the budgeted surplus of £9,262k, resulting in a forecast 2016/17 closing HRA General Balance of £46,745k. The Month 8 forecast shows an increase in the underspend of £700k compared to Month 7. The table below presents key variances by service area:

**Table 19: Housing Revenue Account**

Service	Month 8		Variance (+ adv / - fav)		
	Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
	£'000	£'000	£'000	£'000	£'000
Rent Income	(56,215)	(56,582)	(367)	(367)	0
Other Income	(5,272)	(5,026)	246	246	0
<b>Net Income</b>	<b>(61,487)</b>	<b>(61,608)</b>	<b>(121)</b>	<b>(121)</b>	<b>0</b>
Housing Management	11,081	11,284	203	141	62
Tenant Services	5,225	4,735	(490)	(458)	(32)
Repairs	5,249	4,725	(524)	(114)	(410)
Planned Maintenance	4,666	2,043	(2,623)	(2,303)	(320)
Capital Programme Funding	9,199	9,199	0	0	0
Interest & Investment Income	15,067	15,083	16	16	0
Development & Risk Contingency	1,738	1,738	0	0	0
<b>Operating Costs</b>	<b>52,225</b>	<b>48,807</b>	<b>(3,418)</b>	<b>(2,719)</b>	<b>(700)</b>
<b>(Surplus) / Deficit</b>	<b>(9,262)</b>	<b>(12,801)</b>	<b>(3,539)</b>	<b>(2,839)</b>	<b>(700)</b>
General Balance 01/04/2016	(33,944)	(33,944)	0	0	0
<b>General Balance 31/03/2017</b>	<b>(43,206)</b>	<b>(46,745)</b>	<b>(3,539)</b>	<b>(2,839)</b>	<b>(700)</b>

### Income

130. Rental income is forecast to be favourable by £367k for the year, no change from Month other Income is forecast to be under recovered by £246k, no change from Month 7.

131. The number of RTB applications received in November was 33, with the first eight months of RTB applications totalling 205 compared to 142 for the same period last year and 67 RTB completions compared to 96 for the same period last year. The MTFE assumed 115 RTB sales and the latest forecast assumes the same. The forecast of 115 RTB sales is lower compared to 130 RTB sales in 2015/16, however the forecast reflects officers' expectation of a reduction in the numbers of completed RTB sales due to the ongoing increase in house prices and affordability issues for tenants.

### Expenditure

132. The Housing management service is forecast to overspend by £203k, an adverse movement of £62k on Month 7, mainly due to non-staffing costs.

133. Tenant services overall forecast is an underspend of £490k, a net favourable movement of £32k on Month 7. This is due to a favourable movement of £47k relating to running costs and an adverse movement of £15k on staffing.

134. The overall repairs budget is forecast to underspend by £524k, a favourable movement of £410k on Month 7. The key variances and movements are summarised in Table 2 below. The responsive repairs and voids budget is forecast to overspend by £19k, a favourable movement of £246k on Month 7.

**Table 20: Repairs variances and movements**

<b>Repairs</b>	<b>Variance Month 8 £'000</b>	<b>Movement from Month 7 £'000</b>
Vacancies and delays in recruitment	(264)	(51)
Pooled transport	(170)	0
Materials	(168)	(38)
Rechargeable repairs income	(80)	40
Consultancy fees	(85)	0
Non salary costs	(158)	(99)
Responsive repairs and voids	19	(246)
Redundancies	382	(16)
<b>Total</b>	<b>(524)</b>	<b>(410)</b>

135. The Planned Maintenance budget is forecast to underspend by £2,623k, a favourable movement of £320k on Month 7. The key variances and movements are summarised in the table below and overall are due to the validation, procurement and consultation timetables required to deliver these. It is forecast that there will be no spend in 2016/17 on the external cyclical decorations budget of £1,376k, a favourable movement of £150k on Month 7.

**Table 21 : Planned Maintenance variances and movements**

<b>Planned Maintenance</b>	<b>Variance Month 8 £'000</b>	<b>Movement from Month 7 £'000</b>
External cyclical decorations	(1,376)	(150)
Gas servicing and breakdowns	(372)	0
Service Contracts	(125)	43
Fencing	(199)	(50)
Housing road network maintenance	(173)	(50)
Better neighbourhood funds	(106)	(25)
Other surveys/works	(272)	(88)
<b>Total</b>	<b>(2,623)</b>	<b>(320)</b>

136. Development and Risk contingency - there are significant legal and consultancy costs arising from the Triscott House dispute, however this is covered by a provision of £729k, which was included in the accounts for costs relating to specialist consultants and legal fees. The Development and Risk contingency budget is forecast to break even. This budget will also be used, if required, to increase the level of the bad debt provision, which will be reviewed during the 2016/17 closing process.

## HRA Capital Expenditure

137. The forecast HRA capital programme is set out in the table below :

**Table 22 - HRA Capital Expenditure**

Prior Years Cost	Programme	Revised Budget	Forecast	Cost Variance Forecast V Budget	Project Re-Phasing	Total Project Budget 2016-2021	Total Project Forecast 2016-21	Total Project Variance	Movement
		2016/17				2016-2021			
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Major Projects</b>								
9,370	New General Needs Housing Stock	11,780	11,280	0	(500)	44,190	44,190	0	0
3,878	New Build - Appropriation of Land	1,481	1,481	0	0	1,481	1,481	0	0
778	New Build - Supported Housing Provision	11,539	9,947	(1,592)	0	44,733	41,823	(2,910)	0
N/A	HRA General Capital Contingency	9,026	9,026	0	0	9,026	9,026	0	0
<b>14,026</b>	<b>Total Major Projects</b>	<b>33,826</b>	<b>31,734</b>	<b>(1,592)</b>	<b>(500)</b>	<b>99,430</b>	<b>96,520</b>	<b>(2,910)</b>	<b>0</b>
	<b>Works to Stock</b>								
N/A	Works to stock programme	13,092	4,809	(65)	(8,218)	40,103	40,038	(65)	(65)
N/A	Major Adaptations to Property	1,560	1,110	0	(450)	6,252	6,252	0	0
	<b>Total Works to Stock</b>	<b>14,652</b>	<b>5,919</b>	<b>(65)</b>	<b>(8,668)</b>	<b>46,355</b>	<b>46,290</b>	<b>(65)</b>	<b>(65)</b>
	<b>Total HRA Capital</b>	<b>48,478</b>	<b>37,653</b>	<b>(1,657)</b>	<b>(9,168)</b>	<b>145,785</b>	<b>142,810</b>	<b>(2,975)</b>	<b>0</b>
	<b>Movement</b>	<b>(9,507)</b>	<b>(1,034)</b>	<b>(65)</b>	<b>8,538</b>	<b>0</b>	<b>(65)</b>	<b>(65)</b>	<b>(65)</b>

### MAJOR PROJECTS

138. The Revised budget for the 2016/17 HRA Major Projects programme is £33,826k. This represents a reduction of £9,507k on the month 7 position following Cabinet approval to re-phase the budget into future years to reflect the revised profiling of expenditure on the numerous projects which are at various stages of development.

139. As at Month 8 the Major Projects programme is forecast to underspend by £1,592k in 2016/17 and £2,910k over the period 2016-2021. This represents no change to the month 7 position and is attributable largely to the decision to cancel the supported housing development at the Chippendale Waye site (£2,510k) and a reduction in contract costs for the supported housing schemes at both the Grassy Meadow and Parkview sites (£400k) following a value engineering exercise.

140. There is an anticipated further slippage of £500k expected within the General Needs Housing Stock budget stemming from a delay in the construction of the Housing Programme comprising new builds, extensions and conversions. The contractors are not expected to be on site until March 2017 which is 2 months later than initially expected.

### New General Needs Housing Stock

141. With the exception of the aforementioned £500k slippage, the 2016/17 General Needs Housing Stock budget is expected to be utilised in full. The vast majority of the expenditure incurred has been with respect to the purchase and repair of housing stock. Currently 26 properties have been approved for purchase.

142. Approval has been obtained for the delivery of 19 units of General Needs Housing stock at Acol Crescent to be delivered by 2018/19. Specialist design consultants for architectural services have now been appointed to take the scheme up to the planning stage with the intention to go out to tender by January 2017.
143. Following July Cabinet approval, to allocate a budget of £2,139k towards the construction of a housing programme comprising new builds, extensions and conversions, tenders have been received and evaluated by the Council's procurement team. A Cabinet Member report is currently in preparation for the appointment of contractors with an estimated construction start date for March 2016.
144. Cabinet in October 2016 also approved the appointment of consultants for the redevelopment of Belmore Allotments following the tender for professional, technical and construction services, and for them to carry out the tasks necessary to prepare full proposals and deliver the schemes to completion. This will be funded from the overall General Needs Housing Stock budget of £44,190k.

### **New Build - Appropriation of Land**

145. £1,400k of the budget provides for the appropriation to the HRA of the Acol Crescent site in order to develop both supported housing units and general needs units. The remaining £81k of the budget provides for the appropriation of the land at Fir Tree Avenue.

### **New Build - Supported Housing**

146. The Supported Housing Programme comprises the build of 174 mixed client group units across four different sites. The developments of the housing units are at various different stages of the project lifecycle.
147. Contracts have now been signed and sealed for the appointment of main contractors for both the Grassy and Parkview schemes. Initial site set up works are progressing to plan with demolition of both sites now complete. The construction training programme is in the process of being approved and contractor design works are being finalised with a view to discharging planning conditions. At this early stage, both projects are progressing to scheduled timetable. Following a value engineering exercise the costs of the main contract at Grassy Meadow has reduced by £289k with a further £111k reduction being attributed towards the Parkview project.
148. The proposed delivery of 12 supported housing units for Mental Health clients at the Chippendale Way site is no longer going ahead. This has contributed £2,510k towards the overall £2,910k underspend being reported for the overall supported housing programme.
149. The Supported Housing Development at Acol Crescent is being undertaken concurrently with the General Needs Housing Units at the same site and consultants have been appointed to progress the scheme to tender stage.

### **HRA General Capital Contingency**

150. It is expected that the £9,026k contingency budget will be absorbed to meet the cost of emerging opportunities and risks stemming from the overall Major Projects programme.

### **Works to Stock**

151. The Works to Stock programme has an overall forecast phasing variance of £8,218k, an increased phasing variance of £469k compared to Month 7. In addition there is a forecast



cost underspend of £65k, an increased underspend of £65k compared to Month 7. Elements of the programme contributing to this variance are shown in Table 23 below :

**Table 23: HRA Works to Stock Programme 2016/17**

<b>Workstream</b>	<b>Variance Month 8</b>	<b>Movement from Month 7</b>
	<b>£'000</b>	<b>£'000</b>
Kitchens / Bathrooms	(2,948)	(469)
Lifts	(1,642)	0
Windows	(906)	0
Electrical Upgrades	(893)	0
Communal Doors	(720)	0
External Doors	(303)	0
Communal Heating	(273)	0
Other Communal Areas	(190)	0
Walls	(172)	0
Roofing	(171)	0
Warm Safe and Dry	(65)	(65)
All Other Workstreams	0	0
<b>Works to Stock Total</b>	<b>(8,283)</b>	<b>(534)</b>

152. The increased phasing variance compared to Month 7 of £469k is due to a revised projected start on site for the kitchens and bathrooms programme in February 2017 following contract approval and contractor mobilisation. The remaining variances across all work-streams are due to the validation, procurement and consultation timetables required to deliver these works.
153. Major Adaptations - no change from Month 7, this has a forecast re-phasing variance in 2016/17 of £450k due to delays in the tendering process.

### **HRA Capital Receipts**

154. There have been 67 Right to Buy sales of council dwellings as at the end of November 2016 for a total sales value of £9,715k and a total of a further 48 sales are forecast to bring the yearly total to 115, totalling approximately £17,000k in 2016/17
155. The Council has signed an agreement with Department for Communities & Local Government to re-invest the proceeds in housing stock regeneration. This enables the Council to retain a higher level of receipts because of reduced pooling, however the terms of the agreement stipulate that receipts must be spent within three years or otherwise are returned to government with the addition of punitive interest. The revised General Needs housing programme for 2015-2021 approved by Cabinet in February has been phased to utilise these receipts within the allowed timescales.
156. The table below sets out the total level of retained receipts since the inception of the agreement:

**Table 24: Retained RTB Receipts**

Period	Number of Sales	Retained Right to Buy Receipts Total (£'000)	Allowable Debt Provisional (£'000)	One for One Replacement Provisional (£'000)	Deadline for Utilisation of 1 for 1 Receipts
2012/13 Q4 Actual	33	3,541	946	2,595	Mar-16
2013/14 Q1 Actual	13	910	291	619	Jun-16
2013/14 Q2 Actual	35	3,046	1,005	2,040	Sep-16
2013/14 Q3 Actual	24	1,918	598	1,320	Dec-16
2013/14 Q4 Actual	34	2,678	945	1,733	Mar-17
2014/15 Q1 Actual	56	4,817	1,659	3,158	Jun-17
2014/15 Q2 Actual	49	4,679	1,480	3,199	Sep-17
2014/15 Q3 Actual	50	4,583	1,529	3,054	Dec-17
2014/15 Q4 Actual	36	3,412	1,090	2,322	Mar-18
2015/16 Q1 Actual	42	4,335	1,266	3,069	Jun-18
2015/16 Q2 Actual	30	2,901	750	2,151	Sep-18
2015/16 Q3 Actual	28	2,894	664	2,230	Dec-18
2015/16 Q4 Actual	30	4,048	856	3,192	Mar-19
2016/17 Q1 Actual	33	4,374	861	3,513	Jun-19
2016/17 Q2 Actual	18	2,100	398	1,702	Sep-19
<b>Total Retained Receipts</b>	<b>511</b>	<b>50,236</b>	<b>14,338</b>	<b>35,897</b>	

157. As at the end of September 2016 there have cumulatively been £50,236k retained Right to Buy receipts retained for allowable debt purposes and 1 for 1 housing replacement of which £3,044k has been applied as capital financing. In the current 2016/17 financial year, the deadline for utilisation of 1 for 1 receipts will now fall quarterly as the receipts from 2013/14 begin to hit their 3 year deadline.
158. The use of retained Right to Buy receipts are limited by the regulations to the agreement to a maximum 30% of the cost of replacement housing although regulations also allow 50% of the cost of purchase and repairs expenditure to be financed from retained receipts however this is capped at 6.5% of the total level of receipts in that quarter. Therefore in order to utilise the £5,712k retained receipts from 2013/14 a minimum of £19,040k is required to be spent on 1 for 1 replacement. The target spend requirement for each quarter falling due is as follows: Q1 £2,063k; Q2 £6,800k; Q3 £4,400k; Q4 £5,777k
159. Cumulative expenditure on 1 for 1 replacement from previous quarters above the minimum requirement contributes to the cumulative spend requirement as at the quarterly deadline. The cumulative spend requirement has been met for the quarterly deadlines of June 2016, September 2016, and December 2016.

## Appendix D - GENERAL FUND CAPITAL PROGRAMME

160. As at Month 8 an underspend of £13,448k is reported on the £75,976k General Fund Capital Programme for 2016/17, with £4,630k favourable cost variances and £8,818k slippage on project expenditure. The forecast outturn variance over the life of the 2016/17 to 2020/21 programme is £5,006k net underspend relating to various schemes.
161. General Fund Capital Receipts of £4,862k are forecast for 2016/17, with total receipts to 2020/21 expected to reach £70,408k, representing an adverse variance of £5,159k against budget.
162. Overall, Prudential Borrowing required to support the 2016/17 to 2020/21 capital programmes is forecast to be within budget by £7,027k due to additional available capital grants and contributions of £7,180k and scheme cost underspends of £5,006k, partly offset by the shortfall of £5,159k in forecast Capital Receipts.

### Capital Programme Overview

163. Table 25 below sets out the latest forecast outturn on General Fund capital projects, with project level detail contained in annexes A - C to this report. Forecasts for future years include capital projects and programmes of work approved by Cabinet and Council in February 2016.

**Table 25: General Fund Capital Programme Summary**

	Revised Budget 2016/17	Forecast 2016/17	Cost Variance Forecast vs Budget	Project Re-phasing	Total Project Budget 2016-2021	Total Project Forecast 2016-2021	Total Project Variance	Movement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Programme	32,184	30,023	(1,661)	(500)	158,997	157,336	(1,661)	(53)
Main Programme	16,623	14,019	(1,055)	(1,549)	98,291	97,236	(1,055)	-
Programme of Works	26,349	17,666	(1,914)	(6,769)	73,010	70,720	(2,290)	(342)
<b>Total Main Programme</b>	<b>75,156</b>	<b>61,708</b>	<b>(4,630)</b>	<b>(8,818)</b>	<b>330,298</b>	<b>325,292</b>	<b>(5,006)</b>	<b>(395)</b>
Development & Risk Contingency:								
General Contingency	820	820	-	-	6,820	6,820	-	-
<b>Total Capital Programme</b>	<b>75,976</b>	<b>62,528</b>	<b>(4,630)</b>	<b>(8,818)</b>	<b>337,118</b>	<b>332,112</b>	<b>(5,006)</b>	<b>(395)</b>
<b>Movement</b>	<b>(20,944)</b>	<b>(3,266)</b>	<b>(395)</b>	<b>18,073</b>	<b>32</b>	<b>(363)</b>	<b>(395)</b>	<b>-</b>

164. The movement in the 2016/17 revised budget reflects the approval by Cabinet in December to re-phase Schools and Main Programme expenditure budgets on various projects for completion in future years. Overall the total capital programme budget has increased by £32k due to a recent allocation of Section 106 monies to a Highways scheme.
165. The Schools Programme reports a cost underspend of £1,661k which is partly due to release of contingencies on the completed Primary Schools expansions programme and first phase of works for the replacement of Northwood secondary school. The further improvement in month of £53k relates to settlement of final account on one Phase 2 scheme. There is re-phasing of £500k on temporary classrooms provision. Further information on the performance

of the Schools Programme is provided in the Cabinet School Capital Programme Update Report.

166. The main programme forecasts a phasing underspend of £1,549k on a number of projects, including works on Hayes Town Centre improvements which are underway, however some elements of the works will not be completed until next financial year. The Vehicle Replacement Programme reports further slippage as essential replacement in the current financial year is not significant. There is a forecast net cost underspend of £1,055k over the life of the programme which is mainly due to a forecast underspend on CCTV enforcement (School Keep Clear Zones).
167. Programmes of Works are forecast to underspend by £2,290k over the life of the programme on several schemes, partly due to lower required expenditure over the medium term on replacement of defective street lighting with the roll out of the new street lighting LED programme. There is further reduced forecast expenditure of £342k on several programmes that will not be fully committed or delivered by the end of the financial year. These include Private Sector Renewal/Landlord Property Renovation Grants and the Civic Centre Works Programme, which is underway however identified works will not all be completed this financial year.
168. There remain £6,820k unallocated contingency funds over the life of the five year programme which at this stage are forecast to be fully utilised as and when risk issues emerge.

### Capital Financing - General Fund

169. Table 26 below outlines the latest financing projections for the capital programme, with a favourable medium term variance of £7,027k reported on Prudential Borrowing, due mainly to an increase in grant funding partially offset by a forecast shortfall in capital receipts.

**Table 26: Capital Financing**

	Revised Budget 2016/17 £'000	Forecast 2016/17 £'000	Variance £'000	Total Financing Budget 2016-2021 £'000	Total Financing Forecast 2016-2021 £'000	Total Variance £'000	Movement £'000
Council Resource Requirement	56,752	44,660	(12,092)	265,116	252,930	(12,186)	(550)
Financed by							
Capital Receipts	6,918	4,862	(2,056)	75,567	70,408	(5,159)	10
CIL	3,580	3,580	-	25,080	25,080	-	-
Prudential Borrowing	46,254	36,218	(10,036)	164,469	157,442	(7,027)	(560)
<b>Total Council Resources</b>	<b>56,752</b>	<b>44,660</b>	<b>(12,092)</b>	<b>265,116</b>	<b>252,930</b>	<b>(12,186)</b>	<b>(550)</b>
Grants & Contributions	19,224	17,868	(1,356)	72,002	79,182	7,180	155
<b>Total Programme</b>	<b>75,976</b>	<b>62,528</b>	<b>(13,448)</b>	<b>337,118</b>	<b>332,112</b>	<b>(5,006)</b>	<b>(395)</b>

170. The 2016/17 revised financing budgets have reduced reflecting the approved re-phasing of sources of financing to match re-profiling of expenditure into future years.
171. The capital receipts forecast reports a shortfall of £5,159k which is mainly due to a forecast reduction in the General Fund share of Right to Buy (RTB) receipts as the forecast number of

RTB sales has fallen since the original budget estimates were set and the forecast attribution of the RTB receipt available to the General Fund has reduced based on latest HRA business plan calculations.

172. As at the end of November a total of £3,015k CIL receipts (after administration fees) have been invoiced or received by the Council this financial year which represents a movement of £153k in month. At this stage the income budget for the year is expected to be fully achieved. Spend to date on eligible activity exceeds the receipts to date, with spend on Highways investment and community assets through the Chrysalis Programme meeting the criteria for application of CIL monies. Budgeted expenditure across these projects totals £7,907k for 2016/17, with scope to apply funds in support of schools, libraries and other major community investment in the event of substantial slippage in these areas.
173. Grant announcements in respect of Basic Needs and Capital Maintenance grant are £3,971k higher than the original budget estimate over the life of the programme however there remains £14,490k in assumed Basic Needs grant in future years that are not yet confirmed. The grant announcement for 2016/17 Disabled Facilities Grant (DFG) within the Better Care Fund is substantially higher than the original budget assumption meaning that the approved Council resources allocated to the DFG programme of £531k per annum can be financed by grant instead. It is assumed in the forecast that this will also be the case in future years.
174. A further £155k Section 106 Balances received this year in respect of Education are in the process of allocation to the existing Schools Expansions Programme thereby reducing the prudential borrowing requirement.
175. The revised prudential borrowing budget reports a favourable variance of £7,027k due to the increase in available Schools and DFG grants and scheme cost underspends partially offset by the shortfall on forecast capital receipts.

APPENDIX 1a - Schools Programme

Prior Year Cost	Project	2016/17 Revised Budget	2016/17 Forecast	2016/17 Cost Variance	Project Re-phasing	Total Project Budget 2016-2021	Total Project Forecast 2016-2021	Total Project Variance 2016-2021	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Education and Children Services</b>										
136,118	Primary Schools Expansions	2,644	1,615	(629)	(400)	3,501	2,872	(629)	2,813	0	59
265	New Primary Schools Expansions	807	807	0	0	27,135	27,135	0	27,135	0	0
198	Secondary Schools Expansions	1,202	1,202	0	0	95,702	95,702	0	68,794	26,908	0
17,405	Secondary Schools New Build	27,421	26,384	(1,037)	0	30,849	29,812	(1,037)	24,338	3,638	1,836
184	Hearing Impaired Resource Base (Vyners)	10	15	5	0	10	15	5	15	0	0
0	Additional Temporary Classrooms	100	0	0	(100)	1,800	1,800	0	1,800	0	0
<b>154,171</b>	<b>Total Schools Programme</b>	<b>32,184</b>	<b>30,023</b>	<b>(1,661)</b>	<b>(500)</b>	<b>158,997</b>	<b>157,336</b>	<b>(1,661)</b>	<b>124,895</b>	<b>30,546</b>	<b>1,895</b>

## APPENDIX 1b - Main Programme

Prior Year Cost	Project	2016/17 Revised Budget £'000	2016/17 Forecast £'000	2016/17 Cost Variance £'000	Project Re-phasing £'000	Total Project Budget 2016-21 £000	Total Project Forecast 2016-21 £000	Total Project Variance 2016-21 £000	Project Forecast Financed by:		
									Council Resources £000	Government Grants £000	Other Cont'ns £000
<b>Community, Commerce and Regeneration</b>											
0	CCTV Enforcement (SKC's)	2,657	1,929	(728)	0	2,657	1,929	(728)	1,519	410	0
79	Gateway Hillingdon	1,747	1,747	0	0	2,411	2,411	0	2,411	0	0
1,470	Hayes Town Centre Improvements	3,033	2,464	0	(569)	3,533	3,533	0	330	3,040	163
136	Inspiring Shopfronts	200	200	0	0	1,221	1,221	0	1,221	0	0
12	Uxbridge Cemetery Gatehouse	25	25	0	0	988	988	0	988	0	0
0	Uxbridge Change of Heart	150	150	0	0	1,996	1,996	0	1,109	800	87
<b>Central Services, Culture and Heritage</b>											
38	Bowls Club Refurbishments	730	730	0	0	812	812	0	150	0	662
156	Harlington/Pinkwell Bowls & Pavillion	162	139	(23)	0	162	139	(23)	0	0	139
0	Haste Hill Golf Club	280	245	0	(35)	280	280	0	280	0	0
198	Hillingdon Sports & Leisure Centre	50	20	0	(30)	862	862	0	862	0	0
0	Mobile Library	117	117	0	0	117	117	0	117	0	0
<b>Finance, Property and Business Services</b>											
31	Battle of Britain Heritage Pride Project	1,750	1,750	0	0	5,956	5,956	0	5,956	0	0
0	Battle of Britain Underground Bunker	100	75	0	(25)	1,053	1,053	0	53	1,000	0
0	Bessingby FC Boxing Clubhouse	150	100	0	(50)	950	950	0	950	0	0
0	New Museum	100	100	0	0	5,000	5,000	0	4,250	0	750
0	New Theatre	50	50	0	0	44,000	44,000	0	42,950	0	1,050
0	Yiewsley Site Development	50	20	0	(30)	4,302	4,302	0	4,302	0	0
97	Youth Centre Projects x 3	250	250	0	0	5,003	5,003	0	5,003	0	0
0	231 Swakeleys Road Land Purchase	25	25	0	0	25	25	0	25	0	0
<b>Planning, Transportation and Recycling</b>											
0	Car Park Resurfacing	250	180	0	(70)	250	250	0	250	0	0
1,720	Cedars & Grainges Car Park	932	732	(100)	(100)	951	851	(100)	851	0	0
1,284	Harlington Road Depot Refurbishment	227	227	0	0	227	227	0	227	0	0
5,620	Purchase of Vehicles	682	242	0	(440)	4,072	4,072	0	4,072	0	0
0	RAGC Car Park	50	50	0	0	250	250	0	250	0	0
0	Street Lighting - Invest to Save	300	300	0	0	5,500	5,500	0	5,500	0	0
<b>Social Services, Housing, Health and Wellbeing</b>											
0	1 & 2 Merrimans Housing Project	420	420	0	0	620	620	0	620	0	0
47	Dementia Centre	47	0	(47)	0	2,512	2,465	(47)	2,465	0	0
<b>Cross Cabinet Member Portfolios</b>											
	Environmental Recreational Initiatives	600	400	0	(200)	1,000	1,000	0	1,000	0	0
16,711	Projects Completing in 2016/17	1,489	1,332	(157)	0	1,581	1,424	(157)	1,360	0	64
<b>59,599</b>	<b>Total Main Programme</b>	<b>16,623</b>	<b>14,019</b>	<b>(1,055)</b>	<b>(1,549)</b>	<b>98,291</b>	<b>97,236</b>	<b>(1,055)</b>	<b>89,071</b>	<b>5,250</b>	<b>2,915</b>

## APPENDIX 1c - Programme of Works

Prior Year Cost	Project	2016/17 Revised Budget	2016/17 Forecast	2016/17 Cost Variance	Project Re-phasing	Total Project Budget 2016-2021	Total Project Forecast 2016-2021	Total Project Variance 2016-2021	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
N/A	Leaders Initiative	526	250	0	(276)	1,326	1,326	0	1,326	0	0
	<b>Community, Commerce and Regeneration</b>										
N/A	Chrysalis Programme	1,275	1,000	0	(275)	5,275	5,275	0	5,275	0	0
N/A	Playground Replacement Programme	250	250	0	0	1,250	1,250	0	1,250	0	0
	<b>Education and Children Services</b>										
N/A	Formula Devolved Capital to Schools	1,419	1,029	0	(390)	2,533	2,533	0	0	1,981	552
N/A	Urgent Building Condition Works	3,850	2,701	0	(1,149)	5,991	5,991	0	2,574	2,529	888
	<b>Finance, Property and Business Services</b>										
N/A	Civic Centre Works Programme	1,969	750	(619)	(600)	3,969	3,350	(619)	3,350	0	0
N/A	ICT Single Development Plan	824	632	0	(192)	2,424	2,424	0	2,424	0	0
N/A	Property Works Programme	480	300	(180)	0	2,400	2,220	(180)	2,220	0	0
	<b>Planning, Transportation and Recycling</b>										
N/A	Highways Localities Programme	206	206	0	0	1,030	1,030	0	1,030	0	0
N/A	Highways Structural Works	4,032	2,169	0	(1,863)	7,208	7,208	0	7,095	113	0
N/A	Pavement Priority Growth	2,000	2,000	0	0	2,000	2,000	0	2,000	0	0
N/A	Road Safety	203	132	(71)	0	803	732	(71)	703	29	0
N/A	Street Lighting	191	97	(94)	0	567	97	(470)	97	0	0
N/A	Transport for London	5,571	3,225	(352)	(1,994)	20,881	20,529	(352)	0	19,615	914
	<b>Social Services, Housing, Health and Wellbeing</b>										
N/A	Disabled Facilities Grant	2,300	2,300	0	0	11,500	11,500	0	0	11,500	0
N/A	Adaptations for Adopted Children	200	50	(150)	0	1,000	850	(150)	850	0	0
N/A	Private Sector Renewal Grant	450	100	(350)	0	2,250	1,900	(350)	1,900	0	0
N/A	Landlord Property Renovation Grant	148	50	(98)	0	148	50	(98)	50	0	0
	<b>Cross Cabinet Member Portfolios</b>										
N/A	Section 106 Projects	455	425	0	(30)	455	455	0	0	0	455
	<b>Total Programme of Works</b>	<b>26,349</b>	<b>17,666</b>	<b>(1,914)</b>	<b>(6,769)</b>	<b>73,010</b>	<b>70,720</b>	<b>(2,290)</b>	<b>32,144</b>	<b>35,767</b>	<b>2,809</b>
	Capital Priority Growth	0	0	0	0	0	0	0	0	0	0
N/A	General Contingency	820	820	0	0	6,820	6,820	0	6,820	0	0
	<b>Total GF Capital Programme</b>	<b>75,976</b>	<b>62,528</b>	<b>(4,630)</b>	<b>(8,818)</b>	<b>337,118</b>	<b>332,112</b>	<b>(5,006)</b>	<b>252,930</b>	<b>71,563</b>	<b>7,619</b>



## Appendix E – Treasury Management Report as at 30 November 2016

**Table 27: Outstanding Deposits - Average Rate of Return on Deposits: 0.59%**

	Actual (£m)	Actual (%)	Bench-mark (%)
Up to 1 Month	46.3	37.07	40.00
1-2 Months	14.0	11.21	5.00
2-3 Months	5.0	4.00	10.00
3-6 Months	20.0	16.01	15.00
6-9 Months	10.0	8.01	10.00
9-12 Months	14.4	11.53	5.00
12-18 Months	10.0	8.01	10.00
18-24 Months	5.0	4.00	5.00
<b>Subtotal</b>	<b>124.7</b>	<b>99.84</b>	<b>100.00</b>
Unpaid Maturities	0.2	0.16	0.00
<b>Grand Total</b>	<b>124.9</b>	<b>100.00</b>	<b>100.00</b>

176. With the exception of the unpaid Heritable investments, deposits are held with UK or overseas institutions, all of which hold a minimum A- Fitch (or lowest equivalent) long-term credit rating. UK deposits are currently held in AAA rated Money Market Funds, Pooled Funds, Blaenau Gwent CBC, Birmingham CC, Enfield Council, Guildford Council, Lancashire CC, Monmouthshire CC, North Tyneside Council, Northumberland CC, Salford CC, Stockport BC, Lloyds Bank and Santander UK plc. An overseas deposit is held with DBS Bank Ltd.
177. The Council aims to minimise its exposure to bail-in risk by utilising bail-in exempt instruments and institutions whenever possible. However, due to the significant amount held instant access facilities needed to manage daily cashflows, it is not possible to fully protect Council funds from bail-in risk. Currently at the end of November, 35% of the Council's total funds have exposure to bail-in risk compared to a September benchmark average of 66% in the Local Authority sector (latest benchmark provided quarterly by the Council's treasury advisors Arlingclose). The Council's exposure reduces to 10% once instant access facilities are removed from the bail-in total.
178. During the month, cash was mainly placed and withdrawn from instant access accounts. Two fixed-term deposits with Nationwide BS and National Australia Bank, a Bank of Scotland Covered Bond and Nordea CD all reached maturity during November. In addition to this, a forward dated investment with Northumberland CC was settled, a long-term deposit was placed with Lloyds Bank and monies were placed in a short-bond pooled fund with Payden & Rygel.

**Table 28: Outstanding Debt - Average Interest Rate on Debt: 3.35%**

		Actual (£m)	Actual (%)
<b>General Fund</b>	PWLB	61.82	22.84
	Long-Term Market	15.00	5.54
<b>HRA</b>	PWLB	160.82	59.42
	Long-Term Market	33.00	12.20
	<b>Total</b>	<b>270.64</b>	<b>100.00</b>

179. There were no scheduled debt repayments. Although there was a slight rise in gilt yields, premiums still remain too high for the repayment of fixed-rate debt to be feasible. There were no breaches of the prudential indicators or non-compliance with the treasury management policy and practices.
180. In order to maintain liquidity for day-to-day business operations, daily cash balances will either be placed in instant access accounts or short term deposits. Opportunities to place longer term deposits will be monitored and placed if viable.

## Appendix F – Consultancy and agency assignments over £50k approved under delegated authority

181. The following Agency staff costing over £50k have been approved under delegated powers by the Chief Executive in consultation with the Leader and are reported here for information.

**Table 29: Consultancy and agency assignments**

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
<b>Administration and Finance</b>						
Senior Buyer	05/06/2016	08/12/2016	26/02/2017	39	19	58
Category Manager	15/11/2015	20/12/2016	22/01/2017	127	4	131
<b>Residents Services</b>						
Building Control Surveyor	23/08/2012	14/12/2016	03/03/2017	134	8	142
Older People's Housing Service (OPHS) Officer	3/06/2014	20/12/2016	26/03/2017	96	9	105
Project Engineer	10/06/2013	20/12/2016	02/04/2017	228	19	247
Project Engineer - Design	10/06/2013	20/12/2016	19/03/2017	181	17	198
Highway Development Engineer	05/05/2016	20/12/2016	21/04/2017	55	18	73
Highway Engineer	05/05/2016	20/12/2016	24/03/2017	37	18	55
<b>Social Care</b>						
Residential Care Worker	01/04/2012	02/01/2017	29/01/2017	128	2	130
Approved Mental Health Worker	01/03/2014	02/01/2017	29/01/2017	150	6	156
Lead Approved Mental Health Practitioner	01/06/2012	02/01/2017	29/01/2017	205	5	210
Occupational Therapist	07/10/2013	02/01/2017	29/01/2017	198	4	202
Special Needs Officer	05/01/2015	02/01/2017	29/01/2017	68	2	70
Occupational Therapist	01/04/2015	02/01/2017	29/01/2017	118	5	123
Contract Management Officer	24/08/2015	02/01/2017	29/01/2017	169	9	178
Approved mental health professional (AMHP)	01/06/2015	02/01/2017	29/01/2017	119	6	125
Principle Educational Psychologist	01/06/2015	02/01/2017	29/01/2017	173	12	185
AMHP	12/09/2015	02/01/2017	29/01/2017	93	6	99
LD Programme Review	29/07/2015	02/01/2017	29/01/2017	173	0	173
Occupational Therapist	03/12/2015	02/01/2017	29/01/2017	73	5	78
Senior Social Worker	06/01/2016	02/01/2017	29/01/2017	65	1	66
Advanced Practitioner	29/02/2016	02/01/2017	29/01/2017	74	5	79
Educational Psychologist	01/03/2016	02/01/2017	29/01/2017	97	12	109
Safeguarding and DOLS Co-ordinator	19/10/2014	02/01/2017	29/01/2017	122	0	122
AMPH Social Worker	18/08/2015	02/01/2017	29/01/2017	96	5	101
Business Objects Officer	00/01/1900	02/01/2017	29/01/2017	138	11	149
Early Years Practitioner	02/03/2015	02/01/2017	05/02/2017	52	3	55
Social Worker	28/03/2016	02/01/2017	05/02/2017	50	6	56

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Receptionist/ Administrative Assistant	01/09/2014	02/01/2017	05/02/2017	53	3	56
Early Years Practitioner	29/10/2014	02/01/2017	05/02/2017	53	3	56
Early Years Practitioner	12/01/2015	02/01/2017	05/02/2017	54	3	57
Social Worker	01/08/2015	02/01/2017	05/02/2017	54	6	60
Early Years Practitioner	06/10/2014	02/01/2017	05/02/2017	59	3	62
Early Years Practitioner	30/03/2015	02/01/2017	05/02/2017	64	2	66
Senior Social Worker	28/03/2016	02/01/2017	05/02/2017	60	8	68
Team Manager	03/04/2016	02/01/2017	05/02/2017	65	9	74
Local Children & Adult Safeguarding Board Training & Quality Assurance Officer	01/12/2015	02/01/2017	05/02/2017	78	8	86
Independent Domestic Violence Advisor	12/01/2015	02/01/2017	05/02/2017	88	5	93
Social Worker	04/05/2015	02/01/2017	05/02/2017	88	6	94
Social Worker	04/05/2015	02/01/2017	05/02/2017	90	8	98
Child Protection Chair	01/07/2015	02/01/2017	05/02/2017	92	9	101
Independent Reviewing Officer	05/10/2015	02/01/2017	05/02/2017	93	9	102
Early Years Practitioner	01/05/2015	02/01/2017	05/02/2017	105	3	108
Quality Assurance Manager	01/02/2016	02/01/2017	05/02/2017	98	14	112
Child Protection Chair	20/07/2015	02/01/2017	05/02/2017	109	9	118
Panel Advisor	10/08/2015	02/01/2017	05/02/2017	112	8	120
Social Worker	27/10/2014	02/01/2017	05/02/2017	121	8	129
Social Worker	13/04/2015	02/01/2017	05/02/2017	127	7	134
Practice Improvement Practitioner	08/05/2014	02/01/2017	05/02/2017	134	8	142
Social Worker	19/06/2014	02/01/2017	05/02/2017	148	7	155
Social Worker	05/09/2014	02/01/2017	05/02/2017	175	7	182
Social Worker	11/08/2014	02/01/2017	05/02/2017	188	9	197
Child Sexual Exploitation (CSE) Co-ordinator	03/11/2014	02/01/2017	05/02/2017	191	8	199
Senior Social Worker	30/04/2012	02/01/2017	05/02/2017	198	7	205
Independent Reviewing Officer	27/05/2014	02/01/2017	05/02/2017	204	8	212
Team Manager - MASH	28/09/2014	02/01/2017	05/02/2017	206	9	215
Social Worker	01/01/2013	02/01/2017	05/02/2017	229	6	235
Social Worker	01/04/2013	02/01/2017	05/02/2017	230	7	237
Social Worker	01/01/2013	02/01/2017	05/02/2017	237	7	244
Case Progression Manager	07/04/2014	02/01/2017	05/02/2017	240	8	248
Social Worker	19/12/2011	02/01/2017	05/02/2017	281	7	288
Team Manager	01/01/2013	02/01/2017	05/02/2017	288	9	297
MASH Manager	13/01/2014	02/01/2017	05/02/2017	305	13	318

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## YIEWSLEY CORNERSTONE CHILDREN'S CENTRE & OAK FARM CHILDREN'S CENTRE LEASES

<b>Cabinet Member(s)</b>	Councillor Jonathan Bianco
<b>Cabinet Portfolio(s)</b>	Finance, Property and Business Services
<b>Officer Contact(s)</b>	M Paterson, Residents Services
<b>Papers with report</b>	Site plans

### 1. HEADLINE INFORMATION

<b>Summary</b>	This report seeks approval to the Council taking a lease at Yiewsley Cornerstone Children's Centre and Oak Farm Children's Centre to formalise a position which has existed since the centres were built in 2009. The centres were built with the agreement of the landowners but without a formal lease having been put in place. Negotiations have since taken place and the two landowners are now ready to complete leases for the respective centres. The Council will be entering into these leases as tenant and will be bound by the liabilities and obligations included under the terms of the leases.
<b>Putting our Residents First</b>	This report supports the following Council objectives of: <i>Our People; Our Built Environment.</i>
<b>Financial Cost/Benefit</b>	None
<b>Relevant Policy Overview Committee</b>	Children, Young People and Learning
<b>Ward(s) affected</b>	All

### 2. RECOMMENDATIONS

That Cabinet:

1. Approves the Council entering into a lease, as tenant, of Yiewsley Cornerstone Children's Centre on the main terms set out in this report.
2. Approves the Council entering into a lease, as tenant, of Oak Farm Children's Centre on the main terms set out in this report.

## **Reasons for recommendation**

The Council's tenure of these children's centres is at risk and can only be secured by entering into a lease of each centre where agreement is reached with the individual landowners.

## **Alternative options considered / risk management**

If leases are not completed this could present difficulties for the council should it wish to vary the current delivery model.

## **Policy Overview Committee comments**

None at this stage.

## **3. INFORMATION**

### **Supporting Information**

1. These children's centres were built with grant funding from the Department for Education (DfE) and payment of grant was dependent on compliance with DfE requirements. The DfE did not issue a template lease for centres built on land which was not owned by councils and the guidance issued at the time only indicated that a lease for freehold land and buildings would normally be for a minimum of 25 years. There was no other guidance provided on lease terms from the DfE.
2. Whilst agreement was reached between the landowners and the Council's project managers responsible for the children's centre programme to build these centres on land which was not owned by the Council, no formal lease was put in place prior to completion of the centres. Attempts have been made to complete leases subsequently and the landowners at Yiewsley Cornerstone and Oak Farm Children's Centre are now ready to complete leases for the respective centres.
3. The initial template lease sent to the landowners proposed Heads of terms for a 60 year full repairing and insuring lease at a peppercorn rent with the use of the building restricted to use as a children's centre and other associated community use. Following responses received from the landowners, the Heads of terms were amended and a revised template lease has been agreed on the following main terms -

- Term - A 25 year term from the date of the opening of the centre in 2009
- Rent - A peppercorn rent with no rent review
- Break option - A landlord break option which permits the landlord to terminate the lease should it cease to be used as a Children's Centre
- Repairs - The tenant is to be responsible for repairs and decoration
- Use - The use to be limited to a Children's Centre & other associated community use. It will also allow out of hours use by the landlord.
- Alterations - The landlord's consent will be required for structural and external alterations
- Insurance - The landlord to insure and recover the costs from the tenant

- Alienation - the whole centre only can be assigned and there is no subletting permitted, sharing within the limits of the users is however permitted
- The leases will be contracted out of the Landlord and Tenant Act 1954 security of tenure provisions. The Council will not, therefore, have a statutory right of renewal at the expiry of the lease.
- Fees - The Council will bear the landowners reasonable fees

## **Financial Implications**

Following the amendments to the Heads of Terms as shown above there is a risk that additional costs could be recharged to the landlord (LB Hillingdon). These risks will be managed through the annual review of the SLA(s) with the providers(s).

The risk of clawback of the capital grant from the DfE remains should services cease, irrespective of the recommendations contained in this report.

## **4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

The recommendation will secure the tenure of the Children's Centres to the expiry of the 25 year lease term.

### **Consultation Carried Out or Required**

Not applicable.

## **5. CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report, noting that the recommended leases have limited financial implications as these formalise existing ad hoc arrangements for use of the Children's Centre buildings at Yiewsley Cornerstone and Oak Farm school. In the first instance, any building costs associated with these properties which fall to the Council will be managed within the Council's broader Children's Centre operating budgets.

### **Legal**

The report shows that the proposed leases will be on reasonable terms and by entering into them will provide the Council with the security that its occupation will continue for a further 18 year period and ensure that the Council has complied with the DFE's funding requirements.

It should be noted that by approving the recommendation the Council will be entering into new leases which will set out the obligations and rights to be accepted by the Council as tenant and the obligations and rights to be accepted by the landlords. In the event of any disputes, regard will have to be had to the legal documentation to determine what rights exist in respect of either party and any future dealings with the landlords in question will be regulated by such leases.

The officers responsible for negotiating the terms of the new leases on behalf of the Council should ensure that such terms are reasonable and all necessary legal documentation should be considered by officers in Legal Services for legal consideration to be given to such terms. There are no legal impediments to the Council entering into the leases.

### **Corporate Property and Construction**

Corporate Property and Construction has authored this report.

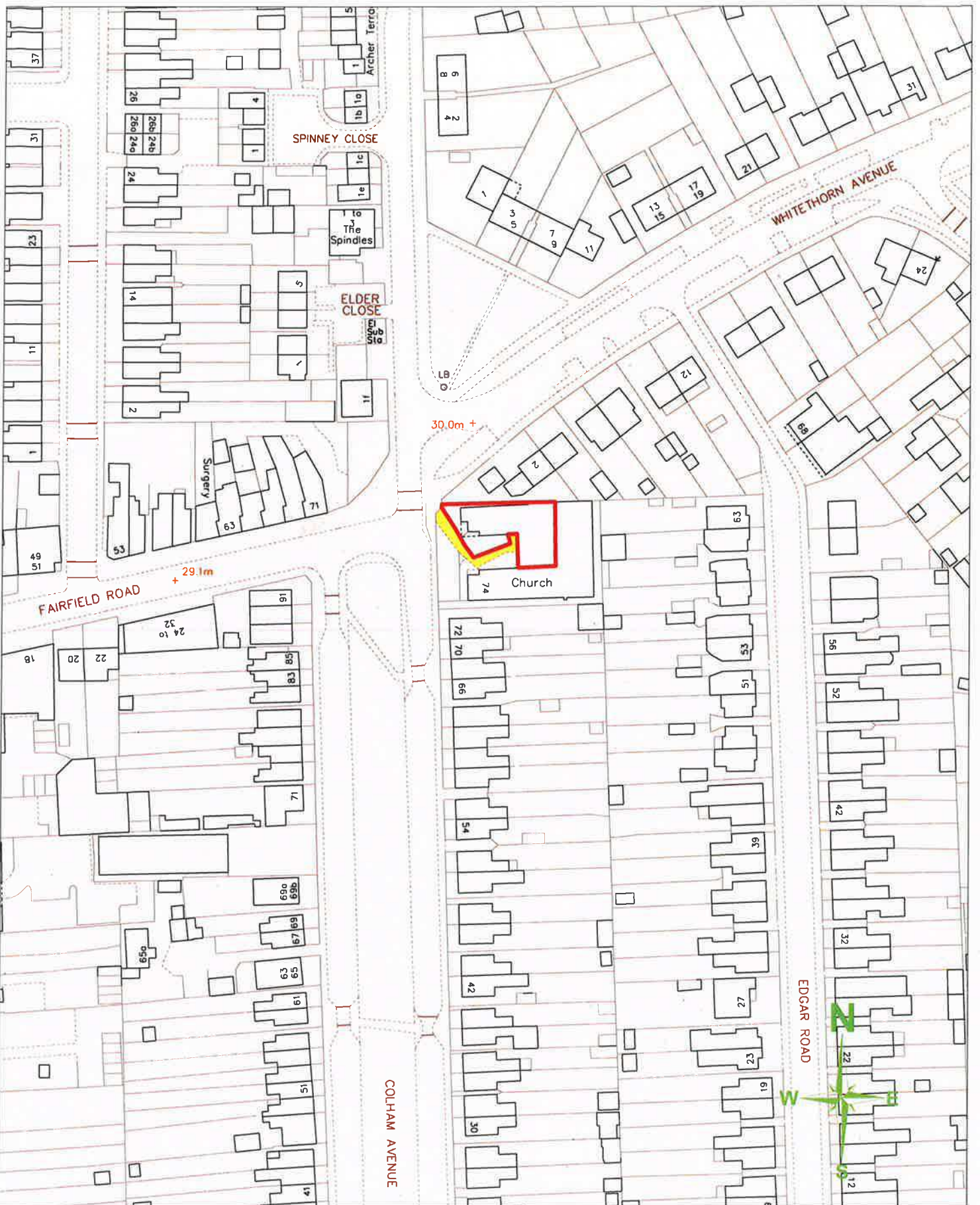
### **Relevant Service Groups**

Children and Young People's Services have been consulted in preparing this report.


## **6. BACKGROUND PAPERS**

None



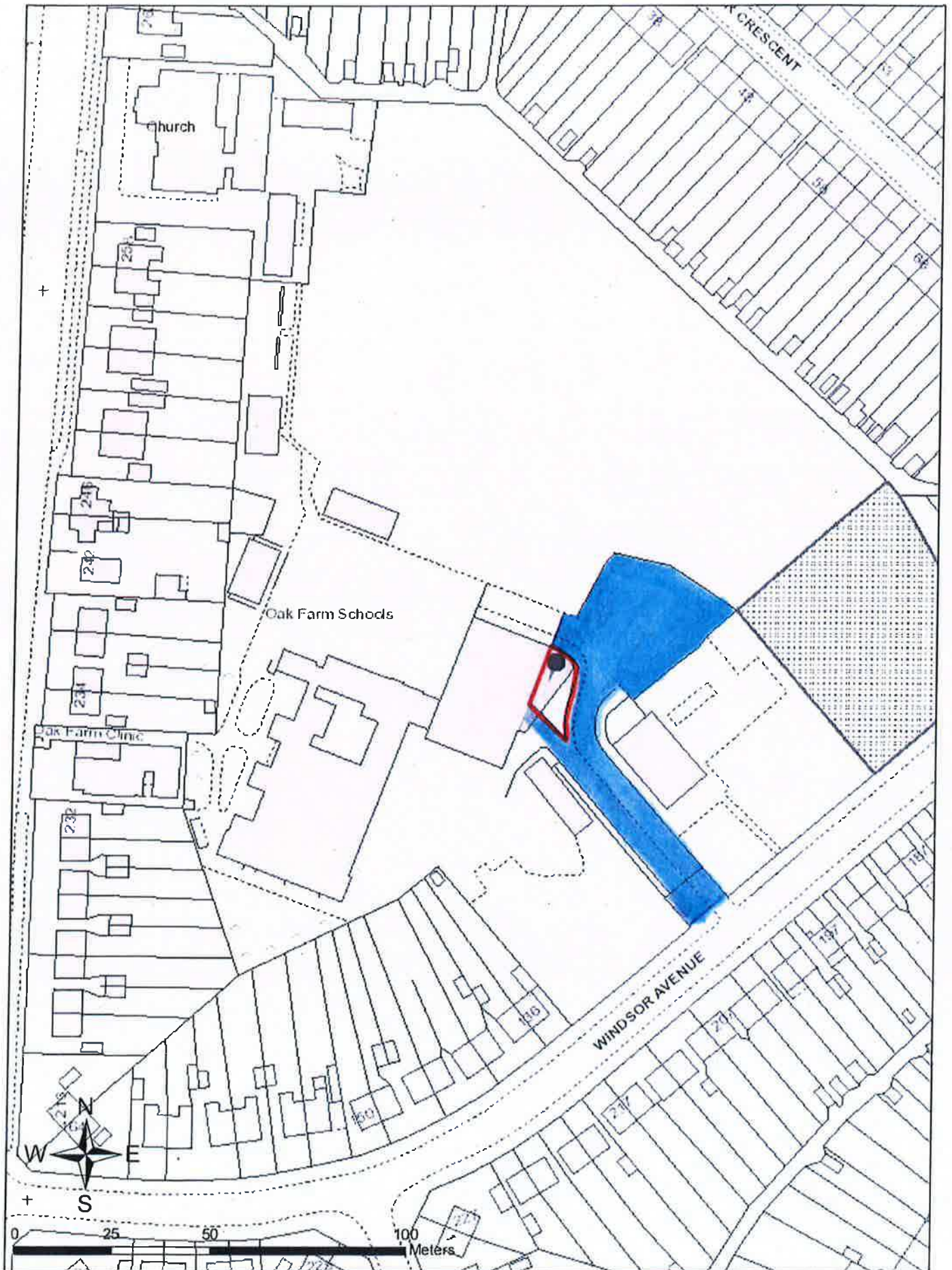


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	<b>PROPERTY SERVICES</b> CIVIC CENTRE, HIGH STREET UXBRIDGE, MIDDLESEX, UB8 1UW	<b>TITLE</b> <b>Yiewsley Cornerstone</b> <b>Children's Centre</b> <b>74 Colham Avenue</b> <b>West Drayton</b> <b>Page 91</b>	<b>DRG No</b> <b>GEN 1057/2</b>
		<b>SCALE</b> <b>1:1250 @ A4</b>	
		<b>DATE</b> <b>22.11.2016</b>	

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# Children's Centre Oak Farm School



## Map Notes

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## SCHOOL CAPITAL PROGRAMME - UPDATE

<b>Cabinet Member(s)</b>	Councillor David Simmonds CBE Councillor Jonathan Bianco
<b>Cabinet Portfolio(s)</b>	Deputy Leader of the Council / Education & Children's Services Finance, Property & Business Services
<b>Officer Contact(s)</b>	Bobby Finch, Residents Services.
<b>Papers with report</b>	Appendix 1: Summary of current school expansion projects.

### 1. HEADLINE INFORMATION

<b>Summary</b>	This report provides an update on the primary and secondary school expansions, the school condition works programme and other school capital works.
<b>Putting our Residents First</b>	This report supports the following Council objectives of: <i>Our People; Our Built Environment; Financial Management</i>  Investment in schools to adequately address the impact of the population increase within the London Borough of Hillingdon on existing school places. This project also forms part of the Hillingdon Improvement Programme.
<b>Financial Cost</b>	The forecast of the existing Primary Schools capital programme is £138,990k including prior years. The approved budget for the new Primary Schools expansions programme is £27,400k. The Secondary Schools expansion and replacement programme forecast is a total of £143,117k and there is an additional £199k forecast for the Hearing Impairment Resource Base at Vyners School and £1,800k for additional temporary classrooms.
<b>Relevant Policy Overview Committee</b>	Children, Young People and Learning.
<b>Ward(s) affected</b>	All wards.

### 2. RECOMMENDATION

**That Cabinet note the progress made with primary and secondary school expansions, the school condition programme and other school capital projects.**

## **Policy Overview Committee comments**

None at this stage.

### **3. INFORMATION**

#### **3.1 PRIMARY SCHOOLS**

##### School Places Forecast

The demand for school places in Hillingdon has been rising in recent years and is forecast to continue to rise in line with national and London-wide predictions. Demand for reception places at primary school level is being driven in part by rising birth rates, new house building and families moving into the Borough. Overall, at primary school level, the need for additional school places has largely been met by the successful school places expansion programme to date, with some excess demand forecast in future years, in the north of the borough and in the Hayes / surrounding areas. All on-time applicants were offered Reception places on Offer Day (18 April 2016).

The updated forecast shows that demand for primary places in the north of the Borough appears to be reaching a plateau, however, there remains a residual need for a small number of additional forms of entry. Thirty additional Reception places have been provided at Hillside Infant School for September 2016. Demand for places in the south of the Borough is still forecast to grow, particularly in the Hayes area where there has been significant housing development, with more expected in the future. For 2016, Guru Nanak Academy offered an additional 30 Reception places. Officers are in the process of exploring options to meet this future need and will report back to Members in the first instance for consideration. There has been some interest from school providers in making a bid for a new primary free school in the Hayes area.

##### Phase 4 - Permanent School Expansions

The planning applications for the 1 FE expansions of Hillside Infant and Junior Schools and Warrender Primary School have been submitted. Work has now started on preparing the documentation required to procure a contractor for these projects.

#### **3.2 SECONDARY SCHOOLS**

##### School Places Forecast

The rising demand for school places is now moving into secondary schools. The latest forecast shows a longer-term sustained pressure for additional secondary school places, albeit with pressure building at a slower pace than indicated in the 2015 forecast. Over the next five years, it is expected that there will be a need for an additional 11-13 forms of entry. This is in addition to the existing programme of expansions (Northwood, Abbotsfield and Swakeleys schools, which will add 5.5 forms of entry capacity). A new free school, Pinner High School, has opened in Harrow, close to the border with Hillingdon and this has offered an additional choice for Hillingdon residents. All on-time applicants were offered places for September 2016, despite an 8% rise in applications. The recent announcement by the Education Funding Agency of two new secondary Free Schools in the north of the Borough will assist in alleviating the demand pressures, however, no sites have been confirmed for these new schools.

## Secondary School Expansions

Discussions with a number of secondary schools regarding expansion are progressing. Arcadis LLP have been appointed as multi-disciplinary consultants for these projects and are working with Officers to take these projects forward through the design stages.

## Priority Schools Building Programme (PSBP)

The school buildings at Abbotsfield, Swakeleys and Northwood Secondary Schools required improvement and have attracted funding from the Education Funding Agency (EFA) Priority School Building Programme for all three schools to be rebuilt. The Abbotsfield and Swakeleys rebuild projects are being managed by the EFA with the exception of the offsite highways works which will be carried out by the Council. The Northwood rebuild project has been managed by the Council.

**Northwood School:** The old school building has now been demolished and work will now start on creating the new school pitches. The project remains on schedule for completion in July 2017.

**Abbotsfield and Swakeleys Schools:** The Education Funding Agency appointed contractor has commenced works on the site. It is understood that works are progressing to the planned EFA timetable.

## **3.3. SCHOOLS CONDITION PROGRAMME**

### School Condition Programme Phase 1

In January 2016 Cabinet approved the current school condition programme of works and the programme was split into 2 tranches as outlined in table 1. The works have been completed on all the projects that were started in the summer of 2016.

**Table 1:** School Condition Programme Phase 1 - Projects Approved at January 2016 Cabinet

School	Summary of Proposed Works	Date of Works
<b>Tranche 1</b>		
Heathrow Primary	New roofing	Complete
Minet Infant and Junior	New hot water generator.	Complete
Hayes Park Primary	Replacement heating and hot water systems	Complete
Yeading Junior	Boiler and window replacement.	Complete
<b>Tranche 2</b>		
Coteford Infant	Partial roof renewal, new internal lighting in the roof void areas and new external lighting	Complete
Colham Manor Primary	Replacement heating and hot water systems	Complete
Warrender Primary	Fire safety upgrade, boiler replacement plant and front entrance adaptation works	Complete
Field End Junior	New roofing	Complete
Newnham Infant & Junior	Replacement heating and hot water systems	TBC

**Newnham Infant and Junior:** Whilst the designs for the proposed 1FE expansion works were being completed the requirement to carry out condition works at this school was being kept under review. As the expansion project at these schools is subject to review, the proposed condition works required at the site are being reconsidered for implementation, subject to agreement from Members.

## School Condition Programme Phase 2

Work has continued on developing the next phase of the programme and a number of potential projects for inclusion have been identified. These potential projects will be considered in the first instance by Members and details will be included in a future Cabinet Report.

### **3.4 PRIORITY SCHOOLS BUILDING PROGRAMME PHASE 2 (PSBP2)**

In 2014 the Department of Education (DfE) announced the availability of funding under Phase 2 of Priority Schools Building Programme which is focused on undertaking major rebuilding and refurbishment works for schools and sixth form colleges in the very worst condition. These projects will be managed directly by the Education Funding Agency (EFA).

The Council submitted 'Expressions of Interest' for a number of maintained schools of which 5 were successful; The Skills Hub, Minet Infant School, Minet Junior School, Harlington School and Meadow High School. Since the announcement of the successful schools The Skills Hub has become an Academy. A further 3 applications made directly by Botwell House Catholic Primary School, Douay Martyrs Catholic School and Queensmead School were also successful.

For the Council maintained schools in the programme (Minet Infant School, Minet Junior School, Harlington School and Meadow High School) the initial meetings between the EFA, their appointed consultants and the schools have now taken place and the EFA are currently in the process of completing their initial feasibility studies for the projects.

### **3.5. FINANCIAL IMPLICATIONS**

#### Month 8 Monitoring - Financial Summary

The total Schools Expansion Capital Programme revised budget is £313,571k for the period up to 2020/21 including prior years. This includes £140,023k for existing primary school expansions, £27,400k for new primary school expansions and £144,154k for secondary school expansions and replacements. An additional £194k was added for the provision of a Hearing Impairment Resource Base at Vyners School with a further £1,800k included for additional temporary classrooms as and when the need arises during construction.

The forecast over the life of the schools expansion programme is an under spend of £1,661k representing a favourable movement of £53k from the previous month. This is partly in relation to released project contingency budgets amounting to £431k that are no longer required on completed schemes within the Primary Schools Phase 2 and 3 programmes.

An under spend of £61k is reported on the implementation of mobile classrooms at Hillside and Newnham primary schools for bulge year provision. In addition an under spend of £1,037k is reported after completion of Phase 1 of the replacement of Northwood School under the Secondary Schools New Build Programme.

A further £132k has been reported as a cost underspend within the overall programme largely as a result of the minor works budget in place to meet the costs of legacy schemes no longer being required.



## Phase 4 - Permanent School Expansions

The potential expansion of three schools will be funded from the initial £27,400k set aside for Phase 4 permanent expansions. The 1 FE expansions at both Hillside and Warrender will proceed as planned whilst the proposed expansion at Newnham will remain under review with the option to expand at a later date if required. Officers are now preparing documents to commence the tender process to appoint contractors following submission of the planning applications.

The demand for places in the south of the Borough is still forecast to grow, due the intensification of housing developments in addition to the potential loss of pupil places at Nanaksar School.

## Secondary School Expansions

The revised forecast for secondary school places shows a longer term sustained pressure for additional school places, however, this is at a slower pace than indicated previously. The additional need of 11-13 FE's is a reduction on the prior reported position.

Discussions have been ongoing with a number of secondary schools regarding expansion and multi disciplinary consultants are undertaking early feasibility and design works for possible expansions.

Costs associated with the expansion of secondary schools to meet future demand (excluding Northwood and Abbotsfield) have been reflected in the revised budget of £95,900k approved by Council in February 2016. The budgetary requirement is being reviewed in light of the revised school places forecast.

In September 2016 the EFA announced the successful application of two Free Secondary Schools in the north of the Borough. The progress of the proposals would be dependent on the availability of suitable sites. These schools can assist in meeting the aforementioned secondary school places with the potential to have a favourable impact on the existing capital investment programme.

## Priority Schools Building Programme Phase 1 (Secondary Schools Replacement)

Northwood - Phase 1 of the construction works at Northwood Secondary School is complete and Phase 2 to demolish the old building and external works is underway. The demolition of the old school building has now completed and works have commenced on creating new school pitches. As noted above the overall forecast outturn is an under spend of £1,037k partly due to released contingencies on Phase 1 of the project that are no longer required and also savings on furniture, fittings and equipment.

Abbotsfield / Swakeley's School - The Education Funding Agency (EFA) are managing the re-building of Abbotsfield school through the Priority Schools Building Programme (PSBP) with the Council making a contribution of £13,070k covering an additional 2.5 forms of entry, FF&E and highways works, a vocational centre and additional SRP provision for Abbotsfield School.

The highways works will include the provision of 50 drop-off places (£460k) and a S106 contribution to Transport for London (£375k) in relation to the cost impact of increased bus services for higher pupil numbers arising from the Abbotsfield expansion. The Council will also fund the provision of photovoltaic panels for the additional 2.5 FE and the vocational centre at a combined cost of £141k.

Swakeley's School is an approved rebuild project being managed 100% by the EFA following an independent application by the school to be considered for the PSBP programme. However, following negotiations with the EFA the Council has agreed to fund up to one third of the S106 TFL contribution for Swakeleys estimated to be £75k.

At this stage of the project, officers are confident that the above costs in addition to those for FFE and S278 highway works will be contained within the overall approved budget of £13,070k.

### Schools Condition Programme

The 2016/17 revised capital programme budget for the Schools Conditions Building Programme is £3,850k which is financed from a combination of internal and external resources including school contributions.

The revised budget is required to fund nine Phase 1 priority schemes approved by Cabinet in January 2016. The budget is also required to meet the retention and legacy costs of prior year schemes whilst also setting aside provision for winter contingency should the need arise for reactive capital maintenance.

Works are complete at eight of the nine schools that comprise the Phase 1 main School Conditions Programme. There may be works required at Newnham School whilst the expansions project remains under review.

Works are identified for several schools as Phase 2 of the programme, however, as these works will not be completed until next financial year there is forecast slippage of £1,149k.

### Priority Schools Building Programme Phase 2 (Major Rebuild and Refurbishment)

The Council submitted expressions of interest for a number of schools to attract funding for major refurbishment as part of the PSBP 2 programme. It was successful in attracting funding for four directly maintained schools and the Hillingdon Tuition Centre.

The EFA appointed consultants are currently undergoing preliminary feasibility works to assess the condition needs at the schools. The programme is being delivered directly by the EFA and therefore the current capital investment programme has no budget provision set aside for PSBP2.

## **4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

Completion of the school expansion projects will result in additional school places needed for local children, which the Council has a statutory duty to provide. In addition the completion of the other school capital projects will result in the provision of quality fit for purpose school facilities.

### **Consultation Carried Out or Required**

A statutory process is required for expansion of a local authority maintained school premises if this will increase the capacity of the school by more than 30 pupils and by 25% or 200, whichever is the lesser. The statutory process includes publication of proposals, statutory consultation and a Cabinet or Cabinet Member decision. A period of informal/pre-statutory consultation is also

expected. This has taken now place for Hillside Infant and Junior schools and is underway for Warrender Primary.

Under the School Admissions Code, the local authority as admissions authority for community schools must consult at least the school governing body on the admission number. Foundation schools and academies are their own admissions authority and set their own admission number.

## **5. CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report and confirms the budgetary position outlined above, noting that the Council's significant programme of investment in school places is funded from a combination of Department for Education grants, developer contributions and locally financed Prudential Borrowing. As the Council's Medium Term Financial Forecast is developed over the coming year, latest intelligence on demand for school places, available funding and options for delivery will be captured as appropriate.

### **Legal**

The Borough Solicitor confirms that there are no specific legal implications arising from this report. Legal advice is provided whenever necessary, in particular cases, to ensure that the Council's Interests are protected.

### **Corporate Property and Construction**

Corporate Property and Construction authored this report.

## **6. BACKGROUND PAPERS**

NIL

## APPENDIX 1

### Summary of current school expansion projects

School Name	Summary of Works	Status
<b>PRIMARY SCHOOL EXPANSION PROGRAMME - PHASE 4</b>		
Hillside Infant & Junior	1 FE Expansion.	Pre-construction.
Warrender Primary	1 FE Expansion.	Pre-construction.
<b>SECONDARY SCHOOLS (PRIORITY SCHOOL BUILDING PROGRAMME)</b>		
Northwood School	1 FE Expansion: Demolition of existing school and construction of a new 6 FE school.	Phase 1 complete Phase 2 will be completed in July 2017
Abbotsfield School	2.5 FE Expansion: Demolition of existing school and construction of a new 9 FE school.	Works scheduled to be completed in 2017
Swakeleys School for Girls	2 FE Expansion: Demolition of existing school and construction of a new 8 FE school.	Works scheduled to be completed in 2017

Note: A Form of Entry (FE) is a group of 30 pupils. Expanding a school by 1 FE will add accommodation sufficient for 30 additional pupils to every year group.

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