



HILLINGDON
LONDON



Cabinet

Date: THURSDAY, 28
SEPTEMBER 2017

Time: 7.00 PM

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

**Meeting
Details:** Members of the Public and
Media are welcome to attend
this meeting and observe the
public business discussed.
This meeting will also be
broadcast live on the
Council's YouTube Channel.

To all Members of the Cabinet:

Ray Puddifoot MBE (Chairman)
Leader of the Council

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

Jonathan Bianco
Finance, Property & Business Services

Keith Burrows
Planning, Transportation & Recycling

Philip Corthorne
Social Services, Housing, Health & Wellbeing

Douglas Mills
Community, Commerce & Regeneration

Richard Lewis
Central Services, Culture & Heritage

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Contact:
Mark Braddock - email:
mbraddock@hillington.gov.uk /
Telephone: 01895 250470
Tel: 01895 250470
Email: mbraddock@hillington.gov.uk

This Agenda is available online at:
www.hillingdon.gov.uk

Lloyd White
Head of Democratic Services
London Borough of Hillingdon,
3E/05, Civic Centre, High Street, Uxbridge, UB8 1UW
www.hillingdon.gov.uk

Putting our residents first

Useful information for residents and visitors

Watching & recording this meeting

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It is recommended to give advance notice of filming to ensure any particular requirements can be met. The Council will provide seating areas for residents/public, high speed WiFi access to all attending and an area for the media to report. The officer shown on the front of this agenda should be contacted for further information and will be available to assist.

When present in the room, silent mode should be enabled for all mobile devices.

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Accessibility

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If there is a FIRE, you will hear a continuous alarm. Please follow the signs to the nearest FIRE EXIT and assemble on the Civic Centre forecourt.

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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:

28 September 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

20 September 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 - 10
- 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 Mayor's Transport Strategy & Transport for London Interim Spending Submission 2018/19 (Cllr Keith Burrows) 11 - 24
- 6 Harefield Academy - Licence to Assign and Deed of Variation (Cllr Jonathan Bianco) 25 - 28
- 7 Dynamic Purchasing System: Transportation of Children with Special Educational Needs (Cllr Douglas Mills & Cllr David Simmonds CBE) 29 - 32
- 8 Monthly Council Budget Monitoring Report: Month 4 (Cllr Jonathan Bianco) 33 - 78
- 9 School Capital Programme Update (Cllr David Simmonds CBE & Cllr Jonathan Bianco) 79 - 88

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

- | | | |
|-----------|---|----------|
| 10 | Contract Award: Telecare Call Monitoring and Out-of-Hours
Emergency Telephone Services (Cllr Philip Corthorne) | 89 - 98 |
| 11 | Block Contract Arrangements for Adult Social Care Supported Living
Services (Cllr Philip Corthorne) | 99 - 108 |

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.

- 12** Any other items the Chairman agrees are relevant or urgent

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Minutes

Cabinet

Thursday, 27 July 2017

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



Published on: 28 July 2017

Decisions come into effect on: Friday 4 August 2017

Cabinet Members Present:

David Simmonds CBE (Chairman for the meeting)

Douglas Mills

Jonathan Bianco

Richard Lewis

Keith Burrows

Philip Corthorne

Members also Present:

John Riley

Ian Edwards

Richard Mills

Wayne Bridges

John Morse

Peter Curling

Peter Money

Nick Denys

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Ray Puddifoot MBE and Councillor Susan O'Brien.

2. DECLARATIONS OF INTEREST IN MATTERS BEFORE THIS MEETING

No interests were declared by Members present.

3. TO APPROVE THE MINUTES OF THE LAST CABINET MEETING

The decisions and minutes of the Cabinet meeting held on 22 June 2017 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. SOCIAL SERVICES, HOUSING AND PUBLIC HEALTH POLICY OVERVIEW COMMITTEE REVIEW INTO STROKE PREVENTION

The Chairman of the Social Services, Housing and Public Health Policy Overview Committee presented the Committee's report to Cabinet on Stroke Prevention, which was warmly received.

RESOLVED:

That Cabinet:

- A. Welcomes the Committee's findings from their review into Stroke Prevention;**
- B. Supports the recommendations from the Committee, with their implementation subject to final agreement by the Cabinet Member for Social Services, Housing, Health and Wellbeing:**

Policy Overview Committee Recommendations

- (1) That Officers be requested to develop the universal wellbeing offer to prevent stroke and for this to include smoking cessation, physical activity and health and nutrition (primarily with the Wellbeing Team).**
- (2) That Officers be requested to develop a campaign on stroke risk and stroke prevention using multiple channels which is sensitive and appropriate.**
- (3) That the Council, working in partnership with Hillingdon CCG, be requested to promote and develop health checks as a vehicle for identifying residents at an increased risk of stroke.**

Reasons for decision

Cabinet considered the Committee's report which was based on evidence received from the Stroke Association, NHS professionals, the Director of Public Health, Wellbeing officers and a social event with stroke survivors. From this, the Committee put forward recommendations aimed at raising greater awareness of the causes of stroke and encouraging minor changes in lifestyle that could make a huge difference in preventing the threat of it. Cabinet wholeheartedly approved the recommendations from the Committee.

Alternative options considered and rejected

The Cabinet could have decided to reject some or all of the Committee's recommendations.

Officers to action:

Luke Taylor, Democratic Services (monitoring)

Daniel Kennedy, Residents Services (implementation)

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. HERITAGE LOTTERY FUND BID FOR CRANFORD PARK

RESOLVED:

That the Cabinet:

- 1. Agree in principle to submit a Round 1 Bid to the Heritage Lottery Fund (HLF) for the restoration, conversion and interpretation of the historic buildings and landscape at Cranford Park for community, recreational and educational use.**
- 2. Delegate final authority to submit the Bid to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with the Leader of the Council, Cabinet Member for Finance, Property and Business Services and the Cabinet Member for Central Services, Culture and Heritage.**
- 3. Should the Bid be successful, delegate all future decisions regarding the project to the Leader of the Council, Cabinet Member for Finance, Property and Business Services and Cabinet Member for Central Services, Culture and Heritage, in consultation with the Deputy Chief Executive and Corporate Director of Residents Services.**

Reasons for decision

Cabinet agreed to progress a bid for Heritage Lottery Funding to repair and upgrade the historic buildings and landscape at Cranford Park, for community, recreational and educational use. It was noted that there was an active Steering Group, Friends Group and engagement by the London Wildlife Trust and Historic England, which together with the Council, offered a tremendous opportunity to bring the Park back to life and full potential.

Alternative options considered and rejected

It was noted that alternative options for securing the long term repair of the historic buildings through a new development had been considered in the past, but rejected on grounds that they were unsuitable for the centre of a public park, containing so much heritage at its heart.

Officer to action:

Charmian Baker, 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.

7. ACCESSIBLE HILLINGDON SUPPLEMENTARY PLANNING DOCUMENT - POLICY FRAMEWORK

RESOLVED:

That Cabinet:

- 1. Notes the comments received during the consultation period as set out in Appendix 1.**
- 2. Approves the amendments to the 'Accessible Hillingdon' Supplementary Planning Document (SPD) as set out in Appendix 2.**
- 3. Subject to the above amendments, refers to Full Council for adoption 'Accessible Hillingdon' as a Supplementary Planning Document for the purposes of development management.**
- 4. Grants delegated authority to the Deputy Chief Executive and Corporate Director of Residents Services to agree, in consultation with the Cabinet Member for Planning, Transportation and Recycling, to make any minor editing, textual changes and graphical enhancements required to the Draft Revised Accessible Hillingdon Supplementary Planning Document before it is formally adopted by Council and published.**
- 5. Approves the charge of £19 for the sale of printed copies of the adopted 'Accessible Hillingdon' Supplementary Planning Document.**
- 6. Approves the distribution of the 'Accessible Hillingdon' SPD, upon request and free of charge, in hard copy format to residents with a sensory impairment or disability.**

Reasons for decision

Cabinet received the outcome of the public consultation and recommendations on the Accessible Hillingdon Supplementary Planning Document and gave approval for it to be recommended to Council for adoption. Cabinet welcomed that the SDP would deliver a clear message on the required standards of Inclusive Design for developers in the Borough.

Alternative options considered and rejected

None, as the absence of clear guidance would restrict the Council's ability to influence future development proposals in respect of accessibility and high-quality inclusive design.

Officers to action:

Charmian Baker/Ali Kashmiri – 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.

8. ACADEMY CONVERSION: WEST DRAYTON PRIMARY SCHOOL

RESOLVED:

That Cabinet:

- 1. Approves the grant of a 125 year lease of West Drayton Primary School to The Park Federation Academy Trust on the main terms outlined in this report in order to facilitate the conversion of the school to an Academy.**
- 2. Approves the grant of a lease of 7 years less 10 days to The Park Federation Academy Trust on the main terms outlined in this report of the area identified as an overprovision above the minimum area requirement for a school of this size.**

Reasons for decision

Cabinet approved the grant of a 125 year lease to the school as part of the process for the conversion of the school to an academy.

Alternative options considered and rejected

None.

Officer to action:

Mike Paterson, 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.

9. MONTHLY COUNCIL BUDGET: MONTH 2 MONITORING REPORT

RESOLVED:

That Cabinet:

1. Note the forecast budget position as at May 2017 (Month 2).
2. Note the Treasury Management update as at May 2017 at Appendix E.
3. Continue the delegated authority up until the September 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 22 June 2017 and 27 July 2017 Cabinet meetings, detailed at Appendix F.
4. Approve acceptance of £23,500 Planning Performance Agreement income in respect of the application for the Former Dairy Crest Site, Long Lane, Hillingdon.
5. Approve the Discretionary Rate Relief Scheme outlined in Appendix G for consultation with the Greater London Authority and subsequent implementation, alongside the implementation of Government-designed additional reliefs for small businesses and pubs.
6. Ratify the decisions taken by the Leader of the Council and relevant Cabinet Members, which would ordinarily be reserved to the Cabinet, as set out in Appendix H.

Reasons for decisions

Cabinet was informed of the latest forecast revenue, capital and treasury position (Month 2) for the current year 2017/18 to ensure the Council achieved its budgetary and service objectives.

Cabinet made a range number of related budget decisions, including the acceptance of gift funding for a key development in the Borough, approval of the Discretionary Rate Relief Scheme for consultation and ratified recent decisions made by the Leader and Cabinet Members. An additional decision was tabled at the meeting to ratify exhibition purchases for the new Battle of Britain Bunker Visitors Centre, currently under construction in Uxbridge.

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.

10. CONTRACT FOR THE COLLECTION AND PROCESSING OF HIGHWAYS ARISINGS, ASSORTED RUBBLE AND HARDCORE MATERIALS

RESOLVED:

That Cabinet accepts the tender from Powerday PLC for the collection and processing of highways arisings, assorted rubble, hardcore materials and associated fly tipped waste from Harlington Road Depot for a period of two (2) years from 24th August 2017 with the option to extend for a further period of two (2) x one (1) years subject to satisfactory performance and at the absolute discretion of the Council.

Reasons for decision

Cabinet accepted the most economically advantageous tender following a procurement exercise for the provision of services for the treatment of highways arisings, assorted rubble, hardcore materials and associated fly tipped waste, to be transported from Harlington Road Depot. This would ensure such waste arisings would be processed in an economic and environmentally beneficial way.

Alternative options considered and rejected

None.

Officers to action:

Robert Williams, Residents Services
Allison Mayo, 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.

11. CONTRACT FOR MULTI-FUNCTION PRINT DEVICES

RESOLVED:

That Cabinet accept the tender for a 3+1+1 year contract, from Xerox (UK) Ltd for the Council's multi-functional devices (MFDs) from September 2017

Reasons for decision

Following a competitive procurement exercise, Cabinet accepted the most economically advantageous tender for the provision and ongoing maintenance of the Council's multi-functional devices for both the Civic Centre, libraries and outstations across the Borough for printing, scanning, copying and fax facilities.

Alternative options considered and rejected

None.

Officers to action:

Perry Scott – Residents Services
Jo Allen - 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.

12. VOLUNTARY SECTOR LEASES

RESOLVED:

That Cabinet agrees the rent set out in the report, which is subject to negotiation with the voluntary sector organisation detailed in this report and instructs the Deputy Chief Executive and Corporate Director of Residents Services to then commission the Borough Solicitor to complete the appropriate legal documentation.

Reasons for decision

Cabinet agreed to a rent review for the Hillingdon Community Centre, Walter Pomeroy Hall, Royal Lane, Hillingdon. Cabinet's decision enabled the organisation to benefit from discounted rents as part of the Council's Voluntary Sector Leasing Policy and wider commitment to a vibrant local voluntary sector.

Alternative options considered and rejected

None.

Officer to action:

Mike Paterson, Residents Services

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.

13. ANY OTHER ITEMS THE CHAIRMAN AGREES ARE RELEVANT OR URGENT

No additional items were considered by the Cabinet.

The meeting closed at 19.28pm.

*** IMPLEMENTATION OF CABINET'S DECISIONS**

For all 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 4 August 2017 upon the expiry of the scrutiny call-in period, unless notified otherwise.

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

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MAYOR'S TRANSPORT STRATEGY AND TRANSPORT FOR LONDON INTERIM ANNUAL SPENDING SUBMISSION 2018/19

Cabinet Member	Councillor Keith Burrows
Cabinet Portfolio	Planning, Transportation and Recycling
Officer Contact	Alan Tilly, Residents Services
Papers with report	None

HEADLINES

Summary	To make a decision upon the content of the Council's response to the invitation to comment on the Mayor's Transport Strategy - Draft for public consultation (2017) and authorisation to prepare and submit to TfL the Council's Interim LIP, Annual Spending Submission 2018/19.
Putting our Residents First	<p>This report supports the following Council objectives of: <i>Our People; Our Natural Environment; Our Built Environment; Our Heritage and Civic Pride; Strong financial management.</i></p> <p>The Council's adopted Local Plan Part 1 (2012) and the emerging Local Plan Part 2 Development Management Policies, Site Allocation and Designation and Policies Map.</p>
Financial Cost	There are no direct financial costs arising from this report. The preparation of the Annual Spending Submission will enable the Council to secure funding from TfL for the 2018/19 Interim LIP.
Relevant Policy Overview Committee	Residents' and Environmental Services
Relevant Ward(s)	All

RECOMMENDATIONS

That Cabinet:

- 1. Instructs officers to respond to the invitation to comment on the Mayor's Transport Strategy - Draft for consultation (2017) expressing the views set out in this report;**
- 2. Reiterates the motion approved by full Council at its meeting on 6 July 2017 from the Cabinet Member for Planning, Transportation and Recycling:**

'That Hillingdon Council acknowledges that car ownership is vital to our residents as a means of going about their daily business, especially if having to travel across the Borough north/south. The Council therefore reaffirms its current planning policy relating to car parking spaces for new developments and will resist attempts to reduce this standard at the cost of higher density of future developments.'

- 3. Agrees the principles of the Council's Interim Local Implementation Plan 2018/19 Annual Spending Submission to Transport for London as set out in the report;**
- 4. Delegates authority to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with the Leader of the Council and Cabinet Member for Planning, Transportation and Recycling, to agree the final Interim Local Implementation Plan Annual Spending Submission 2018/19 prior to submission to Transport for London;**
- 5. Notes that the subsequent progression of any individual scheme or programme in the Interim Local Implementation Plan Annual Spending Submission 2018/19 and funded by Transport for London budgets, will also be subject to the Council's democratic capital release procedures requiring final sign-off by the Leader of the Council and Cabinet Member for Finance, Property and Business Services.**

Reasons for recommendation

In June 2017 the Greater London Authority (GLA) published the Mayor's Transport Strategy - Draft for public consultation. To help protect the Council's interests the Council should forward its comments to the GLA as the Council is obliged to use TfL Interim Local Implementation Plan (LIP) funding to implement transport projects and programmes that are in pursuance of the Mayor's Transport Strategy (MTS).

The LIP is the mechanism used by London boroughs to deliver locally the Mayor's Transport Strategy objectives and by which TfL provides funding to the boroughs towards this end. The London Borough of Hillingdon is required to prepare and submit to TfL by Friday 20th October 2017 the Interim LIP Annual Spending Submission 2018/19. The Annual Spending Submission sets out the proposed expenditure on transport schemes on a project-by-project basis for the coming financial year.

Alternative options considered / risk management

Cabinet could decide not to submit an Interim LIP Annual Spending Submission but this would put at risk a significant amount of funding that TfL have indicated is available to the Council for investment on a range of transport projects and programmes.

Democratic compliance and previous authority

Cabinet authority is required to respond to such consultations and also authorise submission of any bid to an external public body where a financial commitment or any agreement by the Council may be required.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

'Mayor's Transport Strategy - Draft for public consultation (2017)'. Issues pertinent to Hillingdon

1. On 21st June 2017 the GLA launched the "Mayor's Transport Strategy - Draft for public consultation (2017)" setting out policies and proposals for transport in London over the next 25 years. The GLA has asked stakeholders for their views on the Mayor's Transport Strategy (MTS), the public consultation for which remains open until 2nd October 2017.
2. The MTS contains 24 Policies that focus on a 'Healthy Streets Approach' with three main themes.
 - Healthy Streets & healthy people - *"Creating streets and street networks that encourage walking, cycling and public transport use"*
 - A good public transport experience - *"An easy to use and accessible public transport system"*
 - New homes and jobs - *"Planning the city around walking, cycling and public transport use will unlock growth in new areas"*
3. Stemming from this, there are then 103 Proposals aimed at delivering the Mayor's vision.
4. The MTS has been produced against a backdrop of population growth; the population of London is forecast to grow over the next 25 years from 8.7m in 2017 to 10.5m in 2042. The

MTS predicts that by this date, London will require two million new jobs and more than one million new homes. The MTS recognises that transport has a key role to play in delivering this growth, by making London a better place to live, a city that is better connected, less congested, has better air quality, where traffic is less intrusive and the streets are safer for all. The MTS suggests that this can be achieved through 'good growth' that satisfies the principles of:-

- Good access to public transport;
- High-density, mixed-use developments;
- People choosing to walk and cycle - active travel;
- Car-free and so-called 'car-lite' places;
- Inclusive, accessible design; and
- Carbon-free travel.

5. It is a stated aim of the Mayor's Strategy that by 2041, 80 per cent of all Londoners' trips will be made on foot, by cycle or by public transport.

6. The MTS recognises that achieving this aim presents particular challenges in outer London Boroughs, an obvious example being areas in the north of Hillingdon where journeys are longer and have many different start and end points, making it harder to provide efficient public transport services.

7. The MTS describes some parts of London as being 'cut off' by poor Tube, rail and public transport links, especially during the off-peak and at weekends. Given the limitations of traditional bus routes in parts of outer London, 'demand-responsive' bus services are amongst the options that the Mayor is considering.

8. In parts of south Hillingdon such as West Drayton and Hayes, the Elizabeth line (Crossrail), due to be fully open by December 2019, coupled with a more comprehensive bus network makes 'good growth' a more realistic proposition. The MTS suggests that this can be achieved by converting low-density land-uses to high density mixed use development.

9. Car parking standards are a recurrent theme of the MTS and are presented as a being key to achieving 'good growth' and a mode shift away from the driver-only private car. This is a reasonable theme but, as the Council has already stressed in correspondence with the Mayor in July 2017, many residents in Hillingdon remain dependent upon the private car for some of their journeys. Policies to reduce this dependency must come with a significant improvement of and investment in alternatives, including a step-change in public transport provision and other sustainable modes. In order to achieve this, significant investment by the Mayor and TfL would be needed.

10. At the meeting of full Council on 6 July 2017, the Cabinet Member for Planning, Transportation and Recycling made the following statement, which was not opposed:

'That Hillingdon Council acknowledges that car ownership is vital to our residents as a means of going about their daily business, especially if having to travel across the Borough north/south.'

The Council therefore reaffirms its current planning policy relating to car parking spaces for new developments and will resist attempts to reduce this standard at the cost of higher density of future developments.'

11. There is an expectation by the Mayor for an acceleration in car-free development in London's more accessible areas and new parking standards may be developed to ensure 'car-lite' developments.

12. Throughout London, there should be provision for electric vehicles, disabled drivers, car club cars and cycle parking. These are policies that Hillingdon has already adopted.

13. The Strategy expresses concern that a three-runway Heathrow would have severe noise and air quality impact and put undue strain on the local public transport and road networks; taking this into account the Strategy mentions that "*alternative airport expansion options should be considered*". On this point, the Mayor is broadly aligned with the Council's own views on the impact of a third runway.

14. A more conciliatory approach to airport expansion at Heathrow is presented in Policy 20 which makes it clear that "*The Mayor will continue to oppose expansion of Heathrow airport unless it can be shown that no new noise or air quality harm would result and the benefits of future regulatory and technology improvements would be fairly shared with affected communities. Any such expansion must also demonstrate how the surface access networks will be invested in to accommodate the resultant additional demand alongside background growth*".

15. The Southern and Western rail access to Heathrow schemes are both specifically mentioned in the MTS together with a more general comment that acknowledges the important role of improvements to bus services, cycling and walking infrastructure serving the airport - particularly for staff journeys.

16. The MTS mentions that new Tube trains will be introduced from the mid-2020s on the Piccadilly line serving Eastcote, Ruislip Manor, Ruislip, Ickenham, Hillingdon and Uxbridge. These trains will be energy efficient, higher capacity, walk-through trains. These new trains will be complemented by signalling and track improvements to enable more frequent services and faster journey times, as well as improved accessibility, information and travelling environment. Frequency will increase to 33 trains per hour by the mid 2020s, allowing up to 57,000 additional journeys in the morning peak.

17. The MTS also mentions that TfL will optimise services in West London by running Piccadilly line services to Ealing Broadway instead of the District line. Despite pressure from the Council, there is no acknowledgement of the potential benefits of extending the Central Line to Uxbridge. This is regrettable as it has potential to vastly improve connectivity between Hillingdon and the rest of London and all of the economic benefits that this would offer.

18. The Night Tube service will be extended to parts of the London Overground and DLR networks and to parts of the Metropolitan line once modernisation programmes are complete in 2023. Night Bus services will be adjusted to complement night-time rail services. There is no specific mention of plans for new night buses in Hillingdon.

Transport for London, Interim Local Implementation Plan, Annual Spending Submission 2018/19

19. Section 145 of the Greater London Authority Act 1999 requires each London borough to produce a LIP. This document sets out how the London boroughs will deliver better transport in their area in the context of the MTS. Hillingdon's first LIP covered the period 2011 /12 to 2013/14; the second LIP the Local Implementation Plan Delivery Plan was valid 2014/15 to 2016/17. The LIP is an important document as Section 159 of the same Act empowers TfL to provide funding to the Council to deliver safe, integrated and efficient transport in Hillingdon.

20. As part of the LIP process, each year TfL require that London Boroughs prepare and submit to TfL an Annual Spending Submission. The Annual Spending Submission sets out the proposed expenditure on transport projects and programmes on a project-by-project basis for the coming financial year. It includes details such as scheme title, scheme description, funding breakdown if joint funded, spend profile and details of how the scheme contributes to the MTS.

21. For this current financial year, 2017/18, an Interim LIP Annual Spending Submission was drafted and submitted to TfL. The Annual Spending Submission was considered as interim because the new Mayor of London had only just been elected, meaning that the new MTS had not yet been finalised. As the MTS is currently a draft being consulted upon, the LIP 2018/19 will again be interim. The draft MTS is expected to be adopted by the end of the 2017 calendar year allowing the third generation of LIPs to be produced for the three year period 2019/20 to 2021/22.

22. As shown in table 1 below, for the current financial year 2017/18, the submission of an Annual Spending Submission in October 2016 resulted in the grant award announcement in December 2016 worth nearly £6 million.

Table 1: 2017/18 TfL Grant Awarded

Local Implementation Plan Programme heading	Grant Award 2017/18 £'000
Corridors, Neighbourhoods and Supporting Measures	2,684
Principal Road Maintenance	1,114
Local Transport Funding	100
Total LIP Funding	3,898
TFL Major Schemes	
Hayes Town Centre Major Scheme	2,091
TOTAL LIP and Major Scheme TFL Funding	5,989

23. As approved by Cabinet in 2013, schemes under Corridors, Neighbourhoods and Supporting Measures fall under one of eight sub headings. The Cabinet Member for Planning, Transportation and Recycling has approved that the Council continues to use these eight headings in the 2018/19 Interim LIP Annual Spending Submission as they are unambiguous and clearly understood by the Council and TfL. Furthermore, the Cabinet Member approved

that the total amount of funding received is divided amongst these eight headings in the same proportions as has been successfully delivered in previous years.

24. The Council's eight Annual Spending Submission headings are discussed below together with the relevant Policy in the MTS to which they relate shown in table 2. This demonstrates where Hillingdon's own local priorities align with the MTS. It is important that a connection is made between Hillingdon's own transport priorities and the MTS as Mayoral approval of an Annual Spending Submission is dependent on it being consistent with the MTS.

1. *Transport Interchange and Improving the Public Realm.* This programme heading is for town centre and local shopping parade public realm improvement schemes and measure to improve interchange between modes such as cycle parking at stations. This LIP programme is in accordance with MTS Policies 1 and 9;

2. *North South Corridors and Supporting Growth.* This programme heading includes schemes to support the local economy and the efficient movement of goods and people across the Borough. This LIP programme is in accordance with MTS Policies 17 and 21;

3. *School Travel Plan and Local Road Safety Schemes.* Schemes to improve road safety are included in this programme heading, as are road safety initiatives around schools, some of which may have been identified through the preparation of School Travel Plans. This LIP programme is in accordance with MTS Policy 1;

4. *Accessibility and Mobility.* This programme heading includes measures to improve the accessibility and mobility for people with disabilities for example bus stop accessibility, removal of street clutter, dropped kerbs and tactile paving. This LIP programme is in accordance with MTS Policies 1, 12, and 13;

5. *Parking Management Schemes.* This programme heading is for Parking Management Schemes and the Council's Stop and Shop initiative. This LIP programme is in accordance with MTS Policies 1, 3, 4 and 19;

6. *Public Footpath Improvements.* This programme heading encompasses public footpath improvements whether this is to improve pedestrian access to key services and facilities or walking purely for leisure and personal health. This LIP programme is in accordance with MTS Policies 1, 19 and 21;

7. *Transport Impacts.* Scheme to tackle poor air quality and noise caused by transport is grouped under this heading as are schemes to improve residential amenity. For example heavy goods vehicles may intrude into residential areas. This LIP programme is in accordance with MTS Policies 5, 6 and 20;

8. *Road Safety, Active Travel and Public Health.* This programme heading covers road safety education, training and publicity, walking and cycling. It also includes and initiatives that make the link between transport and public health such as Dial-a-Ride or supporting Community Transport. This LIP programme is in accordance with MTS Policy 2, 4, 8 and 21.

Table 2. MTS Policies Supported in the 2018/19 Annual Spending Submission

Programme Heading	MTS Policies Supported			
1. Transport Interchange and Improving the Public Realm	Policy 1	Policy 9		
2. North South Corridors and Supporting Growth	Policy 17	Policy 21		
3. School Travel Plan and Local Road Safety Schemes	Policy 1			
4. Accessibility and Mobility	Policy 1	Policy 12	Policy 13	
5. Parking Management Schemes	Policy 1	Policy 3	Policy 4	Policy 19
6. Public Footpath Improvements	Policy 1	Policy 19	Policy 21	
7. Transport Impacts	Policy 5	Policy 6	Policy 20	
8. Road Safety, Active Travel and Public Health	Policy 2	Policy 4	Policy 18	Policy 21

Commenting on the MTS

25. As mentioned above, the GLA is inviting comments on the MTS - Draft for public consultation (2017). To make it as convenient as possible for people and stakeholder organisations to submit their views, online questionnaires are available at www.tfl.gov.uk/mayors-transport-strategy. Individuals and organisations such as London Borough of Hillingdon wishing to respond in greater detail are also invited to send a written submission by email or by post.

26. Because TfL awards London Boroughs a considerable amount of money each year to implement the MTS (for Hillingdon this equates to nearly £5 million this current financial year 2017/18), it is clearly in the Council's interest to work with the Mayor wherever it can to help deliver the MTS. However, because Hillingdon is an outer London borough with different characteristics to the rest of London, Hillingdon faces clear challenges putting some of the Mayor's policies into practice. Commenting on the MTS gives the Council an opportunity to highlight these difficulties and stress the need for additional resources if the Mayor's vision is to be achieved.

27. Authorisation is now sought for officers to draft the Council's responses on the online questionnaire answering each question in turn, taking full account of Hillingdon's position as an outer London authority where in some places services and facilities are sparsely distributed, trips are longer and public transport provision poor leading to a greater reliance of the private car.

28. To reinforce these points and highlight the unique challenges that Hillingdon faces, the Council should take the opportunity to respond in greater detail by submitting, on behalf of the Leader of the Council, a written response.

29. Such a response will emphasise that parts of the Borough has a greater dependency on the private car and this should be reflected in parking standards. Nevertheless, the economic, public health and environmental benefits of public transport, cycling and walking can still be acknowledged and supported, but if Hillingdon is to achieve the mode split targets to which the Mayor aspires, then the Council needs further investment in public transport.

30. This amongst other projects this should include an extension of the Central Line, step free access at trains stations, a comprehensive network of night bus services and the reintroduction of a north-south bus services. It should also highlight that funding for initiatives such as Liveable Neighbourhoods will be vital for delivering the Mayor's vision of a modal shift away from the private car to public transport, walking and cycling. The same letter should repeat the Council's objection to airport expansion at Heathrow.

Financial Implications

The 2018/19 Local Implementation Plan (LIP) Annual Spending Submission Interim Guidance issued by Transport for London offers interim guidance to cover a transitional financial year (2018/19) until the new Mayor's Transport Strategy (MTS) has been adopted. Boroughs will then be required to prepare new LIPs to come in to effect from April 2019.

The 2018/19 financial allocations set out within the Guidance document include the following indicative amounts for Hillingdon.

Table 3: 2018/19 Indicative Financial Allocations

	2018/19 Allocation	2017/18 Allocation	Difference
	£'000	£'000	£'000
Corridors & Neighbourhoods	2,780	2,684	96
Local Transport Fund	0	100	(100)
Principal Roads	938	1,114	(176)
Total	3,718	3,898	(180)

An amount of £2,780k has been allocated for Corridors, Neighbourhoods and Supporting Measures, from an overall London wide allocation of £73,800k. This represents an increase of £96k from the amount awarded for 2017/18. However, this is offset by the removal of the annual £100k Local Transport Fund allocation which the Council was able to spend on transport projects of its own choosing. There are no existing plans for use of the Local Transport Fund beyond 2017/18 and transport investment will be maintained in 2018/19 through the increased Corridors & Neighbourhoods allocation.

For Principal Roads, the 2018/19 allocation is £938k from a London wide allocation of £20,000k. This is a reduction of £176k from the amount awarded for 2017/18. The Guidance states that the funding is allocated on the basis of need as informed by condition surveys.

The Guidance states that the financial information set out is correct at the time of publication (May 2017) but is subject to cost efficiency review under TfL's internal business planning practices.

The Major Schemes funding programme will be replaced from 2018/19 by the Liveable Neighbourhoods programme. No new Major Scheme submissions will be accepted on to the programme though existing schemes such as Hayes Town Centre will be funded to completion.

The submission is required to set out proposals under the Corridor, Neighbourhood & Supporting Measures and Major Schemes / Liveable Neighbourhood programmes, providing details of funding sources other than LIP such as council capital and revenue funding, developer funding (Section 106) or government grants, if applicable.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

By submitting to TfL the Interim Local Implementation Plan Annual Spending Submission 2018/19 the Council can realistically expect to receive funding from TfL for investment in local transport projects and programmes. These projects and programmes include town centre enhancements, transport interchange, road safety, mobility and accessibility, parking management, footpaths and public health. This investment will benefit Hillingdon residents, service users and community by supporting the local economy, improving public health and protecting the environment.

Consultation carried out or required

Full consultation is carried out as part of the implementation of each scheme as appropriate.

CORPORATE CONSIDERATIONS

Strategic Finance

Strategic Finance has reviewed this report and notes that the Council's indicative TfL LIP funding for 2018/19 will result in a reduction of £180k from 2017/18, however, this figure is subject to review. The recommendations in this report will enable the Council to secure this external funding as well as responding to the Mayor's Transport Strategy through an online questionnaire.

Legal

The Borough Solicitor confirms that there are no specific legal implications arising from this report.

BACKGROUND PAPERS

NIL

Appendix 1. MTS Policies Supported in the 2018/19 Hillingdon Annual Spending Submission

Policy 1

The Mayor, through TfL and the boroughs, and working with other transport providers, will seek to make London a city where people choose to walk and cycle more often by improving street environments, making it easier for everyone to get around on foot and by bike, and promoting the benefits of active travel. The Mayor's aim is that, by 2041, all Londoners do at least the 20 minutes of active travel they need to stay healthy each day.

Policy 2

The Mayor, through TfL, the boroughs, police and enforcement authorities, will adopt Vision Zero for road danger in London. The Mayor's aim is for no one to be killed in or by a London bus by 2030, and for all deaths and serious injuries from road collisions to be eliminated from London's streets by 2041.

Policy 3

The Mayor, through TfL and the police, will seek to ensure that crime and the fear of crime remain low on London's streets and transport system through designing secure environments and by providing dedicated specialist and integrated policing for London's transport system.

Policy 4

The Mayor, through TfL and the boroughs, will prioritise space-efficient modes of transport to tackle congestion and improve the efficiency of streets for essential traffic.

Policy 5

The Mayor, through TfL and working with the boroughs, will take action to reduce emissions – in particular diesel emissions – from vehicles on London's streets, to improve air quality and support London reaching compliance with UK and EU legal limits as soon as possible. Measures will include retrofitting vehicles with equipment to reduce emissions, promoting electrification, road charging, the imposition of parking charges/levies, responsible procurement, the making of traffic restrictions

Policy 6

The Mayor, through TfL and the boroughs, and working with other transport providers, will seek to make London's transport network zero carbon by 2050, which will also deliver further improvements in air quality, by transforming London's streets and transport infrastructure so as to enable zero emission operation, and by supporting and accelerating the uptake of ultra-low

Policy 8

The Mayor, through TfL and the boroughs, and working with other transport and infrastructure providers, will seek to ensure that London's transport is resilient to the impacts of severe weather and climate change, so that services can respond effectively to extreme weather events while continuing to operate safely, reliably and with a good level of passenger comfort.

Policy 9

The Mayor, through TfL and the boroughs, will use the Healthy Streets Approach to direct complementary public transport and street improvements to provide an attractive whole journey experience that will facilitate mode shift away from the car.

Policy 12

The Mayor, through TfL and the boroughs, will seek to enhance London's streets and public transport network so as to enable all Londoners, including disabled and older people, to travel spontaneously and independently, making the transport system navigable and accessible to all.

Policy 13

The Mayor, through TfL and the boroughs, will transform the quality of bus services so that they offer faster, more reliable, accessible, comfortable and convenient travel by public transport, while being integrated with, and complementing, the rail and Tube networks.

Policy 17

The Mayor, through TfL and the boroughs, Network Rail and train operating companies, will seek the development of London's public transport services to support the growth of the night-time economy.

Policy 19

The Mayor, through TfL and the boroughs, will ensure that new homes and jobs in London are delivered in line with the transport principles of 'good growth' for current and future Londoners by using transport to:

- Create high-density, mixed-use places, and
- Unlock growth potential in underdeveloped parts of the city.

Policy 20

The Mayor will continue to oppose expansion of Heathrow airport unless it can be shown that no new noise or air quality harm would result and the benefits of future regulatory and technology improvements would be fairly shared with affected communities. Any such expansion must also demonstrate how the surface access networks will be invested in to accommodate the resultant additional demand alongside background growth.

Policy 21

The Mayor, through TfL, will manage new transport services in London so that they support the Healthy Streets Approach, guided by the following principles:

- a) Supporting mode shift away from car travel: new transport services should not encourage more car journeys, especially where there are good walking, cycling or public transport options.
- b) Complementing the public transport system: new services should help more people who would otherwise complete their journey by car to access the public transport network, while not reducing walking and cycling to and from stops and stations. They should also provide a means of travel in areas where public transport connectivity is currently poor (especially in outer London).

- c) Opening travel to all: new services should be accessible to all Londoners and should not contribute to the creation of social, economic or digital divides in which some Londoners would have better travel options than others.
- d) Cleaning London's air: new services should prioritise ultra-low and zero emission vehicles to reduce emissions of carbon dioxide, nitrogen oxides and particulate matter in London and enable faster switching to cleaner technologies.
- e) Creating a safe, attractive environment on our streets: new services and technology should help create a safer, quieter and more pleasant environment on London's streets, where it is more attractive to walk or cycle, and should not lead to existing active trips being made by non-active modes. There must always be an emphasis on the safety of passengers, pedestrians, cyclists and other road users.
- f) Using space efficiently: new services must make efficient use of road and kerb space, be appropriate for the area of London in which they operate, and share data where possible to enable improved monitoring, operating and planning of the transport network.

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HAREFIELD ACADEMY - LICENCE TO ASSIGN AND DEED OF VARIATION

Cabinet Member	Councillor Jonathan Bianco
Cabinet Portfolio	Finance, Property and Business Services
Officer Contact	Mike Paterson, Residents Services
Papers with report	None

HEADLINES

Summary	<p>The Council granted a lease of Harefield Academy to the Harefield Academy Trust for a term of 150 years from 1st July 2005. As a very early version of an academy lease, it contains an absolute prohibition on the assignment of the whole property.</p> <p>In May this year the Department for Education (DfE) confirmed its consent to the application from the Harefield Academy Trust to join the Meller Educational Trust with effect from the 1st September 2017. In light of the terms of the existing lease, this requires the Council's consent to the assignment of the lease to the Meller Educational Trust.</p> <p>The Trust has also requested that the existing lease is varied to bring it in line with the current DfE template lease provisions dealing with the assignment of academy leases.</p> <p>The Trust has provided an undertaking to be responsible for the Council's costs in dealing with this matter.</p>
Putting our Residents First	This report supports the following Council objectives of: <i>Our People; Our Built Environment.</i>
Financial Cost	No direct financial implications to the Council arising from recommendations contained within this report
Relevant Policy Overview Committee	Corporate Services and Partnerships Policy Overview Committee.
Relevant Ward(s)	Harefield

RECOMMENDATIONS

That Cabinet:

1. **Authorises consent to the assignment of the lease of Harefield Academy to the Meller Educational Trust and;**
2. **Authorises the variation of the current lease to reflect current DfE guidance so that the Council's consent is not required for any assignment where the assignment is made to another proprietor of an academy and where the Secretary of State for Education has given approval in writing to the assignment or transfer.**

Reasons for recommendation

The recommendations will enable the assignment of the existing lease to the Meller Educational Trust thereby complying with the requirements of the letter from the DfE. The variation to the lease will update the current lease to reflect current DfE guidance and the more recent academy leases granted by the Council.

Alternative options considered / risk management

None.

Democratic compliance and previous authority

Cabinet authority is required as the original decision-maker to vary such lease arrangements that exceed 25 years, as per the Procurement and Contract Standing Orders.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

1. The Council granted a lease of Harefield Academy to the Harefield Academy Trust for a term of 150 years from 1st July 2005. As a very early version of the template academy lease, it contains an absolute prohibition on the assignment of the whole property. The current position set out by the Department for Education (DfE) is that the consent of the Council should not be required for any assignment where the assignment is made to another proprietor of an academy and where the Secretary of State for Education has given approval in writing to the assignment or transfer. The more recent academy leases granted by the Council follow the current DfE guidance and do not require Council consent in these circumstances.
2. In May this year the DfE confirmed its consent to the application from the Harefield Academy Trust to join the Meller Educational Trust with effect from the 1st September

2017. In light of the terms of the existing lease, this requires the Council's consent to the assignment of the lease to the Meller Educational Trust.

3. The Trust has also requested that the existing lease is varied to bring it in line with the current DfE template lease provisions dealing with the assignment of academy leases so that the Council's consent will not be required in these circumstances for the remainder of the lease term.
4. The Trust has provided an undertaking to be responsible for the Council's costs in dealing with this matter.

Financial Implications

As confirmed in the Supporting Information, the Trust will cover any costs the Council incurs in dealing with the assignment of the lease to the Trust and associated deed of variation. Therefore there are no direct financial implications to the Council arising from recommendations contained within this report.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities?

None directly from this recommendation.

Consultation carried out or required

None required.

CORPORATE CONSIDERATIONS

Strategic Finance

Strategic Finance has reviewed the report and concur with the financial implications set out above noting that the Meller Educational Trust will cover any costs the Council incurs in reassigning the lease.

Legal

The current position set out by the DfE is that the Council's consent should not be required for any assignment where the assignment is made to another proprietor of an academy and where the Secretary of State for Education has given its approval in writing to the assignment or transfer. The more recent academy leases granted by the Council follow the current DfE guidance and model lease and do not require the Council's consent in such circumstances. There is, therefore, no legal impediment in proceeding with the proposed assignment and deed of variation in respect of this particular academy lease.

BACKGROUND PAPERS

NIL

DYNAMIC PURCHASING SYSTEM: TRANSPORTATION OF CHILDREN WITH SPECIAL EDUCATIONAL NEEDS

Cabinet Member(s)	Councillor David Simmonds CBE Councillor Douglas Mills
Cabinet Portfolio(s)	Deputy Leader / Education & Children’s Services Community, Commerce & Regeneration
Officer Contact(s)	Sandra Taylor, Social Care Helen Walker, Finance
Papers with report	None.

HEADLINES

Summary	As part of the ongoing review and transformation of passenger services, it is proposed that the Council creates a Dynamic Purchasing System (DPS), to replace the current framework that is in place. The DPS will be used to create an environment of multiple suppliers to ensure market availability and best value for the supply of transport for children with Special Educational Needs (SEN). In order to facilitate the creation of the DPS, it is proposed to extend the existing framework until the end of July 2018.
Putting our Residents First	This report supports the following Council objectives of: <i>Our People and Strong Financial Management</i>
Financial Cost	Setting up the dynamic purchasing system will not have any explicit costs other than the administration costs of officer time primarily in legal, procurement and passenger services. The financial benefits of using the DPS will ensure that the Council receives an appropriate service at the best value cost
Relevant Policy Overview Committee	Children, Young People and Learning
Relevant Ward(s)	All

RECOMMENDATIONS

That Cabinet:

1. Approves the extension of the existing framework until the end of July 2018.
2. Approves the creation of a dynamic purchasing system for passenger services in order to effectively manage its' significant procurement activity over the next four years.

Reasons for recommendation

Passenger Services utilises multiple contracts to undertake the Council's statutory responsibility to take eligible children with special needs to and from school.

Currently, a closed framework of suppliers is in place and the number of suppliers has diminished significantly over the last 4 years, due to this there is now very limited supplier competition when a contract is tendered, which has increased costs/prices.

A dynamic purchasing system (DPS) is being proposed because this allows new suppliers to be added at anytime during the life of the DPS [4 years], this will mean that passenger services should not suffer from a lack of competition in the future.

The potential savings from the competition driven activity will contribute to the overall Passenger Services MTFE targets.

So that services may continue and to facilitate the development and implementation of the DPS, it will be necessary to extend the existing framework until the end of July 2018. Notice will be served to the framework providers to bring the arrangement to a close when the DPS goes live.

Alternative options considered / risk management

The alternative option of procuring transport is a 'closed framework', this is what is currently in place and has diminished in effectiveness due to lack of competition and available supply. If this option continues the cost of transport is likely to increase and supply is limited and inflexible.

Democratic compliance and previous authority

Cabinet authority is required to extend the existing framework to ensure compliance and authorise the procurement strategy going forward for such services with significant expenditure.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

As part of the current transformation project underway in passenger services, designed to save £1.1m in revenue spend by May 2019, it is recommended that the new solution should be a 'dynamic purchasing system'. A dynamic purchasing system differs from a closed framework in that governing regulations allow the Council to advertise on an on-going basis for new suppliers to join the system at any point during the lifespan of the DPS. The current closed framework has suffered significantly from suppliers either withdrawing from the framework or closing their business, there are now only 6 active suppliers and this means that there is no longer effective competition for tenders, driving up costs.

Passenger Services, which is run from the Harlington Road depot, manages all passenger transport for the Council. Transport is provided both internally with owned / leased vehicles and through contracts with local suppliers of taxis, minibuses, accessible buses and coaches.

In order to contract with external suppliers, Passenger Services is required to adhere to procurement legislation and be compliant with all procurement regulations.

To this end, Passenger Services operate a closed framework of suppliers through which c. £4m of annual contracted spend is managed. This current framework of suppliers was originally procured in August 2013, an extension through to the end of July 2018 (at the latest) is requested to facilitate the development and implementation of the DPS.

The creation of a dynamic purchasing system is a key recommendation for this transformation project and underpins the MTFF savings plans.

Financial Implications

In recent years, the Passenger Services budget has been significantly overspent. One of the biggest contributors to this overspend has been the externally contracted provision for SEN home to school transport routes. These contracted routes are currently procured through a 'closed framework' limiting the number of suppliers that can compete for routes and inflating the market at a cost pressure to the Council. The DPS system will allow the Council to advertise on an on-going basis for new suppliers to join the system at any point during the lifespan of the DPS, and by doing so ensure that the Council receives the best price for each route.

The 2017/18 budget for externally contracted routes is £3,649k with a current budget pressure of circa £270k being forecast as of Month 4. It is assumed that the DPS system will drive down contracted route prices and result in significant cost savings when all contracted routes are retendered for an April 2018 start. There are no additional costs associated with the use of the DPS system as this will be provided as part of the Council's existing Capital E-Sourcing application.

Officers from Procurement have been engaged with the Transport review project and support the recommendations in this report to extend the existing framework and develop a Dynamic Purchasing System for the future procurement of SEN Transport delivery.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities?

The change in procurement activity will not affect service delivery to residents. It is expected that the quality and costs of services will improve.

Consultation carried out or required

None required.

CORPORATE CONSIDERATIONS

Strategic Finance

Strategic Finance has reviewed the report and concurs with the financial implications set out above noting that there are no financial implications to setting up the proposed Dynamic Purchasing System from 2018.

Legal

The Borough Solicitor confirms that there are no legal impediments to the Council extending its existing SEN Home to School Transport Services framework until the end of July 2018 to facilitate the development and implementation of a Dynamic Purchasing System to replace the Council's current arrangements.

The Borough Solicitor further confirms that the use of a Dynamic Purchasing System is authorised by the Public Contracts Regulations 2015 and by the Council's Procurement and Contract Standing Orders.

BACKGROUND PAPERS

NIL

COUNCIL BUDGET - 2017/18 MONTH 4 REVENUE AND CAPITAL BUDGET MONITORING

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

HEADLINES

Purpose of report	<p>This report provides the Council's forecast financial position and performance against the 2017/18 revenue budget and Capital Programme.</p> <p>A net in-year underspend of £375k is projected against 2017/18 General Fund revenue budgets as of July 2017 (Month 4) representing an improvement of £248k 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>
Contribution to our plans and strategies	<p>Putting our Residents First: <i>Financial Management</i></p> <p>Achieving Value for Money is an important element of the Council's Medium Term Financial Plan.</p>
Financial Cost	N/A
Relevant Policy Overview Committee	Corporate Services and Partnerships
Ward(s) affected	All

RECOMMENDATIONS

That Cabinet:

1. Note the forecast budget position as at July 2017 (Month 4).
2. Note the Treasury Management update as at July 2017 at Appendix E.
3. Continue the delegated authority up until the October 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 28 September 2017 and 19 October 2017 Cabinet meetings, detailed at Appendix F.

4. Agree the introduction of a new charge of £192.50 for a Food Hygiene Rating Scheme (FHRS) re-rating inspection, with effect from 6th October 2017.
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. Network Rail/Buccleuch, Nestles Avenue, Hayes (£51,200)
 - b. Vinci St Modwen, RAF Uxbridge (Phase 6) (£23,500)
 - c. Prologis, Stockley Park Phase 2 (£15,000)
6. Approve acceptance of grant funding of £199k from Transport for London for the 2017/18 Bridge Assessment and Strengthening Programme.
7. Approve acceptance of additional one-off funding to the value of £80k from National Trading Standards.
8. Ratify the decisions taken by the Leader of the Council and the Cabinet Member for Finance, Property and Business Services under special urgency provisions on 22 August 2017 and 18 September 2017:
 - a. To forward phase £646k from the Electrical Upgrades work-stream within the HRA Works to Stock Programme 2018/19 capital budget into the HRA Works to Stock Programme 2017/18 capital budget and to the approval of the associated capital release of £646k for the installation of electric night storage heaters and associated electrical safety works at Rabbs Mill House, Uxbridge, and Fitzgerald House, Glenister House and Wellings House, Hayes;
 - b. To award the contract to Scaffolding Access Ltd for the erection and installation of scaffolding and associated access equipment to enable fire safety scheme works at Rabbs Mill House, Uxbridge, and Fitzgerald House, Glenister House and Wellings House, Hayes at a cost of £1,148k and to the approval of the associated capital release of £1,148k;
 - c. To the addition of £3,694k to the HRA Works to Stock Programme 2017/18 capital budget, for a new work-stream budget for the multi-element renewal and fire safety scheme at Rabbs Mill House, Uxbridge and Fitzgerald House, Glenister House and Wellings House, Hayes, funded from re-phasing of the Works to Stock budget from 2018/19 into 2017/18;
 - d. To endorse the re-alignment of work-stream budgets within the HRA Works to Stock Programme 2017/18 capital budget, so that previously released funding of £346k from the Warm Safe and Dry (Safe) budget and £646k from the Electrical Upgrades work-stream is included within the new work-stream budget for the multi-element renewal and fire safety scheme, in addition to the £3,694k mentioned above.
 - e. To award of contract to Quinn London Limited to undertake fire safety works to the building fabric at Rabbs Mill House, Uxbridge, and Fitzgerald House, Glenister House and Wellings House, Hayes at a cost of £1,233,932 and associated capital release.

SUPPORTING INFORMATION

Reasons for Recommendations

1. The reason for **Recommendation 1** is to ensure that the Council achieves its budgetary objectives, providing Cabinet with an update on performance at Month 4 against budgets approved by Council on 23 February 2017. An update on the Council's Treasury Management activities is signposted in **Recommendation 2**.
2. **Recommendation 3** is intended to enable continued delegation of approval for appointment of consultancy and agency appointments over £50k to the Chief Executive, with final sign-off

from the Leader of the Council. In addition, Appendix F reports back on use of this delegated authority previously granted by Cabinet.

3. **Recommendation 4** - Currently, any business that has obtained an Food Hygeine Rating of less than 5 can request a follow up re-rating once they have made any improvements brought to their attention following the first inspection. The Council acting as the Competent Authority is obliged to carry out re-rating inspections in its area within 6 months irrespective of enforcement priorities. No charge is applied. The proposed charge will only apply to re-rating inspections and not if the Council decides to conduct a food official control revisit. Consequently, cost recovery from businesses would only occur where they have requested a re-rating inspection.
4. 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. **Recommendation 5** seeks authority from Cabinet to approve the acceptance of these sums in relation to Planning Performance Agreements.
5. **Recommendation 6** - Transport for London has awarded £199k for the 2017/18 Bridges Assessment and Strengthening Programme. The funding is for assessment, interim measures and strengthening for eight identified bridges and structures across the Borough.
6. **Recommendation 7** - This grant funding is to fund two Trading Standards officers on fixed term contracts to carry out safety inspections at Heathrow Airport, as part of the National Safety at Ports project.
7. **Recommendation 8** - As reported by the Leader of the Council to all Members at full Council in July 2017, following the Grenfell Tower fire additional surveys were carried out at Rabbs Mill House, Fitzgerald House, Glenister House and Wellings House high-rise blocks. Following the feedback from these surveys the Council will undertake some additional safety works on these buildings. Further to this the Council had previously planned to provide additional insulation, improve the heating systems and carry out redecoration of communal areas of these blocks. These works will be brought forward and carried out at the same time as the additional safety works. The re-phasing of capital budgets to fund in-year budget changes is usually reserved to Cabinet, however, the Leader of the Council may make formal interim Cabinet-level decisions in the absence of a Cabinet meeting, e.g. during August, in conjunction with the relevant Cabinet Member, reporting back to Cabinet for ratification to ensure transparency.

Alternative options considered

8. There are no other options proposed for consideration.

SUMMARY

REVENUE

9. General Fund revenue budgets are forecast to underspend by £375k at Month 4, with underspends against both Directorate and Corporate Operating Budgets being netted down by a pressure on Development and Risk Contingency of £198k. For all material pressures identified across the General Fund there exist a range of initiatives to contain them both in-year and in future years.
10. In March 2017 the Government announced supplementary funding to the Improved Better Care Fund, frontloading resources previously anticipated to be available from 2018/19 and 2019/20 in order to support local authorities in stabilising the Social Care provider market. The Council's 2017/18 Budget included provision within inflation allocations of £4,903k for this very purpose, which was originally to be funded from a planned £5,000k drawdown from General Reserves. As funding of £4,054k is now available in year, the planned drawdown from reserves can therefore be reduced to £946k by this exceptional item.
11. General Fund Balances are expected to total £42,220k at 31 March 2018, assuming the projected £375k underspend is realised and General Contingency and Unallocated Priority Growth monies are released in-year.
12. The 2017/18 revenue budget contains savings of £15,508k. £5,902k of savings are banked in full and £7,617k on track for delivery at Month 4, with the remaining £1,989k reported as 'amber' primarily due to being at an early stage of delivery and are expected to be ultimately banked in full.
13. With the exception of the Collection Fund, there are no material variances on other funds affecting the General Fund position. A surplus of £2,597k is reported within the Collection Fund which principally relates to the favourable position on Council Tax, which is predominantly driven by the 2016/17 outturn surplus and would be available to support the General Fund budget in 2018/19.

CAPITAL

14. There is a projected underspend against the General Fund Capital Programme for 2017/18 of £15,836k due largely to slippage on project expenditure. The forecast outturn variance over the life of the 2017/18 to 2021/22 programme is an underspend of £269k. General Fund Capital Receipts of £18,391k are forecast for 2017/18, with a shortfall of £3,153k in total forecast receipts to 2021/22.
15. Prudential Borrowing required to support the 2017/18 to 2021/22 capital programme is forecast to be within budget by £8,893k. This is as a result of cost underspends of £269k and increases in grants and contributions of £11,777k, due mainly to the confirmed Basic Needs grant allocation for 2019/20 being substantially higher than original budget estimates. However, this is partly offset by a forecast shortfall of £3,153k in capital receipts.

FURTHER INFORMATION

General Fund Revenue Budget

16. As at Month 4, an underspend of £375k is reported across normal operating activities, principally driven by underspends against Corporate and Directorate Operating Budgets of £405k and £168k, respectively. These underspends are off-set by a £198k overspend reported across Development & Risk Contingency items.
17. The Improved Better Care Fund grant item is being treated as an Exceptional Item as the announcement of the increase in funding was made in March 2017, after the budget was set. This funding represents an increase in Social Care funding of £4,054k for 2017/18 to be used to stabilise the Adult Social Care placement market.
18. The overall underspend across normal operating activities incorporates a number of pressures and risk areas which continue to be closely monitored and are discussed in detail within the appendices to this report.
19. The Council's General Fund revenue budget contains £15,508k savings, with £13,519k banked or on track for delivery at Month 4. This represents an improvement of £1,111k from Month 2. The reported position on operating budgets reflects the status of these savings, which are ultimately expected to be banked in full with alternative measures in place to mitigate the financial impact of any slippage in implementation schedules.

Table 1: General Fund Overview

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
			Revised Budget £'000	Forecast Outturn £'000			
194,079	4,064	Directorate Operating Budgets	198,143	197,975	(168)	366	(534)
1,495	(356)	Corporate Operating Budgets	1,139	734	(405)	(400)	(5)
19,216	0	Development & Risk Contingency	19,216	19,414	198	(93)	291
454	0	Priority Growth	454	454	0	0	0
5,451	(3,708)	Unallocated Budget Items	1,743	1,743	0	0	0
220,695	(0)	Sub-total Normal Activities	220,695	220,320	(375)	(127)	(248)
0	(4,054)	<u>Exceptional Items</u> IBCF Allocation (announced March 2017)	(4,054)	(4,054)	0	0	0
220,695	(4,054)	Total Net Expenditure	216,641	216,266	(375)	(127)	(248)
(215,695)	0	Budget Requirement	(215,695)	(215,695)	0	0	0
5,000	(4,054)	Net Total	946	571	(375)	(127)	(248)
(38,738)	0	Balances b/fwd	(38,738)	(38,738)			
(33,738)	0	Balances c/fwd 31 March 2017	(37,792)	(38,167)			

20. As a result of the forecast position at Month 4, projected General Fund Balances are expected to fall to £38,167k from a closing 2016/17 balance of £38,738k. The Council's current MTFF assumes that unallocated balances will remain between £15,000k and £32,000k to manage emergent risks, with any sums above that level earmarked for use to smooth the impact of government funding cuts.

Directorate Operating Budgets (£168k underspend, £534k improvement)

21. Table 2 provides an overview of the forecast outturn on Directorate Operating Budgets as at Month 4. Further detail for each directorate is contained within Appendix A to this report.
22. The Council is currently permitted to finance the costs associated with service transformation from Capital Receipts, with both one-off implementation costs and the support for service transformation, including the BID team, being funded from this resource. Current projections include an estimate of £3,199k for such costs, which will remain under review over the remainder of the year and have been excluded from reported monitoring positions. It is anticipated that these costs will be financed from a combination of Capital Receipts and Earmarked Reserves.

Table 2: Directorate Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
7,141 (1,103)	253 (58)	Chief Executive's Office	Expenditure	7,394	7,402	8	23	(15)
			Income	(1,161)	(1,171)	(10)	(11)	1
6,038	195		Sub-Total	6,233	6,231	(2)	12	(14)
16,640 (3,517)	(21) 0	Finance	Expenditure	16,619	16,577	(42)	187	(229)
			Income	(3,517)	(3,679)	(162)	(243)	81
13,123	(21)		Sub-Total	13,102	12,898	(204)	(56)	(148)
109,841 (36,991)	4,592 (4,579)	Residents Services	Expenditure	114,433	115,126	693	325	368
			Income	(41,570)	(42,426)	(856)	(425)	(431)
72,850	13		Sub-Total	72,863	72,700	(163)	(100)	(63)
129,618 (27,550)	4,484 (607)	Social Care	Expenditure	134,102	133,978	(124)	144	(268)
			Income	(28,157)	(27,832)	325	366	(41)
102,068	3,877		Sub-Total	105,945	106,146	201	510	(309)
194,079	4,064	Total Directorate Operating Budgets		198,143	197,975	(168)	366	(534)

23. Chief Executive's Office budgets are reporting a minor underspend of £2k as at Month 4, which represents an improvement of £14k on the Month 2 position reported to Cabinet. It should be noted that the Month 2 position of Chief Executive's Office and Residents Services have been re-stated to reflect the transfer of Policy & partnership functions.
24. The Finance Directorate is reporting an underspend of £204k at Month 4. This represents an improvement of £148k from the position previously reported to Cabinet, mainly due to posts being held vacant pending a review of the wider Finance structure and early implementation of 2018/19 savings proposals.
25. An improvement of £63k is reported within Residents Services at Month 4, bringing the total projected underspend to £156k. There are a number of compensatory variances within this position, however, the underspend is principally driven by £1,237k staffing underspends across the directorate. These favourable staffing variances are off-set by pressures across

ICT and Fleet Management, as well as parking income shortfalls at Cedars and Grainges car parks and in Imported Food sampling. Across these areas there are a number of BID reviews and other initiatives in progress, which are expected to contribute towards managing down pressures over the remainder of the current financial year.

26. An overspend of £201k is reported across Social Care, which represents an improvement of £309k from the Month 2 position, which is principally driven by reduced non-staffing forecasts primarily arising as a result of management action to contain the cost of allowances for Looked After Children. The overall adverse variance relates to the cost of Children's Social Workers, external legal counsel and a pressure arising from reduced recharge income from the Schools Budget in light of difficulties in recruiting to Educational Psychologist posts.

Progress on Savings

27. The Council's 2017/18 General Fund revenue budget contains £15,508k savings, with all prior year savings delivered in full during 2016/17. At Month 4, £13,519k savings are reported as banked or on track for delivery, with the remaining £1,989k savings being classed as Amber. Items reported as Amber are at an early stage of delivery, and no items are being reported as having serious risks of non-delivery.

Table 3: Savings Tracker

2017/18 General Fund Savings Programme	CEO's Office & Finance	Residents Services	Social Care	Cross Cutting	Total Savings	
	£'000	£'000	£'000	£'000	£'000	%
B Banked	(787)	(2,017)	(2,933)	(165)	(5,902)	38.1%
G On track for delivery	(290)	(2,819)	(3,796)	(712)	(7,617)	49.1%
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	0	(1,367)	(385)	(237)	(1,989)	12.8%
R Serious problems in the delivery of the saving	0	0	0	0	0	0.0%
Total 2017/8 Savings	(1,077)	(6,203)	(7,114)	(1,114)	(15,508)	100.0%

Corporate Operating Budgets (£405k underspend, £5k improvement)

28. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, the net impact of Housing Benefit Subsidy arrangements on the Council, externally set levies and income arising from the provision of support services to other funds and ring-fenced budgets.
29. A £400k underspend has been identified against interest and investment income. The underspend predominantly relates to a £360k reduction in provision for debt repayment and external interest costs to reflect slippage in capital expenditure from 2016/17 and a £40k improvement in the outlook for investment income. There has been a net £5k improvement across Levies and Other Corporate Budgets due to the New Homes Bonus Refund Grant being sufficient to off-set an exceptional increase in the levy for the West London Coroner's Service.

Table 4: Corporate Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
			Revised Budget £'000	Forecast Outturn £'000			
0	0	Interest and Investment Income	Salaries	0	0	0	0
5,259	0		Non-Sal Exp	5,259	4,899	(360)	(360)
(104)	0		Income	(104)	(144)	(40)	(40)
5,155	0		Sub-Total	5,155	4,755	(400)	(400)
450	0	Levies and Other Corporate Budgets	Salaries	450	450	0	0
11,237	0		Non-Sal Exp	11,237	11,365	128	128
(14,788)	(354)		Income	(15,142)	(15,275)	(133)	(133)
(3,101)	(354)		Sub-Total	(3,455)	(3,460)	(5)	(5)
0	0	Housing Benefit Subsidy	Salaries	0	0	0	0
144,372	(1,269)		Non-Sal Exp	143,103	144,372	1,269	1,269
(144,931)	1,267		Income	(143,664)	(144,933)	(1,269)	(1,269)
(559)	(2)		Sub-Total	(561)	(561)	0	0
1,495	(356)	Total Corporate Operating Budgets	1,139	734	(405)	(400)	(5)

Development & Risk Contingency (£198k pressure, £291k adverse movement)

30. The Council set aside £19,216k to manage volatile and uncertain elements of budgets within the Development & Risk Contingency, which included £18,466k in relation to specific risk items and £750k as General Contingency to manage unforeseen issues. As expected with such potentially volatile areas of activity, these will continue to be closely monitored over the coming year.

Table 5: Development & Risk Contingency

Original Budget	Budget Changes	Service		Month 4		Variance (As at Month 4)	Variance (As at Month 2)	Movement from Month 2
				Revised Budget	Forecast Outturn			
				£'000	£'000			
291	0	Fin.	Uninsured claims	291	291	0	0	0
1,736	0	Residents Services	Impact of Welfare Reform on Homelessness	1,736	1,736	0	0	0
3,522	0		Waste Disposal Levy & Associated Contracts	3,522	3,213	(309)	(300)	(9)
100	0		High Speed 2 Challenge Fund	100	100	0	0	0
200	0		Heathrow Expansion Challenge Fund	200	200	0	0	0
1,648	0	Social Care	Asylum Service	1,648	1,870	222	(226)	448
5,298	0		Demographic Growth - Looked After Children	5,298	5,969	671	564	107
277	0		Social Worker Agency Contingency	277	277	0	0	0
184	0		SEN transport - Contingency	184	184	0	0	0
2,910	0		Demographic Growth - Transitional Children	2,910	2,910	0	0	0
785	0		Demographic Growth - Adults	785	530	(255)	47	(302)
197	0		Winterbourne View	197	197	0	0	0
759	0		Deprivation of Liberty Safeguards	759	806	47	0	47
559	0	Corp. Items	Apprenticeship Levy	559	381	(178)	(178)	0
750	0		General Contingency	750	750	0	0	0
19,216	0	Total Development & Risk Contingency		19,216	19,414	198	(93)	291

31. The contingency provision of £1,736k is for homelessness is projected to be drawdown in full as at Month 4. There are currently 224 households in Bed and Breakfast accommodation which is a reduction from Month 2 and is expected to be managed down to budgeted levels over the financial year. In addition to the full contingency provision, it is forecast that Earmarked Reserve drawdowns will be required to secure appropriate and sustainable private sector accommodation.
32. The one-off anticipated disbursement in respect of excess reserves of £300k has now been received by the Council from the West London Waste Alliance. The final payment received totalled £309k, resulting in a £9k improvement from Month 2 projections.
33. There is an adverse movement on the Asylum contingency of £448k due to a significant reduction in the projected grant income that will be received. A number of management actions are in place to reduce the projected drawdown of £1,870k, however, at this stage it is too early to confirm the benefit in this financial year given there will be some lead-in time associated with these mitigating actions.
34. The principal reason for the overspend against Looked After Children relates to the cost of placements and support provided for Children with Disabilities and the cost of adoption. The movement from Month 2 is due to an anticipated increase in the number of Independent Fostering Agency (IFA) placements and Special Guardianship Orders.

35. Contingency requirements for both SEN Transport and children transitioning into adult social care placements are reported to reflect budget assumptions at Month 2, with a step change in costs from Month 6 (September) expected to feed into projections following the start of the new academic year.
36. A forecast of £530k is projected against adult demographics, representing a £302k improvement on the Month 2 position. This movement relates to securing greater external funding of placements alongside reduced demand in the Physical Disability service area.
37. An underspend of £178k is reported against budgeted apprenticeship levy payments, reflecting vacancies in the budgeted establishment.
38. As in previous years, the Council retains a General Contingency to meet the costs of exceptional or emerging pressures which had not been specifically provided for at the time of budget setting. To date there have been no calls on this £750k provision, which will be available to further supplement General Balances at outturn if requirements are not identified during 2017/18.

Priority Growth

39. The 2017/18 General Fund revenue budget approved by Council in February 2017 set aside £254k of unallocated Priority Growth, in addition to £200k of base budget available to support HIP Initiatives. The 2017/18 HIP budget is supplemented by £954k brought forward balances, to provide £1,154k resources for HIP Initiatives. £54k of projects have been approved for funding from HIP resources, leaving £1,100k available for future release. Although the corporate monitoring position assumes all budgeted growth will be spent or committed during the current financial year, no priority growth has been allocated to services as at Month 4.

Table 6: Priority Growth

Original Budget	Budget Changes	Priority Growth	Month 4		
			Revised Budget	Approved Allocations	Unallocated Balance
£'000	£'000		£'000	£'000	£'000
200	0	HIP Initiatives Budgets	200	0	(200)
0	954	B/fwd Funds	954	54	(900)
254	0	Unallocated Priority Growth	254	0	(254)
454	954	Total Priority Growth	1,408	54	(1,354)

Schools Budget and Collection Fund

40. An in-year pressure of £704k is projected against the Dedicated Schools Grant in 2017/18, bringing the brought forward deficit on the centrally retained reserve to £1,840k. This position reflects pressures of £1,204k mainly due to a significant increase in the cost of placements as the service moves all children onto Education & Health Care Plans (EHCPs) being off-set by £500k contingency provision held back to manage such emerging pressures. Any residual deficit on the retained reserve remaining at the time of budget setting in February 2018 will be funded through a topslice on the 2018/19 Dedicated Schools Grant and therefore not impact directly upon the General Fund position.
41. At Month 4 the Collection Fund is projecting a surplus of £2,597k, which consists of £2,362k in relation to Council Tax and £235k on Business Rates receipts. The position on Council Tax includes £2,004k from the release of historic provisions for doubtful debt following the

adoption of an improved accounting methodology from 2016/17, alongside an in-year surplus of £358k primarily attributable to strong collection performance. The Business Rates position reflects strong collection performance and reduced losses from properties being held vacant sufficient to off-set a brought forward deficit. The combined surplus of £2,597k is expected to be available for release to the General Fund in 2018/19 and will be reflected in future iterations of the Council's Medium Term Financial Forecast.

Housing Revenue Account

42. The Housing Revenue Account (HRA) is currently forecasting an underspend of £676k against the budgeted deficit of £11,664k. This underspend represents an improvement of £670k from the Month 2 position reported to Cabinet and results in a projected closing HRA General Balance of £34,838k. This is above the £12,000k minimum level of HRA balances threshold, with sums over and above this minimum level earmarked for investment in new or existing stock.
43. As at Month 4, a total of 18 properties have been sold under Right to Buy, with a further 67 completions anticipated during 2017/18. Sufficient expenditure on the acquisition of new properties was incurred to fully utilise the initial tranche of retained receipts and therefore avoid repayment to DCLG during Quarter 1.

Future Revenue Implications of Capital Programme

44. Appendix D to this report outlines the forecast outturn on the 2017/18 to 2021/22 Capital Programme, with a £269k underspend projected over the five year programme. Prudential Borrowing required to support the Council's Capital Programme is projected to be £8,893k lower than the £102,775k revised budget, primarily as a result of a £11,777k favourable variance on Government Grants being off-set by a £3,153k shortfall in Capital Receipt forecasts over the medium term. This favourable variance on borrowing would ultimately result in a reduction in future revenue costs of approximately £480k per annum.
45. 2017/18 capital expenditure is projected to be £15,836k lower than the £78,595k budget, indicating that the Council will be able to defer new borrowing into later years and therefore deliver savings against capital financing budgets in 2018/19. Slippage in delivery of capital receipts will reduce any such saving, with current forecasts showing that £18,391k of the planned £23,927k will be secured during 2017/18.

Appendix A – Detailed Group Forecasts (General Fund)

CHIEF EXECUTIVE'S OFFICE (£2k underspend, £14k improvement)

47. The overall position for the Chief Executive's Office at Month 4 is an underspend of £2k, an improvement of £14k on Month 2. This includes covering a Managed Vacancy Factor (MVF) saving of £152k through vacant posts and non salary underspends across the Group.

Table 7: Chief Executive's Office Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
1,466	31	Democratic Services	Salaries	1,497	1,504	7	12	(5)
1,669	26		Non-Sal Exp	1,695	1,703	8	2	6
(596)	(58)		Income	(654)	(646)	8	(11)	19
2,539	(1)		Sub-Total	2,538	2,561	23	3	20
2,001	(10)	Human Resources	Salaries	1,991	2,013	22	6	16
89	206		Non-Sal Exp	295	263	(32)	(3)	(29)
(247)	0		Income	(247)	(265)	(18)	0	(18)
1,782	196		Sub-Total	2,039	2,011	(28)	3	(31)
1,833	0	Legal Services	Salaries	1,833	1,845	12	16	(4)
83	0		Non-Sal Exp	83	74	(9)	(10)	1
(260)	0		Income	(260)	(260)	0	0	0
1,656	0		Sub-Total	1,656	1,659	3	6	(3)
5,300	21	Chief Executive's Office Directorate	Salaries	5,321	5,362	41	34	7
1,841	232		Non-Sal Exp	2,073	2,040	(33)	(11)	(22)
(1,103)	(58)		Income	(1,161)	(1,171)	(10)	(11)	1
6,038	195		Total	6,233	6,231	(2)	12	(14)

48. Within Democratic Services, an adverse movement on income relates to a reduction in the demand for Citizenship Ceremonies and Registration services in comparison with 2016/17, although pressures on income are partly mitigated by a charge to the Pension Fund for support provided to Pensions Committees by Democratic Services Officers. An overachievement of income in Human Resources reflects additional awards for nurse placements, offset against training expenditure.
49. Staffing assumptions in Human Resources include the cover of a maternity leave post with a fixed term employee, whilst an improvement on non-staffing expenditure primarily relates to revised learning and development spend forecasts.
50. For 2017/18, £221k of savings were presented by the Chief Executive's Office and as at Month 4 the full £221k has now been banked. A further cross-cutting MTFF proposal of £559k for the council's contribution to the Apprenticeship Levy is being managed within HR, and as at Month 4 £165k has been banked with £394k marked as on track for delivery.

FINANCE (£204k underspend, £148 improvement)

51. The Finance Group is reporting an underspend of £204k at Month 4, an improvement of £148k on the position at Month 2

Table 8: Finance Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
942	0	Business Assurance	Salaries	942	929	(13)	7	(20)
1,404	(2)		Non-Sal Exp	1,402	1,384	(18)	6	(24)
(659)	0		Income	(659)	(628)	31	0	31
1,687	(2)		Sub-Total	1,685	1,685	0	13	(13)
1,608	0	Procurement	Salaries	1,608	1,591	(17)	(40)	23
75	0		Non-Sal Exp	75	83	8	8	0
(31)	0		Income	(31)	(31)	0	0	0
1,652	0		Sub-Total	1,652	1,643	(9)	(32)	23
3,127	(17)	Operation. Finance	Salaries	3,110	3,040	(70)	(50)	(20)
(7)	26		Non-Sal Exp	19	22	3	29	(26)
(127)	(10)		Income	(137)	(142)	(5)	(15)	10
2,993	(1)		Sub-Total	2,992	2,920	(72)	(36)	(36)
4,382	(30)	Revenues & Benefits	Salaries	4,352	4,511	159	211	(52)
1,841	0		Non-Sal Exp	1,841	1,836	(5)	16	(21)
(2,360)	0		Income	(2,360)	(2,559)	(199)	(228)	29
3,863	(30)		Sub-Total	3,833	3,788	(45)	(1)	(44)
1,034	2	Strategic Finance	Salaries	1,036	947	(89)	0	(89)
2,234	0		Non-Sal Exp	2,234	2,234	0	0	0
(340)	10		Income	(330)	(319)	11	0	11
2,928	12		Sub-Total	2,940	2,862	(78)	0	(78)
11,093	(45)	Finance Directorate	Salaries	11,048	11,018	(30)	128	(158)
5,547	24		Non-Sal Exp	5,571	5,559	(12)	59	(71)
(3,517)	0		Income	(3,517)	(3,679)	(162)	(243)	81
13,123	(21)		Total	13,102	12,898	(204)	(56)	(148)

52. The underspend position is principally driven by salary underspends across the directorate, mainly as a result of recruitment to the new structure within Procurement and posts being held vacant within Operational Finance, pending a review of the wider Finance structure. A favourable movement on Month 2 is largely a result of the implementation of the first phase of the Finance restructure.

53. Within Revenues and Benefits, staffing pressures reflect the cost of agency staff employed on a performance based scheme which aims to cut down fraud and reduce errors in Housing Benefit claims, funded directly from grant monies.

54. An adverse income movement reflects a reduced charge to the Pension Fund following implementation of the finance structure in Strategic Finance which off-sets the staffing

underspend and reduced Schools SLA Insurance income in Business Assurance with the transfer of 2 schools to academy status later in the year.

55. At Month 4, £566k (66%) of the £856k savings proposed as part of the MTFF 2017/18 are classed as banked, with the remaining £290k classed as on track. Proposals are underway and good progress is being made against the targets.

Table 9: Finance Development & Risk Contingency

Original Budget	Budget Changes	Development & Risk Contingency	Month 2		Variance (As at Month 2)
			Revised Budget	Forecast Outturn	
£'000	£'000		£'000	£'000	£'000
291	0	Uninsured Claims	291	291	0
291	0	Current Commitments	291	291	0

56. At Month 4, no movement is reported on the requirement to call upon the Uninsured Claims contingency budget as insurance payments and assumptions remain fairly constant. The contingency budget, along with the base budget of £359k, is expected to fully cover the cost of General Fund claim payments below insurance excess levels in 2017/18. Any payment amounts greater than the budget available will be managed from the Insurance reserve during 2017/18.

RESIDENTS SERVICES (£149k underspend, £63k improvement)

57. Residents Services directorate is showing a projected outturn underspend of £149k at Month 4, excluding pressure areas that have identified contingency provisions.

Table 10: Residents Services Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
15,219	0	Infrastructure, Waste and ICT	Salaries	15,219	15,168	(51)	(81)	30
31,833	53		Non-Sal Exp	31,886	32,337	451	388	63
(9,790)	(2)		Income	(9,792)	(10,279)	(487)	(385)	(102)
37,262	51		Sub-Total	37,313	37,226	(87)	(78)	(9)
16,922	49	Housing, Environment, Education, Health & Wellbeing	Salaries	16,971	16,630	(341)	(665)	324
23,024	(13)		Non-Sal Exp	23,011	24,043	1,032	900	132
(16,874)	(94)		Income	(16,968)	(17,690)	(722)	(251)	(471)
23,072	(58)		Sub-Total	23,014	22,983	(31)	(16)	(15)
7,430	280	Planning, Transportation & Regeneration	Salaries	7,710	7,606	(104)	(32)	(72)
1,901	175		Non-Sal Exp	2,076	2,354	278	55	223
(6,397)	(101)		Income	(6,498)	(6,480)	18	222	(204)
2,934	354		Sub-Total	3,288	3,480	192	245	(53)
1,777	0	HR, Performance & Improvement	Salaries	1,777	1,530	(247)	68	(315)
160	0		Non-Sal Exp	160	165	5	11	(6)
(270)	0		Income	(270)	(18)	252	(60)	312
1,667	0		Sub-Total	1,667	1,677	10	19	(9)
10,766	763	Administrative , Technical & Business Services	Salaries	11,529	11,035	(494)	(332)	(162)
809	3,285		Non-Sal Exp	4,094	4,258	164	13	151
(3,660)	(4,382)		Income	(8,042)	(7,959)	83	49	34
8,062	(334)		Sub-Total	7,528	7,279	(249)	(272)	23
52,114	1,092	Residents Services Directorate	Salaries	53,206	51,969	(1,237)	(1,042)	(195)
57,727	3,500		Non-Sal Exp	61,227	63,157	1,930	1,367	563
(36,991)	(4,579)		Income	(41,570)	(42,426)	(856)	(425)	(431)
72,850	13		Total	72,863	72,700	(163)	(100)	(63)

58. The overall variance is a result of staffing underspends across the directorate, with these favourable variances offset in part by pressures in ICT and Fleet Management, as well as parking income shortfalls at Cedars and Grainges car parks and in Imported Food sampling.

59. The Council's 2017/18 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 4 projected calls on contingency are £309k below the budgeted provision (£9k favourable). The table below shows the breakdown for each contingency item.

Table 11: Development and Risk Contingency

Original Budget	Budget Changes	Development & Risk Contingency	Month 4		Variance (As at Month 4)	Variance (As at Month 2)	Movement from Month 2
			Revised Budget	Forecast Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
1,736	0	Impact of Welfare Reform on Homelessness	1,736	1,736	0	0	0
3,522	0	Waste Disposal Levy & Associated Contracts	3,522	3,213	(309)	(300)	(9)
100	0	High Speed 2 Challenge Fund	100	100	0	0	0
200	0	Heathrow Expansion Challenge Fund	200	200	0	0	0
5,558	0	Current Commitments	5,558	5,249	(309)	(300)	(9)

60. The Month 4 data in Table 3 below shows a reduction from the previously reported B&B figures in the first three months of the financial year, following the impact of increased prevention work. The reducing number of Households in higher cost Bed & Breakfast accommodation is in line with MTFE assumptions made by officers in modelling supply and demand, with the fluctuation in demand managed with existing budgets.

Table 12: Housing Needs performance data

	2017		
	May	June	July
Homeless Threat, Priority Need & Eligible	125	126	93
Presenting As Homeless	44	32	40
Duty Accepted	31	28	24
Households in Temporary Accommodation	653	637	612
Households in B&B	253	242	224

61. As in previous years, a contingency has been set aside in 2017/18 to resource the need for temporary accommodation in the Borough. The call on contingency relating to homelessness remains as per prior projections of £1,736k, which is as per the budgeted provision.
62. The Council will continue to closely monitor this risk, given the potential seasonal fluctuations which could materialise in the remainder of the financial year. It is expected that there will also be a requirement to draw on the Housing Incentives earmarked reserve given the costs of securing private sector accommodation, with any drawdown being subject to the usual approvals.
63. A contingency of £3,522k has been set aside to fund estimated increases in waste tonnages via the levy. A one-off disbursement from WLWA in respect of excess reserves has now been received by the Council in the sum of £309k.

Infrastructure, Waste and ICT (£87k underspend, £9k improvement)

64. The overall forecast encompasses a number of management actions, mainly within ICT and Waste services, which will be closely monitored during the financial year. At Month 4, the service is reporting a net improvement of £9k from the Month 2 position.

65. The non-staffing forecast is showing a £39k improvement on the Month 2 position, relating mainly to reducing security costs via the FM contract. This is netted down by a £30k adverse movement in the staffing projection across a number of service areas.
66. Existing waste services pressures including those relating to agency and overtime costs and on refuse & recycling bags are being addressed as part of the Waste services review, with the staffing consultation recently concluded.
67. The reported breakeven position for Fleet Management reflects that the ongoing pressures from the last financial year are expected to be addressed via external review of the service. The main drivers of the pressure are vehicle maintenance contracts, vehicle damage and vehicle contract hire.
68. The ICT service is progressing implementation of the recent BID review, with an associated MTFE savings target. The recruitment phase is nearing conclusion, including the recent appointment to the Head of ICT post.
69. Whilst the initial service assessments of contract & licensing spend commitments are significantly above budget, the work required to take out demand/rationalise systems and identify the non-staffing savings is progressing. As part of this exercise the service is concluding its review of all contract and licensing spend alongside retendering a number of contracts and specific system reviews, which should give scope to mitigate pressures as improvements are implemented.

Housing, Environment, Education, Health & Wellbeing (£21k underspend, £15k improvement)

70. The overall forecast contains a number of management actions which will be monitored closely throughout the financial year.
71. At Month 4 the service is reporting an underspend of £21k, which is a £15k improvement relating to a number of minor compensating variances across staffing and non-staffing budgets, including a reduced overspend of £27k (£11k favourable) on resources being deployed to cover the ongoing work for home adaptations. The pressure relates to additional interim arrangements for a financial assessment officer.

Planning, Transportation & Regeneration (£198k overspend, £53k improvement)

72. At Month 4 there is a projected overspend of £198k (£53k improvement) across the service area, with the main pressure relating to income in Imported Food sampling continuing the trend from previous years.
73. The overall income pressure on Imported Food Sampling is £584k, with the net pressure of £374k (£22k adverse) following consideration of reduced staffing and non-staffing expenditure expected to materialise following completion of the service review.
74. Recruitment delays across a across a number of teams within regulatory services and transportation have resulted in an improved staffing underspend of £98k (£72k favourable).

Performance & Improvement (£10k overspend, £9k improvement)

75. There is a forecast overspend in Corporate Communications of £8k (£8k favourable) at Month 4, following revised staffing projections for the service.

76. The remaining £2k overspend (£1k favourable) relates to non-staffing variances in Performance & Intelligence.

Administrative, Technical & Business Services (£249k underspend, £23k adverse movement)

77. The service is reporting a £249k underspend at Month 4, representing a £23k adverse movement from the Month 2 position.
78. Parking services continue to forecast pressures relating to income shortfalls at Uxbridge car parks with the latest forecast at £418k (£42k adverse) plus further non-staffing pressures relating to repairs and maintenance costs. These are netted down by wider parking income streams including the Parking Revenue Account.
79. The adverse movement is partially netted down by revised staffing underspends across the service, primarily owing to delays to recruitment to Administrative roles, with the new phasing of recruitment built into the refreshed forecast. In addition there are vacant posts across parking administration, the contact centre and licensing which further contribute to the overall staffing underspend.

SOCIAL CARE (£201k overspend, £309k Improvement)

80. Social Care is projecting an overspend of £201k as at Month 4, an improvement of £309k on the Month 2 position, due to a number of management actions that will be taken to manage non-staffing expenditure including allowances for Looked After Children. The overspend relates predominantly to the cost of Agency Social Workers in Children's Services, the cost of external legal counsel providing support for Children's Services and reduced income from the Dedicated Schools Grant for the Educational Psychology Service.

Table 13: Social Care Operating Budgets

Original Budget £'000	Budget Changes £'000	Service		Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
				Revised Budget £'000	Forecast Outturn £'000			
13,299	(65)	Children's Services	Salaries	13,234	13,484	250	162	88
12,635	10		Non-Sal Exp	12,645	12,616	(29)	350	(379)
(7,804)	(23)		Income	(7,827)	(7,827)	0	12	(12)
18,130	(78)		Sub-Total	18,052	18,273	221	525	(304)
7,784	435	Early Intervention, Prevention & SEND	Salaries	8,219	8,009	(210)	(217)	7
6,257	12		Non-Sal Exp	6,269	6,271	2	(1)	3
(2,370)	39		Income	(2,331)	(1,945)	386	387	(1)
11,671	486		Sub-Total	12,157	12,335	178	169	9
4,597	9	Older People & Physical Disabilities Service	Salaries	4,606	4,601	(5)	36	(41)
34,209	2,615		Non-Sal Exp	36,824	36,887	63	6	57
(11,146)	(525)		Income	(11,671)	(11,709)	(38)	(32)	(6)
27,660	2,099		Sub-Total	29,759	29,779	20	11	9
11,537	(211)	Adult Social Care - Provider & Commissione d Care	Salaries	11,326	11,050	(276)	(281)	5
5,874	146		Non-Sal Exp	6,020	6,072	52	51	1
(590)	1		Income	(589)	(596)	(7)	15	(22)
16,821	(64)		Sub-Total	16,757	16,526	(231)	(215)	(16)
4,341	(514)	Learning Disability and Mental Health Service	Salaries	3,827	3,824	(3)	(2)	(1)
29,435	1,429		Non-Sal Exp	30,864	30,874	10	18	(8)
(5,264)	(99)		Income	(5,363)	(5,365)	(2)	(4)	2
28,512	816		Sub-Total	29,328	29,333	5	13	(8)
320	(229)	Directorate & Support Services	Salaries	91	113	22	22	0
(670)	847		Non-Sal Exp	177	177	0	0	0
(376)	0		Income	(376)	(390)	(14)	(14)	0
(726)	618		Sub-Total	(108)	(100)	8	8	0
41,878	(575)	Social Care Directorate Total	Salaries	41,303	41,081	(222)	(280)	58
87,740	5,059		Non-Sal Exp	92,799	92,897	98	424	(326)
(27,550)	(607)		Income	(28,157)	(27,832)	325	366	(41)
102,068	3,877		Total	105,945	106,146	201	510	(309)

SOCIAL CARE DEVELOPMENT AND RISK CONTINGENCY (£685k overspend, £300k adverse movement)

81. The Council's 2017/18 Development and Risk Contingency includes provisions 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 changes, 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 £685k, an adverse movement of £300k on the Month 2 position, due primarily to a further adverse movement on the anticipated income that will be received for supporting Unaccompanied Asylum Seeking Children (UASC), where the number of under 18s is falling matched by a corresponding increase in the number of care leavers who are funded at a much lower rate.

Table 14: Social Care Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
			Revised Budget £'000	Forecast Outturn £'000			
1,648	0	Asylum Service	1,648	1,870	222	(226)	448
5,298	0	Demographic Growth - Looked After Children	5,298	5,969	671	564	107
277	0	Social Worker Agency Contingency	277	277	0	0	0
184	0	SEN transport - Contingency	184	184	0	0	0
2,910	0	Demographic Growth - Transitional Children	2,910	2,910	0	0	0
785	0	Demographic Growth - Adults	785	530	(255)	47	(302)
197	0	Winterbourne View	197	197	0	0	0
759	0	Deprivation of Liberty Safeguards	759	806	47	0	47
12,058	0	Current Commitments	12,058	12,743	685	385	300

Asylum Service (£222k overspend, £448k adverse movement)

82. This service is projecting a drawdown of £1,870k from the contingency, an overspend of £222k as at Month 4 and an adverse movement of £448k on the Month 2 position, reflecting the impact of a drop in grant income as there are a high proportion of UASC who will turn 18 this year, where the grant funding is less than that provided for under 18's. Additionally, with the introduction of the National Transfer Agreement in 2016, the number of under 18 UASC is not anticipated to grow. There are expected to be future changes to the funding regime as in August 2017, the Council received correspondence from the Home Office indicating they would be undertaking a review of the grant funding that they provide to support UASC for 2018/19.

83. The service continues to review the support provided to UASC to ensure that that this position can be maintained by the end of the financial year with a number of management actions in progress. These are currently focused on a review of accommodation and allowances costs, and seeking clarification from the Home Office on the changes introduced following the implementation of the National Transfer Agreement. At this stage it is too early

to confirm the benefit in this financial year given there will be some lead-in time associated with the mitigating actions.

Demographic Growth - Looked After Children (£671k overspend, £107k adverse movement)

84. The service is projecting a drawdown of £5,969k from the Contingency, £671k above the budget and an adverse movement of £107k on the Month 2 position, due to an anticipated increase in the number of Independent Fostering Agency (IFA) placements and Special Guardianship Orders. The main reason for the overspend relates to the cost of placements and support provided for Children with Disabilities and the cost of adoption, where the Service is having to place children outside of the Borough. Both of these areas are being reviewed by the service.
85. The underlying position on the Placements budget continues to show an improvement on the 2016/17 position. The number of children placed in Residential placements, where the numbers have dropped, from a high of 36 at the beginning of 2016/17 to 22 as at the end of July 2017. Based on an annualised cost, this translates into a cost reduction and avoidance of £1,693k, reducing from £5,563k to £3,870k. However, this position can fluctuate given the wide potential variation in Children's placements costs.

Social Worker Agency (Children's) (Nil variance, no change)

86. This contingency provides funding to cover the additional cost of using agency staff whilst the service undertakes recruitment activity. For the 2017/18 financial year it was assumed that the service will operate at a level of 90% of posts filled by permanent staff and 10% filled by agency staff. However the recruitment of Social Workers continues to be very competitive, and as a consequence the permanency rate is currently forecast at approximately 80% for this financial year. Therefore, the full drawdown of this contingency will be required.

Demographic Growth - SEN Transport (Nil variance, no change)

87. The service is projecting the full draw down of £184k from the SEN Transport contingency, reflecting the continued growth in the Special Educational Need children population. The main increase in this service is seen at the start of the new school year and the contingency drawdown forecast is likely to change after this.

Demographic Growth - Transitional Children (Nil variance, no change)

88. The service is projecting the full draw down of £2,910k from the Transitional Children contingency. This will be monitored closely during the year and the forecast changed to reflect actual placements as the year progresses.

Demographic Growth - Adults Placements (£255k underspend, £302k improvement)

89. The service is projecting to drawdown £530k from the Adults Placements contingency, an underspend of £255k and an improvement of £302k on the Month 2 projections. This is primarily due to ongoing process improvements for Placements, including timely assessment and recognition of external funding streams, combined with reduced demand for Physical Disability client placements. The demographic forecasting tool is regularly refreshed and expenditure areas are kept under close review.

Winterbourne View (Nil variance, no change)

90. The service is projecting the full draw down of £197k from the Winterbourne View contingency. However, although the current assumption is that these clients will be funded by dowry payments, discussions at the Transforming Care Partnership (TCP) meetings are indicating that there may not be sufficient funding to cover this from NHS England. This presents a degree of risk given that the Winterbourne contingency for 2017/18 is assuming the receipt of this dowry funding.

Deprivation of Liberty Safeguards (DoLS) (47k overspend, £47k adverse movement)

91. The service is projecting a drawdown of £806k from the Contingency, £47k above budget and an adverse movement of £47k on the Month 2 position, which is due to an increase in the average number of cases per week between May and July. The number of DoLS referrals received to the end of July 2017 was 498, an average of 29.3 compared to 27.7 at the end of May.

DIRECTORATE OPERATING BUDGETS

Children's Services (£221k overspend, £304k improvement)

92. The service is reporting an overspend of £221k as at Month 4, an improvement of £304k on the Month 2 position, due to management action being put in place to manage non-staffing costs, including allowances to Looked After Children and Section 17 client costs. Within this position the service are managing significant legal costs relating to a number of complex cases, through prior-year provisions that are no longer required. The residual pressure relates to a net overspend of £250k on staffing costs due to the continued use of agency Social Workers to cover a number of key and hard to fill vacant posts across the service.

Early Intervention, Prevention & SEND (£178k overspend, £9k adverse movement)

93. The service is reporting an overspend of £178k as at Month 4, a small adverse movement of £9k on the Month 2 position. This is due to a projected shortfall of £386k in income from the Dedicated Schools Grant for the Educational Psychology Service, where the service is finding it very difficult to recruit Educational Psychologists and is currently unable to provide a non-statutory function for schools. Whilst this is netted down by a significant underspend of £326k on their staffing costs, there is also an overspend of £116k across the service due to most services now being fully staffed or working towards recruiting to all posts.

Older People and Physical Disabilities (£20k overspend, £9k adverse movement)

94. The service is reporting an overspend of £20k as at Month 4, a slight adverse movement of £9k on the Month 2 position, which relates predominantly to an overspend on non staffing costs, netted down by an improved position on income received.
95. It should be noted that there are inflationary increases still being negotiated with providers and it is currently expected that the inflation provision included in the budget for this year will cover these increases.

Adult Social Care - Provider and Commissioned Care (£231k underspend, £16k improvement)

96. The service is reporting an underspend of £231k as at Month 4, an improvement of £16k on the Month 2 position, reflecting the latest income projections. The staffing budget is forecast to underspend by £276k, due to recruitment difficulties within the Reablement Team and

further opportunities taken to capitalise staffing costs relating to the Transport Service major review. This is netted down by an overspend of £52k on non-staffing budgets, due to pressures within the transport budget, which includes the anticipated savings that will be delivered from the Management Action Plan which is now in place. There is a small underspend of £7k on the income budget an improvement of £22k from Month 2 as a grant for transport which was not anticipated, has been received.

Learning Disability and Mental Health (£5k overspend, £8k improvement)

97. The service is forecasting an overspend of £5k as at Month 4, a slight improvement of £8k on the Month 2 position and is due to marginal variances against Salaries, Non-Staffing Expenditure and Income.

Directorate & Support (£8k overspend, no change)

98. The Directorate budget is forecasting a marginal pressure of £8k as at Month 4, no change on the Month 2 position, which relates to the Managed Vacancy Factor.

Appendix B – Other Funds

SCHOOLS BUDGET

Dedicated Schools Grant (£704k overspend, £905k adverse movement)

99. The Dedicated Schools Grant (DSG) is projecting an in-year overspend of £704k as at Month 4, an adverse movement of £905k on the Month 2 projections, due to a significant movement in the projected cost of High Needs. When the £1,136k deficit brought forward from 2016/17 is taken into account the deficit to carry forward to 2018/19 will increase to £1,840k.

Table 15: DSG Income and Expenditure 2017/18

Original Budget	Budget Changes	Funding Block	Month 4		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 4)	Variance (As at Month 2)	Change from Month 2
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(148,436)	2,966	Dedicated Schools Grant Income	(145,470)	(145,470)	0	0	0
112,811	(2,766)	Delegated to Schools	110,045	110,045	0	40	(40)
3,971	(342)	Early Years	3,630	3,562	(68)	(63)	(5)
3,889	0	Centrally Retained	3,889	4,103	214	203	11
27,265	142	High Needs	27,406	28,464	1,058	119	939
(500)	0	Total Funding Blocks	(500)	704	1,204	299	905
500	0	Retained Balance	500	0	(500)	(500)	0
(0)	0	Total Schools Budget	0	704	704	(201)	905
0	0	Balance Brought Forward 1 April 2017	1,136	1,136			
0	0	Balance Carried Forward 31 March 2018	1,136	1,840			

Dedicated Schools Grant Income (nil variance, no change)

100. The DSG income has been adjusted in Month 4 following confirmation of adjustments relating to the actual numbers of 2 year olds and 3 and 4 year olds which accessed the free entitlement in 2016/17. This has resulted in a significant reduction in early years funding which should be reflected in a reduction in early years expenditure. There has also been an adjustment to the high needs recoupment figure following changes to academy school and further education planned place numbers from September 2017.

Delegated to Schools (nil variance, £40k improvement)

101. The improvement follows realignment of the budget for special school funding. This follows the adjustment to the high needs recoupment figure which has been revised in July to take account of changes to planned place numbers from September 2017 in academy schools and further education colleges.

Early Years (£68k underspend, £5k improvement)

102. The Early Years funding block is projecting an underspend of £68k as at Month 4, a slight improvement of £5k on the Month 2 projections. £46k of the underspend relates to the Early Years Psychology team where uncertainty remains regarding the delivery model. The current projection is based on the amount of educational psychology time that was allocated to Early Years in 2016/17.

103. There is a £17k underspend relating to the Early Years Advisory Teacher Service, where there is currently a vacancy that is yet to be recruited to. The expectation is that this post will be recruited to in September 2017.
104. There is also a projected underspend on the Early Years Centres which are forecasting less expenditure on equipment than currently budgeted.

Centrally Retained (£214k overspend, £11k adverse movement)

105. The Centrally Retained Funding Block is projecting an overspend of £214k as at Month 4. The overspend relates to the Growth Contingency fund where the budget has not included the required funding allocations for academy schools relating to the summer term. This funding is as a result of the way that academy school funding is allocated on an academic year basis. The growth contingency requirement will reduce over the coming few years as the expansions work their way through the primary year groups.

High Needs (£1,058k overspend, £939k adverse movement)

106. The High Needs Funding Block is projecting an overspend of £1,058k as at Month 4, an adverse movement of £939k on the Month 2 projections, due to a significant increase in the cost of placements as the service moves all children onto Education & Health Care plans (EHCPs).
107. There is a continuing budget pressure linked to the transfer of pupils in special schools from statements to Education & Health Care plans (EHCPs). As pupils are transferred to an EHCP they move onto the new banded funding model often resulting in a higher resource requirement.
108. The increase in the number and cost of post-16 students with special educational needs is also continuing with the expectation that expenditure is going to rise again in September 2017 for this cohort.
109. There is an increase in the number of pupils with special educational needs being placed in out of borough mainstream and special schools as all local schools are at or above their capacity.
110. There is a projected overspend relating to the cost of young people being temporarily educated in independent hospital settings. The local authority has very little control over these placements as they often occur with short notice following emergency intervention.
111. The above budget pressures are off-set by a projected underspend in the DSG contribution to the non-statutory work of the Educational Psychology team. Currently recruiting and retaining Educational Psychologists is proving very difficult (there is a national shortage of qualified Educational Psychologists) making it a significant challenge to deliver anything other than statutory work.

School Academy Conversions

112. 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.
113. There are two maintained primary schools which will convert on 1 September 2017. The local authority is not aware of any other schools planning to convert in the current financial year.

Maintained School Balances & Budgets

114. A review of balances at the end of the 2016/17 financial year identified three schools which 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.
115. Maintained schools ended the 2016/17 financial year with a cumulative closing surplus balance of £11.3m (revenue & capital). This was a £1.5m decrease from the previous year, though just under £1m of this was used to fund capital expenditure. Despite the relatively healthy total balance, there are a number of schools which have indicated they are beginning to experience financial difficulties due to funding being cash-limited and year on year increases in costs. The anticipated implementation of the National Funding Formula from April 2018 may put further pressure on school budgets as initial indications are that some Hillingdon schools will lose funding as a consequence of the changes.
116. The table below provides an update on the financial position of schools maintained by the Council (this excludes academy schools), based on school outturns for 2015/16 and 2016/17.

School Type	Total Number of Schools	Number of Schools In Deficit 2015/16	Value of Deficit £000	Number of Schools In Deficit 2016/17	Value of Deficit £000
Nursery	1	0	0	0	0
Primary	51	3	62	2	35
Secondary	2	1	761	1	1,549
Special	2	0	0	0	0
Total	56	4	823	2	1,583

117. Maintained schools have now submitted their three year budget plans to the local authority and these have been reviewed by the finance team. Of the 56 schools currently maintained by the local authority two (one primary, one secondary) have been unable to set a balanced budget and will be requesting that the authority license a deficit. The expectation is that these schools work on a deficit recovery plan to demonstrate how they will achieve a balanced budget within at least the next three years.
118. A significant number of schools have submitted budgets with an in-year deficit, resulting in an anticipated budgeted reduction in school revenue balances of £6.1m for 2017/18. This is a concern as the use of balances is one-off and continued in-year deficits are unsustainable in the medium term. The Schools Finance team is working closely with schools to ensure that any financial concerns are addressed as early as possible.

COLLECTION FUND (£2,597k surplus, £21k adverse movement)

119. 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 budget in 2018/19. A headline surplus of £2,597k is projected on the Council's share of Collection Fund activity for 2017/18, with a £2,362k surplus on Council Tax and £235k surplus on the retained share of Business Rates at Month 4. This represents a marginal £21k adverse movement on the Month 2 position.

Table 17: Collection Fund

Original Budget £'000	Budget Changes £'000	Service	Month 4		Variance (As at Month 4) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
(119,465)	0	Council Tax	Gross Income	(119,465)	(119,882)	(417)	(428)	11
11,266	0		Council Tax Support	11,266	11,325	59	11	48
(500)	0		B/fwd Surplus	(500)	(2,504)	(2,004)	(2,004)	0
(108,699)	0		Sub-Total	(108,699)	(111,061)	(2,362)	(2,421)	59
(105,520)	0	Business Rates	Gross Income	(105,520)	(106,662)	(1,142)	(1,065)	(77)
(1,578)	0		Section 31 Grants	(1,578)	(1,649)	(71)	(71)	0
51,412	0		Less: Tariff	51,412	51,412	0	0	0
5,445	0		Less: Levy	5,445	6,015	570	531	39
(2,000)	0		B/fwd Deficit	(2,000)	(1,592)	408	408	0
(52,241)	0	Sub-Total	(52,241)	(52,476)	(235)	(197)	(38)	
(160,940)	0	Total Collection Fund	(160,940)	(163,537)	(2,597)	(2,618)	21	

120. A surplus of £417k is reported on in-year Council Tax collection, with marginally lower than projected growth since setting the taxbase in January 2017 being off-set by continued strong collection performance and associated reductions in planned provision for doubtful debt. A minor £59k pressure is reported on the Council Tax Support Scheme, although overall claimant numbers and values remain broadly consistent with budget assumptions. The £2,004k brought forward surplus on Council Tax relates primarily to the release of historic provisions following the adoption of an improved methodology in accounting for doubtful debts, which brings the total projected surplus available for release in 2018/19 to £2,362k.

121. A favourable position is reported on Business Rates income at Month 4, with a surplus of £1,142k on gross income arising from a decline in numbers of empty properties from 2016/17 and strong collection performance in line with that experienced on Council Tax and further £71k on Section 31 Grant income to compensate the Council for Government funded discounts. Under the current Business Rates Retention system, the Council is required to make increased levy payments against this surplus, reducing the net benefit to £643k for 2017/18. This position is predicated upon a number of larger office developments within the borough being occupied during the financial year and will remain under review over the coming months.

122. The in-year surplus on Business Rates activity is sufficient to off-set the brought forward £408k deficit from an increase in Empty Property Relief awarded during 2016/17, delivering an overall £235k surplus on Business Rates that will be available for release in 2018/19.

Appendix C – HOUSING REVENUE ACCOUNT

123. The Housing Revenue Account (HRA) is currently forecasting an in-year overall deficit of £10,988k, which is £676k more favourable than the budgeted position. Therefore the 2017/18 closing HRA General Balance is forecasted to be £34,838k, this is above the £12,000k minimum level of HRA balances threshold, with sums over and above the minimum level earmarked for investment in new or existing stock. The table below presents key variances by service area:

Table 18: Housing Revenue Account

Service	Month 4		Variance (+ adv / - fav)		
	Revised Budget	Forecast Outturn	Variance (As at Month 4)	Variance (As at Month 2)	Movement from Month 2
	£'000	£'000	£'000	£'000	£'000
Rent Income	(55,064)	(55,577)	(513)	0	(513)
Other Income	(5,494)	(5,494)	0	0	0
Net Income	(60,558)	(61,071)	(513)	0	(513)
Housing Management	12,214	12,429	215	195	20
Tenant Services	4,973	4,691	(282)	(226)	(56)
Repairs	5,033	5,054	21	(78)	99
Planned Maintenance	4,906	4,686	(220)	0	(220)
Capital Programme Funding	28,237	28,237	0	0	0
Interest & Investment Income	15,121	15,224	103	103	0
Development & Risk Contingency	1,738	1,738	0	0	0
Operating Costs	72,222	72,059	(163)	(6)	(157)
(Surplus) / Deficit	11,664	10,988	(676)	(6)	(670)
General Balance 01/04/2017	(45,826)	(45,826)	0	0	0
General Balance 31/03/2018	(34,162)	(34,838)	(676)	(6)	(670)

Income

124. A favourable variance of £513k is forecast on rental income. £141k of this sum is due to the forecast average weekly rental income being above the level assumed in setting the budget and £372k due to the average number of properties rented being greater than assumed in the budget. This predominantly reflects the reduction in RTB sales in 2016/17 and 2017/18. The 2017/18 RTB sales assumed in the rental income forecast is 85.

125. The number of RTB applications received in the first four months of 2017/18 was 63 compared to 93 in the first four months of 2016/17, a reduction of 32%. There have been 18 RTB completions in the first four months of 2017/18 compared to 36 in the first four months of 2016/17, a reduction of 50%. The Month 4 forecast assumes RTB sales of 85, this reflects officers' expectation of a reduction in the numbers of completed RTB sales given current market conditions.

Expenditure

126. The Housing management service is forecast to overspend by £215k, an adverse movement of £20k on Month 2, due to various running costs.
127. Tenant services is forecast to underspend by £282k, an improvement of £56k on Month 2, due to favourable movements on utility costs.
128. The overall repairs budget is forecast to overspend by £21k, an adverse movement of £99k on Month 2, due to revised forecasts showing adverse movements of £80k on materials and £19k on running costs.
129. The Planned Maintenance budget is expected to underspend by £220k, due to £20k on lift surveys and £200k on external decorations. A contractor has been selected for the external decorations work and leasehold consultation is now underway.
130. The Interest and Investment Income is forecast to be overspent by £103k, representing no change from the Month 2 position.
131. There is no variance reported on the Development and Risk contingency at month 4. In addition to the £1,738k budget there is a provision of £729k carried forward from 2016/17 to 2017/18 for the Triscott House dispute, which is awaiting final settlement.

HRA Capital

132. The HRA capital programme is set out in the table below. The 2017/18 original budget is £71,425k and the 2017/18 revised budget is £85,896k, a net increase of £14,471k.
133. The 2017/18 revised budget includes the June Cabinet approved recommendation to re-phase a net sum of £10,131k into 2017/18, this consists of £13,560k of HRA capital budgets from 2016/17 into 2017/18 and £3,429k re-phasing of 2017/18 budget into subsequent years.
134. The 2017/18 revised budget also includes the re-phasing of £4,340k from 2018/19 into 2017/18. The Leader of the Council and the Cabinet Member for Finance, Property and Business Services have approved under special urgency procedures in August 2017 the re-phasing of £646k within the HRA Works to Stock Programme capital budget from 2018/19 into 2017/18 for the replacement of electrical night storage heaters and associated electrical safety works at Rabbs Mill House, Uxbridge and Fitzgerald House, Glenister House and Wellings House, Hayes. Furthermore they have approved the addition of £3,694k to the HRA Works to Stock Programme 2017/18 capital budget, for a new work-stream budget for the multi-element renewal and fire safety scheme at Rabbs Mill House, Uxbridge and Fitzgerald House, Glenister House and Wellings House, Hayes, funded from re-phasing of the Works to Stock budget from 2018/19 into 2017/18.

Table 19: HRA Capital Expenditure

Programme	2017/18 Original Budget	2017/18 Revised Budget	2017/18 Forecast	2017/18 Cost Variance Forecast V Revised Budget	2017/18 Project Re-Phasing	Total Project Budget 2017-2022	Total Project Forecast 2017-22	Total Project Variance 2017-22	Movement 2017-22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Projects									
New General Needs Housing Stock	21,418	22,645	17,623	0	(5,022)	32,618	32,618	0	0
New Build - Appropriation of Land	8,635	8,635	8,635	0	0	8,635	8,635	0	0
New Build - Shared Ownership	1,720	1,720	238	0	(1,482)	7,948	7,948	0	0
New Build - Supported Housing Provision	21,434	26,293	24,848	(1,768)	323	37,506	33,831	(3,675)	(3,675)
ICT	0	0	0	0	0	162	162	0	0
HRA General Capital Contingency	9,500	9,500	9,500	0	0	9,500	9,500	0	0
Total Major Projects	62,707	68,793	60,844	(1,768)	(6,181)	96,369	92,694	(3,675)	(3,675)
Works to Stock									
Works to stock programme	7,626	15,269	15,269	0	0	48,996	48,996	0	0
Major Adaptations to Property	1,092	1,834	1,834	0	0	6,720	6,720	0	0
Total Works to Stock	8,718	17,103	17,103	0	0	55,716	55,716	0	0
Total HRA Capital	71,425	85,896	77,947	(1,768)	(6,181)	152,085	148,410	(3,675)	(3,675)
Movement	0	4,340	810	(1,768)	(1,762)	0	(3,675)	(3,675)	(3,675)

Major Projects

135. The 2017/18 Major Projects programme revised budget is £68,793k and the forecast spend is £60,844k, with a forecast re-phasing of £6,181k. The major works cost variance during the period 2017-20 is an underspend of £3,675k.

New General Needs Housing Stock

136. The 2017/18 General Needs Housing Stock budget is expected to be largely utilised. Of the £22,645k budget, £4,029k has been earmarked towards the purchase and repair of buy back properties. To date 7 buybacks have been approved, this includes one that has completed.
137. There is a forecast re-phasing of £5,022k being reported across the General Needs programme, representing an increased phasing movement of £2,107k compared to the Month 2 position. This further slippage is resulting mainly from delays in the construction of the 7 new build units within the housing programme. A combination of site access issues and the delays in discharging pre-commencement planning conditions have resulted in minimal progress.
138. Contractors have been appointed for all 3 elements of the housing programme although development has been slower than expected. The building works with respect to the extensions and conversions are forecast to be complete by the end of this financial year.
139. Although approval has been obtained for the delivery of 19 units of General Needs Housing stock at Acol Crescent, a revised scheme is currently being reviewed leading to the project being delayed. Approval has been received to progress the demolition of the building, which is out to tender and due back by the end of August 2017.
140. Lead Consultants and architects have been appointed for the three project developments at Belmore allotments, Maple and Poplar Day Centre and Willow Tree redevelopments. The projects have been delayed resulting in construction not commencing until early next financial year.

New Build - Appropriation of Land

141. New Build - Appropriation of Land, the £8,635k has been included for New Build appropriation of land for 2 sites at the former Belmore allotments and Maple / Poplar day centre.

New Build - Shared Ownership

142. New Build Shared Ownership - the £1,720k set aside for the shared ownership budget is with respect to the developments currently being undertaken at the former Belmore Allotments and Maple / Poplar day centre. The schemes include the construction of 60 shared ownership units and the budget is to cover the costs of this element of the overall developments. The forecast spend is £238k, with a forecast re-phasing of £1,482k. The schemes are being delivered concurrently with the General Needs units and as such are also currently behind schedule for the reasons noted above.

New Build - Supported Housing

143. The Supported Housing Programme comprises the build of 160 mixed client group units across three different sites. The development of 14 Supported Housing units at Acol Crescent has now been removed from the programme as there is no longer a requirement for the units. This has largely resulted in the forecast cost underspend of £3,675k being reported across the life of the programme, of which £1,768k is declared within the 2017/18 budget.
144. The contractor for the Parkview development is now reporting the acceleration of previously delayed works leading to an overall favourable re-phasing variance of £323k. This represents

a positive movement of £640k on the Month 2 position. The forecast position for the programme has been adjusted to reflect updated cash flow projections submitted by the contractors.

145. Grassy Meadow and Parkview: The contractors continue to make progress on both sites with main excavations of basement, car park and lower ground floor flats nearing completion at Parkview. Decking and steel fixing are progressing to final stages at Grassy Meadow and interior design work has now been agreed with the client.

HRA General Contingency

146. HRA General Contingency - A capital contingency of £9,500k is included within the HRA capital programme to ensure the Council retains sufficient flexibility to secure additional housing units where opportunities become available.

Works to Stock

147. A nil variance is reported against the revised Works to Stock 2017/18 programme budget of £15,269k. The programme includes the delivery of safety works to sheltered housing schemes following fire risk assessments, which are in progress, a continuation of an on-going programme and the replacement of fire doors in all high-rise blocks. In addition further fire safety and improvement works, including the upgrade of electrical heating systems, are being developed at four high-rise blocks.
148. Major Adaptations - capital release has been approved for schemes totalling £1,346k and the revised budget of £1,834k is forecast to be fully spent.

HRA Capital Receipts

149. There have been 18 Right to Buy sales of council dwellings as at the end of July 2017 for a total gross sales value of £3.5m and a total of a further 67 sales are forecast to bring the yearly total to 85, totalling circa £13.5m in 2017/18.
150. The application of retained Right to Buy receipts are limited by the retention agreement to a maximum 30% of the cost of replacement housing, with the ability to apply a greater percentage towards the purchase and repair of existing units. In the event that expenditure does not meet these criteria, funds would be payable to the DCLG.
151. During 2017/18, the £11,733k receipts generated in 2014/15 could potentially become repayable unless the follow expenditure profile is achieved: Q1 £10,527k, Q2 £10,663k, Q3 £10,180k and Q4 £7,740k. Cumulative expenditure on 1 for 1 replacement from previous quarters above the minimum requirement can be carried-forward and has facilitated meeting the cumulative spend requirement for June 2017, which is Q1 in 2017/18.

Appendix D - GENERAL FUND CAPITAL PROGRAMME

152. As at Month 4 an underspend of £15,836k is reported on the £78,595k General Fund Capital Programme for 2017/18 due largely to slippage on project expenditure. The forecast outturn variance over the life of the 2017/18 to 2021/22 programme is an underspend of £269k.
153. General Fund Capital Receipts of £18,391k are forecast for 2017/18, with a shortfall of £3,153k in total forecast receipts to 2021/22.
154. Overall, Prudential Borrowing required to support the 2017/18 to 2021/22 capital programmes is forecast to be within budget by £8,893k. This is as a result of cost underspends of £269k and increases in grants and contributions of £11,777k due mainly to the confirmed Basic Needs grant allocation for 2019/20 being substantially higher than original budget estimates. However, this is partly offset by a forecast shortfall of £3,153k in capital receipts.

Capital Programme Overview

155. Table 20 below sets out the latest forecast outturn on General Fund capital projects, with project level detail contained in annexes A - D to this report. Forecasts for future years include capital projects and programmes of work approved by Cabinet and Council in February 2017.

Table 20: General Fund Capital Programme Summary

	Revised Budget 2017/18	Forecast 2017/18	Cost Variance Forecast vs Budget	Project Re-phasing	Total Project Budget 2017-2022	Total Project Forecast 2017-2022	Total Project Variance	Move-ment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Programme	22,747	12,967	-	(9,780)	90,783	90,783	-	-
Self Financing Developments	300	300	-	-	27,619	27,619	-	-
Main Programme	26,396	22,567	(17)	(3,812)	86,088	86,071	(17)	(5)
Programme of Works	27,652	25,425	(252)	(1,975)	82,022	81,770	(252)	(252)
Total Main Programme	77,095	61,259	(269)	(15,567)	286,512	286,243	(269)	(257)
General Contingency	1,500	1,500	-	-	7,500	7,500	-	-
Total Capital Programme	78,595	62,759	(269)	(15,567)	294,012	293,743	(269)	(257)
Movement	438	(4,619)	(257)	(4,800)	438	181	(257)	

156. The revised budget has increased by £438k due mainly to schools' contributions to the Devolved Formula Capital programme.
157. The Schools Programme reports a re-phasing underspend in 2017/18 of £9,780k which is partly due to elements of the primary and secondary schools expansions programmes that are currently on hold. Construction works at two of the Primary Schools Phase 4 expansions sites have commenced on site for completion next year.
158. The five year programme contains two major self financing developments which are in early stages. Design work has commenced on a large mixed tenure residential development at the

former Belmore Allotments site with 30 units to be provided for private sale through the General Fund. A mixture of residential and leisure development is planned at Yiewsley.

159. The main programme reports a small cost underspend of £17k on completion of projects which commenced in the previous financial year. Slippage of £3,812k is forecast on several large projects that will not be completed by the end of this financial year. These include Uxbridge Cemetery Gatehouse, the New Museum project, and Vehicle Replacement Programme.
160. Programmes of Works are forecast to have cost underspends of £252k. This partly relates to Social Care equipment capitalisation based on the anticipated level of new Telecare equipment purchases that will be required for the year. There is also a forecast underspend on private sector renewal grants based on current activity levels. Slippage of £1,975k is forecast which is partly due to some profiling across financial years of the 2017/18 Transport for London Local Implementation Plan and schemes within the School Conditions Building Programme.
161. There is an unallocated general contingency budget of £1,500k in 2017/18 with a further £6,000k contingency funding over the period 2018-22 which are forecast to be fully utilised as and when risk issues emerge.

Capital Financing - General Fund

162. Table 21 below outlines the latest financing projections for the capital programme, with a favourable medium term variance of £8,893k reported on Prudential Borrowing, due mainly to an increase in grant funding over original budget estimates.

Table 21: General Fund Capital Programme Financing Summary

	Revised Budget 2017/18 £'000	Forecast 2017/18 £'000	Variance £'000	Total Financing Budget 2017-2022 £'000	Total Financing Forecast 2017-2022 £'000	Total Variance £'000	Movement £'000
Council Resource Requirement	59,046	44,405	(14,641)	213,069	201,023	(12,046)	(268)
Financed By:							
Capital Receipts	23,927	18,391	(5,536)	83,393	80,240	(3,153)	-
CIL	5,151	3,500	(1,651)	26,901	26,901	-	-
Prudential Borrowing	29,968	22,514	(7,454)	102,775	93,882	(8,893)	(268)
Total Council Resources	59,046	44,405	(14,641)	213,069	201,023	(12,046)	(268)
Grants & Contributions	19,549	18,354	(1,195)	80,943	92,720	11,777	11
Total Programme	78,595	62,759	(15,836)	294,012	293,743	(269)	(257)

163. Capital receipts received as at the end of July amount to £753k which will be utilised towards meeting the £2,500k transformation financing target for 2017/18. The capital receipts forecast reports an under recovery of £3,153k which is due to a reduction in General Fund share of Right to Buy receipts. Forecast Right to Buy sales from 2017-2020 have been reduced by 95 from original budget estimates. The five year forecast includes £10,836k in

future receipts that are yet to be identified and this remains a risk in terms of delivery. The future years' capital receipts budget also includes £28,948k from sales of residential units to be built within the Yiewsley and Belmore Allotments developments.

164. As at the end of July a total of £374k CIL receipts (after administration fees) have been invoiced or received by the Council this financial year, a movement of £278k from Month 2. The current year income budget is forecast to be under recovered by £1,651k as there is some risk around the timing of receipts for existing and future planning applications, although this is currently expected to be recovered in future years. Budgeted eligible activity exceeds the CIL forecast, with spend on Highways investment, community assets through the Chrysalis Programme and other major community infrastructure such as schools meeting the criteria for application of CIL monies.
165. Grants and contributions are £11,777k higher than the revised budget due mainly to the confirmed Basic Needs award for 2019/20 being £11,615k higher than the original budget estimate set before the announcement, although there remain £8,850k in assumed Basic Needs grant for the period 2020-22 that are not yet confirmed. There are also other improvements in allocating additional Section 106 monies and Transport for London grant to finance existing schemes. The forecast underspend of £160k on Social Care Equipment capitalisation reduces financing by the Disabled Facilities Grant.
166. A favourable variance of £8,893k is reported on prudential borrowing due mainly to the increase in available grants and contributions noted above, partly offset by the shortfall in capital receipts.

ANNEX A - Schools Programme

Prior Year Cost	Project	2017/18 Revised Budget	2017/18 Forecast	2017/18 Cost Variance	Proposed Re-phasing	Total Project Budget 2017-2022	Total Project Forecast 2017-2022	Total Project Variance 2017-2022	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Education and Children Services										
136,966	Primary Schools Expansions	1,066	200	0	(866)	1,565	1,565	0	1,565	0	0
786	New Primary Schools Expansions	12,599	7,798	0	(4,801)	26,614	26,614	0	11,673	14,941	0
482	Secondary Schools Expansions	6,073	1,960	0	(4,113)	55,418	55,418	0	35,891	19,527	0
42,721	Secondary Schools New Build	2,997	2,997	0	0	3,574	3,574	0	1,942	1,632	0
187	Hearing Impaired Resource Base (Vyners)	12	12	0	0	12	12	0	12	0	0
0	Additional Temporary Classrooms	0	0	0	0	2,400	2,400	0	2,400	0	0
0	Schools SRP	0	0	0	0	1,200	1,200	0	400	800	0
181,142	Total Schools Programme	22,747	12,967	0	(9,780)	90,783	90,783	0	53,883	36,900	0

ANNEX B - Self Financing Developments

Prior Year Cost	Project	2017/18 Revised Budget	2017/18 Forecast	2017/18 Cost Variance	Proposed Re-phasing	Total Project Budget 2017-2022	Total Project Forecast 2017-2022	Total Project Variance 2017-2022	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Self Financing Developments										
	Finance, Property and Business Services										
237	Yiewsley Site Development	300	300	0	0	23,014	23,014	0	23,014	0	0
0	Belmore Allotments Development	0	0	0	0	4,605	4,605	0	3,397	0	1,208
237	Total Main Programme	300	300	0	0	27,619	27,619	0	26,411	0	1,208

ANNEX C - Main Programme

Prior Year Cost	Project	2017/18 Revised Budget £'000	2017/18 Forecast £'000	2017/18 Cost Variance £'000	Proposed Re-phasing £'000	Total Project Budget 2017-22 £000	Total Project Forecast 2017-22 £000	Total Project Variance 2017-22 £000	Project Forecast Financed by:		
									Council Resources £000	Government Grants £000	Other Cont'ns £000
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Community, Commerce and Regeneration										
1,702	CCTV Enforcement (SKC's)	40	40	0	0	40	40	0	40	0	0
561	Gateway Hillingdon	2,377	2,377	0	0	2,590	2,590	0	2,590	0	0
4,897	Hayes Town Centre Improvements	1,770	1,770	0	0	4,372	4,372	0	342	2,504	1,526
224	Inspiring Shopfronts	397	397	0	0	471	471	0	447	0	24
15	Uxbridge Cemetery Gatehouse Chapel	672	50	0	(622)	985	985	0	985	0	0
100	Uxbridge Change of Heart	946	946	0	0	1,896	1,896	0	1,071	738	87
	Central Services, Culture and Heritage										
883	Bowls Club Refurbishments	658	658	0	0	658	658	0	658	0	0
214	Haste Hill Golf Club	66	66	0	0	66	66	0	66	0	0
32,203	Hillingdon Sports & Leisure Centre	856	856	0	0	856	856	0	856	0	0
0	Ruislip Lido Railway Society Workshop	360	340	0	(20)	360	360	0	360	0	0
0	Mobile Library	117	117	0	0	117	117	0	117	0	0
	Finance, Property and Business Services										
2,282	Battle of Britain Heritage Pride Project	3,405	3,405	0	0	3,705	3,705	0	3,705	0	0
29	Battle of Britain Underground Bunker	571	571	0	0	1,024	1,024	0	1,024	0	0
0	Bessingby FC and Boxing Clubhouse	1,300	700	0	(600)	1,370	1,370	0	1,370	0	0
0	Uniter Building Refurbishment	400	400	0	0	400	400	0	400	0	0
0	New Museum	1,280	500	0	(780)	5,632	5,632	0	4,882	0	750
0	New Theatre	1,000	500	0	(500)	44,000	44,000	0	42,950	0	1,050
0	Youth Provision	1,000	500	0	(500)	3,000	3,000	0	3,000	0	0
	Planning, Transportation and Recycling										
57	Ruislip Lido Car Park Improvements	155	155	0	0	155	155	0	0	155	0
2,279	Cedars & Grainges Car Park	391	391	0	0	391	391	0	391	0	0
1,343	Harlington Road Depot Improvements	314	314	0	0	314	314	0	314	0	0
0	Purchase of Vehicles	1,390	600	0	(790)	3,390	3,390	0	3,390	0	0
0	RAGC Car Park	250	250	0	0	250	250	0	250	0	0
287	Street Lighting - Invest to Save	4,313	4,313	0	0	5,213	5,213	0	5,213	0	0
	Social Services, Housing, Health and Wellbeing										
0	1 & 2 Merrimans Housing Project	620	620	0	0	620	620	0	620	0	0
47	Grassy Meadow Dementia Centre	0	0	0	0	2,465	2,465	0	2,465	0	0
	Cross Cabinet Member Portfolios										
233	Environmental/ Recreational Initiatives	1,194	1,194	0	0	1,194	1,194	0	1,139	0	55
9,234	Projects Completing in 2017/18	554	537	(17)	0	554	537	(17)	537	0	0
56,590	Total Main Programme	26,396	22,567	(17)	(3,812)	86,088	86,071	(17)	79,182	3,397	3,492

ANNEX D - Programme of Works

Prior Year Cost	Project	2017/18 Revised Budget	2017/18 Forecast	2017/18 Cost Variance	Forecast Re-phasing	Total Project Budget 2017-2022	Total Project Forecast 2017-2022	Total Project Variance 2017-2022	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	436	436	0	0	1,236	1,236	0	1,236	0	0
	Community, Commerce and Regeneration										
N/A	Chrysalis Programme	1,512	1,512	0	0	5,512	5,512	0	5,504	0	8
N/A	Playground Replacement Programme	250	250	0	0	1,000	1,000	0	1,000	0	0
	Education and Children Services										
N/A	Formula Devolved Capital to Schools	898	898	0	0	2,071	2,071	0	0	1,935	136
N/A	School Condition Building Programme	3,593	3,185	0	(408)	6,593	6,593	0	1,908	3,426	1,259
	Finance, Property and Business Services										
N/A	Civic Centre Works Programme	1,610	1,400	0	(210)	3,610	3,610	0	3,514	0	96
N/A	Corporate Technology and Innovation	1,221	1,221	0	0	5,077	5,077	0	5,077	0	0
N/A	Property Works Programme	738	738	0	0	2,658	2,658	0	2,658	0	0
	Planning, Transportation and Recycling										
N/A	Highways Structural Works	5,518	5,518	0	0	9,518	9,518	0	9,518	0	0
N/A	Road Safety	150	150	0	0	750	750	0	750	0	0
N/A	Transport for London	7,724	6,350	(17)	(1,357)	24,503	24,486	(17)	0	24,106	380
	Social Services, Housing, Health and Wellbeing										
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	17	17	0	0	17	17	0	17	0	0
N/A	PSRG / LPRG	225	150	(75)	0	1,125	1,050	(75)	1,050	0	0
N/A	Equipment Capitalisation - Adult Social Care	985	825	(160)	0	4,925	4,765	(160)	0	4,765	0
	Cross Cabinet Member Portfolios										
N/A	Section 106 Projects	112	112	0	0	112	112	0	0	0	112
N/A	Equipment Capitalisation - General	363	363	0	0	1,815	1,815	0	1,815	0	0
	Total Programme of Works	27,652	25,425	(252)	(1,975)	82,022	81,770	(252)	34,047	45,732	1,991
N/A	General Contingency	1,500	1,500	0	0	7,500	7,500	0	7,500	0	0
	Total GF Capital Programme	78,595	62,759	(269)	(15,567)	294,012	293,743	(269)	201,023	86,029	6,691

Appendix E – Treasury Management Report as at 31 July 2017

Table 22: Outstanding Deposits - Average Rate of Return on Deposits: 0.44%

	Actual (£m)	Actual (%)	Benchmark (%)
Up to 1 Month	45.6	45.51	40.00
1-2 Months	5.0	4.99	5.00
2-3 Months	9.4	9.38	5.00
3-6 Months	30.0	29.94	30.00
6-9 Months	0.0	0.00	10.00
9-12 Months	5.0	4.99	5.00
12-18 Months	5.0	4.99	5.00
18-24 Months	0.0	0.00	0.00
Subtotal	100.0	99.80	100.00
Unpaid Maturities	0.2	0.20	0.00
Grand Total	100.2	100.00	100.00

167. 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, Lancashire CC, Northumberland CC, Stockport BC, Walsall Metropolitan Council, Coventry Building Society, Goldman Sachs International, Lloyds Bank and Santander UK plc. An overseas deposit is held with Svenska Handelsbanken in a 35 Day Notice Account.
168. 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 in 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 July, 56% of the Council's total funds have exposure to bail-in risk compared to a June benchmark average of 65% in the Local Authority sector (latest benchmark provided quarterly by the Council's treasury advisors Arlingclose). The Council's exposure reduces to 26% once instant access facilities are removed from the bail-in total.
169. To ensure liquidity was maintained during the month, surplus cash was mainly placed in instant access accounts, and when required, funds were withdrawn from instant access accounts. To bolster investment returns, two maturing fixed term deposits with Dudley Metropolitan Borough Council and Guildford Council were replaced with new fixed-term deposits with Walsall Metropolitan Council and Coventry Building Society.

Table 23: Outstanding Debt - Average Interest Rate on Debt: 3.37%

		Actual (£m)	Actual (%)
General Fund	PWLB	49.18	19.19
	Long-Term Market	15.00	5.85
HRA	PWLB	159.07	62.08
	Long-Term Market	33.00	12.88
	Total	256.25	100.00

170. There were no scheduled debt repayments or early debt repayment opportunities during July. Gilt yields were fairly flat with a little increase around the middle of month. Premiums were too high to make early repayment of debt feasible. There were no breaches of the prudential indicators or non-compliance with the treasury management policy and practices.
171. In order to maintain liquidity for day-to-day business operations during August, cash balances will be placed in instant access accounts. Looking forward, opportunities to place longer term deposits will be monitored.

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

172. 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 24: Consultancy and agency assignments

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Finance						
Benefits Officer	03/08/2017	22/07/2017	20/10/2017	113	15	128
Residents Services						
Major Applications (PPA) Planner	16/01/2017	31/07/2017	27/10/2017	42	21	63
Major Applications (PPA) Planner	01/11/2017	31/07/2017	29/10/2017	120	23	143
Development Surveyor	10/03/2014	04/09/2017	03/12/2017	106	13	119
Development Surveyor	01/07/2011	14/08/2017	12/11/2017	381	26	407
CCTV Manager	25/09/2016	14/08/2017	05/11/2017	46	11	57
Project Manager (Acol & Yiewsley), Capital Programme Team	07/05/2017	07/08/2017	05/11/2017	26	30	56
Emergency Management & Response Manager	07/05/2017	29/08/2017	20/10/2017	48	11	59
Financial Assessment Officer	20/04/2015	17/07/2017	15/10/2017	70	8	78
Environmental Health Officer	24/01/2016	10/07/2017	30/09/2017	58	12	70
Casual Smoking Cessation Sessional Advisors	01/04/2013	17/07/2017	08/10/2017	116	5	121
Senior School Improvement Advisor	07/03/2016	03/07/2017	30/09/2017	150	30	180
Senior School Improvement Advisor	07/03/2016	03/07/2017	30/09/2017	121	26	147
Planning Enforcement Officer	06/10/2014	03/07/2017	30/09/2017	204	22	236
Building Control Surveyor	23/08/2012	10/07/2017	06/10/2017	158	8	166
Technical Manager M&E - Planned Works	24/10/2016	10/07/2017	06/10/2017	73	24	97
Compliance Officer	02/02/2017	16/07/2017	13/10/2017	47	28	75
Development Manager (Housing Zone)	12/04/2017	14/07/2017	11/10/2017	32	33	65
Education Strategy & Quality Assurance Manager	29/04/2015	26/07/2017	30/11/2017	300	55	355

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
DFG & Home Adaptations Surveyor	13/03/2017	31/07/2017	29/10/2017	28	29	57
Social Care						
Early Years Practitioner	23/02/2015	07/08/2017	01/10/2017	49	4	53
Supervising Social Worker	06/06/2016	04/09/2017	01/10/2017	50	5	55
Social Worker	07/11/2016	07/08/2017	01/10/2017	46	10	56
Senior Social Worker	21/11/2016	07/08/2017	01/10/2017	45	12	57
Social Worker	16/12/2016	07/08/2017	01/10/2017	46	12	58
Early Years Practitioner	24/02/2014	07/08/2017	01/10/2017	56	2	58
Social Worker	01/04/2013	07/08/2017	01/10/2017	49	12	61
Social Worker	13/11/2016	07/08/2017	01/10/2017	51	12	63
LSAB Co-Ordinator	24/11/2015	07/08/2017	01/10/2017	55	8	63
Social Worker	21/11/2016	07/08/2017	01/10/2017	53	12	65
Social Worker	27/10/2016	07/08/2017	01/10/2017	56	12	68
Receptionist/ Administrative Assistant	01/09/2014	07/08/2017	01/10/2017	68	2	70
Social Worker	07/11/2016	07/08/2017	01/10/2017	58	12	70
Early Years Practitioner	02/03/2015	07/08/2017	01/10/2017	66	4	70
Early Years Practitioner	12/01/2015	07/08/2017	01/10/2017	67	4	71
Senior Educational Psychologist	15/08/2016	07/08/2017	01/10/2017	67	6	73
Social Worker	01/04/2013	07/08/2017	01/10/2017	61	12	73
Social Worker	07/11/2016	07/08/2017	01/10/2017	61	14	75
Social Worker	26/08/2016	07/08/2017	01/10/2017	65	10	75
Social Worker	26/09/2016	07/08/2017	01/10/2017	66	10	76
Early Years Practitioner	06/10/2014	07/08/2017	01/10/2017	73	4	77
Social Worker	11/07/2016	07/08/2017	01/10/2017	68	11	79
Placement Officer	18/03/2016	07/08/2017	01/10/2017	71	8	79
Social Worker	01/09/2016	07/08/2017	01/10/2017	71	10	81
Social Worker	03/07/2016	07/08/2017	01/10/2017	73	12	85
Social Worker	05/10/2015	07/08/2017	01/10/2017	74	12	86
Social Worker	21/08/2016	07/08/2017	01/10/2017	77	12	89
Social Worker	01/04/2013	07/08/2017	01/10/2017	78	12	90
Social Worker	28/03/2016	07/08/2017	01/10/2017	86	10	96
Social Worker	04/07/2016	07/08/2017	01/10/2017	86	14	100
Special Needs Officer	05/01/2015	07/08/2017	01/10/2017	87	14	101
Social Worker	01/08/2015	07/08/2017	01/10/2017	103	12	115
Child Protection Chair	01/07/2015	07/08/2017	01/10/2017	109	12	121
Training and Quality	01/12/2015	04/09/2017	01/10/2017	109	12	121

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Assurance Officer						
Domestic Violence Co-Ordinator	12/01/2015	07/08/2017	01/10/2017	115	6	121
Early Years Practitioner	01/05/2015	07/08/2017	01/10/2017	125	4	129
Main Grade Social Worker	04/05/2015	07/08/2017	01/10/2017	125	10	135
Social Worker	04/05/2015	07/08/2017	01/10/2017	13	10	140
Quality Assurance Auditor (Social Work Cases)	08/05/2014	07/08/2017	01/10/2017	143	12	155
Child Protection Chair	20/07/2015	07/08/2017	01/10/2017	158	12	170
Child Sexual Exploitation (CSE) Co-ordinator	03/11/2014	07/08/2017	01/10/2017	159	16	175
Social Worker	27/10/2014	07/08/2017	01/10/2017	166	10	176
Maingrade Educational Psychologist	15/11/2015	07/08/2017	01/10/2017	164	14	178
Main Grade Social Worker	13/04/2015	07/08/2017	01/10/2017	166	12	178
Senior Social Worker, Triage	19/06/2014	07/08/2017	01/10/2017	175	10	185
Educational Psychologist	01/03/2016	07/08/2017	01/10/2017	170	24	194
Social Worker	05/09/2014	07/08/2017	01/10/2017	227	12	239
Senior Social Worker	11/08/2014	07/08/2017	01/10/2017	234	12	246
Senior Social Worker	30/04/2012	04/08/2017	01/10/2017	238	12	250
Social Worker	01/01/2013	08/08/2017	01/10/2017	263	12	275
Team Manager - Triage	28/09/2014	07/08/2017	01/10/2017	268	16	284
Senior Social Worker	01/04/2013	07/08/2017	01/10/2017	274	12	286
Senior Social Worker	01/01/2013	07/08/2017	01/10/2017	277	12	289
Case Progression Manager	07/04/2014	07/08/2017	01/10/2017	295	18	313
Senior Social Worker	19/12/2011	07/08/2017	01/10/2017	303	12	315
Service Manager	13/01/2014	07/08/2017	01/10/2017	383	20	403
Residential Care Worker	01/04/2012	07/08/2017	01/10/2017	145	4	149
Approved Mental Health Worker	01/03/2014	07/08/2017	01/10/2017	184	16	200
Lead Mental Health Practitioner	01/06/2012	07/08/2017	01/10/2017	244	10	254
Occupational Therapist	07/10/2013	07/08/2017	01/10/2017	238	10	248
Occupational Therapist	01/04/2015	07/08/2017	03/09/2017	160	10	170
Approved Mental Health Worker	01/06/2015	07/08/2015	01/10/2017	159	9	168
Approved Mental Health Worker	12/09/2015	07/08/2017	01/10/2017	139	12	151

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Occupational Therapist	03/12/2015	07/08/2017	01/10/2017	110	10	120
Approved Mental Health Worker	29/05/2016	07/08/2017	01/10/2017	81	12	93
Occupational Therapist	06/06/2016	07/08/2017	01/10/2017	83	10	93
Team Manager	26/06/2016	07/08/2017	01/10/2017	69	17	86
Senior Social Worker	01/04/2012	07/08/2017	01/10/2017	50	10	60
Care Worker	20/06/2015	04/09/2015	01/10/2017	49	1	50
Early Years Practitioner	30/03/2015	07/08/2017	03/09/2017	77	2	79
Team Manager	03/04/2016	07/08/2017	03/09/2017	124	8	132
Social Worker	18/08/2015	07/08/2017	03/09/2017	132	5	137

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SCHOOL CAPITAL PROGRAMME - UPDATE

Cabinet Member(s)	Councillor David Simmonds CBE Councillor Jonathan Bianco
Cabinet Portfolio(s)	Deputy Leader of the Council / Education & Children's Services Finance, Property & Business Services
Officer Contact(s)	Bobby Finch, Residents Services
Papers with report	None

HEADLINES

Summary	This report provides an update on the primary and secondary school expansions, the school condition works programme and other school capital works.
Putting our Residents First	<p>This report supports the following Council objectives of: <i>Our People; Our Built Environment; Financial Management</i></p> <p>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.</p>
Financial Cost	<p>The forecast of the existing Primary Schools capital programme is £138,531k 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 £102,195k and a further £2,400k is included for the provision of additional temporary classrooms whilst construction is undertaken.</p> <p>An additional £1,200k has been added to the capital programme to meet the growing need of placements for pupils with additional needs which supplements the already installed provision of a Hearing Impairment Resource Base at Vyners School (£199k).</p>
Relevant Policy Overview Committee	Children, Young People and Learning.
Relevant Ward(s)	All Wards

RECOMMENDATIONS

That Cabinet:

1. **Note the progress made with primary and secondary school expansions, the school condition programme and other school capital projects.**
2. **Approves the works to be carried out at Grange Park Infant and Junior School and Coteford Infants School as part of the School Condition Works Programme Phase 2.**
3. **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 approve the remaining projects to be included in the School Condition Programme Phase 2.**
4. **Delegate full authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in consultation with the Deputy Chief Executive and Director of Residents Services, to make all necessary procurement and financial decisions, including the appointment of consultancies and the placing of building contracts for the School Condition Programme Phase 2.**
5. **Request that the Chairman of the Executive Scrutiny Committee waives the scrutiny call-in on recommendation 4 to provide the delegated authority required to ensure the urgent works at Grange Park Infants and Junior can be progressed as soon as possible to benefit the school and pupils.**

Reasons for recommendation

Progressing the School Condition Programme will allow the necessary repair or replacement works to be progressed on the schools' to avoid the potential impact on their daily operations due to parts of the building fabric being beyond repair, or equipment which is at the end of its life. Ensuring these works are undertaken will minimise the risk of health and safety related issues or the possibility of a school closure occurring.

Democratic compliance and previous authority

As in previous years, Cabinet authority has been required to delegate high value contract decisions to Cabinet Members. This enables efficient decision-making for priority school expansion and condition projects at times that may not be suitable in a monthly cabinet cycle.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

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. This has largely been driven by rising birth rates, new housing developments and families moving into the Borough. Overall there is some evidence of a slowdown in the demand for additional primary school places in the north of the Borough and there remains localised pockets of pressure in the south of the Borough in the Hayes / Yeading area.

The position in Hayes reflects the loss of a reception year group (120 places) at Nanaksar Primary which, in effect, is displacing demand to spill over into the wider Hayes area and surrounding areas. No further information has been received from the ESFA about Nanaksar to clarify whether or not the school will re-open the Reception year (the earliest is potentially from September 2019).

National Offer Day for Primary School Reception places was on 18 April 2017 and all children in Hillingdon were offered a school place on-time. Hillingdon had the best results in West London and one of the best in London in making an offer of a school place which met the preferred choice of the parent / carer (89% of Hillingdon applicants were offered their first choice of school; London average was 86%; 98.5% of Hillingdon residents were offered a school place from one of their preferences; 97.5% was the average for London).

Permanent Expansions (Phase 4) Hillside and Warrender

Following the appointment of the works contractor for both projects, construction works have now commenced on site. The initial stage of works has been completed at the schools over the school summer holidays.

SECONDARY SCHOOLS

School Places Forecast

The updated forecast shows a longer-term sustained demand for additional secondary school places, with the demand arriving first in the north of the Borough where fewer school places exist.

The additional places that will be provided at Abbotsfield and Swakeleys Schools following completion of the rebuilding/expansion works has helped meet the demand for additional school places, mainly in the central and south of the Borough, with additional places required thereafter.

National offer day for secondary school places was on 1 March 2017 and as in previous years all on-time applications for children were successfully met with an offer of a school place. Overall, there has been a continued increase in demand for school places, equating to an

additional five forms of entry for September 2017. In particular, the rising demand has been brought forward by Harlington School reducing their published admission number by 1 form of entry and fewer Hillingdon pupils being offered a school place in Harrow and Ealing than in previous years.

Ruislip High School and Vyners School Expansions

Ruislip High: The plans have been signed off by the School Governing Body and the planning application for the project has now been submitted. It is anticipated the planning application will be determined by the end of the year.

Vyners: The planning application for the Vyners School expansion scheme was presented to the Planning Committee on the 2 August 2017 who recommended the scheme for approval. Due to a Sport England objection to the planning application, the application will be referred to the Secretary of State (Department for Communities and Local Government) for determination. Transport for London (TFL) has requested a £300k contribution as part of the S106 agreement, Officers are now discussing this request with TFL.

Responses have been received from the Standard Selection Questionnaire (SQ) which is the first stage of the tendering process for a works contractor for the main expansion works. A shortlist of contractors will be compiled from the responses and subject to receiving planning consent for the project, the full Invitation to Tender (ITT) will be issued to these contractors.

A separate works package for the installation an All Weather Pitch is is also currently being procured as these works will need to be completed ahead of the main expansion works. This is to ensure that there is sufficient hard play area available to pupils during the expansion works.

Priority Schools Building Programme Phase 1 (PSBP1)

Northwood School: Following the completion of phase 1 of the construction works at Northwood Secondary School (new school building, new sports hall and car park) in September 2016, phase 2 of the works (demolition of old school buildings and the provision of sports pitches) were completed and handed over to the School in July 2017. The remaining defects that have been picked up over the preceding year were cleared over the school summer holiday period. In addition the remaining S278 highways works were also completed over the summer and as a result the overall project is now fully complete.

Oak Wood (previously Abbotsfield) and Swakeleys Schools: The EFA has confirmed that the new buildings for Oak Wood will not be available for the start of the new academic year in September 2017 and the works will now be completed in December 2017 with the school moving into the new school building for the start of term in January 2018.

SCHOOLS CONDITION PROGRAMME PHASE 2

Tranche 1

Works have now started on site at William Byrd Primary School on the roofing project and is due to be completed in November 2017. The other previously agreed scheme at Lady Bankes schools (canteen and nursery block) is currently being retendered.

Grange Park Infants and Junior - Roof Works: Following an inspection and subsequent condition report on the roof at these schools it was identified that extensive repair works are required. The tender documents for the roofing projects have now been published at the start of August and the tender responses have been evaluated. Cabinet is asked to request approval of the Chairman of Executive Scrutiny Committee to waive the scrutiny call-in period to enable delegated authority to appoint a works contractor following the Cabinet meeting.

Coteford Infants - Structural Movement: Following reports of cracks appearing in the walls and floor in part of the school building due to structural movement a structural surveyor was appointed to determine the cause. The structural report concluded that the movement is due to an increase in local groundwater conditions as a result of broken, blocked and silted drains. In addition, in certain areas the poor condition of the sub-base of the building has added to the movement when the level of the water table changed. Recommendation 2 seeks approval to progress with the project which will consist of the unblocking of drains, monitoring the structural movement for 12-18 months followed by building repairs such as replacement of distorted windows, joinery repairs and crack as required. In the interim some minor repairs to the cracks may be required.

Tranche 2 - Projects Under Development

Work is now complete on finalising the list of potential projects that will make up the rest of this phase of the programme, the proposed projects are currently being considered by Members. Recommendations 3 and 4 will allow for the final decision on which projects are to proceed as well as the decisions on the appointment of consultants and work contractors to be delegated to Leader of the Council and Cabinet Member for Finance, Property and Business Services, in consultation with the Deputy Chief Executive and Director of Residents Services.

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 and Skills Funding Agency (ESFA).

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.

The desktop feasibility studies have been completed at Minet Infant/Junior and Meadow High by the ESFA appointed consultants and the control option from feasibility studies has been signed off by the schools and approved by the ESFA PSBP Board. The ESFA are now starting to look at procurement options for the works. The Harlington School projects is still at the feasibility stage with the ESFA.

Financial Implications

Monitoring - Financial Summary

The School Expansions Capital Programme revised budget is £271,925k for the period up to 2021/22 including prior years. This includes £138,531k for existing primary school expansions, £27,400k for new primary school expansions and £102,195k for secondary school expansions and replacements. An additional £2,400k has been included within the programme for the provision of temporary classrooms whilst expansions are undertaken. Further to this, £1,200k budget has also been approved to support meeting the increasing demand for placements for pupils with special needs. This supplements the £199k approved budget with respect to the installation of a Hearing Impairment Resource Base at Vyners School.

The forecast over the life of the schools expansion programme remains to budget. However, £9,780k has been re-phased from the 2017/18 budget into future years, largely to reflect the slowdown in the need for primary places combined with a previously approved secondary school expansion no longer progressing.

Phase 4 - Permanent School Expansions

Approval has been received to appoint constructors to undertake the 1 FE expansion works at both Hillside and Warrender primary schools. The estimated total cost of both the expansions is £13,262k to be funded from the overall £27,400k approved budget for the phase 4 expansions. Following a pre-start meeting, the contractor has commenced work on both sites.

Secondary School Expansions

The revised forecast for secondary school places shows a longer term sustained pressure for additional places equating to the need for an additional 13 FE's by September 2022.

The existing secondary schools expansions programme includes a budget of £55,900k (including prior years) to meet the potential need for 7 FE's. It is assumed a further 6 FE need will be met through the delivery of a new Free School in the North of the Borough to be delivered by the ESFA.

Approval has been given to progress the expansions at both Ruislip High (1 FE) and Vyners (2 FE) Secondary Schools. Planning consent is being sought for the expansion of both schools with possible Secretary of State intervention required to attain planning approval at Vyners following a Sporting England objection.

Discussions are ongoing between Council officers and TFL with respect to a £300k S106 contribution being sought.

Priority Schools Building Programme Phase 1 (Secondary Schools Replacement)

Northwood - Both phases of the Northwood School rebuild and expansion have now completed with a forecast outturn position of £33,822k. The Final account position is currently being reviewed.

Abbotsfield / Swakeley's School - The ESFA are managing the re-building of Abbotsfield school through the Priority Schools Building Programme (PSBP) with the Council making a contribution of £12,473k 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 ESFA 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.

Schools Condition Programme

The revised 2017/18 Schools Conditions Programme budget is £3,593k. This follows Cabinet approval in June 17 to carry forward slippage of £2,043k from 2016/17 and includes delegated budget of £324k added to the programme as part of the quarterly school returns. This is funded from a combination of external grant funding and school contributions as per council policy. There is potential slippage of £408k which is resulting from a combination of retention falling due in 2017/18 and a couple of the approved projects completing over two financial years.

Tranche 1

Cabinet have previously approved the schemes comprising condition works at both William Byrd and Lady Bankes Primary School. Contractors are on site at William Byrd with a view to completing the roofing works by November 2017. The works at Lady Bankes School is being retendered.

Recommendation 2 seeks Cabinet approval to progress roofing works at Grange Park Infants and Juniors School and structural remedial works at Coteford School. Tender returns have been evaluated with a view to seek approval to appoint a works contractor urgently following the Cabinet meeting using the delegated authority provided.

Tranche 2

The remaining 2017/18 programme comprising tranche 2 is yet to be approved although a final lists of projects have been presented to Members for consideration separately. Recommendations 3 and 4 therefore seeks approval from Cabinet for delegated authority with

respect to the approval of the remaining projects including the appointment of consultancies and the placing of building contracts.

All the projects will be kept within the aforementioned overall school conditions budget of £3,593k. The schemes will progress subject to schools agreeing to contribute towards the condition works as per Council policy.

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 sites are in various stages of development with the EFSA appointed consultants continuing with desktop feasibility on some sites and seeking procurement options on others. The programme is being delivered directly by the ESFA and therefore the current capital investment programme has no budget provision set aside for PSBP2.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

Completion of the school expansion projects will result in the provision of 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.

Progressing the School Condition Programme allows the necessary repair or replacement works to be progressed on the school's, avoiding the potential impact on their daily operations due to parts of the building fabric being beyond economic repair, or equipment which is at the end of its life. Ensuring these works are undertaken will minimise the risk of health and safety related issues or the possibility of a school closure occurring.

Consultation carried out or required

A statutory process is required for expansion of 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 and a statutory consultation period. Statutory proposals for the expansion of Hillside Infant and Junior schools and Warrender Primary were published for consultation on 18 January 2017 and were approved by Cabinet on 16 March 2017.

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, subject to consultation.

CORPORATE CONSIDERATIONS

Strategic 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. The levels of demand and investment requirements outlined in this report were fully reflected in the latest iteration Council's Medium Term Financial Forecast and refreshed Capital Programme for 2017/18 to 2021/22 approved by Cabinet and Council in February 2017.

The re-phasing of £9,780k from the 2017/18 schools capital programme into future years will be recommended to Cabinet in the regular monthly budget monitoring report.

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.

BACKGROUND PAPERS

NIL

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