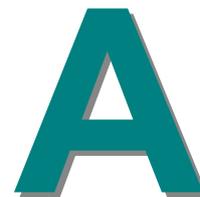




HILLINGDON
LONDON



CABINET

To all Members of the Cabinet:

Date: THURSDAY, 2 SEPTEMBER
2021

Time: 7.00 PM

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

**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.

You can view the agenda
at www.hillingdon.gov.uk or use a smart
phone camera and scan the code below:



Ian Edwards, Leader of the Council
(Chairman)

Jonathan Bianco, Deputy Leader of the
Council & Cabinet Member for Property &
Infrastructure (Vice-Chairman)

Douglas Mills, Cabinet Member for
Corporate Services & Transformation

Martin Goddard, Cabinet Member for
Finance

Susan O'Brien, Cabinet Member for
Families, Education and Wellbeing

Jane Palmer, Cabinet Member for Health
& Social Care

Eddie Lavery, Cabinet Member for
Environment, Housing & Regeneration

John Riley, Cabinet Member for Public
Safety and Transport

Published:
Tuesday, 24 August 2021

Contact:
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Putting our residents first

Lloyd White
Head of Democratic Services
London Borough of Hillingdon,
Phase II, Civic Centre, High Street, Uxbridge, UB8 1UW

Useful information for residents and visitors

Watching & recording this meeting

You can watch the public part of this meeting on the Council's YouTube channel, live or archived after the meeting. Residents and the media are also welcome to attend in person, and if they wish, report on the public part of the meeting. Any individual or organisation may record or film proceedings as long as it does not disrupt proceedings.

Watch a **LIVE** broadcast of this meeting on the Council's YouTube Channel: *Hillingdon London*

Those attending should be aware that the Council will film and record proceedings for both official record and resident digital engagement in democracy.



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.

Travel and parking

Bus routes 427, U1, U3, U4 and U7 all stop at the Civic Centre. Uxbridge underground station, with the Piccadilly and Metropolitan lines, is a short walk away. Limited parking is available at the Civic Centre. For details on availability and how to book a parking space, please contact Democratic Services.

Please enter via main reception and visit the security desk to sign-in and collect a visitors pass. You will then be directed to the Committee Room.

Accessibility

For accessibility options regarding this agenda please contact Democratic Services. For those hard of hearing an Induction Loop System is available for use.

Emergency procedures

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.

Lifts must not be used unless instructed by a Fire Marshal or Security Officer. In the event of a SECURITY INCIDENT, follow instructions issued via the tannoy, a Fire Marshal or a Security Officer. Those unable to evacuate using the stairs, should make their way to the signed refuge locations.



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:

2 September 2021 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 exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (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

24 August 2021
London Borough of Hillingdon

Agenda

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

Cabinet Reports - Part 1 (Public)

- 5 Hillingdon Digital Connectivity Strategy (Cllr Douglas Mills) 13 - 36
- 6 Consideration of setting a licensed deficit budget in 2021/22 for three schools in the Borough (Cllr Susan O'Brien / Cllr Martin Goddard) 37 - 48
- 7 Monthly Council Budget Monitoring Report: Month 3 (Cllr Martin Goddard) 49 - 80
- 8 School Capital Programme Update (Cllr Susan O'Brien / Cllr Jonathan Bianco) 81 - 90

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

- | | | |
|-----------|---|-----------|
| 9 | Postal Services Contract (Cllr Jonathan Bianco) | 91 - 96 |
| 10 | Great Central House, South Ruislip (Cllr Eddie Lavery / Cllr Jonathan Bianco) | 97 - 102 |
| 11 | Backup Contractor for Reactive Repairs Maintenance Service (Cllr Jonathan Bianco) | 103 - 110 |
| 12 | Voluntary Sector Lease (Cllr Jonathan Bianco) | 111 - 118 |

The reports in Part 2 of this agenda are not for publication because they involve the disclosure of information in accordance with Section 100(A) and Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended), in that they contain exempt information and that the public interest in withholding the information outweighs the public interest in disclosing it.

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

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Minutes & Decisions

CABINET

Thursday, 8 July 2021

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



HILLINGDON
LONDON

Decisions published on: 9 July 2021

Cabinet Members Present:

Ian Edwards (Chairman)
Jonathan Bianco (Vice-Chairman)
Douglas Mills
Martin Goddard
Susan O'Brien
Jane Palmer
Eddie Lavery
John Riley

Members also Present:

Duncan Flynn (Ex-Officio Member of the Cabinet)

1. APOLOGIES FOR ABSENCE

All Cabinet Members were present.

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 17 June 2021 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. HILLINGDON STRATEGIC CLIMATE ACTION PLAN

RESOLVED:

That Cabinet:

1. Notes the findings and positive response from a comprehensive consultation exercise which has informed the final Strategic Climate Action Plan;
2. Approves Hillingdon's Strategic Climate Action Plan for adoption;
3. Notes that officers will prepare operational plans to drive forward and fully implement the objectives set out in the Strategic Plan, with progress being regularly reported to Cabinet and;
4. Notes to undertake a review of this strategy in July 2024.

Reasons for decision

Following a comprehensive 12-week public consultation, Cabinet agreed Hillingdon's Strategic Climate Action Plan which had been shaped by the views and ideas from residents, various stakeholders, including webinars with residents' associations. The Cabinet Member for Environment, Housing and Regeneration re-iterated the Council's commitment to be carbon neutral by 2030 and set out the Council's positive track record already with reducing CO2 emissions. The Leader of the Council welcomed the Plan and the need to take it forward for action.

Alternative options considered and rejected

None, as Cabinet considered the Plan necessary to achieve the Council's climate emergency declaration.

Relevant Select Committee	Environment, Housing and Regeneration
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	5pm, Friday 16 July 2021
Officer(s) to action	David Haygarth / Ian Thynne
Directorate	Planning, Environment, Education and Community 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.

6. OLDER PEOPLE'S PLAN UPDATE

RESOLVED:

That Cabinet notes the successes to date and continued progress to deliver the Older People's Action Plan during 2020-21 to improve the quality of life, health and wellbeing of older people in Hillingdon.

Reasons for decision

The Cabinet Member for Health & Social Care introduced the update on the Older People's Plan and welcomed the commitment from the Council and its partners to improve the quality of life for older people in Hillingdon. Cabinet noted the plan and the themes within, including safety and security which had delivered over 11,000 free burglar alarms to older people along with the telecare service providing essential support when needed. Appreciation was given to the views of older people, through the work of the Older People's Assembly and the effort by Age UK locally, who had assisted older people in securing the benefits they were entitled to.

The Leader of the Council noted the impact of the pandemic on older people and how the Council had worked hard to support them during this time, particularly through greater digital inclusion.

Alternative options considered and rejected

None.

Relevant Select Committee	Families, Health & Wellbeing
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	N/A - this matter is not for call-in.
Officer(s) to action	Kevin Byrne
Directorate	Social Care and Health
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. HILLINGDON'S HOUSING STRATEGY 2021-2026

RESOLVED:

That the Cabinet approves the Draft Hillingdon Housing Strategy 2021/22 to 2025/26 included at Appendix A for consultation.

Reasons for decision

Cabinet agreed to progress with consultation on its draft Housing strategy for the coming years. The Cabinet Member for Environment, Housing and Regeneration noted how this would help the Council develop its housing policy and the actions needed to meet the needs of residents, support independent living and also assist rough sleepers.

With a significant housing waiting list, the Council would be investing in more affordable housing and along with the planned regeneration schemes, this would help to increase the supply and quality of the Council's housing stock.

The Cabinet Member paid his appreciation to the officers in the housing department involved in the development of the Strategy and the Leader of the Council set out the importance of residents having the opportunity to comment on it as part of the public consultation.

Alternative options considered and rejected

None, as the Council would not have a framework in which to take its housing policies forward over the coming years.

Relevant Select Committee	Environment, Housing and Regeneration
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	N/A – this matter is not for call-in as a policy framework document
Officer(s) to action	Mark Billings / Debbie Weller
Directorate	Planning, Environment, Education and Community 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. MONTHLY COUNCIL BUDGET MONITORING REPORT: MONTH 2

RESOLVED:

That the Cabinet:

- 1) Note the budget monitoring position and treasury management update as at May 2021 (Month 2) as outlined in Part A of the report.**
- 2) Approve the financial recommendations set out in Part B of the report below:**
 - a. Note those consultancy and agency assignments over £50k approved under delegated authority between the June 2021 and July 2021 Cabinet meetings, detailed at Appendix A.**
 - b. Approve acceptance of gift funding in relation to a Planning Performance Agreement in accordance with the provisions of Section 93 of the Local Government Act 2003 for;**
 - a. Douay Martys School - £5,000**
 - b. 3 Viveash Close - £27,500**
 - c. Achilles Therapeutics - £20,000**
 - d. Colt Data Centre - £50,000**
 - c. Approve to charge an affordable rent based on the London Affordable Rent (LAR) for the 10 new build general needs houses at Ditchfield Road, Hayes (£180.72 pw for 3 bedrooms and £190.23 pw for four bedrooms) as detailed in Appendix B**
 - d. Approve to charge an affordable rent based on the London Affordable Rent (LAR) plus service charges for the 9 new build general needs flats at Given House, Uxbridge (£174.94 pw for 2 bedrooms and £184.46 pw for three bedrooms) as detailed in Appendix B**
 - e. Agree the proposed leisure services fees and charges uplifts detailed in Appendix C in line with the leisure contract terms, to come into effect from 1st August 2021.**
 - f. Ratify a special urgency decision taken by the Deputy Leader of the Council and Cabinet Member for Health & Social Care on 24 June 2021 in relation to the award of contract for a Care and Wellbeing Service in Supported Living for People with Learning Disabilities from 1 April 2021 to 30 June 2022**
 - g. Approve the acceptance of the additional Local Covid Support Grant of £782,414.86 from the DWP to fund continuing support for vulnerable families during the Covid pandemic and to note the continuing use of Edenred (UK Group Limited), a third-party provider appointed through the NPS Framework for the delivery of food vouchers (approved through use of the Leaders Emergency Power ratified June Cabinet Recommendation 18 Item 5)**

Reasons for decision

The Cabinet Member for Finance introduced a restructured budget monitoring report going forward in the interests of transparency and user-friendliness.

Cabinet was informed of the first forecast revenue, capital and treasury position for the current year 2021/22 to ensure the Council achieved its budgetary and service objectives but it was noted that it was still too early to identify trends in spending patterns.

However, the Cabinet Member set out the strong position of the Council’s finances and its balances going forward, along with progress on savings targets and how the Council was managing the financial pressures arising from COVID-19. Cabinet noted the re-phasing of the Council’s capital programme and housing revenue account following a review, along with the budget pressures in the Dedicated Schools Budget.

A number of other financial recommendations were proposed by the Cabinet Member, which were agreed by Cabinet. The Leader of the Council thanked the Cabinet Member and finance department for their efforts managing the budget well.

Alternative options considered and rejected

None.

Relevant Select Committee	Corporate, Finance and Property
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	The financial decisions made by Cabinet under Part B of the report – except (f) which is to ratify a previous decision - can be called-in by 5pm, Friday 16 July 2021
Officer(s) to action	Paul Whaymand
Directorate	Finance
Classification	Public - The report and any background papers relating to this decision by the Cabinet are available to view on the Council's website or by visiting the Civic Centre, Uxbridge.

9. CONTRACT AWARD: PROCUREMENT OF REFUSE COLLECTION VEHICLES

RESOLVED:

That the Cabinet accept a direct contract award to Dennis Eagle Ltd for the provision of fifteen specialist refuse collection vehicles to the London Borough of Hillingdon at the value of £2,326,411 to be funded from the 2021/22 Purchase of Vehicles capital budget and also authorise the necessary capital release.

Reasons for decision

Cabinet agreed to the purchase – and capital release - of a number of refuse collection vehicles for the Waste Service to avoid the cost of maintaining and running older fleet vehicles at the end of their useful economic life.

Alternative options considered and rejected

Cabinet could have hired new vehicles but considered this a more expensive option than purchasing outright.

Relevant Select Committee	Public Safety & Transport
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	5pm, Friday 16 July 2021
Officer(s) to action	Stephen Gunter
Directorate	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 in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended).

10. CONTRACT AWARD: LEAD PROVIDER IN THE SOUTH OF THE BOROUGH FOR HOMECARE AND OUTREACH SERVICES FOR ADULTS

RESOLVED:

That the Cabinet:

- 1. Accepts the tender from Care Outlook Ltd. for the provision of Community Based Care and Support Services - the Lead Provider of Homecare and Outreach Services in the South of the Borough, to the London Borough of Hillingdon for a five-year period from approximately the 27th July 2021 to the 26th July 2026 and at a value of £40,073,585;**
- 2. Agrees that this includes the provision to extend the contract for a two-year period (up to 7 years in total), delegating approval of any extension to the Leader of the Council and the Cabinet Member for Health and Social Care, in consultation with the Corporate Director of Social Care & Health.**

Reasons for decision

Following a review of existing arrangements for the delivery of homecare and outreach support to adult residents in need, Cabinet accepted a tender for a lead service provider for the south of the Borough.

Alternative options considered and rejected

Cabinet could have continued with the approach of using existing lead providers but considered that this would not deliver maximum benefit to residents or achieve cost-effectiveness for the Council.

Relevant Select Committee	Families, Health & Wellbeing
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	5pm, Friday 16 July 2021
Officer(s) to action	Darren Thorpe
Directorate	Social Care & Health
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 in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended).

11. CONTRACT AWARD: CHRISTMAS LIGHTS 2021-2025

RESOLVED:

That Cabinet:

- 1. Accept the tender from Event Power Engineering Limited for the provision of Christmas Lights in all 22 wards across the London Borough of Hillingdon for a two-year period from 1 August 2021 to 31 July 2023 and at the value of £319,940.**
- 2. Furthermore, agree that this includes the provision to extend the contract for a one + one year period, subject to the approval of the Leader of the Council and Cabinet Member for Environment, Housing & Regeneration, in consultation with the Corporate Director of Infrastructure, Building Services & Transport, noting that the total contract value would be £639,880.**
- 3. Approves, for 2021, the total Christmas lights programme cost of £241k including displays and Christmas Trees and also authorises the direct grant awards to the four community organisations who manage their lighting schemes directly, as set out in the report.**
- 4. Approves the pilot trial of 24/7 Christmas lighting in 2021 to maximise the positive benefits of the lighting displays for residents and businesses and associated vehicle emission reduction.**

Reasons for decision

Cabinet accepted a tender for Christmas lights and agreed the Hillingdon 2021 Christmas Lights Programme, which for the first time would cover all 22 wards in the Borough and give a boost to residents and high street businesses.

Cabinet agreed grants to four organisations who arrange their own Christmas lights locally and the Cabinet Member for Environment, Housing and Regeneration confirmed, following a pilot scheme, the removal of the lighting timers across the whole Borough. It was explained that this would not only enable residents to enjoy the LED lighting effects throughout the day and night, but would also eliminate the need for night-time scouting by Council crews and timer repair costs, saving money and also reducing CO2 emissions.

Alternative options considered and rejected

Cabinet could have decided not to continue the Christmas lights programme.

Relevant Select Committee	Environment, Housing & Regeneration
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	5pm, Friday 16 July 2021

Officer(s) to action
Directorate
Classification

Helena Webster

Infrastructure, Transport & Building Services

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 in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended).

12. CONTRACT AWARD: BUILDING CONTRACT FOR THE NEW YIEWSLEY AND WEST DRAYTON LEISURE CENTRE

RESOLVED:

That the Cabinet:

- 1. Accepts in principle the tendered bid from Buckingham Group Ltd for the design and construction of the new Yiewsley and West Drayton Leisure Centre as set out in the report and delegates final approval of the tender acceptance to the Leader of the Council, Cabinet Member for Property & Infrastructure and Cabinet Member for Finance, in consultation with the Corporate Director Infrastructure, Transport & Building Services.**
- 2. Accepts the Value Engineering options where possible whilst maintaining the traditional masonry and planning consented scheme.**
- 3. Delegates all further decisions required in relation to the overall delivery of the project to the Leader of the Council, Cabinet Member for Property and Infrastructure and Cabinet Member for Finance as appropriate, in consultation with the Corporate Director Infrastructure, Transport & Building Services.**

Reasons for decision

Cabinet agreed to progress the Council's commitment to build a new leisure centre for the Yiewsley and West Drayton area of the Borough. Cabinet considered the recent tendering exercise and approved the necessary delegated decision-making in order to take the construction aspect of the project forward.

Alternative options considered and rejected.

None, as Cabinet had considered alternative options regarding the project previously in its decision back in May 2017.

Relevant Select Committee	Corporate, Finance and Property
Expiry date for any scrutiny call-in / date decision can be implemented (if no call-in)	5pm, Friday 16 July 2021
Officer(s) to action	Jenny Evans
Directorate	Infrastructure, Transport & Building Services
Classification	<p>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 in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended).</p> <p>This report had also been circulated less than 5 working days before the Cabinet meeting and was agreed by the Chairman to be considered as urgent.</p>

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

No additional items were considered by the Cabinet.

The meeting closed at 7.23pm

Internal Use only*	Implementation of decisions & scrutiny call-in
When can these decisions be implemented by officers?	<p>Officers can implement Cabinet's decisions in these minutes only from the expiry of the scrutiny call-in period which is:</p> <p>5pm, Friday 16 July 2021</p> <p>However, this is subject to the decision not being called in by Councillors on the relevant Select Committee. Upon receipt of a valid call-in request, Democratic Services will immediately advise the relevant officer(s) and the Cabinet decision must then be put on hold.</p>

<p>Councillor scrutiny call-in of these decisions</p>	<p>Councillors on the relevant Select Committee shown in these minutes for the relevant decision made may request to call-in that decision. The call-in request must be before the expiry of the scrutiny call-in period above.</p> <p>Councillors should use the Scrutiny Call-in App (link below) on their devices to initiate any call-in request. Further advice can be sought from Democratic Services if required:</p> <p>Scrutiny Call-In - Power Apps (secure)</p>
<p>Notice</p>	<p>These decisions have been taken under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.</p> <p>This Cabinet meeting was also broadcast live on the Council's YouTube channel here for wider resident engagement.</p> <p>Please note that these minutes and decisions are the definitive record of proceedings by the Council of this meeting.</p> <p>If you would like further information about the decisions of the Cabinet, please contact the Council below:</p> <p>democratic@hillingdon.gov.uk Democratic Services: 01895 250636 Media enquiries: 01895 250403</p>

HILLINGDON DIGITAL CONNECTIVITY STRATEGY

Cabinet Member(s)	Councillor Douglas Mills
Cabinet Portfolio(s)	Cabinet Member for Corporate Services & Transformation
Officer Contact(s)	Kelly Walkey – Infrastructure, Transport & Building Services
Papers with report	Appendix 1 – Digital Connectivity Strategy (3 Year Plan)

HEADLINES

Summary	This report sets out a proposed Digital Connectivity Strategy for Cabinet to approve. In essence, the strategy seeks to ensure the Council is ‘investor ready’ to capture the national progress of digital technologies and infrastructure locally to ensure that Hillingdon is a place with great digital connectivity for our residents and local businesses to thrive.
Putting our Residents First	This report supports the following Council objectives of: <i>Our People</i> .
Financial Cost	There will be no direct financial cost to the Council
Relevant Select Committee	Corporate, Finance and Property Select Committee
Relevant Ward(s)	All Wards

RECOMMENDATION

That the Cabinet approves the London Borough of Hillingdon’s Digital Connectivity Strategy.

Reasons for recommendation

This report sets out a proposed Digital Connectivity Strategy for Cabinet to approve. In essence, the strategy seeks to ensure the Council is ‘investor ready’ to capture the national progress of digital technologies and infrastructure locally to ensure that Hillingdon is a place with great digital connectivity for our residents and local businesses to thrive. Digital Connectivity will continue to have a profound impact on the way we live, work, travel, connect with others and manage our lives.

Digital Connectivity is increasingly becoming an important consideration in domestic and business location choices. Current data for the Borough is showing the level of Full Fibre at 5%, compared to the average of 13% in West London. Some residents are being impacted with slow and capped speeds due to old infrastructure, which has been highlighted by the pandemic.

As more residents and local businesses operate from a home environment, good connectivity is vital for their daily tasks, but this is also placing huge burdens on the current infrastructure. By uplifting the current copper connections to Full Fibre, this will enable ultra-fast broadband so that Residents can work, shop, learn and entertain without limitations.

Hillingdon's proposed Digital Connectivity Strategy is the enabling vehicle by which the Council will seek to achieve these aims for the Borough working with partners and the private sector.

Alternative options considered / risk management

The only other alternative is to not have a strategy in place, meaning that the Borough's digital infrastructure may continue to remain outdated and presents limitations for residents.

Select Committee comments

None at this stage, however, the Corporate Finance and Property Select Committee has indicated its wish to monitor the delivery of this.

SUPPORTING INFORMATION

Digital Connectivity

Digital Connectivity (access to the internet) is increasingly becoming an important consideration in domestic and business location choices, particularly as online presence is becoming the dominant commercial and communication channel.

The Government intends to deliver nationwide gigabit-capable broadband as soon as possible and aims for the majority of the population to have 5G coverage by 2027. The implementation of this will massively enhance digital capability and performance for the UK and local areas. This will bring new and exciting opportunities and innovations and will have big impacts on sustainability, travel, communications, safety and even health and social care. It will continue the change in the way people work and communicate, and further innovate the way businesses and the public sector deliver services.

The investment required to deliver this digital infrastructure is high and local authorities will need to be 'investor ready' to attract early investment to support this delivery.

We are now living in an era of increasing digitisation across all industries. Mobile and fixed connections to the internet are becoming more and more important to residents and local businesses and is often regarded as the 'new utility' in most people's lives, along with electricity, gas and water. More recently, Covid-19 has sped up and necessitated new ways of working, particularly from home. This has hugely increased digital traffic. Most see this trend set to continue and the Government estimates that digital traffic is set to grow between 25% - 40% per year for

the foreseeable future. Other local authorities are also developing investment strategies, plans, priorities and setting their future ambitions for Digital Connectivity, therefore, it is the right time for Hillingdon to consider the same. These local authorities are also using their enabling role around digital connectivity as a way of helping to regenerate town centres and attracting footfall back onto high streets.

Action to-date

The Council has already taken a number of operational actions to boost the Council's approach to digital connectivity. These include the following:

1. Embedding Digital Connectivity – The Council has established a small new team with responsibility for Digital Connectivity - who act as a single contact for infrastructure providers and to coordinate across the Council. This includes a steering group across council services to accelerate activity.
2. Standard Policies and Protocols - The Council has developed of a range of standard processes and procedures that seek to ensure that the Borough is easy place for Digital Infrastructure Providers to work with and that we are responsive and coordinated.
3. Development of Wayleave & Open Access Agreements - Officers have worked with Legal Services to approve a Standard Wayleave Agreement to enable providers to provide digital connections into Social Housing blocks. Discussions are underway with various Wi-Fi providers regarding Open Access Agreements that would allow the deployment of 'Small Cells' to enable 4G and 5G coverage.
4. Alignment with West London Alliance (WLA) Digital Programme - the Council plays an active role in 'Digital West' the WLA's group that helps to coordinate and align digital activities and investment across West London. This will enable the Borough to leverage the combined power of the WLA to get the best from the infrastructure providers we engage with and utilise the common data, tools and procurement frameworks to streamline processes.

Planned investment in Hillingdon

This 'investor ready' approach by Hillingdon is already delivering:

1. Openreach - has agreed to invest £2m in the uplifting of two telecoms exchanges, one in Hayes and the other in Uxbridge with further investment into exchanges to be announced. This is in addition to the uplifting of infrastructure of Full Fibre in the Borough's social housing.
2. Community Fibre - has agreed to assist to Full-Fibre the Borough's social housing with the addition of 10 free Full-Fibre connections for community centres, apprenticeship programmes, 3 Ambassadors Volunteer roles to train the community and online training.
3. Telefonica/Ontix – have expressed their desire to upgrade their network availability across the Borough by installing 4G small cells technology which will eliminate the network congestion that has been identified.

4. Hyperoptic – has expressed their desire to assist in Full-Fibre for social housing in the Borough and to offer low cost packages for those on low incomes and other benefits.

Hillingdon's proposed Strategy

To build on the above actions and planned investment, Officers have developed the attached Digital Connectivity Strategy. Whilst largely this sets out the Council's enabling role with partners and the private sector, part of this strategy in will also be in partnership with the West London Alliance to help accelerate learning, to ensure a consistent model, to better leverage investment and to reduce duplication of effort.

The proposed strategy (attached) has been developed around 3 critical and interlinked strands:

1. **Digital Place** - enabling fast network coverage and eradicating low connectivity points for residents and businesses and delivering priority projects in line with the Council's plans. This will improve connections to public buildings and support service innovation and help develop new business connections and new residential connections within Hillingdon.
2. **Digital Council** - encouraging digital investment into the Borough, by being 'investor ready', developing broader Council digital strategies and driving digital innovation. This will include Improved relationships with each Mobile Virtual Network Operator (MVNO), clearer mutual objectives and development of partnering approach. clarity on investment models, priorities and plans and also the removal of barriers and issues.
3. **Digital Inclusion** - enabling independent living and learning, building digital skills and an agile, skilled future workforce. This will ensure that the right information, services and conditions are in place to enable all stakeholders to interact confidently in a Digital Place.

The proposed Digital Connectivity Strategy is fully aligned with the West London Alliance Digital Programme.

Financial Implications

The Council secured grant funding of £92,500 through the West London Alliance Enabling Fund to support the delivery of Digital Connectivity. This income, together with a contribution from the HRA (given that a key area of focus includes the Council's housing stock,) has funded an initial phase of consultancy work undertaken by Agilisys, subsequent subject matter expertise from the same provider and the creation of a 12-month fixed term Project Manager post to help progress the digital agenda as outlined in this report.

Should Cabinet approve the London Borough of Hillingdon's Digital Connectivity Strategy, a further review of future resourcing requirements will be undertaken, together with consideration of the funding options available.

RESIDENT BENEFIT & CONSULTATION

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

Below are a number of benefits to the communities and residents:

- Faster network coverage and eradicate low connectivity points for residents and businesses using 5G and Fibre;
- Outcomes that will help to tackle congestion, air quality and de-carbonisation;
- To improve digital inclusion to enable independent living and learning;
- Build digital skills and an agile, skilled and digitally included future workforce;
- Enable increased access to services through digital innovation.

Consultation carried out or required

There is a Steering Group established for the Digital Connectivity Project, that meets every month. The Group has recommended the Strategy and support the objectives and outcomes.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting that there are no direct financial costs relating to the recommendations contained in this report.

Legal

The Borough Solicitor confirms that approval of the Council's Digital Connectivity Strategy will comply with the Council's obligations under the Digital Economy Act 2017 and the Electronic Communications Code.

BACKGROUND PAPERS

NIL

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London Borough of Hillingdon

Digital Connectivity Strategy (3 Year Plan)

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2021 - 2023



HILLINGDON
LONDON

Storyboard for Hillingdon Digital Connectivity Strategy

- Foreword & Context – Why Now?
- Responsibilities & Governance
- Strategic Framework & Ambition for Digital Connectivity
- Priority Projects in Hillingdon by Theme



Foreword & Context - Why Now?

Digital Connectivity – mobile and fixed connections to the internet – is becoming more and more important to Residents and local businesses and in many ways is becoming the ‘new utility’ in most people’s lives. We are now living in an era of increasing digitisation across all industries.

Digital Connectivity will have a more and more profound impact on the way we live, work, travel, connect with others and manage our lives.

Hillingdon’s Residents and businesses already enjoy comparatively good levels of digital connectivity and have already benefitted from significant investment into Fibre and 4G infrastructure.

However, Covid-19 has necessitated new ways of working and has hugely increased digital traffic, with people working from and staying at home. Most see this trend set to continue and Government estimate that digital traffic is set to grow between 25% - 40% per year for the foreseeable future.

We know that our neighbouring Boroughs are also developing investment strategies, plans, priorities and setting their future ambitions for Digital Connectivity.



Foreword & Context - Why Now? Cont.

Digital Connectivity is increasingly becoming an important consideration in domestic and business location choices, particularly as online presence is becoming a more important channel.

Many Authorities are using Digital Connectivity as a way of regenerating town centres and attracting footfall back onto high streets.

In short – London Borough of Hillingdon will need to start the process of investment now.

The introduction of 5G and Full Fibre over the next 10 years will massively enhance digital capability and performance – it will bring new and exciting opportunities and innovations and will have big impacts on sustainability, travel, communications, safety and health and social care.

The investment required to deliver this digital infrastructure is high and Local Authorities will need to be ‘investor ready’ to attract early investment to support this delivery.

The Borough are ambitious to do more, and this strategy sets out the key initial steps that need to be taken to deliver this ambition...

Councillor Douglas Mills (Cabinet Member for Corporate Services & Transformation)

&

Perry Scott (Corporate Director of Infrastructure, Transport & Building Services)



HILLINGDON
LONDON

Organising for Digital Connectivity

Role	Responsibility	Objectives
Overall Digital Lead for the London Borough of Hillingdon	Councillor Douglas Mills	Overall lead on Council Digital initiatives
Lead Officer for Digital Innovation & Transformation	Perry Scott (Corporate Director of Infrastructure, Transport & Building Services)	<ul style="list-style-type: none"> • Senior Responsible Owner (SRO) for the Programme and Operational Lead for Council Digital initiatives • Chair of Cross-Service Digital Steering Group
Programme Lead Project Manager	<ul style="list-style-type: none"> • Kelly Walkey, (ICT Business Design Manager) • Sajad Rashid (ICT Project Manager) 	<ul style="list-style-type: none"> • Programme Manager • Programme management and coordination
Digital Connectivity Steering Group	<ul style="list-style-type: none"> • Chair - Perry Scott • Kelly Walkey • Service Area Representatives 	<ul style="list-style-type: none"> • Development of Council Digital Connectivity Strategy • Cross-Service coordination of Council policies and services



West London Alliance (WLA) Partnership

London Borough of Hillingdon will continue to invest into the WLA Digital West Partnership and work in partnership with other West London Authorities to enable investment into digital infrastructure.

The Borough will work with the WLA to develop **a clearer set of aims, objectives and expected partnership outcomes, align strategies and activities to accelerate learning** and to share best practice.

Also, to set **common policy and strategy** to enable and **leverage digital investment** into West London and to **drive economies of scale**.

By participating in key Digital West activities in particular to **enable joint investment contracts** (for example, Strategic Investment Pool (SIP) Growth investment), **future funding applications** and **improving information/data** (for example creating “asset”inventories to aid digital investment appraisal).

A Strategic Framework

Activity/Theme	Outputs/Outcomes	Key Measures
Digital Place	<ul style="list-style-type: none"> • Enable fast network coverage and eradicate low connectivity points for residents and businesses using 5G and Fibre • Work with the WLA to define a framework of measurable outcomes to tackle congestion, air quality and de-carbonisation • Develop a programme of priority projects in line with the Council’s Corporate Plan 	<ul style="list-style-type: none"> ✓ Full Fibre to above West London Average (LBH Currently 5% - WLA Average 13%) ✓ Unavailability levels (30 Mbps) to below West London Average (LBH currently 3.3% - WLA Average 2.8%) ✓ 4G coverage to above West London Average (LBH currently 92.3% - WLA Average 95%) ✓ 5G inward investment strategy & plan developed
Digital Council	<ul style="list-style-type: none"> • Encourage digital investment into the Borough, by being ‘investor ready’ • Work with the WLA and with other public service partners to ensure a consistent and joined up approach • Continue to develop broader Council digital strategies - access to services/service digitisation/automation and better use of data and insight • Raise Member/Officer awareness of digital innovation opportunities • Drive digital innovation and be open to new ideas that drive efficiency and growth 	<ul style="list-style-type: none"> ✓ Digital provider/market engagement strategy developed and delivered ✓ Council enabling policy framework fully developed & deployed ✓ Broader Council digital strategy developed and deployed ✓ Internet of Things/5G Use Cases developed ✓ 5G inward investment strategy & plan developed

Digital Inclusion

- To improve digital inclusion to enable independent living and learning
 - Build digital skills and an agile, skilled and digitally included future workforce
 - Enable increased access to services through digital innovation
- ✓ Digital curriculum training programmes to enhance skills
 - ✓ An assisted digital service to improve access to Council services
 - ✓ A connected network of public spaces and places to enhance digital activities and learning
 - ✓ Assistive technology programmes to support vulnerable people to live safely and independently
 - ✓ Programmes to support home schooling and learning



Digital Place

Project	Outcomes/Outputs	Timescales
<p>The deployment of SIP funding for business growth via the GLA Fibre West SIP (Strategic Investment Pool)1</p> <p>This is likely to be provided by an arrangement with the WLA.</p>	<ul style="list-style-type: none"> • Improve connections to public buildings and support service innovation (priorities TBC) • Develop 306 new business connections within Hillingdon • Develop 1098 new Residential connections within Hillingdon 	<ul style="list-style-type: none"> • Planning until 2021 • Works commence 2021 onwards • Works complete during 2022/23
<p>Development of investment programme to connect the Council's social housing estate, other public and Partner assets to Full Fibre</p> <p>This will be delivered primarily through our market engagement activities (see Digital Council) and may be linked to Fibre West SIP 1 funding</p>	<ul style="list-style-type: none"> • Improve connections to public buildings and support service innovation • Develop 306 new business connections within Hillingdon • Develop 1098 new Residential connections within Hillingdon • There will be no restriction of choice of Provider for Residents and no restriction on competition between Providers 	<ul style="list-style-type: none"> • Market engagement February 2021 to 2022 • Works commence 2021 onwards • Works complete 2025 plus ongoing Programmes

Digital Place Cont.

Project	Outcomes/Outputs	Timescales
Develop a 'levelling up' programme to improve digital connectivity standards and bring greater investment into the North of the Borough	<ul style="list-style-type: none"> • Identify priorities for investment • Engage with the market to find solutions and where appropriate use provider community and social value funding streams • Improve connectivity standards to a consistent level across the Borough 	<ul style="list-style-type: none"> • Market engagement February 2021 to 2022 • Works commence 2022 onwards • Works complete March 2022/25 plus ongoing Programmes
'Public WIFI' hot spots in key public buildings across the Borough	<ul style="list-style-type: none"> • Develop a strategy to identify service access points across the Borough to promote digital access to Council services and Hillingdon as a Digital Place • Implement new digital access points and WIFI network 	<ul style="list-style-type: none"> • March 2022 onwards
Develop Build and Recover programmes in and around Heathrow and exploiting the potential to bring next generation digital connectivity into the South of the Borough	<ul style="list-style-type: none"> • Develop understanding of current digital investment plans • Work with Economic Growth and Regeneration team to identify how digital connectivity can assist to attract new businesses into the Borough • Leverage innovation opportunities from new digital infrastructure 	<ul style="list-style-type: none"> • Up to May 2022 • September 2021 onwards • September 2021 onwards



Digital Council

Project	Outcomes/Outputs	Timescales
<p>Develop and deliver a full market engagement exercise, including engagement with each of the keymarket Mobile Virtual Network Operator (MVNO) relationships</p>	<ul style="list-style-type: none"> • Improved relationships with each MVNO • Clearer mutual objectives and development of partnering approach • Clarity on investment models, priorities and plans • Removal of barriers and issues • Development of community and social value programmes 	<ul style="list-style-type: none"> • Market engagement February 2021 to 2022 • Development of forward investment plan 2021 onwards • Delivery of investment plans 2022 onwards
<p>Design & develop an integrated and aligned set of policies that enable safe and coordinated digital investment into the Borough</p> <p>It is expected that the Council will adopt a common model and approach that is in line with WLA strategies and models</p>	<ul style="list-style-type: none"> • Desired digital connectivity standards available in all key Council assets (public buildings, public areas) • End to end processes for delivery of Digital Connectivity infrastructure • Standard Wayleave and Open Access policies and agreements • Standard model for Reinstatement of Opening in Highways and Street Works • A common approach to planning consents • Standard policies for all new developments (for example, cabling and ducting requirements) 	<ul style="list-style-type: none"> • All policies reviewed and signed off by 2021

<p>Develop partnerships for digital investment across all local public service providers, public service supply chains and the voluntary and community sector</p>	<ul style="list-style-type: none"> • Establish appetite for greater digital integration • Develop joint plans and initiatives to promote more joined up public services and single views of people and places • Identify forward investment programme 	<ul style="list-style-type: none"> • May 2021 to 2022 • October 2021 – March 2022 • 2022 onwards
<p>Further development of Council digital strategies and plans</p> <p>A number of these strategies are not yet sufficiently developed and need to be further developed to fully exploit the digital opportunities (and tackle risks and threats) to Hillingdon and its future growth and well-being</p>	<p>The following Strategies/plans need further development:</p> <ul style="list-style-type: none"> • ‘Service Access & Digitisation’ Strategy and plan – that sets out plans for the further digitisation and online channel access to Council services (and broader public services) and the ongoing digitisation of the Council’s operations • ‘Digital Business’ Strategy and plan – that sets out plans to attract and retain businesses into the Borough to enhance growth and build stronger digital supply chains, including local Chambers of Commerce • ‘Digital Insight’ Strategy and plan – that sets out plans for improving insight, intelligence and analytics across the Borough; enabled by better use of open data, data science and use of technology 	<ul style="list-style-type: none"> • Service Access & Digitisation: Sept 2021 onwards • Digital Business: June 2021 – September 2022 • Digital Insight: July 2021 – October 2022

Digital Council Cont.

Project	Outcomes/Output	Timescales
Develop a Council Digital Innovation Programme to raise awareness of digital opportunities and drive Use Cases for 5G technology	<ul style="list-style-type: none">• Develop a Programme to educate and raise awareness of digital technology opportunities across the Council workforce• Improve sharing and learning channels (particularly via WLA) to keep connected to latest market developments and best practice• Develop a forward plan of Use Cases (including tele-health), that look to exploit the potential benefits of 5G and the 'Internet of Things' (IoT)	<ul style="list-style-type: none">• October 2021 onwards



Digital Inclusion

Project	Outcomes/Outputs	Timescales
Develop a comprehensive Strategy & plan for promoting digital inclusion across multiple stakeholder and community groups	<ul style="list-style-type: none"> A comprehensive Strategy and plan to ensure that the right information, services and conditions are in place to enable all stakeholders to interact confidently in a Digital Place 	<ul style="list-style-type: none"> Develop Strategy & plan: 2021 onwards Deliver planned activities and projects: 2022 onwards
Promote digital literacy, training and support	<ul style="list-style-type: none"> Develop a locally led digital skills Programme and curriculum to educate and promote digital literacy and raise awareness of digital skills and technology The development of a more creative, agile, skilled and digitally included workforce Creation of digital job opportunities with digital infrastructure providers, developed through digital infrastructure investment plans rolled out across the Borough 	<ul style="list-style-type: none"> Develop training material: 2022 Deliver training and capacity building: 2022 onwards Market engagement activities with MVNOs: February – May 2022 onwards
Provision of assisted digital services at key Council service access points	<ul style="list-style-type: none"> The provision of an assisted digital support service to assist, train and support Residents to use online services The Assisted Digital Service would operate at key Council service access points, including customer and community service access points (for example libraries) 	<ul style="list-style-type: none"> Developed from August 2022 onwards

Digital Inclusion Cont.

Project	Outcomes/Outputs	Timescales
Enhance communication with different Digital Communities	<ul style="list-style-type: none"> • Agree communication channels and engagement with community groups e.g. local businesses • Surveys & intelligence gathering <p>Update strategies/plans in line with data gathered</p>	<ul style="list-style-type: none"> • Agree channels & engagement approach Jun – Sept 2022 • Local business & other surveys Jun/Jul 2022 onwards
Support vulnerable people with digital solutions	<ul style="list-style-type: none"> • Develop a 'Digital Communities' Strategy and plan – that sets out plans for using digital technologies to help to tackle risk, vulnerability, health and social care and isolation in the community • Look to utilise Assistive Technologies and other emergent technologies to improve health and well-being and support independence and resilience 	<ul style="list-style-type: none"> • Develop Strategy and plan: May – August 2021 • Design and deliver solutions: August 2021 onwards
Home schooling & IT support	<ul style="list-style-type: none"> • Utilise Government funding to support the provision of IT (computers and internet connectivity) to families and children who would otherwise not be able to access learning and home-schooling opportunities 	<ul style="list-style-type: none"> • Design and deliver service: February 2021 – ongoing

Digital Connectivity Steering Group – Service Area Representatives

Role	Responsibility	Objectives
Social Care	<ul style="list-style-type: none"> Community Development Manager – Sasha Jeffries Head of Business Delivery and Support – Darren Thorpe 	<ul style="list-style-type: none"> Development of Council Digital Connectivity Strategy Cross-Service coordination of Council policies and services
Finance	<ul style="list-style-type: none"> Finance Business Partner Resident Services – Carolyn Stanton 	
Highways	<ul style="list-style-type: none"> Head of Highways – Poonam Pathak 	
Legal	<ul style="list-style-type: none"> Office Managing Partner – Glen Egan 	
Housing	<ul style="list-style-type: none"> Tenancy Management Service Manager – Rod Smith Community Engagement Manager – Marion Finney 	

Digital Connectivity Steering Group – Service Area Representatives Cont.

Role	Responsibility	Objectives
Planning/Regeneration Team	<ul style="list-style-type: none"> Deputy Director Planning and Regeneration – James Rodger Planning Officer – Rebecca Lo 	<ul style="list-style-type: none"> Development of Council Digital Connectivity Strategy Cross-Service coordination of Council policies and services
West London Alliance	<ul style="list-style-type: none"> Strategic Lead – Digital and Smart Cities West London Alliance - Fin Kelly (as an optional invite if WLA item on Agenda) 	
Comms	<ul style="list-style-type: none"> Media and Campaigns Officer – Russell Butt Media Campaigns and Digital Manager – Leo Tarring 	
Facilities Management	<ul style="list-style-type: none"> Electrical Contracts Manager – John Phillips 	



CONSIDERATION OF SETTING A LICENSED DEFICIT BUDGET IN 2021/22 FOR THREE MAINTAINED SCHOOLS IN THE BOROUGH

Cabinet Member(s)	Councillor Susan O'Brien Councillor Martin Goddard
Cabinet Portfolio(s)	Cabinet Member for Families, Education and Wellbeing Cabinet Member for Finance
Officer Contact(s)	Graham Young - Finance
Papers with report	<ol style="list-style-type: none"> 1. Written request from Bishop Winnington-Ingram CE Primary School to set a deficit budget for 2021/22 2. Written request from Holy Trinity CE Primary School to set a deficit budget for 2021/22

HEADLINES

Summary	This report seeks Cabinet's approval for Bishop Winnington-Ingram CE Primary School, Holy Trinity CE Primary School and Oak Wood School to set a licensed deficit budget in 2021/22.
Putting our Residents First	Schools are a key frontline service in the Borough and are the largest service providing investment in residents' children's and young people's future life chances and delivering on Our People Theme in the Council's Vision.
Financial Cost	<p>Funding for schools and school related expenditure is provided through the Dedicated Schools Grant (DSG) and the Pupil Premium and as such has no impact on the Council's budget requirement, although the Council will need to provide the schools with sufficient cash-flow by means of paying the schools DSG Budget in advance of receipt of the grant.</p> <p>It should be noted that schools cannot borrow money unless they have written permission of the Secretary of State.</p>
Relevant Select Committee	Families, Health & Wellbeing
Relevant Ward(s)	West Ruislip, Northwood and Hillingdon East

RECOMMENDATIONS

That Cabinet:

1. Approves the application for a licensed deficit from Bishop Winnington-Ingram CE Primary School for 2021/22.
2. Approves the application for a licensed deficit from Holy Trinity CE Primary School for 2021/22.
3. Approves the application for a licensed deficit from Oak Wood School for 2021/22.

Reasons for recommendation

Cabinet is the decision making body for school funding issues. By agreeing for these three schools to set a licensed deficit budget will enable the schools to function with the certainty of funding, whilst the schools take reasonable steps to manage their costs.

Alternative options considered / risk management

Cabinet could decide to take the following alternative action:

- (a) Write off the deficits, which would need to be agreed by the Schools Forum, if the expectation is for the DSG to fund any school deficit.
- (b) Withdraw the governor delegated powers over the schools budgets if it is felt that the school has been given advice and support by the Local Authority but has not taken adequate action to address the financial position.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

The Scheme for Financing Schools determines that maintained schools are required to submit a balanced budget plan approved by the full school Governing Body by the 31st May each financial year. In exceptional circumstances, where a governing body has explored all alternatives to the satisfaction of the Local Authority, it may be appropriate for the Local Authority to agree to licence a deficit for a specific period. It would be expected that the vast majority of deficits should be for one financial year. In particularly exceptional circumstances, however, school governing bodies may agree with the Local Authority to manage a deficit over/up to three financial years.

It is becoming increasingly evident that a number of schools are facing significant financial issues in the medium term. Whilst schools per pupil funding has increased for all schools in 2021/22, there remain some schools that are in financial difficulty with school balances forecasted to reduce overall.

Schools Forum have been updated with the concerns regarding the future of schools' budgets and officers continue to engage with Schools Forum members to encourage that they consider ways that the situation could be addressed. Additionally, the Council's Schools Finance team continue to work with schools to closely monitor and support those that are a cause for concern in relation to their financial position.

In the event that a school is unable to set a balanced budget the school is moved to a process of formal monthly monitoring in order that a more regular review of income and expenditure against budget can be carried out. In some instances, the Council may also be required to attend financial monitoring meetings with the Headteacher and Governors in order to review progress against the financial recovery plan. If a school fails to take action to safeguard the financial position, then the Council has the option to withdraw full delegation.

Bishop Winnington-Ingram CE Primary School (BWI)

BWI ended the 2018/19 financial year with a £16k surplus but was unable to set a balanced budget for 2019/20 and ended the year with a £126k deficit. The position then worsened, following a further reduction in pupil numbers and the school was required to set a budget for 2020/21 with a cumulative revenue deficit of £338k. The position improved slightly during the year and the school ended the 2020/21 financial year with a cumulative deficit of £304k.

The school was previously a two-form entry primary school, but pupil numbers reduced significantly resulting in the governors changing the Published Admission Number (PAN) to 30 per year group with effect from 1st September 2019. The school has now taken significant action to address the financial position, with several restructures completed to ensure that the staffing structure reflects the needs of a one-form entry school. Additionally, all contracts have been reviewed with a new cleaning contract tendered at a reduced rate and the decision taken to close the kitchen which had been financially unviable for some time, given the low number of meals that were being produced.

However, the school has still not been able to set a balanced in-year budget for 2021/22 with a further £58k overspend projected taking the cumulative deficit to £362k. It should be noted that the submitted budget does not include the redundancy costs or pension liability costs of staff who have left because of restructuring to reduce overall staff costs. This is estimated to be approximately £350k and the school has requested that the Local Authority help to financially support the school to meet these one-off costs and prevent and increase to the cumulative deficit.

The biggest challenge that BWI is experiencing in setting a balanced budget relates to low pupil numbers. As can be seen in the table below a number of the year groups have pupil vacancies, with a total shortfall of 50 pupils across all year groups based on the October 2020 census data (whilst the school has reduced PAN, it is currently still running two classes in years 5 and 6). The financial impact of these low numbers is significant with 50 primary pupils generating a minimum of £187k additional funding which demonstrates why the school is struggling financially.

The school has now implemented a Marketing and Communication Strategy to increase interest in the school and attract additional pupils. It is hoped that the appointment of the new School Business Manager will support this strategy as well as having the potential to increase income generation through a growth in the letting of the school premises and facilities.

Year Group	Oct 2018 (actual)	Oct 2019 (actual)	Oct 2020 (actual)	Oct 2021 (projected)
Reception	30	28	20	20
Year 1	38	30	27	20
Year 2	38	39	27	27
Year 3	52	30	36	27
Year 4	45	45	30	36
Year 5	49	43	40	30
Year 6	48	48	40	40
Total	300	263	220	200

To assist the school with avoiding cash-flow problems arising from the deficit position and meeting redundancy costs, the Council has re-profiled future school budget share payments and, to-date, BWI has been advanced an additional £494k. Given the size of the budgeted deficit, and the further redundancy payments that still need to be made, this is expected to increase in the current financial year.

Council officers will continue to work with the Headteacher and the governors, along with representatives from the London Diocesan Board for Schools, who are taking an interest in the financial position of the school, over the coming months in order to address the financial position, monitor the progress against the budget plan and where possible identify areas that can be reviewed further, in order to reduce future costs and achieve financial sustainability.

Holy Trinity CE Primary School

Holy Trinity ended the 2018/19 financial year with a £13k deficit and was unable to set a budget which recovered the deficit in 2019/20. The 2019/20 budget projected a £41k deficit, however, the school ended the year in an improved position with the deficit reduced to £8k. The 2020/21 budget projected an increase of £68k to the cumulative deficit but again the position improved slightly during the year and the school ended the 2020/21 financial year with a cumulative deficit of £32k.

Holy Trinity is a small, oversubscribed school, but one of the lowest funded in Hillingdon, which has made it more and more challenging to set a balanced budget in recent years considering increasing costs but limited increases in funding. Governors and leaders at the school have continued to work to address the financial position, however the school has been unable to set a balanced budget for 2021/22. The projected in-year overspend is £107k, taking the cumulative deficit to £139k and the school at this stage, appears unable to fully reverse this deficit in the short term.

Council officers met with governors and school leaders in June to discuss the financial position and the school indicated that a further review of some areas of the budget along with proposed changes from September had highlighted a potentially improved position. The school is finalising the figures and will submit a revised budget plan in September. Whilst the school will still be in deficit, the expectation is that the position will show an improvement in both the current and future years.

To assist the school with avoiding cash-flow problems arising from the deficit position, the local authority has re-profiled future school budget share payments and to date Holy Trinity has been advanced an additional £100k. Given the size of the budgeted deficit in 2021/22, the school may need a further advance to cover expenditure for the remainder of the financial year.

The Schools Finance Team will continue to work closely with Holy Trinity to monitor the financial position and identify further possible areas of cost reduction to address the deficit position, though this will prove challenging given the schools circumstances.

Oak Wood School

Oak Wood School ended the 2020/21 financial year with a revenue deficit of £3,388k. This was a £78k reduction in the cumulative deficit brought forward from the previous year. The 2021/22 budget provided by the school shows an in-year projected surplus of £541k, resulting in the cumulative deficit reducing to £2,847k. Whilst the cumulative deficit position at Oak Wood is still significant, it should be noted that in the next few years this deficit is forecasted to reduce further.

The main reason for the current financial position at Oak Wood School, relates to low pupil numbers over several years. However, following completion of the new school building along with the move to co-education and increases in the secondary school age pupil population, the pupil numbers began to increase significantly from September 2017 and this increase is projected to continue as detailed in the table overleaf

Year Group	Oct 2018 (actual)	Oct 2019 (actual)	Oct 2020 (actual)	Oct 2021 (projected)	Oct 2022 (projected)
Year 7	204	254	226	235	270
Year 8	190	198	238	237	235
Year 9	116	191	198	190	237
Year 10	73	112	181	177	190
Year 11	75	79	111	115	177
Total	658	834	954	954	1,109

Whilst these additional pupils are resulting in additional funding at Oak Wood, it should be noted that where a school does experience pupil growth, the funding is lagged and is provided for those children in the following financial year. This effectively places a financial burden on the school as they incur additional costs through having to employ more teachers and support staff from September each year as the pupil numbers continue to grow until the growth has been achieved in all year groups. In addition, the growth in pupil numbers at Oak Wood has resulted in a significant increase in the number of pupils with additional needs (a higher than average proportion of the total current cohort have SEND, and/or are eligible for Pupil Premium).

To assist the school with avoiding cash-flow problems arising from the deficit position, the Council has re-profiled future school budget share payments and to date Oak Wood has been advanced an additional £3,271k. It is not expected that the school will need any further advances in the current financial year as the deficit is not budgeted to increase. The school should be in the position to reduce the amount of funding advanced given the size of the budgeted in-year surplus in 2021/22.

In setting the 2021/22 budget the school and governors have undertaken a detailed review of all areas of income and expenditure. The schools three-year budget plan for 2021/22 to 2023/24 currently indicates that the in-year position in each year will improve, further reducing the cumulative deficit. Council officers met with the Headteacher in June to discuss the position and the formalisation of a repayment plan. The school is working on producing a recovery plan for the medium term and whilst the deficit is forecast to reduce it is recognised that, given the size of the deficit, it will take time for it to be repaid in full and therefore it can be expected that the school will be applying for a licensed deficit for the next few years.

The Schools Finance team will continue to work closely with Oak Wood to monitor the financial position and support the development of a realistic deficit repayment plan.

It should be noted that the school did not submit an additional letter [as part of this report] due to the cumulative deficit reducing in 2021/22.

Financial Implications

Funding for schools and school related expenditure is provided through the Dedicated Schools Grant (DSG) and the Pupil Premium and as such has no impact on the Council's budget requirement, although the Council will need to provide the schools with sufficient cash-flow by means of paying the schools DSG Budget in advance of receipt of the grant.

The three year budget plans for these schools indicate that it will be very unlikely that they will be in a position to set a balanced budget with no deficit carry forward for the foreseeable future

RESIDENT BENEFIT & CONSULTATION

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

By allowing the school to set a licensed deficit, will enable it to function with certainty of funding, whilst the school takes reasonable steps to manage its costs.

Consultation carried out or required

None

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance has reviewed this report and associated financial implications, noting that there is no direct financial impact to the Council's General Fund from granting of licenced deficits for local authority schools.

Legal

The Borough Solicitor confirms that the Council's Scheme for Financing Schools as required by Section 48 of the School Standards and Framework Act 1998 authorises Cabinet to licence a deficit in respect of a school. There are no legal impediments to Cabinet agreeing the recommendations set out in the report.

BACKGROUND PAPERS

NIL

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Bishop Winnington-Ingram C.E. Primary School

Southcote Rise, Ruislip, Middlesex, HA4 7LW
Tel: 01895 633520 Email: office@bwi.org.uk
www.bwicofe.co.uk

Headteacher: Mrs R Blake
Chair of Governors: Hilary Gotham

28.05.2021

Dear Graham,

Please find attached the final submission of the budget for Bishop Winnington Ingram Church of England School. Although huge steps have been taken in the last eight months, we are requesting to set a deficit license for the year 2021/2022 and apply to continue with the current cash advance arrangements.

I have attached the CFR Report I received when I started my Headship in September 2020 the current deficit was set at an in-year balance of -£269,362.33. The in-year balance we are setting for 2021/2022 is currently -£35,923.01 this shows an 86% drop in deficit saving £233,436.32. Furthermore following 3 consultations I have reduced staffing costs from 101.77% of the budget to 83%. Although there is still much work to be done within the next 3 years, you will see that the projected budget for 2022/2023 set a revenue balance of £1,001,586.48 this has now been reduced by more than half to -£429,798.11.

The actions undertaken since September 2020 have been identified below which have contributed to the significantly improved budget are:

- Reduction in 19 members of staff at BWI through natural wastage and redundancy meaning that the staffing is in line now at 83%. Nursery and Reception classes were combined to form one class and the two smaller year 3 classes were combined to make one class, saving 2 teachers pay. A further 2 teachers did not have their contracts renewed for September.
- The SENCO now has funding for every child that has an additional adult (EHCP&ESF) all children identified with concerns have 'My Support Plans' ready to ask for additional income if needed. Work has begun with Jaqueline Laver (Primary Education Adviser) to support a new way of working with our support staff that does not involve 1 LSA per EHCP
- The kitchen was closed as it was increasingly uneconomic and we now have meals delivered to the school by a contractor.
- The school house was finally emptied, redecorated, and rented by December 2020.
- We have employed a School Business Manager to meet the complex demands of improving financial performance, monitoring, benchmarking, reporting and HT support
- A new cleaning contract is in place with a reduction in cost as the school reduces its PAN and utilisation of external buildings
- Bishop Ramsey SCITT has paid for 1.5 days a week teacher at L9 for 2020/2021 and has been agreed 1 day a week for the next year 2021/2022

With costs, especially staffing costs, now under control and commensurate with the PAN, the primary factor for us to be able to set a balanced budget is for spare places to be filled; if we just had 10 additional children in Reception in September 2021 (AUP £3,747.50) we would have **no in-year deficit**.



Therefore, we have implemented a Marketing and Communication Strategy, with significant advice and assistance from the LDBS, which has included the following:

- Advertisement in all local church magazines and boards, congregations. This includes invitations to speak to local congregations about BWI.
- Set tour dates to look around the school and have individual parent zoom meetings with the Headteacher.
- Contacted all the local estate agents who have agreed to leaflet our school in their welcome packs.
- Contacted local day nurseries and playgroups, organised leaflet drops and 'Meet the Headteacher' sessions in September.
- Leafleted all the postcodes that currently attend our school
- A new website which includes:
 - School Council videos and testimonials
 - Parent videos and testimonials
 - Tab for Prospectus parents – 'Why choose us?'
 - A specific Admissions page

Future actions

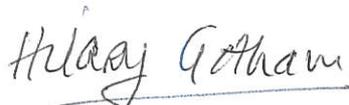
- The removal of the outside buildings will have a positive impact on energy and cleaning costs.
- Advertising the school for letting has begun and we have interested parties.
- Removal of the mobile classrooms and re-surfacing of the playground, which will market the school better and is being arranged by the LDBS.
- Social media presence: Twitter will be launched in September.
- Tour dates will continue for the rest of the academic year.
- We will continue to monitor costs and seek additional savings, for example in photocopying and energy.
- We will be increasing our use of benchmarking to ensure all aspects are reviewed against relevant criteria and best practice.

It should be noted that the current budget does not include the redundancy costs or pension liability costs of staff who have left as a result of the restructuring to reduce overall staff costs. This was initially estimated to be approximately £500,000, however due to some staff getting jobs this has reduced and currently looks like £350,000 and is a welcome reduction. We have already requested that the Local Authority help to financially support us to meet these one-off costs and prevent an increase to the existing deficit.

Yours sincerely

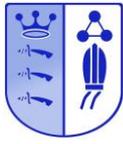


Mrs. Rachel Blake
Headteacher



Mrs. Hilary Gotham
Chair of Governors





Holy Trinity CE Primary School Northwood

Rickmansworth Road, Northwood, Middlesex, HA6 2RH
T: 01923 822529 E: admin@holytrinitynorthwood.org
www.holytrinitynorthwood.org



Executive Headteacher: Reverend Daniel Norris MBA NPQH
Heads of School: Mrs. Sally Roscoe and Mrs. Clare Rodenas

Mr G Young
Lead Finance Business Partner
Schools Finance Team
London Borough of Hillingdon
4W/04 Civic Centre, High Street
Uxbridge Middlesex
UB8 1UW

19th May 2021

Application for Deficit Licence - Budget 2021-22

Holy Trinity remains a popular and oversubscribed school in terms of Reception places, rated good by Ofsted (2017) and outstanding by SIAMS (2015). Our SIAMS inspection was due imminently but has been delayed due to the Covid-19 closure. For many years we have held an excellent reputation and have sought to make a contribution to the wider school system within the London Borough of Hillingdon and beyond. The dramatic reduction in funding seen in recent years continues to have a devastating effect on our school finances and staff morale. Governors and leaders have continued to work tirelessly to bridge this funding gap but the recent national closures of all schools has significantly impacted our ability to maintain our additional income streams.

Due to the ever-growing number of children with specific educational needs, it has been necessary to maintain a high level of additional staff to support pupils, with further applications already made this year for additional funding for 1:1 support.

Discussions have already taken place with representatives from the London Borough of Hillingdon regarding our Nursery and Reception provision from September. Due to the reduced number of Nursery applications for September 2021, we are aware that a large proportion of our Early Years Funding will be clawed back later in this financial year which will clearly have a detrimental effect on our school budget.

We believe that seeking to make further reductions in expenditure will compromise the safety of our pupils and therefore, with regret, are required to submit this application for a license to set a deficit budget. We trust you will acknowledge the ongoing efforts to maintain budgetary control which resulted in the 2021 Year End position being far better than predicted.

In order to continue to address our school revenue deficit we will continue to take the following action:

- The Executive Head (shared with St. Jérôme School) will now be in a position to reduce the level of support provided to the Heads of School which will reduce the SLT staffing costs from September 2021. No adjustment has been made so far in the current budget figures for this as discussions are currently ongoing with the Chairs of Governors from both schools.
- The school has been in discussion with representatives from the Borough with regard to possibly extending the current Nursery provision to 30 hours per week from January 2022. It is hoped, following an extensive marketing campaign, that this will then allow Nursery numbers to increase, resulting in further funding for our budget for 2022/23.
- Now that the school is again able to offer extra-curricular activities, a variety of clubs are being explored to provide much needed additional income generation.

- Re-branding of our extended services provision (unable to take forward last year due to school closure) will be a priority with additional options being explored in terms of timing and linking with extra-curricular clubs. This varied provision is in response to a recent parental survey completed which sought parental views on the type of provision required.
- The school has not renewed any staff contracts that were temporary and at the point of resignation or retirement of any member of staff careful consideration will be given as to whether the school can sustain the post moving forwards.

The proposed budget allows for the highly valued continuation of the school's ethos to continue with our commitment to Godly Play. The latter we believe to be critical in maintaining pupil well-being and developing them spiritually and morally, especially in a year when a SIAMS Inspection is expected and the effect of the pandemic on pupils' well-being is still unknown.

The school has thoroughly reviewed the individual lines of expenditure and explored cost saving options wherever possible. This has resulted in agreements being obtained for lower ICT support costs, photocopying costs and catering costs (following tender earlier this year). The budget also includes a £7000 contingency (which may not need to be spent) for staff absence this year rather than paying for insurance as in previous years. Daily monitoring of expenditure has continued with monthly reviews completed with the representative from the Schools Finance Team to ensure items are being budgeted and accounted for correctly.

Holy Trinity School remains extremely grateful to the Schools Finance Team who have continued to provide excellent support and guidance in the challenging preparation of the enclosed budget and for the assurance that governors and leaders have exhausted all avenues to submit a balanced budget.

We are therefore seeking that our budget plan be approved for 2021-22 and that the challenging issues that we are facing be raised at the highest level in order that the predicted deterioration of our position might be improved and not worsened by policy decisions.



Mark Dunning – Chair of Governors



Daniel Norris – Executive Headteacher

COUNCIL BUDGET - 2021/22 REVENUE AND CAPITAL MONTH 3 BUDGET MONITORING

Cabinet Member	Councillor Martin Goddard
Cabinet Portfolio	Cabinet Member for Finance
Officer Contact	Paul Whaymand, Corporate Director of Finance
Papers with report	Appendices A & B

HEADLINES

Summary	<p>This report provides the Council's forecast financial position and performance against the 2021/22 revenue budget and Capital Programme.</p> <p>A net in-year underspend of £361k is reported against General Fund revenue budget normal activities as of June 2021 (Month 3). Unallocated reserves are projected to total £26,462k at 31 March 2022. This headline position is largely consistent with that reported to Cabinet for May 2021 (Month 2).</p> <p>To date, COVID-19 pressures, impacting on 2021/22, of £16,641k have been identified and are being funded by specific government grant, with £16,960k available including carried forward allocations from 2020/21. In year pressures have increased by £2,463k since Month 2, primarily linked to pandemic-related demand on Mental Health and Looked after Children's services. The Council also retaining £10,126k of its own funding in a dedicated Earmarked Reserve to supplement government support in 2021/22 and future years as required.</p> <p>The latest positions on other funds and the Capital Programme are detailed within the body of this report.</p>
Putting our Residents First	<p>This report supports the following Council objective of: <i>Strong 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 Select Committee	Corporate, Finance & Property
Relevant Ward(s)	All

RECOMMENDATIONS

That the Cabinet:

1. Note the budget monitoring position and treasury management update as at June 2021 (Month 3) as outlined in Part A of this report.
2. Approve the financial recommendations set out in Part B of this report

Reasons for recommendation

1. The reason for **Recommendation 1** is to ensure that the Council achieves its budgetary objectives, providing Cabinet with the update on performance at Month 3 against budgets approved by Council on 25 February 2021 contained within **Part A** of this report. An update on the Council's Treasury Management activities is included within this section of the report.
2. **Recommendation 2** seeks approval for the range of financial recommendations set out within **Part B** of this report, which may include approval of above establishment agency appointments, acceptance of grant funding, revisions to fees & charges and ratification of decisions taken under special urgency provisions.

Alternative options considered / risk management

3. There are no other options proposed for consideration.

Select Committee comments

4. None at this stage.

PART A: MONTHLY BUDGET MONITORING

SUMMARY

GENERAL FUND REVENUE

5. General Fund pressures totalling £16,641k are projected in relation to the impacts of the COVID-19 pandemic and the Council's response in 2021/22 which started in 2019/20. With total forecast pressures of £50,014k since the pandemic begun including the forecast pressure for the current financial year alongside £1,883k in 2019/20 and £31,492k in 2020/21. There has been an increase of £2,463k in the COVID-19 related pressure as a result of pandemic-related demand for Mental Health and Looked after Children. With the pandemic continuing and local authorities at the forefront of delivering support to residents, it is possible this pressure may grow by outturn dependent on the Government's recovery roadmap and programme of support offered by the Council, as such this area will continue to be closely monitored.
6. Funding through specific COVID-19 grants and the MHCLG scheme to cover 75% of income losses is expected to total £16,960k by 30 June 2021 including grant money carried forward from 2020/21. Given that further pressures may emerge throughout the year, the Council continues to maintain an Earmarked Reserve of £10,126k to manage further demands exceeding government funding. The Council's budget strategy included a release of £3,876k from this balance to offset the medium-term pressures impacting on retained Business Rates from the pandemic, leaving £6,250k available to manage emerging or continuing pressures.
7. On the assumption that this funding strategy for COVID-19 pressures can be maintained and any new and emerging pressures from the pandemic are met via increased funding from Central Government, an underspend of £361k is projected across General Fund budgets at Month 3, with this position being driven by an underspend against Capital Financing, alongside underspends related to the homelessness contingency due to increased grant income, offset by a pressure within staffing budgets driven by a minor shortfall against the Council's Managed Vacancy Factor, which is expected to improve throughout the year and will therefore be closely monitored.
8. The £361k underspend consists of £165k service overspends and a £239k underspend on capital financing. In addition, there is a £287k underspend in Month 2 against Development and Risk Contingency. While movements are reported against individual portfolios and contingency items from the position at Month 2, these have not materially affected the headline monitoring position. Taking account of the budgeted £2,421k drawdown from General Balances, this will result in unallocated General Balances totalling £26,462k at 31 March 2022.
9. Within this position, £2,856k of the £10,416k savings planned for 2021/22 are banked or on track for delivery in full by 31 March 2022, with £6,574k being tracked as being at an earlier stage of implementation and £986k at risk as a result of the COVID-19 pandemic. The at risk savings relate to leisure management fee income and reflects the acute impact of the pandemic on this sector, although it is expected that in the long run this level of income will be achievable. Where slippage in savings delivery is expected this has been factored into the reported monitoring position, and when appropriate financed from COVID-19 funding.

10. Within the Collection Fund, a pressure of £427k is reported at Month 3, a £28k adverse movement from Month 2, with the underlying variance resulting from a slower than budgeted growth in Council Tax, offset by a favourable position reported against Council Tax Support as demand begins to fall in this area as the economy starts to recover from the pandemic. Business Rates income is currently forecasting a favourable position, partially driven by the Chancellor's announcement to continue Retail Relief into the new Financial Year, supporting local businesses. Council Tax is reporting an overall pressure of £668k, with Business Rates declaring a surplus of £241k.

GENERAL FUND CAPITAL

11. The Council's £297,467k General Fund Capital Programme for the period 2021/22 to 2025/26 is projected to overspend by £1,062k at Month 3, with additional £1,873k borrowing over the life of the programme, reflecting additional forecast borrowing linked to the new leisure centre. There is a forecast overspend of £5,536k on the project following the receipt of tenders although work is continuing to see if the net cost of the project can be reduced. This pressure is partially offset by the reduced borrowing requirement following the transfer of equipment purchases from capital to revenue previously reported. The borrowing requirement will be reflected in future borrowing costs, which will be factored into future iterations of the MTF as appropriate.

SCHOOLS BUDGET

12. At Month 3 the Dedicated Schools Grant position is reporting an in-year overspend of £12,657k. This represents a net £5,329k adverse movement of £3,721k from the Month 3 position. The Schools Block is reporting a favourable £212k movement relating to reduce the pressure in that area, however there is a significant £3,933k adverse movement in the High Needs Block increasing the overall pressure in the High Needs Block to £5,176k.
13. The pressure in High Needs is due to a lack of capacity in borough, with the number of independent placements increasing since the budget was set. The budget for High Needs was increased for 2021/22 to take account of projected growth, but it is projected that the budget will be exceeded. When the £25,385k deficit brought forward from 2020/21 is taken into account, the cumulative deficit being carried forward to 2022/23 is forecast to be £38,042k. The Council has been invited to take part in the next round of 'Safety valve' discussions with the DfE commencing in September 21 aimed at resolving issues in relation to the ongoing pressures on the DSG budget.

HOUSING REVENUE ACCOUNT

14. The Housing Revenue Account is currently forecasting a favourable variance of £49k compared to the budget, a net £21k favourable movement from Month 2, is mostly driven by variances in repairs and maintenance. The 2021/22 closing HRA General Balance is forecast to be £15,232k, and therefore remain in line with business plan assumptions.
15. A minor £13k underspend is reported on HRA Capital Investment, against a programme of £231,956k over the period 2021/22 to 2025/26 incorporating delivery of new housing and renewal of the existing estate. This position is unchanged from that reported at Month 2.

FURTHER INFORMATION

General Fund Revenue Budget

16. As noted above and presented in the table below, a £361k underspend is projected across the General Fund at Month 3, with the following section of this report providing further information on an exception basis. General Fund Balances are expected to total £26,462k at 31 March 2022 as a result of the forecast position detailed above, which remains broadly consistent with the forecast reported at Month 2. The Balances and Reserves Policy approved by Cabinet and Council in February 2021 outlined a recommended range of £15,000k to £35,000k for uncommitted General Balances.

Table 1: General Fund Overview

Service	Month 3		Variance (As at Month 3) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
	Approved Budget	Forecast Outturn			
	£'000	£'000			
Service Operating Budgets	210,169	210,334	165	175	(10)
Corporate Operating Budgets	8,475	8,236	(239)	(239)	0
Development & Risk Contingency	17,436	17,149	(287)	(287)	0
Unallocated Budget Items	2,165	2,165	0	0	0
Sub-total Expenditure	238,245	237,884	(361)	(351)	(10)
Corporate Funding	(235,824)	(235,824)	0	0	0
Total Normal Activities	2,421	2,060	(361)	(351)	(10)
<u>Exceptional Items</u>					
COVID-19 Pressures	0	16,641	16,641	14,178	2,463
COVID-19 Funding	0	(16,641)	(16,641)	(14,178)	(2,463)
Total Net Expenditure	2,421	2,060	(361)	(351)	(10)
Balances b/fwd	(28,522)	(28,522)			
Balances c/fwd 31 March 2022	(26,101)	(26,462)			

Service Operating Budgets

17. Service Operating Budgets represent the majority of the Council's investment in day-to-day services for residents, with more volatile or demand-led areas of activity tracked separately through the Development and Risk Contingency. The impacts of COVID-19 are being reported discretely under Exceptional Items as detailed in Table 1, the position presented in Table 2 therefore represents the position reported against normal activities for the Service Operating Budgets. The salient risks and variances within this position summarised in the following paragraphs.

Table 2: Service Operating Budgets

Cabinet Member Portfolio		Approved Budget	Forecast Outturn	Variance (As at Month 3)	Variance (As at Month 2)	Movement from Month 2
		£'000	£'000	£'000	£'000	£'000
Property & Infrastructure	Expenditure	11,774	11,838	64	(38)	102
	Income	(5,296)	(5,359)	(63)	34	(97)
	Sub-Total	6,478	6,479	1	(4)	5
Finance	Expenditure	19,662	19,723	61	35	26
	Income	(3,369)	(3,448)	(79)	(39)	(40)
	Sub-Total	16,293	16,275	(18)	(4)	(14)
Public Safety and Transport	Expenditure	18,168	18,437	269	198	71
	Income	(16,241)	(16,550)	(309)	(265)	(44)
	Sub-Total	1,927	1,887	(40)	(67)	27
Corporate Services and Transformation	Expenditure	27,469	27,534	65	62	3
	Income	(1,604)	(1,673)	(69)	(65)	(4)
	Sub-Total	25,865	25,861	(4)	(3)	(1)
Environment, Housing & Regeneration	Expenditure	47,026	47,149	123	120	3
	Income	(19,936)	(20,176)	(240)	(172)	(68)
	Sub-Total	27,090	26,973	(117)	(52)	(65)
Families, Education and Wellbeing	Expenditure	26,004	26,453	449	220	229
	Income	(11,597)	(11,752)	(155)	(22)	(133)
	Sub-Total	14,407	14,701	294	198	96
Health and Social Care	Expenditure	154,518	154,569	51	104	(53)
	Income	(36,409)	(36,411)	(2)	3	(5)
	Sub-Total	118,109	118,158	49	107	(58)
Total Service Operating Budgets		210,169	210,344	165	175	0

18. Within the Council budget there is a Managed Vacancy Factor across the board of 4%, or £3,952k to reflect natural levels of turnover and resulting structural underspend in the workforce budgets. Current projections indicate that this will be delivered in full during 2021/22, with post-level establishment controls providing a key mechanism for managing workforce costs at the organisational level, although unanticipated turnover is expected to further improve this position over the coming months.
19. As noted in the previous monitoring report, and contrary to the Government policy of freezing the majority of public sector pay in 2021/22, an inflationary pay award of 1.5% was presented to unions for consideration and the Council earmarked £1,300k to meet this potential cost. This was rejected and subsequently increased to 1.75% by the employers' association, which if accepted would increase the cost by £700k. It is expected that the in-year impact of the increased pay award can be funded through the expected improvement in the

workforce budget position, with the full cost being factored into future iterations of the MTFB as appropriate.

20. As can be seen from the table above, the net £165k pressure across Service Operating Budgets represents the cumulative effect of a number of relatively minor variances which are briefly outlined below by Cabinet Portfolio:
- a. **Property & Infrastructure** – A net pressure of £1k, reduced from £5k at Month 2, with a £63k shortfall in income from corporate estates being offset by reductions in spend on facilities management operations.
 - b. **Finance** – A net underspend of £18k, an improvement of £14k on Month 2, with compensating variances on income and expenditure reflecting increased activity in support of non-General Fund functions, including the HRA regeneration projects.
 - c. **Public Safety and Transport** – a net underspend of £40k and £20k adverse movement from Month 2, with the increased grant funded activity and locally funded Environmental Health Officer capacity in respect of Brexit impacts on the trading standards and imported health functions, being offset by £126k underspends on staffing within the CCTV service.
 - d. **Corporate Services and Transformation** – a net underspend of £4k and £1k improvement from Month 2, with the underlying position reflecting increased recharge income within the ICT service and corresponding uplifts in expenditure.
 - e. **Environment, Housing and Regeneration** – an underspend of £117k, increased by £65k from Month 2, with a favourable outlook on planning and crematorium income being sufficient to more than mitigate the costs being incurred in insourcing an element of the planning service. The movement from Month 2 primarily relates to increased income projects at Breakspear Crematorium.
 - f. **Families, Education and Wellbeing** – an overspend of £294k is reported as a result of additional demands on the service in respect of school place planning for both mainstream and special provision, alongside additional costs falling on the General Fund as a result of levels of demand for Education, Health and Care Plans. The adverse movement of £96k from Month 2 reflects these growing demands, with increased income and corresponding expenditure flowing from securing grant funding in support of leisure operations.
 - g. **Health and Social Care** – A net pressure of £49k is reported, with an improvement of £58k from the position at Month 2. The headline variance relates to increased demand on support for both adults and children, with the improvement stemming from reduced staffing forecasts.

Transformation

21. The Council is 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 £1,274k for such costs, which will remain under review throughout the year and have been excluded from the reported monitoring positions. It is anticipated that these costs will be financed from a combination of Capital Receipts and Earmarked Reserves. In 2020/21 the decision was made to not use Capital Receipts and to fund the costs for the year within revenue expenditure due to the Council's underspend on normal activities and this action has led to a reduction in the Council's borrowing costs for 2021/22. This assumption around capitalisation will be reviewed if capacity becomes available within the revenue position to fund such costs.

Progress on Savings

22. The savings requirement for 2021/22 is £8,054k. In addition, there are savings of £2,362k brought forward from 2020/21, which gives an overall total of £10,416k reported below. The savings being reported as undelivered in 2020/21 (£2,362k) were directly attributable to the COVID-19 pandemic as the Council needed to redirect resources to manage the pandemic. The savings were linked to Leisure, Licencing, Digital Strategy and Fees and Charges. This value has been added to the budgeted savings agreed as part of the 2021/22 budget.

Table 3: Savings Tracker

Cabinet Member Portfolio	Blue Banked £'000	Green Delivery in progress £'000	Amber I Early stages of delivery £'000	Amber II Potential problems in delivery £'000	Red Serious problems in delivery £'000	Total £'000
Property & Infrastructure	0	0	(210)	0	0	(210)
Finance	(310)	0	(550)	0	0	(860)
Public Safety and Transport	(285)	(50)	(1,806)	0	0	(2,141)
Corporate Services and Transformation	(517)	(10)	(873)	0	0	(1,400)
Environment, Housing & Regeneration	(53)	(1,022)	(1,271)	0	0	(2,346)
Families, Education and Wellbeing	0	(109)	(614)	(986)	0	(1,709)
Health and Social Care	(250)	(250)	(1,250)	0	0	(1,750)
Total 2021/22 Savings Programme	(1,415) 14%	(1,441) 14%	(6,574) 63%	(986) 9%	0 0%	(10,416) 100%

23. As of Month 3 (June 2021) there are £1,415k savings already banked as delivered. At this early stage in the financial year 77% of the savings are reporting as either delivery in progress or in the early stages of delivery and these are on track and expected to progress throughout the year to be delivered in full. The savings in the early stages of delivery (Amber I) include the Licencing, Digital Strategy and Fees and Charges from the prior year, as well as current year savings including Social Care Placements, Bulky Waste Collection, Business Support and Fees and Charges, alongside other lower value savings included.

24. Currently there are £986k (9%) which are reporting there are potential problems in delivery (Amber II), which relates exclusively to the leisure management fee and reflects the particular impact of the COVID-19 pandemic on this sector, although in the medium term use of these services and associated income is expected to return to pre-pandemic levels and deliver this saving.
25. Where savings are at risk of not being delivered in full during 2021/22, the associated pressures have been factored into the monitoring position discussed above and offset through compensatory underspends or where appropriate use of COVID-19 grant funding. At this time it is expected that all £10,416k will ultimately be delivered in full and therefore not impact upon future iterations of the Council's MTF.

Corporate Operating Budgets

26. Corporate Operating budgets are reporting a £239k underspend on capital financing and funding, in line with the position at Month 2. The underspend is driven by reduced capital financing costs arising from the favourable capital outturn position for 2020/21 and a minor improvement from a review of the Council's corporate subscriptions. No variance is reported on Corporate Funding, the exact level of grant funding for the year currently reflects that Cabinet and Council approved budgets in February 2021.
27. Funding equipment from capital is more expensive in the longer term, as the financing costs impact future years. Further review of financing decisions will be undertaken throughout the year, with the Council's budget strategy already including the unwinding of the use of capitalisation powers on budgeted Transformation work.

Development & Risk Contingency

28. For 2021/22 £17,436k was set aside to manage uncertain elements of budgets within the Development & Risk Contingency, which included £16,613k in relation to specific risk items and £823k as General Contingency to manage unforeseen issues. As set out in the recommendations section of this report, it is proposed that service specific items are released to Service Operating Budgets in order to streamline reporting. Exceptional COVID-19 related pressures are being funded through specific grant funding and commented on later in this report.
29. At this early stage in the financial year, a net underspend of £287k is reported on Development and Risk Contingency, with £222k linked to a greater share of homelessness costs being met through new burdens funding rather than the Council's own resources and the residual £65k relates to minor movements in the cost of Social Care placements not linked to the COVID-19 pandemic. There are currently no calls on the £823k General Contingency, providing a mechanism to manage emerging non-COVID-19-related risks over the remainder of the financial year.

Exceptional Items – COVID-19 Pressures

Table 4: COVID-19 Pressure Breakdown

Service	Month 3		Variance (As at Month 3) £'000	Variance (As at Month 2) £'000	Movement from Month 2 £'000
	Approved Budget	Forecast Outturn			
	£'000	£'000			
Social Care	0	8,962	8,962	6,838	2,124
Other Expenditure	0	4,186	4,186	3,960	226
Income	0	3,493	3,493	3,380	113
Total Exceptional Items	0	16,641	16,641	14,178	2,463

30. The majority of the COVID-19 pressure is relating to Health and Social Care £9,090k, Environment, Housing and Regeneration £2,520k and Public Safety and Transport £2,466k, these three areas represent £14,075k of the £16,841k in-year pressure.
- Within Health and Social Care, the Council is forecasting a pressure of just under £9.1m, driven by £7.6m of pressures associated with direct care provision, with £4.6m of this value falling on Adult Social Care and £3.0m falling in Children's Social Care. In addition, both areas are seeing workforce pressures associated with the additional demand and the Council's COVID-19 response, adding a further £0.9m, with the remaining balance coming from a combination of smaller areas.
 - Within Environment, Housing and Regeneration £1.7m of pressures have been identified associated with Cultural and Community support, with the majority of this pressure driven by the support to maintain Council run leisure centres during the pandemic whilst demand levels remain low and services have been affected by various restrictions. This area is also being affected by income reductions £940k, largely linked to Planning and Development and Commercial Trade Waste.
 - Public Safety and Transport is a forecast decline in Fees and Charges income of £2.2m, the majority of this pressure relates to parking charges making up approximately £1.8m of this value.
 - The remaining balance is spread across a number of service areas and income streams impacted by the pandemic, including homelessness and commercial income associated with rental income from areas such as Council owned garages.
31. Included within this position is a forecast assumption that the overall pressure caused by COVID-19 will be funded by Central Government and other funding strategies. The Council has confirmed funding of £16,960k, including carried forward grants from 2020/21 (although the final figure will in part be based on actual income losses and may therefore fluctuate) which will be sufficient to manage pressures identified to date, although there remains a risk that new and emerging issues will leave a funding gap in either the current or future years.
32. The strategy to deal with any unfunded COVID-19 costs is to utilise Earmarked Reserves totalling £10,216k. The Council's budget strategy included a release of £3,876k from this balance to offset the medium-term pressures impacting on retained Business Rates from the pandemic, with the £6,250k residual balance available to manage emerging or continuing pressures.

Collection Fund

33. A deficit of £427k is reported within the Collection Fund relating to an adverse position reported within Council Tax of £668k, offset by a favourable position within Business Rates of £241k. The pressure in Council Tax is predominantly driven by a reduction in the forecast growth of the taxbase, offset by a favourable position within Council Tax Support as the economy begins to recover from the pandemic and demand in this area reduces. The Business Rates position is primarily driven by the late announcement by the Chancellor to continue Retail Relief into 2021/22.
34. Any deficits within the Collection Fund impact on the Council's future year budgets, this position would therefore add £427k to the Council's gross saving requirement above the level set in the Council's budget strategy agreed at February 2021 Cabinet. However, given that this pressure continues to be driven by COVID-19, there may be scope to utilise an element of the COVID-19 Earmarked Reserves or any residual grant balance to meet this cost.

General Fund Capital Programme

35. As at Month 3 an under spend of £23,631k is reported on the 2021/22 General Fund Capital Programme of £102,844k, due mainly to re-phasing of project expenditure into future years. The forecast outturn variance over the life of the 2021/22 to 2025/26 programme is an over spend of £1,062k. General Fund Capital Receipts of £10,057k are forecast for 2021/22, and expected to achieve the budgeted target of £57,977k over five years to 2025/26. Overall, Prudential Borrowing required to support the 2021/22 to 2025/26 capital programmes is forecast to be above budget by £1,873k.

Capital Programme Overview

36. Table 5 below sets out the latest forecast outturn on General Fund capital projects, with project level detail contained in appendices A1 – A2 to this report. Forecasts for future years include capital projects and programmes of work approved by Cabinet and Council in February 2021.

Table 5: General Fund Capital Programme Summary

	Approved Budget 2021/22	Forecast 2021/22	Cost Variance 2021/22	Project Re-phasing 2021/22	Total Project Budget 2021-2026	Total Project Forecast 2021-2026	Total Project Variance 2021-2026	Movement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cabinet Member Portfolio								
Finance	4,433	3,991	(612)	170	10,298	7,238	(3,060)	-
Public Safety and Transport	16,871	15,342	(871)	(658)	56,432	55,561	(871)	-
Corporate Services & Transformation	1,572	1,458	(114)	-	5,828	5,258	(570)	-
Environment, Housing & Regeneration	4,680	3,997	-	(683)	10,465	10,465	-	-
Families, Education and Wellbeing	7,894	8,269	-	375	20,469	20,469	-	-
Health and Social Care	2,359	2,359	-	-	11,795	11,795	-	-
Property and Infrastructure	63,535	42,297	-	(21,238)	174,680	180,243	5,563	5,563
General Contingency	1,500	1,500	-	-	7,500	7,500	-	-
Total Capital Programme	102,844	79,213	(1,597)	(22,034)	297,467	298,529	1,062	5,563
Capital Programme Summary Breakdown								
Major Projects	58,094	37,737	-	(20,357)	154,387	159,950	5,563	5,563
Programme of Works	43,250	39,976	(1,597)	(1,677)	135,580	131,079	(4,501)	-
General Contingency	1,500	1,500	-	-	7,500	7,500	-	-
Total Capital Programme	102,844	79,213	(1,597)	(22,034)	297,467	298,529	1,062	5,563
Movement	12	(19,927)	-	(19,939)	12	5,575	5,563	

37. **Finance:** A significant number of vehicle purchases are progressing this year across the fleet, including replacement of older vehicles and reducing the number of hired vehicles. The overall under spend of £3,060k under this portfolio arises from no longer financing small equipment and furniture expenditure from capital resources, with budgets provided in revenue to support this.
38. **Public Safety and Transport:** An under recovery of £871k is forecast on Transport for London (TFL) grant funding based on a proposed bid for funding for 2021/22 LIP funding to be submitted shortly, which is lower than original budget assumptions. TFL funding remains significantly affected by reduced travel due to the pandemic with increased home working.
39. **Families, Education and Wellbeing:** Works will commence shortly to install two new modular classroom units at Hedgewood school to increase the number of school places for pupils with special educational needs for the autumn term. The total cost is £2,504k and is funded by the SEND grant.
40. **Property and Infrastructure:** Following receipt of tenders for the construction of a new leisure centre in West Drayton, a forecast over spend of £5,563k is reported based on the tender prices being significantly higher than pre-tender estimates. The forecast includes an element of value engineering which is yet to be confirmed

Capital Financing - General Fund

Table 6: Capital Financing

	Approved Budget 2021/22 £'000	Forecast 2021/22 £'000	Cost Variance £'000	Phasing Variance £'000	Total Financing Budget 2021-2026 £'000	Total Financing Forecast 2021-2026 £'000	Total Variance £'000	Move-ment
Source of Finance								
Capital Receipts	16,749	10,057		(6,692)	57,977	57,977	-	
CIL	3,500	5,000		1,500	17,500	17,500	-	-
Prudential Borrowing	55,481	41,783	(786)	(12,912)	131,018	132,891	1,873	5,503
Total Council Resources	75,730	56,840	(786)	(18,104)	206,495	208,368	1,873	5,503
Grants & Contributions	27,114	22,373	(811)	(3,930)	90,972	90,161	(811)	60
Capital Programme	102,844	79,213	(1,597)	(22,034)	297,467	298,529	1,062	5,563
Movement	12	(19,927)	-	(19,939)	12	5,575	5,563	

41. Capital receipts before transformation financing in 2021/22 include £1,264k in sales already achieved for four sites. The phasing variance of £6,692k is mainly due to major disposal sites that are not expected to be completed this financial year.
42. As at the end of June 2021, a total of £1,657k Community Infrastructure Levy receipts have been invoiced, net of administration fees. Forecast receipts for this financial year are a favourable variance of £1,500k as developer activity is increasing as the pandemic recedes, and several sizable developments are expected to be invoiced in 2021/22. The longer term forecast for this income stream will remain under review as the economy recovers from the pandemic.
43. Forecast grants and contributions are £811k lower than the approved budget, due to the forecast under recovery of the 2021/22 TFL LIP grant compared to the original budget, which was based on pre-pandemic funding levels.
44. Prudential Borrowing is forecasting to be within budget by £13,698k in 2021/22 due mainly to forecast re-phasing of project expenditure into future years. The medium term forecast is an adverse variance of £1,873k due mainly to the over spend on Yiewsley/West Drayton leisure centre, partly offset by the under spend on capitalised general equipment expenditure.

Schools Budget

45. The Dedicated Schools Grant (DSG) monitoring position is an in-year overspend of £12,657k at Month 3, this is an increase of £5,329k on the budgeted deficit of £7,328k. This overspend is due to ongoing pressures in the cost of High Needs placements, where due to a lack of capacity in borough, the number of independent placements has increased since the budget was set. In addition, the local authority is increasingly seeing an uplift in the funding allocated to SEN placements due to a change in the level of need. The budget for High Needs was increased for 2021/22 to take account of projected growth, but it is projected that the budget will be significantly exceeded. When the £25,385k deficit brought forward from 2020/21 is taken into account, the cumulative deficit carry forward to 2022/23 is £38,042k.

Table 7: DSG Income and Expenditure 2021/22

Funding Block	Month 3		Variance		
	Revised Budget	Forecast Outturn	Variance (As at Month 3)	Variance (As at Month 2)	Change from Month 2
	£'000	£'000	£'000	£'000	£'000
Dedicated Schools Grant Income	(317,131)	(317,131)	0	0	0
Schools Block	247,506	247,659	153	365	(212)
Early Years Block	25,997	25,997	0	0	0
Central Schools Services Block	3,296	3,296	0	0	0
High Needs Block	47,660	52,836	5,176	1,243	3,933
Total Funding Blocks	7,328	12,657	5,329	1,608	3,721
Balance Brought Forward 1 April 2021	25,358	25,385			
Balance Carried Forward 31 March 2022	32,686	38,042			

Dedicated Schools Grant Income (nil variance)

46. The Early Years block will be adjusted further to reflect actual numbers accessing the free entitlement in the Spring term. If attendance rises after the January census, the DfE has confirmed that funding will be increased, up to 85% of the January 2020 census level, where a local authority can provide evidence of increased attendance during the Spring term. Adjustments will be calculated by using an average of the January 2021 census and the May 2021 count. That is, January 2021 count will be used to represent attendance for the first half of Spring term, and the May 2021 count to represent the latter half and recognise any increase in attendance to determine the final spring term top up.

Schools Block (£153k overspend, £212k favourable)

47. The Schools Block includes all funding paid directly to mainstream schools as part of their delegated budget share, including the funding recouped by the ESFA and paid to mainstream academies.
48. There is also a growth contingency fund which is funded from the Schools Block. Schools that are expanding, in agreement with the local authority, to meet basic need pupil

population growth, receive additional funding to provide financial recompense throughout the relevant financial year to cover the cost of this agreed and planned growth.

49. Schools Forum took the decision to withhold growth contingency allocations for one school due to insufficient projected pupil growth in September 2022 and therefore there will be an underspend relating to this allocation. Additionally, Schools Forum have agreed to backdate growth contingency to 2018/19 for one secondary school which it has been retrospectively decided met the criteria for funding. This has resulted in the overspend on the Schools block in 2021/22.
50. The growth contingency policy was amended prior to 2020/21 in order address the growth in secondary pupils. Schools will be funded for any Year 7 pupils which are above the Published Admission Number (PAN). £525k was set aside for this purpose, with the actual funding requirement considerably lower, resulting in the adverse movement being reported at month 3.
51. The growth contingency also funds diseconomies of scale funding for new basic need academy schools and a calculation method has now been determined for this for the two remaining years that the final basic need school is still growing.

Early Years Block (no variance, no change)

52. Two-year-old funding will be adjusted to reflect the number of children accessing the entitlement based on the May 2021 census.
53. The 3 and 4-year-old funding for both the universal and the additional free entitlement will also be adjusted following verification of the actual numbers recorded in the May 2021 census. This is likely to result in a reduction in the overall Early Years block funding allocation as the number of children accessing the additional free entitlement has decreased significantly over the past year. The projections will be revised once the full impact of the funding adjustments is known.

Central School Services Block (no variance, no change)

54. The published DSG budget allocations confirmed a 20% decrease in the Central School Services Block provided for historic commitments. This resulted in a £265k reduction in funding, though this was partly offset by £51k of additional funding for pupil growth. This reduction in funding resulted in a budget shortfall for the services funded by the Central School Services block adding to the pressure which has led to an overall deficit DSG being agreed for 2021/22.

High Needs Block (£5,176k overspend, £3,933k adverse)

55. There continues to be significant pressure in the High Needs Block in 2021/22, with an overspend of £5,176k being projected at Month 3. The growth in the requirement to place pupils with an EHCP in independent placements due to a continuing lack of capacity in-borough and across other local authority provision continues. There is an expectation that this will become the only route that the Council will be able to take until more provision is created locally. Much of the adverse movement being reported at Month 3 is a result of additional placements already made for September 2021, along with an anticipated further increase in the number of placements throughout the remainder of the year. Whilst an

element of growth in placements has been built into the projection, there may be further pressure dependent on where future placements are made.

56. There is further pressure being added to the High Needs block because of an uplift in the funding allocated to SEN placements due to a change in the level of need. The local authority is regularly seeing an increase in the complexity of need at the point of annual review which is resulting in agreement to increase the top-up funding allocation to ensure needs are being adequately met. This has contributed to the adverse movement at Month 3 and there may be additional pressure in relation to this as and when further annual reviews are completed.
57. There are in-borough special schools which are currently over their commissioned place number with a requirement on the local authority to allocate more funding for these additional places. The commissioned numbers were updated at the start of the financial year, however due to changes not taking place until the start of the next academic year for academy schools, along with schools agreeing to take further additional pupils there will be a requirement to fund places over commissioned numbers.

Housing Revenue Account

58. The Housing Revenue Account (HRA) is currently forecasting a favourable variance of £49k compared to the budget. This excludes the potential cost pressures of COVID-19, which are estimated at £189k. The 2021/22 closing HRA General Balance is forecast to be £15,232k. The table below presents key variances by service area.

Table 8: Housing Revenue Account

Service	Month 3		Variance (+ adv / - fav)		
	Revised Budget	Forecast Outturn	Variance (As at Month 3)	Variance (As at Month 2)	Movement from Month 2
	£'000	£'000	£'000	£'000	£'000
Rent Income	(58,944)	(58,944)	0	0	0
Other Income	(5,528)	(5,575)	(47)	(47)	0
Net Income	(64,472)	(64,519)	(47)	(47)	0
Housing Management	15,203	15,347	144	21	123
Tenant Services	3,953	3,950	(3)	(2)	(1)
Repairs	5,654	6,166	512	0	512
Planned Maintenance	4,014	3,359	(655)	0	(655)
Capital Programme Funding	19,021	19,021	0	0	0
Interest & Investment Income	15,385	15,385	0	0	0
Development & Risk Contingency	1,260	1,260	0	0	0
Operating Costs	64,490	64,488	(2)	19	(21)
(Surplus) / Deficit	18	(31)	(49)	(28)	(21)
General Balance 01/04/2021	(15,201)	(15,201)	0	0	0
General Balance 31/03/2022	(15,183)	(15,232)	(49)	(28)	(21)

59. As at Month 3, the rental income is forecast to break even. Other income is forecast to have a favourable variance of £47k nil movement from Month 2.
60. The number of RTB applications received in the first three months of 2021/22 was 46 compared to 25 for the same period in 2020/21. There has been 7 RTB completions in the first three months of 2021/22 compared to 12 for the same period in 2020/21. The RTB applications, offers made to tenants and sales will be kept under review during the year. As at Month 3, the 2021/22 RTB sales forecast is 50, which is the same as the budget.
61. The housing management service is forecast to overspend by £144k as at Month 3 which is an adverse movement of £123k on Month 2 due increased forecasts relating to domestic violence £44k, ICT costs £47k, staffing £15k and running costs of £17k.
62. The repairs and planned maintenance budget totals £9,668k and as at Month 3 it is forecast to underspend by £143k. The repairs budget is forecast to overspend by £512k and this relates to cost and volume pressures on void repairs £200k, day to day repairs £80k,

materials contract £57k, repairs specialist consultancy advice £32k, and updated staffing forecast spends on repairs operatives £71k and voids management £72k.

63. The planned maintenance budget is forecast to underspend by £655k based on the current work and the lead in times to complete the work this financial year. The underspends relate to external decorations £250k, service contracts surveys and remedials £250k, subsidence £125k and fencing £30k. As at Month 3 the capital programme funding, interest and investment income and the development and risk contingency budgets are forecast to break even.

COVID-19 cost pressures on the HRA

64. HRA COVID-19 cost pressures identified to date and will be kept under review during the year. These pressures have not been included in the Month 3 forecast position for HRA revenue and total £189k.

HRA Capital Expenditure

65. The HRA capital programme is set out in the table below. The 2021/22 approved budget is £88,854k and forecast expenditure is £77,378k with a net variance of £11,476k of which £11,463k is due to re-phasing and £13k due to cost under spends. A summary position is included in Table 9 below, with a full breakdown in Appendix A3.

Table 9: HRA Capital Expenditure

	Approved Budget 2021/22	Forecast 2021/22	Cost Variance 2021/22	Project Re-Phasing 2021/22	Total Project Budget 2021-26	Total Project Forecast 2021-26	Total Project Variance 2021-26	Movement 2021-26
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cabinet Member Portfolio								
Property and Infrastructure	88,854	77,378	(13)	(11,463)	231,956	231,943	(13)	
Total HRA Capital Programme	88,854	77,378	(13)	(11,463)	231,956	231,943	(13)	

66. There is forecast re-phasing of £11,463k due mainly to several major projects remaining in early stages and expected to complete in future years.
67. Following a re-tendering process, a replacement contractor is expected to be appointed shortly for the six unit general needs housing development at Nelson Road, with construction works forecast to be completed in early 2022.
68. A cost under spend of £13k is forecast on the acquisition of flats at Abrook Court, 191 Harefield Road, Uxbridge with completion payment settled recently.
69. The five year 2021-26 Acquisitions and Internal Developments budget is £128,049k and is planned to be utilised for new residential developments, including new construction and acquisitions, and will support the regeneration of Hayes housing estates. The budget is partly financed by retained Right to Buy receipts.

70. The Works to Stock programme is in various stages of progress across various work streams. Remedial works at Packet Boat House are ongoing and are expected to be completed later this year.
71. Works are in progress across various workstreams for delivery of the re-phased remaining £3,650k Green Homes Grant Local Authority grant scheme to provide energy efficiency upgrades to low-income homes.

Treasury Management Update as at 30 June 2021

Table 10: Outstanding Deposits – Average Rate of Return 0.02%

Period	Actual (£m)	Actual (%)	Benchmark (%)
Call Accounts and MMF's*	30.9	53.93	70.00
Up to 1 Month Fixed-Term Deposits	11.4	19.89	
Total	42.3	73.82	70.00
Strategic Pooled Funds	15.0	26.18	30.00
Total	57.3	100.00	100.00

*Money Market Funds

72. Deposits are held with UK institutions, all of which hold a minimum A- Fitch (or lowest equivalent) long-term credit rating and AAA rated Money Market funds. UK deposits are currently held in NatWest Bank plc, Santander UK plc and the DMADF. There is also an allocation to Strategic Pooled Funds.
73. The average rate of return on day-to-day operational treasury balances is 0.02%. As part of the Council's investment strategy for 20/21, the Council continues to hold a total of £15m in three long-dated strategic pooled funds (£5m in each). The strategic pooled funds have a 3-5 year investment horizon with dividends being distributed periodically.
74. 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, which is needed to manage daily cashflow, it is not possible to fully protect Council funds from bail-in risk. At the end of June, 73% of the Council's day-to-day operational treasury investments had exposure to bail-in risk compared to a June benchmark average of 67% in the Local Authority sector (latest benchmark provided quarterly by the Council's treasury advisors Arlingclose). The Council's exposure reduces to 0% once instant access facilities are excluded from the total bail-in percentage.
75. Liquidity was maintained throughout May by placing surplus funds in instant access accounts and making short-term deposits with the DMADF. Cash-flow was managed by ensuring deposit maturities with the DMADF were matched to outflows and where required, funds were withdrawn from instant access facilities.

**Table 11: Outstanding Debt - Average Interest Rate on Debt: 3.25%
Average Interest Rate on Temporary Borrowing: 0.50%**

	Actual (£m)	Actual (%)
General Fund		
PWLB	43.93	14.08
Long-Term Market	15.00	4.81
Temporary	85.00	27.24
HRA		
PWLB	135.07	43.29
Long-Term Market	33.00	10.58
Total	312.00	100.00

76. During June a scheduled £0.33m PWLB EIP instalment payment was made and £15m of temporary borrowing was repaid. Although, gilt yields moved down during the month, with the Council's long-term borrowing need and with restrictive premiums, early repayment of debt remains unfeasible.
77. There were no breaches of the Prudential Indicators or non-compliance with the Treasury Management Policy and Practices.
78. To maintain liquidity for day-to-day business operations during June, cash balances will be placed in instant access accounts and short-term deposits.

APPENDIX A1 – MAJOR CAPITAL PROJECTS BY CABINET MEMBER PORTFOLIO

Prior Year Cost	Project	2021/22 Revised Budget	2021/22 Forecast	2021/22 Cost Variance	2021/22 Forecast Re-phasing	Total Project Budget 2021-2026	Total Project Forecast 2021-2026	Total Project Variance 2021-2026	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Environment, Housing and Regeneration										
97	Shopping Parades Initiative	1,230	547	0	(683)	2,815	2,815	0	2,075	455	285
8,469	Hayes Town Centre Improvements	1,155	1,155	0	0	1,155	1,155	0	299	0	856
2,028	Uxbridge Change of Heart	60	60	0	0	60	60	0	6	0	54
	Families, Education and Wellbeing										
20,279	Secondary Schools Expansions	3,442	3,442	0	0	6,852	6,852	0	6,852	0	0
0	Additional Temporary Classrooms	1,000	1,000	0	0	3,800	3,800	0	3,800	0	0
1,879	Schools SRP	2,066	2,441	0	375	5,943	5,943	0	0	5,943	0
16,388	New Primary Schools Expansions	12	12	0	0	12	12	0	12	0	0
0	Meadow School	240	240	0	0	240	240	0	240	0	0
	Property and Infrastructure										
1,374	New Yiewsley Leisure Centre	1,954	3,812	0	1,858	28,626	34,189	5,563	34,189	0	0
789	Hillingdon Outdoor Activity Centre	6,485	6,485	0	0	25,712	25,712	0	0	0	25,712
101	Cranford Park Heritage Lottery Project	2,395	1,028	0	(1,367)	2,649	2,649	0	315	1,716	618
0	New Museum	1,275	0	0	(1,275)	5,582	5,582	0	4,832	0	750
1,255	Yiewsley / West Drayton Community Centre	745	709	0	(36)	745	745	0	745	0	0
242	Uxbridge Mortuary Extension	1,666	1,666	0	0	1,666	1,666	0	1,666	0	0
276	Battle of Britain Underground Bunker	1,105	1,105	0	0	1,279	1,279	0	1,279	0	0
81	RAGC Expansion	1,103	100	0	(1,003)	1,332	1,332	0	1,332	0	0
16	1 & 2 Merrimans Housing Project	516	200	0	(316)	806	806	0	806	0	0
31	Uxbridge Cemetery Gatehouse	450	0	0	(450)	543	543	0	543	0	0
0	Uniter Building Refurbishment	350	0	0	(350)	370	370	0	370	0	0
0	Botwell Leisure Centre Football Pitch	200	0	0	(200)	200	200	0	200	0	0
10,142	Housing Company Financing	23,479	8,000	0	(15,479)	39,858	39,858	0	39,858	0	0
255	Yiewsley Site Development	1,246	200	0	(1,046)	15,966	15,966	0	15,966	0	0
0	Purchase of Uxbridge police station	5,000	5,000	0	0	5,000	5,000	0	5,000	0	0
0	Woodside Development	250	0	0	(250)	2,491	2,491	0	2,491	0	0

8	Refurbishment of Asha Day Centre	220	220	0	0	220	220	0	220	0	0
161	Battle of Britain Visitor Centre Enhancements	100	100	0	0	100	100	0	100	0	0
0	Battle of Britain Visitor Centre Car Park Improvements	135	0	0	(135)	150	150	0	150	0	0
2,556	Cedars & Grainges Car Park Improvement Works	115	115	0	0	115	115	0	115	0	0
0	Appropriation of Townfield to General Fund	100	100	0	0	100	100	0	100	0	0
66,427	Total Major Projects	58,094	37,737	0	(20,357)	154,387	159,950	5,563	123,561	8,114	28,275

APPENDIX A2 – CAPITAL PROGRAMMES OF WORKS BY CABINET MEMBER PORTFOLIO

Prior Year Cost	Project	2021/22 Revised Budget	2021/22 Forecast	2021/22 Cost Variance	2021/22 Forecast Re-phasing	Total Project Budget 2021-2026	Total Project Forecast 2021-2026	Total Project Variance 2021-2026	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
N/A	Finance										
N/A	Purchase of Vehicles	3,821	3,991	0	170	7,238	7,238	0	6,751	487	0
N/A	Equipment Capitalisation - General	612	0	(612)	0	3,060	0	(3,060)	0	0	0
	Public Safety and Transport										
N/A	Highways Structural Works	10,471	10,471	0	0	34,471	34,471	0	34,471	0	0
N/A	Street Lighting Replacement	720	720	0	0	1,604	1,604	0	1,604	0	0
N/A	Road Safety	228	228	0	0	708	708	0	708	0	0
N/A	Car Park Pay & Display Machines	35	35	0	0	35	35	0	35	0	0
N/A	CCTV Programme	568	568	0	0	1,068	1,068	0	1,068	0	0
N/A	HS2 Road Safety Fund	611	611	0	0	611	611	0	0	0	611
N/A	Transport for London	4,056	2,527	(871)	(658)	17,753	16,882	(871)	0	16,882	0
N/A	Emergency Active Travel	43	43	0	0	43	43	0	0	43	0
N/A	Highways Section 106 Projects	139	139	0	0	139	139	0	0	0	139
	Corporate Services and Transformation										
N/A	Corporate Technology and Innovation	1,372	1,258	(114)	0	4,828	4,258	(570)	4,258	0	0
N/A	Older People's Initiatives	200	200	0	0	1,000	1,000	0	1,000	0	0
	Environment, Housing & Regeneration										
N/A	Chrysalis Programme	1,613	1,613	0	0	5,613	5,613	0	5,613	0	0
N/A	Environmental/Recreational Initiatives	266	266	0	0	266	266	0	196	40	30
N/A	Green Spaces Section 106 Projects	88	88	0	0	88	88	0	0	0	88
N/A	PSRG / LPRG	62	62	0	0	262	262	0	262	0	0
N/A	Homeless Provision	40	40	0	0	40	40	0	0	40	0
N/A	Playground Replacement Programme	166	166	0	0	166	166	0	166	0	0
	Families, Education and Wellbeing										
N/A	Youth Provision	900	900	0	0	2,500	2,500	0	2,500	0	0
N/A	Devolved Capital to Schools	234	234	0	0	1,122	1,122	0	0	888	234
	Health and Social Care										
N/A	Equipment Capitalisation - Social Care	2,359	2,359	0	0	11,795	11,795	0	0	11,795	0

Prior Year Cost	Project	2021/22 Revised Budget	2021/22 Forecast	2021/22 Cost Variance	2021/22 Forecast Re-phasing	Total Project Budget 2021-2026	Total Project Forecast 2021-2026	Total Project Variance 2021-2026	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Property and Infrastructure										
N/A	Libraries Refurbishment Programme	468	468	0	0	468	468	0	468	0	0
N/A	Bowls Clubs Programme	125	125	0	0	125	125	0	125	0	0
N/A	Sports Clubs Rebuild / Refurbishments	600	600	0	0	3,000	3,000	0	3,000	0	0
N/A	Property Works Programme	2,541	2,541	0	0	7,149	7,149	0	7,124	25	0
N/A	Civic Centre Works Programme	1,928	1,928	0	0	4,344	4,344	0	4,344	0	0
N/A	Leisure Centre Refurbishment	2,404	2,404	0	0	3,059	3,059	0	3,059	0	0
N/A	School Building Condition Works	3,322	3,322	0	0	10,183	10,183	0	0	9,087	1,096
N/A	Harlington Road Depot Improvements	555	263	0	(292)	555	555	0	555	0	0
N/A	Disabled Facilities Grant	2,146	1,509	0	(637)	10,730	10,730	0	0	10,730	0
N/A	Schools Pollution Screening (ERI)	557	297	0	(260)	1,557	1,557	0	0	0	1,557
	Total Programme of Works	43,250	39,976	(1,597)	(1,677)	135,580	131,079	(4,501)	77,307	50,017	3,755

Appendix A3: HRA Capital Expenditure – Major Projects breakdown by scheme

Prior Years	Scheme	Units	2021/22 Total Revised Budget	2021/22 Forecast	2021/22 Cost Variance	Proposed Re-phasing	Total Project Budget 2021-2026	Total Project Forecast 2021-2026	Total Project Variance 2021-2026
£'000			£'000	£'000	£'000	£'000	£'000	£'000	£'000
6,895	Acol Crescent	33	374	374	0	0	374	374	0
321	Maple And Poplar	34	6,066	2,160	0	(3,906)	6,066	6,066	0
2,341	Willow Tree	10	490	490	0	0	602	602	0
73	34-44 Sullivan Crescent	6	643	337	0	(306)	943	943	0
864	Nelson Road	6	1,443	829	0	(614)	1,443	1,443	0
48	Petworth Gardens	9	1,533	50	0	(1,483)	3,095	3,095	0
45	113-127 Moorfield Road	5	982	865	0	(117)	1,081	1,081	0
422	Woodside Day Centre	20	4,396	618	0	(3,778)	4,896	4,896	0
14,641	Parkview	60	747	747	0	0	747	747	0
4,757	Acquisition Of Freehold Land At TCM House	28	4,314	3,882	0	(432)	4,314	4,314	0
556	Acquisition Of 2 Units At 191 Harefield Road	2	28	15	(13)	0	28	15	(13)
3,550	Acquisition of New Build Flats Park Road	9	186	186	0	0	186	186	0
n/a	Acquisitions and Internal Developments		39,253	39,253	0	0	128,049	128,049	0
34,513		222	60,455	49,806	(13)	(10,636)	151,824	151,811	(13)

PART B: FINANCIAL RECOMMENDATIONS

That the Cabinet:

- a. Note those consultancy and agency assignments over £50k approved under delegated authority between the July 2021 and September 2021 Cabinet meetings, detailed at Appendix A.
- b. Approve forward phasing of future years' funding of £2,920k allocated to Electrical Fire Safety within the Works to Stock programme into 2021/22 to accelerate electrical fire safety works into this year.
- c. Approve a virement of £24,826k from the 2021/22 Acquisition and Developments Budget to the following schemes: Hayes Estate Regeneration £3,743k, Hayes Estate Leaseholder Buy Backs £16,783k, Packet Boat House Buy Backs £2,300k, Loft Extensions £2,000k.
- d. Agree to allocate £16,613k of specific contingency budgets held centrally and reported under Development and Risk Contingency into the base budgets within specific Services Operating Budgets, so that these budgets reflect the full budgeted cost of operating these services.
- e. Agrees a proposed update to the Council's Fees & Charges schedule relating to the tipping of DIY waste at the New Years Green Lane Civic Amenity Site as set out in Appendix B.

Reasons for recommendation

79. **Recommendation 2a** notes consultancy and agency assignments approved by the Chief Executive under authority granted by Council on 20 May 2021. Appendix A reports back on use of this delegated authority since the previous Cabinet meeting.
80. **Recommendation 2b** approves the acceleration of the Electrical Fire Safety programme into 2021/22 will ensure rapid upgrading of existing non fire rated consumer units and fire detection systems within Council dwellings.
81. **Recommendation 2c** In June 2021, Cabinet approved proposals to move forward with the Hayes Town Centre and Avondale Drive Estates redevelopment. The scheme was approved to address issues of crime and antisocial behaviour, to achieve change to improve the quality and longevity of homes, to maximise opportunities to provide new high-quality housing, including affordable housing in the Borough and, to enhance place-making around Hayes town centre. This virement formalises budgets for this scheme and other planned schemes within HRA Major Projects.
82. **Recommendation 2d** approves the release of £16,613k of Corporately held contingency budgets into specific Service Operating Budgets so that the budget for these service areas reflects the budgeted level of spend required to deliver the service. These budgets reflect the Council's service areas that are significantly impacted by the level of demand in these areas. In the main, these budgets are no longer considered as being contingent as much of the £16,613k relates to prior years where demand is now known, with the remainder relating to new demand for 2021/22. £823k of general contingency will be retained outside of service budgets to cover any contingent pressures that may materialise over the remainder of the year.

83. **Recommendation 2e** Following a recent decision to reintroduce limitations on the level of DIY waste permitted to be disposed of free of charge at the New Years Green Lane Civic Amenity site (these were temporarily suspended in March 2020), it was observed that the Council's Fees & Charges schedule required clarification in relation to the differential charging structure for such waste. Appendix B sets out the detailed background to the recommendation, including the proposed revisions to the schedule.

Alternative options considered / risk management

84. There are no other options proposed for consideration.

PART B: APPENDIX A

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

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

Table 12: Consultancy and agency assignments

*The size of the consultancy firm supplying the agency staff

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000	Consultancy Size*
Finance							
Finance Assessment Officer	16/07/2018	19/07/2021	18/07/2022	109	36	145	Large
Environment, Education & Community Services							
Planning Enforcement Officers x2	01/07/2021	01/07/2021	30/06/2022	0	93	93	Large
Head of Development Management	02/04/2021	02/07/2021	01/10/2021	31	31	62	Large
Housing Regeneration Manager	09/12/2020	23/06/2021	15/09/2021	70	30	100	Large
Snr Environmental Health Officer/Practitioner	17/11/2020	14/06/2021	31/10/2021	64	42	106	Large
Principal Planner - Regen	06/01/2021	07/07/2021	06/10/2021	54	28	82	Large
Environmental Health Officer	05/04/2021	19/07/2021	08/11/2021	30	31	61	Large
Housing Allocations & Letting Assistant	06/07/2020	12/07/2021	10/10/2021	49	9	58	Large
Housing Options & Homeless Prevention Officers x2	17/02/2020	30/08/2021	28/11/2021	169	27	196	Large
Air Quality Officer	23/10/2017	25/07/2021	24/10/2021	147	10	157	Large
Education Project Manager	06/05/2018	29/07/2021	21/10/2021	395	28	423	Large
Infrastructure, Building Services & Transport							
Parking Support Officer	23/12/2019	19/07/2021	10/10/2021	62	9	71	Large
Parking Operations Manager	19/07/2017	19/07/2021	07/11/2021	282	25	307	Large

PART B: APPENDIX B

Proposed update to the Council's Fees & Charges schedule relating to the tipping of DIY waste at the New Years Green Lane Civic Amenity Site

DIY items are classified as construction waste, not household waste. Local authorities are not obliged to provide residents with a disposal site for non-household waste. However, many authorities recognise that householders carry out small DIY projects from time to time and need to dispose of the waste materials arising. The approach taken often involves limitations on the levels of DIY waste that can be disposed of free of charge at civic amenity sites, which minimises abuse from traders whilst providing a service to householders.

Until March 2020, disposal of DIY and building waste by Hillingdon residents at New Years Green Lane was restricted to a maximum of three small bags or a small boot-load. DIY waste above the allowance attracted the prevailing full trade rate. Following a complaint from a resident charged for depositing DIY waste above the allowance, charging for *any* DIY waste at the site was suspended temporarily. From early September 2021 the three bag/small boot-load restriction will be reintroduced, with the charging structure (based on the current trade waste pricing) for excess DIY waste as follows:

The following charges will apply for all DIY waste outside of the allowance for residents:

- mixed waste - £221 per tonne, with a minimum charge is £22.10 for up to 100kg
- recycled waste - £87 per tonne, with a minimum charge is £17.40 for up to 200kg

Whilst reference to the DIY volume allowance has continued to be advertised on the Council's website, it was observed that the Fees & Charges schedule was silent thereon and accordingly, it is recommended that a note is added to clarify the position. An extract from the current Fees & charges schedule pertaining to New Years Green Lane is shown below:

Table 1: Current Fees & charges schedule

Type of Fee / Charge	Type	Current Charge Residents £	Current Charge Non-Residents £	Vat Status	Proposed Charge Residents £	Increase %	Proposed Charge Non Residents £	Increase %	Date of last change to charge	Effective Date
Entry Charge	B	0.00	10.00	NB	0.00	0.00%	10.00	0.00%	01-Apr-10	
Charity Household or Reuse purposes Waste at CA Sites	B	Free	Free	NB	Free	0.00%	Free	0.00%	01-Feb-21	
Trade recyclables at CA sites (including charities')	B	82.00	82.00	NB	87.00	6.10%	87.00	6.10%	01-Apr-19	01-Apr-21
Trade waste at CA sites (including charities')	B	209.00	209.00	NB	221.00	5.74%	221.00	5.74%	01-Apr-20	01-Apr-21

The proposed extended extract is as follows, with the DIY charging structure shown in italics:

Table 2: Proposed Fees & charges schedule

Type of Fee / Charge	Type	Current Charge Residents £	Current Charge Non-Residents £	Vat Status	Proposed Charge Residents £	Increase %	Proposed Charge Non Residents £	Increase %	Date of last change to charge	Effective Date
Entry Charge	B	0.00	10.00	NB	0.00	0.00%	10.00	0.00%	01-Apr-10	
Charity Household or Reuse purposes Waste at CA Sites	B	Free	Free	NB	Free	0.00%	Free	0.00%	01-Feb-21	
Trade recyclables at CA sites (including charities')	B	82.00	82.00	NB	87.00	6.10%	87.00	6.10%	01-Apr-19	01-Apr-21
Trade waste at CA sites (including charities')	B	209.00	209.00	NB	221.00	5.74%	221.00	5.74%	01-Apr-20	01-Apr-21
<i>DIY recyclables at CA sites (up to allowance for residents of three small bags/one boot-load per day)</i>	<i>B</i>	<i>0.00</i>	<i>82.00</i>	<i>NB</i>	<i>0.00</i>	<i>0.00%</i>	<i>87.00</i>	<i>6.10%</i>	<i>01-Apr-19</i>	<i>01-Apr-21</i>
<i>DIY recyclables at CA sites (in excess of allowance for residents, with a minimum charge of £17.40 for up to 200kg)</i>	<i>B</i>	<i>82.00</i>	<i>82.00</i>	<i>NB</i>	<i>87.00</i>	<i>6.10%</i>	<i>87.00</i>	<i>6.10%</i>	<i>01-Apr-19</i>	<i>01-Apr-21</i>
<i>DIY mixed waste at CA sites (up to allowance for residents of three small bags/one boot-load per day)</i>	<i>B</i>	<i>0.00</i>	<i>209.00</i>	<i>NB</i>	<i>0.00</i>	<i>0.00%</i>	<i>221.00</i>	<i>5.74%</i>	<i>01-Apr-20</i>	<i>01-Apr-21</i>
<i>DIY mixed waste at CA sites (in excess of allowance for residents, with a minimum charge of £22.10 for up to 100kg)</i>	<i>B</i>	<i>209.00</i>	<i>209.00</i>	<i>NB</i>	<i>221.00</i>	<i>5.74%</i>	<i>221.00</i>	<i>5.74%</i>	<i>01-Apr-20</i>	<i>01-Apr-21</i>

SCHOOL CAPITAL PROGRAMME - UPDATE

Cabinet Member(s)	Councillor Susan O'Brien Councillor Jonathan Bianco
Cabinet Portfolio(s)	Cabinet Member for Families, Education & Wellbeing Cabinet Member for Property and Infrastructure
Officer Contact(s)	Bobby Finch, Infrastructure, Transport & Building 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	<i>Putting our Residents First, Our Built Environment; Our People; Financial Management</i> Investment in schools to adequately address the impact of the population increase within the London Borough of Hillingdon on existing school places. This project also forms part of the Hillingdon Improvement Programme.
Financial Cost	The revised budget and forecast expenditure on the existing Schools expansions capital programme from 2021-2026 is £16,847k. Including expenditure of £38,546k incurred in prior years, total investment on the existing programme amounts to £55,393k.
Relevant Select Committees	Corporate, Finance & Property Families, Health and Wellbeing
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. Delegates full authority to the appropriate Cabinet Members, in consultation with the Corporate Director of Infrastructure, Transport & Building Services, to make all necessary procurement and financial decisions, including the appointment of consultancies and the placing of building contracts for School Condition Programme.

Reasons for recommendation

School expansions will meet the changing need for school places in the Borough. Progressing the School Condition Programme will allow the necessary repair or replacement works to be progressed in 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.

Select Committee Comments

None at this stage.

SUPPORTING INFORMATION

1. PRIMARY SCHOOLS

School places forecast

The demand for primary places in Hillingdon rose for over ten years up to 2018, then stabilised and has fell slightly in 2020-21. In May 2021 census total primary rolls are 2% lower than in October 2019. This is after two years of volatility, seen across greater London as the economic impacts of Brexit and Covid have led families to leave London, and it is not yet clear if this is a new continuing trend or will stabilise or reverse. In some areas house sales have stalled and more households have no school age children.

Birth rates are now stable or falling, but there is still some migration of pupils into the Borough and new housing developments under construction. A few schools have experienced larger decreases, a few have had rising rolls and nearly half of all primary schools are full in every year group. Ideally there would be a few places in each school to enable parental choice and cope with new families moving in.

Officers are working closely with schools to meet residents demands and present options to reduce operational capacity in some instances to respond to changing demand from residents, whilst continuing to monitor the changing demand including movements across the Borough boundary.

2. SECONDARY SCHOOLS

School places forecast

The forecast for secondary school places shows a longer-term sustained demand for additional places. The secondary school's total capacity is far lower than the current primary total capacity and as of May 2021 each primary school year group capacity is higher than the available Year 7 capacity. By 2026 primary school reception intake is projected to have declined, but this will not reach Year 7 until 2032.

However, parents choose secondary places for reasons other than distance, including faith, single sex and perceived other qualities, and there is far more movement around, out and into the Borough. In addition, Ofsted rated Outstanding and Good schools attract families. This puts pressure on schools to stay and become popular, as the LA has no powers to force parents to accept an offer at a school. Officers regularly review and update the forecast for additional secondary school places, and for the past three years have agreed 4 extra classes of temporary places to meet parent demand across the Borough.

On National Offer Day for September 2021, as for the previous two years 15 of the 18 schools were immediately full:

- a) Offers to Hillingdon residents: 3,607 (including 505 to schools in other LAs). Hillingdon remains the top west London Borough with 94% of pupils gaining one of their preferred secondary school places, 67% gaining their first choice.
- b) Places offered in Hillingdon Schools: 3,647 (including 409 from other LAs).

Since 2018 there has been a net 'export' of pupils as more Hillingdon residents have chosen schools outside of this Borough (14% in 2021 with 12% of places filled by those coming into the Borough). Neighbouring local authorities have reported that they now have larger numbers moving up from primary and so distance criteria may mean fewer Hillingdon pupils will secure places in 2022 onwards. This could add a need for an extra 3 or 4 forms of entry for secondary schools in Hillingdon, meaning available places will be under pressure for a few years until planned new builds are complete. Parental preferences are still low for a few schools, adding pressure on places on some schools and potentially limiting parent choice in some areas of the Borough.

The year group moving up from primary to secondary schools in September 2022 will potentially be the largest yet (116 more than for September 2021). Information from neighbouring Local Authorities is being obtained on their capacity changes to help assess future capacity requirements. From September 2021, discussions will commence with our secondary schools to identify where potential temporary extra places could be added to meet likely high demand in 2022 and 2023.

Currently there are two projects to add permanent secondary places to meet demand for secondary school places. Both projects are being funded and managed by Department for Education (DfE):

- Expanding Harlington by 1.5 forms of entry (45 places) from 2023. This is part of the complete rebuilding of the school and library.
- A proposed new free school in the north of the Borough - a 6 form of entry Free School (180 places in each year group). This is subject to a thorough review of the need for the school, which will be reviewed by the DfE as part of their commissioning process. In terms of admissions there will be no faith admissions criteria with distance being the main criteria, though it is to be part of a Church of England Trust.

Both of these schools will also have new units for pupils with Autistic Spectrum Disorders (ASD) who would have some integration into mainstream and also specialist teaching and support.

Ruislip High School expansion

This was a Council led, 1 form of entry (30 places in each year group) expansion of Ruislip High School. The main construction works for the school expansion consisting of the new classroom block and adaptations to the existing school building expand Ruislip High School were completed in November 2020. The final account is under way with the contractor. The conditions works at the school were completed over the 2021 school summer holidays.

3. SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND)

Hedgewood Works – installing new modular classroom units and adaptation works

To meet unexpected demand this spring for more reception year special education need places, approval was sought to carry out works at Hedgewood to increase the overall school capacity by 34 places as well as adaptation works to provide additional personal care spaces.

The works commenced on 2 August 2021 and the personal care spaces will be completed by the start of the new school term in September 2021. The installation of the new modular classroom units which will be used to accommodate the additional pupils is scheduled to be completed by end of October 2021.

Development of proposals for Department for Education (DfE) SEND Provision Fund

There is an ongoing review of how and where to most effectively secure additional capacity to meet the needs of children and young people with specialist education needs. This activity is being aligned to utilise the DfE grants for SEND capital funding. Hillingdon was originally allocated £3,594k for the Special Provision Capital Fund and this includes £678k top up funding which was confirmed in May 2018. Then Hillingdon received a share of an additional top up, a further £1,356k bringing the overall total allocation to £4,950k.

The SEND Provision Capital Plan for the use of this was published on 31 May 2019. In April 2021 DfE issued a new grant, the High Needs Provision Capital Allocation out of which Hillingdon have been allocated £2,872k. This grant can be used provide more places, meet needs and reduce use of expensive independent provision to support a reduction of deficits (which Hillingdon along with most Local Authorities have due to increasing demands without related increased funding) on the High Needs Block of the Dedicated Schools Grant.

The completed works to date which utilised the grant funding are as follows:

- Expansion of Hedgewood Special School - 25 additional places (a further 34 as outlined in the section above);
- Expansion of Moorcroft Special School - 10 additional places;
- Creation of a low arousal/sensory breakout space at Uxbridge College - 30 Additional Places for post-16 students with ASD.

Further options are being investigated to find the most cost-effective use of the remaining grants to add places quickly to meet demand for special school places. This will include

providing extra places in existing schools, potentially creating spaces by moving some pupils onto a second site for one of them, repurposing vacant education spaces.

4. SCHOOLS CONDITION PROGRAMME

The current status of agreed projects in the School Condition Programme can be found in the table 1 below:

Table 1: School Condition Works Programme

School	Works	Status
Yeading Infant	Roof replacement works	Construction works on site
Field End Infant & Junior	Roof replacement works	Construction works on site
Whiteheath Junior	Roof replacement works	Construction works on site
Harmondsworth Primary	Fire Safety works and emergency lighting	Construction works on site
Coteford Infant	Structural remedial works	Construction works on site
Yeading Infant	Refurbishment of canteen building	Pre-construction stage
Grange Park Infants	Basement water ingress works	Pre-construction stage
Grange Park Junior	Toilet refurbishment & external lighting	Pre-construction stage
Frithwood Primary	Roof replacement works	Pre-construction stage

Future works

Officers have assessed requests received from schools for assistance with condition works required on their premises. Proposals are being presented to Members for consideration on potential projects that could be taken forward which will form future phases of the School Condition Programme.

Recommendation 2 seeks approval from Cabinet for delegated authority to approve projects to be included in School Condition Programme any future procurement and financial decisions on these projects. This will enable efficient decision-making for the programme.

5. OTHER SCHOOL PROJECTS

The DfE is directly managing and funding 6 projects under Priority School Building Programme Phase 2 (PSBP2) and a further 6 projects under the Free Schools Programme. These projects total a significant DfE investment and help ensure the Council as an education authority meets its statutory duty to provide sufficient places, and to promote high standards of education and fair access to education. These projects will add 240 new places, across primary, secondary and special; from the PSBP2 projects and 2,318 new places from Free Schools projects. Officers will continue to be involved in ongoing discussions with the DfE and schools around various aspects of the projects. Details of the projects are outlined below:

Priority Schools Building Programme Phase 2 (PSBP2)

Harlington Secondary School

The entire school, public library and adult education provision are to be rebuilt on the existing site with works due to be completed in 2023. The Council has agreed to contribute towards a 1.5FE expansion of the school and a new 15 place SRP for pupils with complex needs and autism. Planning permission has been approved and the details are being finalised for a start on site.

Meadow Special Secondary School

The existing two main buildings are being rebuilt and remodelled with improved facilities, but no extra classrooms. One building will be complete in September 2022 and the other for 2023.

Queensmead Secondary School

One block is being rebuilt to improve science, technical and engineering provision and remove reliance on inadequate temporary spaces. Planning consent was granted August 2020.

Douay Martyrs Secondary School

One block is being rebuilt to improve and reconfigure the provision and remove inadequate temporary spaces. The Music Service Store will be relocated within the new building. Work has begun on site.

Minet Infants and Junior Schools

Both of these schools will be completely remodelled to incorporate the accommodation currently being provided by several temporary modular classroom units. The roof, windows and mechanical systems will be replaced and the playground is to be reconfigured. Planning consent has been given for temporary buildings on the playing field to house each school whilst they are rebuilt one at a time. The planning application for the rebuild is scheduled to be submitted in October 2021.

Free Schools

Nanaksar Primary - Guru Nanak Sikh Academy Trust

A new 4FE primary school building with 840 places is being built on the Guru Nanak campus and will open to pupils in January 2022. Nanaksar school originally opened in modular temporary classroom units in 2013 at 4FE but only for two intakes as proposals for the new buildings were delayed. Reception reopened in 2020 and pupils are currently accommodated on the adjoining Guru Nanak school site.

New Special Primary School - Grand Union Village - Eden Academy Trust

This will be a new extra provision with 80 places to serve pupils with the most complex and severe needs in the south of the Borough. Planning consent was granted in August 2020.

New Secondary School - Bishop Arden in West Ruislip - Veritas Academy Trust (Bishop Ramsey)

The DfE approved one new 6FE school for north of the A40 and following failure over several years to find a suitable site north or south of the A40, in November 2020, Cabinet agreed to lease a site on the Ruislip golf course, currently closed as part of it is occupied by HS2, who will remodel and reinstate a nine-hole golf-course when they leave. The school will have open admissions criteria, based on distance, with no faith places. Subject to a review of need, planning permission and other approvals, the proposed opening date for the school is 2023 or 2024.

New Special School to replace Grangewood - Eden Academy Trust

DfE plan to demolish Grangewood School and build a new larger school, Pinn River School on the site. This will be an all through age 4-19+ school for pupils with severe learning difficulties, profound and complex needs and visual and other sensory Impairments. The planning application is due to be submitted in the next few months.

Young People's Academy Special Secondary School - Orchard Hill College Academy Trust

The Young People's Academy is being completely rebuilt and expanded with 52 extra places and will serve a broader spectrum of need including pupils with social emotional and mental health needs (SEMH) and linked autistic conditions. Planning approval in July 2020 and the contractor will be starting on site shortly.

The Skills Hub Alternative Provision Secondary Orchard Hill College Academy Trust

This is the only alternative provision in the Borough and current accommodation is unsuitable. It will be expanded to offer wider services to support pupils and schools and is being completely rebuilt adjacent to the new Young People's Academy. Work is underway and will be completed in early 2023.

FINANCIAL IMPLICATIONS

The current School Expansions Capital Programme revised budget is £55,393k for the period up to 2025/26 including prior years, comprising £16,400k for new primary school expansions and £27,131k for secondary school expansions. Additionally, £3,800k has been included within the programme for the provision of temporary classrooms as and when required. Further to this, £7,822k SEND grant budget (including prior years) has also been earmarked to support meeting the increasing demand for placements for pupils with special needs and £240k towards the provision for a larger dining hall at Meadow School.

As at month 3 the overall School Expansions Capital Programme is forecasting to break even over the medium term. Previously identified additional requirements for Secondary School places are expected to be delivered through a combination of installing bulge classes and the planned expansion of Harlington in the south and the new free school in the north to be delivered by the DfE. Within the secondary schools expansion programme, there is approved budget provision of £6,055k as the Council's contribution to the works at Harlington school.

In recent years the DfE has made £4,950k available to support improved SEND provision and expand places, from which £1,879k has been spent in prior years on several projects. In 2021/22, a new High Needs Provision Capacity Grant of £2,872k was awarded. Recently, an amount of £2,504k has been allocated from the total SEND budget towards the installation of modular classroom units at Hedgewood School for delivery this year.

The 2021/22 revised budget for the Schools Condition Building Programme is £3,322k. The funding will be utilised to deliver various schemes with some works continuing into next financial year.

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 in 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.

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 them carrying out their own consultation.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance have reviewed this report and associated financial implications, noting that budgeted investment in this programme is to be financed through a combination of Department for Education Grant and local resources. With the majority of local investment expected to be met from Prudential Borrowing and therefore ultimately chargeable to the local Council Taxpayer.

Specific investment in additional SEND capacity through expanding the Borough's SRP capacity will contribute towards the Council's broader efforts to manage the significant, unfunded pressure in High Needs expenditure within the Dedicated Schools Grant arising from the introduction of the 2014 Children's and Families Act. This forms part of the Deficit Recovery Plan jointly agreed by the Council and Schools Forum.

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.

Infrastructure / Asset Management

Asset Management authored this report.

BACKGROUND PAPERS

Previous Cabinet report updates on the School Capital Programme

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Agenda Item 9

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